United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
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Contents

The next release is June 24, 2021

WEEKLY HIGHLIGHTS

FMCSA Extends Emergency Hours-of-Service Waiver for Feed and …

The Federal Motor Carrier Safety Administration (FMCSA) recently extended, through August 31, 2021, its waiver on hours-of-service (HOS) requirements for trucks transporting feed. Put into effect for the national emergency declared for COVID-19, the waiver does not allow motor carriers to ask truckers to haul loads when they say they are tired. The waiver does not cover routine commercial deliveries—including mixed loads—that add nominal amounts of qualifying materials in order to obtain the waiver. FMCSA intends to review the status of this waiver as of July 1, 2021, and may take action to terminate the waiver sooner if conditions warrant.

… Extends Emergency CDL Waiver for Feed

The Federal Motor Carrier Safety Administration (FMCSA) recently extended, through August 31, its waiver for commercial drivers licenses (CDLs) for trucks transporting feed. The waiver permits, but does not require, States to extend the validity of CDLs due for renewal on or after March 1, 2020. The waiver includes an extension for exemption from CDL-required medical certification—provided the certification expired on or after March 21, 2021. FMCSA intends to review the status of this waiver as of July 1, 2021, and may take action to terminate the waiver sooner if conditions warrant.

U.S. Department of Commerce Awarded 1.6 Million for SmartPort to State of Louisiana

On June 9, the U.S. Department of Commerce announced a $1.6 million CARES Act Recovery Assistance grant to the Water Institute of the Gulf, Baton Rouge, Louisiana, to develop the Lower Mississippi SmartPort and Resilience Center (i.e., SmartPort). The State of Louisiana and other partners will match an additional $1.4 million for SmartPort, in order to streamline operations and improve safety through real-time data shared by port administrators, tenants, shippers, and warehouse, cargo, and ground transportation providers. In the initial phase, the project plans to install sensors in and nearby locations of Lower Mississippi Ports to track real time traffic, water depth, and sediment level, in addition to developing wave and shoaling forecasting tools to improve operational efficiency and better emergency preparedness. The second phase of the project plans to digitally connect container depots, road transporters, dock terminals, shipping lines, warehouses, and cargo operators to the port's supply chain. In 2020, New Orleans shipped 78 million tons of grain to export markets, accounting for half of the U.S. total bulk grain exports for the year.

Snapshots by Sector

Export Sales

For the week ending June 3, **unshipped balances** of wheat, corn, and soybeans totaled 25.6 million metric tons (mmt). This was 10 percent higher than last week, and 7 percent higher than the same time last year. Net **corn export sales** were 0.189 mmt, down 64 percent from the past week. Net **soybean export sales** were 0.016 mmt, down 13 percent from the previous week. Net weekly **wheat export sales** for the 2021/22 marketing year which began June 1 were 0.326 mmt.

Rail

U.S. Class I railroads originated 21,352 **grain carloads** during the week ending June 5. This was a 16-percent decrease from the previous week, 2 percent more than last year, and 1 percent lower than the 3-year average.

Average June shuttle **secondary railcar** bids/offers (per car) were $295 below tariff for the week ending June 10. This was $9 more than last week and $379 lower than this week last year. There were no non-shuttle bids/offers this week.

Barge

For the week ending June 12, **barged grain movements** totaled 819,200 tons. This was 27 percent less than the previous week and 3 percent more than the same period last year.

For the week ending June 12, 523 grain barges **moved down river**—180 fewer barges than the previous week. There were 716 grain barges **unloaded in New Orleans**, 19 percent higher than the previous week.

Ocean

For the week ending June 10, 34 **oceangoing grain vessels** were loaded in the Gulf—26 percent more than the same period last year. Within the next 10 days (starting June 11), 45 vessels were expected to be loaded—2 percent less than the same period last year.

As of June 10, the rate for shipping a metric ton (mt) of grain from the U.S. Gulf to Japan was $68.00. This was 3 percent more than the previous week. The rate from the Pacific Northwest to Japan was $39.00 per mt, 2 percent more than the previous week.

Fuel

For the week ending June 14, the U.S. average **diesel fuel price** increased 1.2 cents from the previous week to $3.286 per gallon, 88.3 cents above the same week last year.

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Feature Article/Calendar

The Water Resources Development Act and Appropriations for the U.S. Waterways Commercial Navigation System

U.S. commercial transportation relies on 12,000 miles of waterways to move more than 500 million tons of commercial cargo by barge annually, including 77 million tons of bulk grain on average. The infrastructure for these waterways is constructed and maintained by the U.S. Army Corps of Engineers (USACE), which is vital to U.S. agriculture as a cost-effective method for shipping grains, fertilizer, and other agriculture-related commodities. This article briefly describes the processes by which USACE obtains authorization and funding for its water resource projects. To illustrate these processes, the details of the Water Resources Development Act (WRDA) and an example of an agriculturally significant USACE construction project moving through that process are examined.

Water Resources Development Act (WRDA) [1]

Typically, every 2 years, Congress authorizes USACE's water projects through a Water Resources Development Act (WRDA). A particular WRDA is commonly identified by the year it was enacted—for example, WRDA 2020 is the latest version passed and signed into law in December 2020. Among WRDA provisions, the pool of existing USACE authorization projects are typically added to or amended, including provisions to deauthorize inactive unconstructed projects.

Most WRDA-authorized water resource projects fall into three general categories: project studies, construction projects, and modifications to existing projects. In each WRDA, Congress establishes comprehensive guidelines on how USACE is to perform its work. Congress identifies the projects and studies to be authorized and sets rules for the standard Federal and nonfederal cost shares, based on recommendations from USACE, Federal and nonfederal agencies, and key stakeholders—including the agricultural sector and barge industry. Congress also authorizes USACE to perform specific studies and projects through the WRDAs.

To understand USACE's funding sources, it is necessary to understand the difference between authorization and appropriation processes. Authorization laws aim to establish, continue, or modify Federal programs. Generally, more than half of authorization legislation directly specifies funding sources. However, the WRDAs themselves do not provide funds. Instead, USACE's authorized civil work projects must wait for Congress to appropriate the funds to execute them.

Congress usually appropriates USACE civil work funds under an annual Energy and Water Development Appropriations bill (signed into law by the President).[2,3] While operation and maintenance projects are fully paid for by the Treasury's General Fund, the costs of new construction (i.e., the funds appropriated by Congress) are usually paid for by 50 percent from the General Fund and 50 percent from the Inland Waterways Trust Fund.[4] However, in WRDA 2020, Congress reduced the Trust Fund's share from 50 to 35 percent for any on-going as well as new construction authorized between fiscal years 2021 and 2031.

Example of Authorization and Appropriation Processes for a USACE Water Resource Project

The trajectory of USACE's Navigation and Ecosystem Sustainability Program (NESP)—first authorized by Congress in 2007—illustrates the authorization and appropriation process for USACE's water projects.

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[1] This article cites the information mostly from the Congressional Research Service document No IF11322 by Cater et al.

[2] The annual appropriations cycle starts with the President's budget (usually announced in the spring), followed by a series of negotiations between USACE, the White House, Office of Management and Budget, and other Federal agencies before all the parties reach an agreement. Occasionally, USACE also receives supplemental funding for its projects.

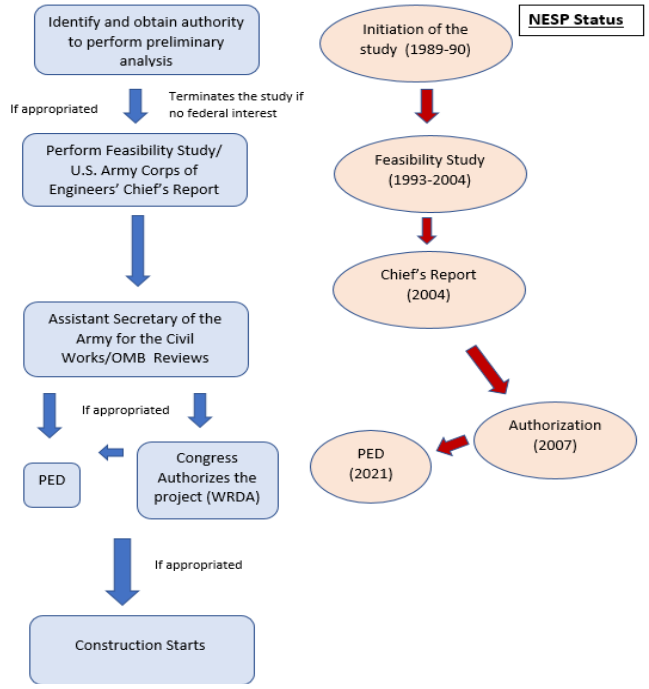
[3] The USACE's civil works program is led by the civilian Assistant Secretary of the Army for Civil Works, who reports to the Secretary of the Army.

[4] Congress created the Inland Waterways Trust Fund through the 1978 Revenue Act to fund construction and rehabilitation projects for U.S. inland and intracoastal waterways. The vessel operators pay a fixed rate per-gallon fuel excise tax ($0.29 per gallon) to the Trust Fund.

NESP is a long-term program to improve navigation and restore the ecology for the Upper Mississippi River System where a significant amount of U.S. bulk grain is produced.[5] For example, in 2020, more than 40 million tons of downbound bulk grains moved through the Mississippi River locking system to the U.S. Gulf for export (***GTR* table 10**), and, overall, the Mississippi River System moves about 57 percent of U.S. corn and 59 percent of soybean exports (by volume) annually.[6] A key component of NESP, is the construction of seven new 1,200-foot lock chambers along the system (*Grain Transportation Report*, April 22, 2021).

