

Note to Reader

Prince Rupert unloads have been lower than normal for a number of weeks as a result of ongoing maintenance at the terminal which is reducing unload capacity. Over the last four weeks unloads have averaged 770 unloads although this reflects a consistent week over week decline from 950 four weeks ago to less than 500 last week. While unloads were anticipated to be reduced due to the ongoing maintenance work the last two weeks have seemingly fallen below expectations which is in part attributable to lower shipper demand in the Prince Rupert corridor during this time period - averaging 700 orders per week. Order volumes for Rupert have jumped almost 50% this week surpassing 1,000 for the first time in four weeks.

SPEED READ

- Loads on wheels declined for the third consecutive day reflecting lower volumes on both railways although most notably CN which accounted for 90% of the decrease. The volume reduction was primarily seen in the Vancouver and Thunder Bay corridors. With the pending two month shutdown at Alliance Grain Terminal in Vancouver set to begin June 15 it is anticipated that loads on wheels in the Vancouver corridor will begin to decline in the coming days as shippers stop shipping to the terminal. Looking further out it is expected that unloads will begin to decline toward the tail end of this week.
- Loads on wheels below the 8,000 car threshold for the second consecutive day - down by 1,500 cars (17%) over the course of the last three days. While volumes have fallen by roughly the same amount on CN and CP during this stretch the majority of the decline has been seen in the Vancouver corridor which has accounted for nearly 70% of the reduction.
- Network fluidity improved materially for CP while CN was largely unchanged. CP counts have now dropped below 400 cars - the lowest level seen in months.
- Week 46 unloads began the week at approximately the same pace as last week.
- Prince Rupert appears to be positioned for reasonable unloads over the next two days with approximately 200 cars on site including 100 arriving this morning. How unloads fare through the balance of the week will depend on the timely movement of inbound traffic with only approximately 200 cars currently Jasper and west.
- Thunder Bay and Vancouver pipelines continue to appear robust which should support strong unloads to begin this week.

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Loads on Wheels

- Loads on wheels declined for the third consecutive day falling 4% (293 cars) overnight reflecting lower volumes on CN (-264) and a nominal decline on CP (-21) - now at 7,463 and 12% below the trailing 30 day average
- On a net basis the decline in loads on wheels reflects primarily lower volumes in the Vancouver (-134) and Thunder Bay (-182) corridors.
- CN volumes decreased 6% (264 cars) reflecting lower volumes principally in the Vancouver and Thunder Bay corridors offset by nominal increases in other corridors. System wide CN loads on wheels now at 3,852 - falling below the 4,000 car threshold for the first time in five days and 5% below the trailing 30 day average.
- CP volumes were largely unchanged overnight reflecting nominal change all corridors. CP system wide loads on wheels now at 3,337 - 20% below the trailing 30 day average.
- Vancouver now at 4,088 - the lowest level in two weeks and 20% below the trailing 30 day average.
- The Prince Rupert pipeline currently sits at 877 - unchanged from yesterday and 3% above the trailing 30 day average.
- Thunder Bay volumes declined for the third consecutive day now falling below the 1,200 car threshold but remaining 7% above the trailing 30 day average with 70% of traffic moving on CP

Hopper Car Rationing

- No hopper car rationing has been reported for either CN or CP in week 44 and none expected in week 45.

Loads Not Moving

- **The count of cars not moving for 48+ hours declined 30% (405 cars) overnight reflecting little change on CN and lower counts on CP. The count of idle cars now stands at 869.**
- CN
 - **The count of idle cars was largely unchanged overnight (+5 cars) - idle car counts now at 493.**
 - The number of cars idle for 4+ days up slightly overnight - remains below 100 cars.
 - The count of cars not moving for 7+ days up slightly overnight - remains below 50 cars.
 - Vancouver represents 42% of all idle cars.
- CP
 - **CP counts declined 52% (410 cars) overnight. CP counts have now dropped below 400 cars reaching the lowest level in more than 30 days. The count of idle cars on CP now at 376.**
 - The number of cars idle for 4+ days down by 53% overnight - at less than 100 cars the lowest level seen in months.
 - The count of cars idle for 7+ days down 75% overnight - now below 50 cars.
 - Vancouver accounts for less than half of all idle cars (42%) with the balance accounted for by the Thunder Bay and US corridors.
 - In total 71% of all idle cars are dwelling at origin locations.

