Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/GTR

Contact Us

April 10, 2008

Contents

The next release is April 17 , '08

WEEKLY HIGHLIGHTS

USDA Adds 150 Million Bushels to Grain and Oilseed Export Projections

In its April 9 World Supply and Demand Estimates report, USDA increased 2007/08 projected exports for wheat, corn, and soybeans by 150 million bushels (mbu) or almost 4 million metric tons. The additional projected exports could add to the near term transportation demand. Projected wheat exports were raised 50 mbu to 1,275 mbu—40 percent higher than last year—as export sales and shipments remain strong and major export competitors continue to tax or restrict shipments. Projected corn exports were raised 50 mbu to a record 2,500 mbu based on the strong pace of shipments and large unshipped balances. Projected soybean exports were raised 50 mbu to 1,075 mbu, reflecting a strong pace of shipments.

Bonnet Carre Spillway May Be Used To Lower Water Levels in New Orleans.

The Mississippi River at New Orleans, LA, is expected to crest on April 16 at 17.0 feet gage height. Flood stage in New Orleans is set at 17 feet and the levee system is designed to protect the city up to 20 feet. To protect New Orleans from flooding, the U.S. Army Corps of Engineers may utilize the Bonnet Carre Spillway, located north of New Orleans. When opened, the spillway diverts a portion of the flood waters into the Gulf of Mexico through Lake Pontchartrain, bypassing New Orleans. This spillway was first opened during the flood of 1937, and seven times thereafter through 1997 to lower river stages in New Orleans.

Wheat and Corn Drive Increased Grain Inspections

For the week ending April 3, **total inspections** of corn, wheat, and soybeans for export from all major U.S. port regions reached 2 million metric tons (mmt), up 4 percent from the previous week and 41 percent above last year. The increase in total grain inspections was driven by a 49 percent (.620 mmt) increase in wheat inspections and a 15 percent (1.09 mmt) increase in corn inspections. Wheat inspections rose 162 percent in the Mississippi Gulf and 188 percent in the Texas Gulf and corn increased 25 and 11 percent in the Pacific Northwest and Mississippi Gulf regions. With only 9 weeks left in the wheat marketing year, **wheat unshipped balances** stood at 5.2 mmt—33 percent above this time last year.

Strike at the Port of Santos, Brazil

The Revenue Agents/Inspectors at the Port of Santos, Brazil are on strike to demand higher wages and better working conditions. Cargo at the port is reportedly backed up, and soon vessel loading and unloading will be interrupted. Some experts report that transportation disruptions in South America have lead to increased export sales of old-crop soybeans and soybean products in the United States. See our Brazilian Soybean Transport Guide for more information on Brazilian soybean transportation.

Snapshots by Sector

Rail

U.S. railroads originated 24,859 **carloads of grain** during the week ending March 29, up 6 percent from the previous week, 23 percent from the same time last week, and 13 percent above the 3-year average.

Ocean

During the week ending April 3, 43 U.S. **grain vessels** were loaded in the Gulf, up 59 percent from last year. Fifty-five **vessels** are due within the next 10 days, up 20 percent from last year.

As of April 4, the cost of shipping grain from the Gulf to Japan was $109 per mt, down 2 percent from the previous week. The rate from the PNW to Japan was $62 per mt, down 3 percent from the previous week.

Barge

During the week ending April 5, **barge grain movements** totaled 728,000 tons, up 41 percent from the previous week and 26 percent higher than the same period last year

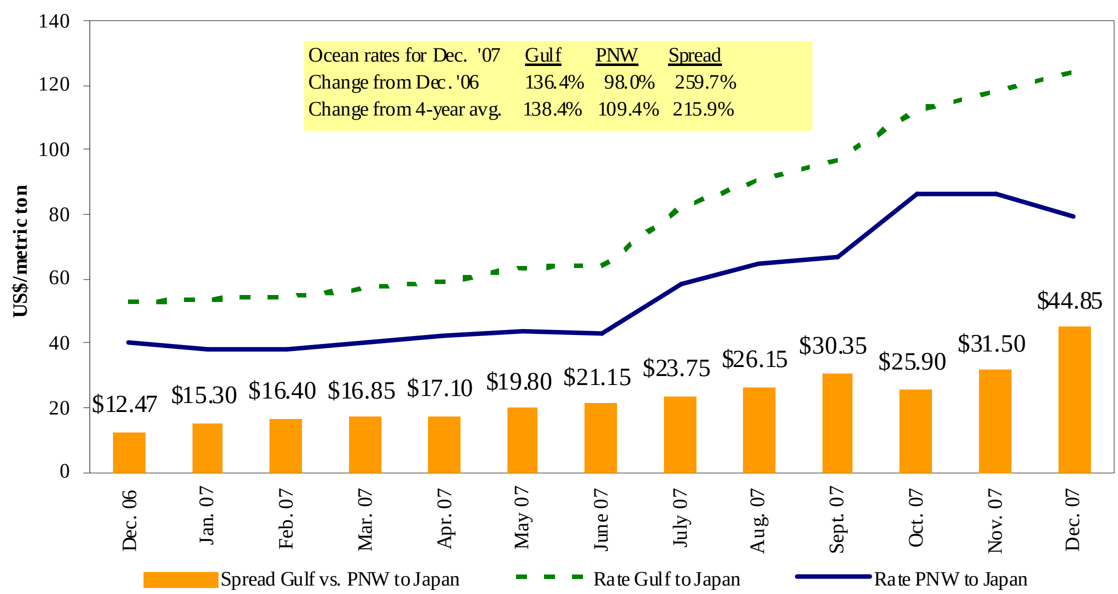
Fuel

During the week ending April 7, U.S. average **diesel fuel prices** decreased 1 cent per gallon to $3.96—0.2 percent lower than the previous week, and 39 percent higher than the same week last year.

Bulk Ocean Rates Reached Record High in 2007: A Review of the Past and a Look into the Future

Ocean bulk shipping rates grew phenomenally this past year, with record increases in shipping rates worldwide. Rates for shipping bulk grain from the U.S. Gulf to Japan increased 131 percent to $124 per metric ton (mt) from January to December. The average rate for December 2007 was 136 percent higher than in December 2006 (figure 1). Rates from the Pacific Northwest (PNW) to Japan averaged about $79 per mt during December 2007, 107 percent increase over January rates. The rates were also 98 percent higher than in December 2006. The rate from the U.S. Gulf to Rotterdam increased from $33 to $100 per mt, a rise of 203 percent from January to December. The spread between Gulf and PNW rates also experienced remarkable growth during the year. The year started with the spread averaging $15.30 per mt in January 2007, and ended in December averaging $44.85 per mt—193 percent higher. Notwithstanding these substantial hikes in ocean bulk shipping rates, total corn, soybeans and wheat inspected for export from major U.S. ocean ports were 101.57 million metric tons during calendar year 2007, highest since 2000 (**GTR 4/3/08**)

Grain Vessel Rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)/ Drewry Shipping Consultants Ltd (www.drewry.co.uk)

Rates were pushed up by several factors:

- congestion in Australian ports;
- increased global demand for bulk commodities, such as coal, iron ore, and grain; and
- tight bulk vessel supply.

Early in the year, congestion in Australian ports reduced the availability of vessels around the world. At one point, as many as 65 vessels waited to load coal at Newcastle, 46 vessels waited at Hay Point/Dalrymple, and 30 vessels waited at Gladstone. The average time for a vessel to wait to load coal was 17 days. Asian countries experienced strong demand for coal and iron ore as their economies continue to grow. Wheat and soybean exports from the United States grew as normally strong export countries like Australia, Argentina, and Brazil experienced short supplies.

Although ocean bulk rates remained high through the end of the year, congestion eased slightly and the waiting time for vessels to load and unload fell somewhat. The scrapping of older vessels was delayed—less than 0.4 million deadweight tonnages of dry bulk vessels were demolished during the year—and high ocean rates encouraged owners to order new vessels. As of December, over 134 million deadweight tonnages of new dry bulk vessels were added to the order book—55 percent of the existing fleet—compared to only 35 million deadweight tonnages in 2006. These combined factors will eventually increase the bulk vessel supply. However, Chinese trade policies recently put into effect are creating uncertainty in the bulk freight market. China is eliminating import duties on aluminum, refined copper, and coal to ensure a better flow of these commodities into the country. It has also closed many unsafe mine operations, which could cause it to become a net importer of coal.

Market Outlook

Meanwhile, the bulk freight market has reacted relatively calmly during the first quarter of 2008. Ocean rates from the Gulf to Japan are presently $109 per mt, down 12 percent from the December 2007average of $124 per mt. The rate from PNW, at $62 per mt, is down 21 percent, and the Gulf-to-Rotterdam rate is down 31 percent from their December averages of $79 and $100 per mt, respectively. Rates dropped significantly in January and early February because of the holidays and supply chain problems in the iron ore markets. The rates have since climbed again, but not to the same heights as at the end of last year.