Most USACE construction projects traverse the following authorization steps: identify the problem; conduct a feasibility study (finished with a report by the Chief of Engineers); complete optional preconstruction engineering and design (PED), which provides updates between a project's authorization and its appropriation); and finally, authorize the project to start construction (fig. 1).[7]

Figure 1: The USACE Project Phases and NESP Status



Source: Congressional Research Service, USDA/AMS

In the case of NESP, after garnering sufficient Federal interest, USACE received authorization and funding to conduct a feasibility study for the seven NESP construction projects in 1993. The study's resulting final recommendation (signed on December 15, 2004) included a program to achieve both ecosystem restoration and navigation improvements. The report was then sent for review by the Assistant Secretary of the Army for Civil Works, Congress, and the Office of Management and Budget (OMB).[8] Finally, with WRDA 2007, Congress authorized the seven construction projects without appropriating fund to start the work. Since 2007, in some subsequent WRDAs, Congress has appropriated funds for USACE to conduct updated PED studies, but currently, all seven construction projects still await funds to start construction.

Conclusion

The domestic waterways system is vital to the prosperity of the U.S. agricultural sector. The process of authorizing and appropriating funds for USACE's water projects—lengthy and complex as it is—is essential to maintaining and enhancing the effectiveness of the U.S. waterways navigation system.

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[5] U.S. Army Corps of Engineers, Waterborne Commerce Statistics. Visit Institute for Water Resources Website for details.
[6] USDA, Agricultural Marketing Service (2019), *Importance of Inland Waterways to U.S. Agriculture*.
[7] For more details, see Congressional Research Service Document No. R45185.
[8] From early spring to July, OMB gives formal guidelines to Federal agencies to establish the levels of funding and priorities. The agencies then work within those guidelines to structure their own budget proposals. OMB then makes final decisions based on its own studies, agencies' proposed budgets, and other considerations to finalize the President's budget. After that, the U.S. House of Representatives and Senate develop their own separate appropriation bills. These bills must then be reconciled and pass both houses of Congress before the President can sign the final bill into law. OMB often plays a crucial role through the entire appropriation process, either directly or indirectly.

Grain Transportation Indicators

Table 1

Grain transport cost indicators[1]

	Truck	Rail		Barge	Ocean	
For the week ending		Non-Shuttle	Shuttle		Gulf	Pacific
06/16/21	221	291	211	169	304	277
06/09/21	220	291	211	171	295	271

[1]Indicator: 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)

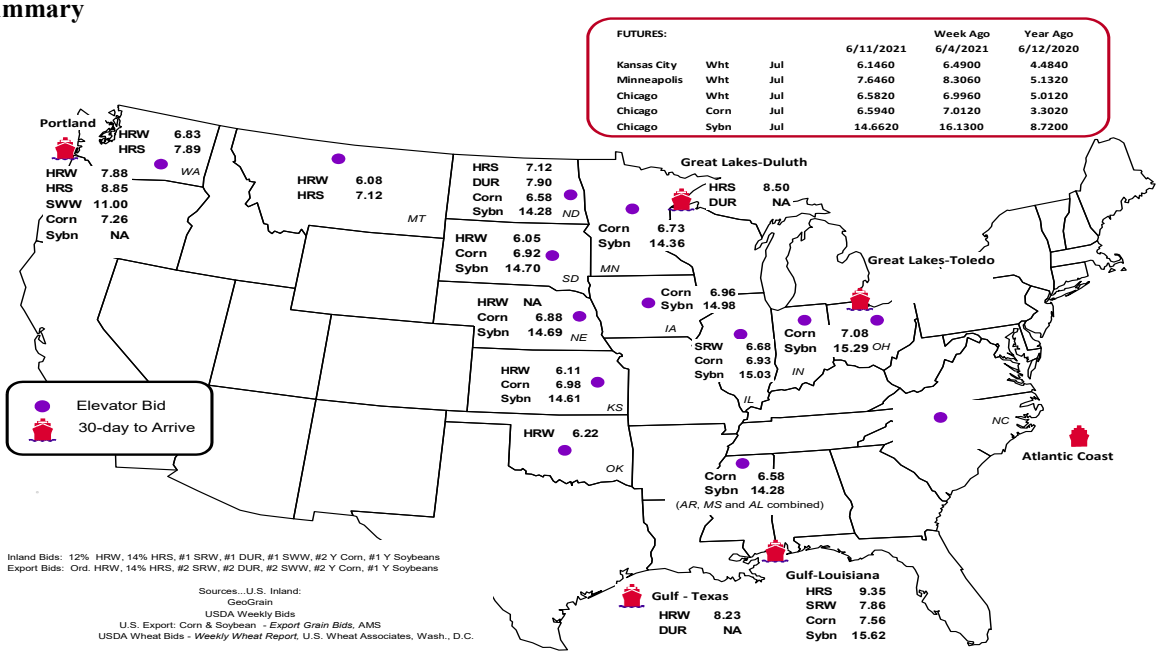
Commodity	Origin–destination	6/11/2021	6/4/2021
Corn	IL–Gulf	-0.63	-0.68
Corn	NE–Gulf	-0.68	-0.75
Soybean	IA–Gulf	-0.64	-0.84
HRW	KS–Gulf	-2.12	-2.03
HRS	ND–Portland	-1.73	-1.82

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 Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-border Mexico[3]
6/09/2021[p]	530	959	5,028	0	6,517	6/5/2021	2,699
6/02/2021[r]	848	1,509	5,687	0	8,044	5/29/2021	3,584
2021 YTD[r]	33,629	36,126	151,700	9,887	231,342	2021 YTD	63,199
2020 YTD[r]	9,842	19,251	106,632	4,573	140,298	2020 YTD	54,828
2021 YTD as % of 2020 YTD	342	188	142	216	165	% change YTD	115
Last 4 weeks as % of 2020[2]	220	108	125	26	124	Last 4wks. % 2020	144
Last 4 weeks as % of 4-year avg.[2]	123	102	103	22	102	Last 4wks. % 4 yr.	132
Total 2020	45,294	64,116	299,882	24,458	433,750	Total 2020	126,407
Total 2019	40,974	51,167	251,181	16,192	359,514	Total 2019	127,622

[1]Data is incomplete as it is voluntarily provided.

[2] Compared with same 4-weeks in 2020 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.

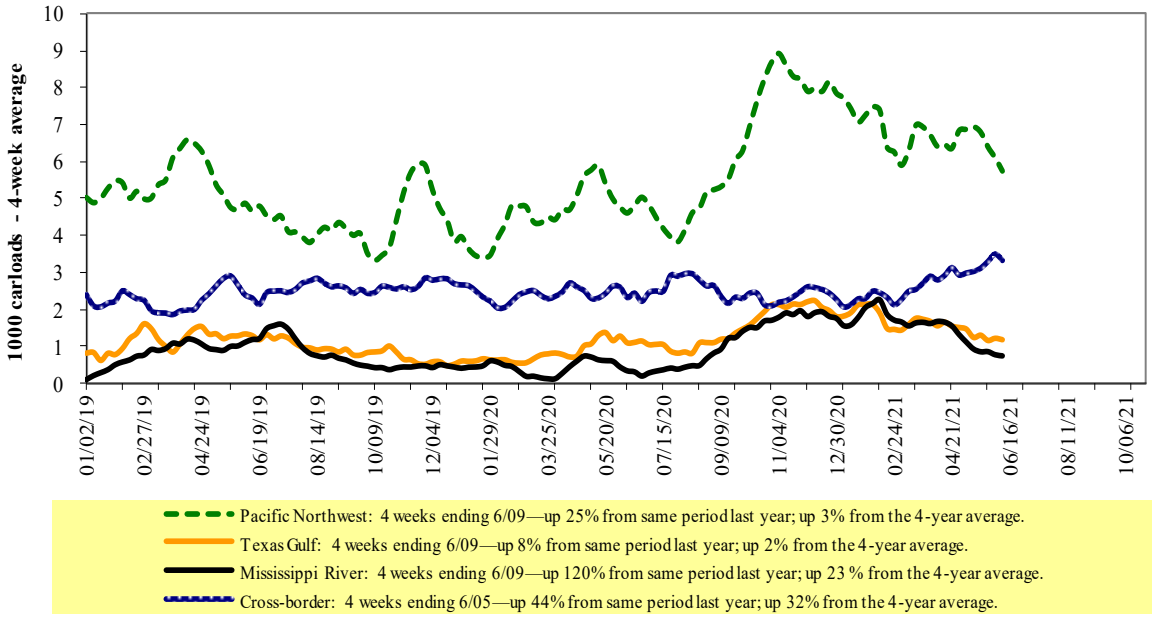
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available; wks. = weeks; avg. = average.

