

SPEED READ

- Loads on wheels declined by more than 650 cars (8%) overnight reflecting lower volumes on both CN and CP. Volumes have declined by 1,600 cars in the prior 72 hours, remaining below the 8,000 car threshold for the second consecutive day.
- The count of loads on wheels is expected to continue to decline in the coming days. CN order volumes have totaled only 6,000 cars in the last 2 weeks combined and this low level of demand in conjunction with the pending CP labour disruption is expected to negatively impact the volume of traffic moving in all corridors.
- CP has communicated to its customers that strike notices have been issued by both the Teamster and IBEW unions for a work stoppage effective Tuesday May 29 at 22:00. CP has also advised that it has begun an orderly shutdown of its network and has issued embargo notices for all traffic originating in Canada destined to Canada or the US and originating in the US destined to Canada. In addition to reducing the volume of loads on wheels it is expected that the count of idle cars will continue to rise and unloads to decrease.
- Network fluidity improved somewhat overnight with the count of idle cars declining on both CN and CP. Idle car counts for both railways combined remains above 1,200 cars. While the CP labour disruption will impact CP most directly CN may also be impacted negatively in the coming days to the extent that cars are destined for interchange to CP most notably in the Vancouver corridor.
- Week 44 unloads tracking at last week's pace in the early going reflecting higher unloads at Thunder Bay and lower unloads at Vancouver.

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Loads on Wheels

- Loads on wheels declined for the 3rd consecutive day falling 8% (655 cars) overnight - now at 7,218 - below the 8,000 car threshold for the second consecutive day and 24% below the trailing 30 day average
- The change in loads on wheels reflects lower volumes on CN (-506) and CP (-283).
- On a net basis the reduction in loads on wheels is attributable to reduced volumes in all corridors led by the Vancouver corridor (-301).
- CN volumes fell in all 5 corridors led by Vancouver (-208) and Thunder Bay (-141). System wide CN loads on wheels now at 3,397 - below the 4,000 car threshold for the second consecutive day and 27% below the trailing 30 day average.
- CP volumes declined in all corridors other than Thunder Bay with the largest decline seen in the US corridor (-207) reflecting the interchange of cars to US carriers. CP system wide loads on wheels now at 3,349 - below the 4,000 car threshold for the eighth consecutive day and 26% below the trailing 30 day average.
- Vancouver now at 4,029 - the lowest level in more than 30 days and 31% below the trailing 30 day average.
- The Prince Rupert pipeline currently sits at 825 - 20% below the trailing 30 day average.
- Thunder Bay volumes declined nominally overnight - now below 1,000 cars - 20% below the trailing 30 day average - with traffic split evenly between CN and CP.

Hopper Car Rationing

- No hopper car rationing has been reported for either CN or CP in week 42.

Loads Not Moving

- **The count of cars not moving for 48+ hours declined for the first time in three days declining by nearly 500 cars reflecting declines on both CN and CP. The count of idle cars now stands at 1,262.**
- CN
 - **The count of idle cars declined 46% overnight - idle car counts now at 447.**

- The number of cars idle for 4+ days unchanged overnight - remains at 150 cars.
- The count of cars not moving for 7+ days down slightly - now below 20 cars.
- Vancouver represents only 15% of all idle cars while Prince Rupert counts declined overnight but continue to account for the majority of idle cars (275).
- CP
 - **CP counts declined slightly overnight (-111) following two consecutive days of increasing counts. The count of idle cars on CP now at 815.**
 - The number of cars idle for 4+ days up 15% overnight - now approaching 250 cars.
 - The count of cars idle for 7+ days unchanged - remains below 100 cars.
 - Vancouver continues to account for the majority of all idle cars (87%).
 - In total 61% of all idle cars are dwelling at origin locations.

