State of Freight SYMPOSIUM

DEMAND SIGNALS IN THE US ECONOMY:



Jonathan Starks
CEO, FTR



Eric Starks
Chairman of the Board, FTR

FTR | Transportation Intelligence

Themes from one year ago

- Tariff rollercoaster
- Inflation pressure increasing
- Government shutdown (remember that?)
- Collapse in truck and railcar orders
- Investment pause

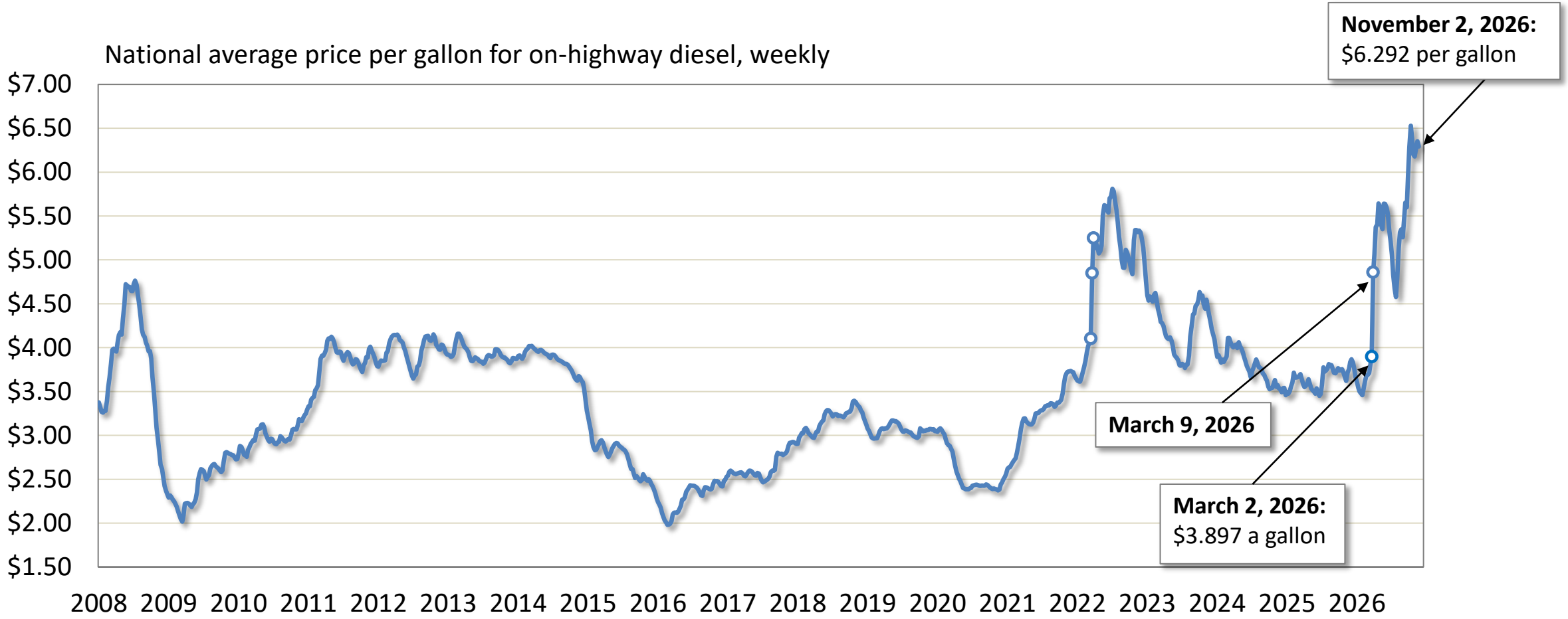