Port Performance

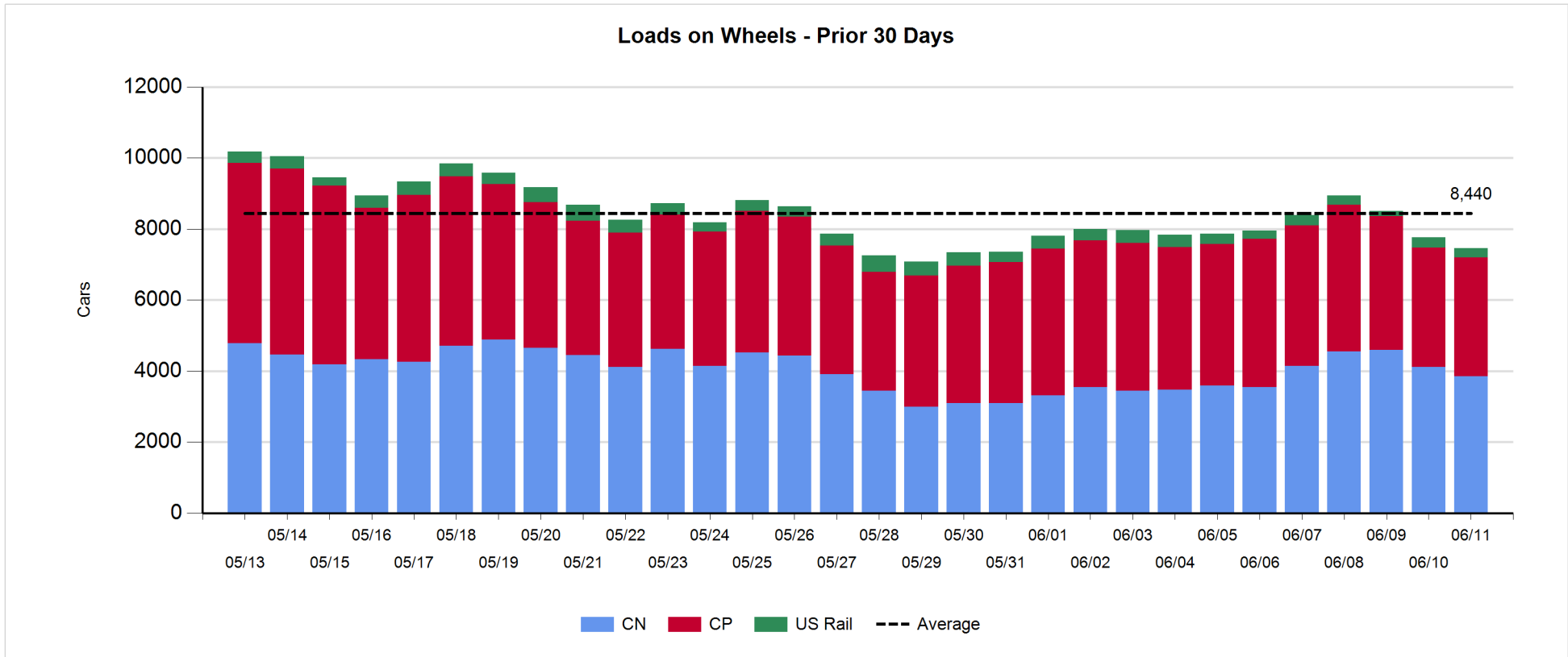
- CN and CP reported a total of 962 cars unloaded at the three western ports - below the 1,000 car mark for the third consecutive day. After one day Week 46 unloads tracking at last week's opening pace.
- Vancouver
 - 653 cars reported unloaded by CN and CP at the Port of Vancouver; CN - 442 and CP - 211.
 - There are 800+ cars on hand at Vancouver waiting placement for unloading with 800+ cars arriving at the port in the last 24 hours.
 - CN and CP have 1,100+ cars enroute to Vancouver west of Alberta - 500+ Kamloops and west - with 70% of traffic currently moving on CP.
- Prince Rupert
 - Prince Rupert began the week with just under 100 unloads yesterday.
 - Loads on wheels at 877 - unchanged from yesterday.
 - There are 200+ cars west of Jasper - 100 Prince George and west.
 - With roughly 200 cars on site including 100 arriving this morning it is expected that the Port should have ample cars for unloading for today.
- Thunder Bay
 - Week 46 began with 215 unloads about 150 fewer unloads than Monday last week.
 - There are 800+ cars on site at Thunder Bay with 350 cars arriving at the Port in the prior 24 hours.
 - There are now 450+ cars enroute to Thunder Bay - 150+ Winnipeg and east. Given the number of cars on hand and the proximity of inbound cars the Port remains well positioned for strong unload performance over the next few days.

