

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 prior 3 weeks unloads have averaged approximately 900 unloads per week in line with the expected levels given the reduced capacity.

SPEED READ

- Loads on wheels declined only slightly overnight with the decrease attributable to CN offset by an increase in CP volumes. Volumes have declined by 1,800 cars in the prior 96 hours now nearing the 7,000 car threshold - the lowest level seen in months.
- The count of loads on wheels is expected to continue to decline or remain at similar levels 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 CP labour disruption which began last night is expected to negatively impact the volume of traffic moving in all corridors.
- CP has communicated to its customers that it has reached a tentative agreement with the IBEW which represents signal workers however the locomotive engineers and conductors represented by the Teamsters union remain off the job as of 2200 hours May 29th. It is expected that within 48-72 hours if remaining unresolved that we will begin to see port unloads drop off and the count of idle cars on CP begin to rise.
- Network fluidity improved overnight with the count of idle cars declining on both CN and CP. Idle car counts for both railways combined now below 700 cars - the lowest level seen in more than 30 days.
- Week 44 unloads tracking slightly ahead of last week's pace reflecting higher unloads at Prince Rupert and Thunder Bay offset by lower unloads at Vancouver. To the extent the CP labour disruption is not resolved quickly it is expected that unloads at Vancouver and Thunder Bay will begin to decline within 48 hours. Prince Rupert unloads are also poised to fall in the coming days as loads on wheels to Prince Rupert are now below 600 cars and week 44 orders placed by shippers came in below 600 cars for the second consecutive week - the lowest level seen since August.

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Loads on Wheels

- Loads on wheels declined for the 4th consecutive day albeit only nominally (182 cars) overnight - now at 7,072 - below the 8,000 car threshold for the third consecutive day and 25% below the trailing 30 day average
- The change in loads on wheels reflects lower volumes on CN (-462) and higher volumes on CP (+362).
- On a net basis the reduction in loads on wheels reflects principally higher volumes in the Vancouver corridor (+254) offset by lower volumes in the Prince Rupert (-240) and Thunder Bay (-210) corridors.
- CN volumes fell in 4 of 5 corridors led by Prince Rupert and Thunder Bay. System wide CN loads on wheels now at 2,987 - falling below the 3,000 car threshold for the first time in a number of months and 35% below the trailing 30 day average.
- CP volumes increased in 3 of 5 corridors led by Vancouver (+266). CP system wide loads on wheels now at 3,698 - below the 4,000 car threshold for the ninth consecutive day and 27% below the trailing 30 day average.
- Vancouver now at 4,337 - 24% below the trailing 30 day average.
- The Prince Rupert pipeline currently sits at 585 - the lowest level in months and 42% below the trailing 30 day average.
- Thunder Bay volumes declined for the third consecutive day falling below 800 cars - the lowest level seen since the resumption of shipping in March - 36% below the trailing 30 day average - with 70% of traffic currently on 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 by 45% (573 cars) overnight reflecting declines on both CN and CP. The count of idle cars now stands at 685 - the lowest level in more than 30 days.**
- CN
 - **The count of idle cars declined 44% overnight - idle car counts now at 250 - the lowest level in nearly three weeks.**
 - The number of cars idle for 4+ days down 20% overnight - remains above 100 cars.
 - The count of cars not moving for 7+ days up slightly - remains below 50 cars.
 - Vancouver represents only 36% of all idle cars while Prince Rupert counts declined significantly overnight now representing only 20% of idle cars.
- CP
 - **CP counts declined 46% overnight. The count of idle cars on CP now at 435.**
 - The number of cars idle for 4+ days down 10% overnight - now below 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 (83%).
 - In total 55% of all idle cars are dwelling at origin locations.

