

## Week 6 Performance

CN and CP supplied a combined 83% of hopper cars ordered in grain week 6, a notable decline from last week's 94%, reflecting slightly improved performance for CN offset by a significant decline in performance for CP. In fulfilling 98% of shipper orders on time in week 6 CN's order fulfillment performance was above the 90% threshold for the fourth consecutive week and for the fifth time in the first six weeks of the current grain year. CP performance declined dramatically week over week with the railway supplying only 74% of cars ordered on time as compared to 92% in the prior week. This marks the first time CP performance has fallen below the 90% threshold during the current grain year and more broadly the first time they have come short of that threshold in the last 23 weeks.

In week 6, CN corridor performance improved or remained the same in 3 of 6 corridors relative to last week's performance although for the most part where declines were seen they were small. CN supplied 98% or more of cars ordered on time this week in all corridors other than to the US. This corridor saw a steep decline in performance this week with the railway supplying only 76% of cars ordered, down from 98% the prior week. Demand in this corridor was extremely low however resulting in effectively no impact on top line performance. CP saw worse week over week performance in 4 of 4 corridors this week with the railway supplying 81% or less of cars ordered in all corridors. As is typically the case the Vancouver Bulk and Thunder Bay corridors were most critical representing 93% of total demand this week. CP supplied 72% and 81% of orders on time for these two corridors respectively this week.

CN and CP combined will enter week 7 with 1,526 outstanding cars - all to the account of CP - a significant increase (+1,241) from the 285 cars outstanding at the end of last week. The change in the outstanding car count represents a decline in the number of outstanding hopper cars on CN by (-26) and an increase in the number of outstanding hopper cars on CP by (+1,267). With the exception of one week 5 order all outstanding orders remain current - i.e., week 6.

### CN

- CN supplied 98% of hopper cars ordered for week 6, up slightly from last week's 97% order fulfillment performance. CN supplied 3,486 of 3,548 cars ordered, failing to supply 62 cars ordered.
- During week 6, CN supplied a total of 3,611 hoppers with 26 being outstanding orders placed prior to week 6 (see table page 3).
- CN's performance was consistent across individual shippers with all shippers receiving 97% or more of cars ordered on time.
- At slightly more than 3,500 cars ordered in week 6, CN saw its highest one week demand since the first week of November 2021.
- Preliminary data indicates that demand will continue to rise with week 7 demand some 48% higher at 5,200 cars followed by a nominal decline in week 8 with orders falling to 4,800 cars. Should that demand hold, and it likely will, that would represent the highest demand that CN has seen since the midpoint of the 2020-21 grain year.
- Heading into week 7, CN has no outstanding orders, a decline from the 26 outstanding orders CN saw in each of the prior two weeks.

### CP

- CP fulfilled 74% of hopper car orders for week 6, a steep decline from the 92% on time performance seen the prior week.
- For week 6, CP supplied 4,362 of 5,861 cars ordered, failing to supply 1,499 cars ordered.
- During week 6, CP supplied a total of 4,443 hoppers including 144 for previously outstanding orders. (see table page 3).
- At more than 5,800 cars ordered in week 6, CP saw the highest one week demand since April 2021.
- Preliminary demand data indicates that demand will continue to rise in the coming weeks with current projections seeing a 19% increase in week 7 to 6,900 cars followed by a further 7% increase to 7,400 cars in week 8. Those numbers appear daunting on their face but will likely temper somewhat. Week 6 demand was initially projected to top 6,600 cars however as a result of shipper cancellations and the rolling forward of orders to future weeks demand came down 12% (- 800 cars). This is not inconsistent with what we have seen in prior weeks. A similar reduction for week 7 would reduce demand to slightly more than 6,000 cars. Unfortunately that does not include the more than 1,500 cars outstanding at the end of this week. Readers, as always, are cautioned that forward looking estimates of CP hopper car demand can change significantly due to the week-to-week management of Dedicated Train orders by individual shippers.
- CP's performance was inconsistent across individual shippers with 60% of shippers receiving 99% or more of cars ordered on time and the remaining 40% of shippers receiving 55 - 79% of cars ordered.
- Heading into week 7, CP has 1,526 outstanding orders, representing a five fold increase (+1,267) from the 259 outstanding orders entering week 6.



### **Hopper Car Rationing**

#### CN

- CN rationed no hopper car orders in week 6.
- Preliminary indications suggest that no rationing occurred in week 7.
- Through the first 6 weeks of the current grain year, CN has rationed 129 hopper car orders as compared to 99 for the same period last year.
- YTD 2022/2023 orders have been rationed across all corridors as shown below:
  - Vancouver (79)
  - Eastern Canada (50)

#### CP

- CP rationed no hopper car orders in week 6.
- Preliminary indications suggest that there will be no rationing in week 7.
- Through the first 6 weeks of the current grain year, CP has rationed no hopper car orders for ATC shippers, as was the case at this time last year.



## Performance Dashboard

### Hopper Car Demand

|              | Week 06      |              |                         | This Year     |                | Last Year     |                | This Year versus Last Year |                |
|--------------|--------------|--------------|-------------------------|---------------|----------------|---------------|----------------|----------------------------|----------------|
|              | This Year    | Last Year    | This Year vs. Last Year | YTD           | Weekly Average | YTD           | Weekly Average | YTD                        | Weekly Average |
|              |              |              |                         |               |                |               |                |                            |                |
| CN           | 3,548        | 3,594        | (46)                    | 11,002        | 1,833          | 14,441        | 2,406          | (3,439)                    | (573)          |
| CP           | 5,861        | 4,413        | 1,448                   | 17,738        | 2,956          | 15,458        | 2,576          | 2,280                      | 380            |
| <b>Total</b> | <b>9,409</b> | <b>8,007</b> | <b>1,402</b>            | <b>28,740</b> | <b>4,789</b>   | <b>29,899</b> | <b>4,982</b>   | <b>(1,159)</b>             | <b>(193)</b>   |

### Cars Shipped

| Railway      | Corridor      | Week 06      | YTD           |
|--------------|---------------|--------------|---------------|
| CN           | N.A. Domestic | 220          | 1,078         |
|              | Prince Rupert | 663          | 961           |
|              | Thunder Bay   | 586          | 1,703         |
|              | Vancouver     | 2,147        | 7,138         |
| <b>Total</b> |               | <b>3,616</b> | <b>10,880</b> |
| CP           | N.A. Domestic | 253          | 1,342         |
|              | Thunder Bay   | 1,252        | 3,338         |
|              | Vancouver     | 3,255        | 11,213        |
| <b>Total</b> |               | <b>4,760</b> | <b>15,893</b> |

### Empty Hopper Cars Supplied - Week 06 (All Want Weeks)

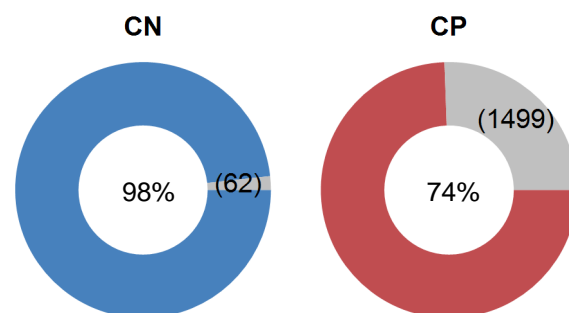
|              | Current Week Orders |              | Prior Week Orders |            | Future Week Orders |            | Total Cars Supplied |              |
|--------------|---------------------|--------------|-------------------|------------|--------------------|------------|---------------------|--------------|
|              | This Year           | Last Year    | This Year         | Last Year  | This Year          | Last Year  | This Year           | Last Year    |
|              |                     |              |                   |            |                    |            |                     |              |
| CN           | 3,486               | 3,350        | 26                | 110        | 99                 | 96         | 3,611               | 3,556        |
| CP           | 4,241               | 4,369        | 144               |            | 58                 | 16         | 4,443               | 4,385        |
| <b>Total</b> | <b>7,727</b>        | <b>7,719</b> | <b>170</b>        | <b>110</b> | <b>157</b>         | <b>112</b> | <b>8,054</b>        | <b>7,941</b> |

