

SPEED READ

- Loads on wheels declined modestly in the last 24 hours reflecting lower volumes on CN and higher volumes on CP.
- CN rationed no hopper car orders in week 39 marking the second consecutive week and second time since week 9 at the end of September that no orders have been rationed by CN. It appears as though no orders will be rationed in week 40.
- Network fluidity shifted slightly yesterday with a slight increase in idle cars on CN offset by a decline on CP.
- Western port unloads exceeded 1,300 cars and continue to track 14% (700+ cars) ahead of last week's pace. Unloads at Rupert continue to lag last week's performance while Vancouver and Thunder Bay are ahead of last week - most notably Thunder Bay.
- It is expected that pipeline volumes and unloads in the Prince Rupert corridor will tail off somewhat in the coming days reflecting reduced unload capacity at the Port beginning next week due to scheduled maintenance. This can be seen in order levels for week 40 which were less than 850 approximately 50% lower than average weekly orders over the course of the prior month.

Loads on Wheels

- Loads on wheels increased modestly overnight - now at 9,658 - 9% below the trailing 30 day average
- The decline in loads on wheels reflects reduced volumes on CN (-302) and higher volumes on CP (+408).
- On a net basis the nominal uptick in loads on wheels is driven by higher volumes in the Vancouver corridor offset by a decline in the Thunder Bay corridor.
- CN volumes reflect little change other than in the Vancouver corridor where volumes declined. System wide CN loads on wheels now at 4,708 - 12% below the trailing 30 day average.
- CP volumes rose overnight led by Vancouver where volumes rose by nearly 600 cars. CP system wide loads on wheels now at 4,670 - 4% below the trailing 30 day average.
- Vancouver now at 6,252 - in line with the trailing 30 day average.
- The Prince Rupert pipeline currently sits at 1,013 showing little change overnight - now 30% below the trailing 30 day average.
- Thunder Bay volumes down 17% and have fallen below the 1,000 car threshold for the first time in two weeks - 20% below the trailing 30 day average - 60% of traffic moving on CP.

Hopper Car Rationing

- No hopper car rationing by CN occurred in week 39 and to date none has been reported for week 40.

Loads Not Moving

- **The count of cars not moving for 48+ hours on CN and CP was largely unchanged in total but reflects a decline in CP counts offset by an increase in CN counts. The count of idle cars now stands at 1,125.**
- CN
 - **The count of idle cars rose 30% overnight (119 cars). The count of idle cars is now at 334.**
 - The number of cars idle for 4+ days up slightly - remains below 100 cars.
 - The count of cars not moving for 7+ days unchanged - remains below 50 cars.
 - Vancouver represents 62% of all idle cars.
- CP
 - **CP counts declined 15% (141 cars) overnight. The count of idle cars on CP is now 791 - roughly half the daily average of 1,500+ seen over**

the last 30 days.

- The number of cars idle for 4+ days up slightly - now above 350 cars.
- The count of cars idle for 7+ days unchanged - remains below 40 cars.
- Vancouver continues to account for the majority of all idle cars (62%).
- In total 85% of all idle cars are dwelling at origin locations.