Port Performance

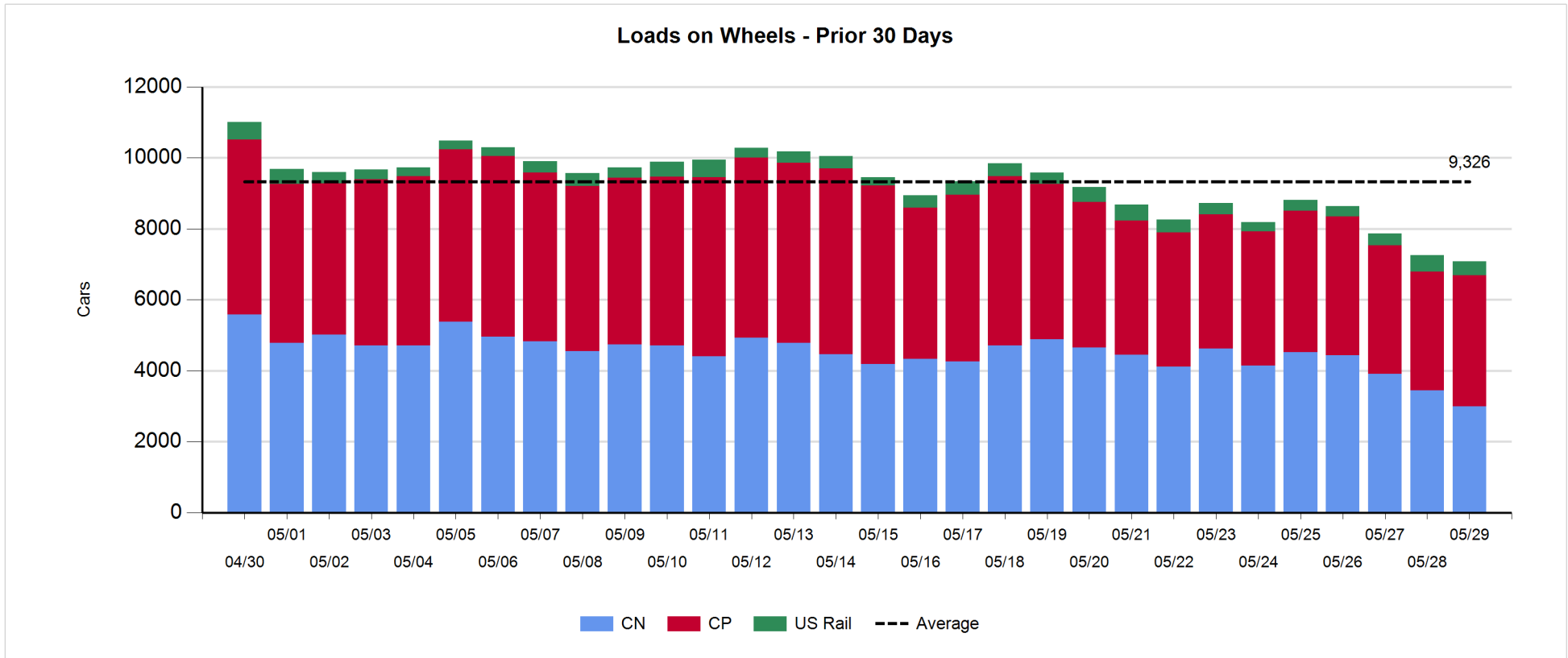
- CN and CP reported a total of 1,338 cars unloaded at the three western ports. Two days into week 44 unloads are nominally ahead of last week's pace reflecting lower unloads at Vancouver and higher unloads at Thunder Bay and Prince Rupert.
- Vancouver
 - 779 cars reported unloaded by CN and CP at the Port of Vancouver; CN - 447 and CP - 332.
 - There are 750+ cars on hand at Vancouver waiting placement for unloading - with 1,000+ cars arriving at the port in the last 24 hours.
 - CN and CP have 1,100 cars enroute to Vancouver west of Alberta - 600+ Kamloops and west - with traffic evenly split between the railways.
- Prince Rupert
 - 200+ unloads reported at Prince Rupert resulting in week to date unloads nudging ahead of last week's pace.
 - Loads on wheels below 600 cars.
 - There are fewer than 200 cars west of Jasper - 150 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
 - 360 unloads reported at Thunder Bay - tracking 275 unloads ahead of last week early in the week.
 - There are currently fewer than 200 cars on site at Thunder Bay with only 109 cars arriving at the Port in the prior 24 hours.
 - There are fewer than 250 cars enroute to Thunder Bay - half of which are Winnipeg and east.
 - With less than 100 cars on hand on CN and only 200 cars in total in the CN Thunder Bay pipeline it is expected that unloads will begin to dwindle in the next few days due to the ongoing CP labour disruption.