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:	East		West			U.S. total	Canada	
6/5/2021	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,768	2,659	9,385	1,396	6,144	21,352	3,546	5,396
This week last year	1,633	2,243	11,057	1,015	5,024	20,972	4,482	4,633
2021 YTD	43,780	57,466	285,157	23,960	145,803	556,166	104,147	119,510
2020 YTD	39,175	52,903	245,716	23,931	113,638	475,363	89,208	100,122
2021 YTD as % of 2020 YTD	112	109	116	100	128	117	117	119
Last 4 weeks as % of 2020*	115	122	110	132	120	115	90	105
Last 4 weeks as % of 3-yr. avg.**	104	106	103	122	125	110	90	109
Total 2020	91,659	130,515	613,630	57,782	296,701	1,190,287	238,684	261,778

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

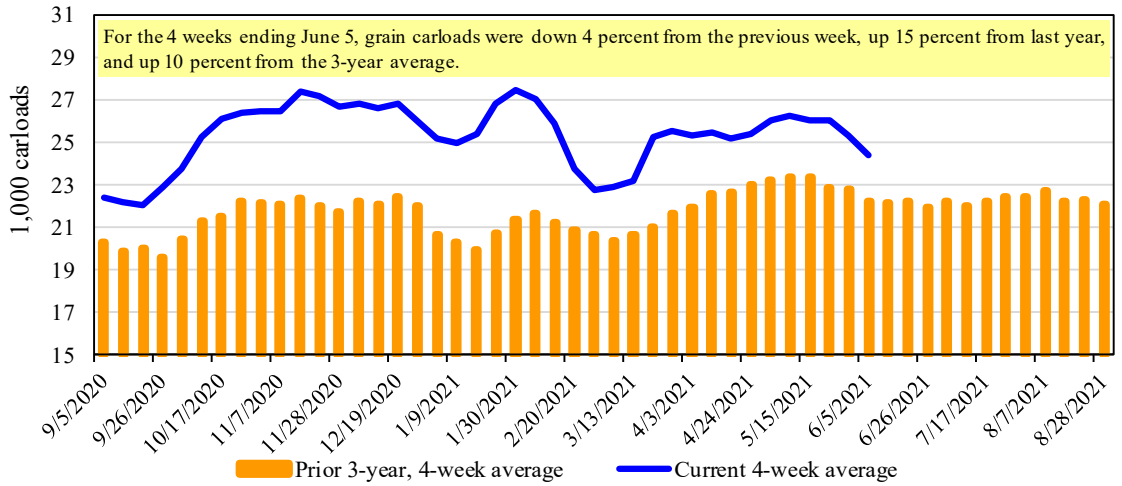
**The past 4 weeks as a percent of the same period from the prior 3-year average. YTD = year-to-date; avg. = average; yr. = year.

Note: NS = Norfolk Southern; KCS = Kansas City Southern; UP = Union Pacific; CN = Canadian National; CP = Canadian Pacific.

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 offerings[1] ($/car)[2]

For the week ending:		Delivery period							
6/10/2021		Jun-21	Jun-20	Jul-21	Jul-20	Aug-21	Aug-20	Sep-21	Sep-20
BNSF[3]	COT grain units	0	0	no bids	0	no bids	0	no bids	no bids
	COT grain single-car	0	0	0	0	0	0	0	0
UP[4]	GCAS/Region 1	no offer	no offer	no offer	no offer	no offer	no offer	n/a	n/a
	GCAS/Region 2	no offer	no offer	no offer	no bid	no offer	no bid	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 = BNSF Railway Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

[4]UP - GCAS = Union Pacific Railroad Grain Car Allocation System.

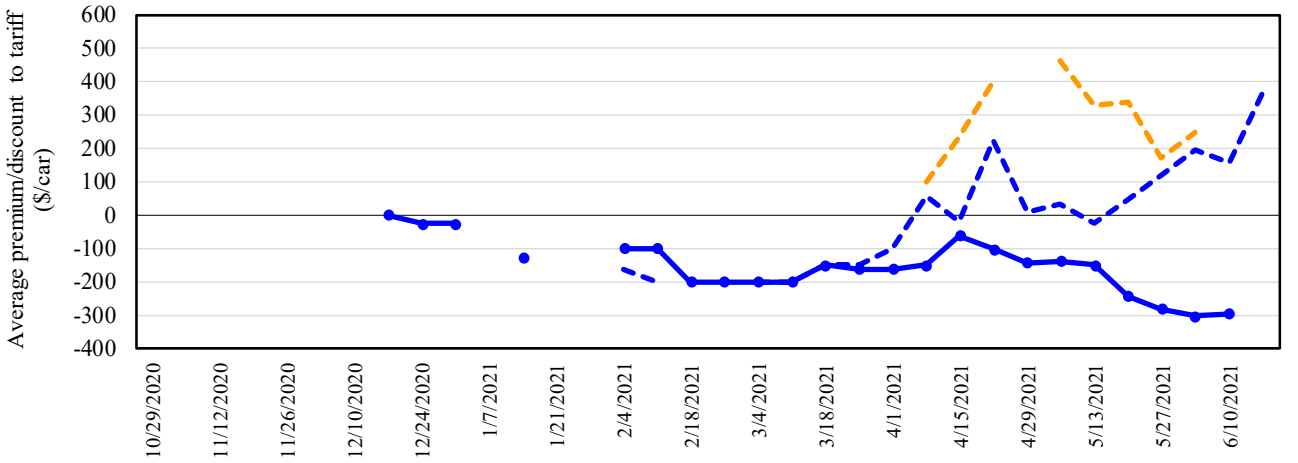
Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

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 June 2021, secondary market

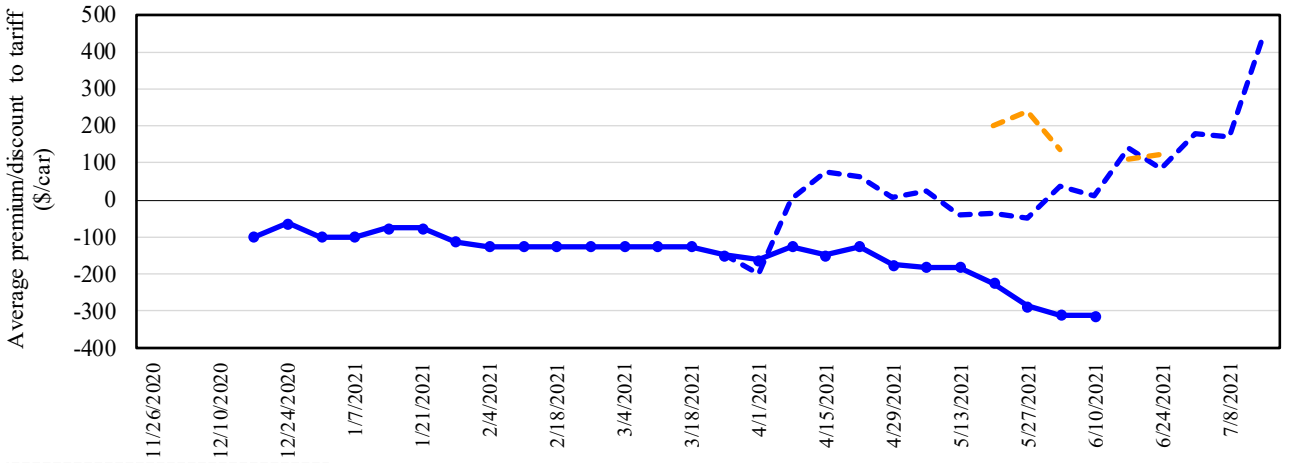


6/10/2021	BNSF	UP
Non-shuttle	n/a	n/a
Shuttle	-$256	-$333

There were no non-shuttle bids/offers this week.
Average shuttle bids/offers rose $9 this week and are $295 below the peak.

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

Figure 5
Bids/offers for railcars to be delivered in July 2021, secondary market



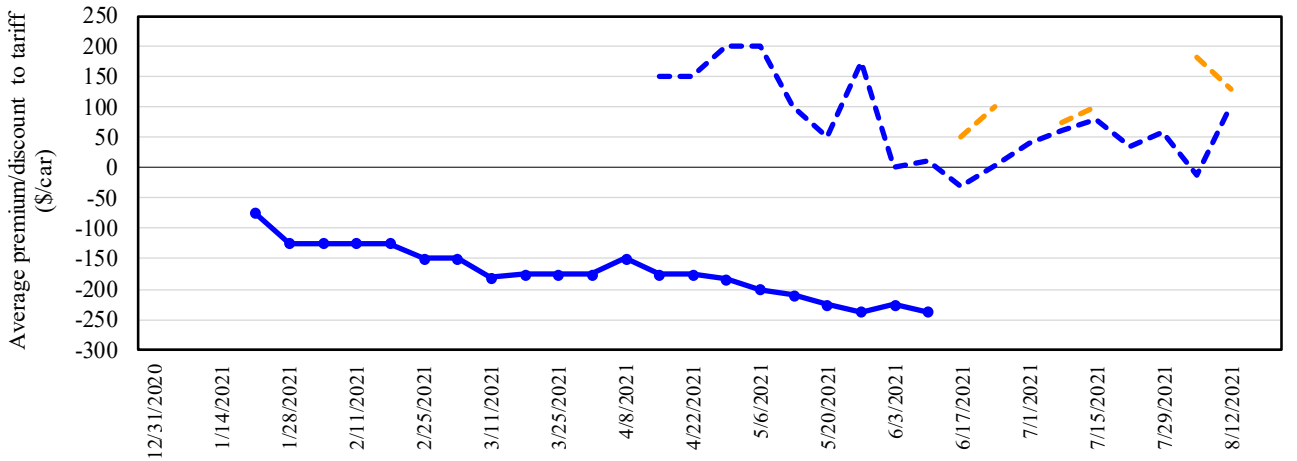
6/10/2021	BNSF	UP
Non-shuttle	n/a	n/a
Shuttle	-$250	-$375

There were no non-shuttle bids/offers this week.
Average shuttle bids/offers fell $2 this week and are $250 below the peak.

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

Figure 6

Bids/offers for railcars to be delivered in August 2021, secondary market



6/10/2021	BNSF	UP
Non-shuttle	n/a	n/a
Shuttle	-$250	-$225

There were no non-shuttle bids/offers this week.
Average shuttle bids/offers fell $13 this week and are $163 below the peak.

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

Table 6

Weekly secondary railcar market ($/car)[1]

	For the week ending: 6/10/2021	Delivery period					
		Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
Non-shuttle	**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 2020	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 2020	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**(256)**	**(250)**	**(250)**	**296**	**675**	**n/a**
	Change from last week	(6)	(17)	(25)	329	(325)	n/a
	Change from same week 2020	(300)	(75)	n/a	302	375	n/a
	UP-Pool	**(333)**	**(375)**	**(225)**	**(200)**	**433**	**n/a**
	Change from last week	25	13	0	0	(242)	n/a
	Change from same week 2020	(458)	(400)	(150)	(113)	183	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; BNSF = BNSF Railway; UP = Union Pacific Railroad.

