

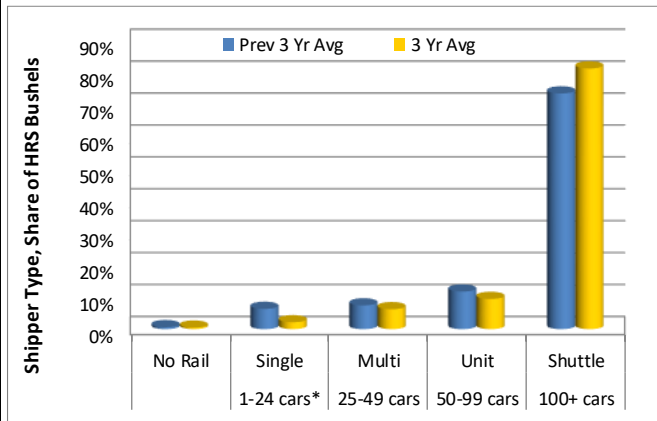
HARD RED SPRING WHEAT

AGRICULTURE SHIPMENT BRIEF

2019

North Dakota is a leader 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 shows a dominance of larger elevators, in terms of car track capacity, for marketing HRS wheat. Shuttle facilities' share during the most recent 3-year time frame was 82%. Further, rail rates to the Pacific Northwest continue to favor shuttles over smaller shipments, as shown in Figure 2 below.

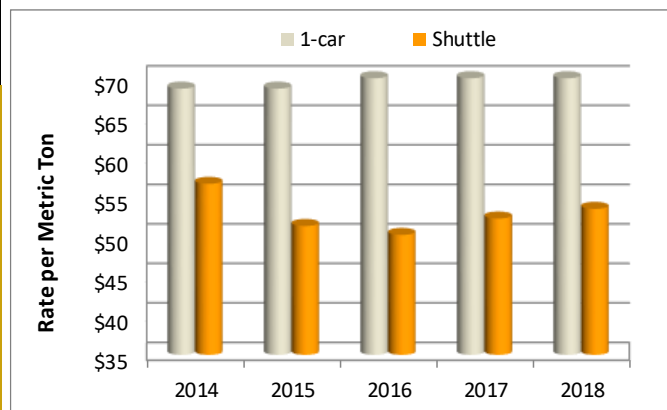
Figure 1: Share of Business by Elevator Shipper Type



*100 MT per Car

Source: NDPSC Grain Movement Data

Figure 2: Rail Rates—Wheat, North Dakota to Pacific Northwest



Rail Market Shares

Figure 4 shows the trends in market share for Burlington Northern Santa Fe Railway (BNSF)*, Canadian Pacific Railway (CP)**, and trucks for HRS wheat shipped from North Dakota elevators. BNSF remains the largest hauler of North Dakota wheat - 65%. CP's share of shipments from ND elevators is consistent with previous years at 24%. The truck share is 9% during this market year.

*Includes Red River Valley & Western (RRVW)

**Includes Dakota Missouri Valley & Western (DMVW), and Northern Plains Rail (NPR)

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

Portland (PNW) remained ahead of other destinations as a market for shipments of HRS wheat originating from North Dakota elevators in 2017-18 (Figure 3). WI/Other MN and Midland shipments typically move beyond the gateway to U.S. domestic millers. The Pacific Northwest is a large U.S. grain port and important gateway to Asian markets.

Crop reporting district (CRD) origin detail for these markets is provided on page 2, along with specifics on markets and export points.

Figure 3: Destination for HRS Wheat Originating from ND Elevators

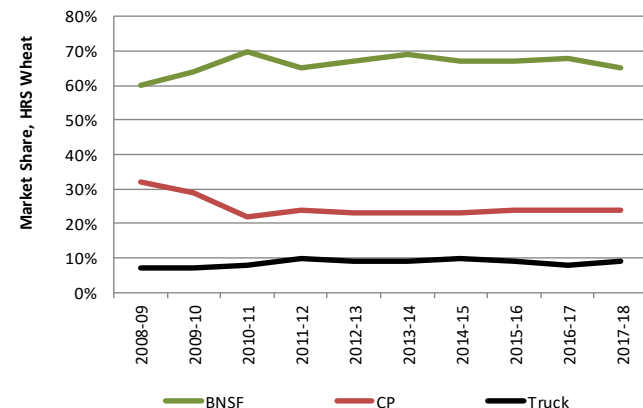
ND PSC Grain Movement Summary, July-June Market Year						
	1,000 Bushels					
	Duluth	WI/Other MN	Midland & Gulf	PNW	ND	Other
Previous 5 Yr Avg	6%	27%	10%	21%	8%	28%
2013-14	4%	16%	11%	28%	8%	33%
2014-15	5%	15%	11%	25%	9%	35%
2015-16	3%	14%	11%	32%	8%	33%
2016-17	4%	19%	8%	36%	7%	26%
2017-18	2%	20%	9%	32%	8%	29%
						Total
						241,762
						250,168
						284,631
						283,666
						305,961
						225,647