5 Key Transportation Themes…

1. Diesel/Energy ($)
2. Data Centers ($)
3. Regulatory/Tariffs ($)
4. Inflation ($)
5. Risks (?)

5 Key Transportation Themes…

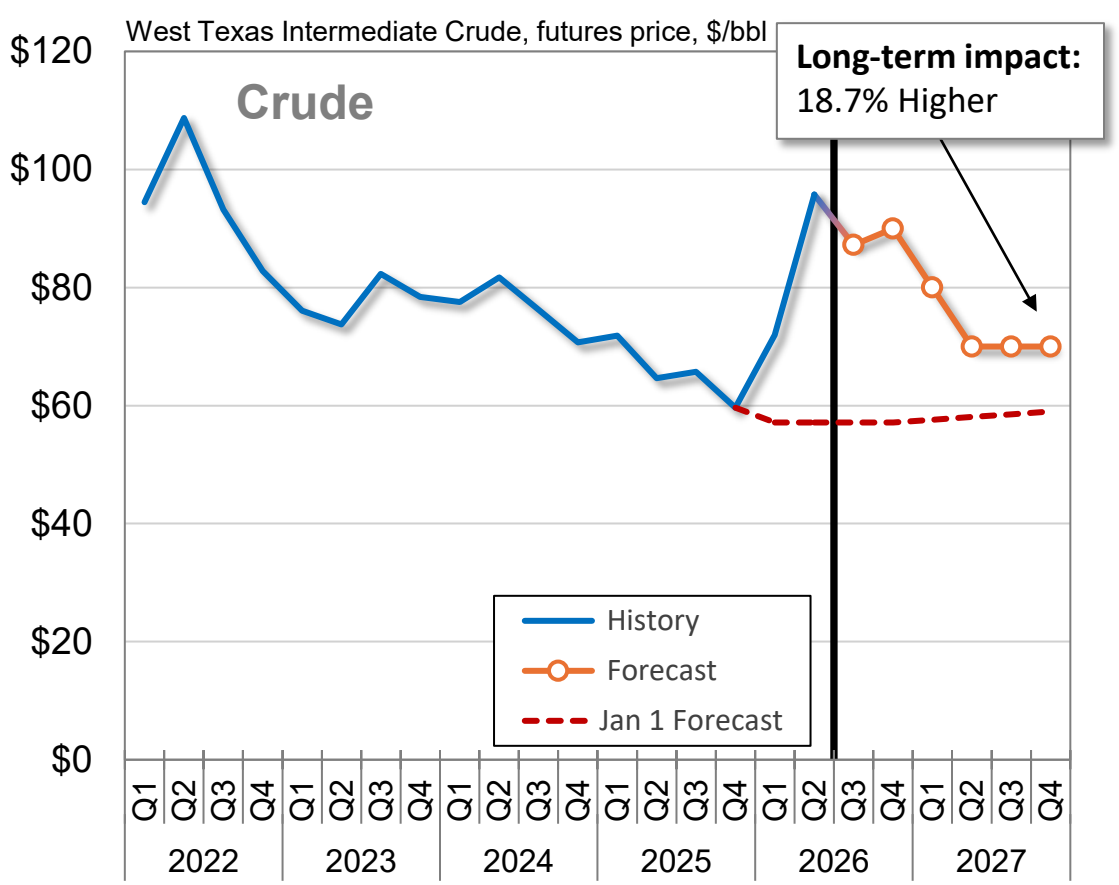
1. Diesel/Energy

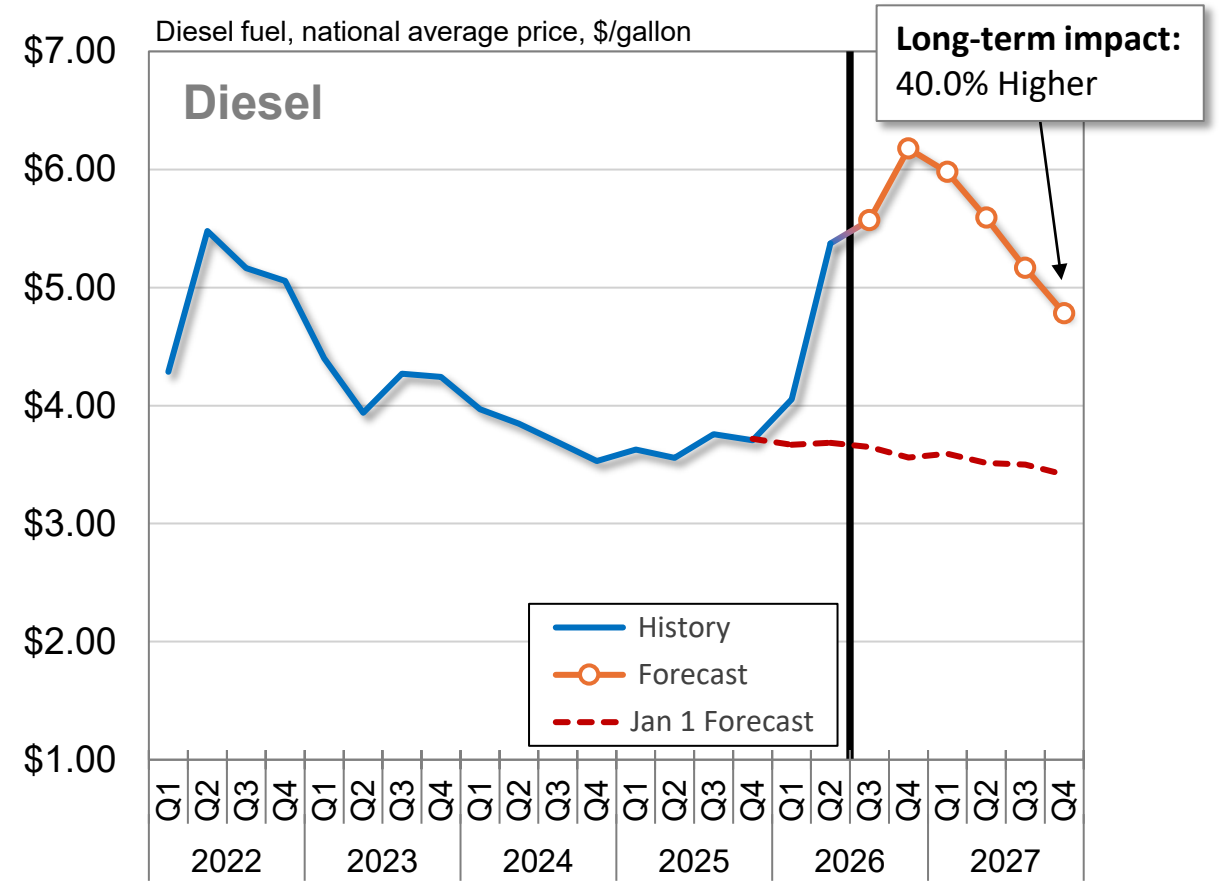
U.S. diesel prices



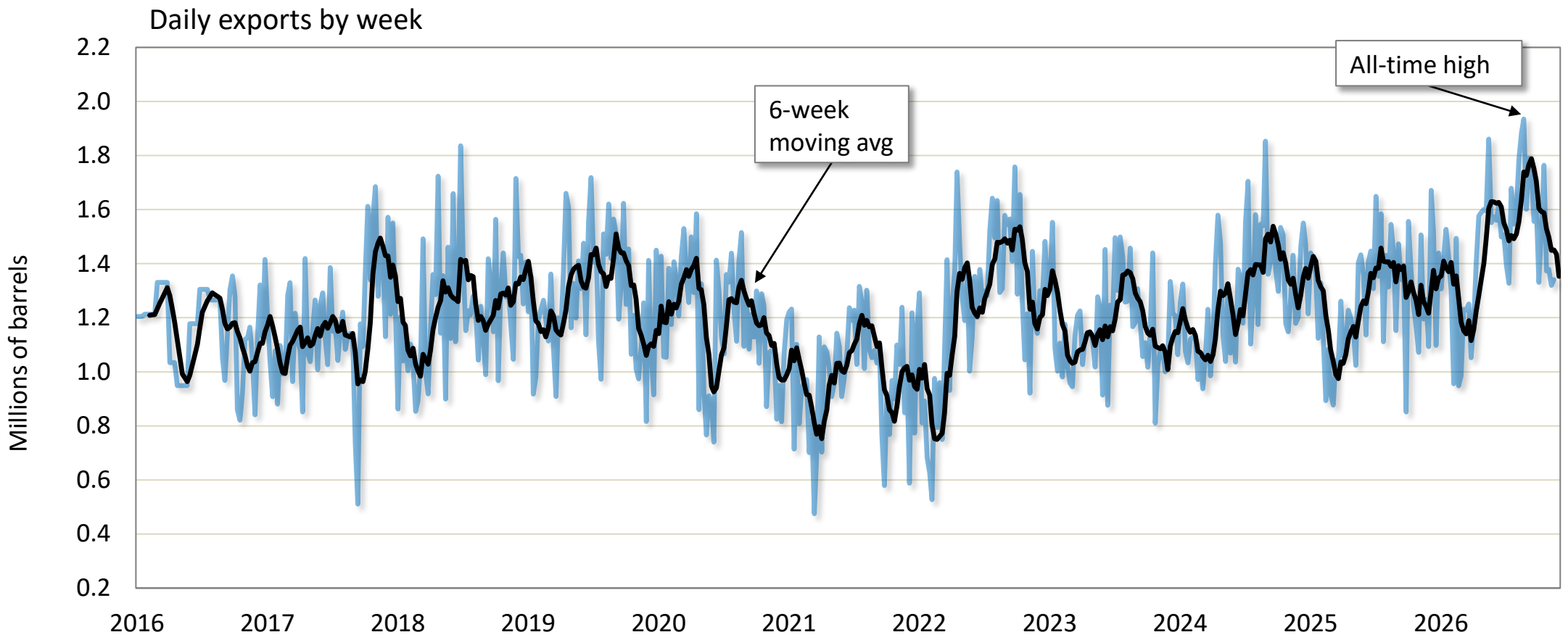
Source: Energy Information Administration
Analysis by FTR Transportation Intelligence

