Week 8 Performance

CN and CP supplied a combined 84% of hopper cars ordered in grain week 8, a decline from last week's 88% order fulfillment performance and the worst performance of the year so far. This also marks the 3rd consecutive week in which we have seen a decline in overall system performance. The deterioration in overall performance reflects a decline in performance for each of CN and CP. In supplying 86% of hopper cars ordered on time in week 8, CN saw performance decline from the 87% order fulfillment performance they posted in week 7. CN performance remains below the 90% performance threshold this week for the fourth consecutive week and for the fifth time in the last six weeks. CP order fulfillment performance declined more significantly this week with the railway supplying 82% of shipper orders in week 8 as compared to 90% order fulfillment performance in week 7. This represents CP's worst performance of the current grain year thus far and marks the first time in 24 weeks that the railway has not supplied 90% or more of shipper orders.

In week 8, CN performance improved or remained the same in 4 of 6 corridors relative to last week with performance declines seen in the Prince Rupert and Vancouver Other / W. Canada corridors. While the worst performance this week was seen in the Vancouver Other corridor (36%) demand for this corridor was extremely low at less than 20 total cars and as such had little impact on overall performance for CN. More meaningful in this respect was the performance seen in the Prince Rupert corridor where CN supplied only 68% of 645 cars ordered by shippers, down from the 78% order fulfillment performance seen in week 7 with both weeks seeing nearly identical demand levels at slightly less than 650 total cars. While traffic only began moving to Prince Rupert over the last three weeks (due to terminal maintenance) we have seen order fulfillment performance for this corridor decline in three consecutive weeks. Performance in the Vancouver Bulk corridor saw very nominal improvement this week with the railway supplying 84% of the 2,800+ cars ordered - as compared to 83% order fulfillment performance the prior week. The Vancouver corridor represented 60% of total CN demand this week and thus was the principal driver of overall performance.

CP performance declined in 4 of 4 corridors this week relative to last week. The most notable declines in performance this week were in the US and Vancouver Bulk corridors. For the US corridor, which saw shippers order 450+ cars, CP supplied only 56% of cars ordered. The Vancouver Bulk corridor saw a decline in performance for a second straight week with CP supplying only 83% of the more than 3,200 cars ordered by shippers. Like CN the Vancouver corridor accounted for 60% of all CP demand this week and as such was the principal driver in the overall performance decline seen this week. Performance declines in the Thunder Bay and Vancouver Other corridors this week were modest by comparison with the railway supplying 89% of cars ordered for Thunder Bay and 93% of cars for the Vancouver Other corridor.

Empty car spotting improved for a fifth consecutive week albeit it only modestly with CN and CP combined spotting roughly 9,000 cars - 4% higher than the prior week. Unfortunately system demand for cars increased 14% week over week. CN car spotting declined this week with the railway spotting just under 4,400 cars - 2% less than the prior week. And while demand only increased 2% this week CN was carrying 400+ outstanding orders from the prior week which made their effective demand much higher. Once again CN failed to spot sufficient cars to both cover current week demand and the shortfall from the prior week leading to the railway carrying 737 outstanding orders forward into next week. For CP a slightly different story. Empty car spotting did rise 10% this week with the railway spotting more than 4,600 cars - the highest levels seen so far this year - however demand jumped 27%. That increase in demand plus the fact CP was carrying 300+ outstanding orders in from week 7 led to a shortfall resulting in 680 outstanding orders coming out of week 8 which the railway will need to service in week 9. For CP the story gets worse when we consider the fact that they rationed 288 shipper orders in week 8 - the second straight week in which they have raitioned shipper orders.

CN and CP combined will enter week 9 with a total of 1,417 outstanding orders, nearly double the 718 outstanding cars coming into the week and the 5th straight week with increasing outstanding order counts.

CN

- CN supplied 86% of hopper cars ordered for week 8, slightly less than the 87% order fulfillment performance seen in week 7 and below the 90% performance threshold for the fourth consecutive week.
- For week 8 CN supplied 4,093 of 4,779 cars ordered, failing to supply 686 cars ordered.
- During week 8, CN supplied a total of 4,395 hopper cars including 302 for previously outstanding orders. (see table page 3).
- CN's performance across individual shippers was the worst and most inconsistent we have seen so far this year with only 50% of shippers receiving 90% or more of cars ordered while the other half of shippers saw order fulfillment rates between 36 - 85%.
- Week 8 demand, at 4,779 cars was 2% higher than the prior week.
- Preliminary data indicate that demand will rise modestly in week 9 increasing 4% to 4,900 cars and then dip 17% to roughly 4,100 cars in week 10.

- Heading into week 9 CN has 737 outstanding orders as compared to 415 outstanding orders coming into week 8. Outstanding order counts for CN have now risen for four consecutive weeks with this week seeing the highest levels of the current grain year.

CP

- CP fulfilled 82% of hopper car orders for week 8, a decline from the 90% order fulfillment performance seen the prior week and the worst performance of the year thus far.
- For week 8, CP supplied 4,489 of 5,442 cars ordered, failing to supply 953 cars ordered.
- During week 8, CP supplied a total of 4,624 hoppers including 246 for previously outstanding orders and 112 for future week orders. (see table page 3).
- CP's performance across individual shippers was the poorest we have seen thus far this year with only 12% of shippers receiving 90% or more of cars ordered with the balance of shippers seeing order fulfillment rates of 58 - 89%.
- At 5,442 cars ordered in week 8 shipper demand was 27% higher than the prior week.
- Preliminary data indicate that demand will continue to rise increasing 6% to 5,700 cars in week 9 and then 5,800 cars in week 10. As always readers are cautioned that forward looking estimates of CP demand can change significantly due to the planning of Dedicated Trains by individual shippers.
- Heading into week 9 CP has 680 outstanding orders as compared to 303 coming into week 8. Outstanding order counts for CP have now risen for five consecutive weeks with this week seeing the highest levels of the current grain year.

Railway Hopper Car Rationing/Cancellations

CN

- CN cancelled no hopper car orders in week 8.
- Preliminary data indicate that some rationing of shipper orders may be occurring in weeks 9 and 10. For week 10 specifically preliminary shipper reporting would indicate that rationing is a principal cause of the reduced demand levels as noted above.

CP

- CP cancelled 288 hopper car orders in week 8, double the levels seen the prior week.
- Preliminary data do not at this time indicate that any order rationing is occurring in weeks 9 and 10.

Performance Dashboard

Hopper Car Demand

	Week 08			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	4,779	5,107	(328)	25,126	3,140	21,045	2,630	4,081	510
CP	5,442	7,158	(1,716)	28,364	3,545	30,909	3,863	(2,545)	(318)
	10,221	**12,265**	**(2,044)**	**53,490**	**6,685**	**51,954**	**6,493**	**1,536**	**192**

Cars Shipped

Railway	Corridor	Week 08	YTD
CN	N.A. Domestic	201	1,392
	Prince Rupert	337	932
	Thunder Bay	978	5,838
	Vancouver	2,619	14,973
	Total	**4,135**	**23,135**
CP	N.A. Domestic	265	2,256
	Thunder Bay	1,442	8,402
	Vancouver	2,533	15,304
	Total	**4,240**	**25,962**

Empty Hopper Cars Supplied - Week 08 (All Want Weeks)