The question remains: will the rates remain stable, drop, or increase to their previous highs? Although they are expected to remain higher than in 2004-2006, most analysts doubt the market could sustain the levels reached in 2007. As of April 4, the Baltic Forward Assessment rate for a Panamax vessel from Europe to the Far East (a route corresponding to the route from the U.S. Gulf to Japan) averaged $79,125 in April and $78,964 and $78,429 in May and June. This indicates that rates may remain relatively stable for a while. However, the current backlog of vessels waiting to transit the Panama Canal and uncertainty in the logistical situation as China, India, and Brazil adjust their export and import programs could make the direction of the market more difficult to predict. Surajudeen.Olowolayemo@usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail[2]	Barge	Ocean	
Week ending				Gulf	Pacific
04/09/08	268	15	231	487	440
04/02/08	266	27	241	492	454

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Table 2

Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	4/4/2008	3/28/2008
Corn	IL--Gulf	-0.73	-0.86
Corn	NE--Gulf	-0.76	-0.86
Soybean	IA--Gulf	-1.36	-1.41
HRW	KS--Gulf	n/a	n/a
HRS	ND--Portland	-2.67	n/a

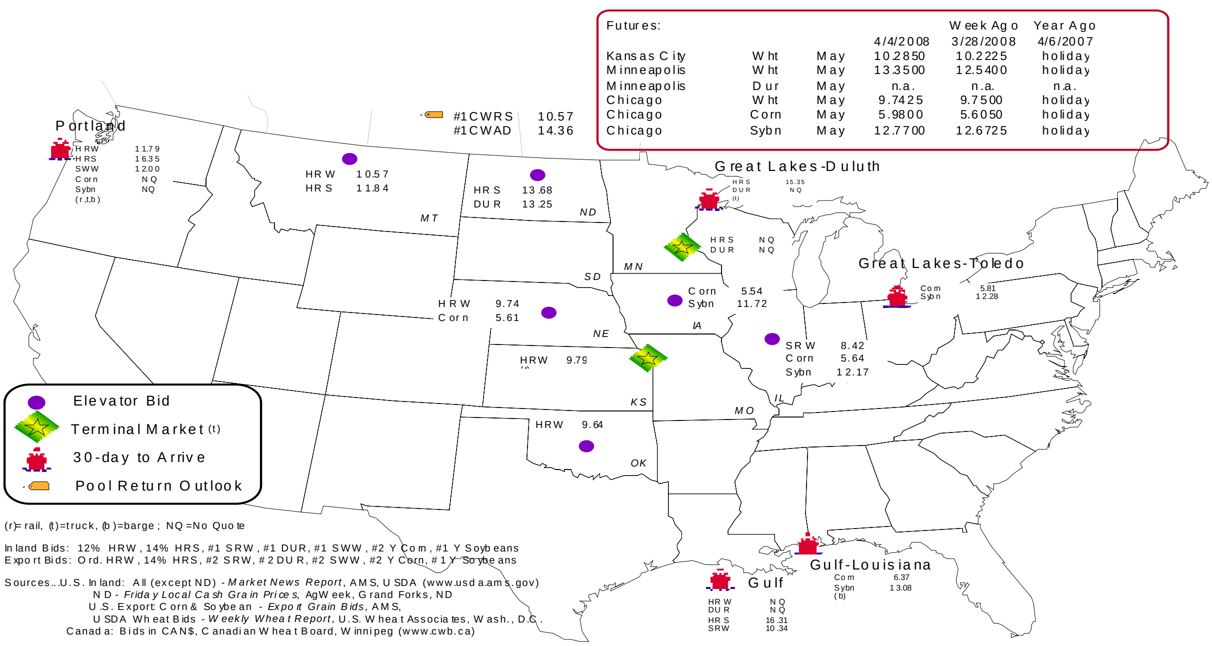
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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]

Week ending	Mississippi Gulf[2]	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
4/02/2008[p]	1,403	2,354	914	5,840	765	11,276
3/26/2008[r]	1,317	1,878	655	6,333	983	11,166
2008 YTD	21,106	36,093	8,121	76,770	15,095	157,185
2007 YTD	20,341	21,779	10,896	66,182	7,319	126,517
2008 YTD as % of 2007 YTD	104	166	75	116	206	124
Last 4 weeks as % of 2007[3]	159	153	68	120	267	131
Last 4 weeks as % of 4-year avg.[3]	142	117	59	131	298	127
Total 2007	62,106	113,459	40,725	227,970	31,369	475,629
Total 2006	96,593	99,866	45,971	213,682	29,334	485,446

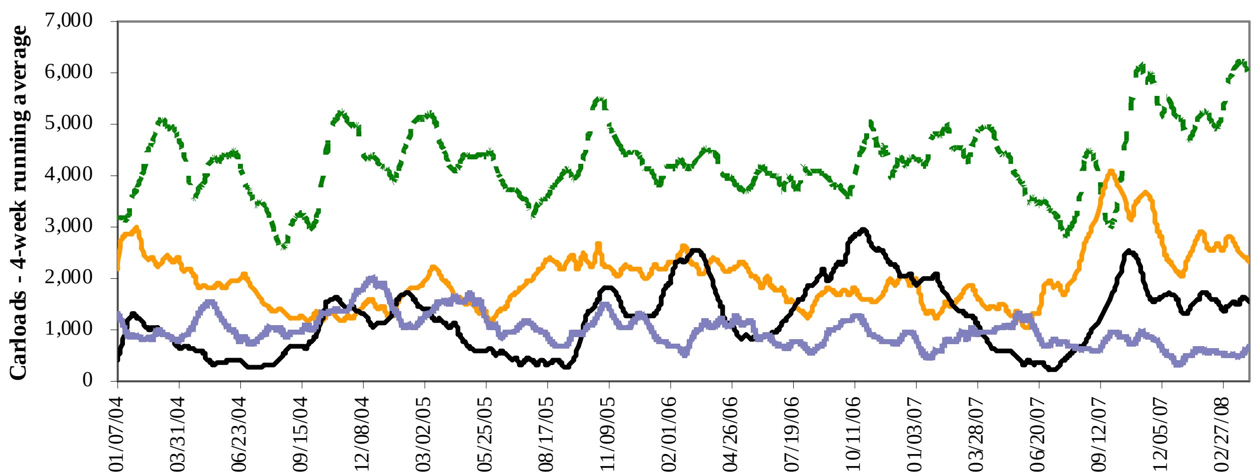
[1]Data is incomplete as it is voluntarily provided; [2] Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; [3] Compared with same 4-weeks in 2007 and prior 4-year average.

YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 35 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2
Rail Deliveries to Port



Pacific Northwest: 4 Wks. ending 4/02 -- up 20 % from same period last year; up 31 % from 4-year average
Texas Gulf: 4/02 -- up 53 % from same period last year; up 17 % from 4-year average
Miss. River: 4/02 -- up 59 % from same period last year; up 42 % from 4-year average
Cross-border Mexico: 4/02 -- down 32 % from same period last year; down 41 % from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

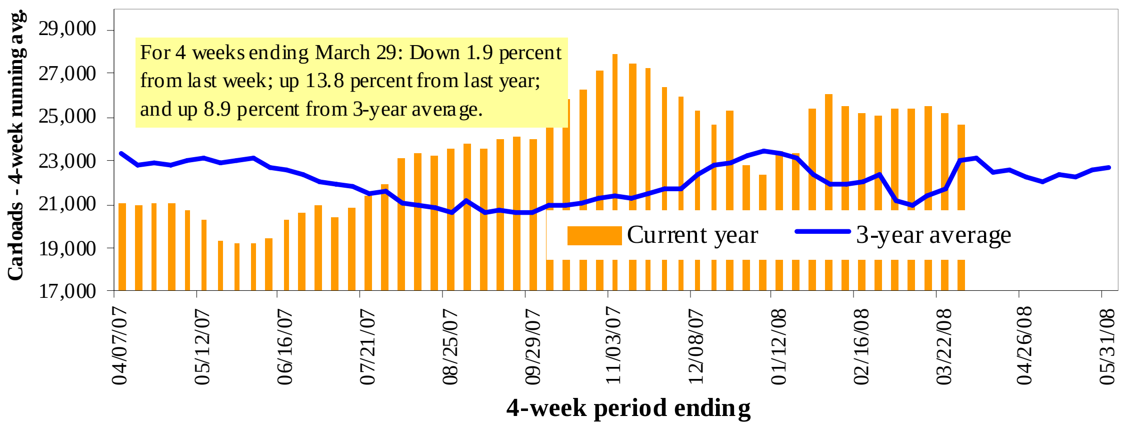
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
03/29/08	3,282	2,820	11,866	642	6,249	24,859	4,614	4,452
This week last year	2,966	3,321	9,374	472	4,167	20,300	5,094	4,228
2008 YTD	39,351	38,975	152,950	9,323	86,733	327,332	57,505	55,361
2007 YTD	37,656	39,352	130,088	8,382	63,779	279,257	61,199	57,494
2008 YTD as % of 2007 YTD	105	99	118	111	136	117	94	96
Last 4 weeks as % of 2007[1]	93	89	117	105	138	114	86	86
Last 4 weeks as % of 3-yr avg.[1]	90	87	118	113	116	109	95	93
Total 2007	147,937	166,780	536,362	33,980	292,973	1,178,032	250,852	240,401

