



Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
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January 9, 2020

WEEKLY HIGHLIGHTS

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Short Line Railroads Get Renewed Tax Credits and New Express Loan Program

In December, Congress extended the short line railroad tax credit (45G) through 2022. Capped at \$3,500 per track mile annually, the credit grants an amount of 50 cents for each private dollar invested in qualified track maintenance and railroad infrastructure projects. The tax credit is expected to aid in deferred track maintenance for the short line rail industry. Also, a new Department of Transportation pilot program—the Rail Rehabilitation and Improvement Financing Express Program ([RRIF Express](#))—aims to reduce the time and costs associated with securing RRIF loans through lower rates, waived risk premiums, fee assistance, and expedited loan processing. Short line and regional railroads originate or terminate over 10 percent of the railed grain and soybean tonnage. For more information on short line agriculture transportation and assistance programs, see the [2018 cooperative research](#) between USDA and Kansas State University.

DOT Requests Information on the National Freight Strategic Plan

The Department of Transportation (DOT) [announced a request for information](#) from the public and stakeholders to guide the development of the National Freight Strategic Plan (NFSP). The plan includes 11 statutorily required components to address multimodal freight transportation. DOT is required to develop NFSP as part of the Fixing America's Surface Transportation (FAST) Act. Comments are sought by February 10, 2020.

Bulk Ocean Freight Rates Started Year 2020 With a Softer Tone

Ocean freight rates for shipping bulk grains fell during the first week of the year, compared to the previous week and the same period a year ago. As of January 2, the rate for shipping a metric ton (mt) of grain from the U.S. Gulf to Japan was \$45.75—2 percent less than the previous week and 3 percent less than the same period a year ago. The rate from the Pacific Northwest (PNW) to Japan was \$25 per mt—2 percent less than the previous week and unchanged from the same period last year. Historically, ocean freight rate markets change little during December and January because of the various holidays. Also, 29 oceangoing grain vessels were loaded during the week ending January 2, nearly as many as in the same week last year (30 vessels). Rate changes depend on many factors including the recently enforced International Maritime Organization regulations on low sulfur emission by oceangoing vessels and other trade issues.

Snapshots by Sector

Export Sales

For the week ending December 26, **unshipped balances** of wheat, corn, and soybeans totaled 23.3 mmt. This represented a 29-percent decrease in outstanding sales, compared to the same time last year. Net **corn export sales** reached 0.531 mmt, down 15 percent from the past week. Net **soybean export sales** were 0.330 mmt, down 55 percent from the previous week. Net weekly **wheat export sales** reached .313 mmt, down 56 percent from the previous week.

Rail

U.S. Class I railroads originated 15,524 **grain carloads** during the week ending December 28. This was a 28-percent decrease from the previous week, 16 percent less than last year, and 13 percent lower than the 3-year average.

Average January shuttle **secondary railcar** bids/offers (per car) were \$417 below tariff for the week ending January 2. This was \$54 less than last week and \$117 lower than this week last year. There were no non-shuttle bids/offers this week.

Barge

For the week ending January 4, **barge grain movements** totaled 528,627 tons. This was an 11-percent decrease from the previous week and 43 percent more than the same period last year.

For the week ending January 4, 353 grain barges **moved down river**—25 fewer than the previous week. There were 688 grain barges **unloaded in New Orleans**, 17 percent more than the previous week.

Ocean

For the week ending January 2, 29 **oceangoing grain vessels** were loaded in the Gulf—3.3 percent fewer than the same period last year. Within the next 10 days (starting January 3), 44 vessels were expected to be loaded—15.4 percent fewer than the same period last year.

As of January 2, the rate for shipping a metric ton (mt) of grain from the U.S. Gulf to Japan was \$45.75. The rate from PNW to Japan was \$25.00 per mt.

Fuel

For the week ending January 6, the U.S. average **diesel fuel price** increased 1 cent from the previous week to \$3.079 per gallon, 6.6 cents above the same week last year.

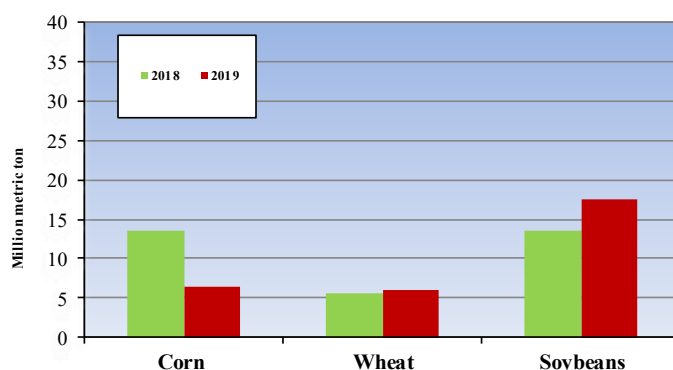
Feature Article/Calendar

Fourth-Quarter Grain Inspections Below 2018, but Soybeans Rebounded

According to USDA's Federal Grain Inspection Service (FGIS), fourth-quarter inspections of grain (wheat, corn, and soybeans) shipped from major U.S. ports in 2019 reached 30 million metric tons (mmt) (fig. 1). Fourth-quarter grain inspections were 9 percent below the same period in 2018 and 25 percent below the 5-year average. Soybean exports rebounded from 2018, with China importing a major share of U.S. soybean exports. Wheat inspections continued to increase during the fourth quarter as a result of low supplies in Russia and other competing countries, but inspections of corn decreased significantly from 2018. Transportation demand during the fourth quarter started to recover from the late harvest but was not as strong as usual during this period.

Fourth-quarter grain inspections in the U.S. Gulf reached 16.9 mmt, down 9 percent from the same time in 2018 and 27 percent below the 5-year average (see fig. 1). Marking the second-lowest levels recorded since 1995, U.S. Gulf corn inspections dropped 44 percent from 2018, partly because of farmers' reluctance to sell their corn at low prices, and partly because of weather-related delays during harvest. Soybean inspections in the U.S. Gulf increased 19 percent from 2018, mainly owing to a rebound in shipments to Asia. Wheat inspections in the U.S. Gulf were down 15 percent during the quarter. Fourth-quarter rail deliveries of grain to U.S. Gulf ports increased slightly from 2018, and barge grain movements on the Mississippi River to the U.S. Gulf increased more than 5 percent. Fourth-quarter ocean freight rates for shipping grain through the Gulf were down slightly from the third quarter of 2019 and the fourth quarter of 2018, as vessel activity slowed.

Figure 2: Fourth quarter grain inspections, by type



Source: USDA Federal Grain Inspection Service

Pacific Northwest (PNW) grain inspections decreased 10 percent to 7.8 mmt during the fourth quarter and were 30 percent below the 5-year average. Fourth-quarter PNW corn inspections decreased 97 percent to .131 mmt from the same period in 2018. This marked the lowest decrease on record for corn—a drop precipitated by increased export competition and slowed demand for corn in response to low corn prices. In contrast, PNW soybean inspections

rebounded, increasing 326 percent, as shipments to China and other Asian destinations increased from 2018. PNW fourth-quarter wheat inspections reached 3.5 mmt, up slightly from 2018. Fourth-quarter rail deliveries of grain to PNW ports were down 6 percent from 2018. Also, PNW ocean freight rates were below 2018 because of low vessel activity during the holiday (See highlight page).

Grain inspections in the Atlantic-Great Lakes region reached 1.4 mmt, up 12 percent from fourth-quarter 2018 inspections but 35 percent below the 5-year average. Corn inspections in the region decreased from 2018 mainly because of less demand from Africa and Canada, while soybean inspections in the region dropped primarily because of lower shipments to Europe and Asia. Wheat inspections increased 61 percent from 2018 because of more shipments to Latin America and Europe.

Interior grain inspections reached a record 4.5 mmt, up 11 percent from 2018 and 22 percent above the 5-year average. Interior wheat inspections increased 36 percent as shipments to Mexico increased. Interior inspections of corn were up 7 percent from 2018, but soybean inspections increased 10 percent for the same period.

Soybean and Wheat Inspections Up; Corn Down Significantly

Fourth-quarter soybean inspections increased 29 percent from 2018, as Chinese imports increased substantially and other importers increased purchases (fig. 2). Inspections of China-bound soybeans accounted for over 45 percent of total U.S. soybean inspections and over 66 percent of U.S. soybeans destined to Asia.

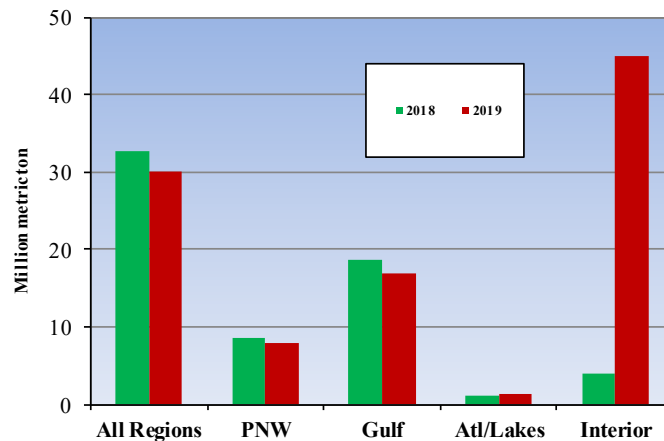
U.S. Gulf soybean inspections increased 19 percent from 2018 to 11.3 mmt, but were 27 percent below average. Fourth-quarter PNW soybean inspections totaled 4.1 mmt, up significantly as shipments to Asia rebounded. Fourth quarter Atlantic-Great Lakes soybean inspections totaled .364 mmt, down 37 percent from 2018 and 77 percent below the 5-year average. Interior soybean inspections reached 1.8 mmt, up 10 percent from last year and 11 percent above the 5-year average. According to USDA's *World Agricultural Supply and Demand Estimates (WASDE)* report, the December projection for U.S. soybean exports for the 2019/20 marketing year is up 2 percent from 2018/19.

Fourth-quarter corn inspections dropped 52 percent from the same period in 2018 and were 31 percent below the 5-year

average (fig. 2). PNW corn inspections were down notably from 2018. U.S. Gulf corn inspections reached 4.2 mmt, down 44 percent from 2018 and 31 percent below the 5-year average. Atlantic-Great Lakes corn inspections reached .014 mmt, down 59 percent from 2018 and the lowest since 2012. Fourth-quarter interior corn inspections totaled 2.2 mmt, up moderately from 2018. Total U.S. corn exports are projected to decrease 10 percent for the 2019/20 marketing year, according to *WASDE*.