Daily Loads on Wheels - 6/11/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	311	877	320	124	2,220	3,852
CP	98		851	544	1,844	3,337
Short Line	23				24	47
US Rail				227		227
	432	877	1,171	895	4,088	7,463

Change in Loads on Wheels - Prior 24 Hours

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	22	9	-82	31	-244	-264
CP	22		-100	-49	106	-21
Short Line	22				4	26
US Rail				-34		-34
	66	9	-182	-52	-134	-293

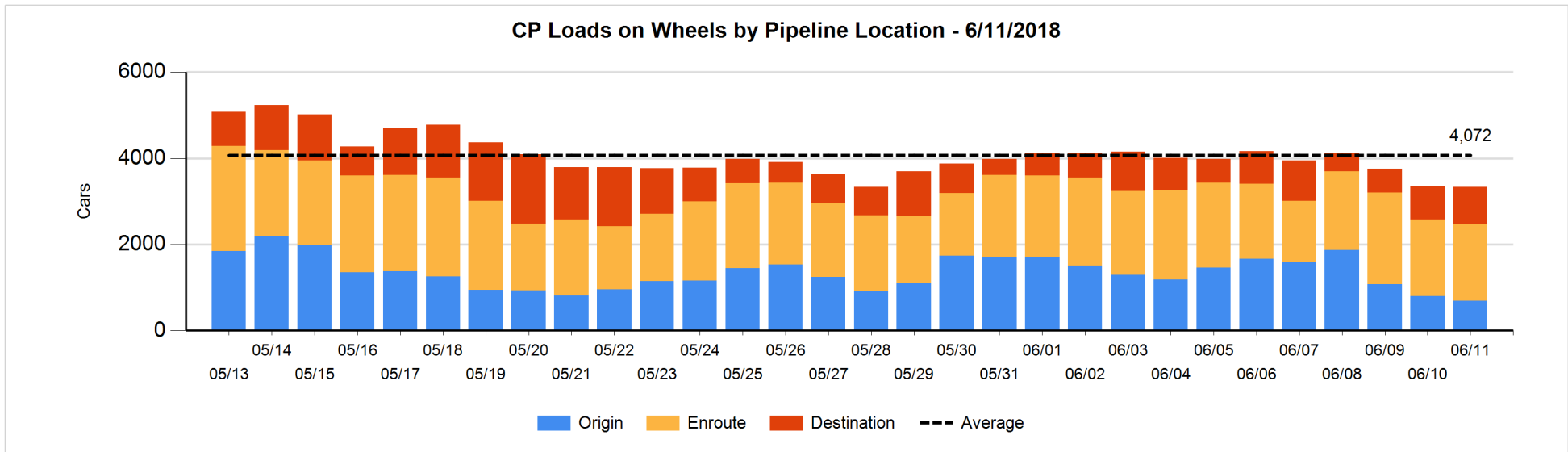
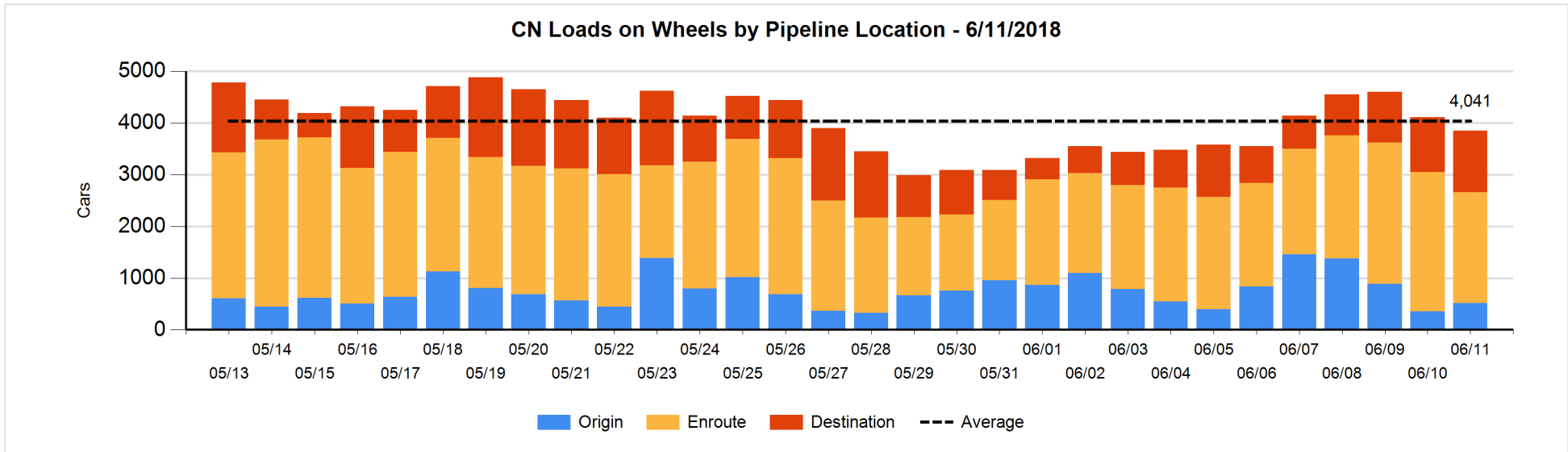