Port Performance

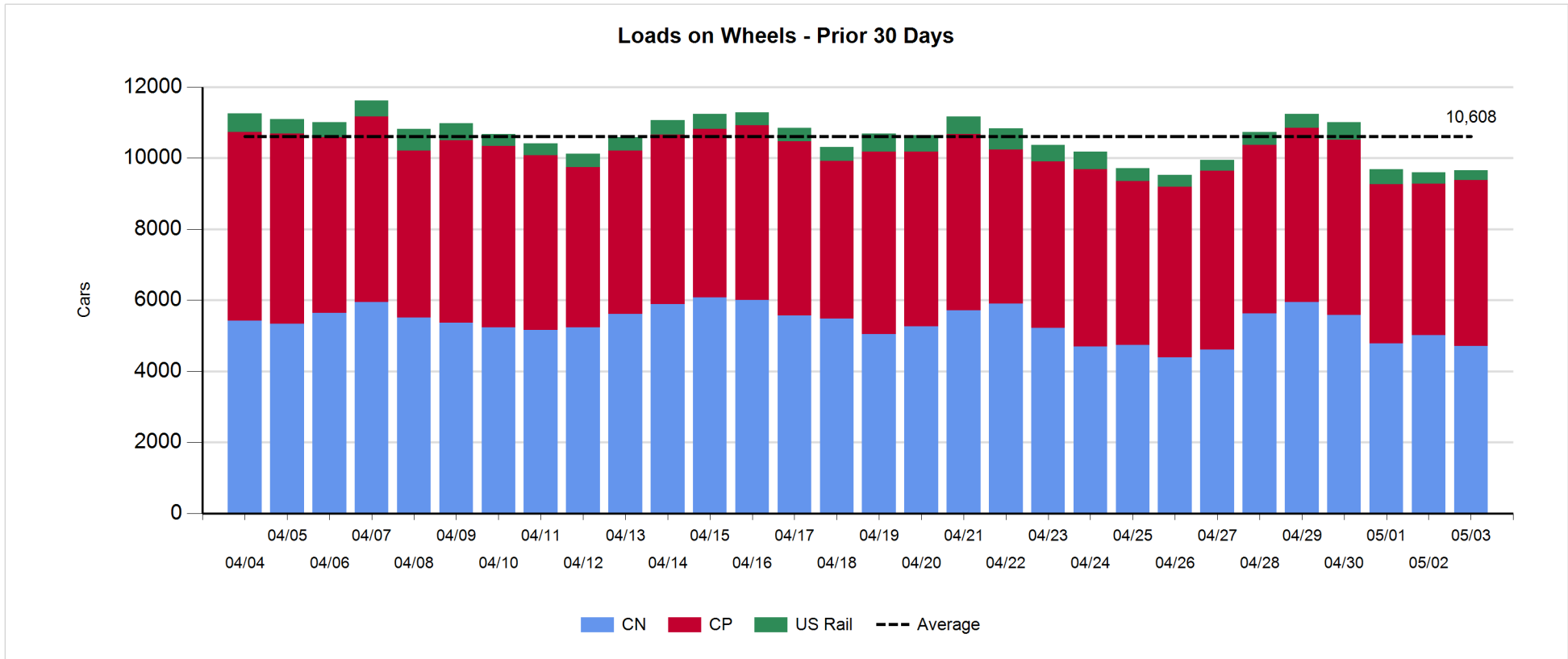
- CN and CP reported a total of 1,377 cars unloaded at the three western ports - week 40 unloads now tracking 14% (700+ unloads) ahead of last week's pace reflecting lower unloads at Prince Rupert and higher unloads at both Vancouver and Thunder Bay.
- Vancouver
 - 830 cars reported unloaded by CN and CP at the Port of Vancouver; CN - 426 and CP - 404.
 - There are 1,500+ cars on hand at Vancouver waiting placement for unloading - with nearly 1,300 cars arriving at the port in the last 24 hours.
 - CN and CP have 1,300 cars enroute to Vancouver west of Alberta - 300 Kamloops and west - with 80% of traffic currently moving on CP. Given the cars on hand and the position of inbound cars in the pipeline it would appear that Vancouver should be able to continue with strong unloads through the balance of the week.
- Prince Rupert
 - Prince Rupert unloads below 250 for the second consecutive day and continue to track 15% below last week's pace four days in to week 40.
 - Loads on wheels remain above 1,000 cars.
 - There are fewer than 300 cars west of Jasper - only 200 west of Prince George. Given the location of cars within the pipeline it seems increasingly likely that unloads will tail off in the coming days. This is to some degree a reflection of declining volumes destined to Prince Rupert as the pipeline adjusts for reduced unload capacity at the Port beginning next week due to the start of planned maintenance.
- Thunder Bay
 - 302 unloads reported by CN and CP yesterday - unloads in week 40 continue to track well ahead of last week (+600 unloads).
 - There are currently 300+ cars on hand waiting placement for unload with more than 300 cars arriving at the Port in the last 24 hours.
 - There are fewer than 200 cars enroute to Thunder Bay with less than 100 Winnipeg and east.