Fourth-quarter wheat inspections reached 6 mmt, up 4 percent from 2018 and 16 percent above the 5-year average (see fig. 2). Gulf wheat inspections reached 1.4 mmt, down 15 percent from 2018 and 19 percent below average. PNW wheat inspections reached 3.5 mmt, up 2 percent from 2018 and 40 percent above the 5-year average. Fourth-quarter Atlantic-Great Lakes wheat inspections increased .992 mmt, up 61 percent from 2018 and the highest since 2007. Interior wheat inspections totaled .491 mmt, up 36 percent from the same period in 2018. The December *WASDE* estimates report projects total U.S. wheat exports to increase 4 percent for the 2019/20 marketing year. Johnny.Hill@usda.gov

Figure 1: Fourth quarter grain inspections, by region



Source: USDA Federal Grain Inspection Service

Grain Transportation Indicators

Table 1

Grain transport cost indicators¹

For the week ending	Truck	Rail		Barge	Ocean	
		Unit train	Shuttle		Gulf	Pacific
01/08/20	207	n/a	208	172	205	177
01/01/20	206	n/a	210	175	n/a	n/a

¹Indicator: Base year 2000 = 100. Weekly updates include truck = diesel (\$/gallon); rail = near-month secondary rail market bid and monthly tariff rate with fuel surcharge (\$/car); barge = Illinois River barge rate (index = percent of tariff rate); ocean = routes to Japan (\$/metric ton); n/a = not available.

Source: USDA, Agricultural Marketing Service.

Table 2

Market Update: U.S. origins to export position price spreads (\$/bushel)

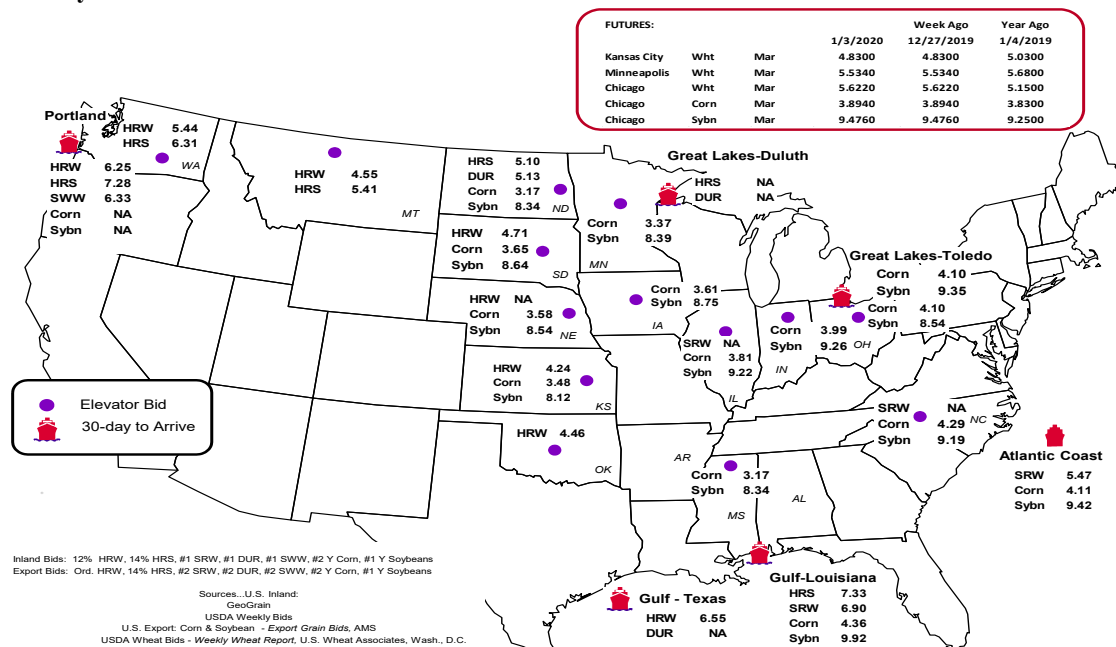
Commodity	Origin-destination	1/3/2020	12/27/2019
Corn	IL-Gulf	-0.55	-0.48
Corn	NE-Gulf	-0.78	-0.68
Soybean	IA-Gulf	-1.17	-1.26
HRW	KS-Gulf	-2.31	n/a
HRS	ND-Portland	-2.18	n/a

Note: nq = no quote; n/a = not available; HRW = hard red winter wheat; HRS = hard red spring wheat.

Source: USDA, Agricultural Marketing Service.

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain bid summary



Rail Transportation

Table 3
Rail deliveries to port (carloads)¹

For the week ending	Mississippi		Pacific	Atlantic &	Total	Week ending	Cross-border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
1/01/2020 ^P	117	191	3,822	256	4,386	12/28/2019	2,307
12/25/2019 ^F	433	134	3,161	97	3,825	12/21/2019	2,662
2020 YTD ^F	117	191	3,822	256	4,386	2019 YTD	127,326
2019 YTD ^F	343	1,067	3,374	86	4,870	2018 YTD	129,116
2020 YTD as % of 2019 YTD	34	18	113	298	90	% change YTD	99
Last 4 weeks as % of 2019 ²	407	42	79	57	78	Last 4wks. % 2018	111
Last 4 weeks as % of 4-year avg. ²	108	26	74	37	65	Last 4wks. % 4 yr.	135
Total 2019	40,974	50,739	251,181	16,192	359,086	Total 2018	129,116
Total 2018	22,118	46,532	310,449	21,432	400,531	Total 2017	119,661

¹Data is incomplete as it is voluntarily provided.

² Compared with same 4-weeks in 2019 and prior 4-year average.

³ Cross-border weekly data is approximately 15 percent below the Association of American Railroads' reported weekly carloads received by Mexican railroads to reflect switching between Kansas City Southern de Mexico (KCSM) and Grupo Mexico.

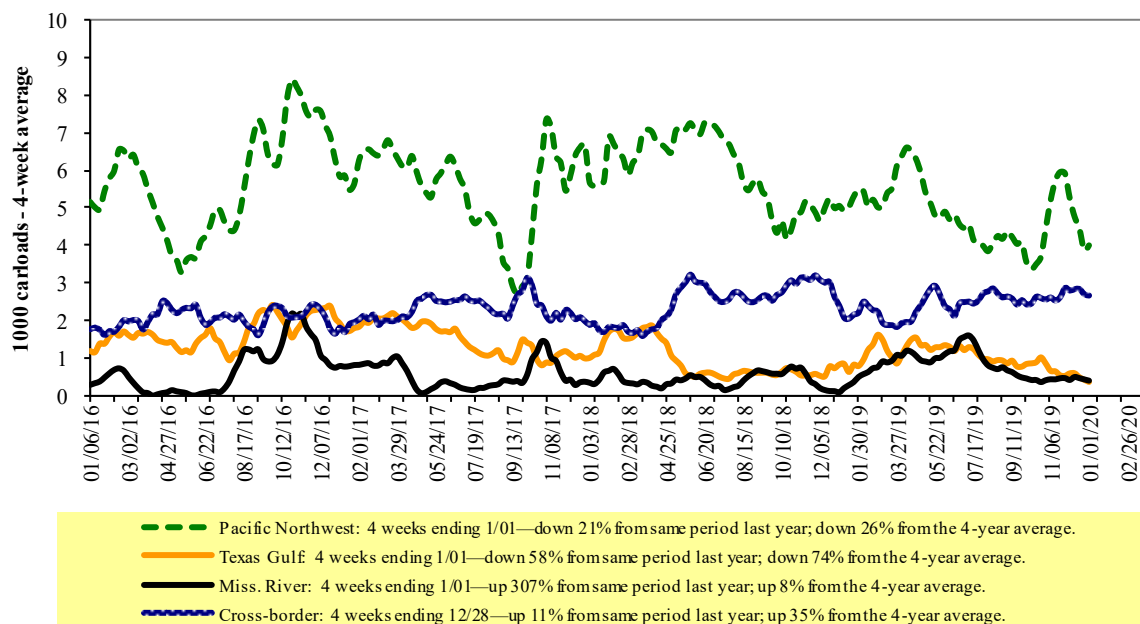
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available; wks. = weeks; avg. = average.

Source: USDA, Agricultural Marketing Service.

Railroads originate approximately 24 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail deliveries to port



Source: USDA, Agricultural Marketing Service.

Table 4

Class I rail carrier grain car bulletin (grain carloads originated)

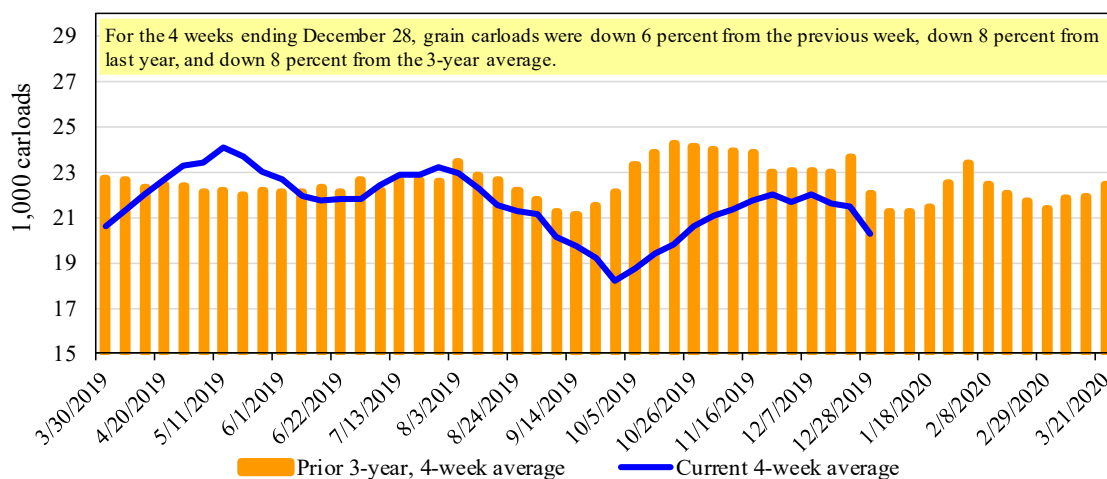
For the week ending: 12/28/2019	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	992	1,849	7,764	638	4,281	15,524	2,700	3,127
This week last year	1,437	2,687	10,082	535	3,743	18,484	4,141	3,770
2019 YTD	91,611	137,190	568,369	58,527	260,269	1,115,966	212,683	235,892
2018 YTD	98,978	133,193	635,458	48,638	267,713	1,183,980	211,537	244,697
2019 YTD as % of 2018 YTD	93	103	89	120	97	94	101	96
Last 4 weeks as % of 2018*	97	87	89	105	98	92	108	102
Last 4 weeks as % of 3-yr. avg.**	85	90	93	112	89	92	116	102
Total 2018	98,978	133,193	635,458	48,638	267,713	1,183,980	211,537	244,697

*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**The past 4 weeks as a percent of the same period from the prior 3-year average. YTD = year-to-date; avg. = average; yr. = year.