Port Performance

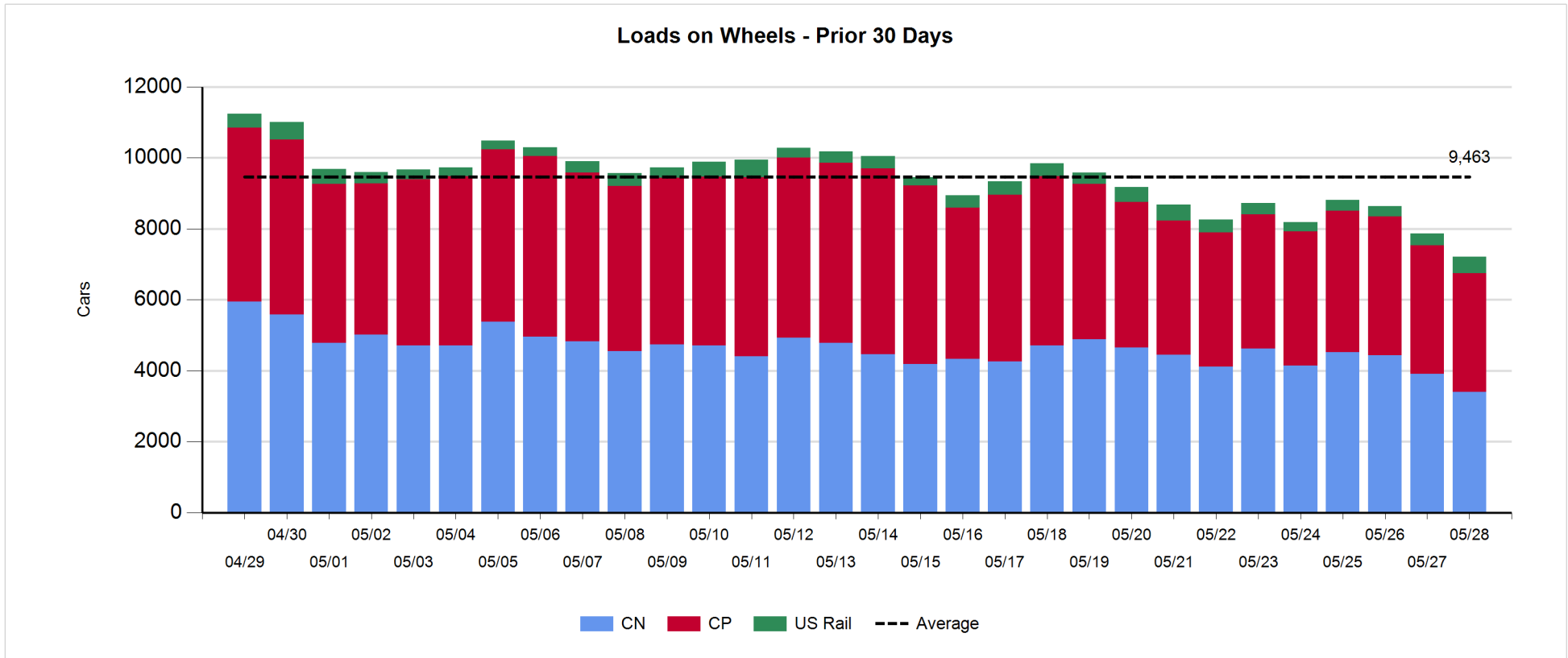
- CN and CP reported a total of 1,146 cars unloaded at the three western ports. One day into week 44 unloads are nominally behind last week's pace reflecting lower unloads at Vancouver and higher unloads at Thunder Bay.
- Vancouver
 - 729 cars reported unloaded by CN and CP at the Port of Vancouver; CN - 324 and CP - 405.
 - There are 650+ cars on hand at Vancouver waiting placement for unloading - with 600+ cars arriving at the port in the last 24 hours.
 - CN and CP have 1,100 cars enroute to Vancouver west of Alberta - 550+ Kamloops and west - with traffic evenly split between the railways.
- Prince Rupert
 - 112 unloads reported at Prince Rupert in line with same day performance last week.
 - Loads on wheels below 900 cars.
 - There are 150+ cars west of Jasper - nearly all Prince George and west.
 - There are currently some 200+ cars on site at the Port combined with cars enroute should provide the opportunity for reasonable unloads in the coming days.
- Thunder Bay
 - 305 unloads reported at Thunder Bay - tracking 200+ unloads ahead of last week early in the week.
 - There are currently 500+ cars on site at Thunder Bay with nearly 300 cars arriving in the prior 24 hours.
 - There are fewer than 250 cars enroute to Thunder Bay - half of which are Winnipeg and east.
 - With 90% of cars on hand on CN it is expected that unloads should remain relatively reasonably robust for the next couple of days although there are only a total of 459 cars currently in CN's Thunder Bay pipeline which may negatively impact unload performance later in the week once the expected CP labour disruption begins.