Daily Loads on Wheels - 5/29/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	234	585	200	102	1,866	2,987
CP	82		542	628	2,446	3,698
Short Line	6				25	31
US Rail				356		356
	322	585	742	1,086	4,337	7,072

Change in Loads on Wheels - Prior 24 Hours

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN	47	-240	-259	1	-11	-462
CP	-63		49	110	266	362
Short Line	-29				-1	-30
US Rail				-52		-52
	-45	-240	-210	59	254	-182

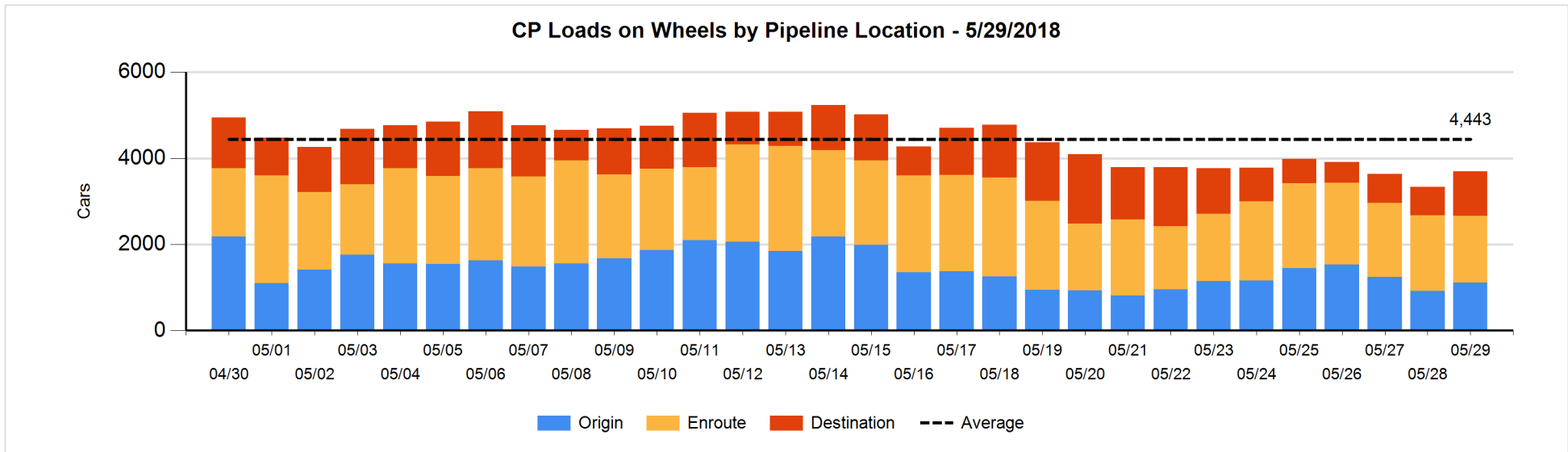
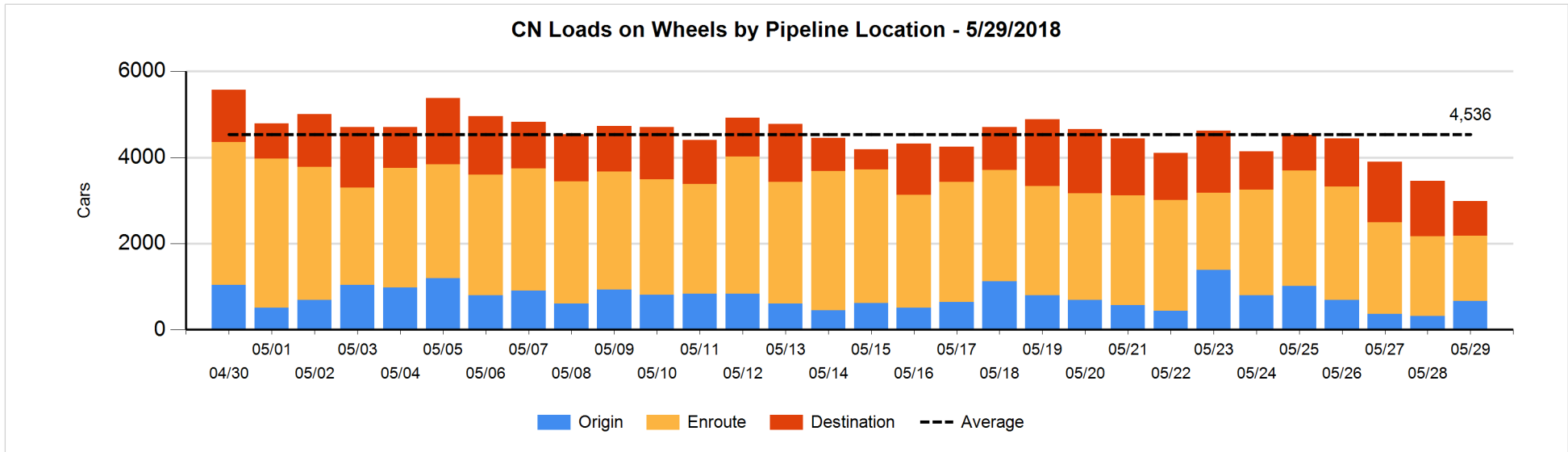