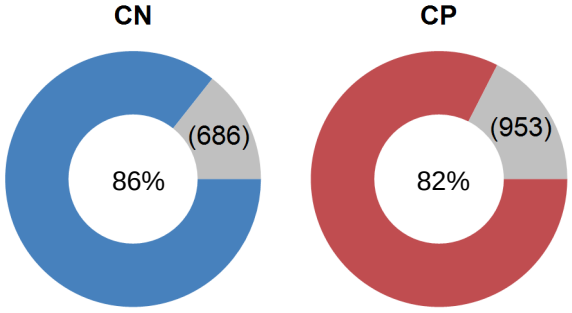
	Current Week Orders		Prior Week Orders		Future Week Orders		Total Cars Supplied	
	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
CN	4,093	4,256	302	504			4,395	4,760
CP	4,266	4,094	246	1,486	112	24	4,624	5,604
	8,359	**8,350**	**548**	**1,990**	**112**	**24**	**9,019**	**10,364**

Supplied by Block Size

Block Size	Week 08			Year to Date		
	CN	CP	Total	CN	CP	Total
1	3%	3%	3%	2%	4%	3%
25	3%	3%	3%	4%	2%	3%
50	3%	1%	2%	3%	3%	3%
100	91%	93%	92%	90%	92%	91%

Current Week Order Fulfillment

	CN	CP	Total
Current Week Hopper Car Demand	4,779	5,442	10,221
Current Week Order Fulfillment			
Supplied in Current Week	4,093	4,266	8,359
Supplied Early		223	223
Total Cars Supplied for Want Week	**4,093**	**4,489**	**8,582**
Current Week Unfulfilled Demand	(686)	(953)	(1,639)
% Current Week Orders Supplied	86%	82%	84%



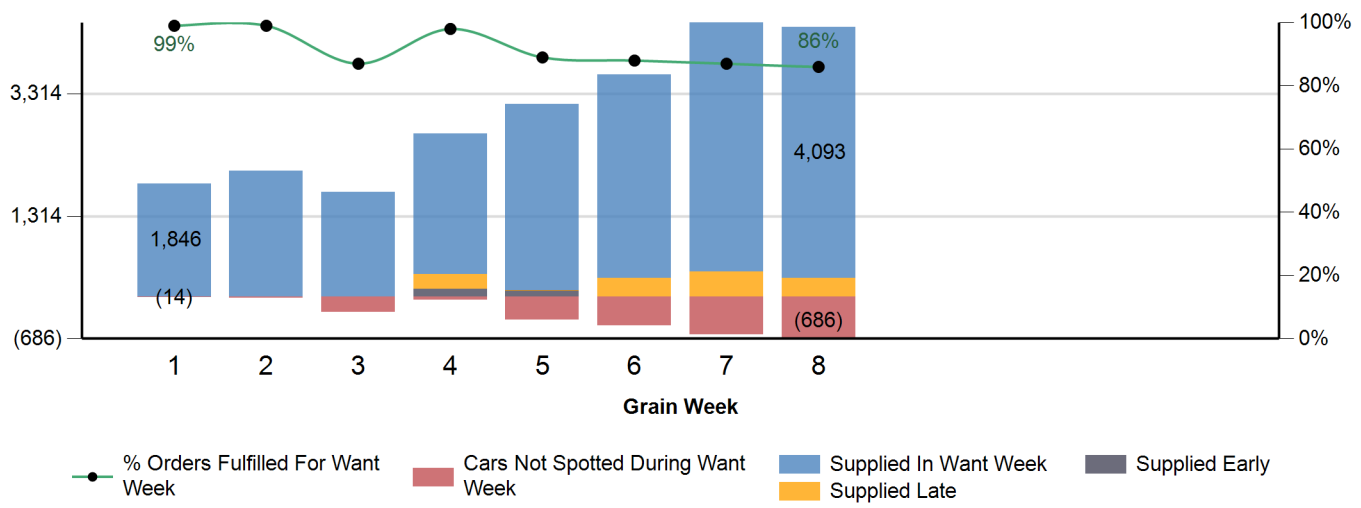
Loaded Dwell Time (Hours) at Origin (All Traffic)

	Week 08		Year to Date	
	This Year	Last Year	This Year	Last Year
CN	26	21	24	19
CP	30	22	39	33

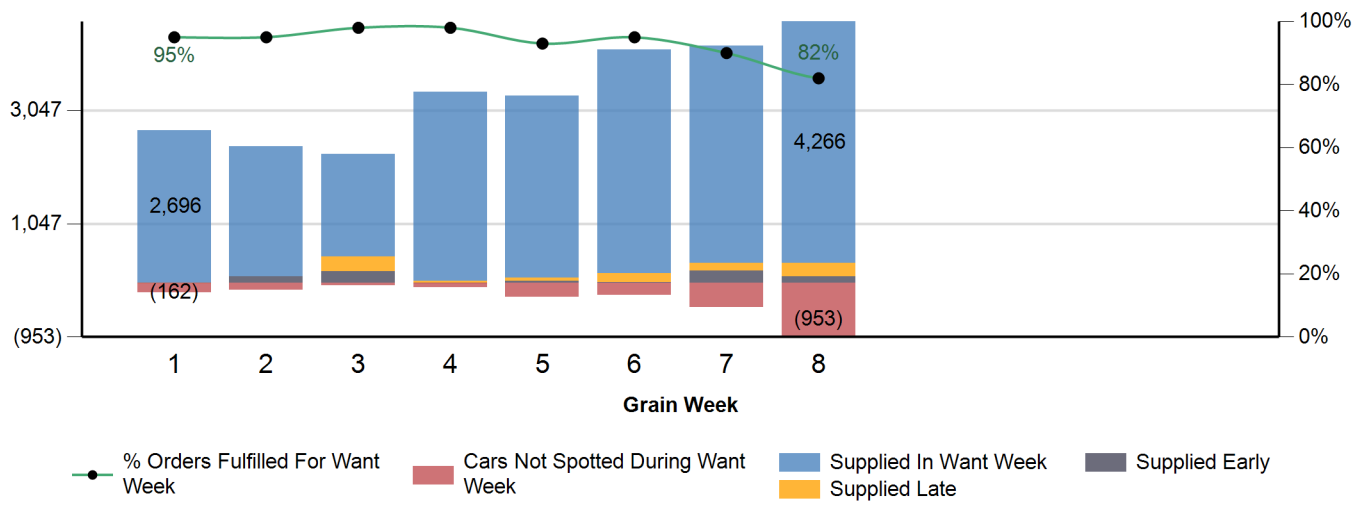
Dwell Time (Hours) at Destination (All Traffic)

		Week 08		Year to Date	
		This Year	Last Year	This Year	Last Year
Vancouver	CN	7	6	8	9
	CP	17	18	15	13
Thunder Bay	CN	45	63	40	31
	CP	40	55	39	53