WI/Other MN includes Minneapolis, southeastern Minnesota and Chicago gateway

Midland & Gulf includes states west of the Mississippi River not in any other column: MO, AR, LA, KS, OK, TX, MT, WY, CO, NM, AZ, NV, CA

Other includes other states primarily east of Chicago, Canada, Mexico, and unknown

Figure 4: Rail Line Market Shares Over Time

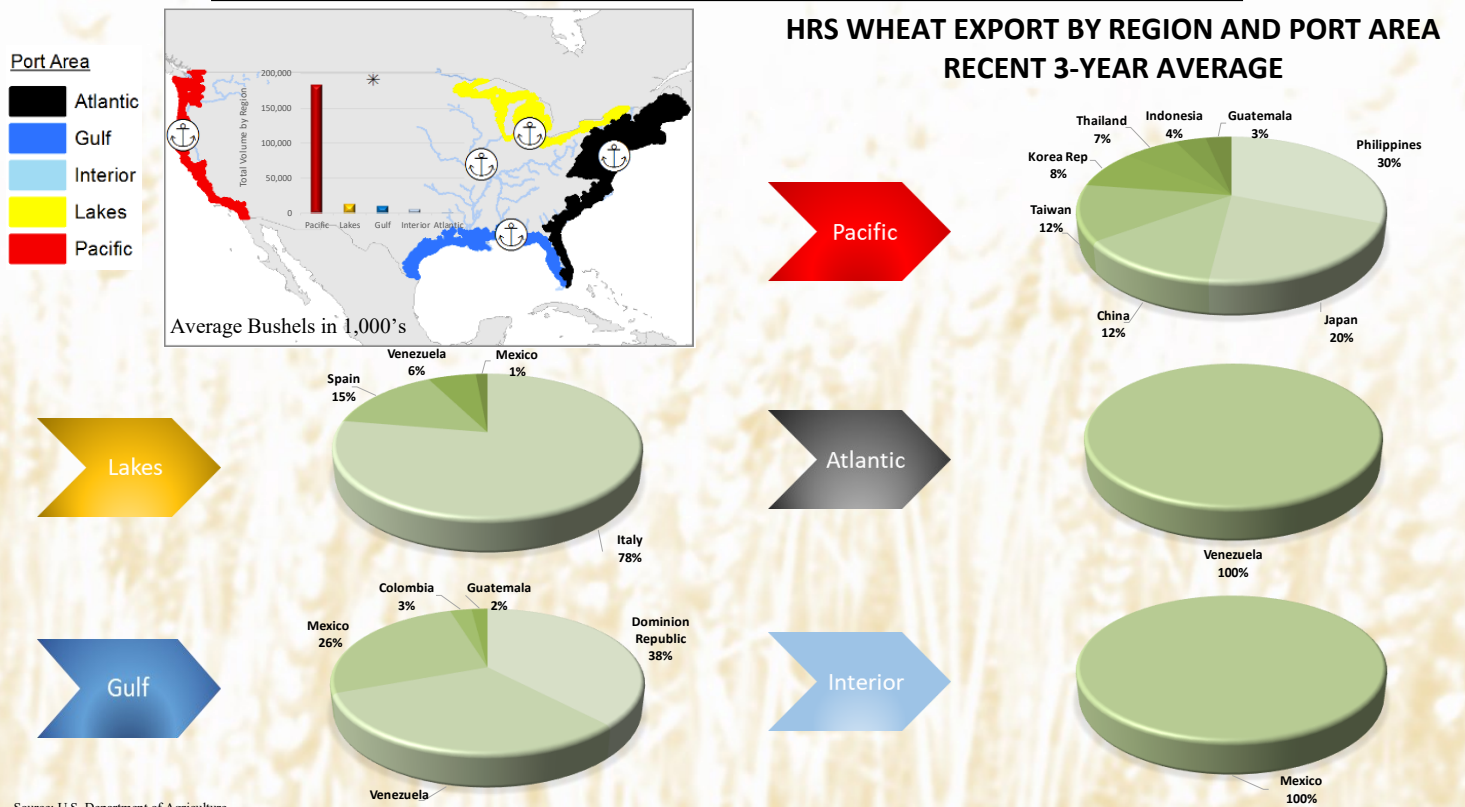


Destinations for Hard Red Spring Wheat Shipments from ND CRD's (1000 Bushels)