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. Together with **fuel surcharges** and any **auction and secondary rail** values, the tariff rail rate constitutes 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. However, during times of high rail demand or short supply, high auction and secondary rail values can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

Tariff rail rates for unit and shuttle train shipments[1]

June 2021	Origin region[3]	Destination region[3]	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[4]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,695	$106	$37.75	$1.03	5
	Grand Forks, ND	Duluth-Superior, MN	$4,208	$0	$41.79	$1.14	-3
	Wichita, KS	Los Angeles, CA	$7,115	$0	$70.66	$1.92	-2
	Wichita, KS	New Orleans, LA	$4,525	$187	$46.79	$1.27	3
	Sioux Falls, SD	Galveston-Houston, TX	$6,851	$0	$68.03	$1.85	-2
	Colby, KS	Galveston-Houston, TX	$4,801	$205	$49.71	$1.35	3
	Amarillo, TX	Los Angeles, CA	$5,121	$285	$53.68	$1.46	3
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,900	$211	$40.83	$1.04	3
	Toledo, OH	Raleigh, NC	$7,833	$0	$77.79	$1.98	15
	Des Moines, IA	Davenport, IA	$2,455	$45	$24.82	$0.63	3
	Indianapolis, IN	Atlanta, GA	$5,979	$0	$59.37	$1.51	3
	Indianapolis, IN	Knoxville, TN	$5,040	$0	$50.05	$1.27	3
	Des Moines, IA	Little Rock, AR	$3,900	$131	$40.03	$1.02	5
	Des Moines, IA	Los Angeles, CA	$5,780	$383	$61.20	$1.55	6
Soybeans	Minneapolis, MN	New Orleans, LA	$3,631	$218	$38.22	$1.04	4
	Toledo, OH	Huntsville, AL	$6,595	$0	$65.49	$1.78	17
	Indianapolis, IN	Raleigh, NC	$7,125	$0	$70.75	$1.93	3
	Indianapolis, IN	Huntsville, AL	$5,247	$0	$52.11	$1.42	3
	Champaign-Urbana, IL	New Orleans, LA	$4,645	$211	$48.23	$1.31	3
Shuttle train							
Wheat	Great Falls, MT	Portland, OR	$4,018	$0	$39.90	$1.09	-3
	Wichita, KS	Galveston-Houston, TX	$4,236	$0	$42.07	$1.14	-3
	Chicago, IL	Albany, NY	$6,376	$0	$63.32	$1.72	-10
	Grand Forks, ND	Portland, OR	$5,676	$0	$56.37	$1.53	-2
	Grand Forks, ND	Galveston-Houston, TX	$5,996	$0	$59.54	$1.62	-2
	Colby, KS	Portland, OR	$6,012	$336	$63.04	$1.72	3
Corn	Minneapolis, MN	Portland, OR	$5,180	$0	$51.44	$1.31	0
	Sioux Falls, SD	Tacoma, WA	$5,140	$0	$51.04	$1.30	0
	Champaign-Urbana, IL	New Orleans, LA	$3,820	$211	$40.03	$1.02	3
	Lincoln, NE	Galveston-Houston, TX	$3,880	$0	$38.53	$0.98	0
	Des Moines, IA	Amarillo, TX	$4,320	$165	$44.54	$1.13	5
	Minneapolis, MN	Tacoma, WA	$5,180	$0	$51.44	$1.31	0
	Council Bluffs, IA	Stockton, CA	$5,100	$0	$50.65	$1.29	2
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,850	$0	$58.09	$1.58	0
	Minneapolis, MN	Portland, OR	$5,900	$0	$58.59	$1.59	0
	Fargo, ND	Tacoma, WA	$5,750	$0	$57.10	$1.55	0
	Council Bluffs, IA	New Orleans, LA	$4,875	$244	$50.83	$1.38	3
	Toledo, OH	Huntsville, AL	$4,945	$0	$49.11	$1.34	3
	Grand Island, NE	Portland, OR	$5,260	$344	$55.65	$1.51	4

[1]A 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.

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

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

[4]Percentage 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: June 2021							
Commodity	Origin state	Destination region	Tariff rate per car[1]	Fuel surcharge per car[2]	Tariff rate plus fuel surcharge per: metric ton[3]	bushel[3]	Percent change[4] Y/Y
Wheat	MT	Chihuahua, CI	$7,384	$0	$75.45	$2.05	-2
	OK	Cuautitlan, EM	$6,813	$146	$71.10	$1.93	2
	KS	Guadalajara, JA	$7,531	$697	$84.08	$2.29	5
	TX	Salinas Victoria, NL	$4,347	$89	$45.33	$1.23	2
Corn	IA	Guadalajara, JA	$8,902	$593	$97.01	$2.46	3
	SD	Celaya, GJ	$8,140	$0	$83.17	$2.11	0
	NE	Queretaro, QA	$8,300	$304	$87.91	$2.23	3
	SD	Salinas Victoria, NL	$6,905	$0	$70.55	$1.79	0
	MO	Tlalnepantla, EM	$7,665	$297	$81.34	$2.06	3
	SD	Torreon, CU	$7,690	$0	$78.57	$1.99	0
Soybeans	MO	Bojay (Tula), HG	$8,547	$557	$93.01	$2.53	3
	NE	Guadalajara, JA	$9,157	$580	$99.49	$2.70	3
	IA	El Castillo, JA	$9,410	$0	$96.15	$2.61	-1
	KS	Torreon, CU	$8,014	$400	$85.96	$2.34	3
Sorghum	NE	Celaya, GJ	$7,772	$523	$84.76	$2.15	4
	KS	Queretaro, QA	$8,108	$183	$84.71	$2.15	1
	NE	Salinas Victoria, NL	$6,713	$147	$70.08	$1.78	1
	NE	Torreon, CU	$7,092	$364	$76.18	$1.93	3

[1]Rates 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.

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

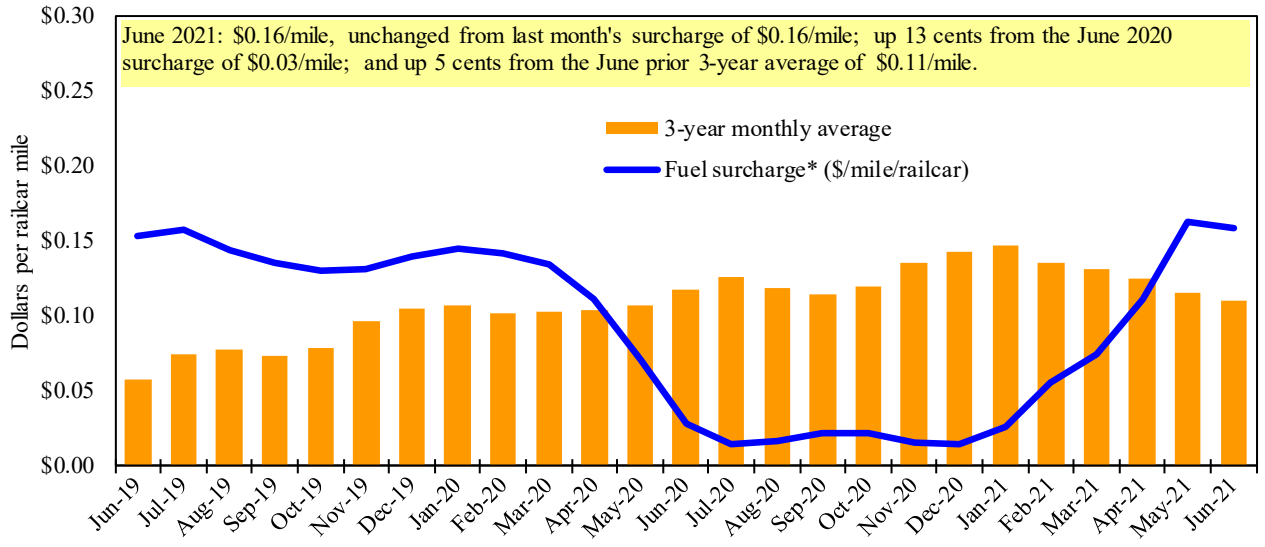
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu.

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

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

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.

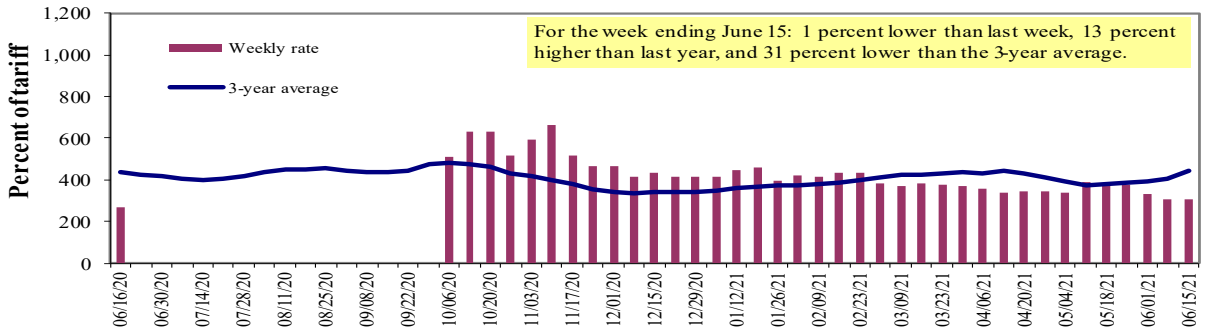
* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

**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 Railway, Union Pacific Railroad, Kansas City Southern Railway, Norfolk Southern Corporation.