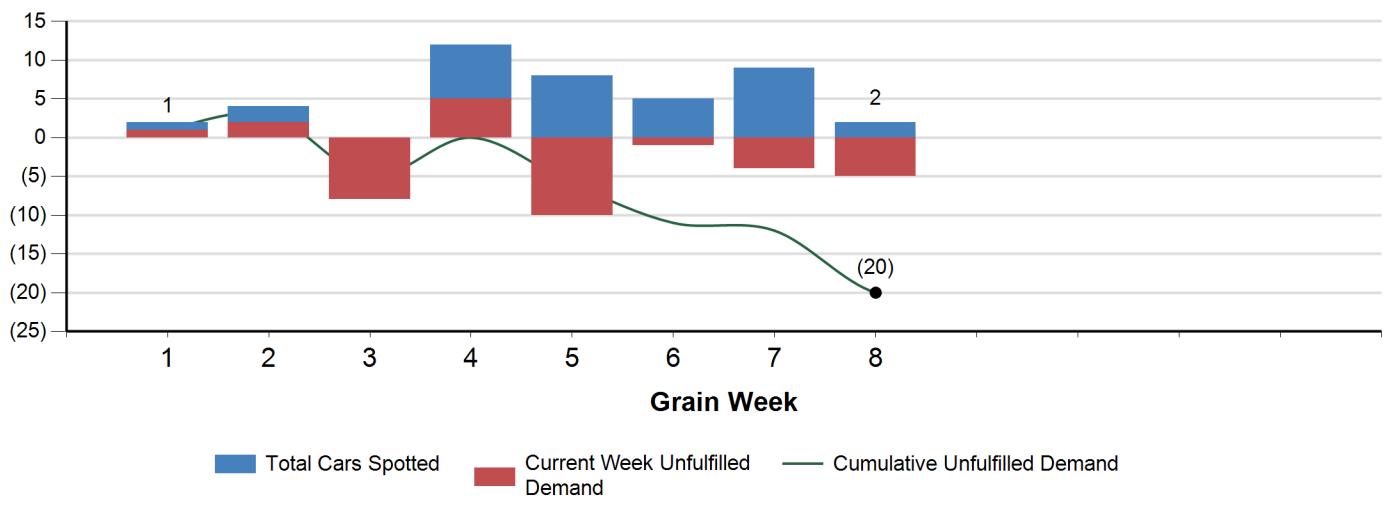
CN Weekly Hopper Car Supply

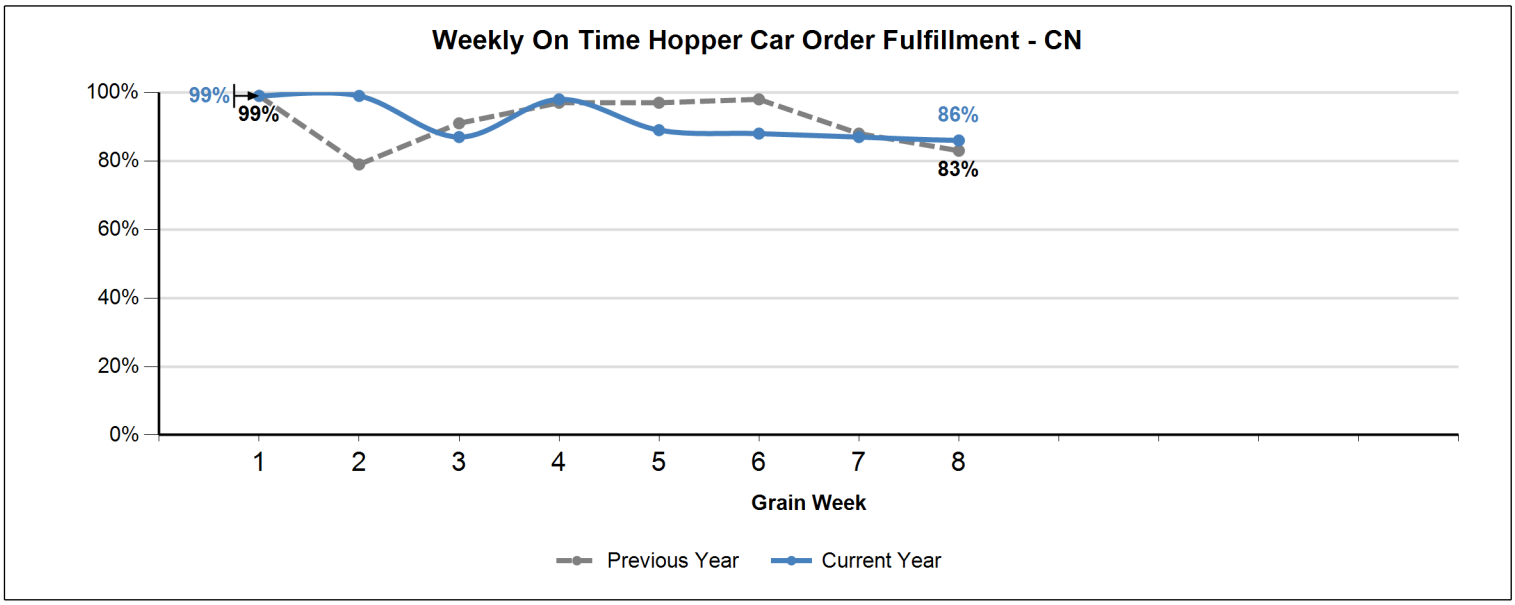


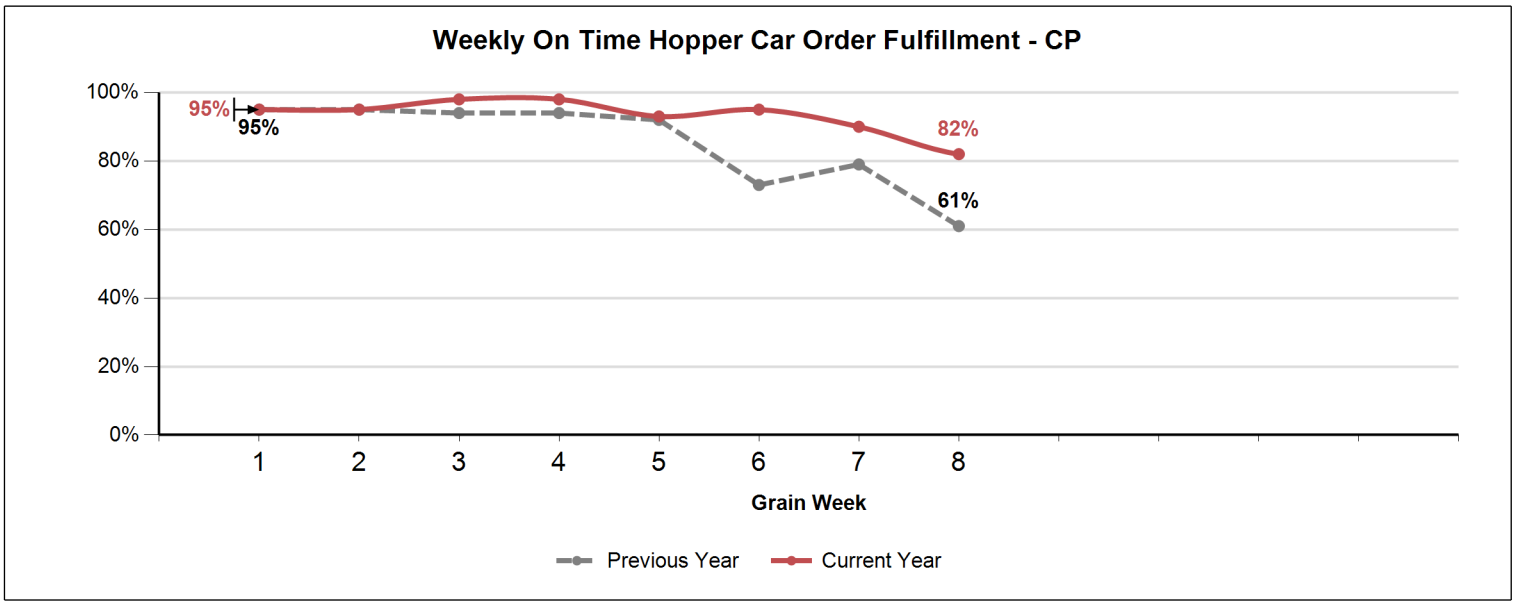
CP Weekly Hopper Car Supply

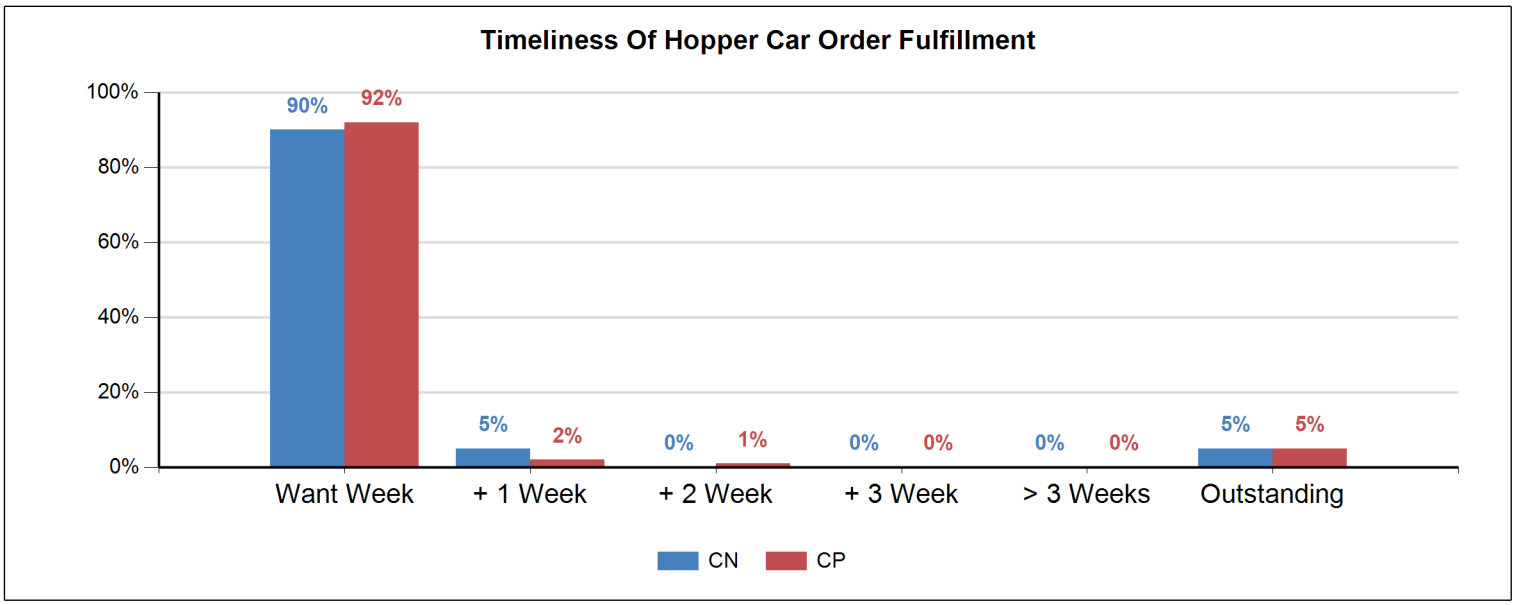


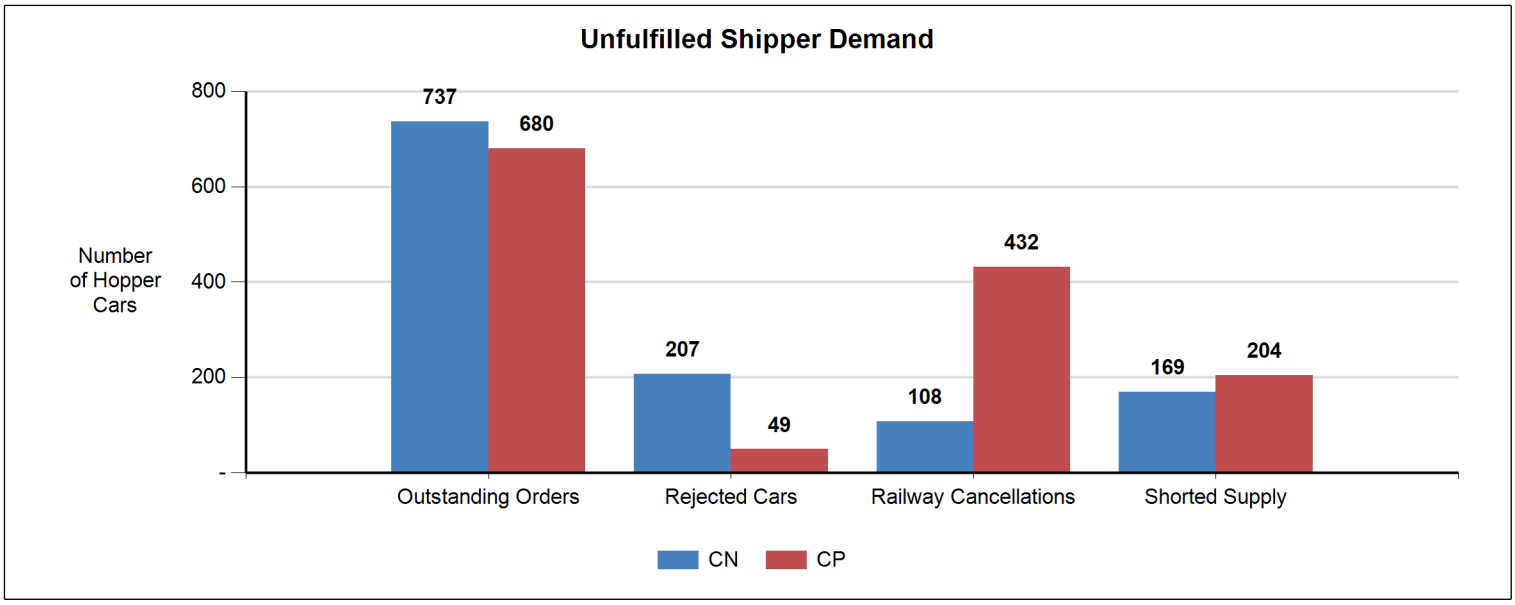
Total Boxcar Supply - Grain Year 2023 - 2024




Weekly On Time Hopper Car Order Fulfillment - CN
100%
80%
60%
40%
20%
0%
99%
99%
86%
83%
1
2
3
4
5
6
7
8
Grain Week
Previous Year
Current Year


Weekly On Time Hopper Car Order Fulfillment - CP
100%
80%
60%
40%
20%
0%
95%
95%
82%
61%
1
2
3
4
5
6
7
8
Grain Week
Previous Year
Current Year


Timeliness Of Hopper Car Order Fulfillment
100%
80%
60%
40%
20%
0%
90%
92%
5%
2%
0%
1%
0%
0%
0%
0%
5%
5%
Want Week
+ 1 Week
+ 2 Week
+ 3 Week
> 3 Weeks
Outstanding
CN
CP