Daily Loads on Wheels By Pipeline Location - 5/29/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	26	83		28	530	667
Enroute	148	269	106	69	917	1,509
Destination	60	233	94	5	419	811
	234	585	200	102	1,866	2,987
CP						
Origin			121	56	930	1,107
Enroute	79		312	448	718	1,557
Destination	3		109	124	798	1,034
	82		542	628	2,446	3,698
US Rail / Short Line						
Origin						
Enroute	2			114		116
Destination	4			242	25	271
	6			356	25	387

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

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	18	0	-96	0	422	344
Enroute	25	-128	96	4	-332	-335
Destination	4	-112	-259	-3	-101	-471
	47	-240	-259	1	-11	-462
CP						
Origin			-80	49	225	194
Enroute	-21		80	1	-263	-203
Destination	-42		49	60	304	371
	-63		49	110	266	362
US Rail / Short Line						
Origin						
Enroute	0			-162		-162
Destination	-29			110	-1	80
	-29			-52	-1	-82

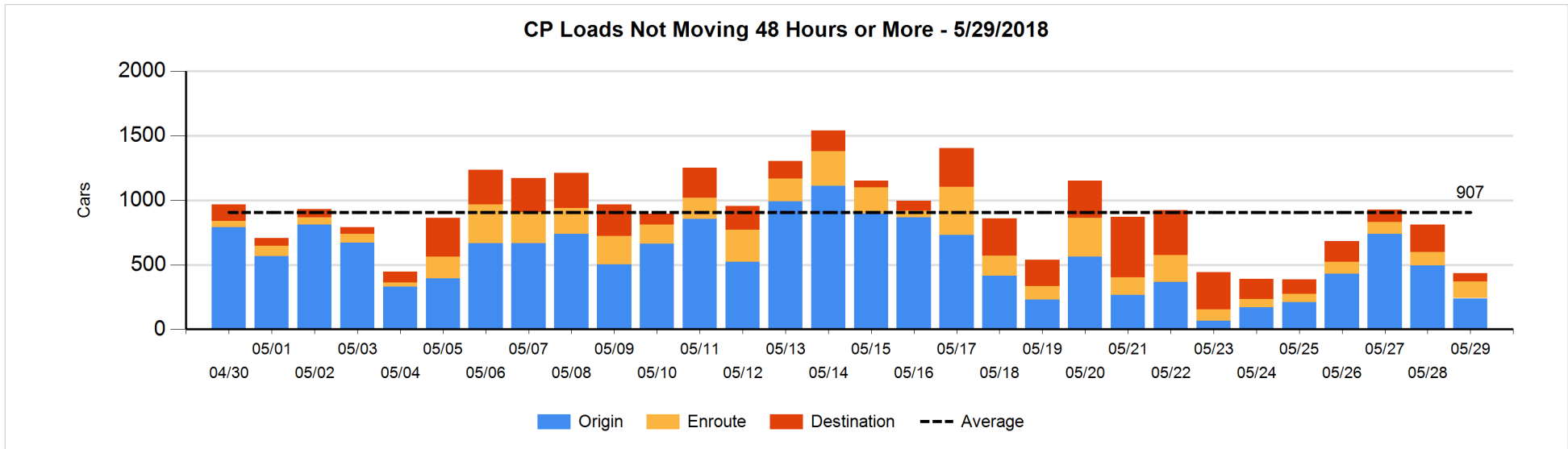
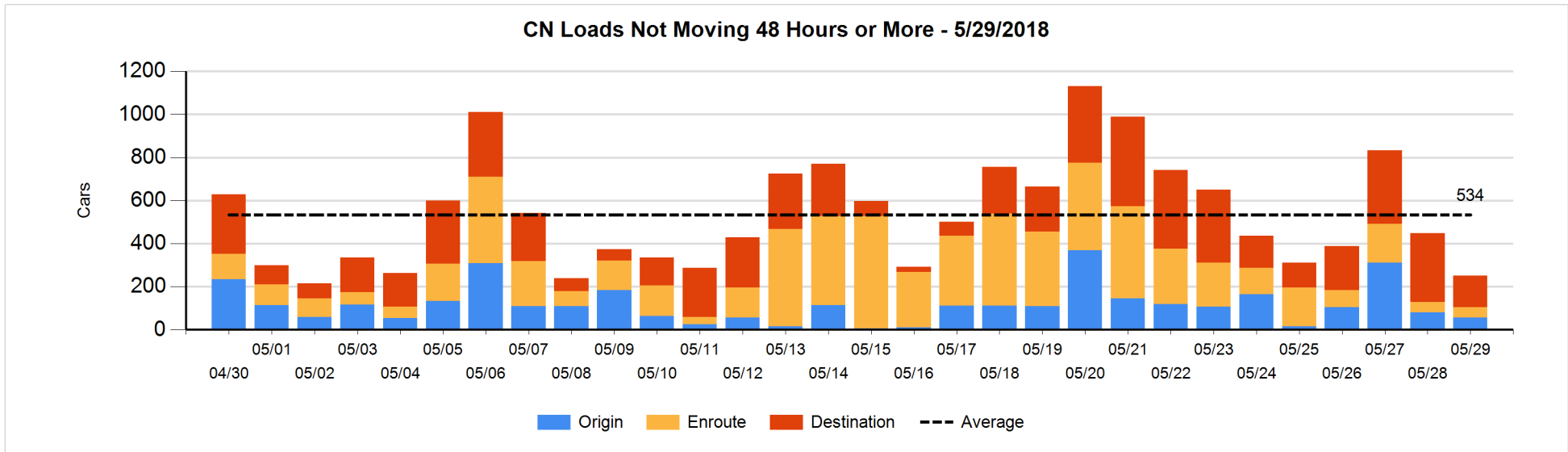


Loads Not Moving 48 Hours or More - 5/29/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	1	31		25		57
Enroute	27	2		8	11	48
Destination	36	21	3	5	80	145
	64	54	3	38	91	250
CP						
Origin			6		234	240
Enroute	18		4	25	82	129
Destination				20	46	66
	18		10	45	362	435
US Rail / Short Line						
Origin						
Enroute	2			35		37
Destination	4			21	14	39
	6			56	14	76