Barge Transportation

Figure 8
Illinois River barge freight rate[1,2,3]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average of the 3-year average.
[3]No rates data from 06/23/20 to 9/29/20 due to the lock closure for rehabilitation and replacement of lock machinery.
Source: USDA, Agricultural Marketing Service.

Table 9
Weekly barge freight rates: Southbound only

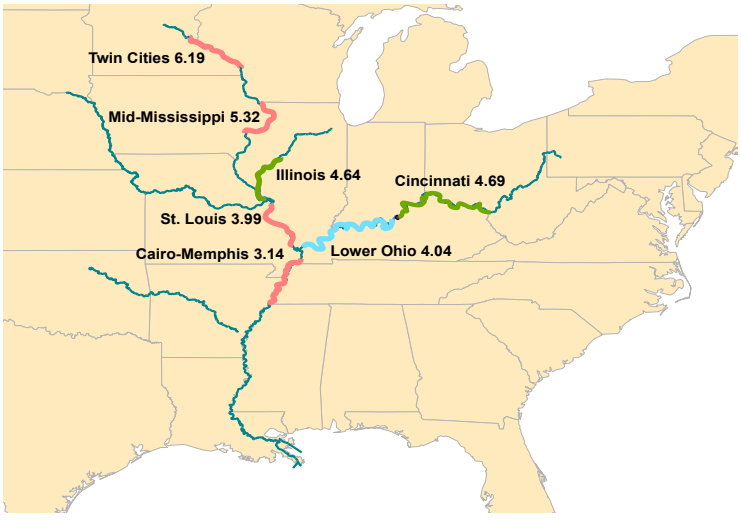
		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	6/15/2021	439	311	304	209	241	241	200
	6/8/2021	415	311	308	213	243	243	206
$/ton	6/15/2021	27.17	16.55	14.11	8.34	11.30	9.74	6.28
	6/8/2021	25.69	16.55	14.29	8.50	11.40	9.82	6.47
Current week % change from the same week:								
	Last year	19	1	13	9	31	31	10
	3-year avg. [2]	-5	-25	-31	-30	-16	-17	-23
Rate[1]	July	431	311	303	209	239	239	200
	September	515	471	470	443	464	464	429

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-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

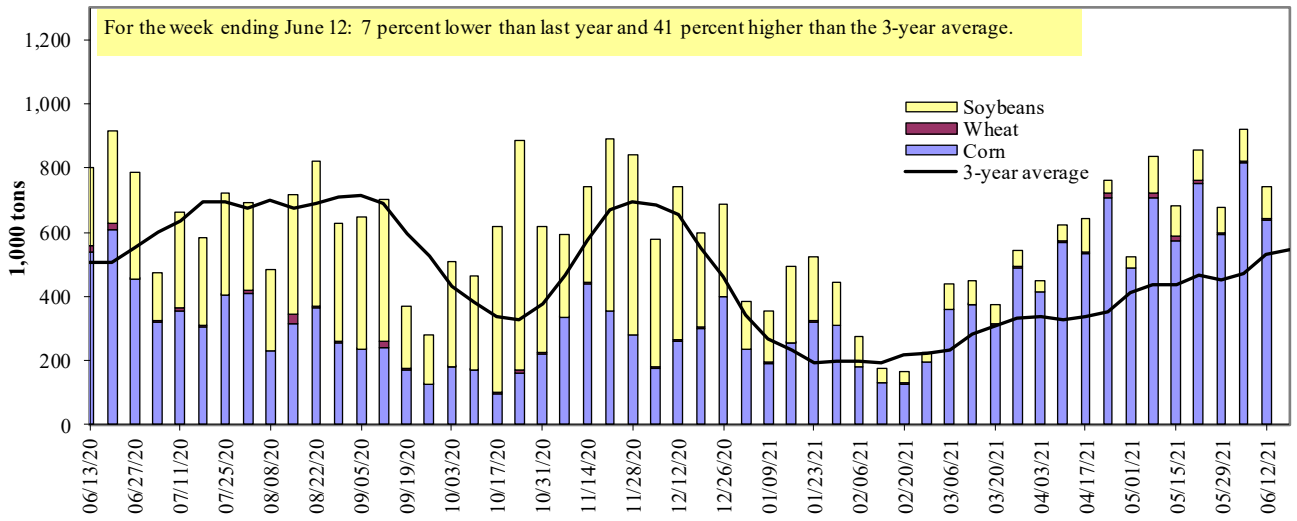
Select applicable index from market quotes are included in tables on this page. The 1976 benchmark rates per ton are provided in map.



Map Credit: USDA, Agricultural Marketing Service

Figure 10

Barge movements on the Mississippi 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.

Table 10

Barge grain movements (1,000 tons)

For the week ending 06/12/2021	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	301	2	46	0	348
Winfield, MO (L25)	537	0	77	0	614
Alton, IL (L26)	621	4	94	0	719
Granite City, IL (L27)	637	4	103	0	744
Illinois River (La Grange)	79	4	29	0	112
Ohio River (Olmsted)	40	0	17	0	57
Arkansas River (L1)	0	17	1	0	18
Weekly total - 2021	677	21	121	0	819
Weekly total - 2020	611	18	167	0	796
2021 YTD[1]	14,264	589	4,123	168	19,144
2020 YTD[1]	7,794	707	4,982	51	13,533
2021 as % of 2020 YTD	183	83	83	333	141
Last 4 weeks as % of 2020[2]	140	138	55	269	116
Total 2020	18,942	1,765	19,205	237	40,149

[1] Weekly total, YTD (year-to-date), and calendar year total include MI/27, OH/Olmsted, and AR/1; Other refers to oats, barley, sorghum, and rye. Total may not add exactly due to rounding.

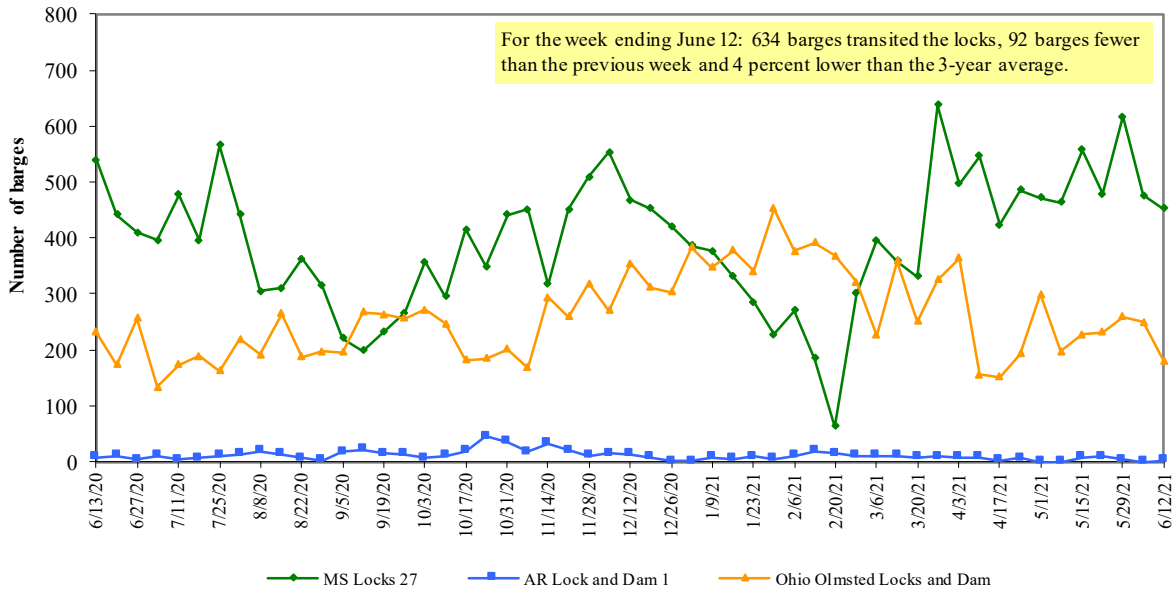
[2] As a percent of same period in 2020.

Note: L (as in "L15") refers to a lock, locks, or locks and dam facility.

Source: U.S. Army Corps of Engineers.

Figure 11

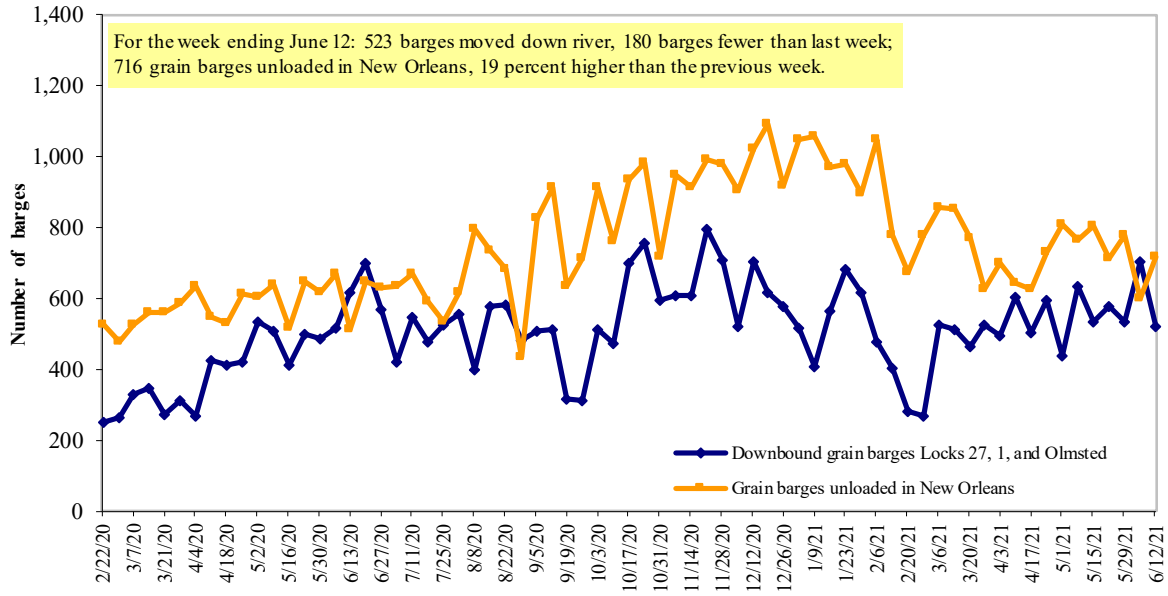
Upbound empty barges transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Olmsted Locks and Dam



Source: U.S. Army Corps of Engineers.