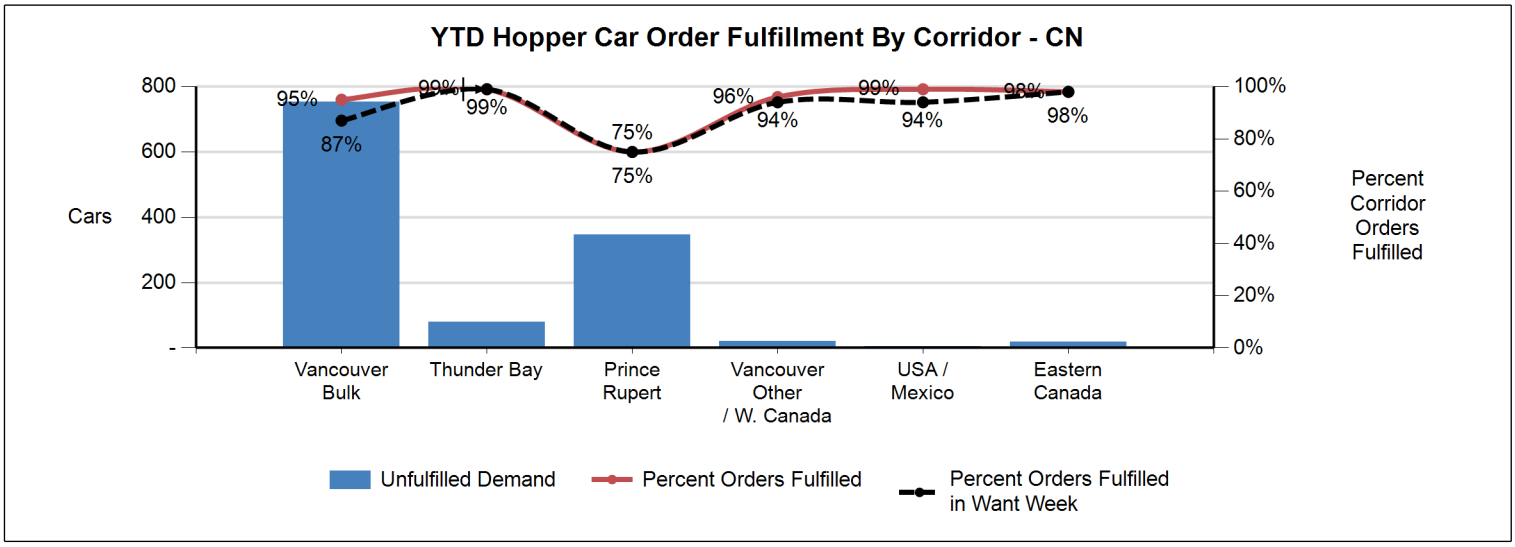
Corridor Performance

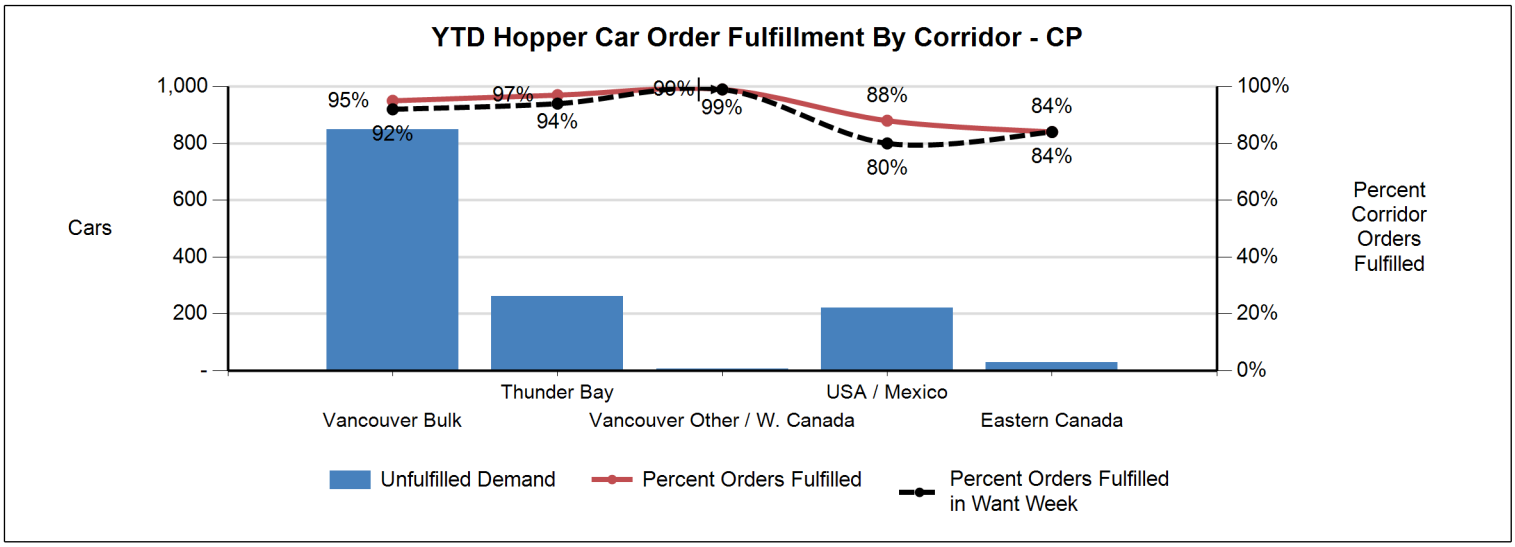
Total Hopper Car Supply by Corridor for Current Year Orders - To Week 08

Railway	Corridor	Ordered	Supplied	Unfulfilled Demand	%Supplied
CN	Vancouver Bulk	15,668	14,915	(753)	95%
	Thunder Bay	6,126	6,047	(79)	99%
	Prince Rupert	1,379	1,033	(346)	75%
	Vancouver Other / W. Canada	570	550	(20)	96%
	USA / Mexico	498	493	(5)	99%
	Eastern Canada	885	867	(18)	98%
Total		**25,126**	**23,905**	**(1,221)**	**95%**
CP	Vancouver Bulk	16,564	15,716	(848)	95%
	Thunder Bay	8,859	8,597	(262)	97%
	Vancouver Other / W. Canada	891	886	(5)	99%
	USA / Mexico	1,871	1,650	(221)	88%
	Eastern Canada	179	150	(29)	84%
Total		**28,364**	**26,999**	**(1,365)**	**95%**

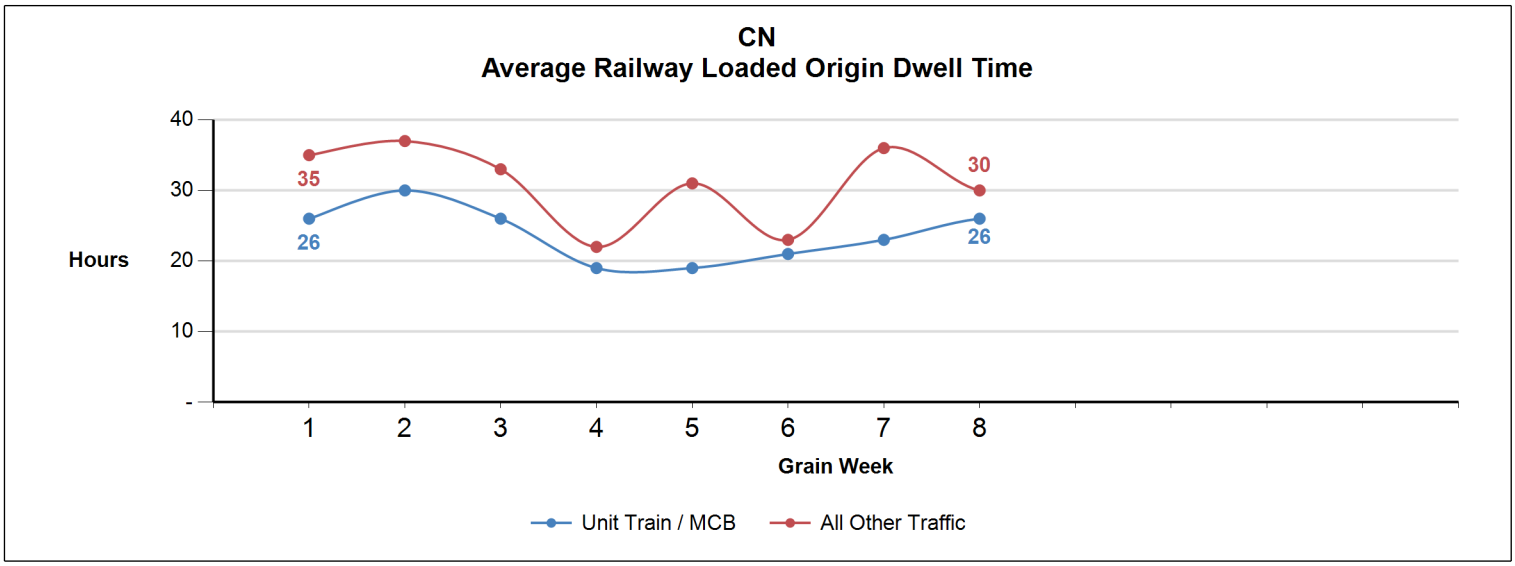
Hopper Cars Supplied in the Want Week by Corridor - To Week 08