Daily Loads on Wheels - 5/3/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	336	1,013	347	242	2,770	4,708
CP	32		633	544	3,461	4,670
Short Line	2				21	23
US Rail				257		257
	370	1,013	980	1,043	6,252	9,658

Change in Loads on Wheels - Prior 24 Hours

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	-65	-36	21	27	-249	-302
CP	-2		-221	39	592	408
Short Line	0				-1	-1
US Rail				-40		-40
	-67	-36	-200	26	342	65

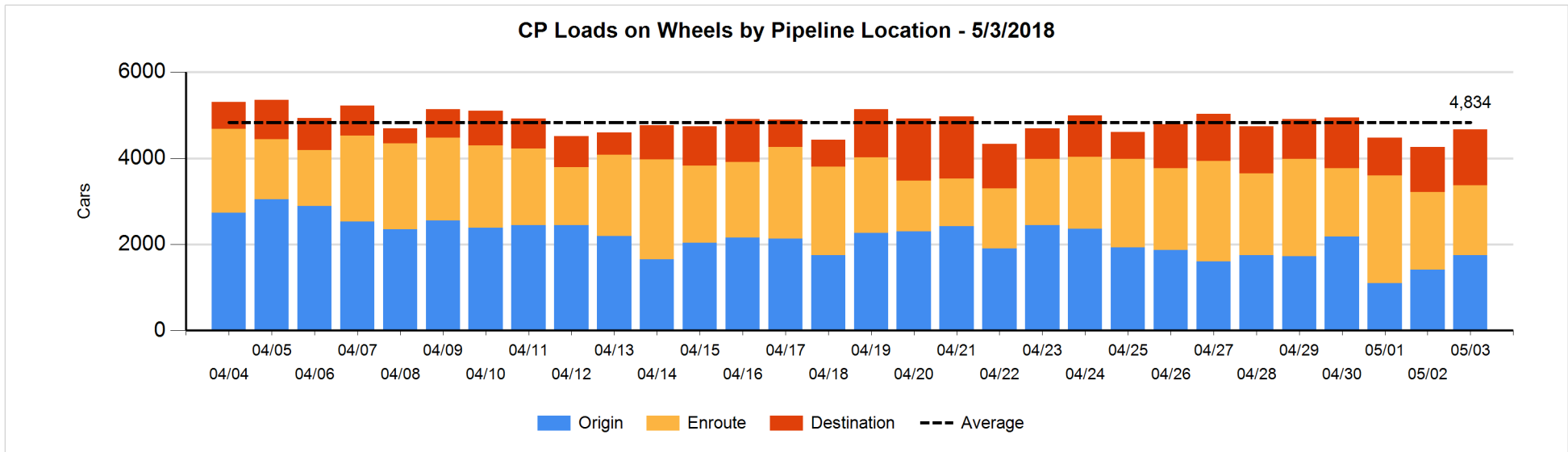
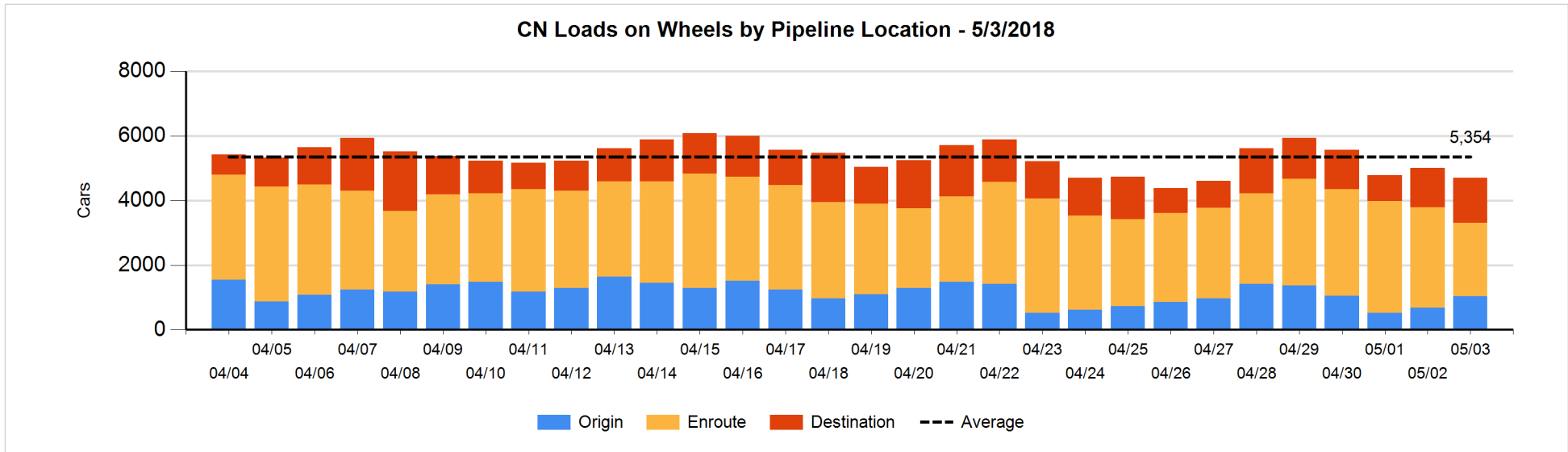


