

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 increased slightly for the third consecutive day reflecting higher volumes on CP offset by a slight decline on CN.
- Alliance Grain Terminal in Vancouver is set to begin a two month shutdown today (June 15).
- Network fluidity deteriorated overnight for the second consecutive day with both CN and CP seeing the count of idle cars rise with the most significant increase on CP where counts more than doubled overnight. Idle car counts for both railways combined have now increased by nearly 850 cars in the last 48 hours rising above 1,300 - the highest level seen in 10 days. Nearly all of the increase is in the Vancouver corridor where counts have increased steadily for both railways over the last 72 hours.
- Week 46 unloads continue to track at last week's pace four days in reflecting significantly higher unloads at Prince Rupert offset by lower unloads at Vancouver and Thunder Bay.
- Prince Rupert saw its best unloading performance in two weeks with more than 200 unloads reported for yesterday. The Port continues to be well positioned for unloads in the 100 - 150 range over the next 1-2 days with some 200 cars on site however with a thinning pipeline west of Jasper.
- Thunder Bay and Vancouver pipelines remain robust which should support strong unloads for the next few days particularly at Thunder Bay.

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Loads on Wheels

- Loads on wheels rose nominally overnight for the third consecutive day. The slight increase reflects a decline on CN (-195) and an increase on CP (+308) - now at 7,902 and 4% below the trailing 30 day average
- On a net basis the increase in loads on wheels reflects higher volumes in the Vancouver (+180) corridor with nominal changes in other corridors.
- CN volumes declined slightly reflecting lower volumes in the Vancouver corridor with little change in other corridors. System wide CN loads on wheels now at 4,092 and 2% above the trailing 30 day average.
- CP volumes increased some 10% overnight driven by higher volumes in the Vancouver corridor. CP system wide loads on wheels now at 3,565 - 8% below the trailing 30 day average.
- Vancouver now at 4,856 - in line with the trailing 30 day average.
- The Prince Rupert pipeline currently sits at 916 - little change overnight and 10% above the trailing 30 day average.
- Thunder Bay volumes declined for the sixth consecutive day, albeit only slightly, remaining above the 1,000 car threshold and 5% below the trailing 30 day average with 84% of traffic moving on CP

Hopper Car Rationing

- No hopper car rationing has been reported for either CN or CP in week 45 and none expected in week 46.

Loads Not Moving

- **The count of cars not moving for 48+ hours increased for the second consecutive day rising 46% (441 cars) overnight reflecting increases on both railways with the most significant increase seen on CP. Idle car counts have now risen by nearly 850 cars in the last 48 hours and currently stand at 1,388 - the highest level seen in the last 10 days.**
- CN
 - **The count of idle cars increased slightly overnight (+95 cars) - idle car counts now at 747 - the highest level in 10 days.**
 - The number of cars idle for 4+ days nearly doubled overnight - now above 150 cars.
 - The count of cars not moving for 7+ days unchanged - remains below 50 cars.
 - Vancouver represents 84% of all idle cars.
- CP
 - **CP counts more than doubled (+346 cars) overnight. The count of idle cars on CP now at 747.**
 - The number of cars idle for 4+ days up nearly 40% overnight - now approaching 200 cars.
 - The count of cars idle for 7+ days unchanged - remains below 50 cars.
 - Vancouver accounts for 60% of all idle cars.
 - In total 80% of all idle cars are dwelling at origin locations.