Daily Loads on Wheels - 5/28/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	187	825	459	101	1,825	3,397
CP	145		493	533	2,178	3,349
Short Line	35				26	61
US Rail				408		408
	367	825	952	1,042	4,029	7,215

Change in Loads on Wheels - Prior 24 Hours

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	-33	-98	-141	-26	-208	-506
CP	-37		41	-207	-80	-283
Short Line	-25				-13	-38
US Rail				172		172
	-95	-98	-100	-61	-301	-655

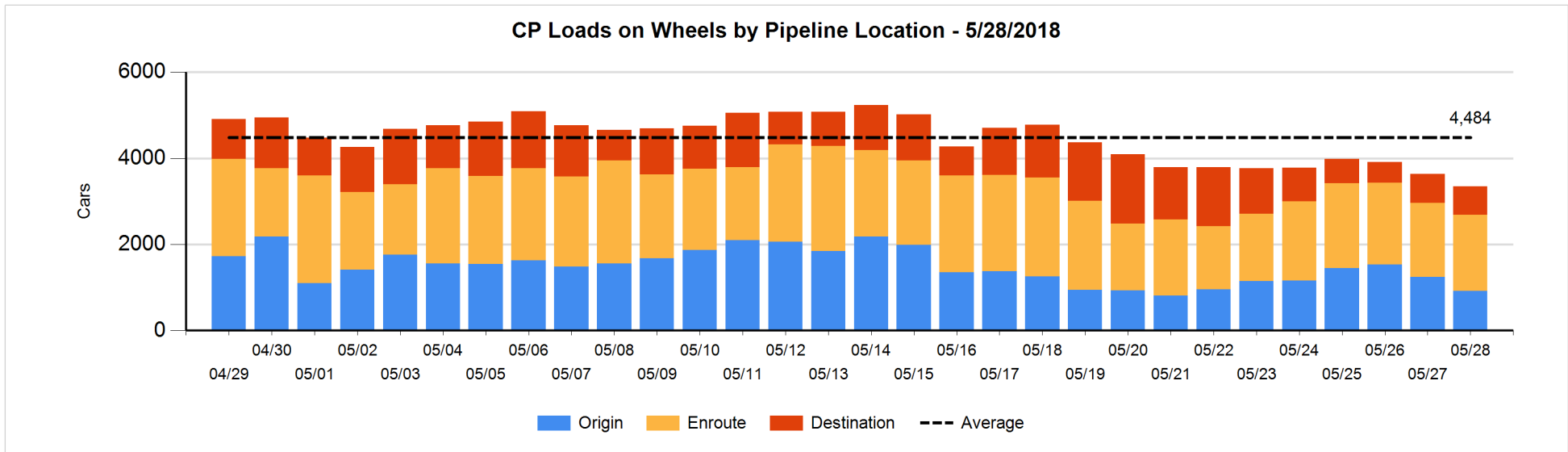
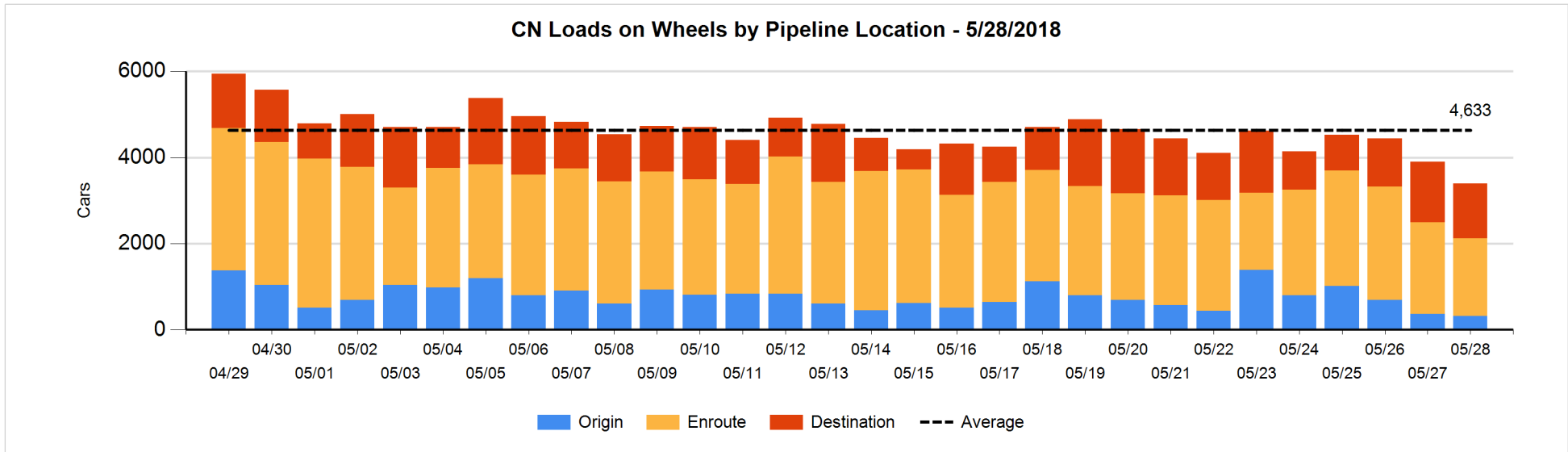