Daily Loads on Wheels By Pipeline Location - 5/3/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	12	326	102	18	576	1,034
Enroute	263	551	103	217	1,133	2,267
Destination	61	136	142	7	1,061	1,407
	336	1,013	347	242	2,770	4,708
CP						
Origin	23		141	282	1,296	1,742
Enroute	9		70	215	1,340	1,634
Destination			422	47	825	1,294
	32		633	544	3,461	4,670
US Rail / Short Line						
Origin				12		12
Enroute	1			194		195
Destination	1			51	21	73
	2			257	21	280

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

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	-7	278	1	-5	83	350
Enroute	-26	-309	31	32	-558	-830
Destination	-32	-5	-11	0	226	178
	-65	-36	21	27	-249	-302
CP						
Origin	21		-47	76	276	326
Enroute	-23		-203	-35	92	-169
Destination			29	-2	224	251
	-2		-221	39	592	408
US Rail / Short Line						
Origin				0		0
Enroute	0			-23		-23
Destination	0			-17	-1	-18
	0			-40	-1	-41

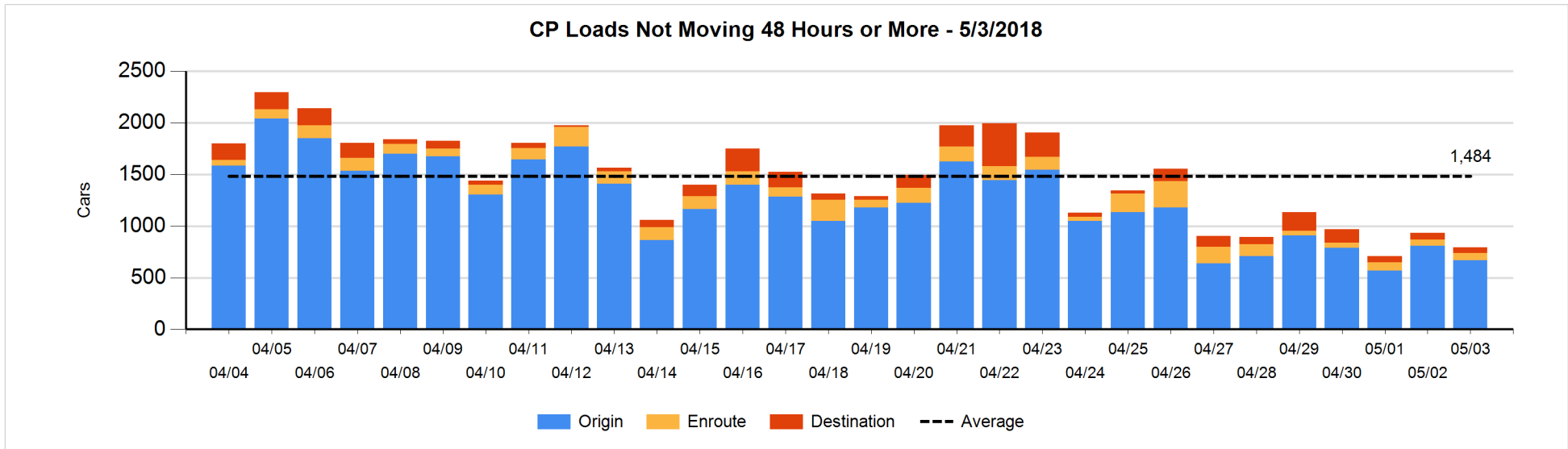
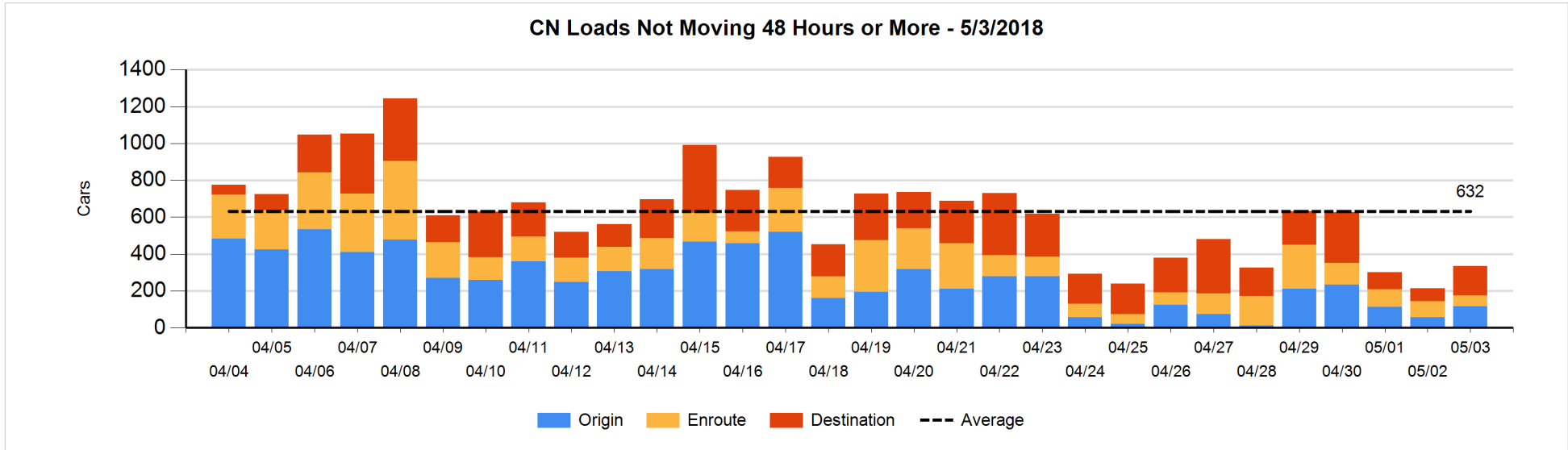


Loads Not Moving 48 Hours or More - 5/3/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	10			15	92	117
Enroute	30	4		8	16	58
Destination	39	7	12	3	98	159
	79	11	12	26	206	334
CP						
Origin	1		91	152	425	669
Enroute	3		14	23	30	70
Destination			18	5	29	52
	4		123	180	484	791
US Rail / Short Line						
Origin				12		12
Enroute				34		34
Destination	1			32	12	45
	1			78	12	91