Port Performance

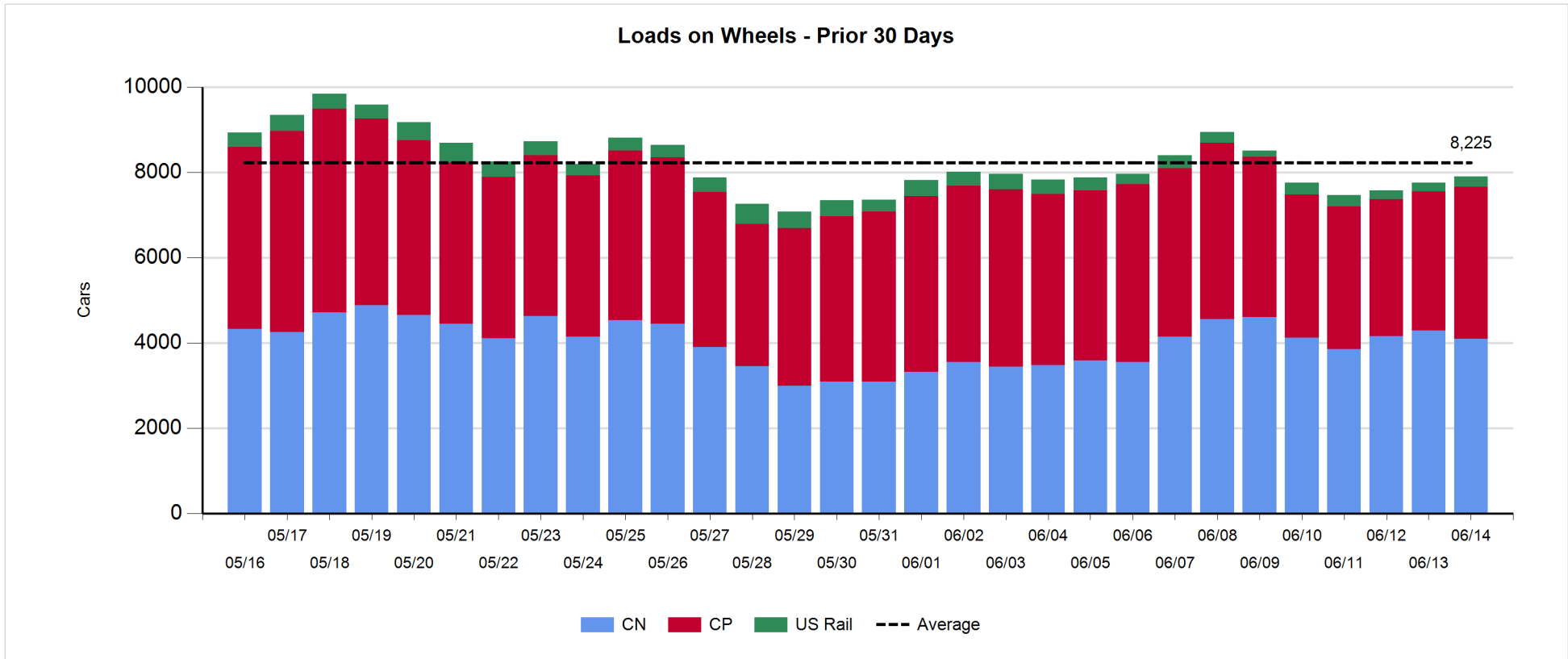
- CN and CP reported a total of 1,102 cars unloaded at the three western ports - above the 1,000 car mark for the third consecutive day. Four days in Week 46 unloads continue to track at last week's pace.
- Vancouver
 - 635 cars reported unloaded by CN and CP at the Port of Vancouver; CN - 478 and CP - 157.
 - There are 1,000+ 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 only 325 cars enroute to Vancouver west of Alberta - 200 Kamloops and west - with 100% of traffic currently moving on CN.
- Prince Rupert
 - Prince Rupert saw its best day of unloads in two weeks yesterday reporting more than 200 unloads and are now tracking nearly 300 unloads ahead of last week's pace after four days.
 - Loads on wheels at 916 - down slightly from yesterday.
 - There are only 120 cars west of Jasper - 50 Prince George and west.
 - With 200+ cars on site it is reasonable to assume that unloads should be strong for another day or two. Beyond the cars currently west of Jasper there are no inbound cars west of Edmonton which may lead to a shortage of cars by Sunday depending on the timeliness of the movement of these cars.
- Thunder Bay
 - 250+ unloads reported at Thunder Bay yesterday resulting in Week 46 unloads continuing to trail last week's pace by 150+ unloads through the first four days of the week.
 - There are 800+ cars on site at Thunder Bay with 140 cars arriving at the Port in the prior 24 hours.
 - There are now roughly 200 cars enroute to Thunder Bay - approximately half of these Winnipeg and east moving on CP. 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 - 6/14/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	199	916	166	145	2,666	4,092
CP	58		870	489	2,148	3,565
Short Line	26				42	68
US Rail				177		177
	283	916	1,036	811	4,856	7,902