Source: Association of American Railroads.

Figure 3

Total weekly U.S. Class I railroad grain carloads

Source: Association of American Railroads.

Table 5

Railcar auction offerings¹ (\$/car)²

For the week ending: 1/2/2020		Delivery period							
		Jan-20	Jan-19	Feb-20	Feb-19	Mar-20	Mar-19	Apr-20	Apr-19
BNSF ³	COT grain units	n/a	no bids	n/a	no bids	n/a	no bids	n/a	no bids
	COT grain single-car	n/a	17	n/a	6	n/a	0	n/a	0
UP ⁴	GCAS/Region 1	no bid	no offer	no offer	no offer	no offer	no offer	n/a	n/a
	GCAS/Region 2	no bid	no offer	no bid	no offer	no bid	no offer	n/a	n/a

¹ Auction offerings are for single-car and unit train shipments only.

² Average premium/discount to tariff, last auction. n/a = not available.

³ BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

⁴ UP - GCAS = Grain Car Allocation System.

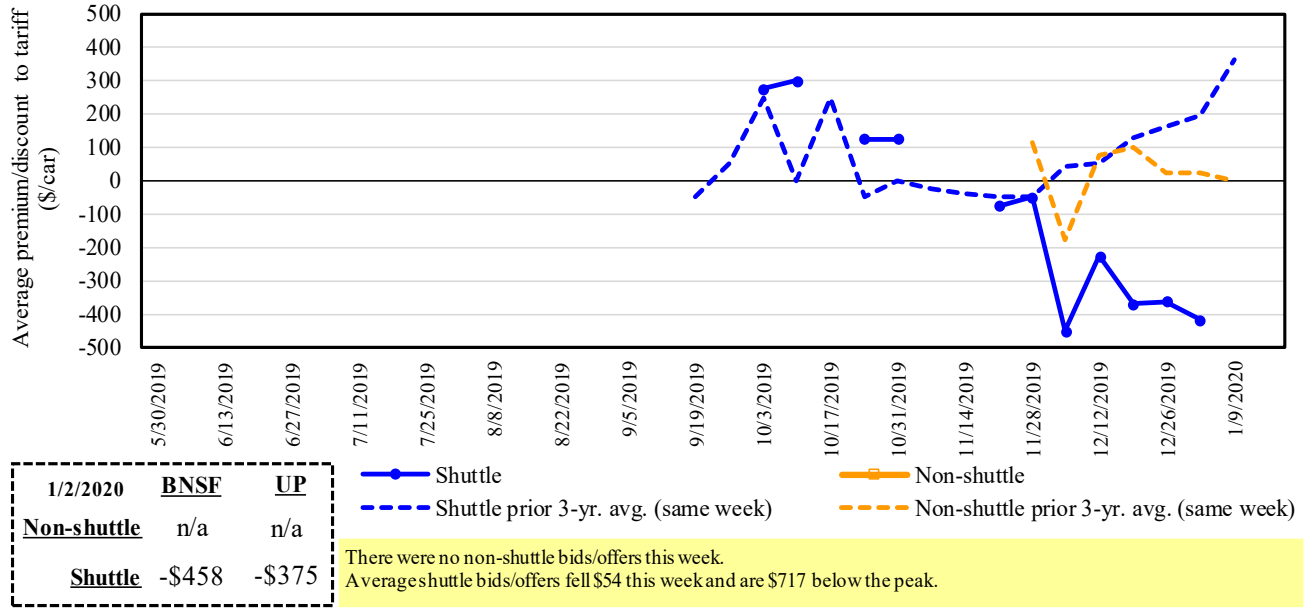
Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

Source: USDA, Agricultural Marketing Service.

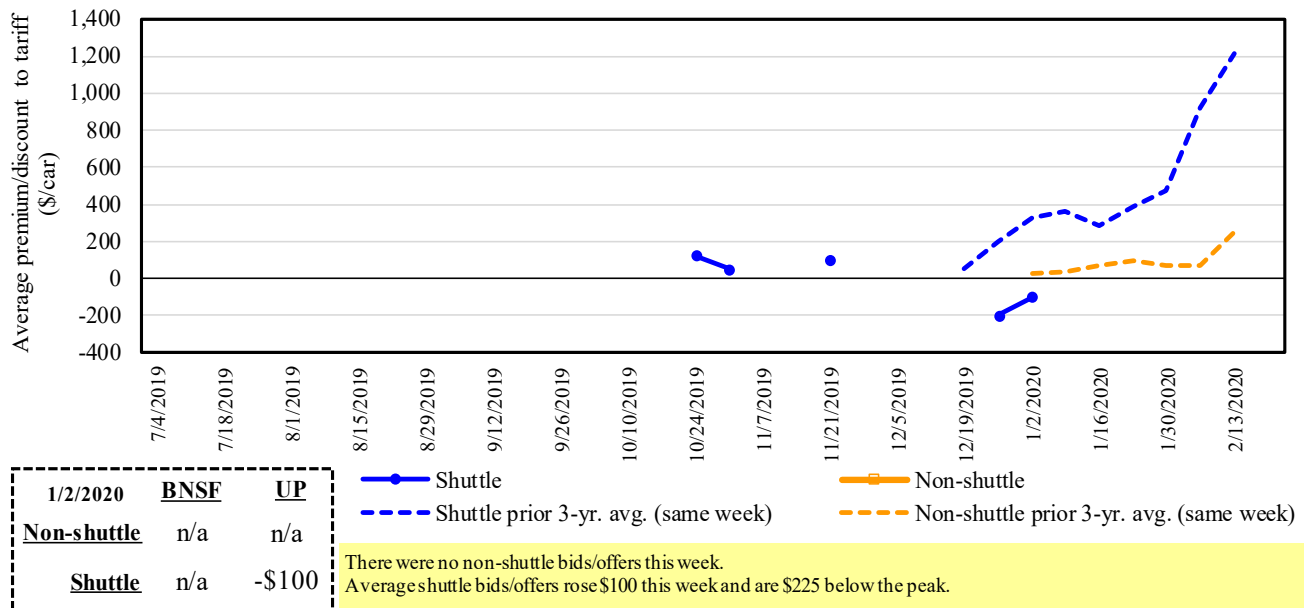
The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4
Bids/offers for railcars to be delivered in January 2020, secondary market



Note: Non-shuttle bids include unit-train and single-car bids. n/a = not available; avg. = average; yr. = year.
 Source: USDA, Agricultural Marketing Service.

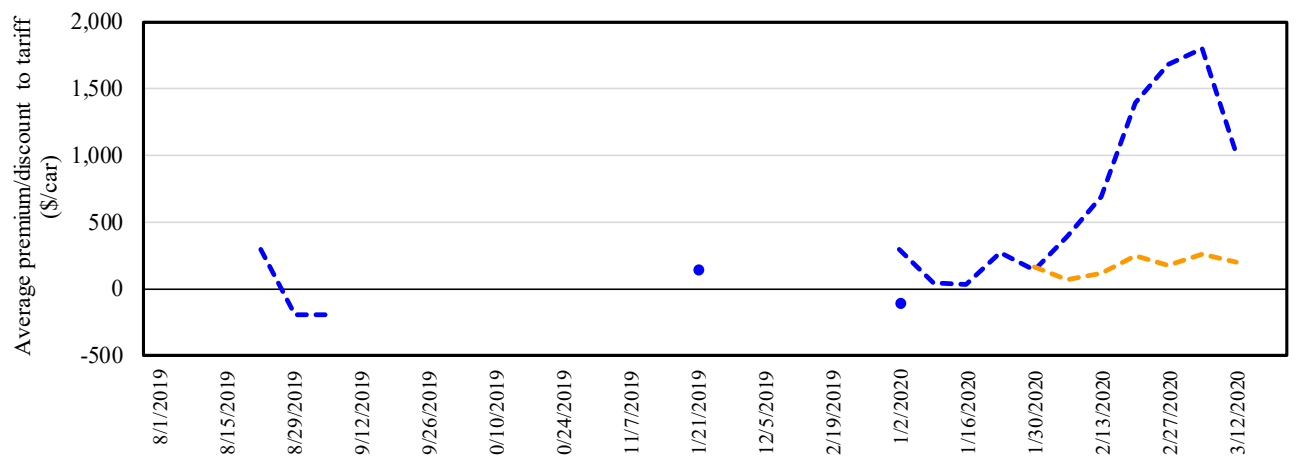
Figure 5
Bids/offers for railcars to be delivered in February 2020, secondary market



Note: Non-shuttle bids include unit-train and single-car bids. n/a = not available; avg. = average; yr. = year.
 Source: USDA, Agricultural Marketing Service.

Figure 6

Bids/offers for railcars to be delivered in March 2020, secondary market



1/2/2020	BNSF	UP		
Non-shuttle	n/a	n/a		
Shuttle	n/a	-\$100		

—●— Shuttle
- - - Shuttle prior 3-yr. avg. (same week)
—■— Non-shuttle
- - - Non-shuttle prior 3-yr. avg. (same week)

There were no non-shuttle bids/offers this week.
 There were no shuttle bids/offers last week. A verage non-shuttle bids/offers this week are \$250 below the peak.

Note: Non-shuttle bids include unit-train and single-car bids. n/a = not available; avg. = average; yr. = year.
 Source: USDA, Agricultural Marketing Service.

Table 6

Weekly secondary railcar market (\$/car)¹

For the week ending:		Delivery period					
		Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Non-shuttle	1/2/2020						
	BNSF-GF	n/a	n/a	n/a	n/a	n/a	n/a
	Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
	Change from same week 2019	n/a	n/a	n/a	n/a	n/a	n/a
	UP-Pool	n/a	n/a	n/a	n/a	n/a	n/a
	Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2019	n/a	n/a	n/a	n/a	n/a	n/a	
Shuttle	BNSF-GF	(458)	n/a	n/a	n/a	n/a	n/a
	Change from last week	(108)	n/a	n/a	n/a	n/a	n/a
	Change from same week 2019	(308)	n/a	n/a	n/a	n/a	n/a
	UP-Pool	(375)	(100)	(100)	n/a	n/a	n/a
	Change from last week	0	100	n/a	n/a	n/a	n/a
	Change from same week 2019	75	50	n/a	n/a	n/a	n/a

¹ Average premium/discount to tariff, \$/car-last week.