Daily Loads on Wheels By Pipeline Location - 5/28/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	8	83	96	28	108	323
Enroute	123	397	10	65	1,197	1,792
Destination	56	345	353	8	520	1,282
	187	825	459	101	1,825	3,397
CP						
Origin			201	5	709	915
Enroute	100		232	464	975	1,771
Destination	45		60	64	494	663
	145		493	533	2,178	3,349
US Rail / Short Line						
Origin						
Enroute	2			276		278
Destination	33			132	26	191
	35			408	26	469

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

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	1	-47	96	-5	-84	-39
Enroute	-17	-37	-249	-23	-17	-343
Destination	-17	-14	12	2	-107	-124
	-33	-98	-141	-26	-208	-506
CP						
Origin	-55		-112	-91	-65	-323
Enroute	-21		177	-105	-6	45
Destination	39		-24	-11	-9	-5
	-37		41	-207	-80	-283
US Rail / Short Line						
Origin						
Enroute	0			99		99
Destination	-25			73	-13	35
	-25			172	-13	134

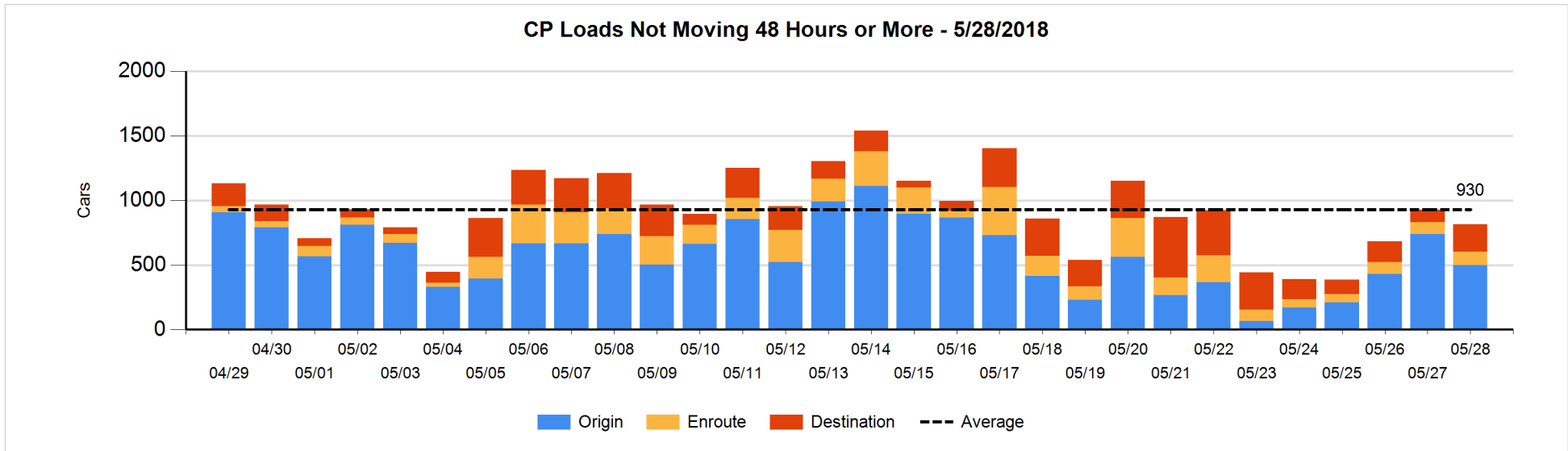
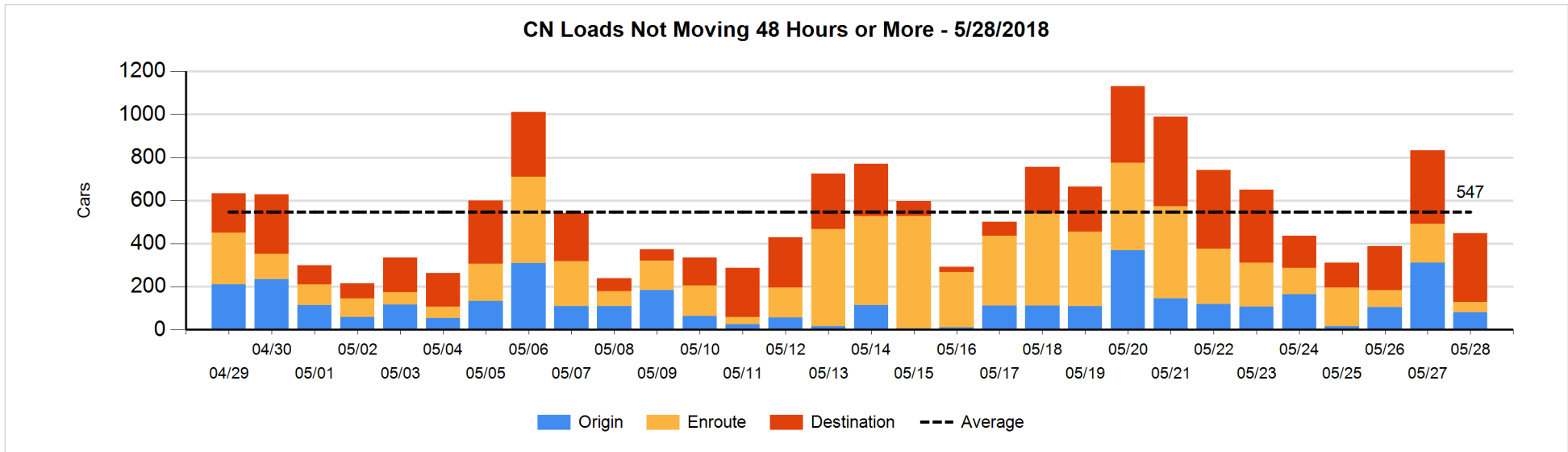


Loads Not Moving 48 Hours or More - 5/28/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	7	74				81
Enroute	25	3		8	11	47
Destination	37	198	21	6	57	319
	69	275	21	14	68	447
CP						
Origin			36		462	498
Enroute	3		4	18	81	106
Destination	6		15	28	162	211
	9		55	46	705	815
US Rail / Short Line						
Origin						
Enroute	2			62		64
Destination	23			26	16	65
	25			88	16	129