Daily Loads on Wheels By Pipeline Location - 6/11/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	48	103		38	324	513
Enroute	211	656	152	73	1,056	2,148
Destination	52	118	168	13	840	1,191
	311	877	320	124	2,220	3,852
CP						
Origin	22		33	240	397	692
Enroute	61		307	261	1,149	1,778
Destination	15		511	43	298	867
	98		851	544	1,844	3,337
US Rail / Short Line						
Origin						
Enroute				87		87
Destination	23			140	24	187
	23			227	24	274

Change in Daily Loads on Wheels By Pipeline Location - Prior 24 Hours

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	-2	103		36	20	157
Enroute	33	-174	-24	-3	-376	-544
Destination	-9	80	-58	-2	112	123
	22	9	-82	31	-244	-264
CP						
Origin	21		-189	101	-45	-112
Enroute	-12		-100	-8	125	5
Destination	13		189	-142	26	86
	22		-100	-49	106	-21
US Rail / Short Line						
Origin						
Enroute				-102		-102
Destination	22			68	4	94
	22			-34	4	-8

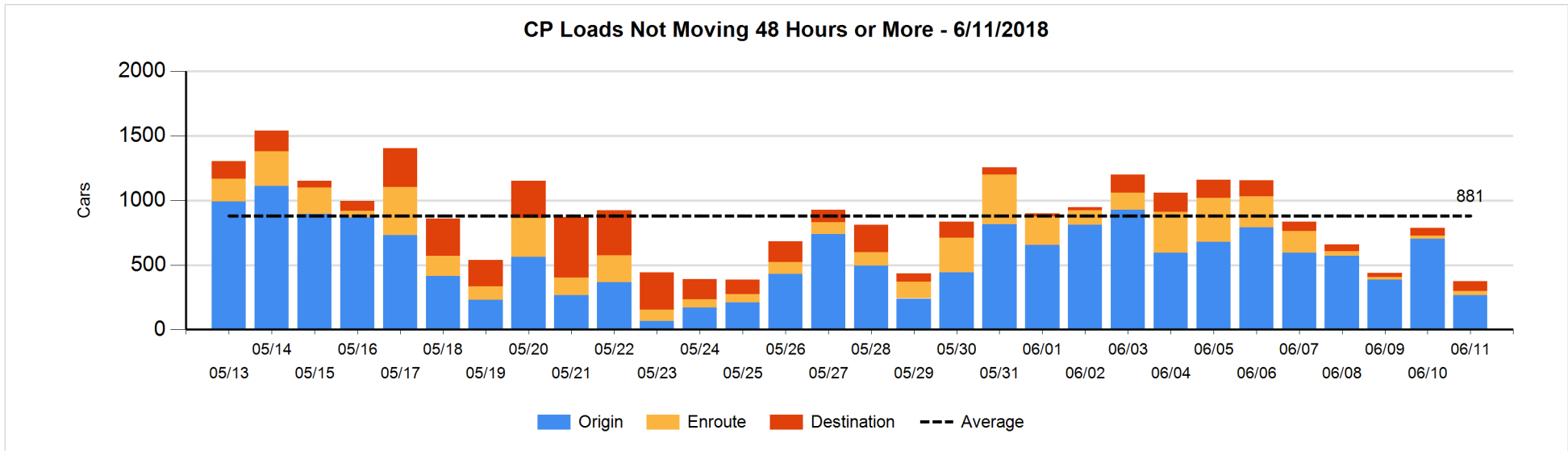
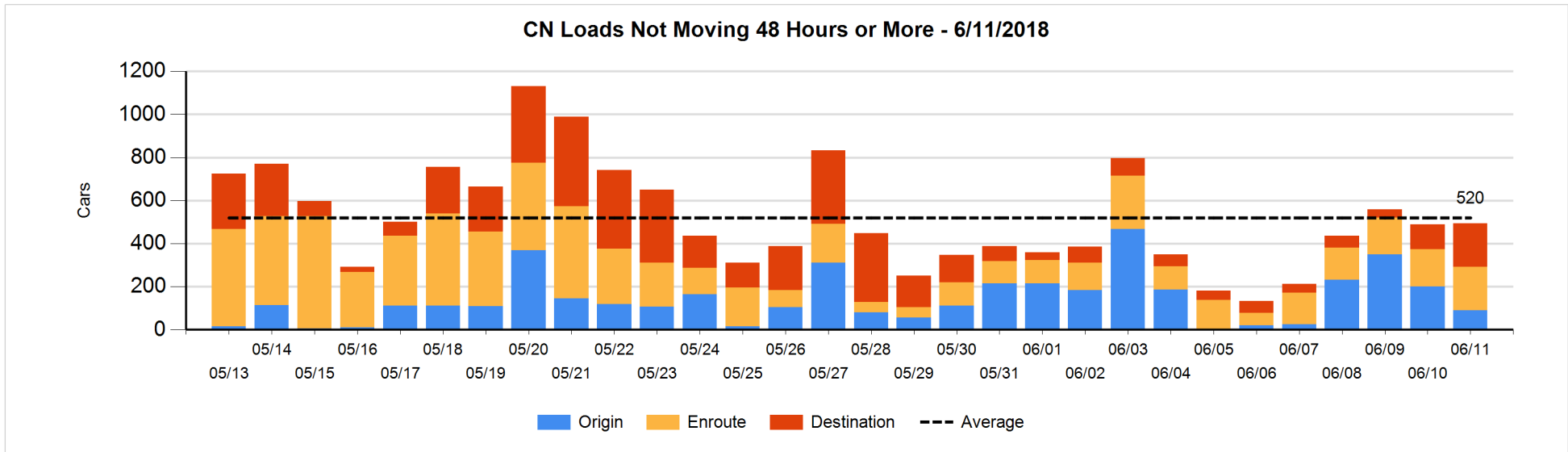