Note: Bids listed are market indicators only and are not guaranteed prices. n/a = not available; GF = guaranteed freight; Pool = guaranteed pool.

Data from James B. Joiner Co., Tradewest Brokerage Co.

Source: USDA, Agricultural Marketing Service.

The **tariff rail rate** is the base price of freight rail service and—together with **fuel surcharges** and any **auction and secondary rail** values—constitute the full cost of shipping by rail. Typically, auction and secondary rail values are a small fraction of the full cost of shipping by rail relative to the tariff rate. High auction and secondary rail values, during times of high rail demand or short supply, can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

Tariff rail rates for unit and shuttle train shipments¹

January 2020	Origin region ³	Destination region ³	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ⁴
					metric ton	bushel ²	
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,983	\$101	\$40.56	\$1.10	-1
	Grand Forks, ND	Duluth-Superior, MN	\$4,333	\$0	\$43.03	\$1.17	2
	Wichita, KS	Los Angeles, CA	\$7,240	\$0	\$71.90	\$1.96	1
	Wichita, KS	New Orleans, LA	\$4,525	\$178	\$46.70	\$1.27	-1
	Sioux Falls, SD	Galveston-Houston, TX	\$6,976	\$0	\$69.28	\$1.89	1
	Northwest KS	Galveston-Houston, TX	\$4,801	\$195	\$49.61	\$1.35	-1
	Amarillo, TX	Los Angeles, CA	\$5,121	\$271	\$53.55	\$1.46	-1
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,900	\$201	\$40.73	\$1.03	-4
	Toledo, OH	Raleigh, NC	\$6,816	\$0	\$67.69	\$1.72	4
	Des Moines, IA	Davenport, IA	\$2,415	\$43	\$24.41	\$0.62	6
	Indianapolis, IN	Atlanta, GA	\$5,818	\$0	\$57.78	\$1.47	3
	Indianapolis, IN	Knoxville, TN	\$4,874	\$0	\$48.40	\$1.23	4
	Des Moines, IA	Little Rock, AR	\$3,800	\$125	\$38.98	\$0.99	-2
	Des Moines, IA	Los Angeles, CA	\$5,680	\$365	\$60.03	\$1.52	-2
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,631	\$194	\$37.98	\$1.03	-13
	Toledo, OH	Huntsville, AL	\$5,630	\$0	\$55.91	\$1.52	3
	Indianapolis, IN	Raleigh, NC	\$6,932	\$0	\$68.84	\$1.87	3
	Indianapolis, IN	Huntsville, AL	\$5,107	\$0	\$50.71	\$1.38	3
	Champaign-Urbana, IL	New Orleans, LA	\$4,645	\$201	\$48.13	\$1.31	-3
Shuttle train							
Wheat	Great Falls, MT	Portland, OR	\$4,143	\$0	\$41.14	\$1.12	2
	Wichita, KS	Galveston-Houston, TX	\$4,361	\$0	\$43.31	\$1.18	2
	Chicago, IL	Albany, NY	\$7,074	\$0	\$70.25	\$1.91	20
	Grand Forks, ND	Portland, OR	\$5,801	\$0	\$57.61	\$1.57	1
	Grand Forks, ND	Galveston-Houston, TX	\$6,121	\$0	\$60.78	\$1.65	1
	Northwest KS	Portland, OR	\$6,012	\$320	\$62.88	\$1.71	0
	Minneapolis, MN	Portland, OR	\$5,180	\$0	\$51.44	\$1.31	0
Corn	Sioux Falls, SD	Tacoma, WA	\$5,140	\$0	\$51.04	\$1.30	0
	Champaign-Urbana, IL	New Orleans, LA	\$3,820	\$201	\$39.93	\$1.01	-1
	Lincoln, NE	Galveston-Houston, TX	\$3,880	\$0	\$38.53	\$0.98	0
	Des Moines, IA	Amarillo, TX	\$4,220	\$157	\$43.47	\$1.10	3
	Minneapolis, MN	Tacoma, WA	\$5,180	\$0	\$51.44	\$1.31	0
	Council Bluffs, IA	Stockton, CA	\$5,000	\$0	\$49.65	\$1.26	0
	Sioux Falls, SD	Tacoma, WA	\$5,850	\$0	\$58.09	\$1.58	2
Soybeans	Minneapolis, MN	Portland, OR	\$5,900	\$0	\$58.59	\$1.59	2
	Fargo, ND	Tacoma, WA	\$5,750	\$0	\$57.10	\$1.55	2
	Council Bluffs, IA	New Orleans, LA	\$4,875	\$232	\$50.71	\$1.38	1
	Toledo, OH	Huntsville, AL	\$4,805	\$0	\$47.72	\$1.30	4
	Grand Island, NE	Portland, OR	\$5,860	\$327	\$61.44	\$1.67	1

¹A unit train refers to shipments of at least 25 cars. Shuttle train rates are generally available for qualified shipments of

75-120 cars that meet railroad efficiency requirements.

²Approximate load per car = 111 short tons (100.7 metric tons): corn 56 pounds per bushel (lbs/bu), wheat and soybeans 60 lbs/bu.

³Regional economic areas are defined by the Bureau of Economic Analysis (BEA).

⁴Percentage change year over year (Y/Y) calculated using tariff rate plus fuel surcharge.

Source: BNSF Railway, Canadian National Railway, CSX Transportation, and Union Pacific Railroad.

Table 8

Tariff rail rates for U.S. bulk grain shipments to Mexico

Date: January 2020			Fuel				Percent	
Commodity	Origin state	Destination region	Tariff rate/car ¹	surcharge per car ²	Tariff plus surcharge per:	metric ton ³	bushe ³	change ⁴ Y/Y
Wheat	MT	Chihuahua, CI	\$7,509	\$0	\$76.72	\$2.09		3
	OK	Cuautitlan, EM	\$6,775	\$139	\$70.65	\$1.92		0
	KS	Guadalajara, JA	\$7,534	\$633	\$83.44	\$2.27		5
	TX	Salinas Victoria, NL	\$4,329	\$85	\$45.10	\$1.23		0
Corn	IA	Guadalajara, JA	\$8,902	\$542	\$96.49	\$2.45		6
	SD	Celaya, GJ	\$8,140	\$0	\$83.17	\$2.11		3
	NE	Queretaro, QA	\$8,278	\$291	\$87.56	\$2.22		0
	SD	Salinas Victoria, NL	\$6,905	\$0	\$70.55	\$1.79		0
	MO	Tlahnepantla, EM	\$7,643	\$284	\$80.99	\$2.06		0
	SD	Torreón, CU	\$7,690	\$0	\$78.57	\$1.99		3
Soybeans	MO	Bojay (Tula), HG	\$8,547	\$506	\$92.49	\$2.51		5
	NE	Guadalajara, JA	\$9,172	\$529	\$99.11	\$2.69		5
	IA	El Castillo, JA	\$9,490	\$0	\$96.97	\$2.64		4
	KS	Torreón, CU	\$7,964	\$366	\$85.10	\$2.31		4
Sorghum	NE	Celaya, GJ	\$7,772	\$479	\$84.31	\$2.14		5
	KS	Queretaro, QA	\$8,108	\$174	\$84.62	\$2.15		1
	NE	Salinas Victoria, NL	\$6,713	\$140	\$70.01	\$1.78		1
	NE	Torreón, CU	\$7,157	\$339	\$76.59	\$1.94		4

¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75-110 cars that meet railroad efficiency requirements.

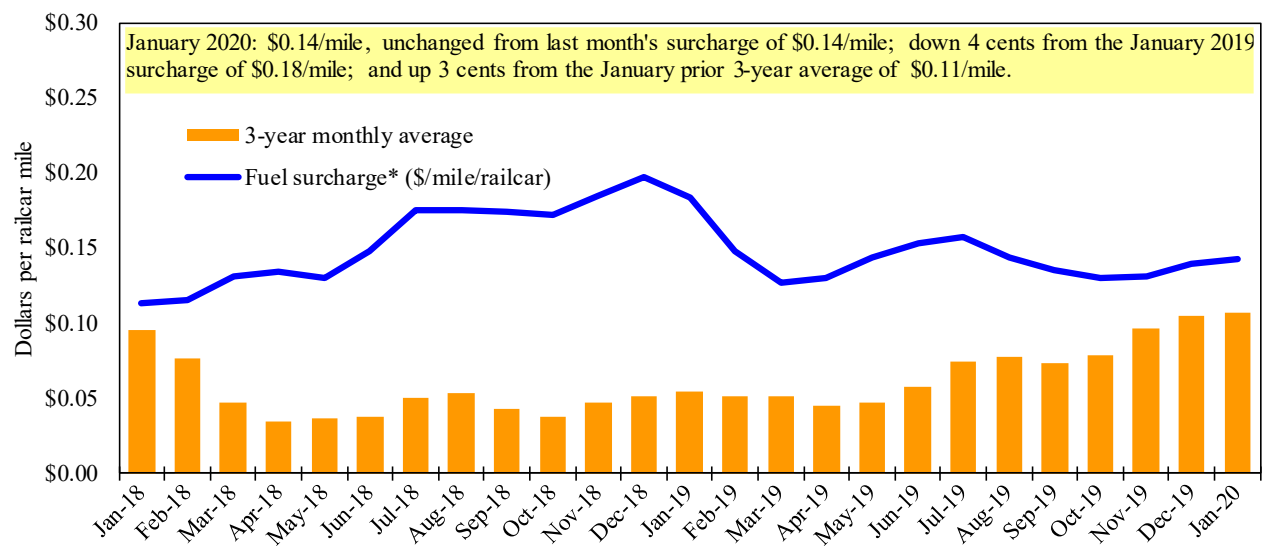
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009.

³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu.

⁴Percentage change calculated using tariff rate plus fuel surcharge; Y/Y = year over year.

Sources: BNSF Railway, Union Pacific Railroad, Kansas City Southern.

Figure 7

Railroad fuel surcharges, North American weighted average¹

¹ Weighted by each Class I railroad's proportion of grain traffic for the prior year.

* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

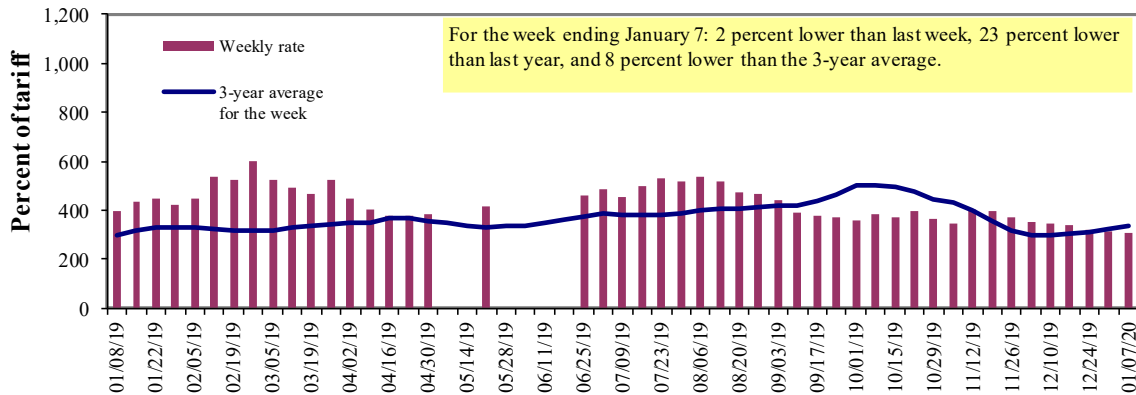
**CSX strike price changed from \$2.00/gal. to \$3.75/gal. starting January 1, 2015.

Sources: BNSF Railway, Canadian National Railway, CSX Transportation, Canadian Pacific, Union Pacific Railroad, Kansas City Southern, Norfolk Southern Corp.

Barge Transportation

Figure 8

Illinois River barge freight rate^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.

Source: USDA, Agricultural Marketing Service.

Table 9

Weekly barge freight rates: Southbound only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate ¹	1/7/2020	-	-	310	219	237	237	212
	12/31/2019	-	-	315	221	243	243	210
\$/ton	1/7/2020	-	-	14.38	8.74	11.12	9.57	6.66
	12/31/2019	-	-	14.62	8.82	11.40	9.82	6.59
Current week % change from the same week:								
	Last year	-	-	-23	-35	-39	-39	-31
	3-year avg. ²	-	-	-8	-11	-18	-18	0
Rate ¹	February	-	-	339	232	242	242	220
	April	389	363	346	241	242	242	223

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; "-" not available due to closure

Source: USDA, Agricultural Marketing Service.

Figure 9 Benchmark tariff rates

Calculating barge rate per ton:
(Rate * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map.

Map Credit: USDA, Agricultural Marketing Service

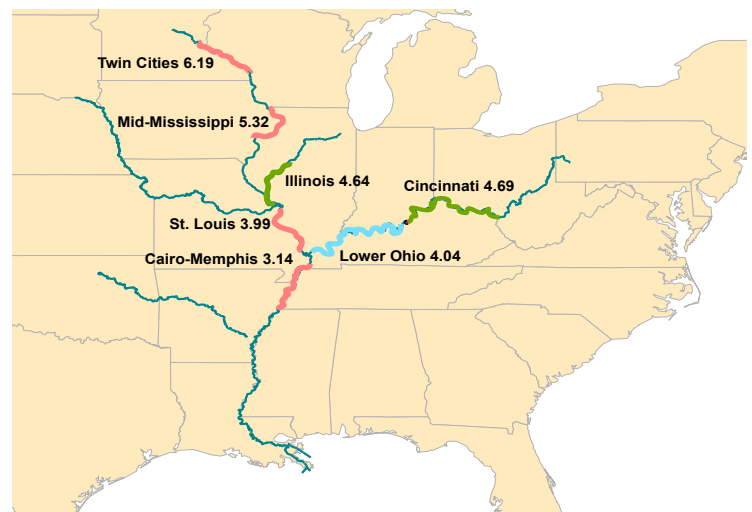
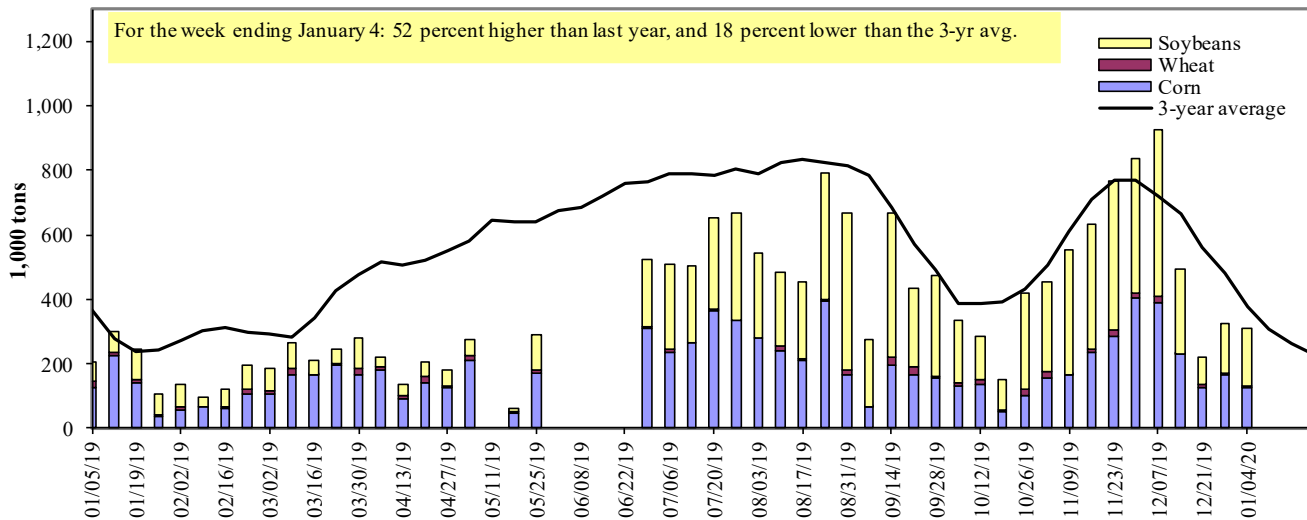


Figure 10

Barge movements on the Mississippi River¹ (Locks 27 - Granite City, IL)



¹ The 3-year average is a 4-week moving average.

Source: U.S. Army Corps of Engineers.

Table 10

Barge grain movements (1,000 tons)

For the week ending 01/04/2020	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	0	0	0	0	0
Alton, IL (L26)	119	2	179	0	300
Granite City, IL (L27)	128	2	180	0	310
Illinois River (LAGRANGE)	130	2	138	0	269
Ohio River (OLMSTED)	20	4	130	0	154
Arkansas River (L1)	0	32	33	0	65
Weekly total - 2020	148	37	343	0	529
Weekly total - 2019	182	47	142	0	371
2020 YTD ¹	148	37	343	0	529
2019 YTD ¹	182	47	142	0	371
2020 as % of 2019 YTD	82	79	242	NA	143
Last 4 weeks as % of 2019 ²	57	76	148	65	91
Total 2019	12,780	1,631	14,683	154	29,247

¹ Weekly total, YTD (year-to-date), and calendar year total include MS/27, OH/OLMSTED, and AR/1; Other refers to oats, barley, sorghum, and rye. L (as in "L15") refers to a lock or lock and dam facility.

² As a percent of same period in 2019.

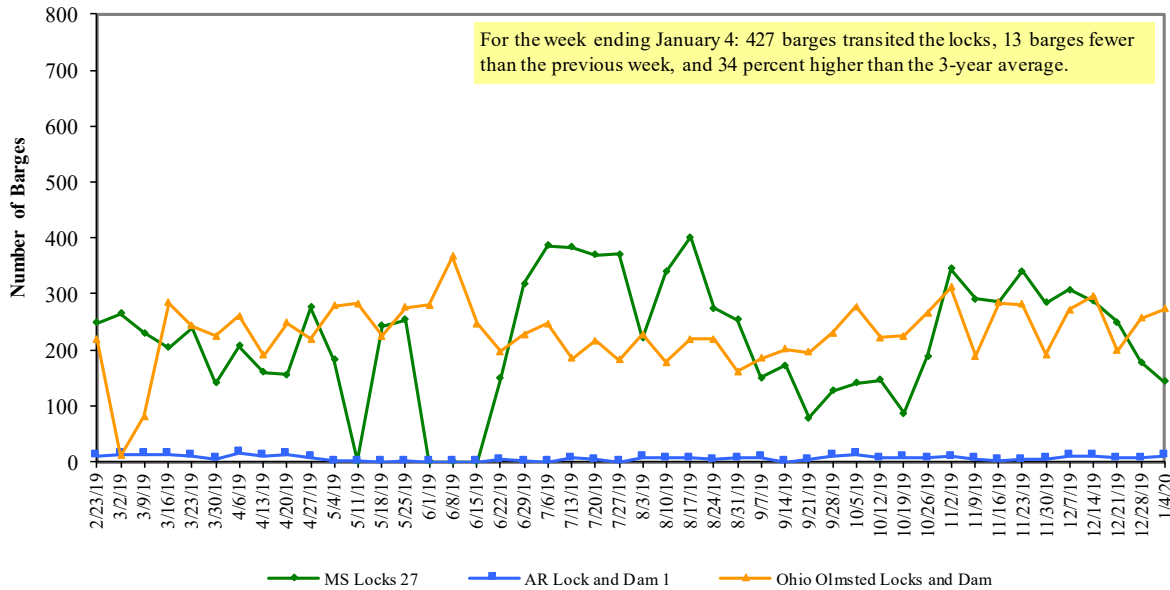
Note: 1. Total may not add exactly, due to rounding.

2. Starting from 11/24/2018, weekly movement through Ohio 52 is replaced by Olmsted.

Source: U.S. Army Corps of Engineers.