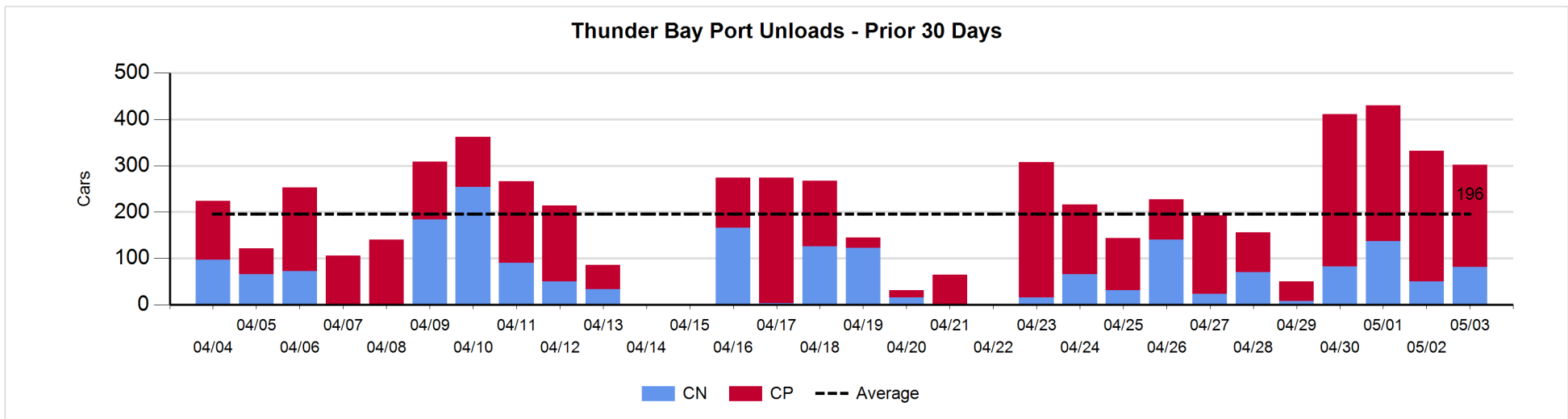
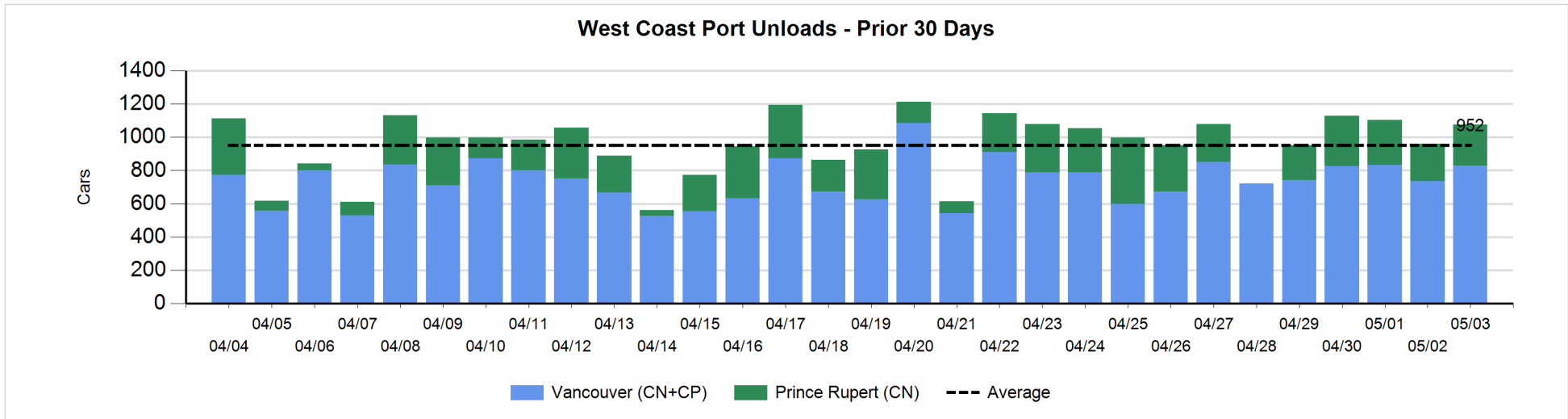
Change in Loads Not Moving 48 Hours or More - 5/3/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	5	-6		2	58	59
Enroute	-33	0		2	2	-29
Destination	31	3	0	2	53	89
	3	-3	0	6	113	119
CP						
Origin	0		-47	16	-110	-141
Enroute	0		8	-4	10	14
Destination			-33	0	19	-14
	0		-72	12	-81	-141
US Rail / Short Line						
Origin				0		0
Enroute				-2		-2
Destination	0			-4	-2	-6
	0			-6	-2	-8



Port Unloads - 5/3/2018

	Prince Rupert	Vancouver	West Coast Total	Thunder Bay	Total
CN	245	426	671	81	752
CP		404	404	221	625
	245	830	1,075	302	1,377