Loads Not Moving 48 Hours or More - 6/11/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	1			2	87	90
Enroute	45	99		17	40	201
Destination	14		98	12	78	202
	60	99	98	31	205	493
CP						
Origin				139	127	266
Enroute	16		6	5	4	31
Destination	2		42	6	29	79
	18		48	150	160	376
US Rail / Short Line						
Origin						
Enroute				25		25
Destination	1			40	8	49
	1			65	8	74

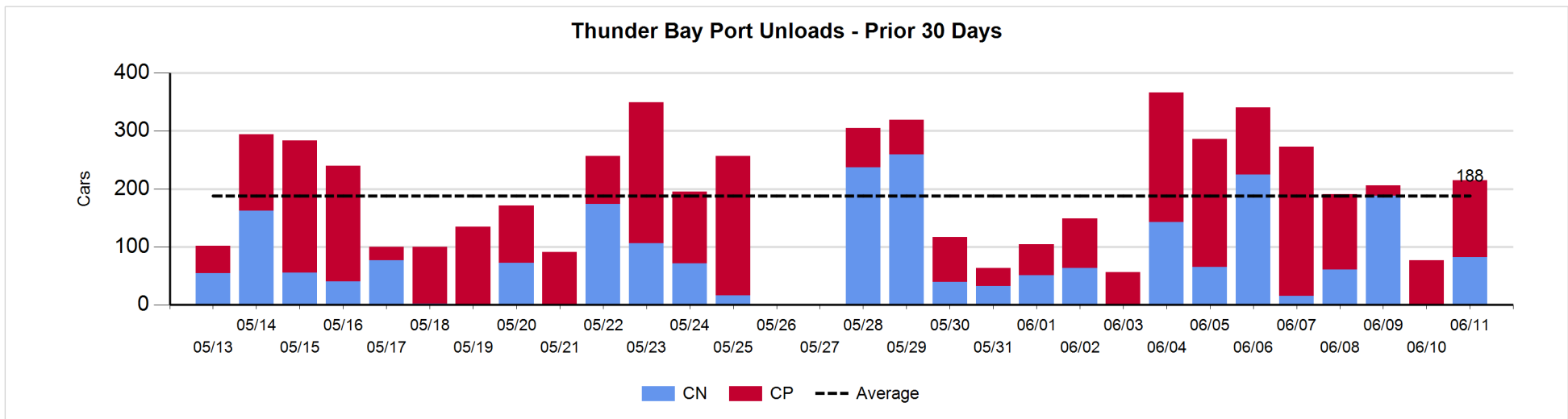
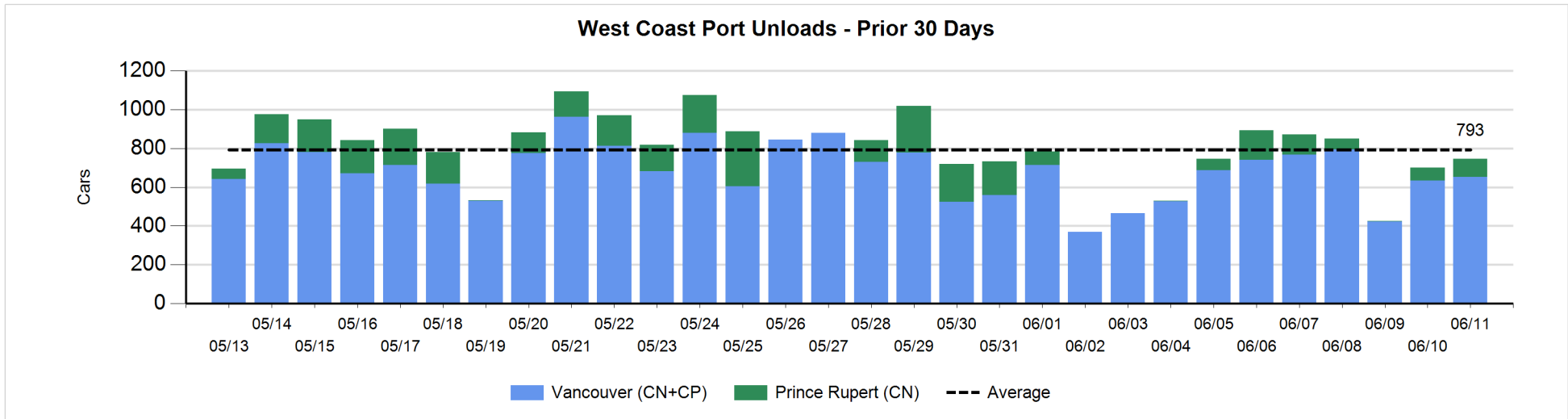
Change in Loads Not Moving 48 Hours or More - 6/11/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	0			0	-111	-111
Enroute	-24	48		5	0	29
Destination	8		95	-3	-13	87
	-16	48	95	2	-124	5
CP						
Origin	-1		-222	25	-238	-436
Enroute	1		1	3	2	7
Destination	0		39	0	-20	19
	0		-182	28	-256	-410
US Rail / Short Line						
Origin						
Enroute				1		1
Destination	0			11	-1	10
	0			12	-1	11



Port Unloads - 6/11/2018

	Prince Rupert	Vancouver	West Coast Total	Thunder Bay	Total
CN	94	442	536	82	618
CP		211	211	133	344
	94	653	747	215	962



Port Terminal Status

Vancouver

Daily Activity for 6/11/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 6/11/2018
CN	636	112	127	455	840
CP	175	127	114	218	298
SRY		2		11	24

Port Unloads

	06/11	06/10	Week To Date	Last Week
CN	442	282	442	2,649
CP	211	352	211	1,926
SRY	12	5	12	54