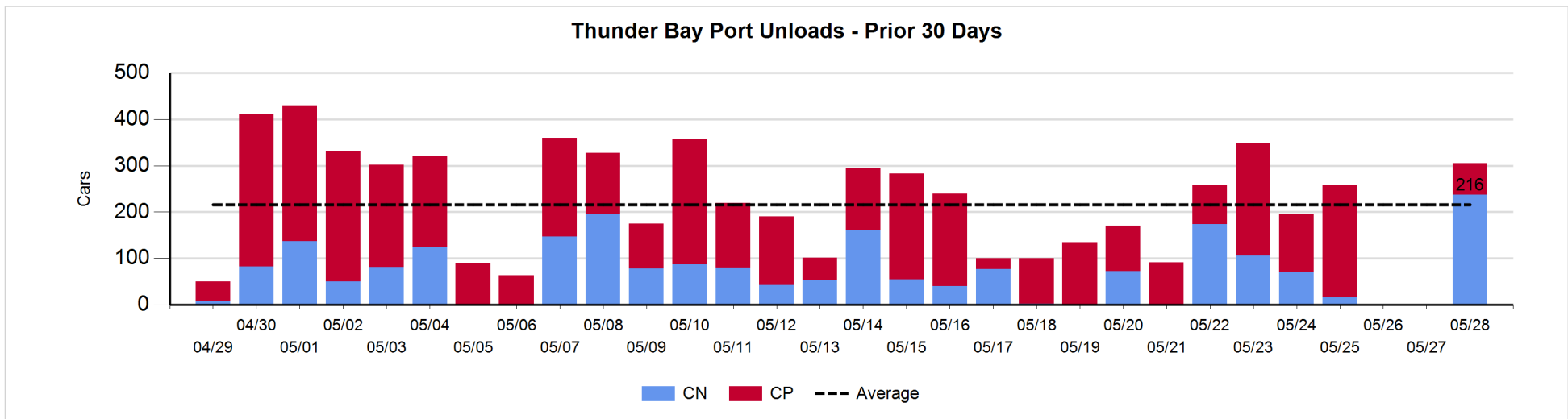
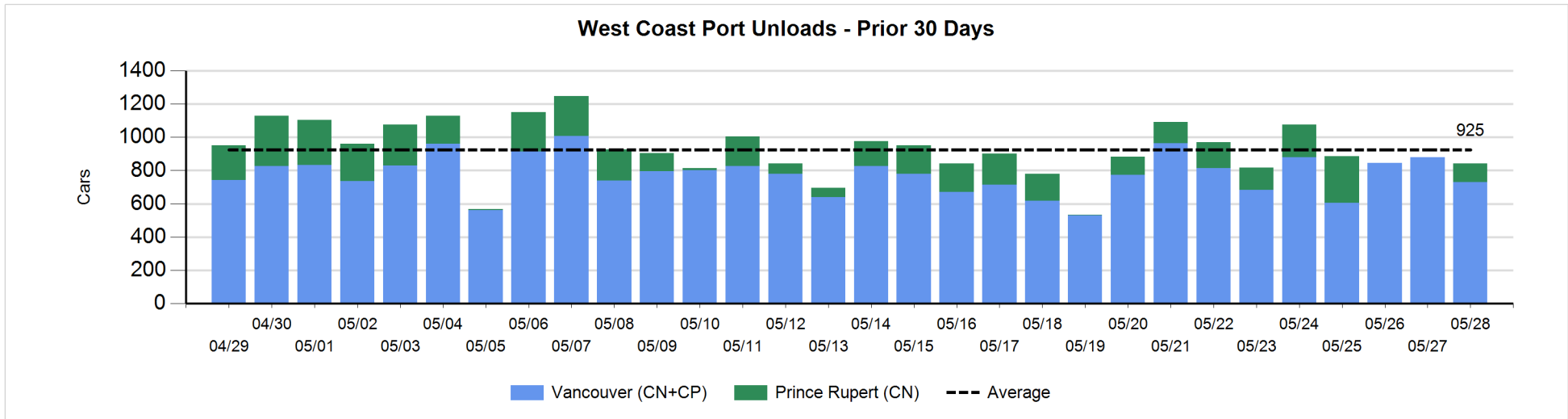
Change in Loads Not Moving 48 Hours or More - 5/28/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	0	-32		-8	-191	-231
Enroute	-35	-92		2	-8	-133
Destination	-13	41	-41	0	-10	-23
	-48	-83	-41	-6	-209	-387
CP						
Origin	-55		-185	-96	96	-240
Enroute	2		0	11	1	14
Destination	5		-11	20	101	115
	-48		-196	-65	198	-111
US Rail / Short Line						
Origin						
Enroute	1			-3		-2
Destination	-23			4	-3	-22
	-22			1	-3	-24