Port Terminal Status

Vancouver

Daily Activity for 5/3/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/3/2018
CN	804	232	398	477	1,061
CP	472	398	240	325	825
SRY	1	8		14	21

Port Unloads

	05/03	05/02	Week To Date	Last Week
CN	426	266	1,731	2,431
CP	404	469	1,493	2,731
SRY	11	9	30	85

Age Profile of Loaded Cars Waiting Placement for Unloading

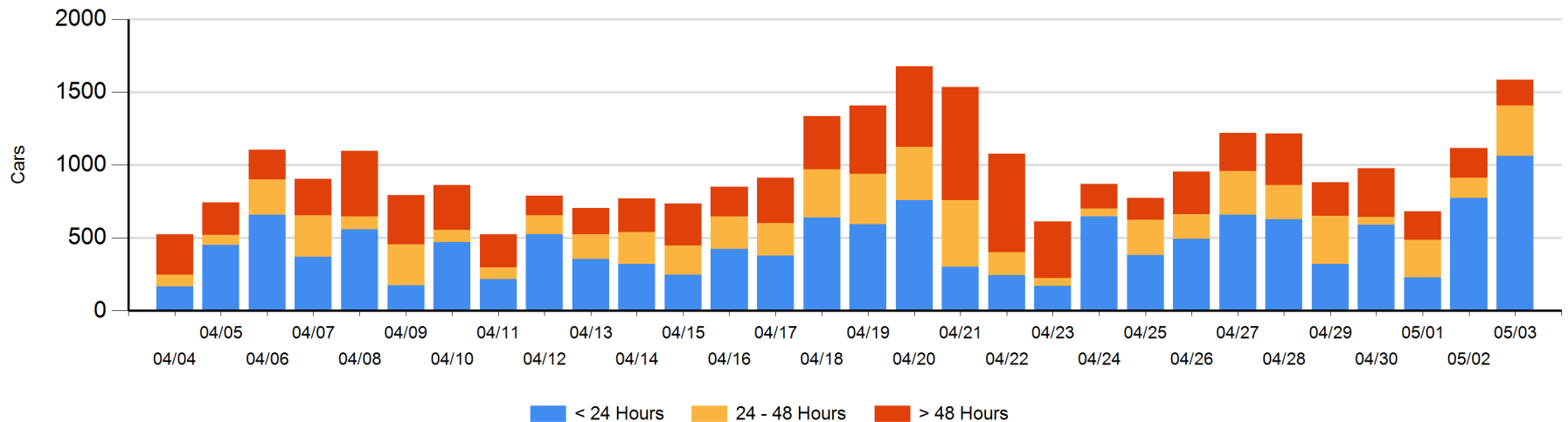
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	804	117	53	29	1,003
CP	260	229	55	37	581
SRY					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	612	34	-23	-16
CP	-322	174	30	-21
SRY				

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



Port Terminal Status

Prince Rupert

Daily Activity for 5/3/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/3/2018
CN	240			237	136