Energy impacts



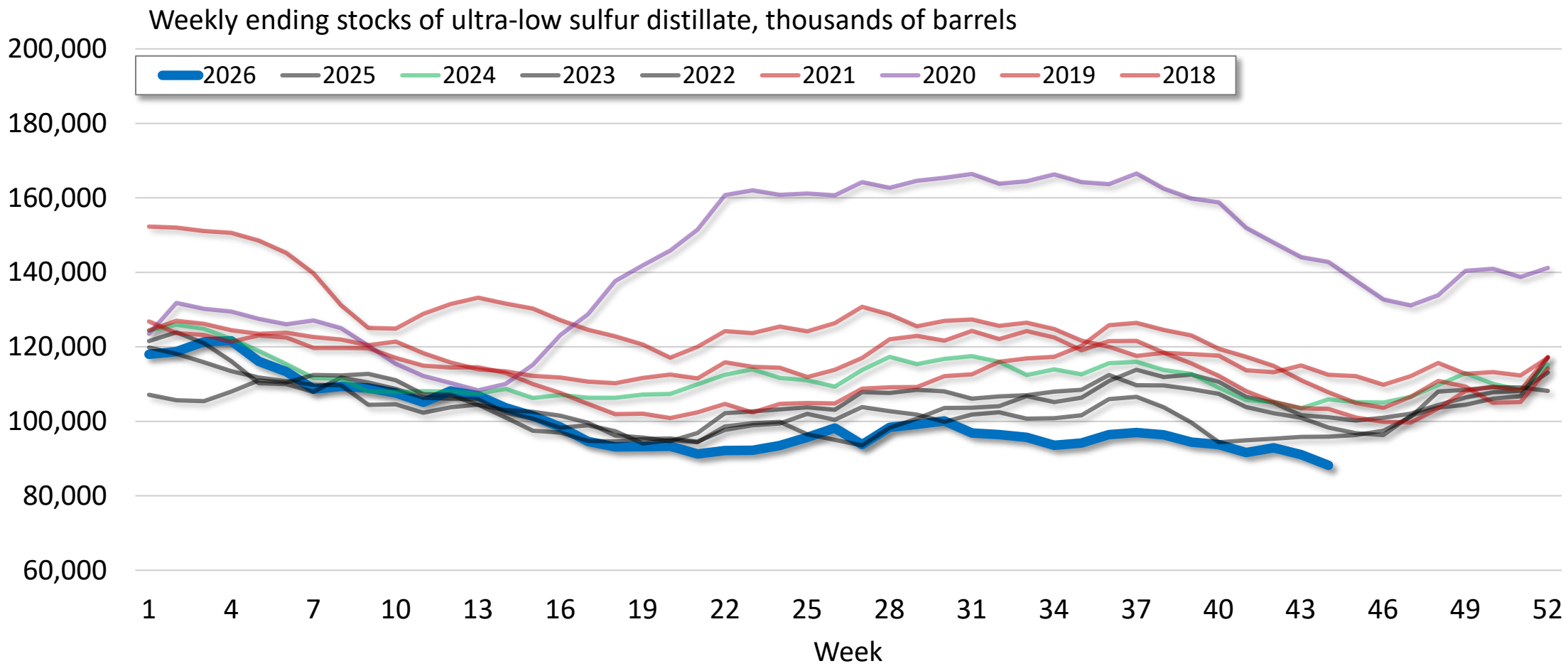


U.S. exports of distillate fuel oil



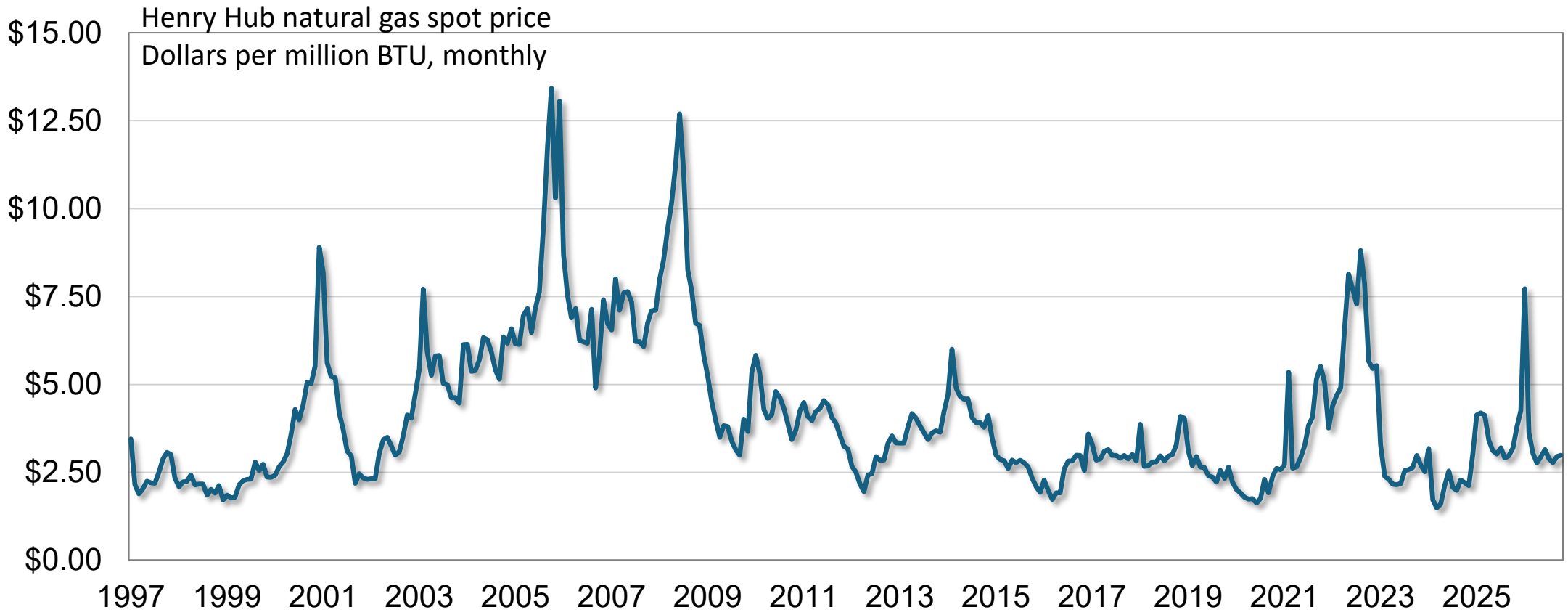
Source: Energy Information Administration