Age Profile of Loaded Cars Waiting Placement for Unloading

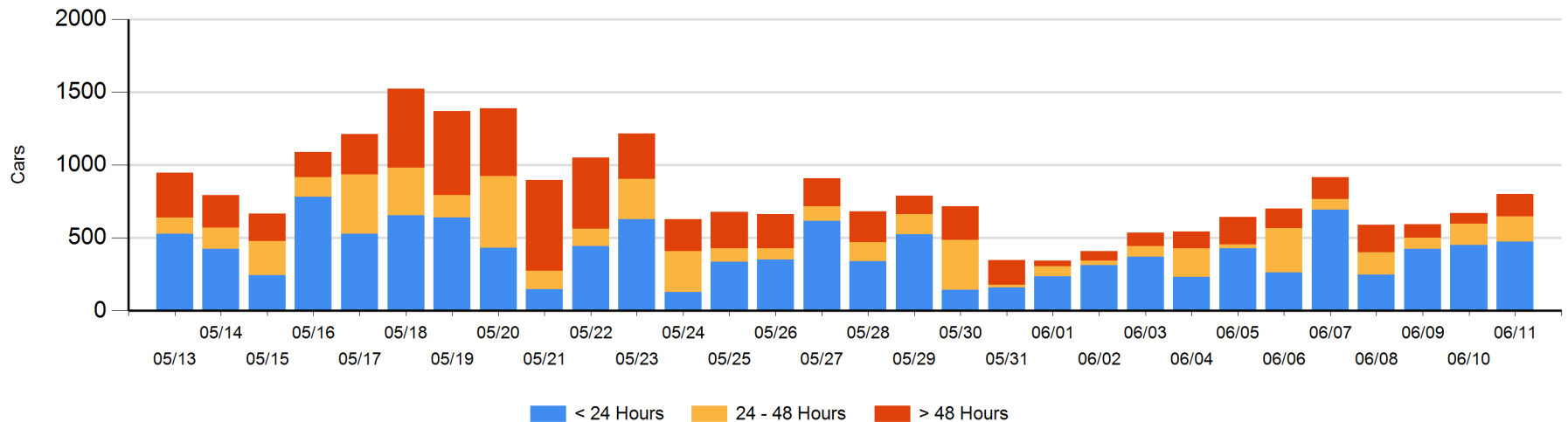
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	302	166	81	8	557
CP	173	5	36	31	245
SRY					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-88	85	66	-1
CP	112	-62	34	-16
SRY				

Loaded Cars on Hand Vancouver Waiting for Placement - Last 30 Days All Railways



Port Terminal Status

Prince Rupert

Daily Activity for 6/11/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 6/11/2018
CN	142			142	118

Port Unloads

	06/11	06/10	Week To Date	Last Week
CN	94	67	94	437

Age Profile of Loaded Cars Waiting Placement for Unloading

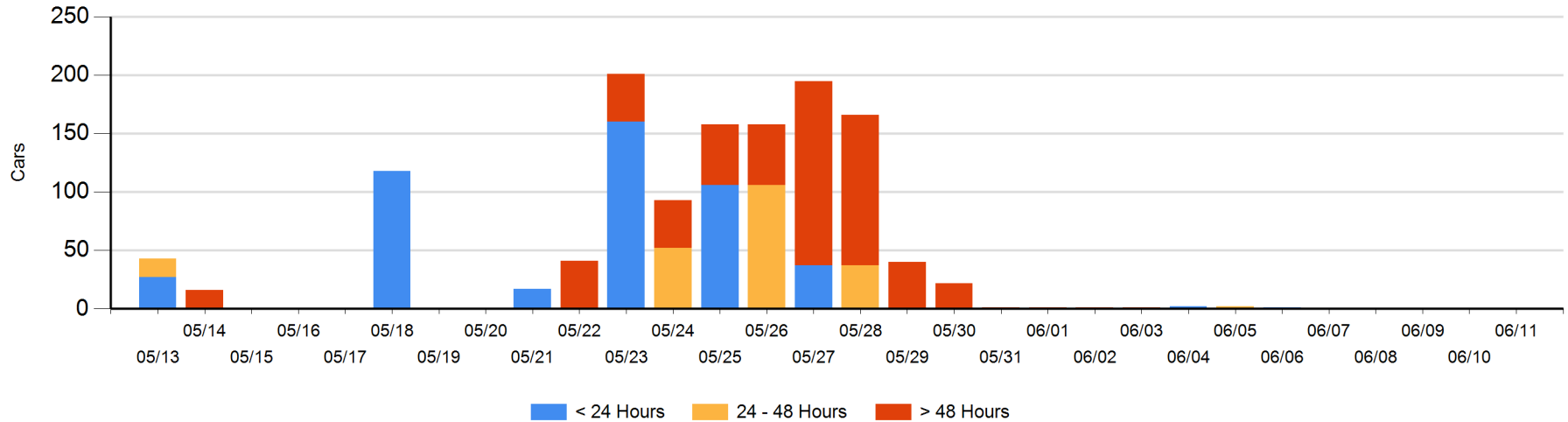
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN				

Loaded Cars on Hand Prince Rupert Waiting for Placement - Last 30 Days All Railways



Port Terminal Status

Thunder Bay

Daily Activity for 6/11/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 6/11/2018
CN	24			80	168
CP	322			111	511