Port Unloads - 5/28/2018

	Prince Rupert	Vancouver	West Coast Total	Thunder Bay	Total
CN	112	324	436	237	673
CP		405	405	68	473
	112	729	841	305	1,146



Port Terminal Status

Vancouver

Daily Activity for 5/28/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/28/2018
CN	245	108	137	498	520
CP	368	137	114	338	494
SRY	2	6		12	26

Port Unloads

	05/28	05/27	Week To Date	Last Week
CN	324	459	324	2,856
CP	405	421	405	2,809
SRY	16	8	16	74

Age Profile of Loaded Cars Waiting Placement for Unloading

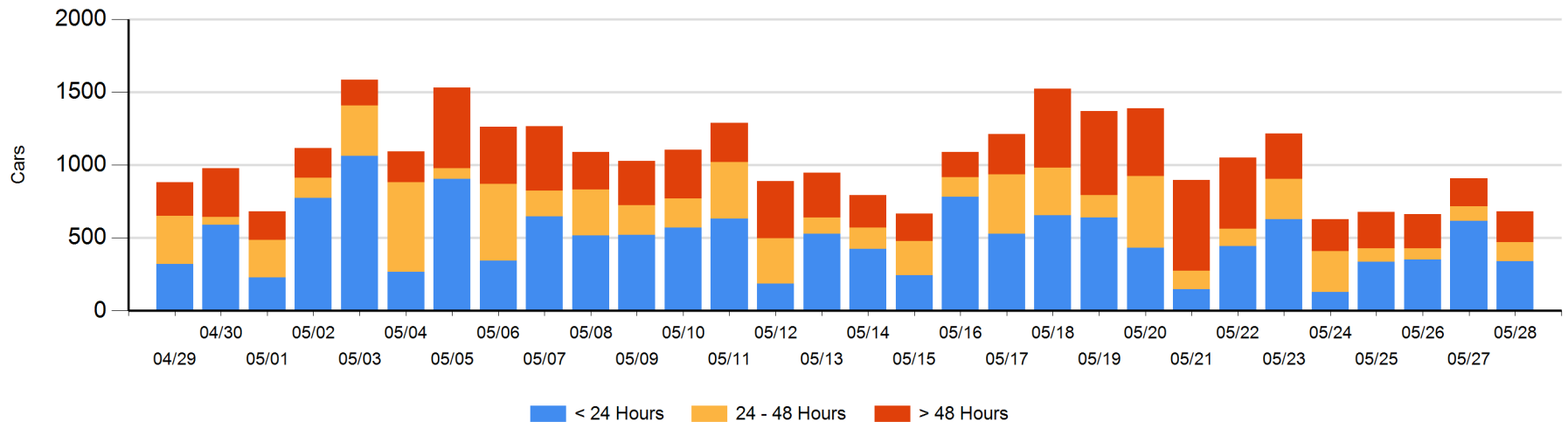
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	245	30	14	39	328
CP	93	101	52	108	354
SRY					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-102	16	13	-16
CP	-177	16	-13	35
SRY				

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



Port Terminal Status

Prince Rupert

Daily Activity for 5/28/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/28/2018
CN	99			127	345