Analysis by FTR Transportation Intelligence

U.S. stocks of distillate fuel oil



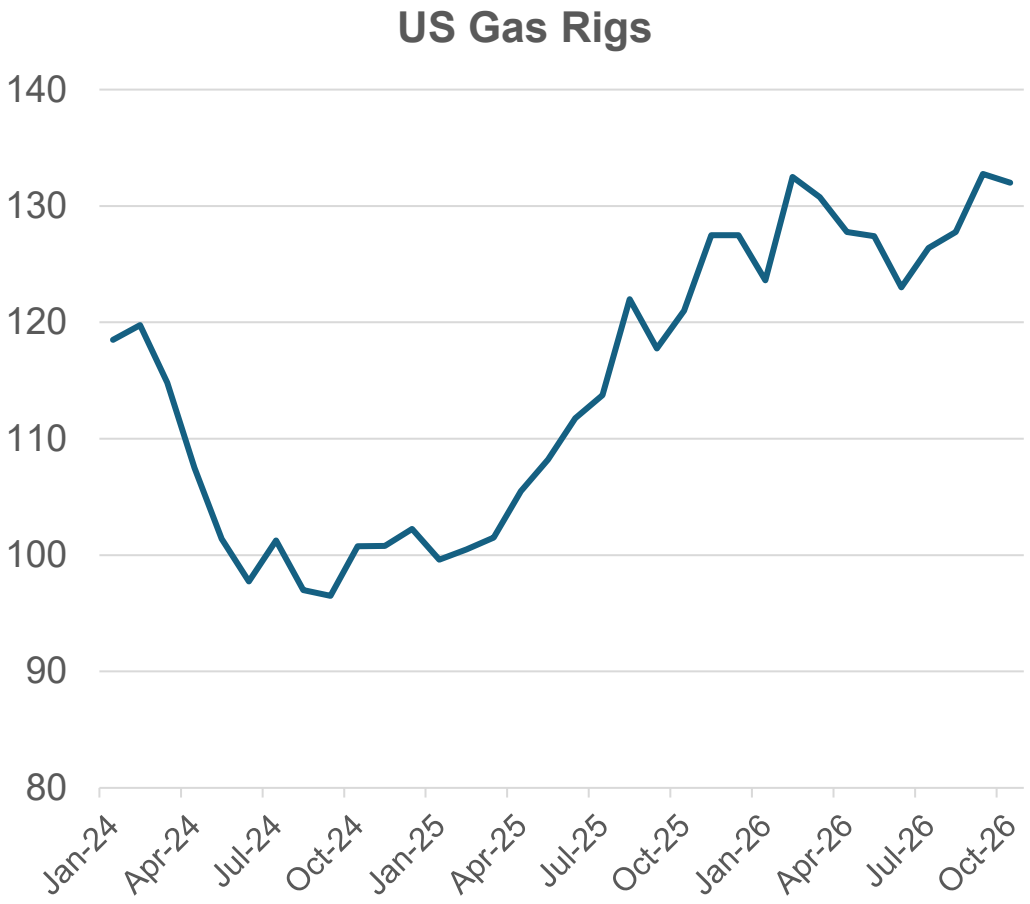
Source: Energy Information Administration
Analysis by FTR Transportation Intelligence