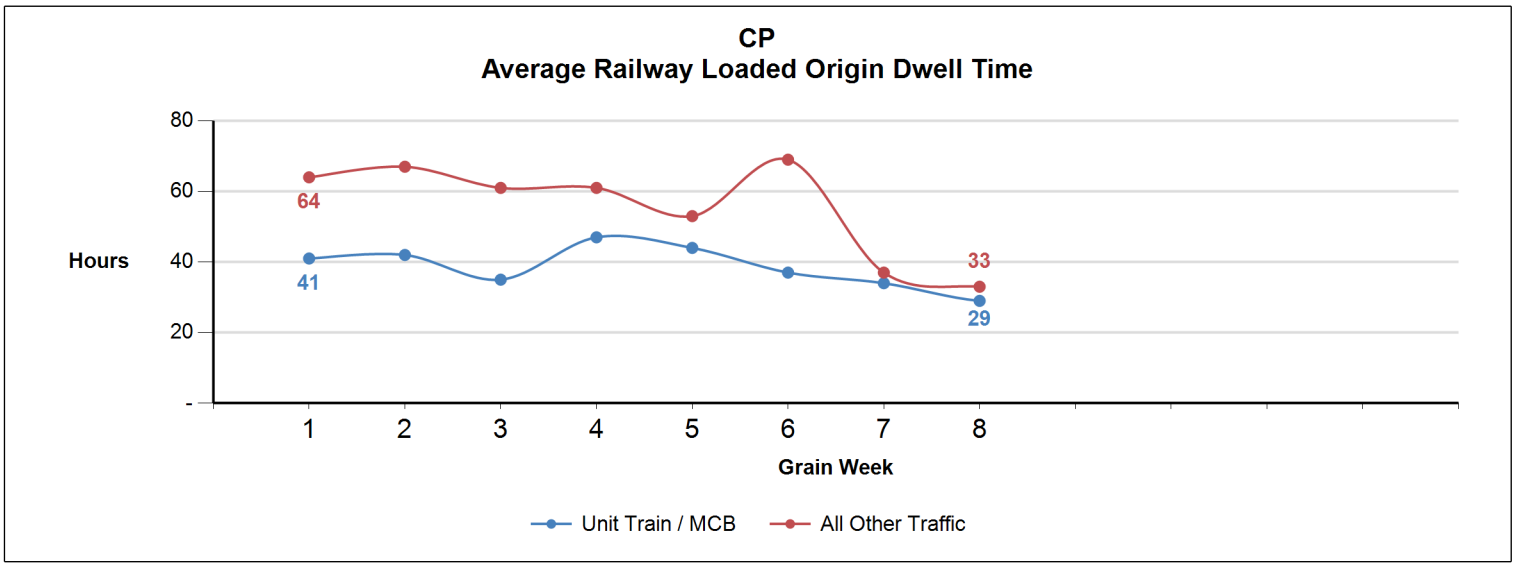
		Week 08			Year to Date		
Railway	**Corridor**	**Ordered**	**Supplied**	**%Supplied**	**Ordered**	**Supplied**	**%Supplied**
CN	Vancouver Bulk	2,822	2,369	84%	15,668	13,686	87%
	Thunder Bay	1,094	1,080	99%	6,126	6,047	99%
	Prince Rupert	645	438	68%	1,379	1,033	75%
	Vancouver Other / W. Canada	14	5	36%	570	534	94%
	USA / Mexico	75	75	100%	498	468	94%
	Eastern Canada	129	126	98%	885	867	98%
	CN Total	**4,779**	**4,093**	**86%**	**25,126**	**22,635**	**90%**
CP	Vancouver Bulk	3,246	2,678	83%	16,564	15,259	92%
	Thunder Bay	1,718	1,537	89%	8,859	8,323	94%
	Vancouver Other / W. Canada	14	13	93%	891	886	99%
	USA / Mexico	464	261	56%	1,871	1,497	80%
	Eastern Canada				179	150	84%
	CP Total	**5,442**	**4,489**	**82%**	**28,364**	**26,115**	**92%**

