North Dakota is a forerunner in the U.S. wheat industry, ranking second among states in total wheat production and first in production of hard red spring wheat. This report summarizes some logistical trends associated with the movement of hard red spring wheat from elevator to domestic and export markets. Figure 1 illustrates a trend toward larger rail shipments in the wheat market. From 2006-09 to 2009-12, shuttle share increased from 56% to 71%. Further, rail rates to the Pacific Northwest continue to favor shuttles over smaller shipments, as depicted in Figure 2 below.

Markets

Hard red spring (HRS) wheat is the leading crop planted in North Dakota (N.D. Agricultural Experiment Station, 2008), making it a key commodity in North Dakota agriculture. North Dakota accounts for nearly one-half of total HRS wheat production in the United States. This wheat moves to domestic and export markets in both east- and west-bound shipments.

Portland moved ahead of the Minneapolis gateway for shipments of HRS wheat originating from North Dakota elevators in 2011-12 (Figure 3). Shipments to Minneapolis typically move beyond the gateway to U.S. domestic millers. The Pacific Northwest is a large U.S. grain port. In 2011-12, these two destinations combined for about 40% of market share. Crop reporting district (CRD) origin detail for these markets is provided on page 2, along with a world map depicting top markets and export points.

Rail Market Shares

Figure 4 shows the trends in market shares for Burlington Northern Santa Fe (BNSF)* and Canadian Pacific (CP)** rail lines as well as trucks for HRS wheat shipped from North Dakota elevators. BNSF market share remained relatively steady from 2001-02 to 2008-09; then increased from 60% to 70% through 2010-11. Although market share declined slightly in the last crop year (from 70% to 65%), BNSF remains the largest hauler of North Dakota wheat. After maintaining several years of market share at or above 30%, CP remains low at 24% in 2011-12. The truck share has declined from a 2001-02 share of 18% to just 10% for shipments from ND elevators for the 2011-12 marketing year.

*Includes RRVW **Includes DMWV and NFR
North Dakota Hard Red Spring Wheat: Variety Trial Results for 2008 and Selection Guide, N.D. Agricultural Experiment Station.

Patterns and methods of shipping HRS Wheat per the Annual North Dakota Elevator Marketing Report and the North Dakota Grain And Oiledseed Transportation Statistics report. The complete reports, CRD map, and additional market information are available at http://www.ugopi.org/resources/grain/.

**One metric ton = 36.74 Bushels**