Change in Loads on Wheels - Prior 24 Hours

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	-32	-10	-37	24	-140	-195
CP	-20		-4	13	319	308
Short Line	23				1	24
US Rail				9		9
	-29	-10	-41	46	180	146

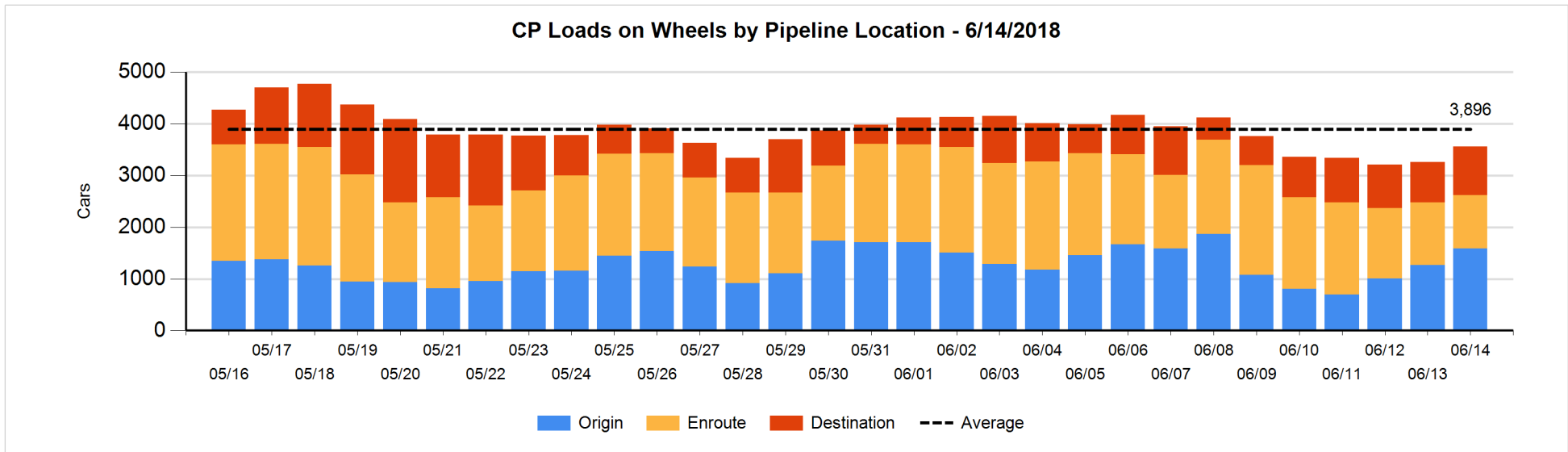
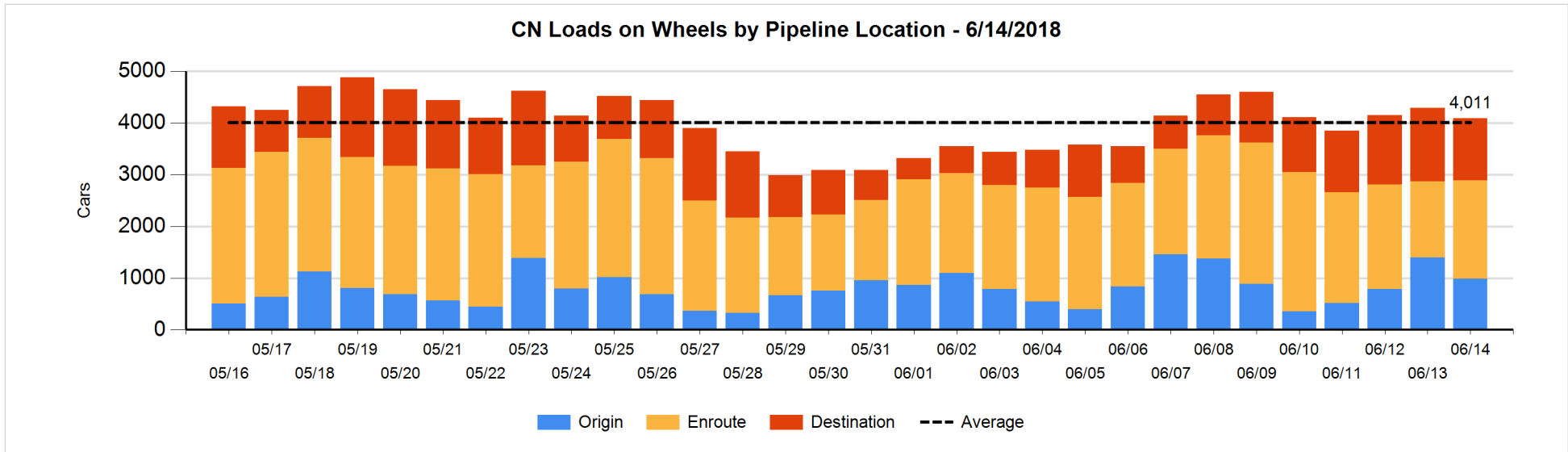