Port Unloads

	05/28	05/27	Week To Date	Last Week
CN	112		112	901

Age Profile of Loaded Cars Waiting Placement for Unloading

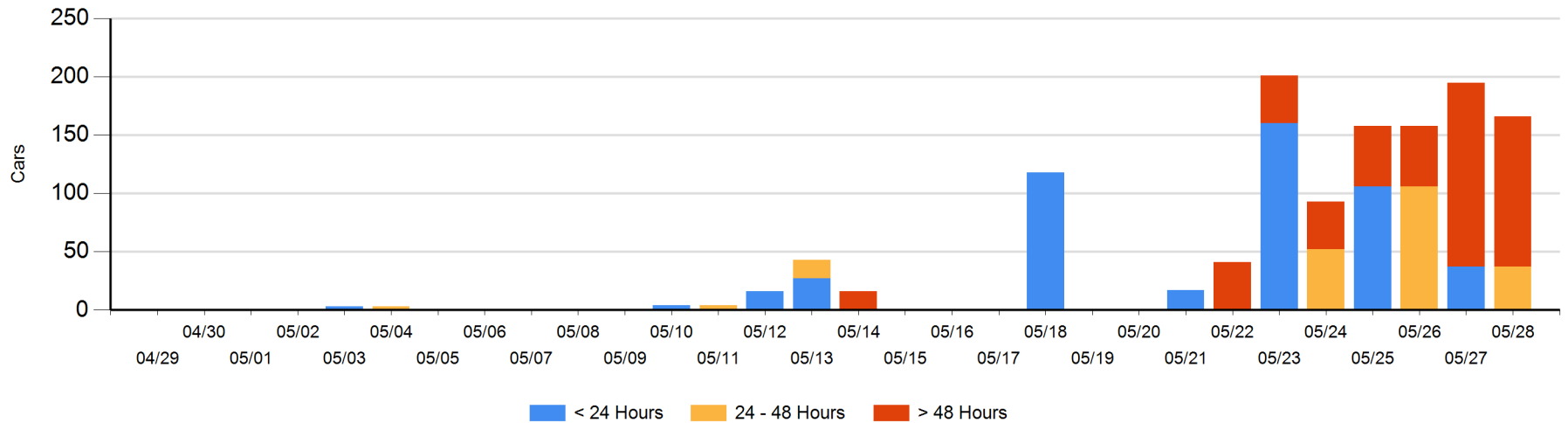
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN		37		129	166

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-37	37	-106	77

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



Port Terminal Status

Thunder Bay

Daily Activity for 5/28/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/28/2018
CN	249			148	353
CP	44			44	60

Port Unloads

	05/28	05/27	Week To Date	Last Week
CN	237		237	367
CP	68		68	782

Age Profile of Loaded Cars Waiting Placement for Unloading

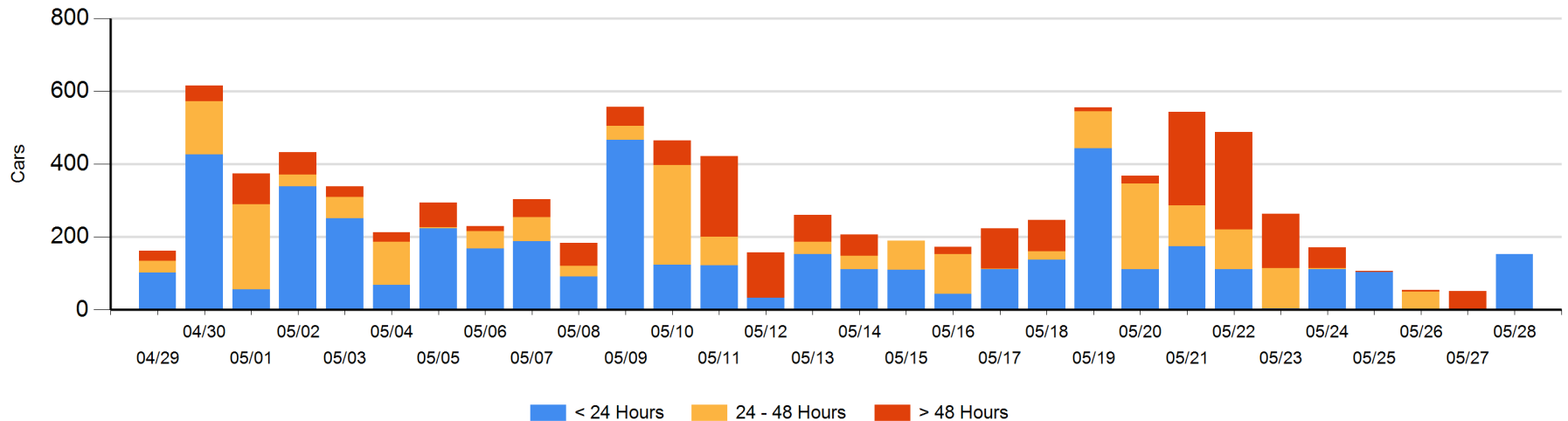
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	153				153
CP					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	153		-48	-4
CP				

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>