Figure 12

Grain barges for export in New Orleans region



Note: Olmsted = Olmsted Locks and Dam.

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 6/14/2021 (U.S. $/gallon)

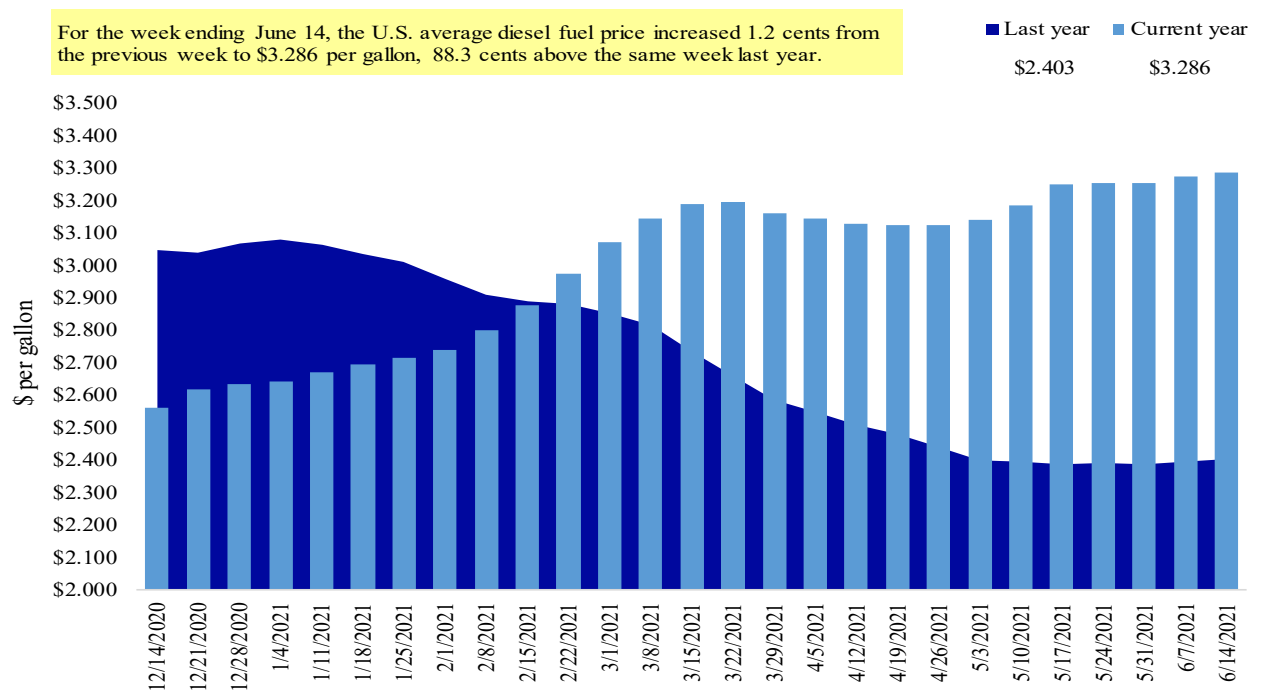
Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.275	0.016	0.774
	New England	3.203	0.020	0.575
	Central Atlantic	3.435	0.011	0.762
	Lower Atlantic	3.181	0.018	0.822
II	Midwest	3.233	0.011	0.977
III	Gulf Coast	3.040	0.006	0.866
IV	Rocky Mountain	3.382	-0.004	1.036
V	West Coast	3.802	0.016	0.872
	West Coast less California	3.465	0.019	0.886
	California	4.084	0.015	0.866
Total	United States	3.286	0.012	0.883

[1]Diesel 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



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)

	Wheat						Corn	Soybeans	Total
For the week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export balances[1]									
6/3/2021	1,607	995	1,624	1,115	35	5,376	16,386	3,808	25,570
This week year ago	1,976	530	1,752	1,137	262	5,656	10,881	7,442	23,979
Cumulative exports-marketing year[2]									
2020/21 YTD	60	0	22	55	0	136	52,912	57,745	110,793
2019/20 YTD	122	2	18	9	21	172	30,252	35,998	66,422
YTD 2020/21 as % of 2019/20	49	0	122	608	0	79	175	160	167
Last 4 wks. as % of same period 2019/20*	39	69	47	53	13	46	171	56	106
Total 2019/20	9,526	2,318	6,960	4,751	922	24,477	42,622	43,994	111,094
Total 2018/19	8,591	3,204	6,776	5,164	479	24,214	48,924	46,189	119,327

[1] Current unshipped (outstanding) export sales to date.

[2] Shipped export sales to date; 2021/22 marketing year now in effect for wheat while corn and soybeans remain in effect for the 2020/21 marketing year.

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 importers[1] of U.S. corn

For the week ending 06/3/2021	Total commitments[2]			% change	Exports[3]
	2021/22 next MY	2020/21 current MY	2019/20 last MY	current MY from last MY	3-yr. avg. 2017-19
			- 1,000 mt -		
Mexico	1,873	14,648	13,645	7	14,869
Japan	775	10,266	9,317	10	11,221
Columbia	0	3,804	4,154	(8)	4,830
Korea	0	3,528	2,429	45	4,011
China	10,744	23,221	1,266	1,734	909
Top 5 importers	**13,392**	**55,466**	**30,812**	**80**	**35,840**
Total U.S. corn export sales	**15,094**	**69,298**	**41,133**	**68**	**49,983**
% of projected exports	24%	96%	91%		
Change from prior week[2]	**26**	**189**	**661**		
Top 5 importers' share of U.S. corn export sales	89%	80%	75%		72%
USDA forecast June 2021	**62,341**	**72,519**	**45,242**	**60**	
Corn use for ethanol USDA forecast, June 2021	**132,080**	**128,270**	**123,368**	**4**	

[1] Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2019/20; 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: A red number in parentheses indicates a negative number; mt = metric ton.

Source: USDA, Foreign Agricultural Service.

Table 14

Top 5 importers[1] of U.S. soybeans

For the week ending 06/03/2021	Total commitments[2]			% change current MY from last MY	Exports[3] 3-yr. avg. 2017-19
	2021/22 next MY	2020/21 current MY	2019/20 last MY		
			1,000 mt -		- 1,000 mt -
China	3,092	35,709	15,283	134	19,106
Mexico	509	4,749	4,526	5	4,591
Egypt	0	2,777	3,238	(14)	2,980
Indonesia	1	2,172	1,881	15	2,360
Japan	74	2,175	2,322	(6)	2,288
Top 5 importers	**3,676**	**47,582**	**27,250**	**75**	**31,324**
Total U.S. soybean export sales	**7,556**	**61,553**	**43,440**	**42**	**49,352**
% of projected exports	13%	99%	95%		
change from prior week[2]	**105**	**16**	**1,004**		
Top 5 importers' share of U.S. soybean export sales	49%	77%	63%		**63%**
USDA forecast, June 2021	**56,540**	**62,125**	**45,831**	**136**	

[1]Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2019/20; marketing year (MY) = Sep 1 - Aug 31.

[2]Cumulative 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.

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

Note: A red number in parentheses indicates a negative number; mt = metric ton.

Source: USDA, Foreign Agricultural Service.

Table 15

Top 10 importers[1] of all U.S. wheat

For the week ending 06/3/2021	Total Commitments[2]		% change current MY from last MY	Exports[3] 3-yr. avg. 2018-20
	2021/22 current MY	2020/21 last MY		
		1,000 mt -		- 1,000 mt -
Mexico	857	366	134	3,388
Philippines	886	976	(9)	3,121
Japan	436	592	(26)	2,567
Korea	365	438	(17)	1,501
Nigeria	461	197	134	1,490
China	267	548	(51)	1,268
Taiwan	181	261	(30)	1,187
Indonesia	62	179	(65)	1,131
Thailand	81	169	(52)	768
Italy	38	140	(73)	681
Top 10 importers	**3,632**	**3,866**	(6)	**17,102**
Total U.S. wheat export sales	**5,513**	**5,829**	(5)	**24,617**
% of projected exports	22%	22%		
change from prior week[2]	**326**	**270**		
Top 10 importers' share of U.S. wheat export sales	66%	66%		69%
USDA forecast, June 2021	**24,523**	**26,839**	(9)	

[1] Based on USDA, Foreign Agricultural Service(FAS) marketing year ranking reports for 2020/21; Marketing year (MY) = Jun 1 - May 31.

[2] Cumulative 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.

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

Note: A red number in parentheses indicates a negative number.

Source: USDA, Foreign Agricultural Service.