Figure 11

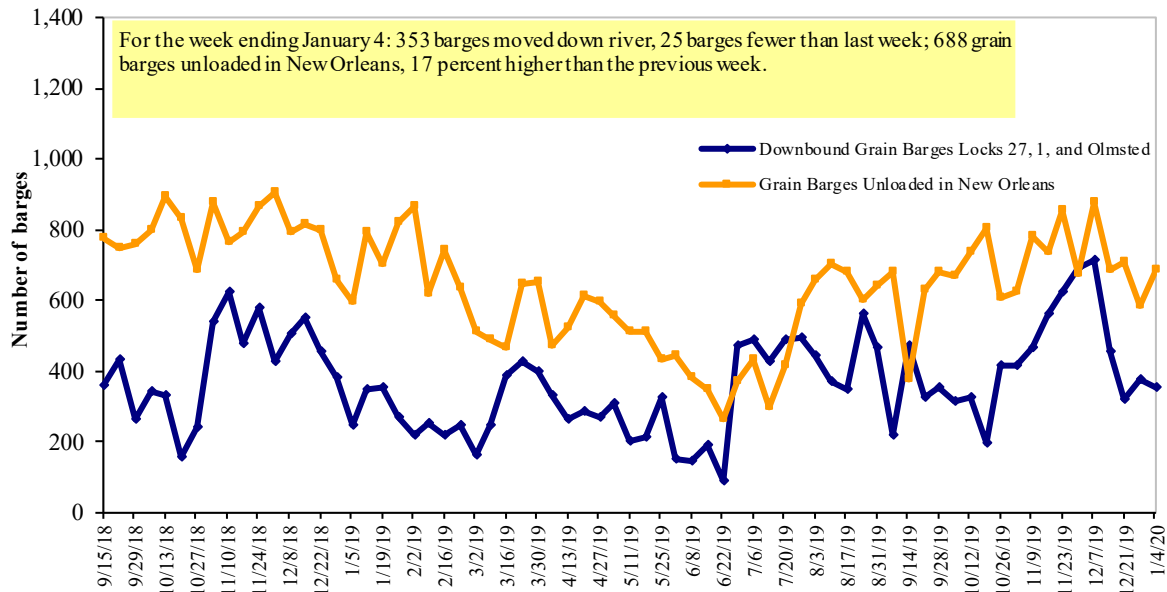
Upbound empty barges transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Olmsted Locks and Dam



Source: U.S. Army Corps of Engineers.

Figure 12

Grain barges for export in New Orleans region



Source: U.S. Army Corps of Engineers and USDA, Agricultural Marketing Service.

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates as diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-highway diesel prices, week ending 1/6/2020 (U.S. \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.120	0.024	0.051
	New England	3.127	0.013	-0.089
	Central Atlantic	3.294	0.023	0.052
	Lower Atlantic	3.000	0.025	0.079
II	Midwest	2.977	-0.001	0.108
III	Gulf Coast	2.828	0.020	0.007
IV	Rocky Mountain	3.100	-0.013	0.074
	West Coast	3.616	-0.007	0.088
V	West Coast less California	3.264	-0.010	0.084
	California	3.895	-0.004	0.090
Total	U.S.	3.079	0.010	0.066

¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

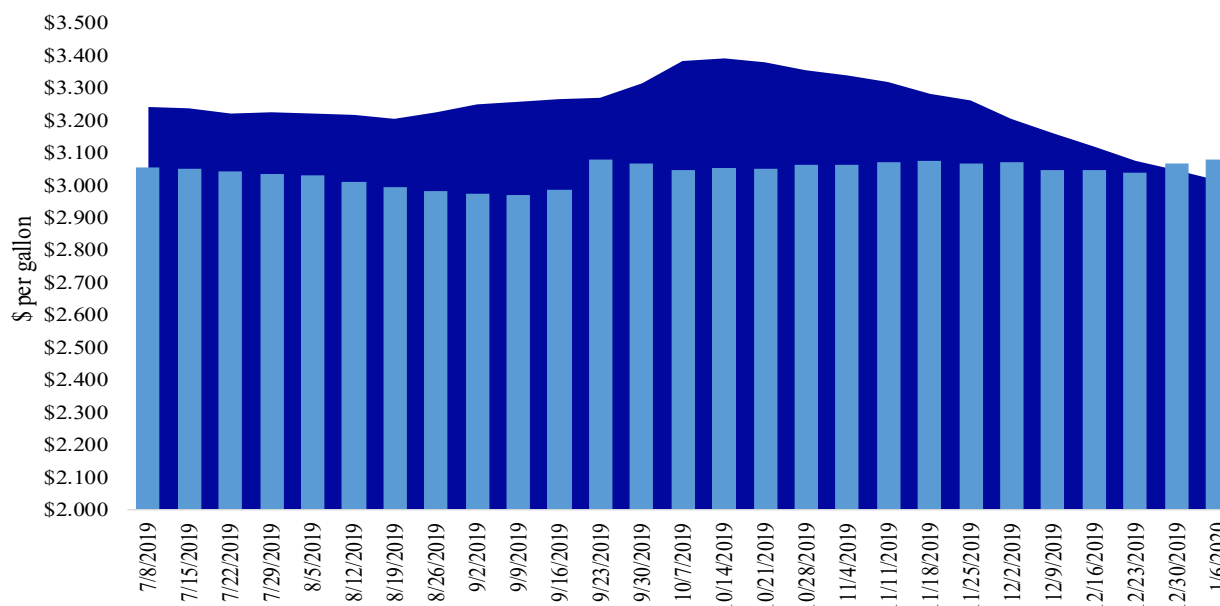
Source: U.S. Department of Energy, Energy Information Administration.

Figure 13

Weekly diesel fuel prices, U.S. average

For the week ending January 6, the U.S. average diesel fuel price increased 1.0 cent from the previous week to \$3.079 per gallon, 6.6 cents above the same week last year.

■ Last year ■ Current year
\$3.013 \$3.079



Source: U.S. Department of Energy, Energy Information Administration, Retail On-Highway Diesel Prices.

Grain Exports

Table 12

U.S. export balances and cumulative exports (1,000 metric tons)

For the week ending	Wheat					All wheat	Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR				
Export balances¹									
12/26/2019	1,489	560	1,363	1,124	169	4,706	9,980	8,571	23,256
This week year ago	1,879	860	1,634	1,159	91	5,623	13,226	14,037	32,887
Cumulative exports-marketing year²									
2019/20 YTD	5,419	1,532	3,930	2,646	621	14,149	8,375	20,921	43,445
2018/19 YTD	3,673	1,377	3,857	2,917	329	12,154	18,602	16,944	47,700
YTD 2019/20 as % of 2018/19	148	111	102	91	189	116	45	123	91
Last 4 wks as % of same period 2018/19	76	63	83	90	178	81	72	66	71
2018/19 Total	8,591	3,204	6,776	5,164	479	24,214	48,924	46,189	119,327
2017/18 Total	9,150	2,343	5,689	4,854	384	22,419	57,209	56,214	135,842

¹ Current unshipped (outstanding) export sales to date

² Shipped export sales to date; new marketing year now in effect for wheat, corn, and soybeans.

Note: Marketing Year: wheat = 6/01-5/31, corn and soybeans = 9/01-8/31. YTD = year-to-date; wks = weeks; HRW= hard red winter; srw= soft red winter; HRS= hard red spring; SWW= soft white wheat; DUR= durum.

Source: USDA, Foreign Agricultural Service.

Table 13

Top 5 importers¹ of U.S. corn

For the week ending 12/26/2019	Total commitments ²		% change current MY from last MY	Exports ³ 3-yr. avg. 2016-18
	2019/20 current MY	2018/19 last MY		
- 1,000 mt -				
Mexico	8,986	10,974	(18)	14,659
Japan	2,800	6,327	(56)	11,955
Korea	11	2,298	(100)	4,977
Colombia	1,468	2,120	(31)	4,692
Peru	15	1,476	(99)	2,808
Top 5 Importers	13,281	23,195	(43)	39,091
Total U.S. corn export sales	18,355	31,828	(42)	54,024
% of projected exports	39%	61%		
Change from prior week ²	531	503		
Top 5 importers' share of U.S. corn export sales	72%	73%		72%
USDA forecast December 2019	47,074	52,545	(10)	
Corn use for ethanol USDA forecast, December 2019	136,525	136,551	(0)	

¹ Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2018/19; marketing year (MY) = Sep 1 - Aug 31.

² Cumulative exports (shipped) + outstanding sales (unshipped), FAS weekly export sales report, or export sales query. Total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales.

³ FAS marketing year ranking reports (carryover plus accumulated export; yr. = year; avg. = average).

Note: (n) indicates negative number; mt = metric ton

Source: USDA, Foreign Agricultural Service.

Table 14

Top 5 importers¹ of U.S. soybeans

For the week ending 12/26/2019	Total commitments ²		% change current MY from last MY	Exports ³ 3-yr. avg. 2016-18
	2019/20 current MY	2018/19 last MY		
	- 1,000 mt -			- 1,000 mt -
China	11,097	4,291	159	25,733
Mexico	2,849	3,954	(28)	4,271
Indonesia	878	1,140	(23)	2,386
Japan	1,190	1,380	(14)	2,243
Egypt	1,229	1,227	0	1,983
Top 5 importers	17,243	11,992	44	36,616
Total U.S. soybean export sales	29,492	30,981	(5)	53,746
% of projected exports	61%	65%		
change from prior week ²	330	1,052		
Top 5 importers' share of U.S. soybean export sales	58%	39%		68%
USDA forecast, December 2019	48,365	47,629	102	

¹Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2018/19 ; Marketing year (MY) = Sep 1 - Aug 31.

²Cumulative exports (shipped) + outstanding sales (unshipped), FAS weekly export sales report, or export sales query. The total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales and/or accumulated sales.

³FAS Marketing year ranking reports (carryover plus accumulated export); yr. = year; avg. = average.

Note: (n) indicates negative number; mt = metric ton

Source: USDA, Foreign Agricultural Service.

Table 15

Top 10 importers¹ of all U.S. wheat

For the week ending 12/26/2019	Total commitments ²		% change current MY from last MY	Exports ³ 3-yr. avg. 2016-18
	2019/20 current MY	2018/19 last MY		
	- 1,000 mt -			- 1,000 mt -
Philippines	2,412	2,386	1	3,047
Mexico	2,736	2,180	26	3,034
Japan	1,921	2,160	(11)	2,695
Nigeria	1,037	851	22	1,564
Indonesia	652	692	(6)	1,381
Korea	1,011	1,133	(11)	1,355
Taiwan	630	788	(20)	1,164
Egypt	101	391	(74)	821
Thailand	630	788	(20)	747
Iraq	262	414	(37)	574
Top 10 importers	11,393	11,782	(3)	16,382
Total U.S. wheat export sales	18,855	17,778	6	24,388
% of projected exports	71%	70%		
change from prior week ²	313	593		
Top 10 importers' share of U.S. wheat export sales	60%	66%		67%
USDA forecast, December 2019	26,567	25,504	4	

¹Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2018/19; Marketing year (MY) = Jun 1 - May 31.