CRD 1 - Northwest								CRD 2 - North Central							
	Duluth	MN/WI	Midland	PNW	ND	Other	Total		Duluth	MN/WI	Midland	PNW	ND	Other	Total
Previous 5 Yr Avg	4%	20%	7%	50%	4%	14%	28,224	Previous 5 Yr Avg	4%	21%	8%	22%	4%	41%	20,706
2013-14	4%	9%	9%	65%	3%	10%	35,864	2013-14	2%	13%	7%	22%	4%	52%	18,289
2014-15	9%	11%	13%	51%	6%	10%	43,731	2014-15	3%	9%	7%	48%	6%	28%	22,765
2015-16	4%	7%	11%	66%	3%	9%	44,357	2015-16	0%	4%	8%	65%	7%	16%	19,981
2016-17	1%	8%	8%	75%	2%	5%	38,505	2016-17	2%	9%	9%	56%	1%	23%	27,502
2017-18	2%	15%	7%	72%	2%	2%	26,874	2017-18	2%	25%	5%	51%	1%	15%	24,789
CRD 3 - Northeast								CRD 4 - West Central							
	Duluth	MN/WI	Midland	PNW	ND	Other	Total		Duluth	MN/WI	Midland	PNW	ND	Other	Total
Previous 5 Yr Avg	8%	26%	9%	11%	14%	32%	74,106	Previous 5 Yr Avg	1%	21%	12%	18%	8%	41%	17,349
2013-14	4%	17%	11%	4%	17%	46%	65,839	2013-14	0%	5%	8%	33%	5%	49%	19,696
2014-15	4%	13%	8%	8%	16%	51%	85,138	2014-15	0%	8%	9%	31%	2%	49%	22,359
2015-16	4%	14%	7%	8%	15%	52%	76,852	2015-16	4%	6%	6%	28%	5%	51%	19,246
2016-17	5%	14%	7%	17%	14%	45%	90,353	2016-17	7%	38%	3%	37%	1%	13%	20,218
2017-18	1%	15%	7%	19%	15%	43%	80,248	2017-18	1%	30%	16%	23%	1%	29%	13,492
CRD 5 - Central								CRD 6 - East Central							
	Duluth	MN/WI	Midland	PNW	ND	Other	Total		Duluth	MN/WI	Midland	PNW	ND	Other	Total
Previous 5 Yr Avg	8%	34%	8%	9%	8%	34%	24,717	Previous 5 Yr Avg	7%	20%	18%	29%	8%	18%	23,099
2013-14	7%	20%	15%	6%	12%	41%	17,960	2013-14	5%	25%	18%	8%	15%	29%	16,962
2014-15	13%	12%	9%	13%	10%	43%	23,398	2014-15	10%	16%	24%	9%	16%	25%	19,996
2015-16	5%	7%	9%	33%	9%	37%	24,938	2015-16	5%	22%	32%	3%	12%	27%	21,818
2016-17	10%	7%	4%	46%	6%	27%	29,574	2016-17	8%	41%	11%	11%	9%	20%	27,244
2017-18	3%	9%	8%	35%	6%	38%	22,055	2017-18	4%	31%	12%	20%	10%	23%	22,321
CRD 7 - Southwest								CRD 8 - South Central							
	Duluth	MN/WI	Midland	PNW	ND	Other	Total		Duluth	MN/WI	Midland	PNW	ND	Other	Total
Previous 5 Yr Avg	9%	21%	12%	32%	1%	24%	29,022	Previous 5 Yr Avg	1%	69%	13%	3%	5%	10%	9,641
2013-14	2%	5%	11%	60%	1%	21%	43,677	2013-14	6%	31%	13%	25%	2%	23%	21,377
2014-15	5%	15%	11%	36%	1%	33%	33,579	2014-15	2%	33%	15%	27%	6%	17%	22,504
2015-16	3%	6%	10%	46%	2%	33%	41,109	2015-16	0%	30%	15%	34%	0%	21%	22,582
2016-17	2%	10%	15%	54%	0%	17%	36,591	2016-17	3%	36%	12%	30%	1%	17%	19,831
2017-18	5%	13%	16%	49%	1%	16%	17,011	2017-18	8%	37%	20%	12%	5%	18%	9,267
CRD 9 - Southeast															
	Duluth	MN/WI	Midland	PNW	ND	Other	Total								
Previous 5 Yr Avg	1%	53%	6%	4%	5%	31%	14,808								
2013-14	3%	50%	4%	0%	9%	33%	10,505								
2014-15	2%	48%	4%	7%	3%	36%	11,162								
2015-16	1%	50%	2%	0%	14%	33%	13,783								
2016-17	0%	47%	2%	1%	14%	37%	16,143								
2017-18	0%	50%	2%	0%	9%	38%	9,591								

**One metric ton = 36.74 Bushels

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



Source: U.S. Department of Agriculture

North Dakota Wheat Commission (N.D.) Buyers and Processors. Retrieved Oct 2017, from <http://www.ndwheat.com/buyers/>

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