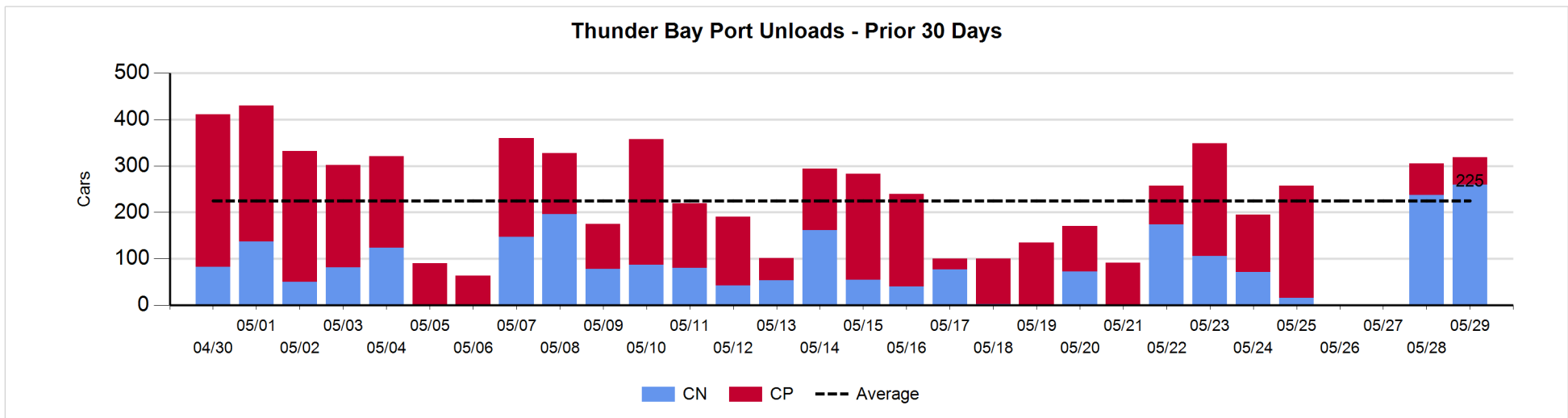
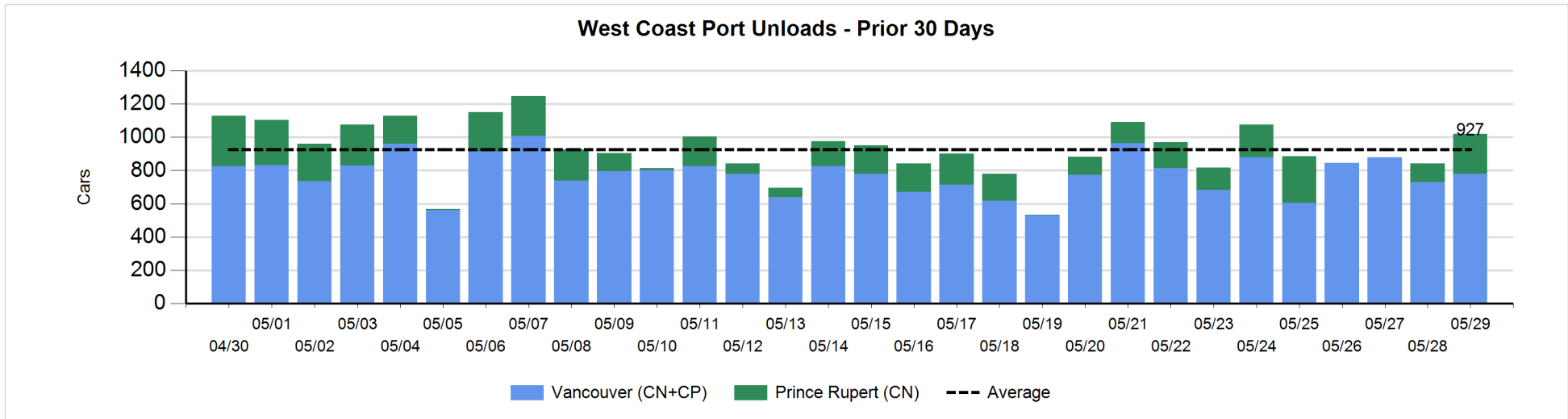
Change in Loads Not Moving 48 Hours or More - 5/29/2018

	E Canada	Prince Rupert	Thunder Bay	USA/MEX	Vancouver	Total
CN						
Origin	-6	-43		25		-24
Enroute	2	-1		0	0	1
Destination	-1	-177	-18	-1	23	-174
	-5	-221	-18	24	23	-197
CP						
Origin			-30		-224	-254
Enroute	15		0	7	1	23
Destination	-6		-15	-8	-116	-145
	9		-45	-1	-339	-376
US Rail / Short Line						
Origin						
Enroute	0			-27		-27
Destination	-19			-5	-2	-26
	-19			-32	-2	-53



Port Unloads - 5/29/2018

	Prince Rupert	Vancouver	West Coast Total	Thunder Bay	Total
CN	240	447	687	259	946
CP		332	332	60	392
	240	779	1,019	319	1,338