[1]As a percent of the same period in 2007 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Rail Car Auction Offerings[1] ($/car)[2]

Week ending	**Delivery period**							
4/5/2008	**Apr-08**	**Apr-07**	**May-08**	**May-07**	**Jun-08**	**Jun-07**	**Jul-08**	**Jul-07**
BNSF[3]								
COT grain units	no offer	no offer	no bids	0	no bids	0	no offer	0
COT grain single-car[5]	no offer	no offer	0 . . 11	0	0 . . 5	0 . . 1	9 . . 77	2 . . 15
UP[4]								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	0	no offer
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no bids	0	no offer

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

[2]Average premium/discount to tariff, last auction

[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.

[5]Range is shown because average is not available. Not available = n/a.

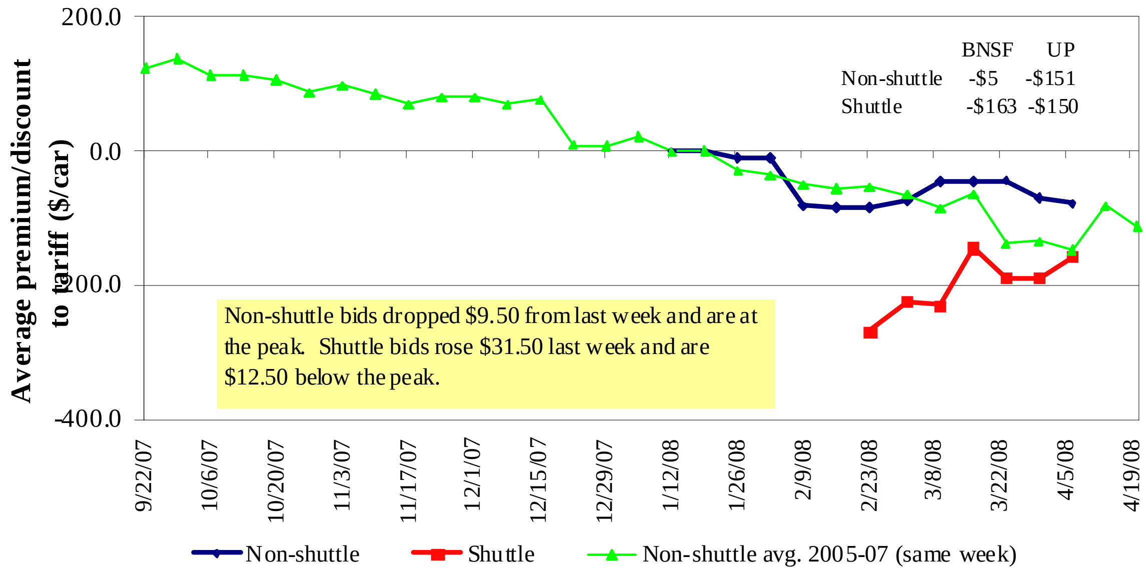
Source: Transportation & Marketing Programs/AMS/USDA.

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

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

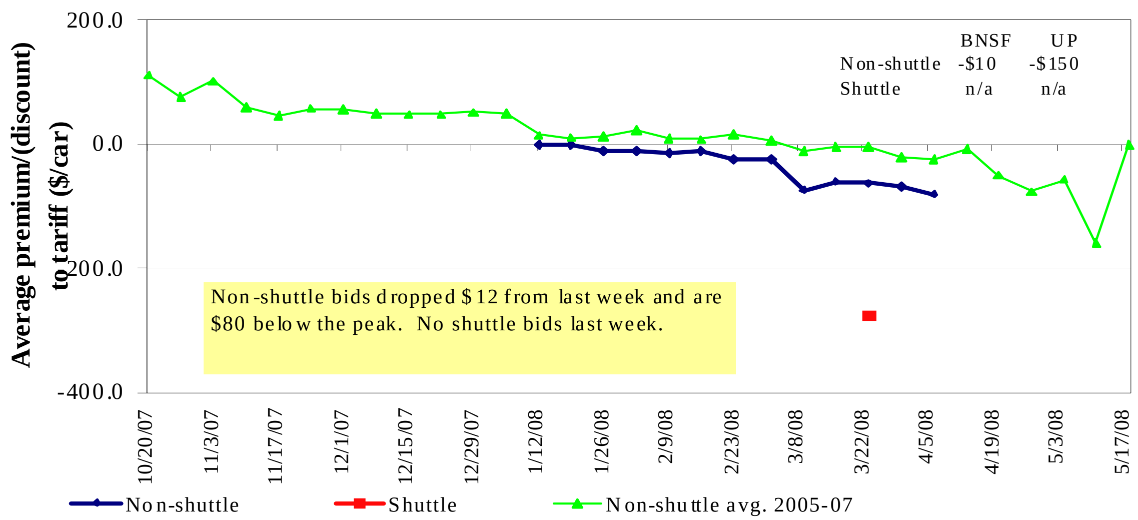
Bids/Offers for Railcars to be Delivered in April 2008, Secondary Market



Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

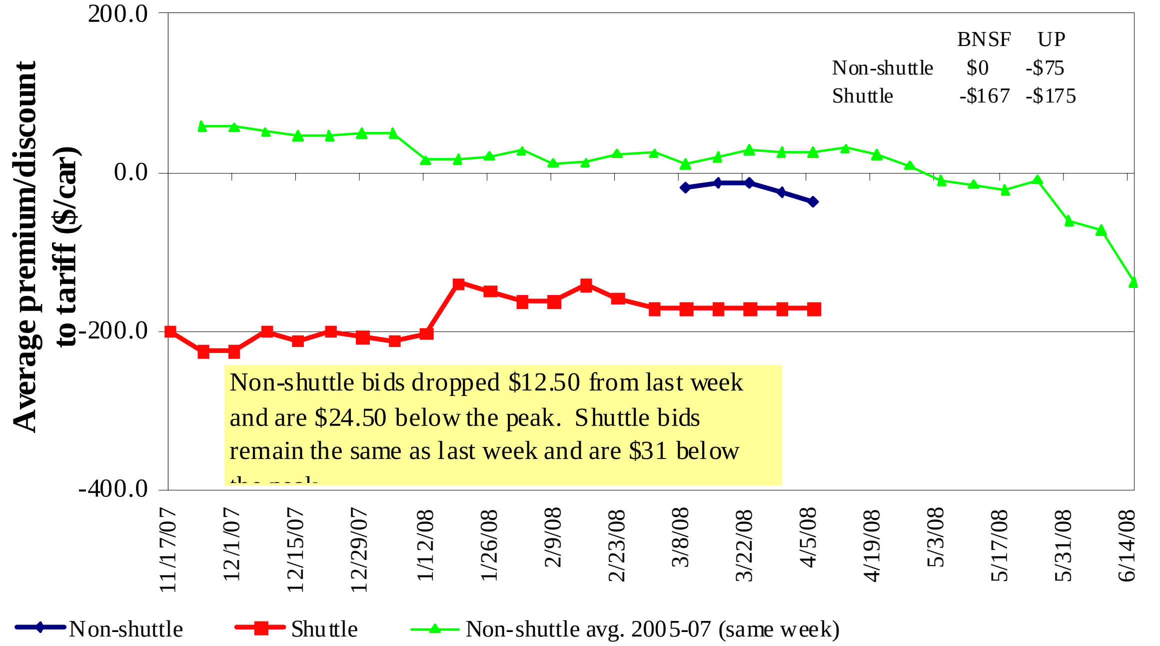
Bids/Offers for Railcars to be Delivered in May 2008, Secondary Market



Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in June 2008, Secondary Market



Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Rail Car Market ($/car)[1]