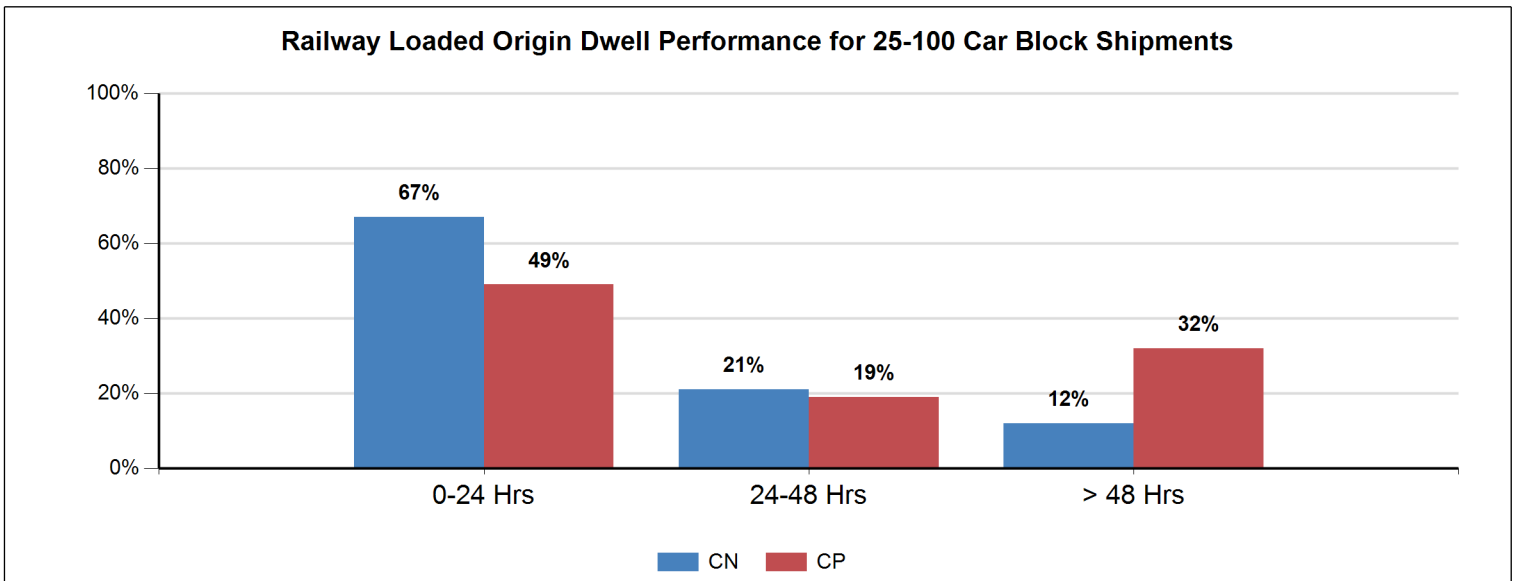


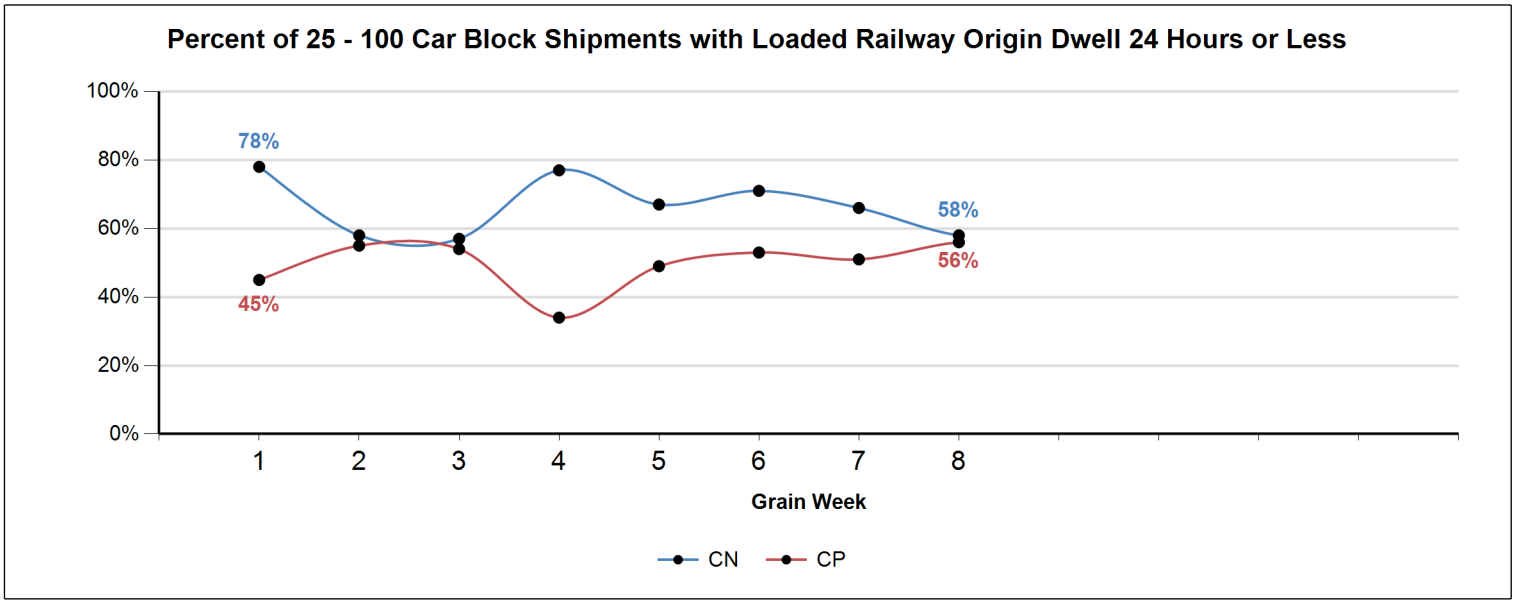


Origin Dwell Performance

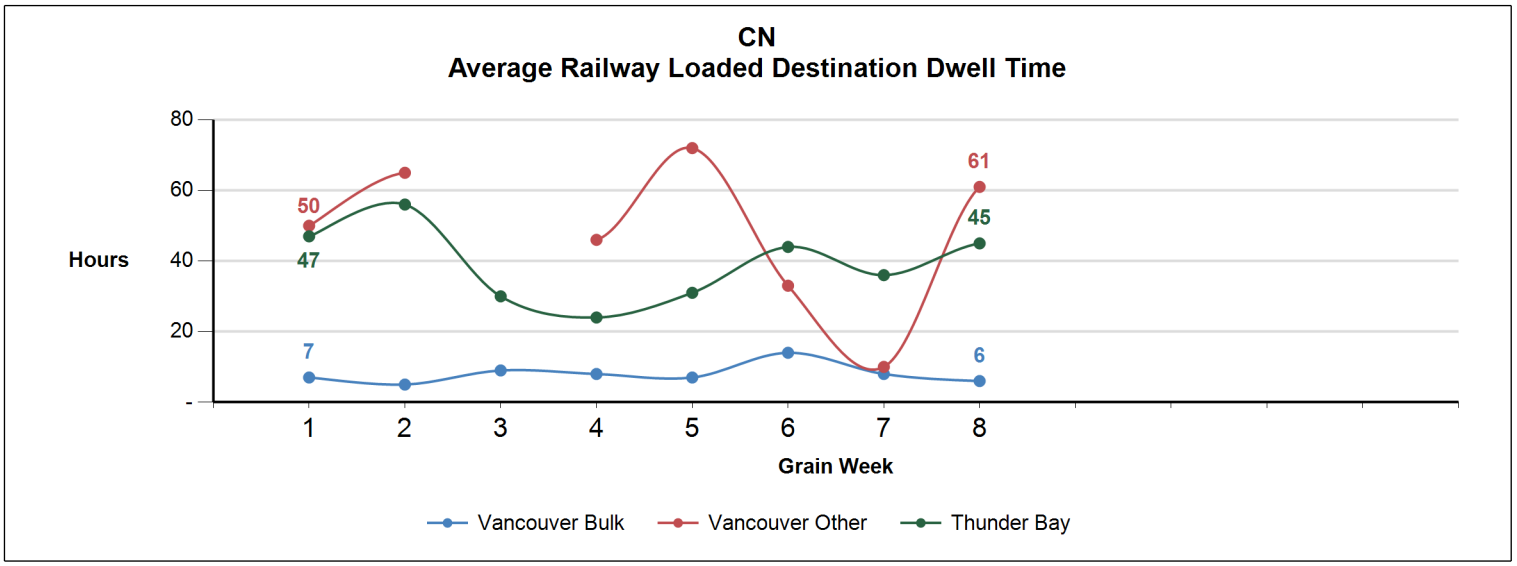


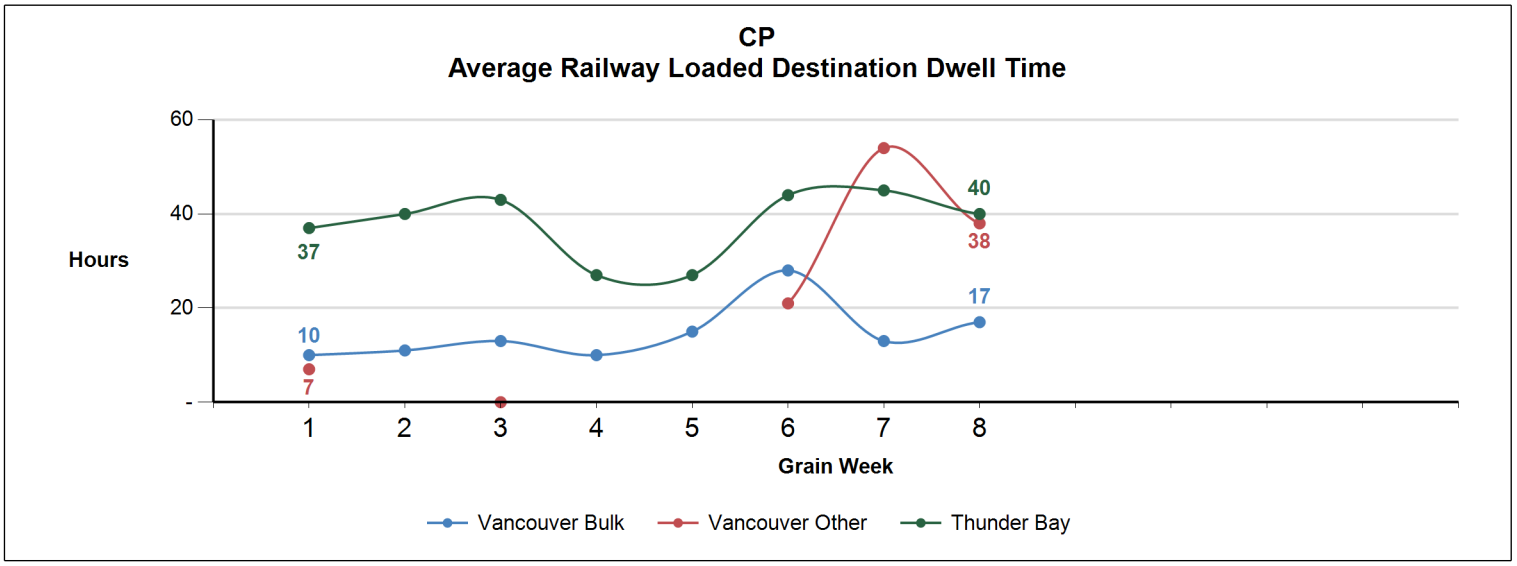