Port Unloads

	06/11	06/10	Week To Date	Last Week
CN	82		82	697
CP	133	77	133	1,042

Age Profile of Loaded Cars Waiting Placement for Unloading

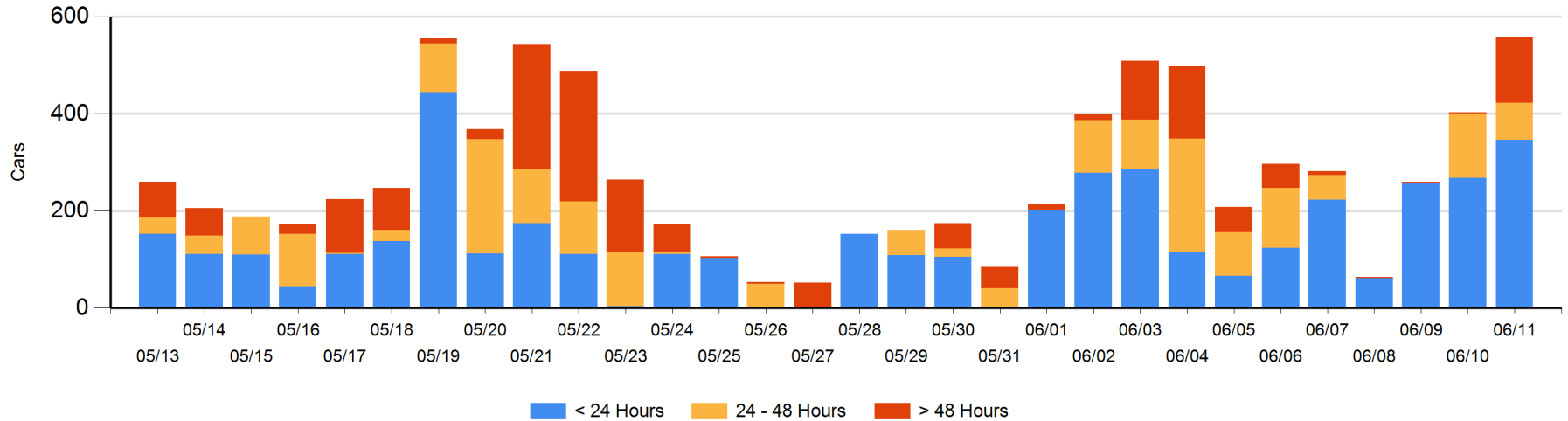
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	24		94		118
CP	322	77	39	2	440

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-56	-94	94	
CP	134	38	39	0

Loaded Cars on Hand Thunder Bay Waiting for Placement - Last 30 Days All Railways



Measurement Definitions

Loads on Wheels	<p>Count of loaded rail cars including all rail cars that have been released loaded at origin and have not been reported by the railway as unloaded at destination.</p> <p>Counts include all rail cars (hopper cars and boxcars) moving within a pipeline.</p>
Loads Not Moving	<p>Loaded rail cars for which the railways have not reported a movement event for 48 hours or more whether the rail car is at origin, enroute or at destination.</p>
Port Unloads	<p>Count of rail cars reported by railways as unloaded at the western port destinations of Vancouver, Prince Rupert and Thunder Bay.</p> <p>Unload counts include all rail cars (hopper cars and boxcars) unloaded by all receivers including major port terminals, transloaders and other receivers.</p>
Cars Arrived	<p>Count of rail cars reported as arrived at the destination railway terminal.</p>
Cars Received in Interchange	<p>Count of rail cars received in interchange by each railway within a destination railway terminal. Interchange activity is tracked for the Vancouver and Thunder Bay pipelines as applicable.</p>
Cars Delivered in Interchange	<p>Count of rail cars delivered in interchange by each railway within a destination railway terminal. Interchange activity is tracked for the Vancouver and Thunder Bay pipelines as applicable.</p>
Cars Placed for Unloading	<p>Count of rail cars reported by the railways as placed loaded at the receiver's facility for unloading.</p>
Loads on Wheels at Destination	<p>Count of rail cars that remain under load within the destination railway terminal including rail cars that have been reported as placed for unloading but not yet reported as unloaded.</p>
Waiting Placement for Unloading	<p>Count of rail cars that have been reported as arrived at the destination railway terminal but not reported as placed for unloading by the railway.</p> <p>For the Ports of Vancouver, Prince Rupert and Thunder Bay the count of rail cars waiting placement for unloading is categorized by age – i.e. the elapsed time from arrival at destination to the current report date.</p>