Week ending	**Delivery period**					
4/5/2008	**Apr-08**	**May-08**	**Jun 08**	**Jul 08**	**Aug-08**	**Sept-08**
<u>Non-shuttle</u>						
BNSF-GF	-5	-10	0	0	125	125
Change from last week	7	13	25	n/a	n/a	n/a
Change from same week 2006	40	22	23	23	117	75
UP-Pool	-151	-150	-75	-50	n/a	n/a
Change from last week	-26	-37	n/a	-25	n/a	n/a
Change from same week 2006	74	58	125	125	n/a	n/a
<u>Shuttle</u>[2]						
BNSF-GF	-163	n/a	-167	n/a	n/a	n/a
Change from last week	63	n/a	0	n/a	n/a	n/a
Change from same week 2006	107	n/a	33	n/a	n/a	n/a
UP-Pool	-150	n/a	-175	n/a	n/a	n/a
Change from last week	0	n/a	0	n/a	n/a	n/a
Change from same week 2006	75	n/a	50	n/a	n/a	n/a

[1]Average premium/discount to tariff, $/car-last week

[2]Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 4/7/2008	Origin region	Destination region	Rate/car	As % of same month last year	Rate per metric ton	Rate per bushel[2]
Unit train[1]						
Wheat	Chicago, IL	Albany, NY	$2,322	100	$25.60	$0.70
	Kansas City, MO	Galveston, TX	$2,338	110	$25.77	$0.70
	South Central, KS	Galveston, TX	$2,995	113	$33.01	$0.90
	Minneapolis, MN	Houston, TX	$3,214	100	$35.43	$0.96
	St. Louis, MO	Houston, TX	$2,905	113	$32.02	$0.87
	South Central, ND	Houston, TX	$4,149	111	$45.73	$1.24
	Minneapolis, MN	Portland, OR	$3,840	100	$42.33	$1.15
	South Central, ND	Portland, OR	$3,840	100	$42.33	$1.15
	Northwest, KS	Portland, OR	$4,540	99	$50.04	$1.36
	Chicago, IL	Richmond, VA	$2,353	99	$25.94	$0.71
Corn	Chicago, IL	Baton Rouge, LA	$3,260	116	$35.93	$0.91
	Council Bluffs, IA	Baton Rouge, LA	$3,107	116	$34.25	$0.87
	Kansas City, MO	Dalhart, TX	$3,204	110	$35.32	$0.90
	Minneapolis, MN	Portland, OR	$3,350	103	$36.93	$0.94
	Evansville, IN	Raleigh, NC	$2,708	121	$29.85	$0.76
	Columbus, OH	Raleigh, NC	$2,597	123	$28.63	$0.73
	Council Bluffs, IA	Stockton, CA	$5,280	104	$58.20	$1.48
Soybeans	Chicago, IL	Baton Rouge, LA	$3,309	116	$36.47	$0.99
	Council Bluffs, IA	Baton Rouge, LA	$3,156	116	$34.79	$0.95
	Minneapolis, MN	Portland, OR	$4,160	105	$45.86	$1.25
	Evansville, IN	Raleigh, NC	$2,708	121	$29.85	$0.81
	Chicago, IL	Raleigh, NC	$3,308	117	$36.46	$0.99
Shuttle Train						
Wheat	St. Louis, MO	Houston, TX	$2,277	119	$25.10	$0.68
	Minneapolis, MN	Portland, OR	$3,540	100	$39.02	$1.06
Corn	Fremont, NE	Houston, TX	$2,448	108	$26.98	$0.69
	Minneapolis, MN	Portland, OR	$3,348	106	$36.90	$0.94
Soybeans	Council Bluffs, IA	Houston, TX	$2,612	108	$28.79	$0.78
	Minneapolis, MN	Portland, OR	$3,503	106	$38.61	$1.05

[1]A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of 75-110 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 100 short tons (90.72 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to U.S.-Mexico Border Crossings

Effective date: 4/7/08							
Commodity	**Origin state**	**Border crossing region**	**Train size**[1]	**Tariff rate**[2]	**As % of same month last year**	**Rate per metric ton**	**Rate per bushel**[3]
Wheat	KS	Brownsville, TX	Shuttle	$3,582	121	$36.60	$1.00
	ND	Eagle Pass, TX	Unit	$4,900	108	$50.07	$1.36
	OK	El Paso, TX	Shuttle	$2,463	110	$25.17	$0.68
	OK	El Paso, TX	Unit	$3,121	123	$31.89	$0.87
	AR	Laredo, TX	Unit	$2,929	113	$29.93	$0.81
	IL	Laredo, TX	Unit	$4,072	120	$41.61	$1.13
	MT	Laredo, TX	Shuttle	n/a	n/a	n/a	n/a
	TX	Laredo, TX	Shuttle	$2,828	124	$28.90	$0.79
	MO	Laredo, TX	Shuttle	$3,450	121	$35.25	$0.96
	WI	Laredo, TX	Unit	$4,312	119	$44.06	$1.20
Corn	NE	Brownsville, TX	Shuttle	$4,318	115	$44.12	$1.12
	NE	Brownsville, TX	Unit	$4,217[4]	105	$43.09	$1.09
	IA	Eagle Pass, TX	Unit	$4,570	115	$46.69	$1.18
	MO	Eagle Pass, TX	Shuttle	$4,066[4]	106	$41.55	$1.05
	NE	Eagle Pass, TX	Shuttle	$4,466[4]	105	$45.63	$1.16
	IA	Laredo, TX	Shuttle	$4,486	115	$45.84	$1.16
Soybean	IA	Brownsville, TX	Shuttle	$4,167	118	$42.58	$1.16
	MN	Brownsville, TX	Shuttle	$4,365	117	$44.60	$1.21
	NE	Brownsville, TX	Shuttle	$3,958	118	$40.44	$1.10
	NE	Eagle Pass, TX	Shuttle	$4,041	118	$41.29	$1.12
	IA	Laredo, TX	Unit	$4,209	118	$43.01	$1.17

[1]A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

[2]Rates are based upon published tariff rates for high-capacity rail cars.

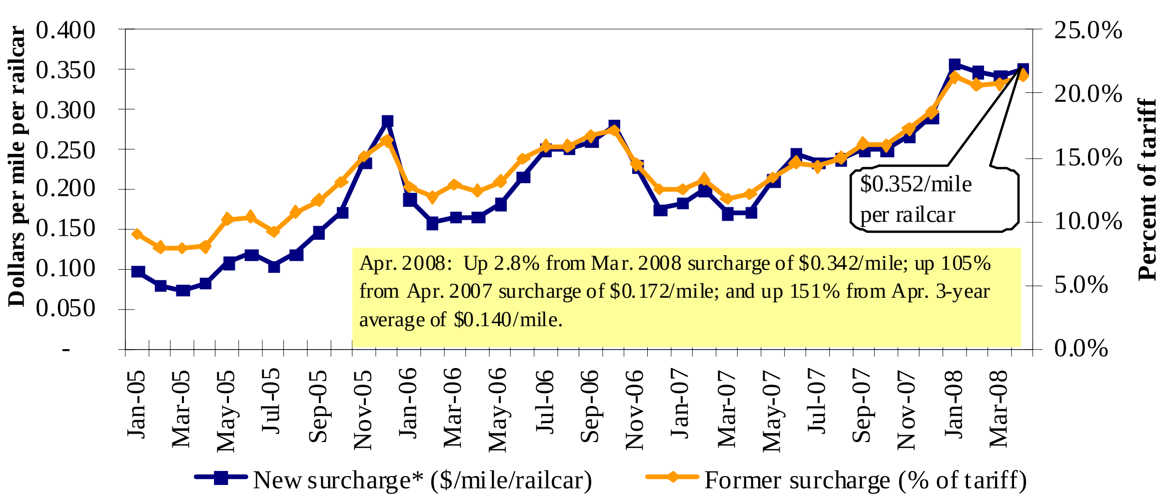
[3]Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

Sources: www.bnsf.com, www.uprr.com

Figure 7

Railroad Fuel Surcharges, North American Weighted Average[1]



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

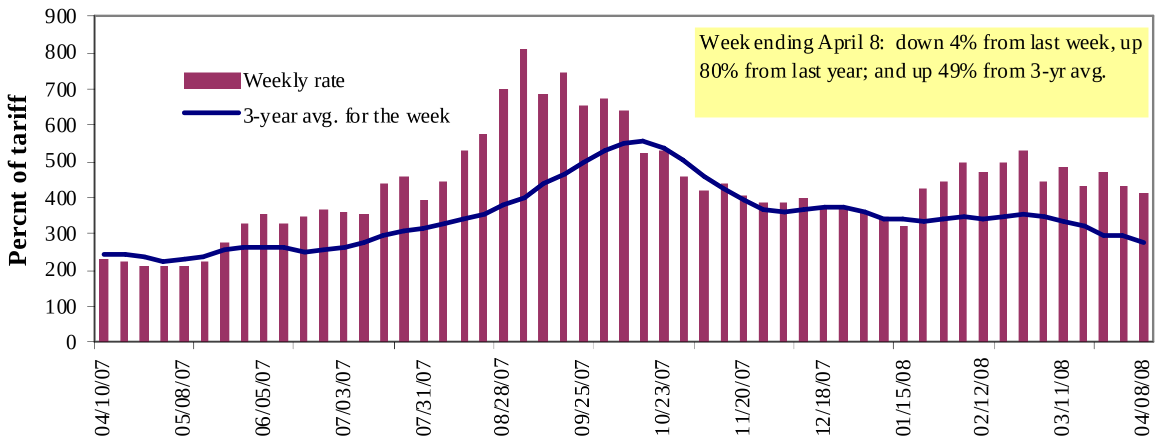
* Mileage-based fuel surcharges from December 2004 through March 2007 are estimated.