### Supplied by Block Size

| Block Size | Week 06 |     |       | Year to Date |     |       |
|------------|---------|-----|-------|--------------|-----|-------|
|            | CN      | CP  | Total | CN           | CP  | Total |
| 1          | 4%      | 4%  | 4%    | 6%           | 6%  | 6%    |
| 25         | 5%      |     | 2%    | 6%           | 1%  | 3%    |
| 50         | 7%      | 4%  | 5%    | 6%           | 3%  | 4%    |
| 100        | 84%     | 93% | 89%   | 81%          | 90% | 86%   |

### Current Week Order Fulfillment

|  | CN           | CP           | Total        |
|--|--------------|--------------|--------------|
| Current Week Hopper Car Demand           | 3,548        | 5,861        | 9,409        |
| Current Week Order Fulfillment           |              |              |              |
| Supplied in Current Week                 | 3,486        | 4,241        | 7,727        |
| Supplied Early                           |              | 121          | 121          |
| <b>Total Cars Supplied for Want Week</b> | <b>3,486</b> | <b>4,362</b> | <b>7,848</b> |
| Current Week Unfulfilled Demand          | (62)         | (1,499)      | (1,561)      |
| % Current Week Orders Supplied           | 98%          | 74%          | 83%          |



### Loaded Dwell Time (Hours) at Origin (All Traffic)

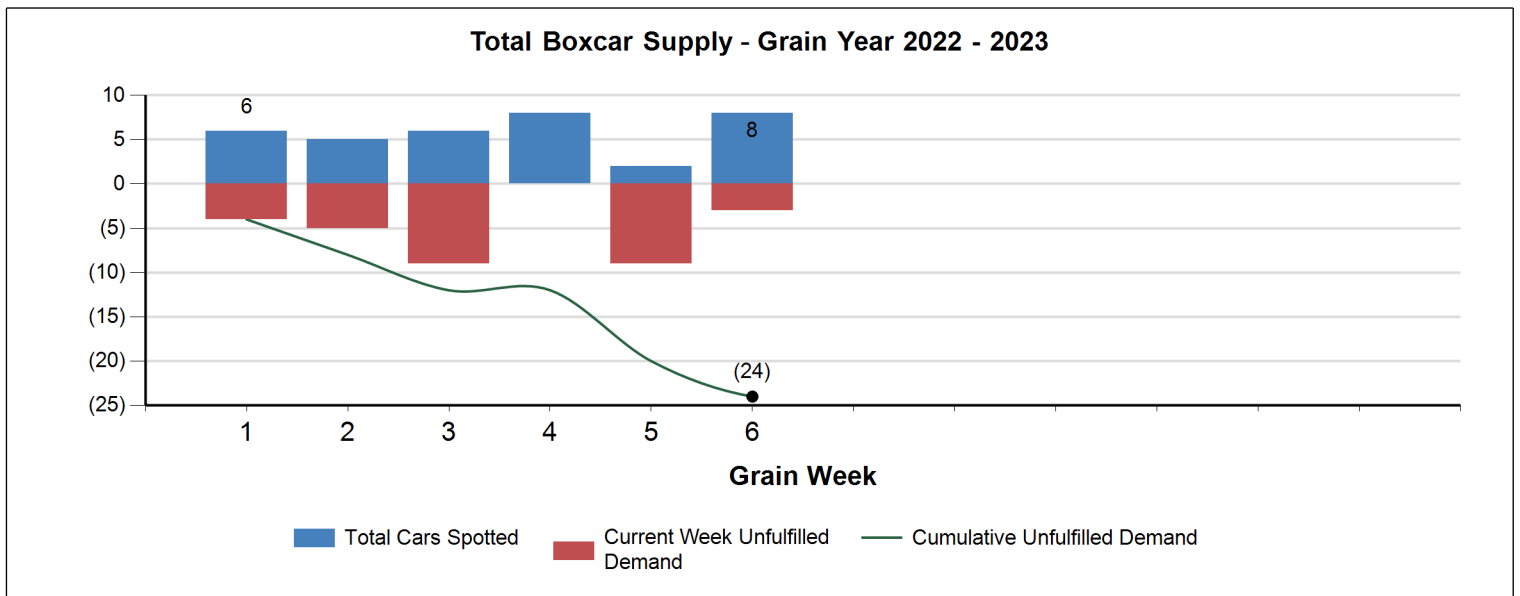
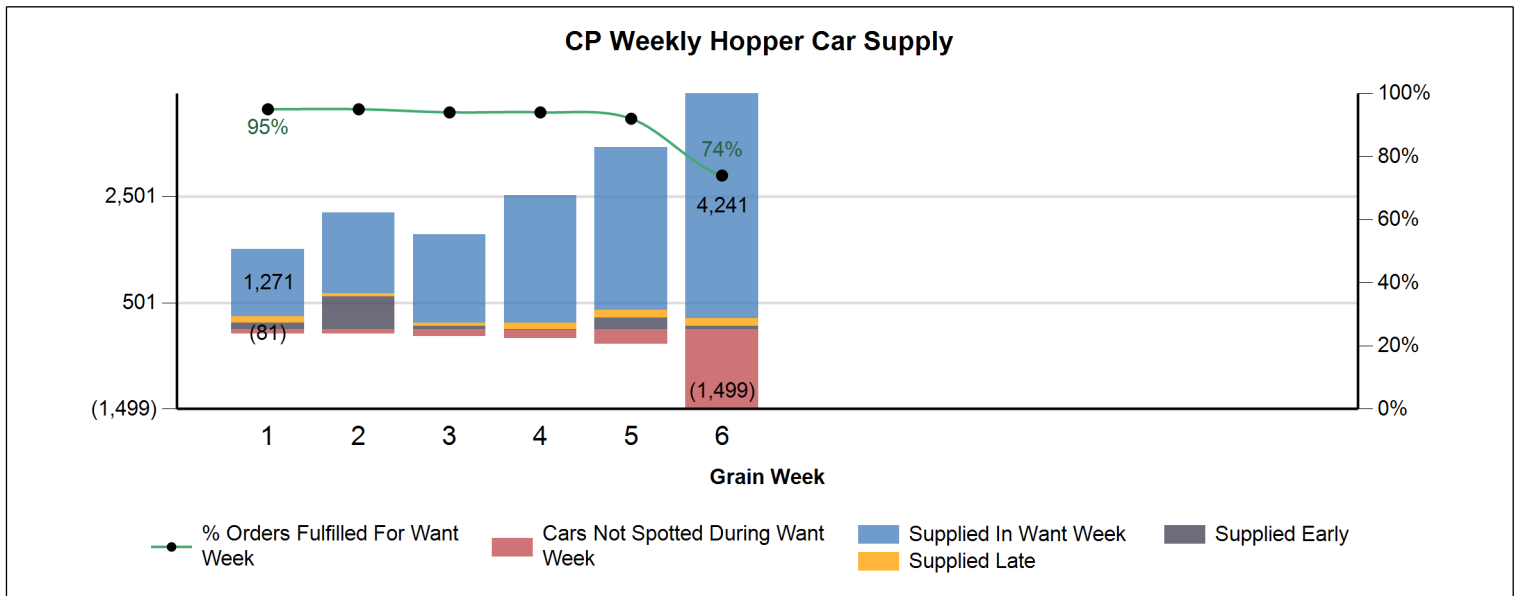
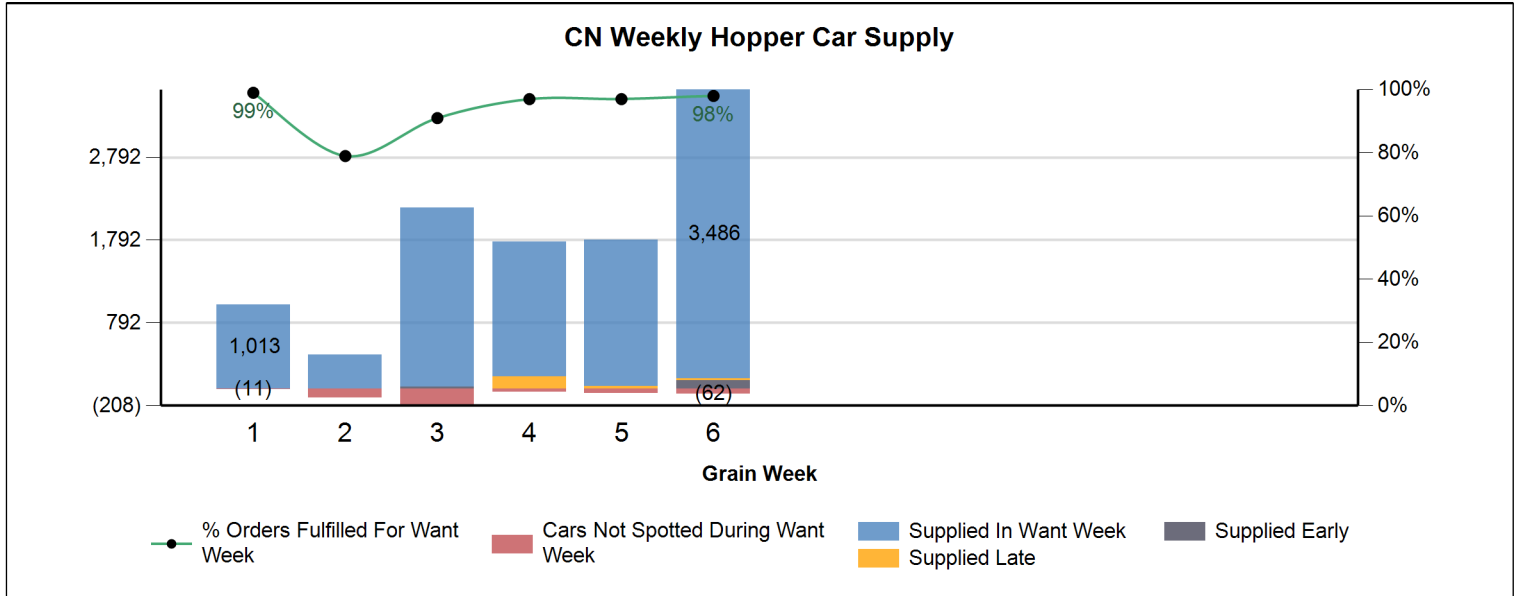
|    | Week 06   |           | Year to Date |           |
|----|-----------|-----------|--------------|-----------|
|    | This Year | Last Year | This Year    | Last Year |
| CN | 14        | 18        | 18           | 21        |
| CP | 17        | 45        | 39           | 34        |