Port Unloads

	05/03	05/02	Week To Date	Last Week
CN	245	224	1,042	1,666

Age Profile of Loaded Cars Waiting Placement for Unloading

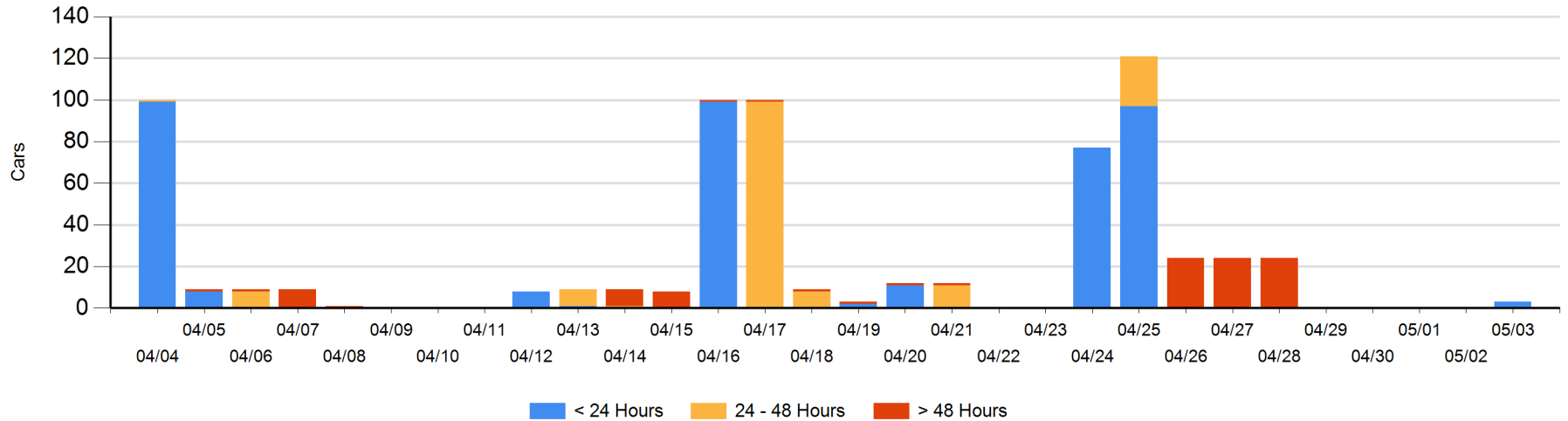
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	3				3

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	3			

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



Port Terminal Status

Thunder Bay

Daily Activity for 5/3/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/3/2018
CN	70			110	142
CP	250			287	422

Port Unloads

	05/03	05/02	Week To Date	Last Week
CN	81	50	350	354
CP	221	282	1,125	939

Age Profile of Loaded Cars Waiting Placement for Unloading

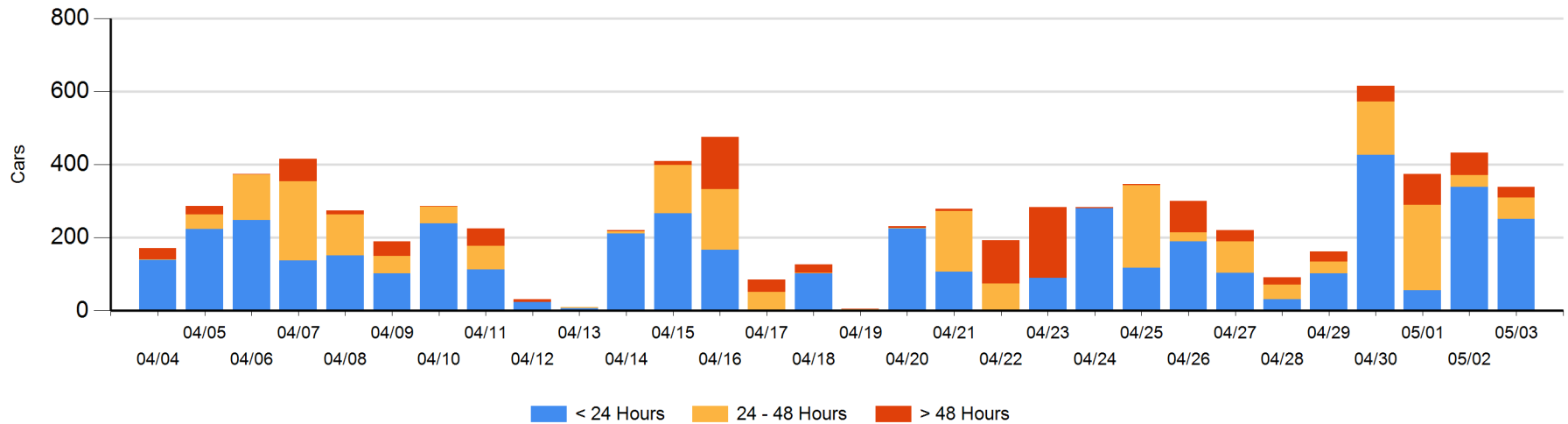
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	2			9	11
CP	250	58	17	3	328

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-40		-9	9
CP	-47	26	-32	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>