Port Terminal Status

Vancouver

Daily Activity for 5/29/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/29/2018
CN	390	105	246	419	419
CP	692	246	105	433	798
SRY				7	25

Port Unloads

	05/29	05/28	Week To Date	Last Week
CN	447	324	771	2,856
CP	332	405	737	2,809
SRY	6	16	22	74

Age Profile of Loaded Cars Waiting Placement for Unloading

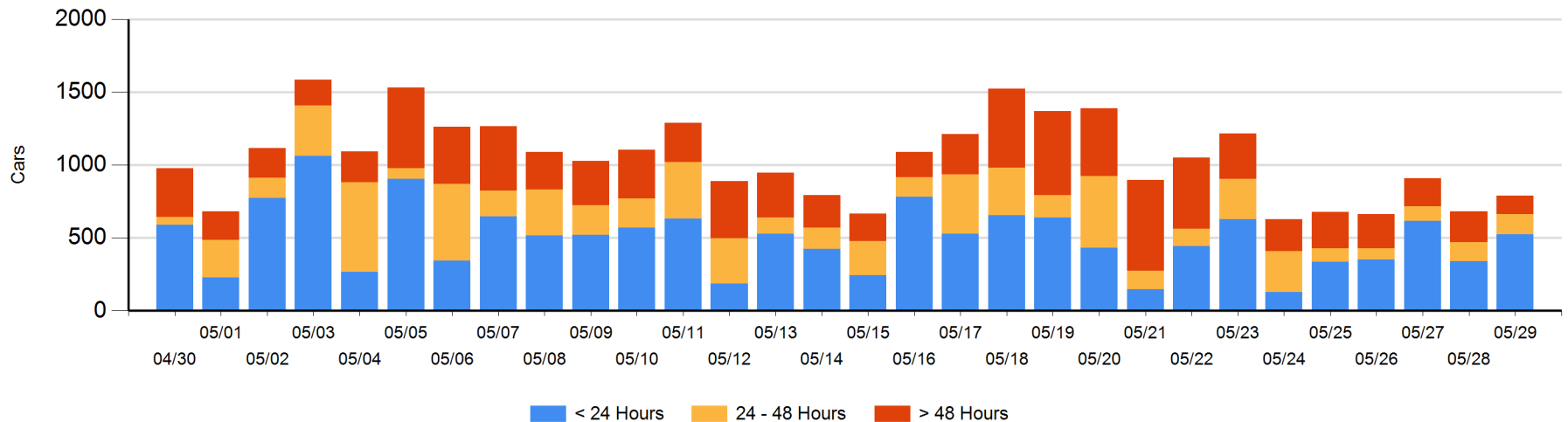
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN	236	69	7	32	344
CP	289	69	69	20	447
SRY					0

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-8	39	-7	-7
CP	195	-32	17	-88
SRY				

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



Port Terminal Status

Prince Rupert

Daily Activity for 5/29/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/29/2018
CN	127			253	233

Port Unloads

	05/29	05/28	Week To Date	Last Week
CN	240	112	352	901

Age Profile of Loaded Cars Waiting Placement for Unloading

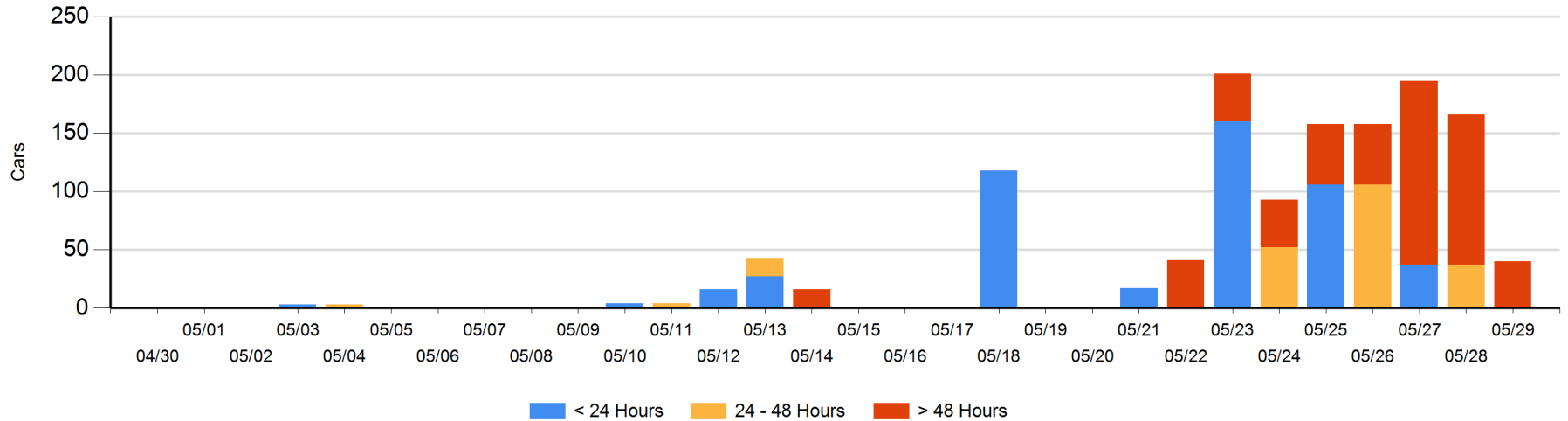
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN			37	3	40