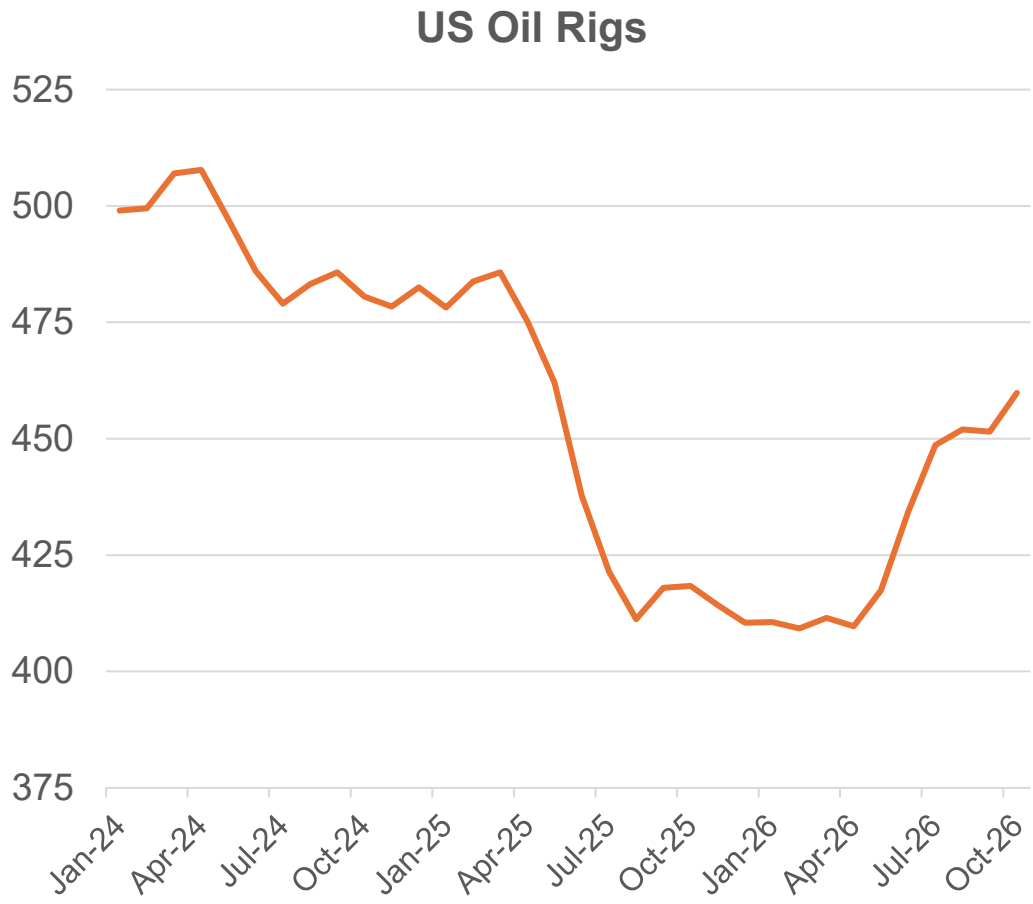
American gas is still cheap



Source: Energy Information Administration
Analysis by FTR Transportation Intelligence