Sources: www.bnsf.com, www.cn.ca, www8.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate[1,2]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	4/8/2008	-	449	416	319	389	394	301
	4/1/2008	-	525	434	358	418	420	318
$/ton	4/8/2008	-	23.87	19.31	12.72	18.23	15.91	9.46
	4/1/2008	-	27.93	20.14	14.28	19.60	16.97	9.99
Current week % change from the same week:								
	Last year	-	64	80	72	92	94	85
	3-year avg. [2]	-	50	49	46	68	69	52
Rate[1]	May	433	395	394	314	364	364	301
	July	458	410	406	344	384	385	330

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds.

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 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 (see figure 9).

Figure 9

Benchmark tariff rates

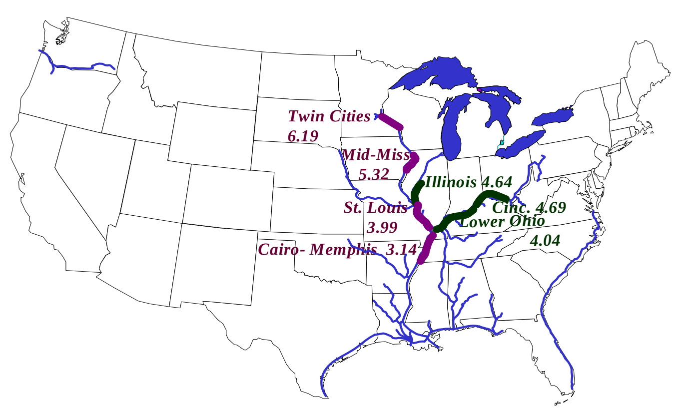
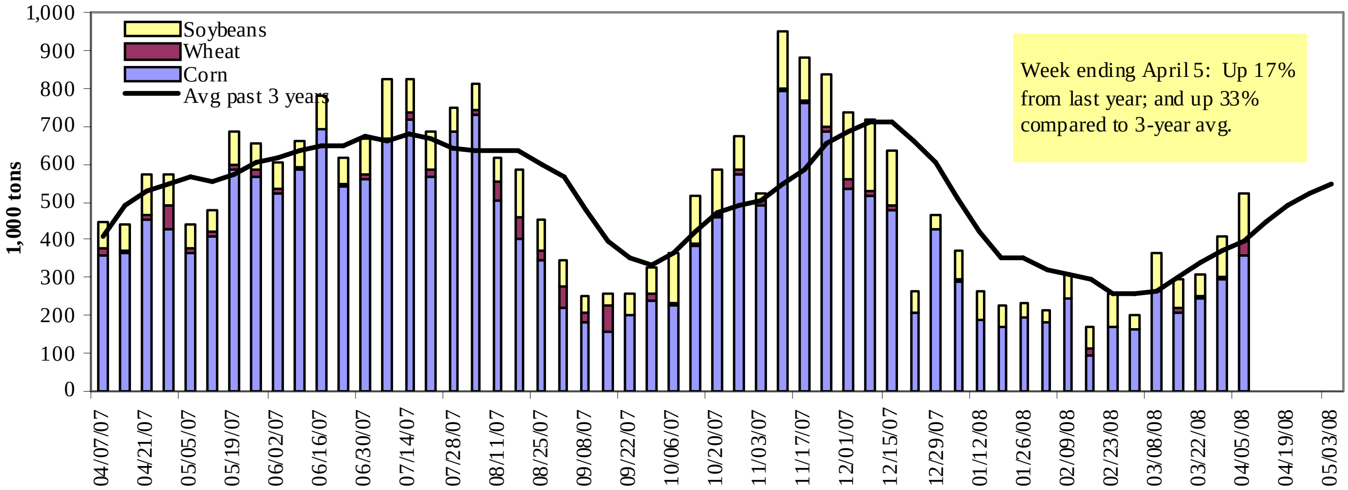


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



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

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 4/5/2008	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	29	0	34	0	63
Winfield, MO (L25)	176	6	104	0	286
Alton, IL (L26)	370	36	131	2	539
Granite City, IL (L27)	360	35	130	2	526
Illinois River (L8)	155	24	32	2	213
Ohio River (L52)	148	5	30	11	193
Arkansas River (L1)	0	0	9	0	9
Weekly total - 2008	508	40	168	12	728
Weekly total - 2007	411	39	112	16	578
2008 YTD[1]	5,095	221	2,014	182	7,512
2007 YTD	5,143	335	2,029	127	7,634
2008 as % of 2007 YTD	99	66	99	143	98
Last 4 weeks as % of 2007[2]	94	51	115	134	95
Total 2007	25,510	1,711	6,566	793	34,398

[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

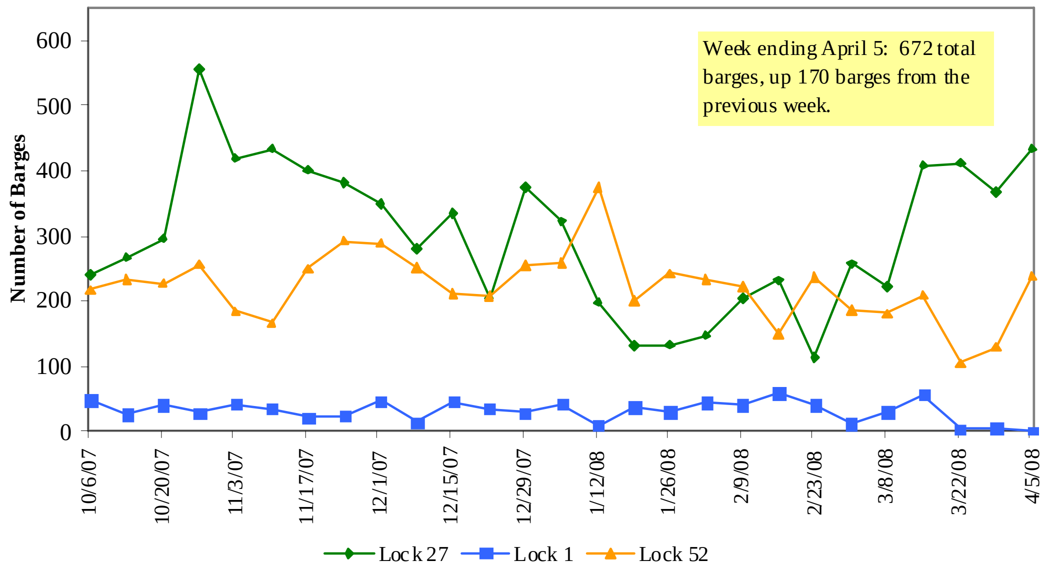
[2] As a percent of same period in 2007.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Figure 11