Daily Loads on Wheels By Pipeline Location - 6/14/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	6	254	100	15	610	985
Enroute	189	437	47	118	1,114	1,905
Destination	4	225	19	12	942	1,202
	199	916	166	145	2,666	4,092
CP						
Origin	25		230	177	1,154	1,586
Enroute	33		169	288	542	1,032
Destination			471	24	452	947
	58		870	489	2,148	3,565
US Rail / Short Line						
Origin						
Enroute	1			124		125
Destination	25			53	42	120
	26			177	42	245

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

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	-20	-15	53	-10	-422	-414
Enroute	-12	68	47	29	299	431
Destination	0	-63	-137	5	-17	-212
	-32	-10	-37	24	-140	-195
CP						
Origin	2		-77	48	351	324
Enroute	12		50	10	-252	-180
Destination	-34		23	-45	220	164
	-20		-4	13	319	308
US Rail / Short Line						
Origin						
Enroute	1			5		6
Destination	22			4	1	27
	23			9	1	33

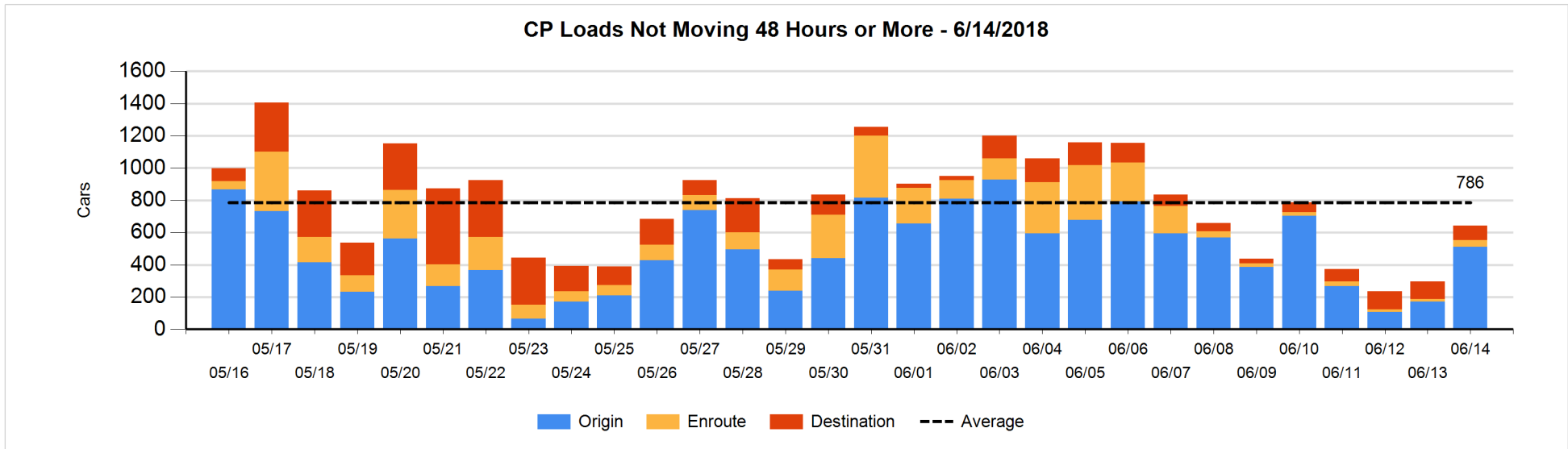
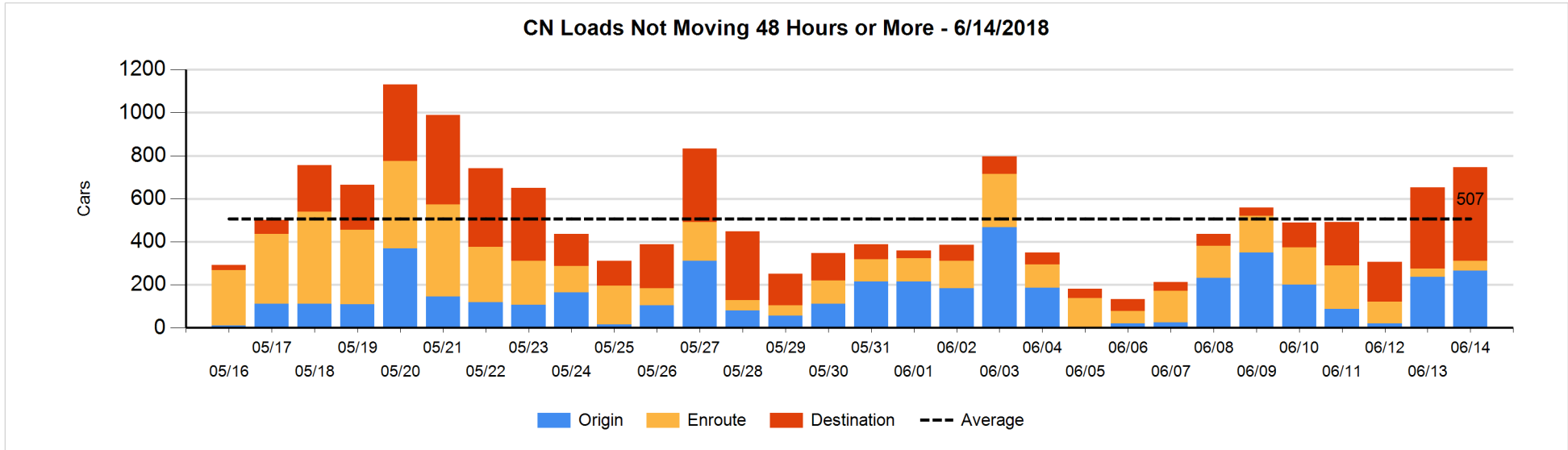


Loads Not Moving 48 Hours or More - 6/14/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin				7	259	266
Enroute	10	5		13	17	45
Destination	3	72	6	4	351	436
	13	77	6	24	627	747
CP						
Origin	22		6	126	358	512
Enroute	3		3	32	3	41
Destination			56	9	23	88
	25		65	167	384	641
US Rail / Short Line						
Origin						
Enroute				30		30
Destination	1			21	19	41
	1			51	19	71