Oil and gas not in perfect unison



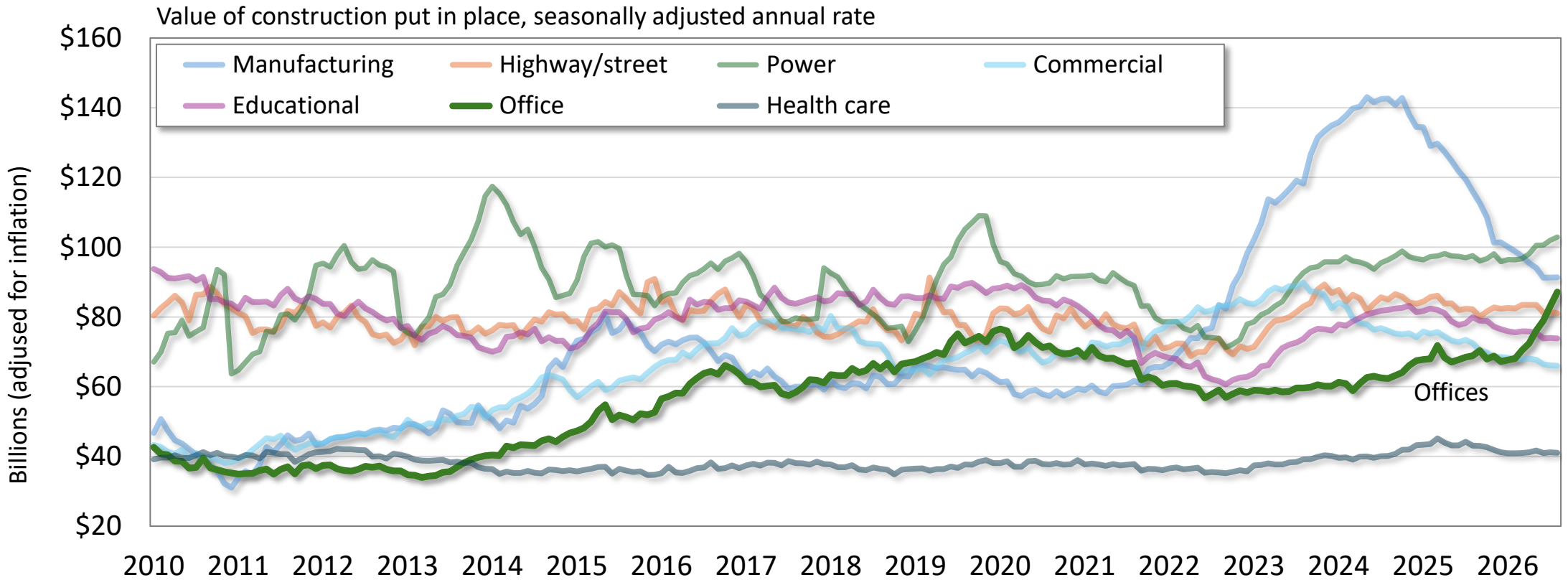


Source: Baker Hughes

5 Key Transportation Themes…

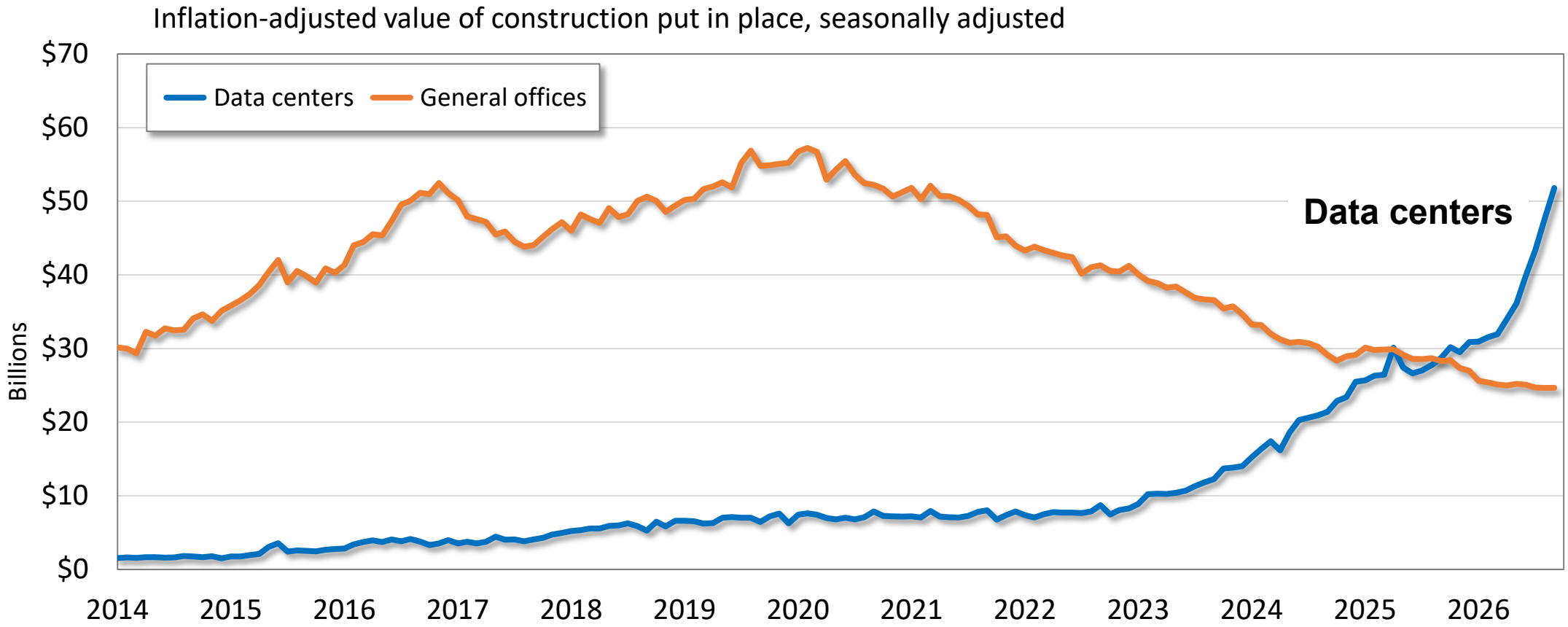
1. Diesel/Energy
2. **Data Centers**

Real nonresidential construction



Data is adjusted by the PPI for new nonresidential building construction

Real data center & general office construction

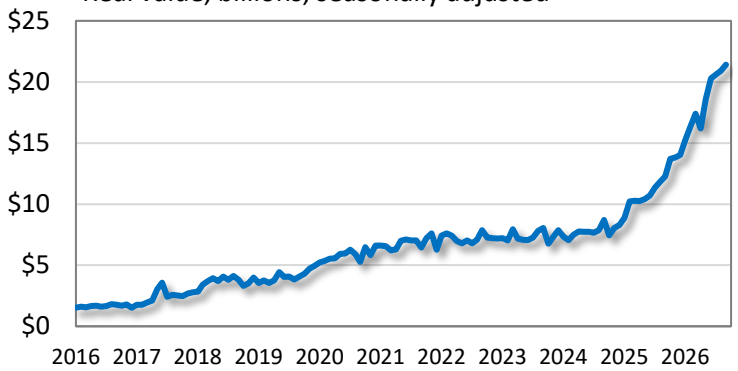


Data is adjusted by the PPI for new nonresidential building construction