²Cumulative exports (shipped) + outstanding sales (unshipped), FAS weekly export sales report, or export sales query. The total commitments change (net sales) from prior week could include revisions from the previous week's outstanding and/or accumulated sales.

³FAS marketing year final reports (carryover plus accumulated export); yr. = year; avg. = average.

(n) indicates negative number; mt = metric ton.

Table 16

Grain inspections for export by U.S. port region (1,000 metric tons)

Port regions	For the week ending 12/26/19	Previous week*	Current week as % of previous	2019 YTD*	2018 YTD*	2019 YTD as % of 2018 YTD	Last 4-weeks as % of:		2018 total*
							Last year	Prior 3-yr. avg.	
Pacific Northwest									
Wheat	243	417	58	13,961	13,315	105	85	100	13,315
Corn	20	0	n/a	7,047	20,024	35	6	8	20,024
Soybeans	0	129	0	11,897	7,719	154	446	80	7,719
Total	263	546	48	32,905	41,058	80	82	68	41,058
Mississippi Gulf									
Wheat	13	13	96	4,448	3,896	114	58	78	3,896
Corn	231	245	94	20,763	33,735	62	60	68	33,735
Soybeans	810	845	96	31,398	28,124	112	129	97	28,124
Total	1,054	1,103	96	56,609	65,755	86	96	87	65,755
Texas Gulf									
Wheat	41	69	60	6,009	3,198	188	59	49	3,198
Corn	32	0	n/a	640	730	88	210	140	730
Soybeans	0	0	n/a	2	69	2	n/a	0	69
Total	73	69	106	6,650	3,997	166	71	49	3,997
Interior									
Wheat	7	84	8	1,984	1,614	123	164	169	1,614
Corn	119	149	80	7,857	8,650	91	136	124	8,650
Soybeans	121	157	77	7,051	6,729	105	135	137	6,729
Total	247	391	63	16,892	16,993	99	139	135	16,993
Great Lakes									
Wheat	25	54	46	1,339	894	150	147	152	894
Corn	0	0	n/a	11	404	3	n/a	0	404
Soybeans	20	0	n/a	493	1,192	41	51	29	1,192
Total	45	54	83	1,844	2,491	74	125	103	2,491
Atlantic									
Wheat	0	0	n/a	37	69	54	n/a	0	69
Corn	0	0	n/a	99	138	72	0	0	138
Soybeans	8	24	34	1,352	2,047	66	64	40	2,047
Total	8	24	34	1,488	2,253	66	63	38	2,253
U.S. total from ports*									
Wheat	329	637	52	27,778	22,986	121	86	94	22,986
Corn	402	395	102	36,417	63,682	57	54	62	63,682
Soybeans	959	1,155	83	52,194	45,879	114	146	91	45,879
Total	1,690	2,187	77	116,389	132,547	88	96	83	132,547

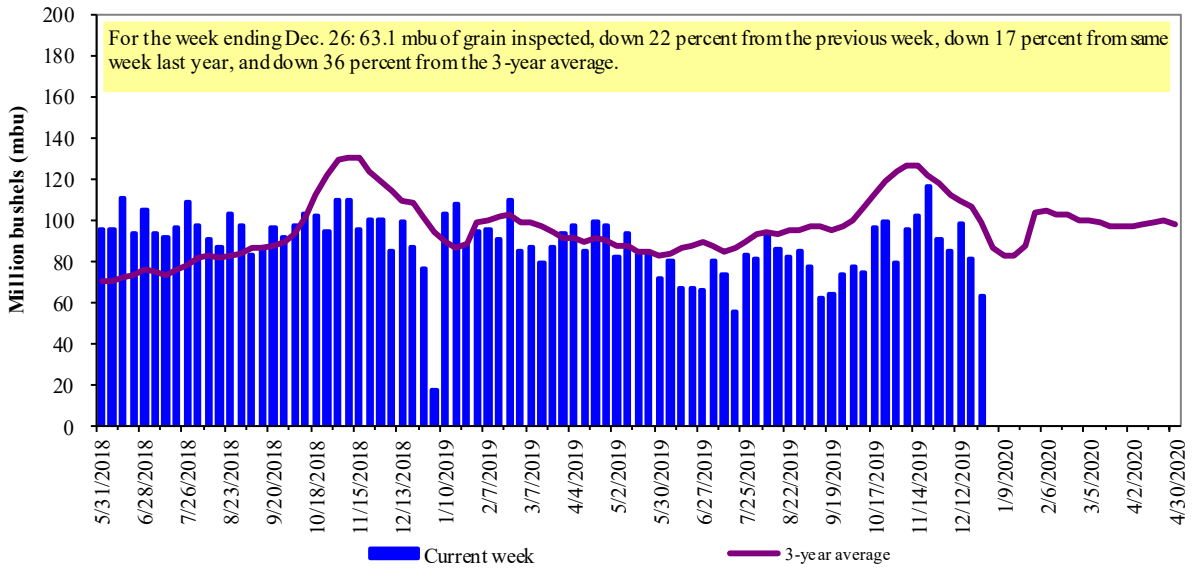
*Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

Source: USDA, Federal Grain Inspection Service; YTD= year-to-date; n/a = not applicable or no change.

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 50 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 53 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2018.

Figure 14

U.S. grain inspected for export (wheat, corn, and soybeans)

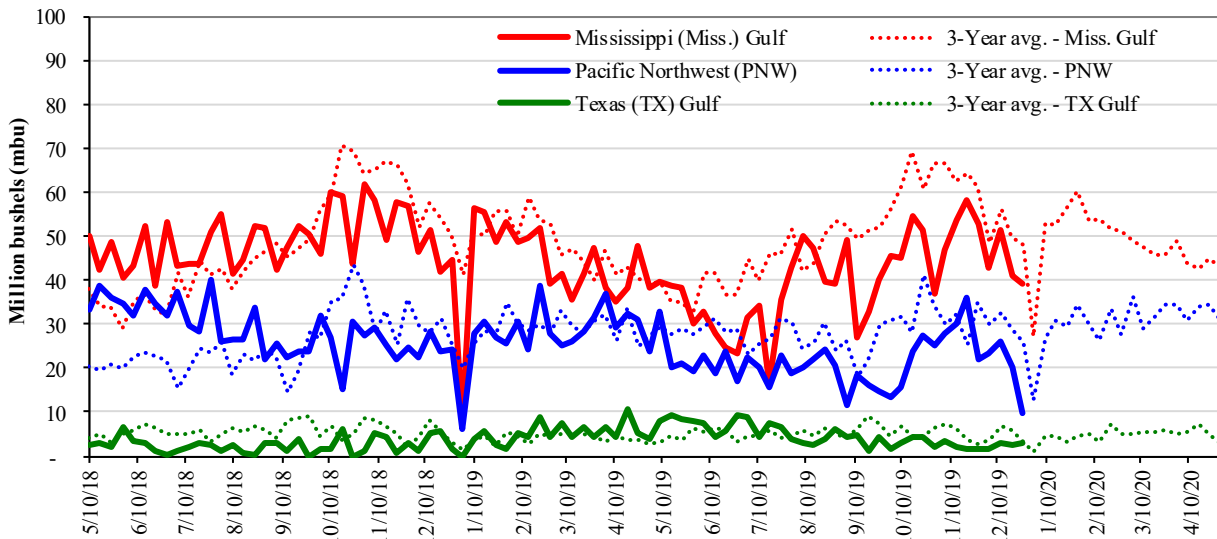


Note: 3-year average consists of 4-week running average.

Source: USDA, Federal Grain Inspection Service.

Figure 15

U.S. Grain inspections: U.S. Gulf and PNW¹ (wheat, corn, and soybeans)



Week ending 12/26/19 inspections (mbu):	Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
MS Gulf: 39.3	Last wk:	down 4	up 9	down 4	down 52
PNW: 9.7	Last Year (same wk):	down 12	up 83	down 9	down 60
TX Gulf: 2.8	3-yr avg. (4-wk. mov. Avg):	down 22	down 44	down 24	down 67

Source: USDA, Federal Grain Inspection Service.

Ocean Transportation

Table 17

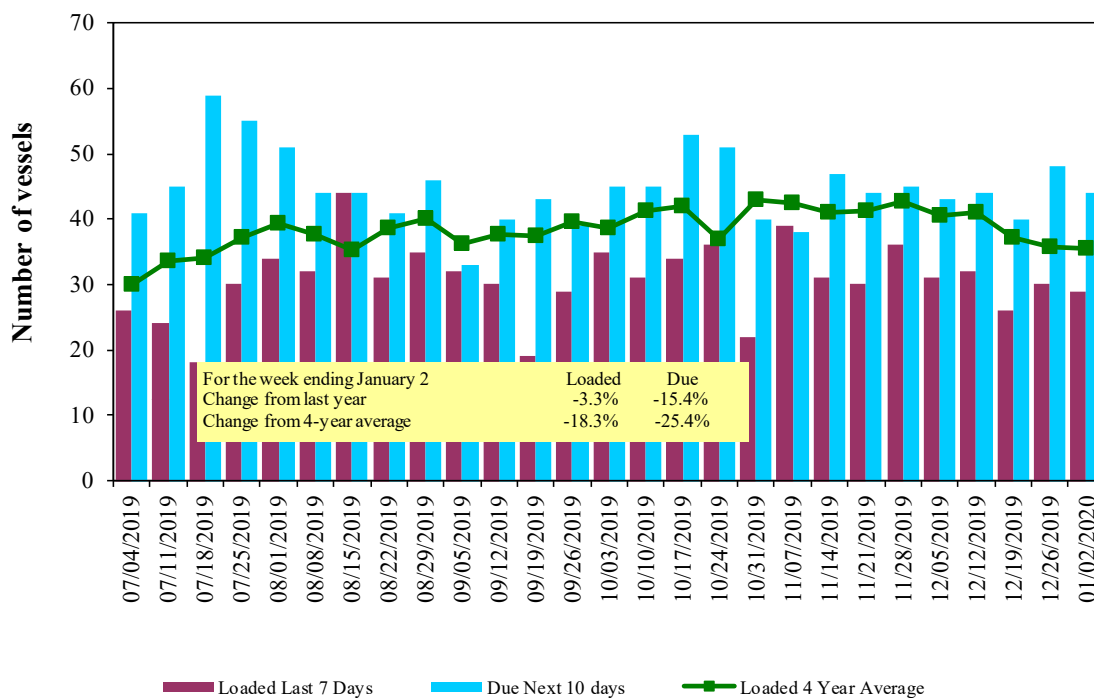
Weekly port region grain ocean vessel activity (number of vessels)

Date	Gulf			Pacific Northwest
	In port	Loaded 7-days	Due next 10-days	In port
1/2/2020	30	29	44	7
12/26/2019	27	30	48	10
2019 range	(26...61)	(18...44)	(33...69)	(8...33)
2019 average	40	31	49	17

Source: USDA, Agricultural Marketing Service.