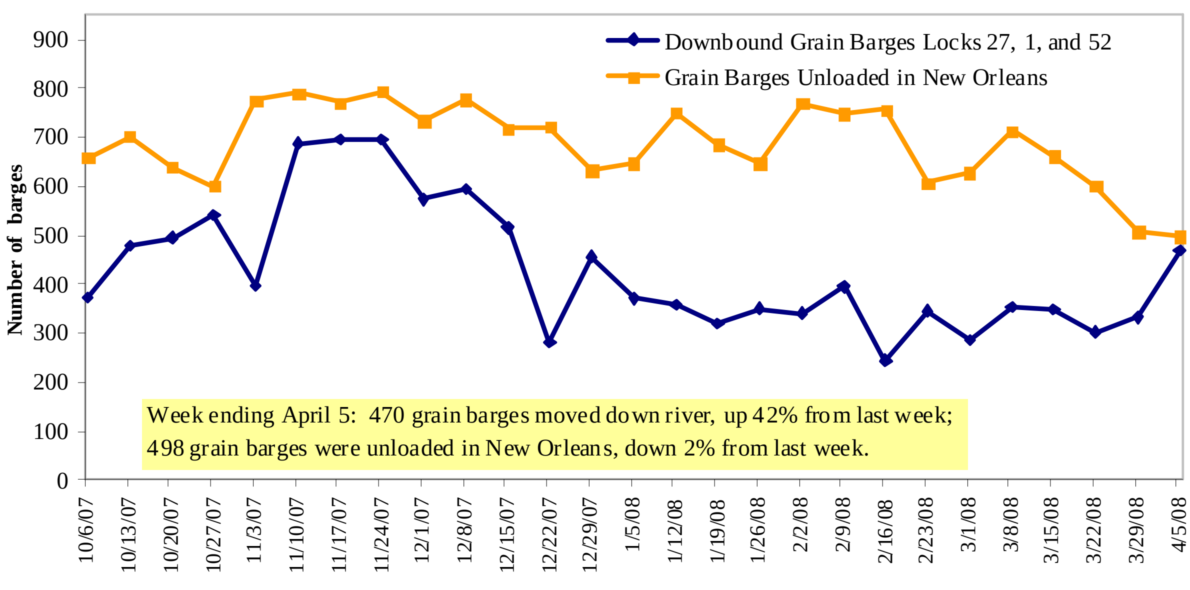
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 4/07/08 (US$/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.005	-0.009	1.192
	New England	4.121	-0.009	1.300
	Central Atlantic	4.142	-0.018	1.290
	Lower Atlantic	3.936	-0.005	1.140
II	Midwest[2]	3.917	-0.012	1.082
III	Gulf Coast[3]	3.894	-0.013	1.084
IV	Rocky Mountain	3.974	0.002	1.023
V	West Coast	4.052	0.003	1.131
	California	4.118	0.006	1.140
Total	U.S.	3.955	-0.009	1.115

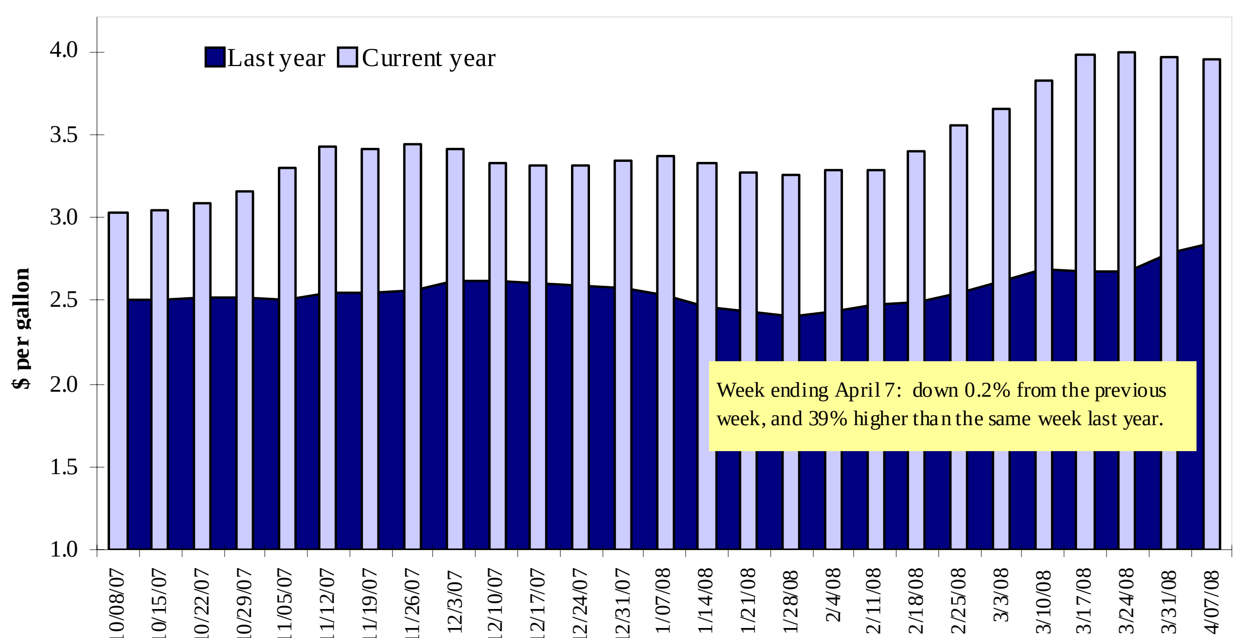
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[2]Same as North Central [3]Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending[1]	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances									
3/27/2008	2,557	914	1,052	627	53	5,203	15,871	4,381	25,455
This week year ago	1,192	729	1,003	879	81	3,884	9,656	3,789	17,329
Cumulative exports-marketing year[2]									
2007/08 YTD	11,318	4,826	6,931	3,652	978	27,706	37,657	22,716	88,079
2006/07 YTD	5,442	3,080	5,291	4,134	669	18,616	32,671	23,375	74,662
YTD 2007/08 as % of 2006/07	208	157	131	88	146	149	115	97	118
Last 4 wks as % of same period 2006/07	237	103	123	80	80	144	173	132	157
2006/07 Total	6,800	3,866	6,480	4,996	761	22,902	53,799	30,261	106,962
2005/06 Total	10,459	2,037	7,244	4,159	930	24,828	54,354	25,570	104,752

[1] Current unshipped export sales to date

[2] Shipped export sales to date; new marketing year now in effect for corn and soybeans sales

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers[1] of U.S. Corn

Week ending 03/27/08	**Total Commitments[2]**		**% change**	**Exports[3]**
	2007/08	**2006/07**	**current MY**	
	Current MY	**Last MY**	**from last MY**	**2006/07**
	- 1,000 mt -			- 1,000 mt -
Japan	12,650	11,711	8	15,640
Mexico	7,538	8,307	(9)	9,114
Taiwan	3,216	3,220	(0)	4,517
Korea	8,110	2,523	221	4,079
Egypt	2,946	2,541	16	3,508
Top 5 importers	**34,460**	**28,302**	**22**	**36,858**
Total US corn export sales[4]	**53,528**	**42,327**	**26**	
% of Projected	84%	78%		
Change from Last Week	704	551		
Top 5 importers' share of U.S. corn export sales	64%	67%		
USDA forecast, April 2008	**63,500**	**53,970**	**18**	
Corn Use for Ethanol USDA forecast, April 2008	**78,740**	**53,720**	**47**	

(n) indicates negative number.

[1] Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4] Not included - FAS Press Release: **287,000 mt** on 03/28 to Unknown for 2007/08; 110,000 mt for 2008/09.

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week ending 03/27/08	Total Commitments[2] 2007/08 Current MY	2006/07 Last MY	% change current MY from last MY	Exports[3] 2006/07
	- 1,000 mt -			- 1,000 mt -
China[4]	11,850	11,048	7	11,455
Mexico	3,007	3,063	(2)	3,854
Japan	2,343	2,347	(0)	3,159
EU-25	3,640	3,410	7	3,551
Taiwan	1,365	1,384	(1)	1,942
Top 5 importers	**22,205**	**21,251**	**4**	**23,960**
Total US soybean export sales	**27,097**	**27,165**	**(0.3)**	
% of Projected	93%	89%		
Change from last week	185	259		
Top 5 importers' share of U.S. soybean export sales	82%	78%		
USDA forecast, April 2008	**29,260**	**30,430**	**(4)**	

(n) indicates negative number.

[1]Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4]Not included - FAS Press Release: 226,000 mt on 04/02 to China for 2007/08.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week ending 03/27/08	Total Commitments[2] 2007/08 Current MY	2006/07 Last MY	% change current MY from last MY	Exports[3] 2006/07
	- 1,000 mt -			- 1,000 mt -
Japan	3,341	3,128	7	3,533
Nigeria	2,064	2,063	0	2,594
Mexico	2,601	2,040	27	2,220
Egypt	3,071	1,975	55	2,092
Philippines	1,686	1,735	(3)	1,739
Korea, South	1,596	1,179	35	1,195
Taiwan	1,062	912	16	1,001
Iraq	2,312	899	157	799
Yemen	998	652	53	709
Algeria	794	144	451	160
Top 10 importers	**16,183**	**11,600**	**40**	**16,041**
Total US wheat export sales	**32,909**	**22,501**	**46**	**23,789**
% of Projected	95%	91%		
Change from last week	647	742		
Top 10 importers' share of U.S. wheat export sales	49%	52%		
USDA forecast, April 2008	**34,700**	**24,730**	**40**	

(n) indicates negative number.