Table 16

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

Port regions	For the week ending 06/10/21	Previous week*	Current week as % of previous	2021 YTD*	2020 YTD*	2021 YTD as % of 2020 YTD	Last 4-weeks as % of: Last year	Last 4-weeks as % of: Prior 3-yr. avg.	2020 total*
Pacific Northwest									
Wheat	270	363	74	7,514	7,191	104	91	113	15,966
Corn	431	472	91	9,942	4,424	225	157	137	9,969
Soybeans	0	10	0	3,678	2,736	134	278	2	14,028
Total	**701**	**845**	**83**	**21,134**	**14,350**	**147**	**124**	**108**	**39,963**
Mississippi Gulf									
Wheat	5	69	7	1,081	1,646	66	73	73	3,422
Corn	845	693	122	23,618	13,738	172	160	163	28,781
Soybeans	70	126	55	10,088	10,034	101	38	32	38,013
Total	**920**	**887**	**104**	**34,786**	**25,419**	**137**	**120**	**115**	**70,215**
Texas Gulf									
Wheat	176	28	634	1,636	1,874	87	57	57	4,248
Corn	0	0	n/a	239	374	64	25	19	723
Soybeans	0	0	n/a	656	7	n/a	n/a	0	2,098
Total	**176**	**28**	**634**	**2,531**	**2,255**	**112**	**53**	**50**	**7,068**
Interior									
Wheat	31	60	52	1,274	1,052	121	168	168	2,263
Corn	241	237	102	4,376	3,707	118	138	127	8,683
Soybeans	57	106	54	2,975	2,990	100	84	73	7,274
Total	**330**	**403**	**82**	**8,625**	**7,748**	**111**	**122**	**111**	**18,220**
Great Lakes									
Wheat	20	0	n/a	208	285	73	89	80	891
Corn	0	0	n/a	32	0	n/a	n/a	34	111
Soybeans	0	0	n/a	13	61	22	2	1	1,111
Total	**21**	**0**	**n/a**	**253**	**346**	**73**	**68**	**46**	**2,113**
Atlantic									
Wheat	2	0	n/a	74	5	n/a	54	161	65
Corn	0	0	n/a	14	8	174	n/a	0	33
Soybeans	8	10	76	1,036	393	264	126	69	1,870
Total	**10**	**10**	**98**	**1,124**	**406**	**276**	**117**	**56**	**1,968**
U.S. total from ports*									
Wheat	506	520	97	11,787	12,055	98	88	97	26,854
Corn	1,517	1,402	108	38,220	22,251	172	154	146	48,301
Soybeans	135	252	54	18,446	16,220	114	52	36	64,394
Total	**2,158**	**2,173**	**99**	**68,452**	**50,525**	**135**	**116**	**106**	**139,548**

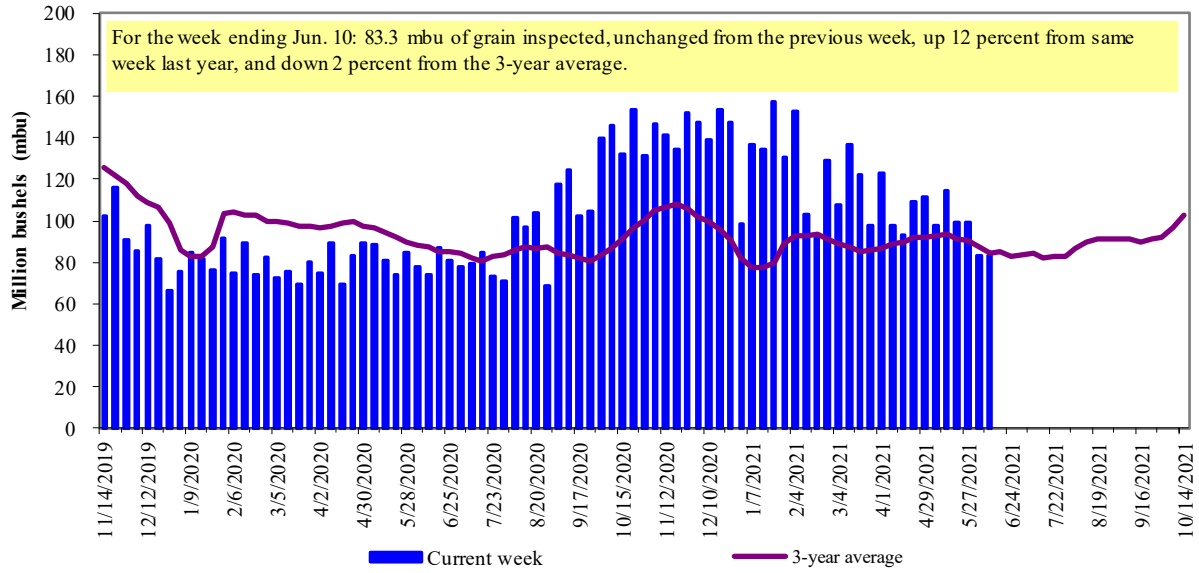
*Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 55 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2019.

Figure 14

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

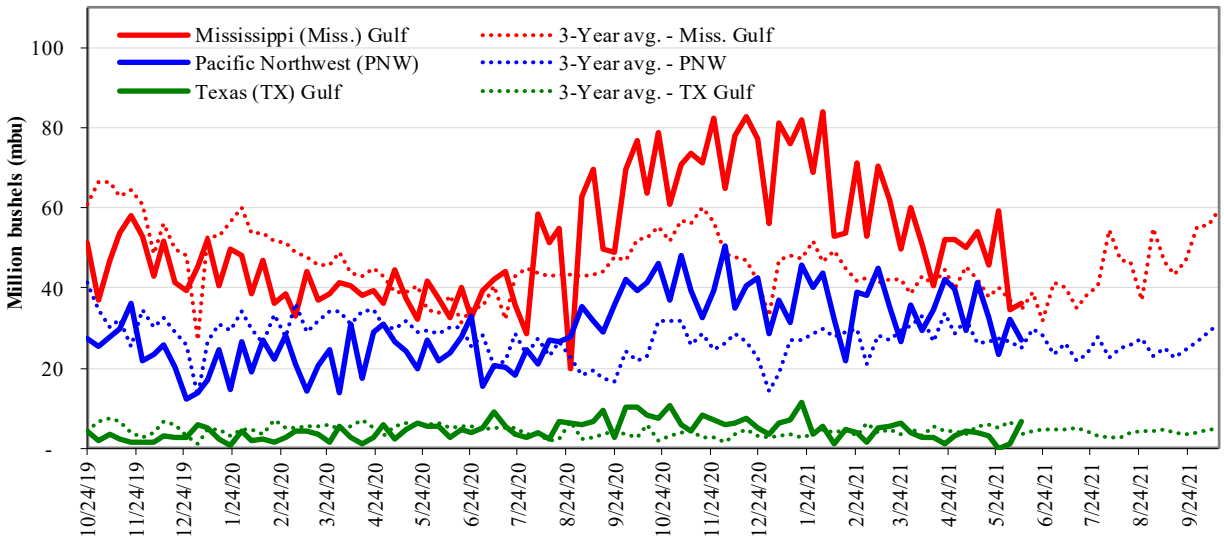


Note: 3-year average consists of 4-week running average.

Source: USDA, Federal Grain Inspection Service.

Figure 15

U.S. Grain inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



Week ending 06/10/21 inspections (mbu):	
MS Gulf:	36.0
PNW:	26.9
TX Gulf:	6.5

Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last wk:	up 5	up 534	up 20	down 17
Last Year (same wk):	up 11	up 130	up 20	up 13
3-yr avg. (4-wk. mov. Avg):	down 4	up 23	unchanged	up 2

Source: USDA, Federal Grain Inspection Service.

Table 17

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

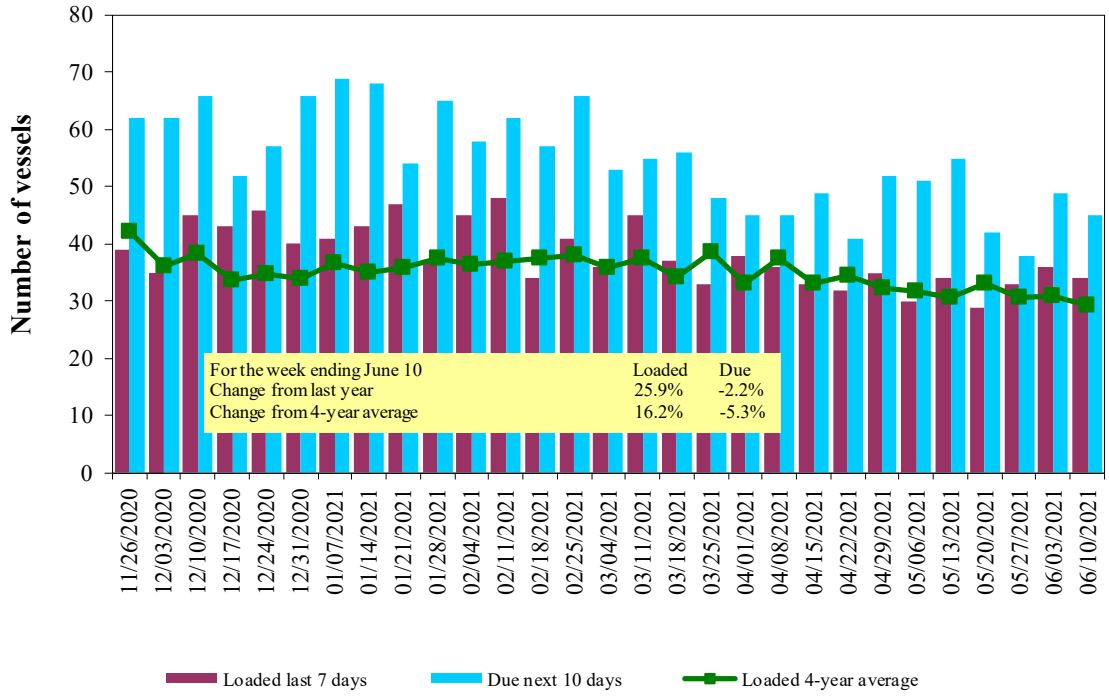
	Gulf			Pacific Northwest
Date	In port	Loaded 7-days	Due next 10-days	In port
6/10/2021	28	34	45	12
6/3/2021	18	36	49	13
2020 range	(22…60)	(23...46)	(34...68)	(7…24)
2020 average	37	33	49	15

Note: n/a = not available due to holiday.