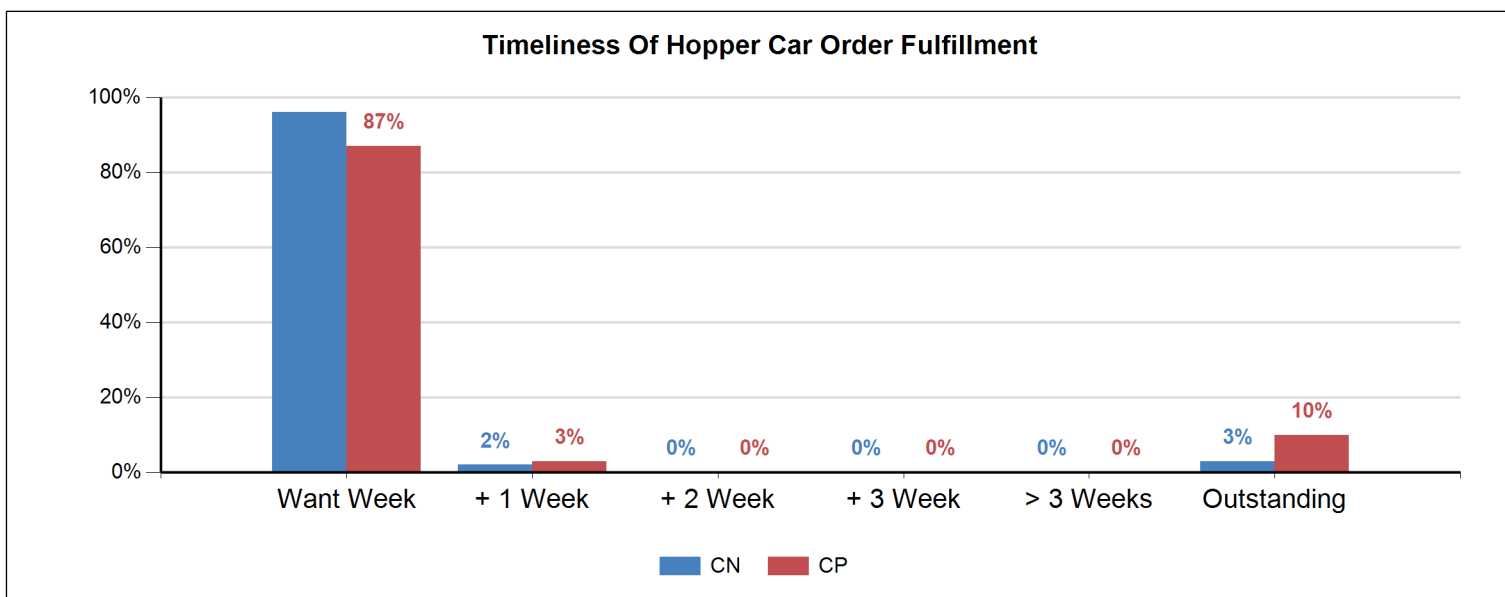
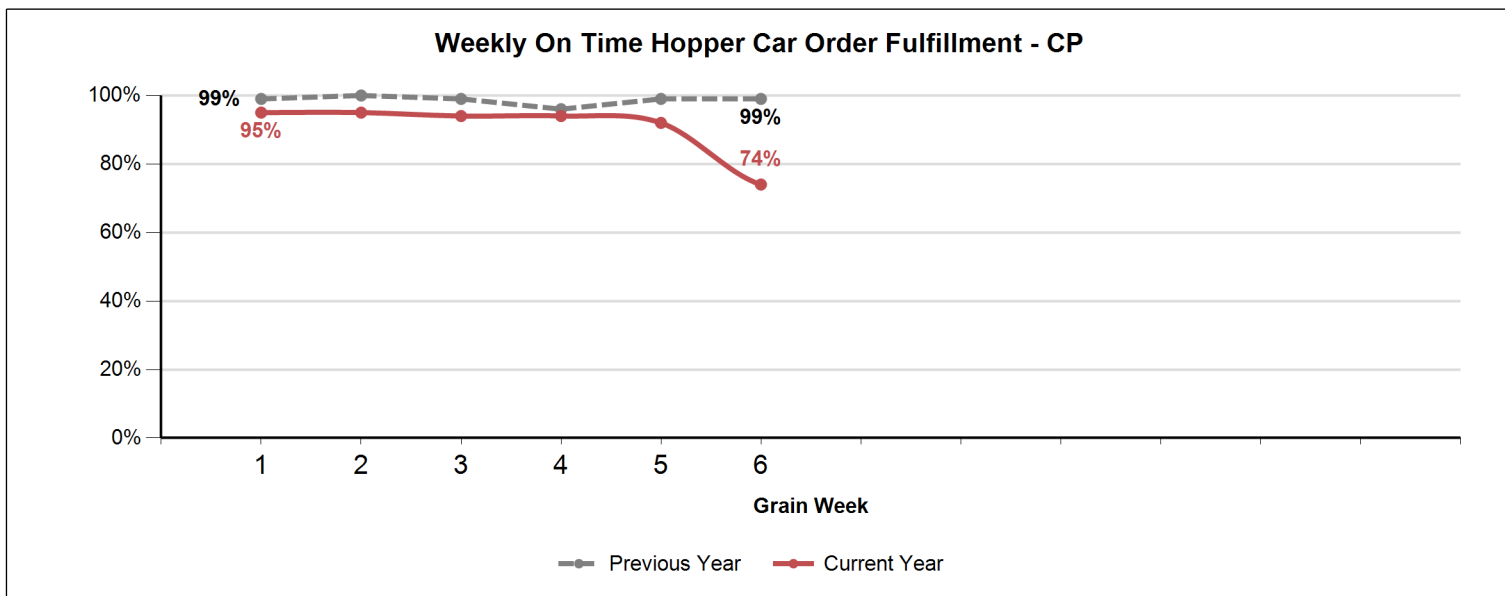
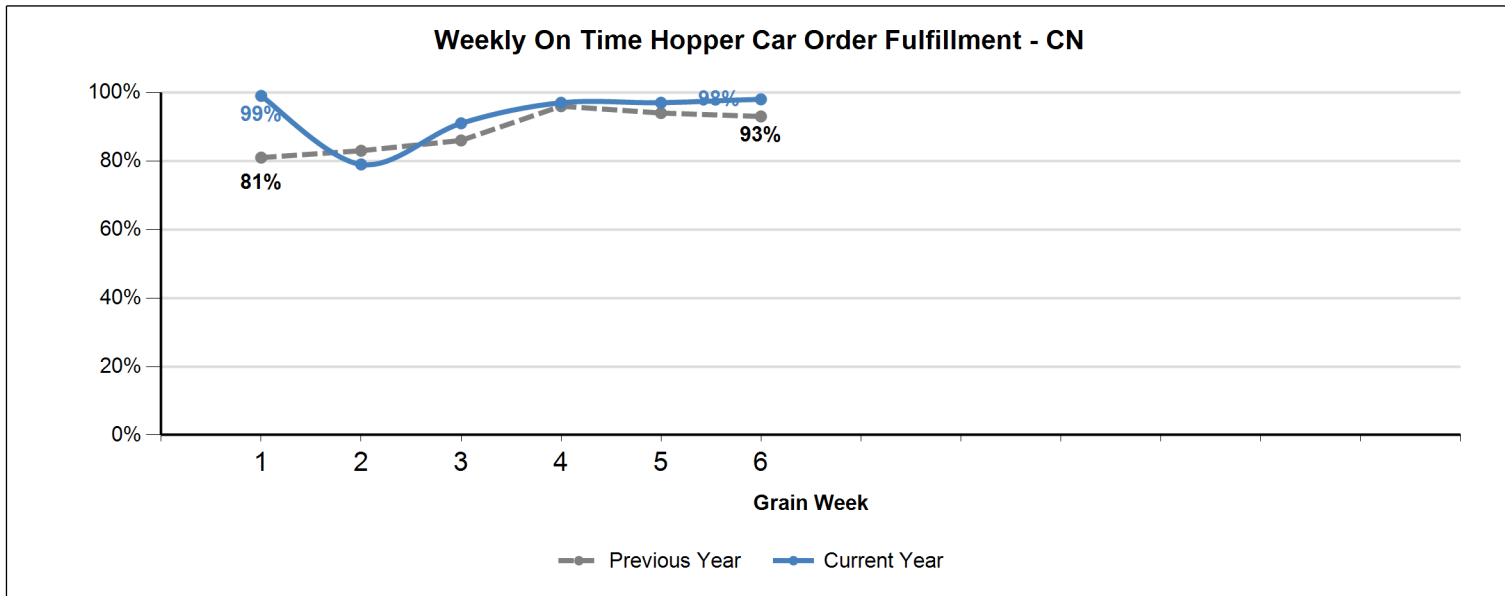
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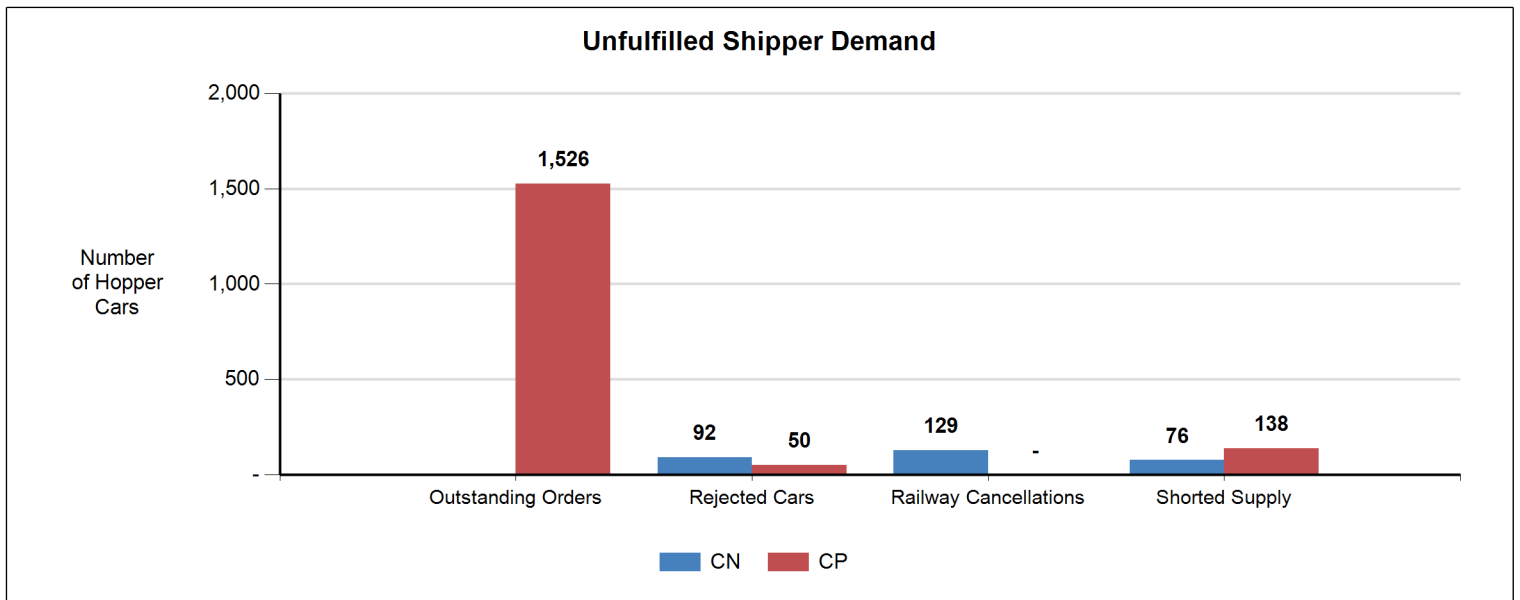
|             |    | Week 06   |           | Year to Date |           |
|-------------|----|-----------|-----------|--------------|-----------|
|             |    | This Year | Last Year | This Year    | Last Year |
| Vancouver   | CN | 8         | 8         | 8            | 10        |
|             | CP | 5         | 42        | 11           | 23        |
| Thunder Bay | CN | 8         | 64        | 16           | 37        |
|             | CP | 29        | 37        | 58           | 45        |