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN		-37	37	-126

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



Port Terminal Status

Thunder Bay

Daily Activity for 5/29/2018

	Cars Arrived	Cars Received in Interchange	Cars Delivered in Interchange	Cars Placed for Unloading	Loads on Wheels at Destination As of 5/29/2018
CN				101	94
CP	109				109

Port Unloads

	05/29	05/28	Week To Date	Last Week
CN	259	237	496	367
CP	60	68	128	782

Age Profile of Loaded Cars Waiting Placement for Unloading

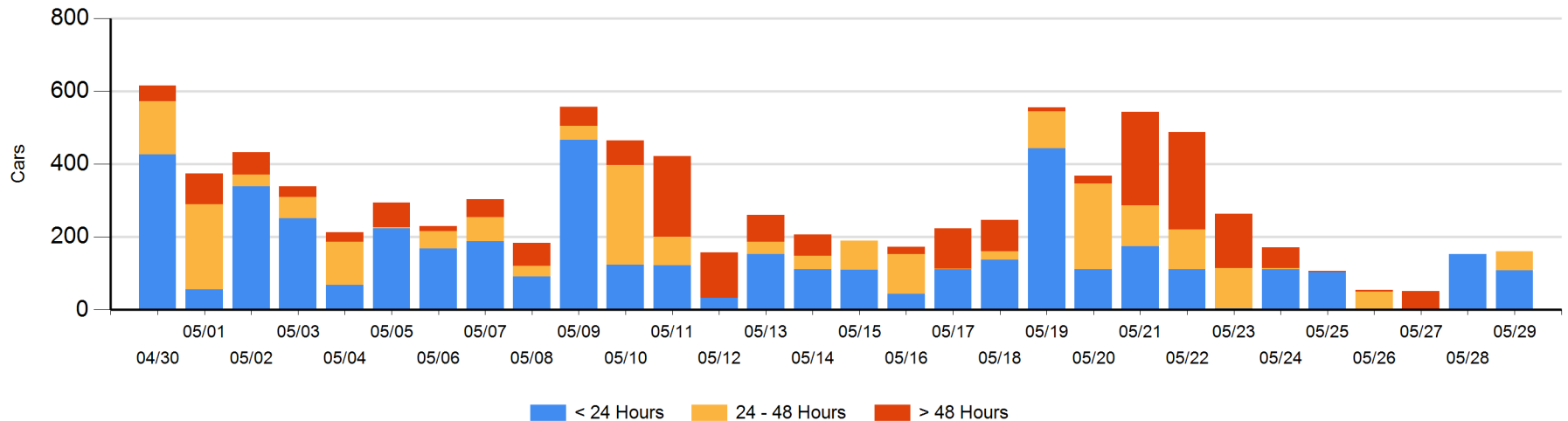
Today

	< 24 Hrs	24 - 48 Hrs	> 48-72 Hrs	> 72 Hrs	Total On Hand
CN		52			52
CP	109				109

Change in Last 24 Hours

	< 24 Hrs	24-48 Hrs	48 - 72 Hrs	> 72 Hrs
CN	-153	52		
CP	109			

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>