Change in Loads Not Moving 48 Hours or More - 6/14/2018

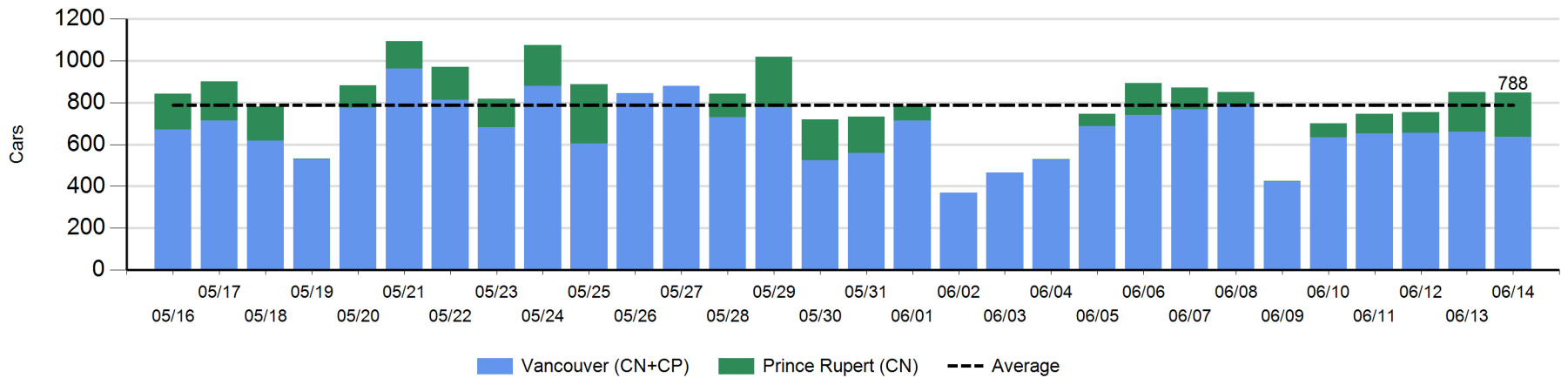
	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin		-103		-2	135	30
Enroute	-2	4		3	0	5
Destination	1	72	-10	1	-4	60
	-1	-27	-10	2	131	95
CP						
Origin	0		-27	32	335	340
Enroute	-1		-2	28	1	26
Destination	-2		-6	-13	1	-20
	-3		-35	47	337	346
US Rail / Short Line						
Origin						
Enroute				8		8
Destination	0			-2	16	14
	0			6	16	22



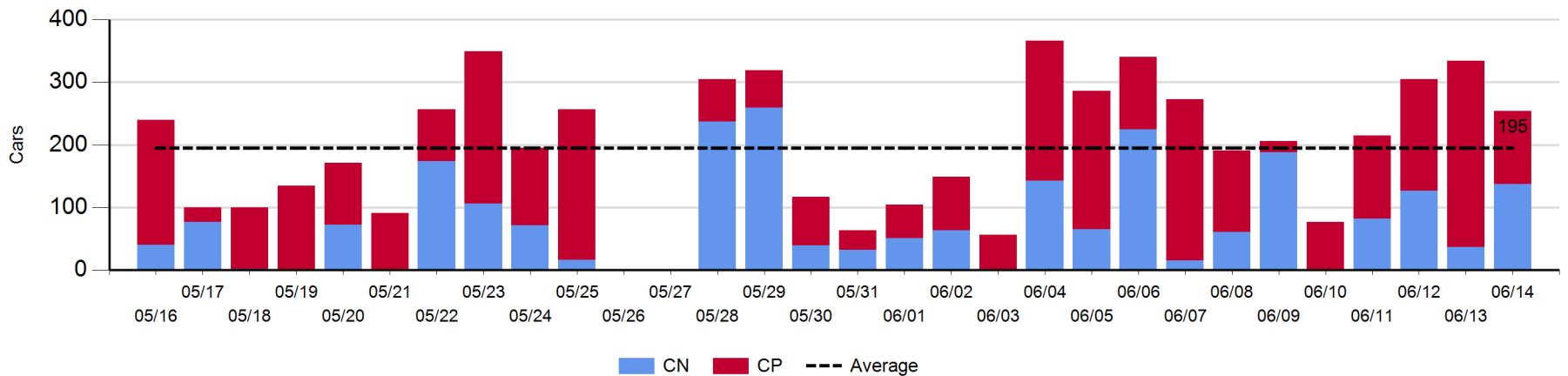
Port Unloads - 6/14/2018

	Prince Rupert	Vancouver	West Coast Total	Thunder Bay	Total
CN	213	478	691	137	828
CP		157	157	117	274
	213	635	848	254	1,102