Figure 16

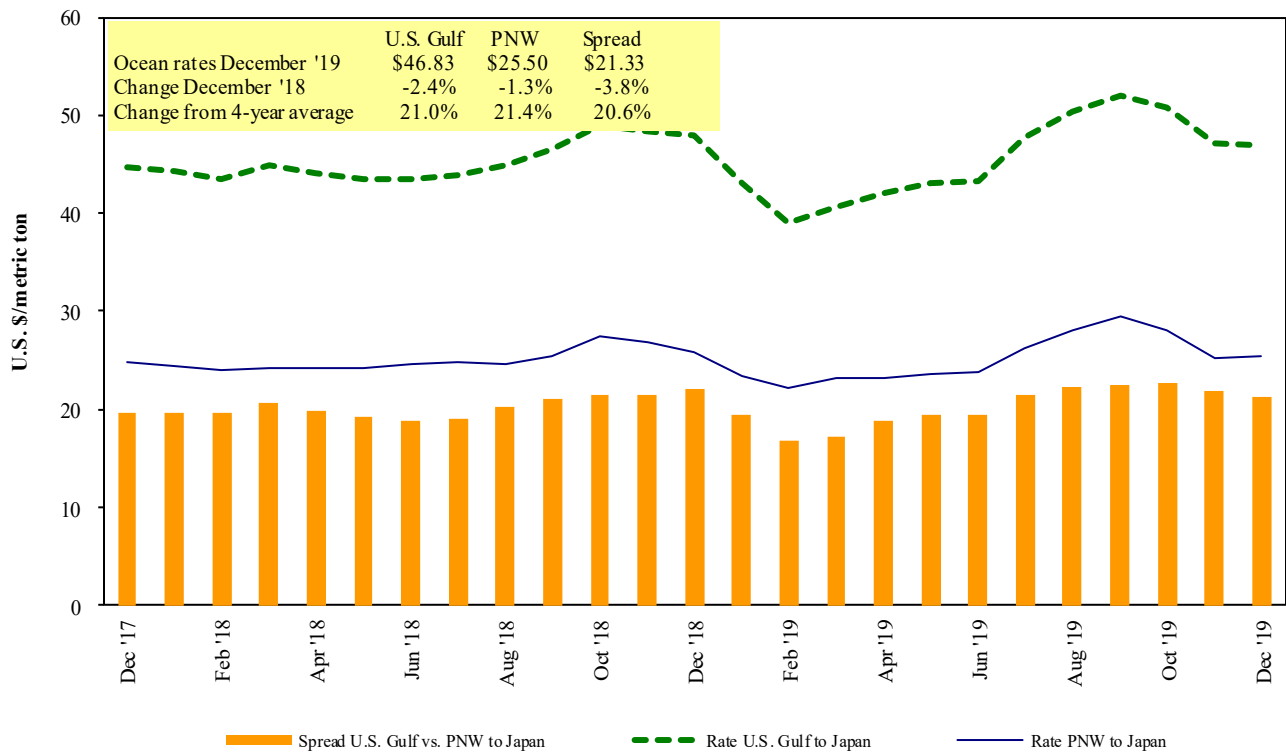
U.S. Gulf¹ vessel loading activity



¹U.S. Gulf includes Mississippi, Texas, and East Gulf.
Source: USDA, Agricultural Marketing Service.

Figure 17

Grain vessel rates, U.S. to Japan



Note: PNW = Pacific Northwest.

Source: O'Neil Commodity Consulting.

Table 18

Ocean freight rates for selected shipments, week ending 1/4/2020

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Bangladesh	Wheat	Dec 10/20	48,990	79.92*
U.S. Gulf	China	Heavy Grain	Dec 15/20	65,000	49.75
U.S. Gulf	China	Heavy Grain	Nov 15/18	66,000	49.00
PNW	China	Heavy Grain	Jan 22/26	63,000	23.00
PNW	Bangladesh	Wheat	Dec 10/20	23,080	74.44*
PNW	Philippines	Soybean Meal	Oct 31/31	15,390	49.82*
PNW	Vietnam	Soybean Meal	Oct 21/31	3,200	49.82*
Brazil	China	Heavy Grain	Oct 1/10	65,000	32.00
Brazil	Japan	Corn	Dec 22/31	49,000	37.25 op 37.15
Ukraine	Egypt Med	Heavy Grain	Oct 19/23	60,000	13.50

*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

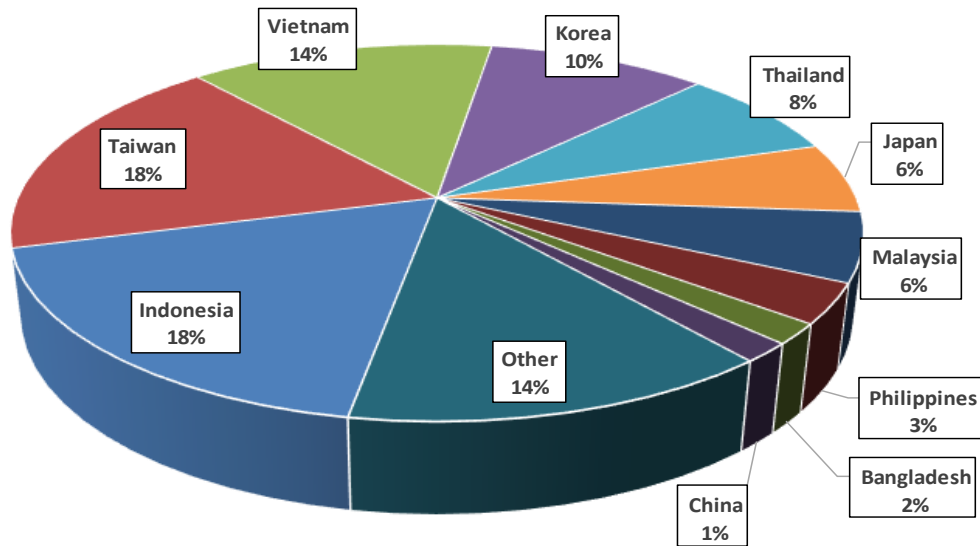
Note: Rates shown are per metric ton (2,204.62 lbs. = 1 metric ton), free on board (F.O.B), except where otherwise indicated;

op = option.

Source: Maritime Research, Inc.

In 2018, containers were used to transport 8 percent of total U.S. waterborne grain exports. Approximately 55 percent of U.S. waterborne grain exports in 2018 went to Asia, of which 13 percent were moved in containers. Approximately 94 percent of U.S. waterborne containerized grain exports were destined for Asia.

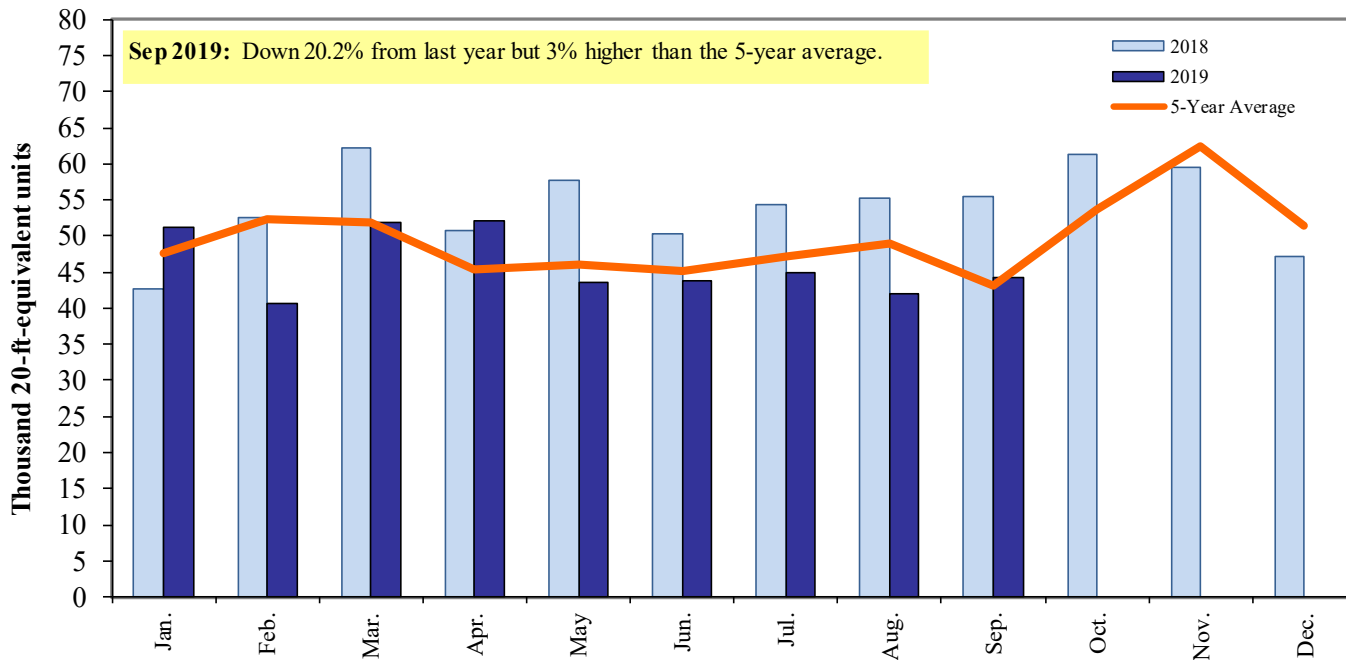
Figure 18
Top 10 destination markets for U.S. containerized grain exports, Jan-Sep 2019



Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 1001, 100190, 1002, 1003, 100300, 1004, 100400, 1005, 100590, 1007, 100700, 1102, 110100, 230310, 110220, 110290, 1201, 120100, 230210, 230990, 230330, and 120810.

Source: USDA, Agricultural Marketing Service, Transportation Services Division analysis of PIERS data.

Figure 19
Monthly Shipments of Containerized Grain to Asia



Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 110220, 110290, 120100, 120810, 230210, 230310, 230330, and 230990.

Source: USDA, Agricultural Marketing Service, Transportation Services Division analysis of PIERS data.

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