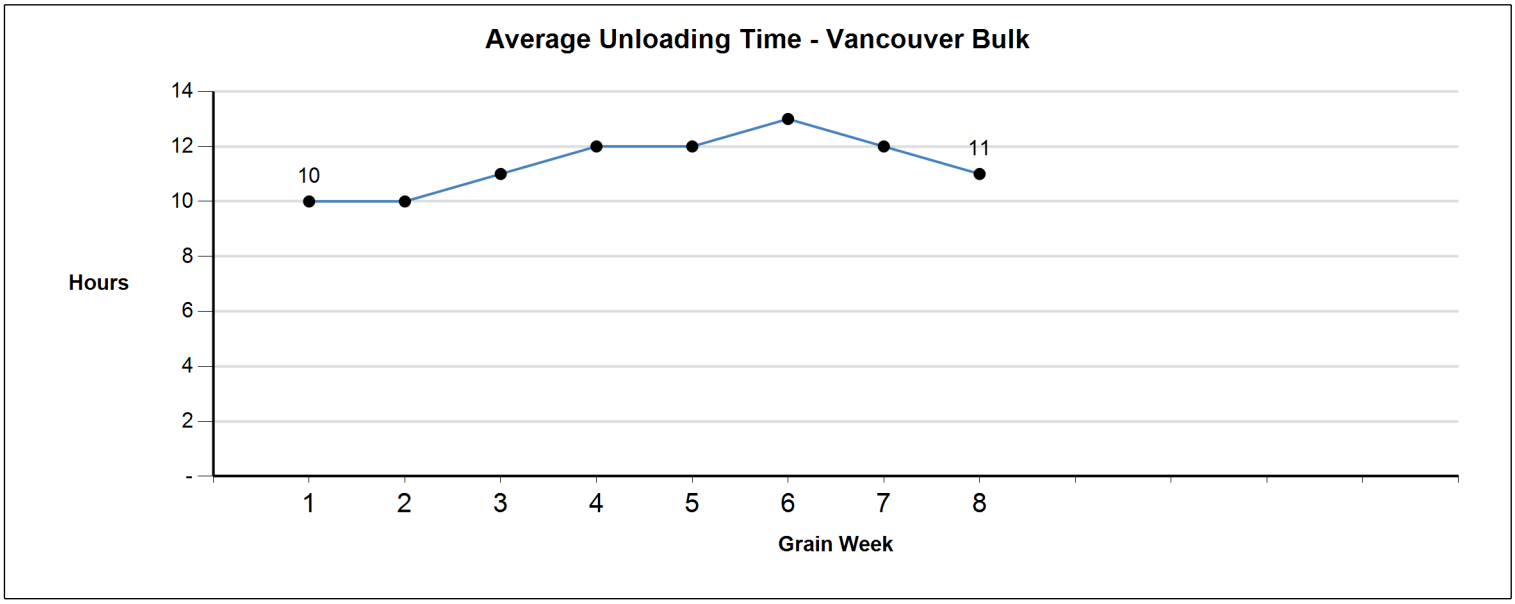


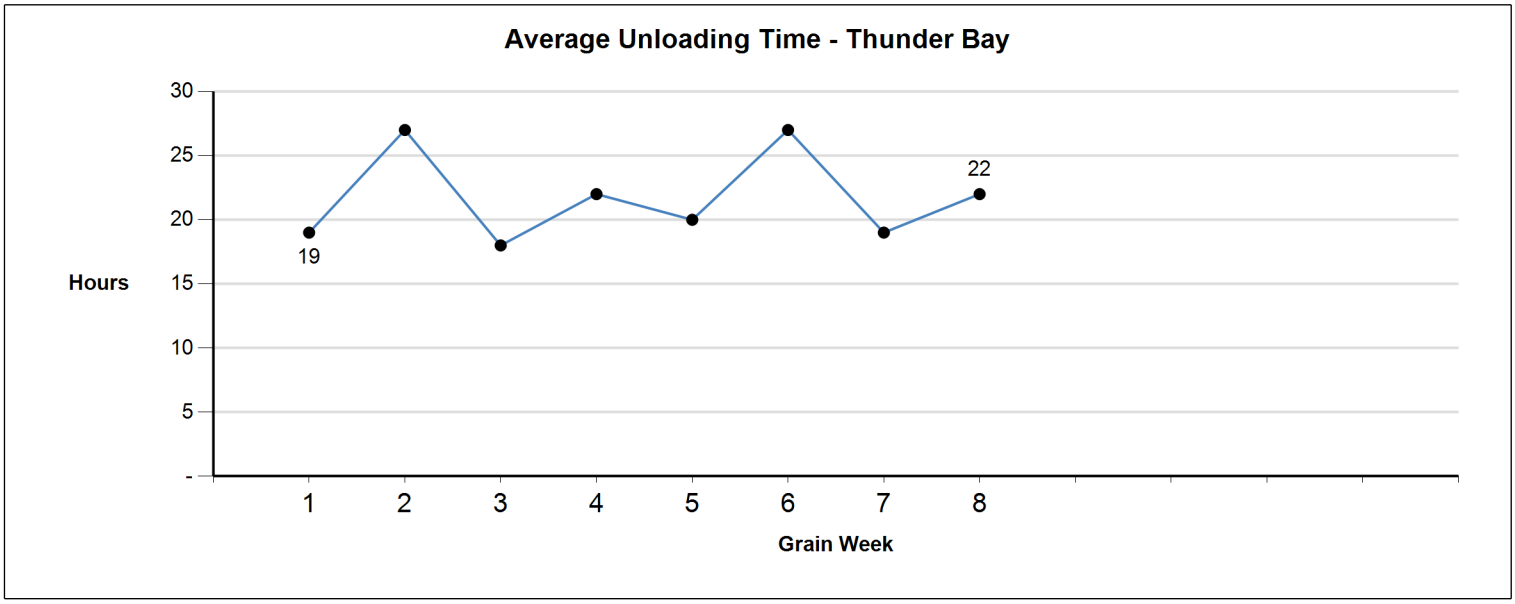
Destination Dwell Performance





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.