West Coast Port Unloads - Prior 30 Days



Thunder Bay Port Unloads - Prior 30 Days



Port Terminal Status

Vancouver

Daily Activity for 6/14/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 6/14/2018
CN	246	222	209	272	942
CP	575	209	228	191	452
SRY		6		5	42

Port Unloads

	06/14	06/13	Week To Date	Last Week
CN	478	314	1,593	2,649
CP	157	345	1,008	1,926
SRY	5	8	29	54

Age Profile of Loaded Cars Waiting Placement for Unloading

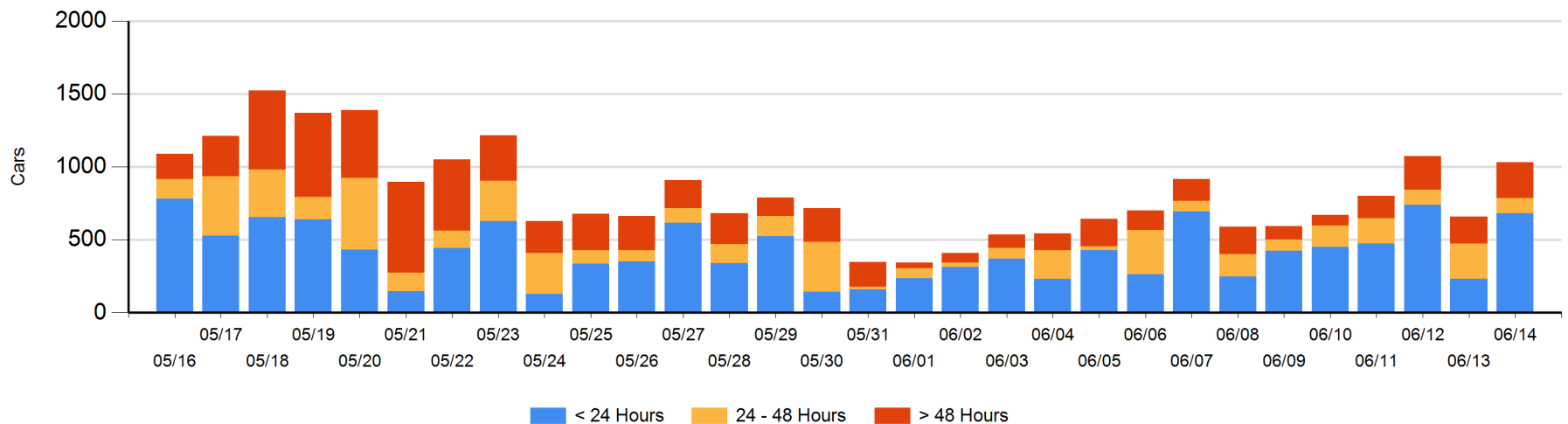
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	246	61	50	113	470
CP	436	41	72	14	563
SRY					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	105	-40	23	-18
CP	345	-101	72	-11
SRY				

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



Port Terminal Status

Prince Rupert

Daily Activity for 6/14/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 6/14/2018
CN	150			150	225