Weekly Performance Update - To Grain Week 20222023 - 06 (Sep 4 - Sep 11)  
 Covering 90% of grain movement originating in Western Canada







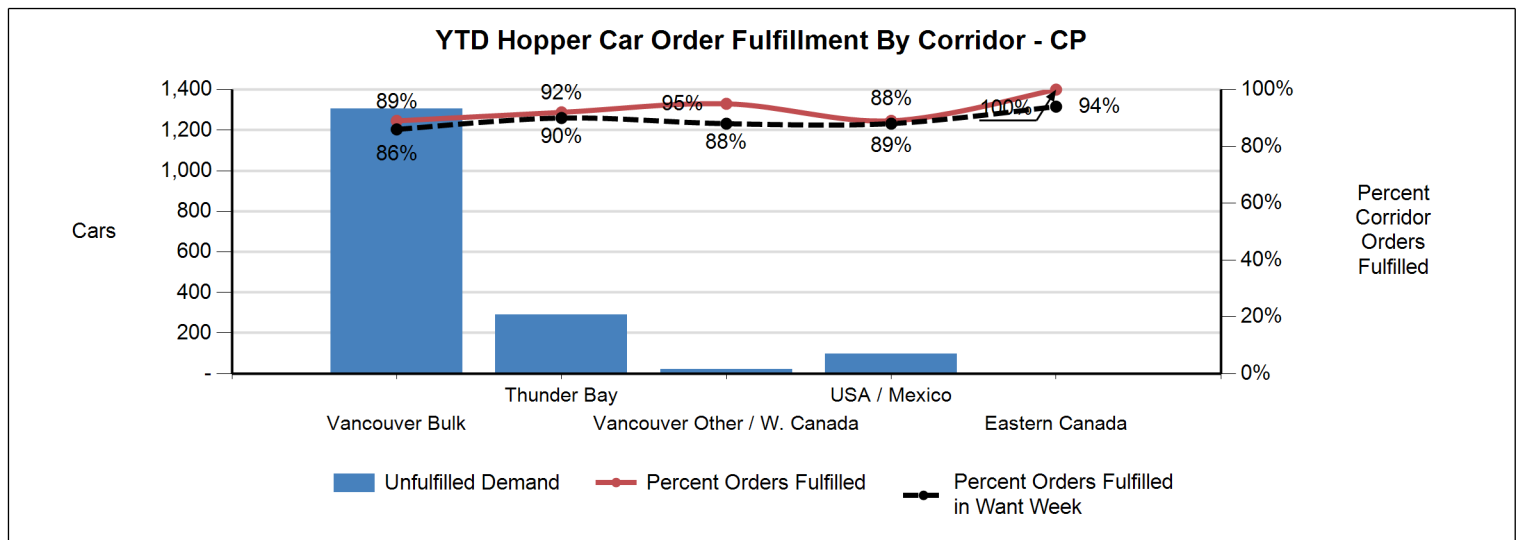
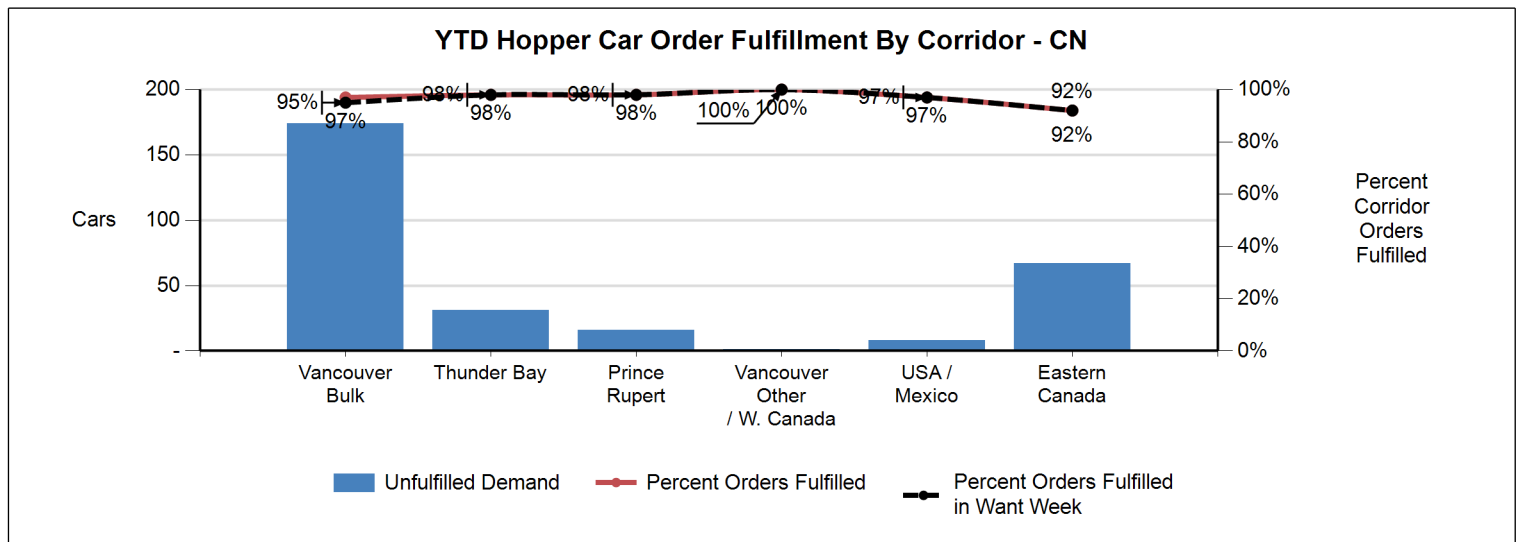
## Corridor Performance

### Total Hopper Car Supply by Corridor for Current Year Orders - To Week 06

| Railway      | Corridor                    | Ordered       | Supplied      | Unfulfilled Demand | %Supplied  |
|--------------|-----------------------------|---------------|---------------|--------------------|------------|
| CN           | Vancouver Bulk              | 6,924         | 6,750         | (174)              | 97%        |
|              | Thunder Bay                 | 1,734         | 1,703         | (31)               | 98%        |
|              | Prince Rupert               | 977           | 961           | (16)               | 98%        |
|              | Vancouver Other / W. Canada | 311           | 310           | (1)                | 100%       |
|              | USA / Mexico                | 255           | 247           | (8)                | 97%        |
|              | Eastern Canada              | 801           | 734           | (67)               | 92%        |
| <b>Total</b> |                             | <b>11,002</b> | <b>10,705</b> | <b>(297)</b>       | <b>97%</b> |
| CP           | Vancouver Bulk              | 12,420        | 11,114        | (1,306)            | 89%        |
|              | Thunder Bay                 | 3,770         | 3,480         | (290)              | 92%        |
|              | Vancouver Other / W. Canada | 468           | 446           | (22)               | 95%        |
|              | USA / Mexico                | 870           | 773           | (97)               | 89%        |
|              | Eastern Canada              | 210           | 211           | 1                  | 100%       |
| <b>Total</b> |                             | <b>17,738</b> | <b>16,024</b> | <b>(1,714)</b>     | <b>90%</b> |