Source: USDA, Agricultural Marketing Service.

Figure 16

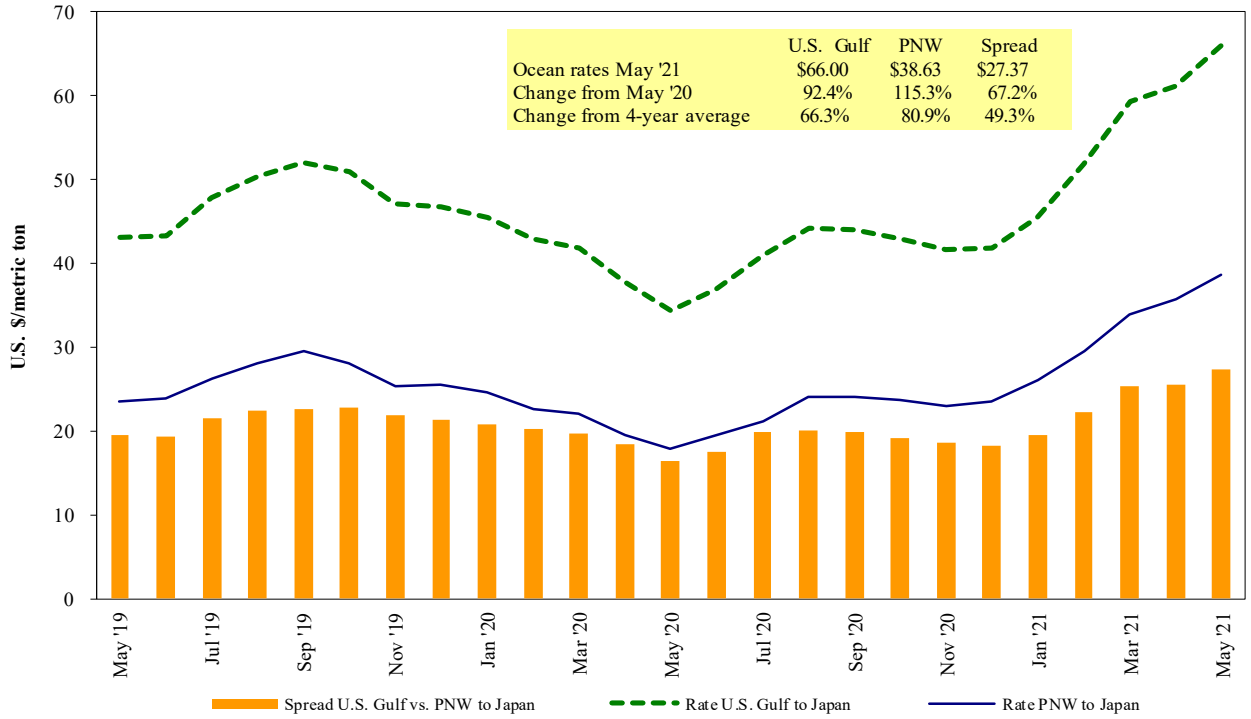
U.S. Gulf[1] vessel loading activity



[1]U.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 06/12/2021

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Japan	Heavy grain	Aug 21/Sep 9	50,000	60.90
U.S. Gulf	Japan	Heavy grain	Aug 1/10	50,000	69.75
U.S. Gulf	Japan	Heavy grain	Jul 1/15	50,000	64.10
U.S. Gulf	Japan	Grain	May 25/Jun 25	50,000	46.85 op 47.85
U.S. Gulf	Japan	Wheat	May 1/15	31,877	58.33
U.S. Gulf	Japan	Wheat	May 1/14	47,405	67.50
U.S. Gulf	Japan	Heavy grain	Apr 15/May 15	50,000	47.00
U.S. Gulf	Sudan	Wheat	May 20/30	48,000	112.75*
U.S. Gulf	Djibouti	Wheat	Jul 6/16	5,880	85.70*
PNW	Japan	Wheat	Jul 25/ Aug 5	32,590	64.00
PNW	Japan	Wheat	Jul 16/31	30,250	64.35
PNW	Japan	Wheat	Jun 5/15	50,600	49.30
PNW	Yemen	Wheat	Jun 10/20	22,230	132.25*
PNW	Taiwan	Wheat	May 29/Jun 12	45,665	48.00
River Plate	S. Korea	Corn	May 1/31	68,000	52.60*

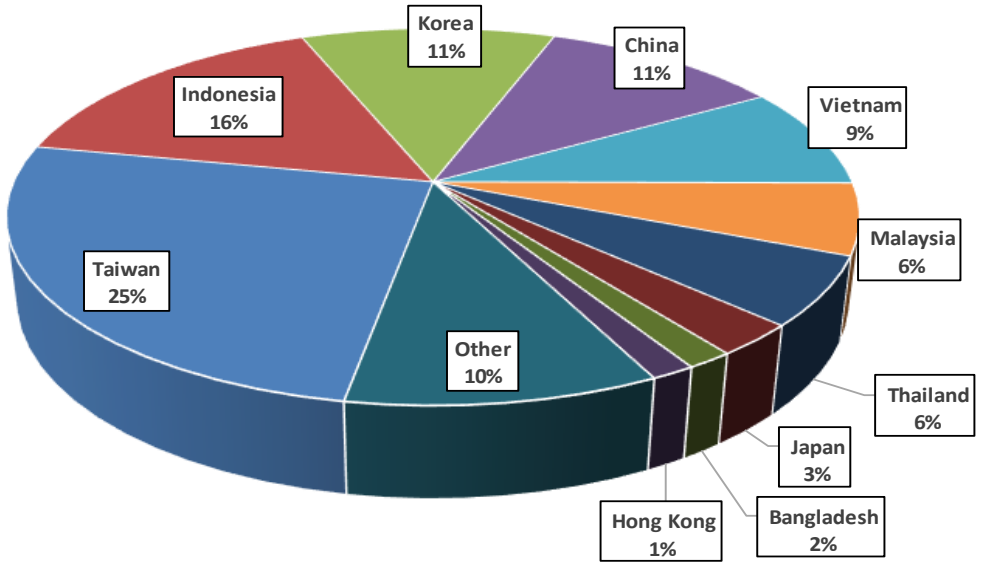
*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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 2019, containers were used to transport 9 percent of total U.S. waterborne grain exports. Approximately 60 percent of U.S. waterborne grain exports in 2019 went to Asia, of which 14 percent were moved in containers. Approximately 94 percent of U.S. waterborne containerized grain exports were destined for Asia.

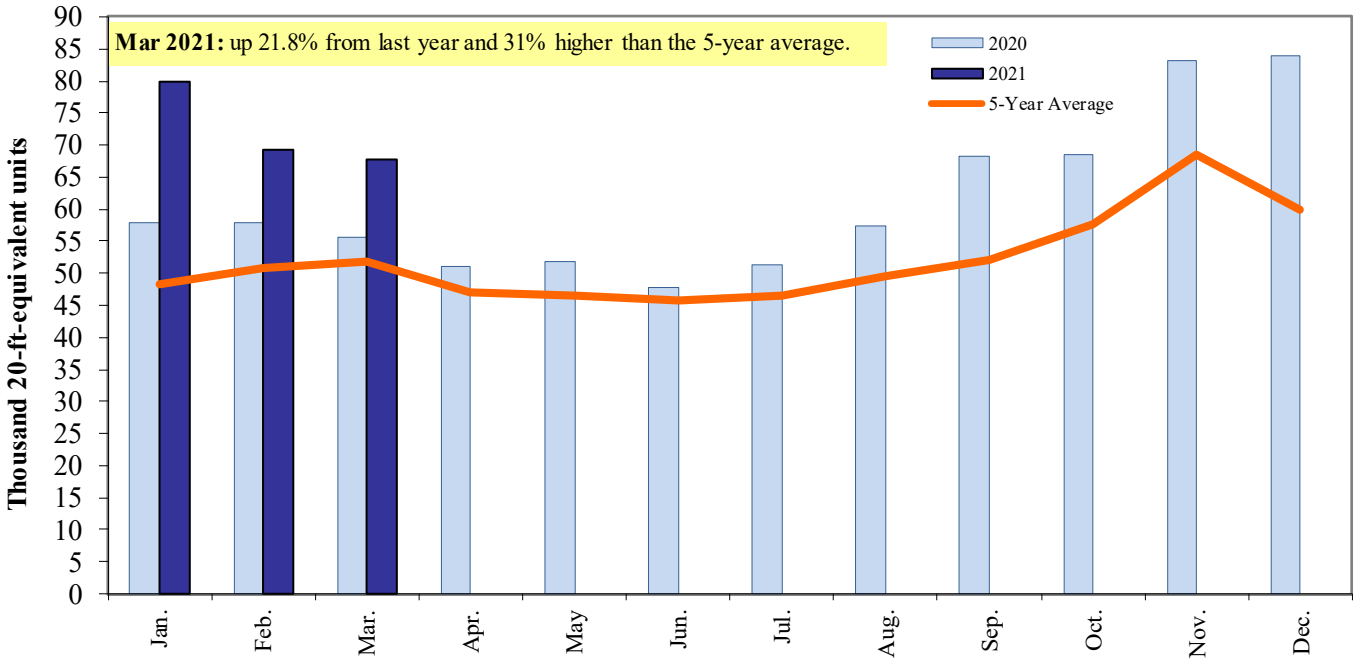
Figure 18
Top 10 destination markets for U.S. containerized grain exports, Jan-Mar 2021



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, 120810, and 120190.

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

Figure 19
Monthly shipments of U.S. containerized grain exports



Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 110220, 110290, 1201, 120100, 120190, 120810, 230210, 230310, 230330, and 230990.

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

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