U.S. investment in artificial intelligence

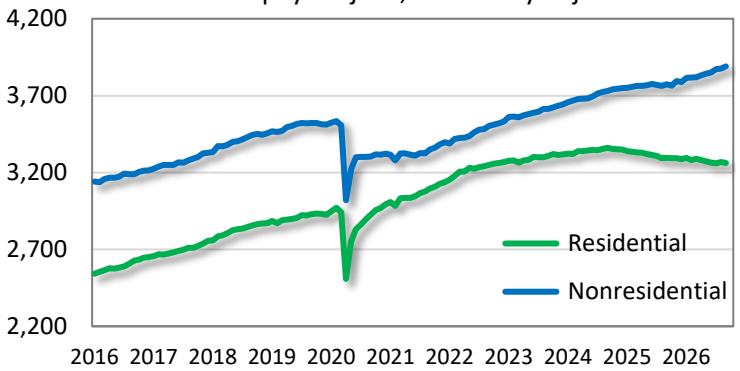
Data center construction

Real value, billions, seasonally adjusted



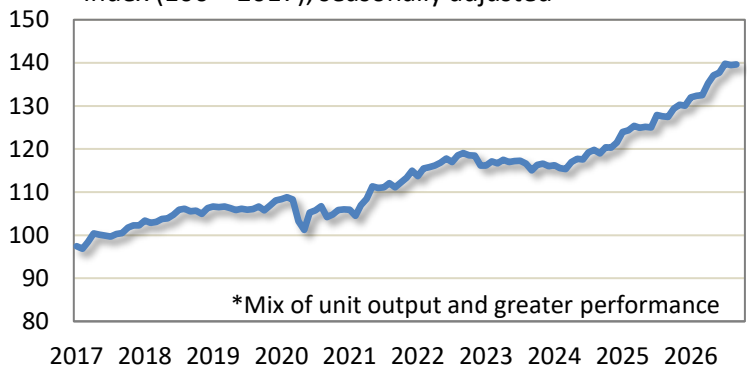
Construction employment

Thousands of payroll jobs, seasonally adjusted



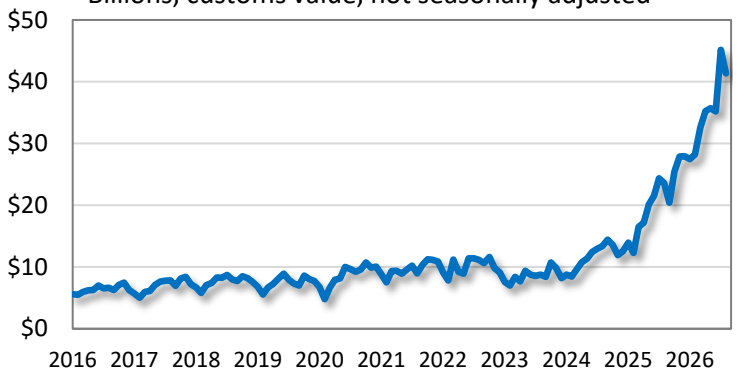
Computer & electronics output*

Index (100 = 2017), seasonally adjusted



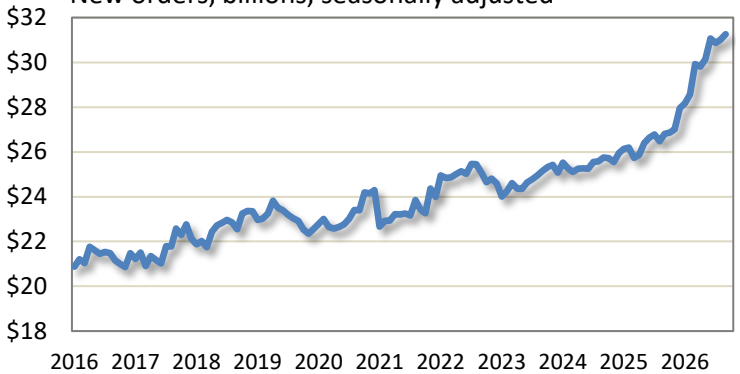
U.S. imports of computers