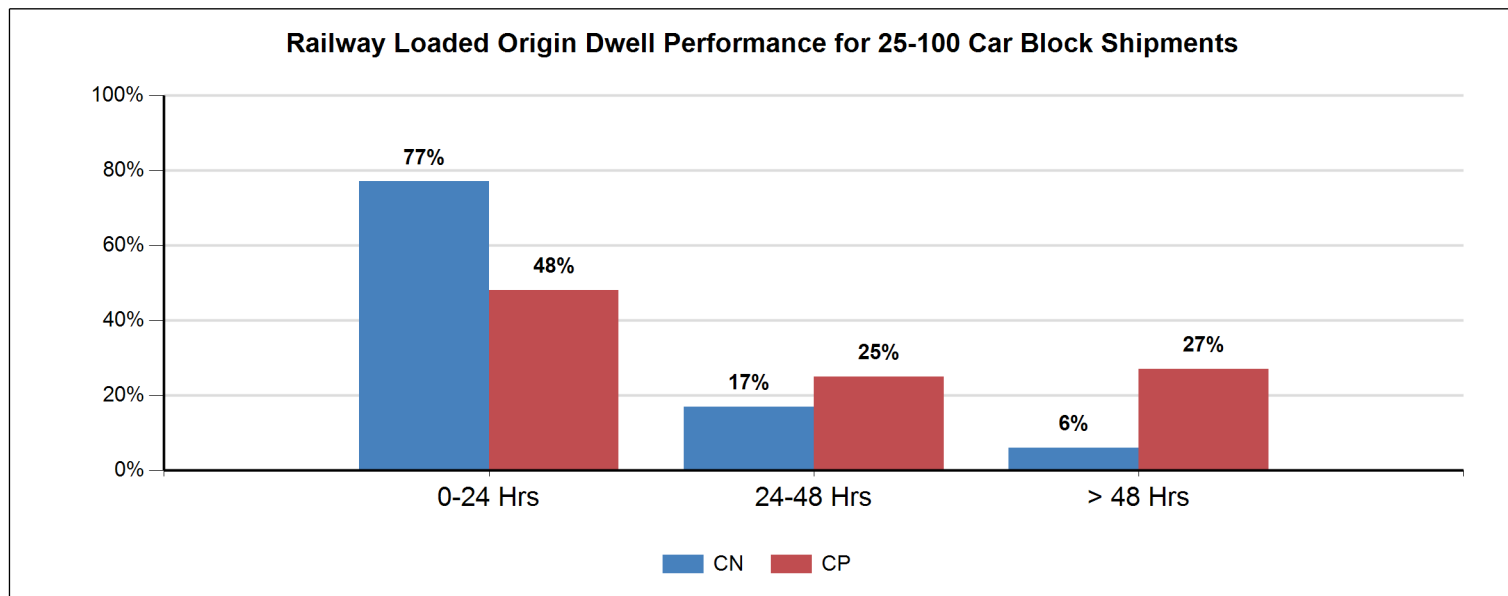
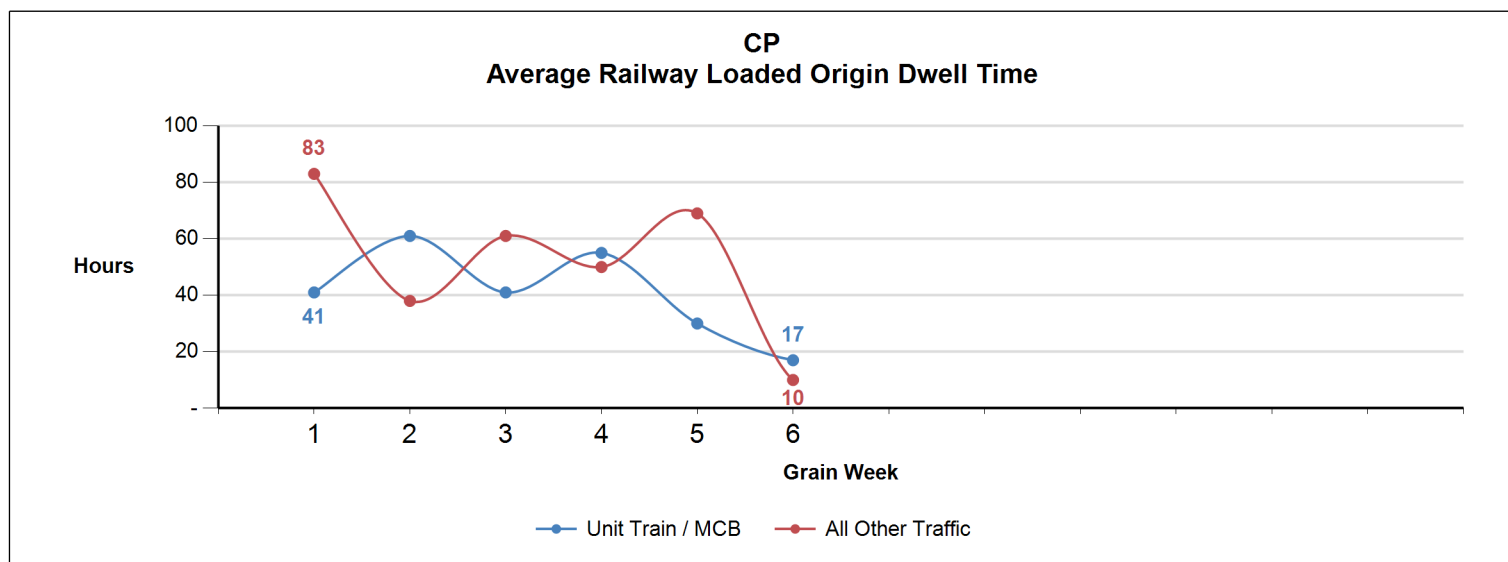
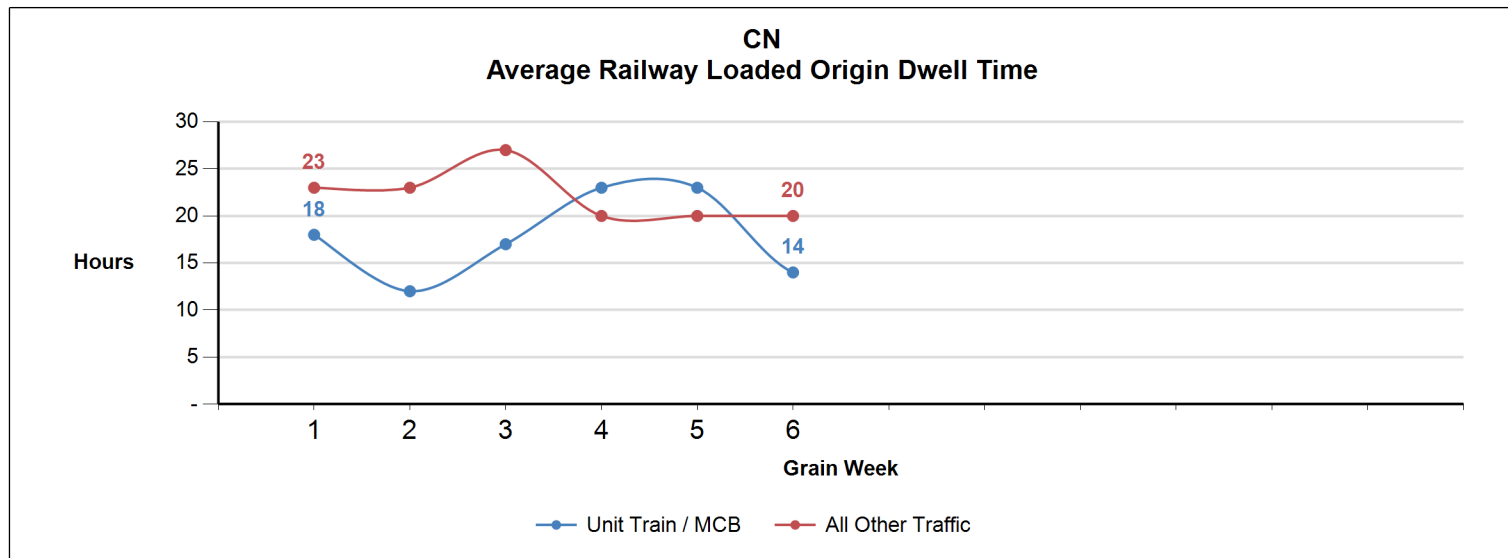
Hopper Cars Supplied in the Want Week by Corridor - To Week 06

| Railway         | Corridor                    | Week 06      |              |              | Year to Date  |               |               |
|-----------------|-----------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
|                 |                             | Ordered      | Supplied     | %Supplied    | Ordered       | Supplied      | %Supplied     |
| CN              | Vancouver Bulk              | 1,901        | 1,866        | 98%          | 6,924         | 6,557         | 95%           |
|                 | Thunder Bay                 | 592          | 586          | 99%          | 1,734         | 1,703         | 98%           |
|                 | Prince Rupert               | 676          | 663          | 98%          | 977           | 961           | 98%           |
|                 | Vancouver Other / W. Canada | 152          | 151          | 99%          | 311           | 310           | 100%          |
|                 | USA / Mexico                | 25           | 19           | 76%          | 255           | 247           | 97%           |
|                 | Eastern Canada              | 202          | 201          | 100%         | 801           | 734           | 92%           |
|                 | <b>CN Total</b>             |              | <b>3,548</b> | <b>3,486</b> | <b>98%</b>    | <b>11,002</b> | <b>10,512</b> |
| CP              | Vancouver Bulk              | 4,054        | 2,939        | 72%          | 12,420        | 10,737        | 86%           |
|                 | Thunder Bay                 | 1,412        | 1,141        | 81%          | 3,770         | 3,384         | 90%           |
|                 | Vancouver Other / W. Canada | 53           | 40           | 75%          | 468           | 414           | 88%           |
|                 | USA / Mexico                | 342          | 242          | 71%          | 870           | 768           | 88%           |
|                 | Eastern Canada              |              |              |              | 210           | 198           | 94%           |
| <b>CP Total</b> |                             | <b>5,861</b> | <b>4,362</b> | <b>74%</b>   | <b>17,738</b> | <b>15,501</b> | <b>87%</b>    |