[1]Based on FAS 2006/07 Marketing Year Ranking Reports (except Algeria) - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 04/03/08	2008 YTD[1]	2007 YTD[1]	2008 YTD as % of 2007 YTD	Last 4-weeks as % of 2007	Last 4-weeks as % of 3-yr. avg.	Total[1] 2007
Pacific Northwest							
Wheat	187	3,424	3,410	100	107	109	11,913
Corn	423	3,264	2,113	154	193	161	9,171
Soybeans	120	3,127	2,760	113	76	107	7,648
Total	**729**	**9,815**	**8,283**	**118**	**119**	**127**	**28,732**
Mississippi Gulf							
Wheat	158	1,242	1,429	87	134	111	6,296
Corn	653	10,040	9,436	106	113	122	34,832
Soybeans	167	5,847	5,899	99	146	141	14,930
Total	**979**	**17,129**	**16,763**	**102**	**123**	**126**	**56,058**
Texas Gulf							
Wheat	274	2,026	1,287	157	230	168	8,558
Corn	12	796	378	211	120	90	1,441
Soybeans	0	92	59	157	0	661	108
Total	**286**	**2,913**	**1,723**	**169**	**200**	**151**	**10,107**
Great Lakes							
Wheat	1	24	56	43	16	20	2,721
Corn	0	12	10	112	n/a	0	894
Soybeans	0	6	0	n/a	n/a	298	510
Total	**1**	**42**	**67**	**63**	**22**	**22**	**4,125**
Atlantic							
Wheat	0	151	232	65	18	53	1,281
Corn	0	375	158	238	392	250	699
Soybeans	2	241	183	132	283	52	564
Total	**2**	**767**	**572**	**134**	**66**	**94**	**2,544**
U.S. total from ports[2]							
Wheat	620	6,843	6,358	108	125	120	30,770
Corn	1,088	14,487	12,095	120	131	131	47,036
Soybeans	289	9,313	8,900	105	113	128	23,760
Total	**1,997**	**30,643**	**27,353**	**112**	**124**	**127**	**101,566**

[1] Includes weekly revisions, some regional totals may not add exactly due to rounding.

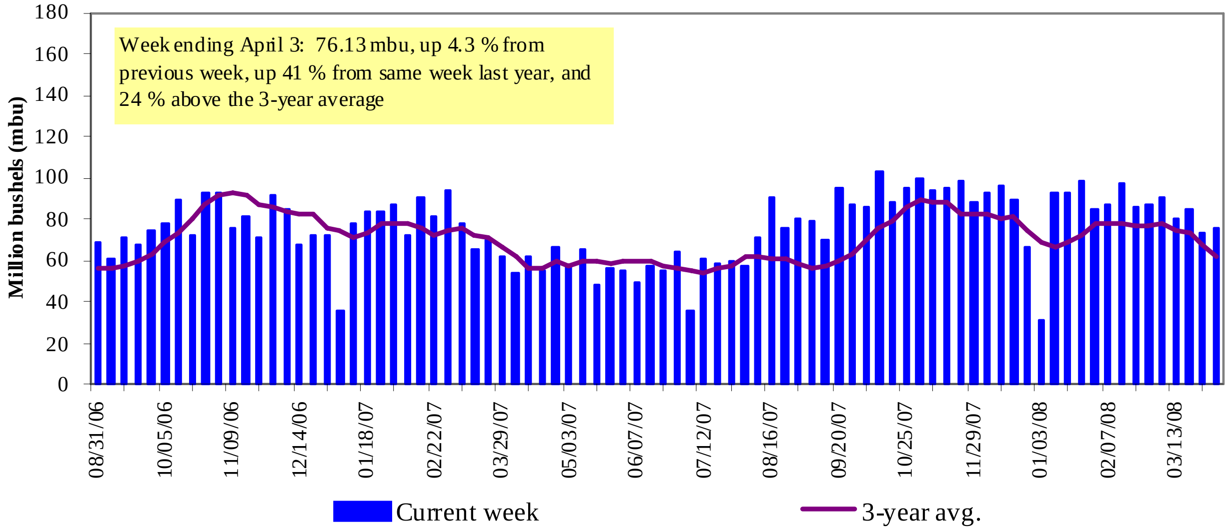
[2] Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 48 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2007.

Figure 14

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

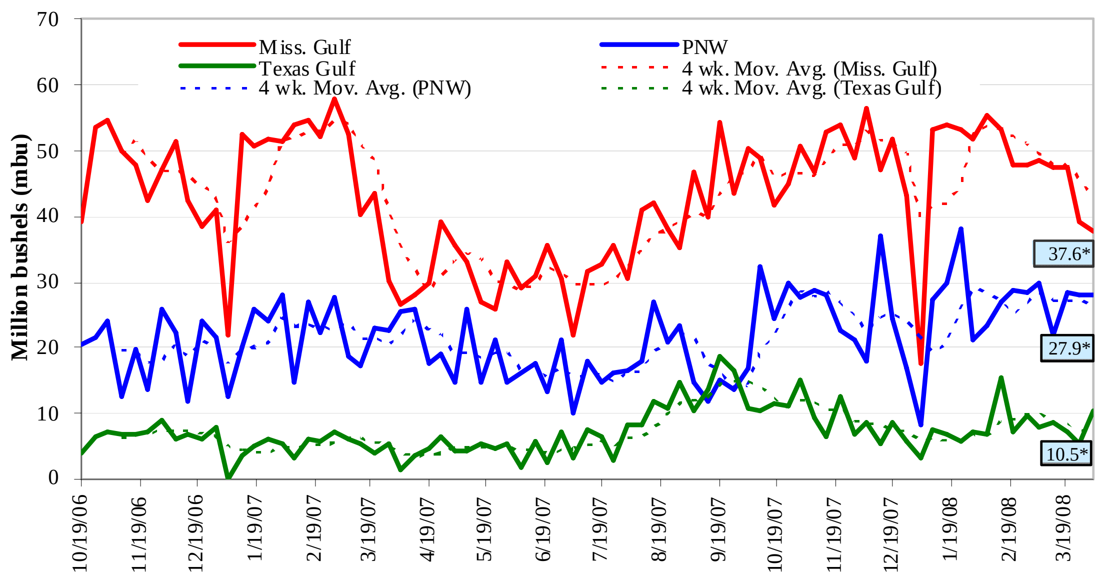


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); *mbu, this week.

April 3: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 4	up 96	up 8	down 1
Last year (same week)	up 42	up 650	up 73	up 10
3-yr avg. (4-wk mov. avg.)	up 10	up 101	up 23	up 34

Ocean Transportation

Table 17

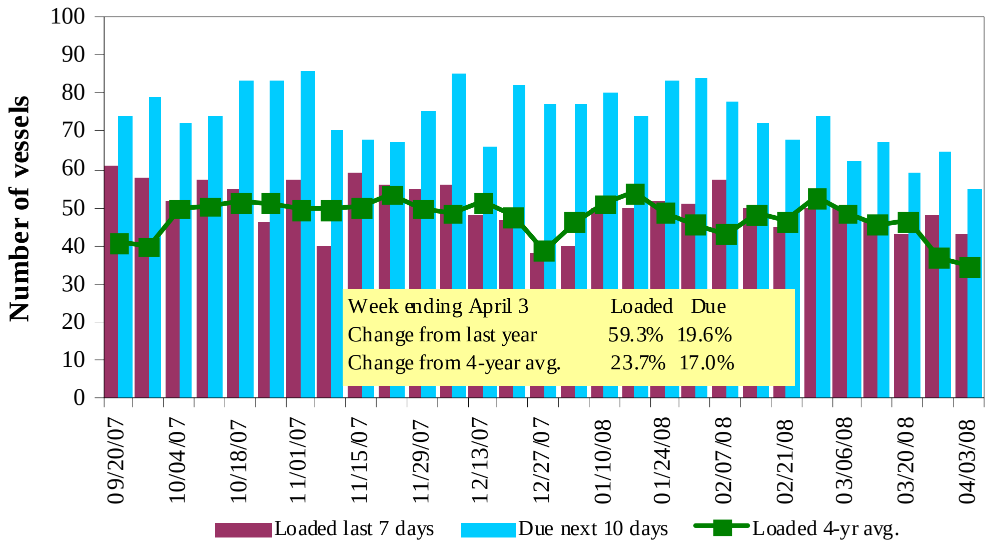
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
4/3/2008	35	43	55	17	3
3/27/2008	34	48	65	7	8
2007 range	(15..55)	(27..61)	(39..87)	(3..16)	(0..15)
2007 avg.	33	44	64	8	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