Port Unloads

	06/14	06/13	Week To Date	Last Week
CN	213	191	598	437

Age Profile of Loaded Cars Waiting Placement for Unloading

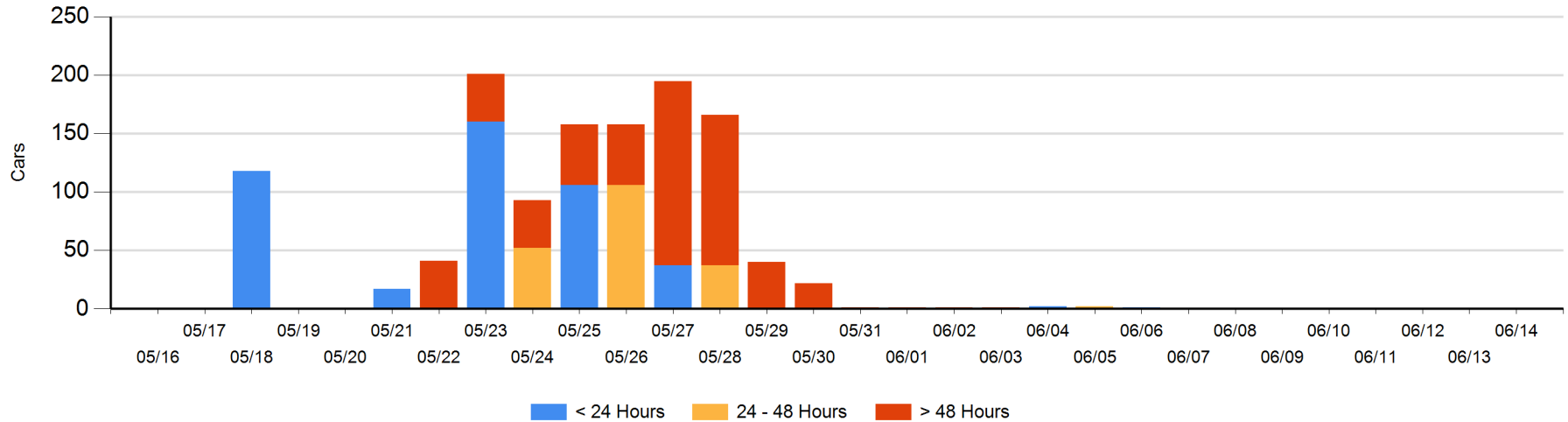
Today

	< 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 6/14/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 6/14/2018
CN				100	19
CP	140			163	471

Port Unloads

	06/14	06/13	Week To Date	Last Week
CN	137	37	383	697
CP	117	297	725	1,042

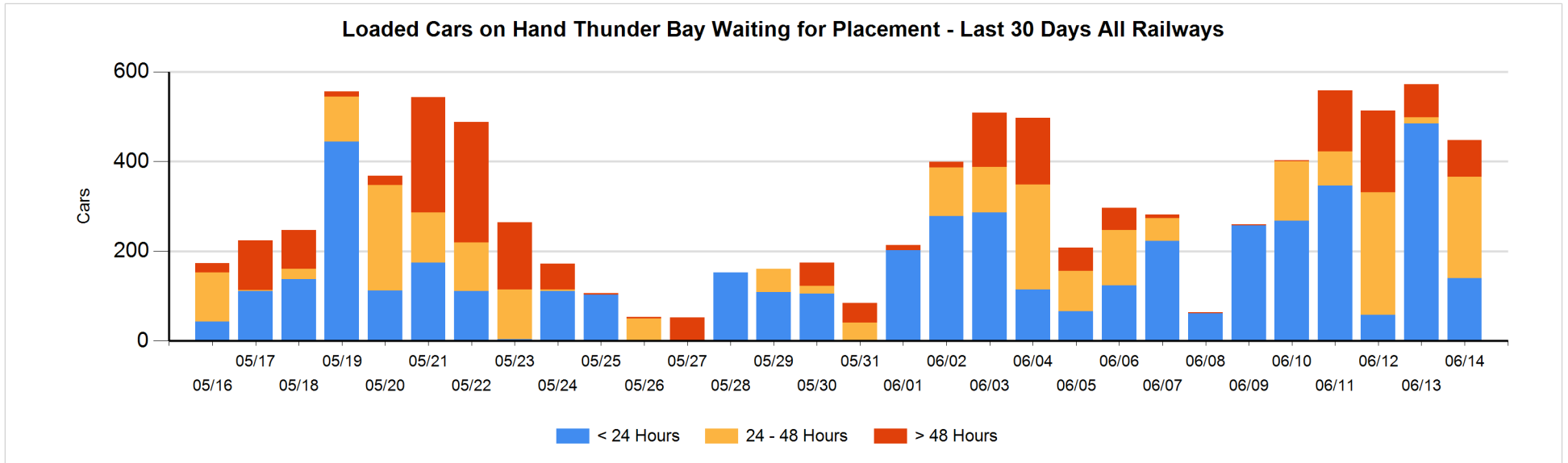
Age Profile of Loaded Cars Waiting Placement for Unloading

Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN			13	11	24
CP	140	226	1	57	424

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-100	-13	13	-1
CP	-245	225	-8	5



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>