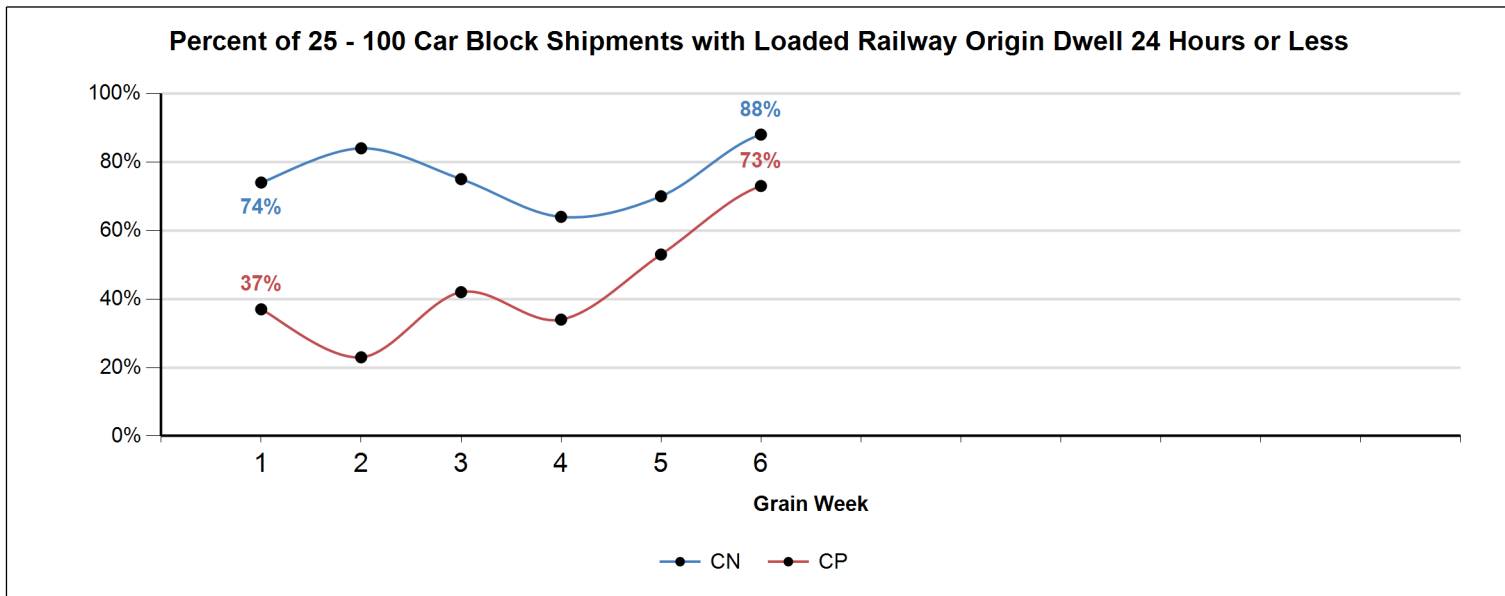




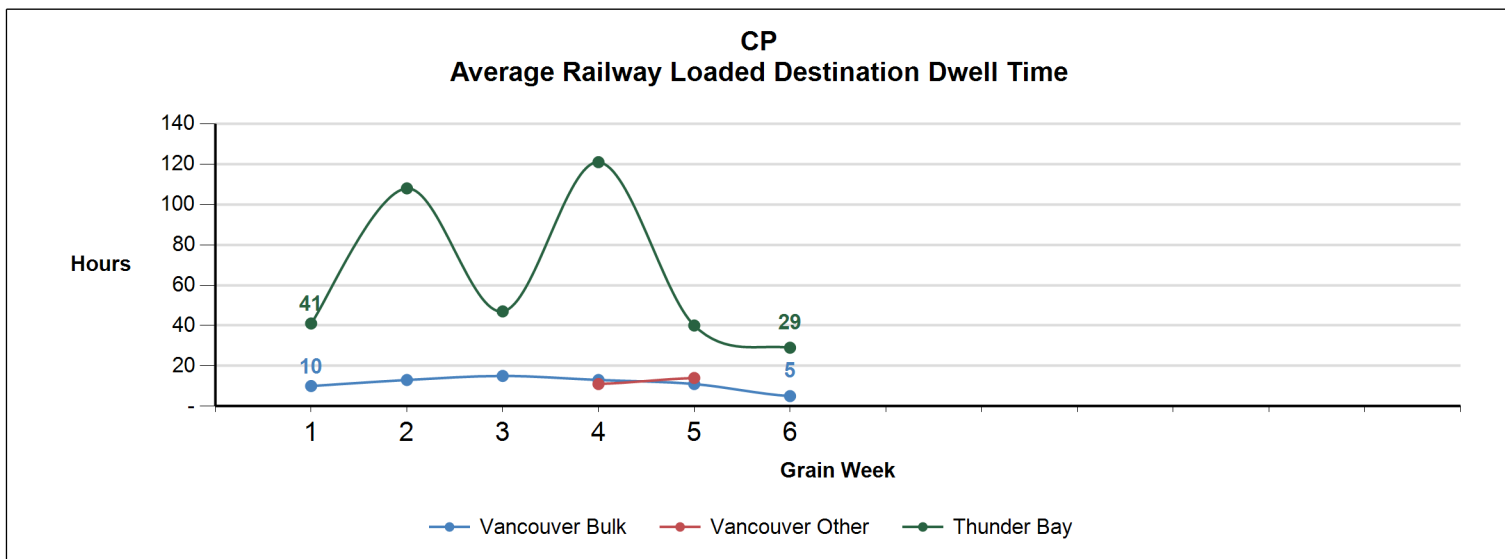
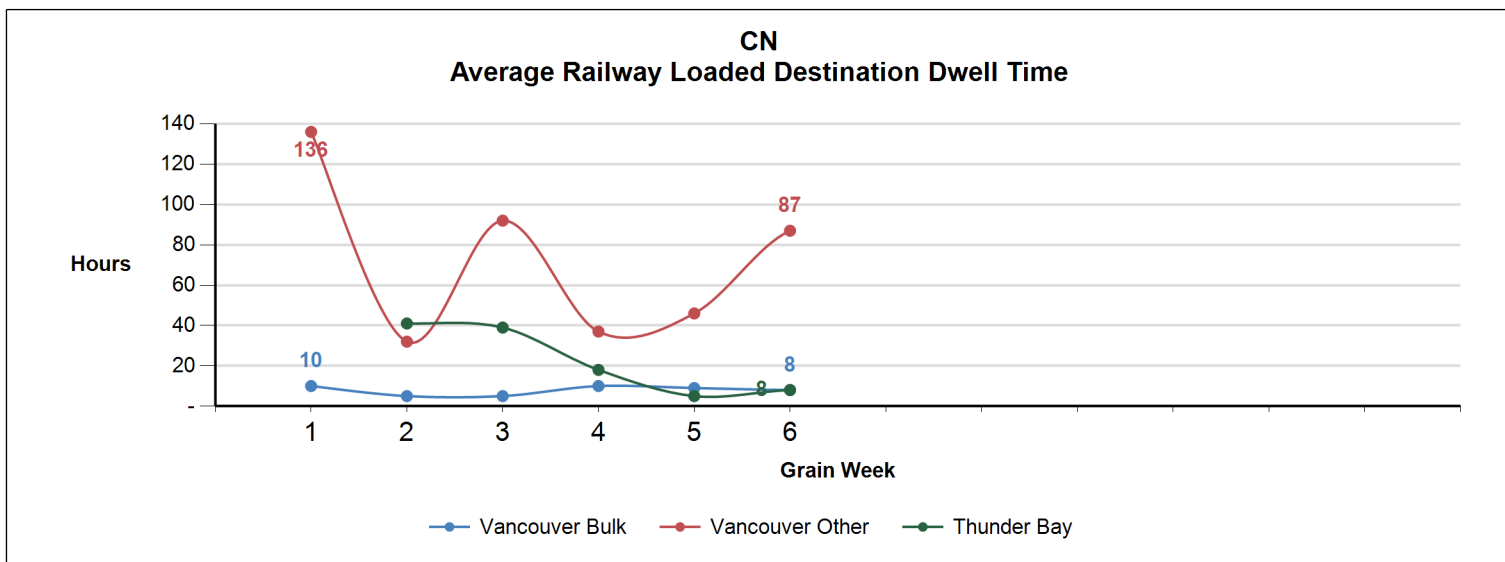
## Origin Dwell Performance