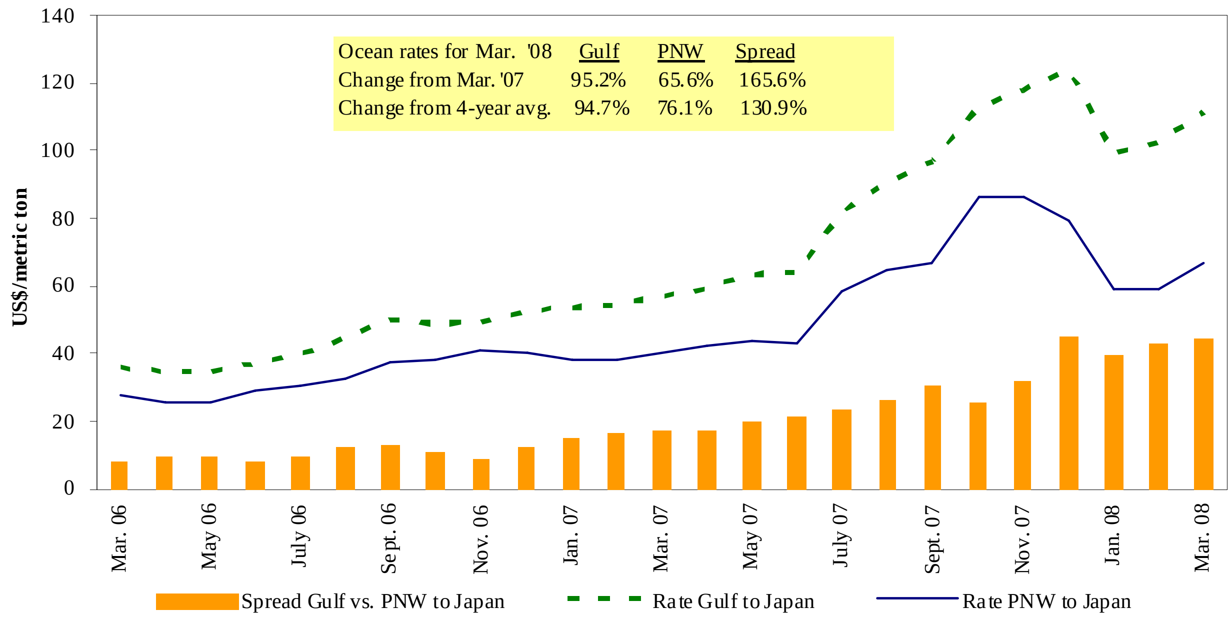


Source:Transportation & Marketing Programs/AMS/USDA

[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)/ Drewry Shipping Consultants Ltd (www.drewry.co.uk)/O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 4/5/2008

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Algeria	Hvy Grain	Feb 1/10	30,000	67.50
U.S. Gulf	Algeria	Hvy Grain	Jan 1/10	30,000	80.00
U.S. Gulf	China	Grain	Mar 25/30	50,000	95.00
U.S. Gulf	Morocco	Hvy Grain	Feb 5/15	25,000	62.75
U.S. Gulf	Pakistan[1]	Wheat	Mar 10/25	9,260	220.39
U.S. Gulf	Spain	Hvy Grain	Dec 7/15	35,000	82.00
Brazil	Europe	Soybean Meal	Mar 3/10	28,000	64.00
Brazil	Russia	Soybeans	Nov 29/Dec 3	25,000	95.00
Brazil	Belgium	Hvy Grain	Apr 4/14	50,000	67.50
River Plate	Algeria	Soybeans	Dec 7/14	20,000	100.50
River Plate	Egypt Mediterranean	Soybean Meal	Dec 25/Jan 5	23,000	116.00
River Plate	Libya	Corn	Mar 1/10	25,000	77.00
River Plate	Poland	Soybean Meal	Jan 15/30	23,000	115.00
River Plate	Romania	Soybean Meal	Jan 8/16	25,000	117.25
River Plate	United Kingdom	Grains	Dec 1/10	25,000	105.00
River Plate	Turkey	Soybean Meal	Oct 1/15	18,000	98.00

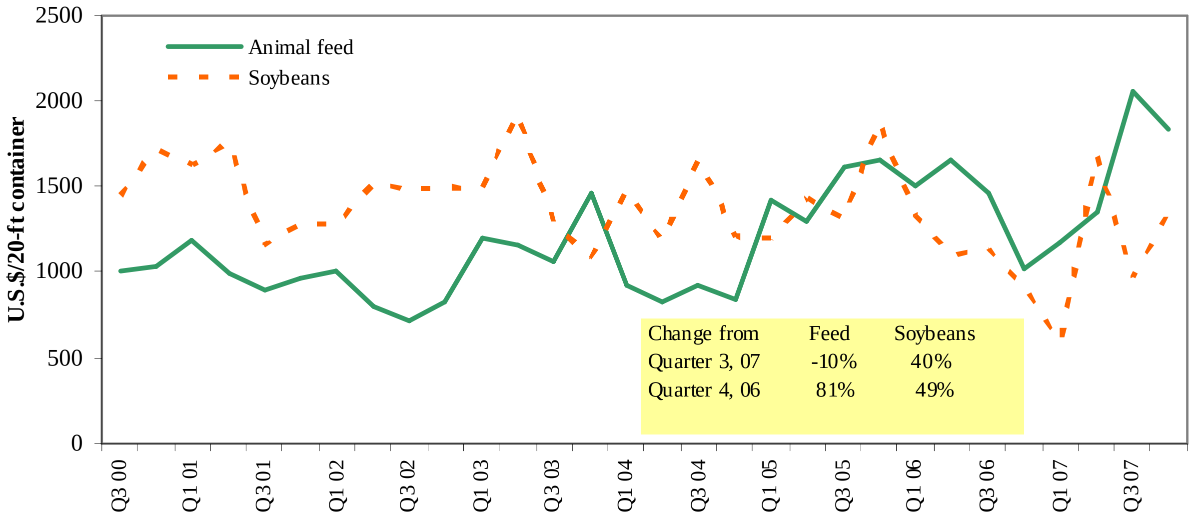
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

Figure 18

Ocean Rates[1] for Containerized Shipments to Selected Asian Countries



Change from	Feed	Soybeans
Quarter 3, 07	-10%	40%
Quarter 4, 06	81%	49%

[1]Rates are weighted by shipping line market share and destination country. Rates provided are publicly filed tariff rates, not those negotiated in a confidential service contract.

Countries include: Animal Feed: Bangkok-Thailand (11%), Busan-Korea (13%), Hong Kong (23%), Kaohsiung/Keelung-Taiwan (38%), Tokyo-Japan (16%). Soybeans: Bangkok-Thailand (1%), Busan-Korea, (1%), Kaohsiung/Keelung-Taiwan (96%), Tokyo-Japan (2%)

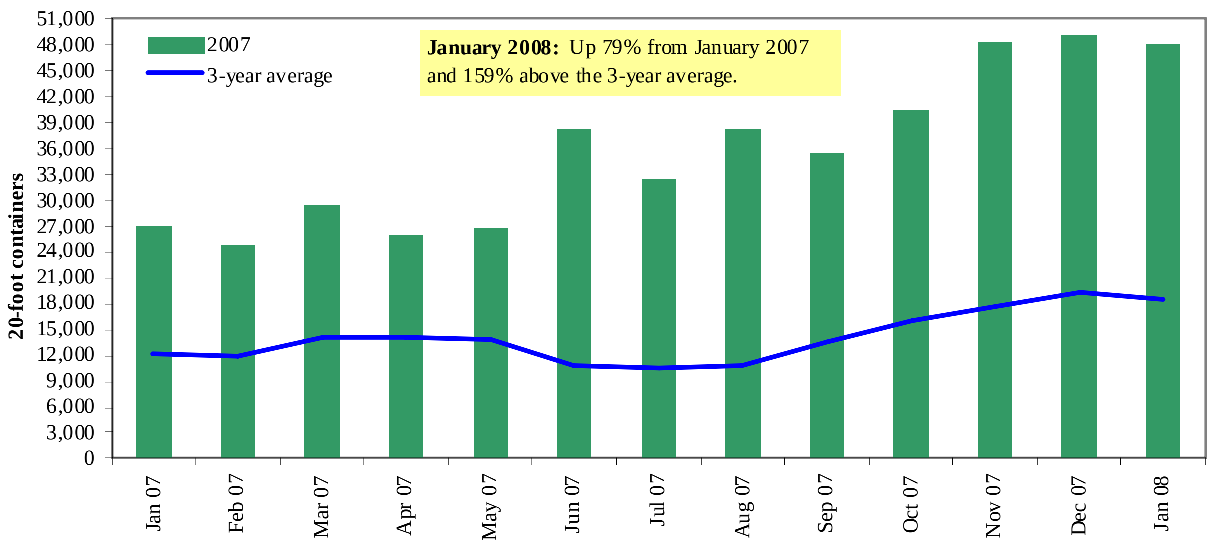
Source: Ocean Rate Bulletin, Quarter 4, 2007, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2007, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 9 percent of U.S. grain exports to Asia.

Figure 19

Monthly Shipments of Containerized Grain to Asia



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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