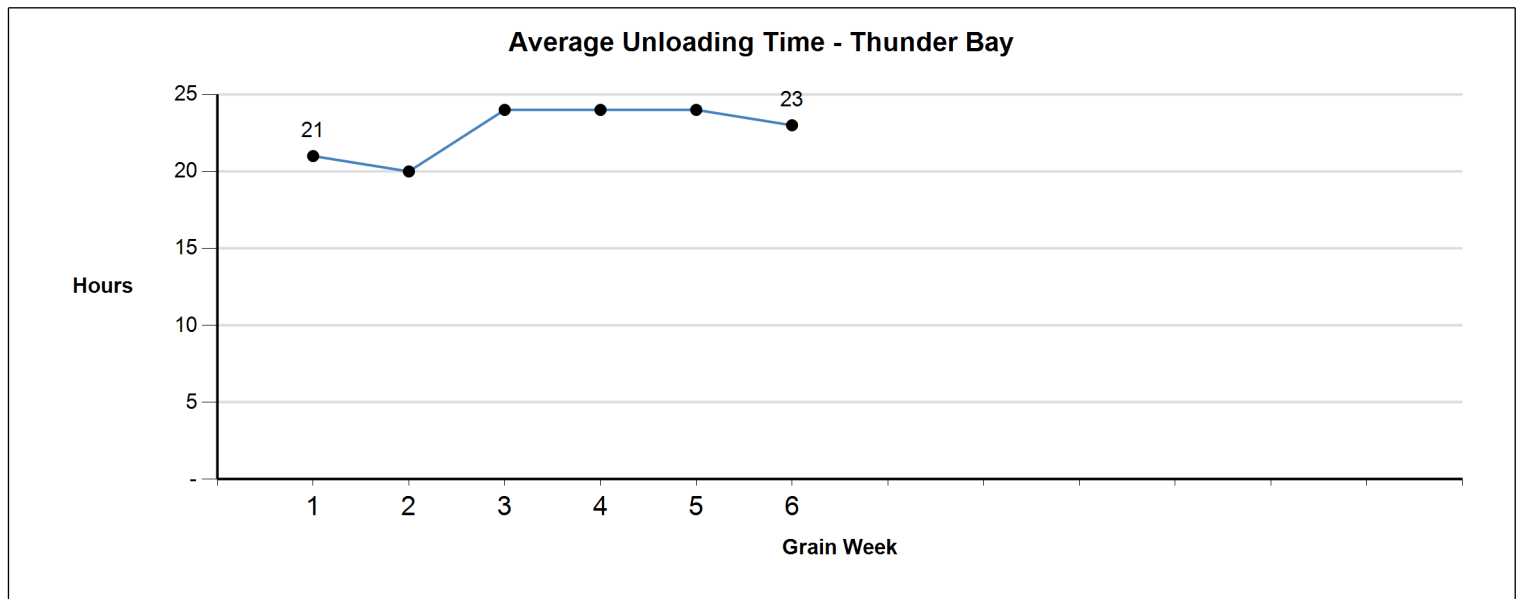
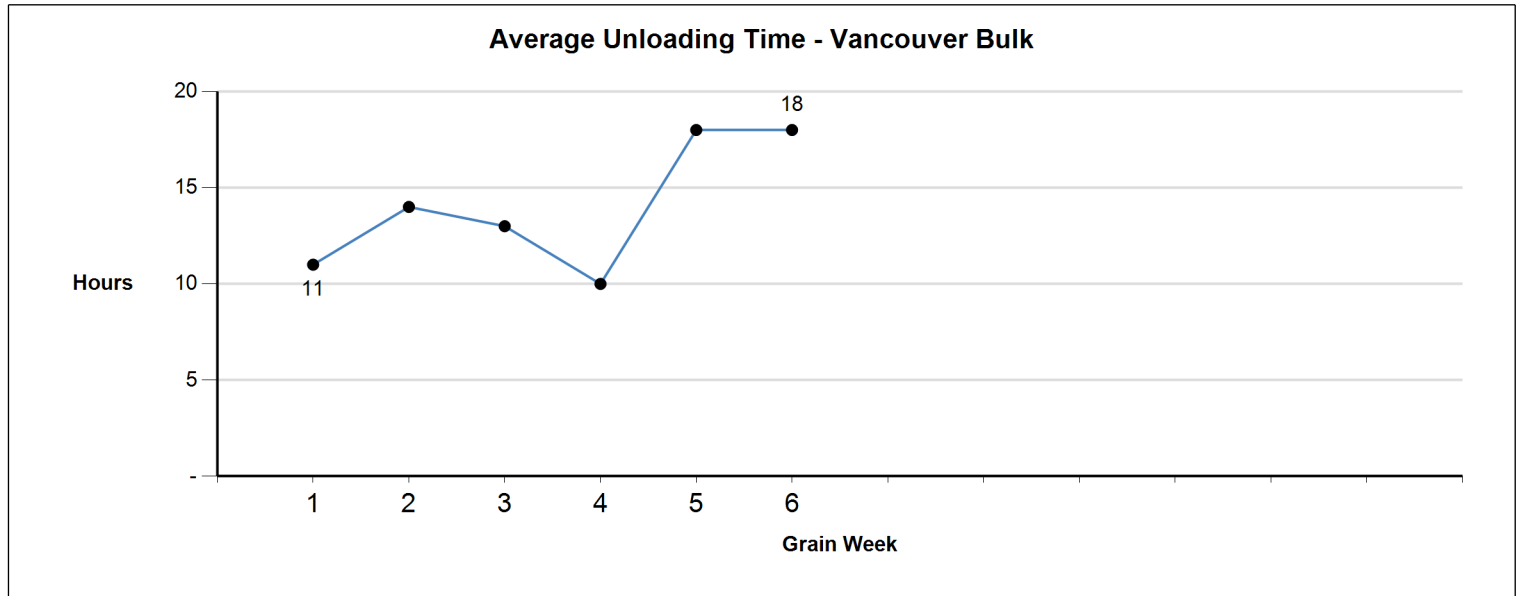




## Destination Dwell Performance



## Port Terminal - Unloading Time





## Glossary of Terms

|   |  |
|---|--|
| Hopper Car Demand                               | The total number of hopper cars ordered for a given want week for each of CN and CP. Demand data is presented for the current week report and for the grain year to date. Comparisons are provided for the current grain versus the prior grain year.  |
| Empty Hopper Cars Supplied                      | A count of all empty hopper cars supplied for the grain service week being reported on. Supply is categorized based on whether it is for the current want week, for prior week orders or for future week orders (supplied early).  |
| Supplied by Block Size                          | Percentage distribution of total hopper car supply for the current report week and year to date (YTD) based on the block size ordered by shippers and as reported by shippers.   |
| Hopper Cars Supplied in Want Week               | A count of all empty hopper cars supplied for a want week in that want week including cars supplied early which are considered on time.  |
| Want Week                                       | Order week as defined by the railways  |
| Cars Supplied Early                             | Cars supplied for orders in a given want week supplied in advance of that week – these cars are considered on time for performance measurement purposes.   |
| Cars Supplied Late                              | Cars supplied during a grain service week that are for a prior week’s orders.  |
| Hopper Car Orders Supplied Within the Want Week | The number of hopper cars supplied by the railways during or in advance of the want week expressed as a percentage of total orders for the week.   |
| Future Week Orders                              | Orders supplied in a given grain service week that are for orders in weeks after the week for which performance is being reported. – Reference Page 1 – Empty Hopper Cars Supplied   |
| Prior Week Orders                               | Orders supplied in a given grain service week that are for orders in weeks prior to the week for which performance is being reported. – Reference Page 1 – Empty Hopper Cars Supplied  |
| Outstanding Orders                              | Orders that shippers expect to have fulfilled by the railways that remain unfulfilled as of the report date. This excludes bad order cars, shorted cars, denied orders and railway cancellations.  |
| Unfulfilled Demand                              | The calculation of total unfulfilled demand for hopper cars represents the accumulated difference across all grain weeks in the year between the number of cars ordered by shippers and the number of cars supplied by the railway for those orders. This total unfulfilled demand includes orders not filled as a result of bad order and shorted cars and as such represents the volume of missed and deferred shipper orders. |
| Origin Dwell                                    | The elapsed time from the release of loaded cars by shippers to the time the railways physically pull the cars from a shipper’s siding for movement to destination.  |
| Destination Dwell                               | The elapsed time from the time a railcar arrives at the destination railway yard to the time it is placed at the receiver’s facility for unloading.  |
| Unloading Time                                  | The average time elapsed between the placement of a loaded car at the receiver’s facility and the release of the empty car back to the railway.  |
| Port Terminal Unloading Time                    | The average elapsed time between the placement of a loaded car for unloading to the release of the empty car. This measure is based on railway reported placement and empty release events.  |