Billions, customs value, not seasonally adjusted



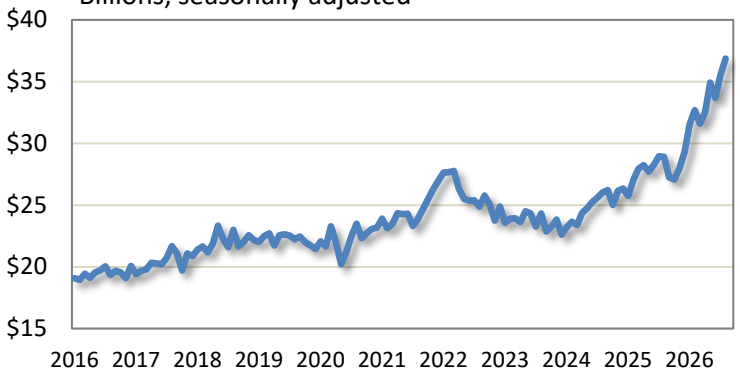
Computer & electronics orders

New orders, billions, seasonally adjusted



Comp./software wholesale sales

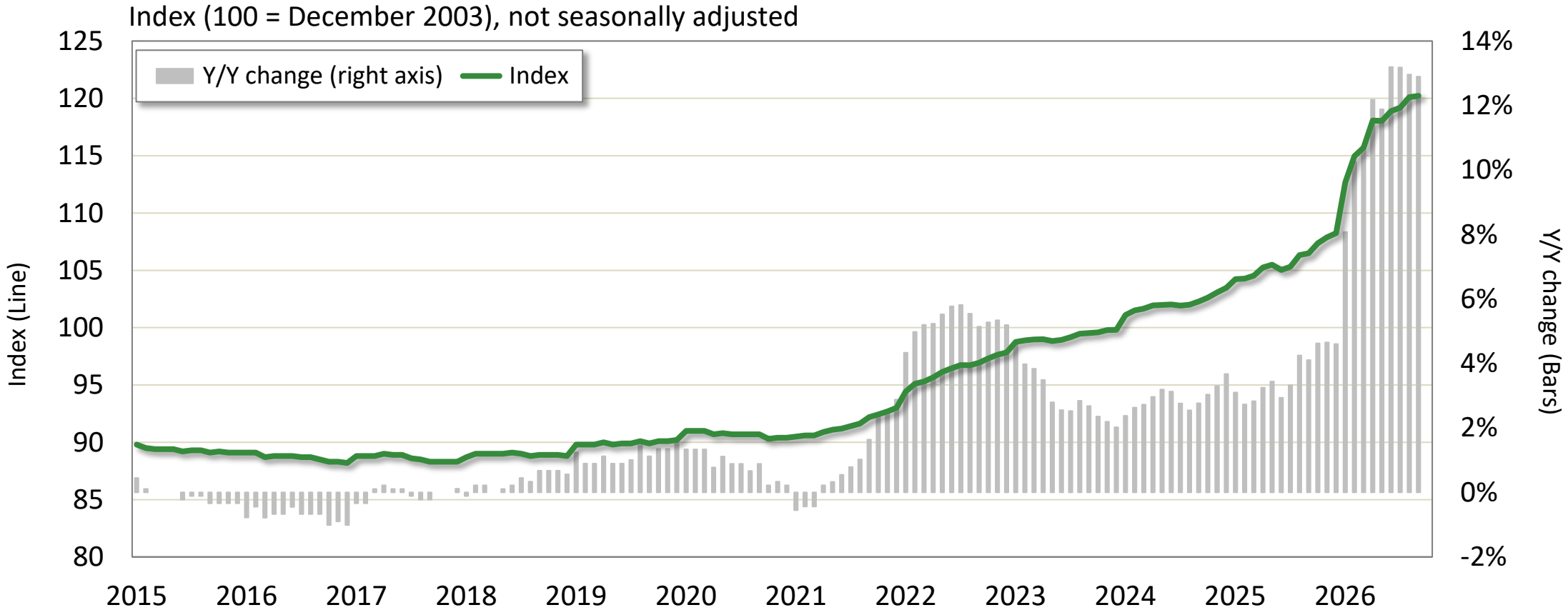
Billions, seasonally adjusted



FTR Transportation Intelligence

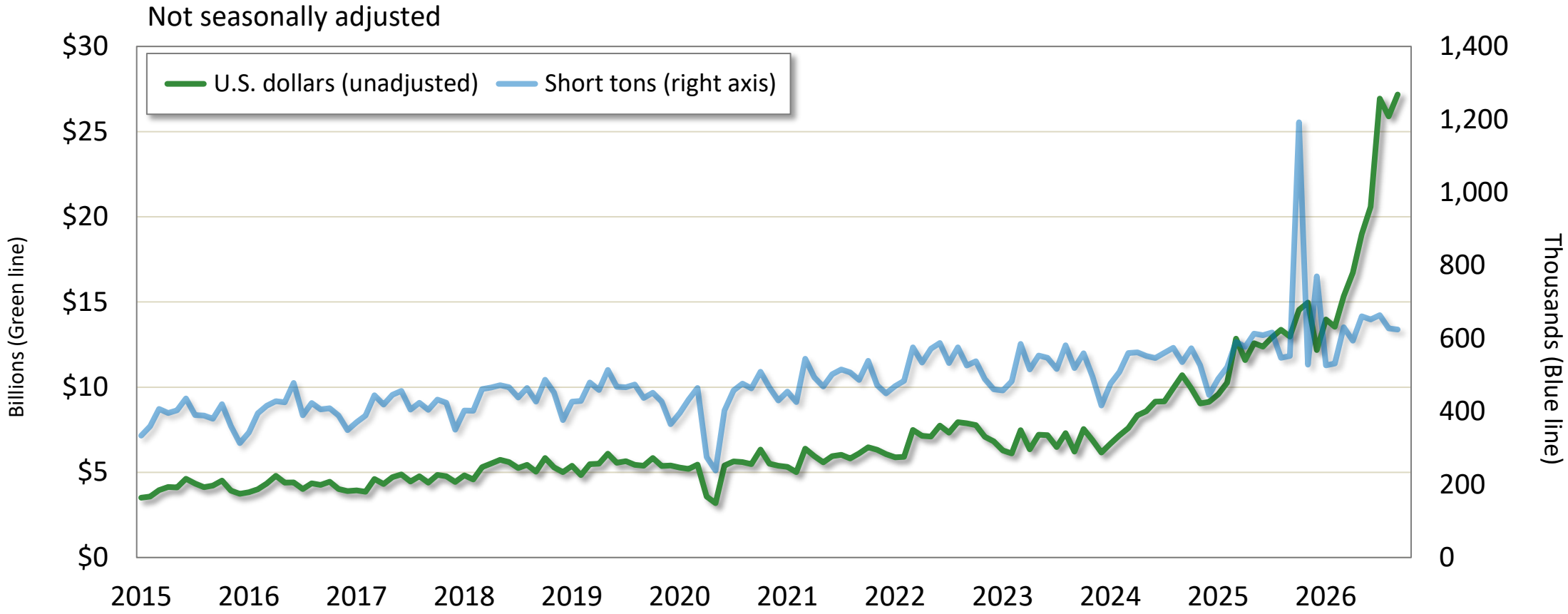
Source: Bureau of Economic Analysis
Forecast and analysis by FTR Transportation Intelligence and Witte Econometrics

Computers/electronic products PPI



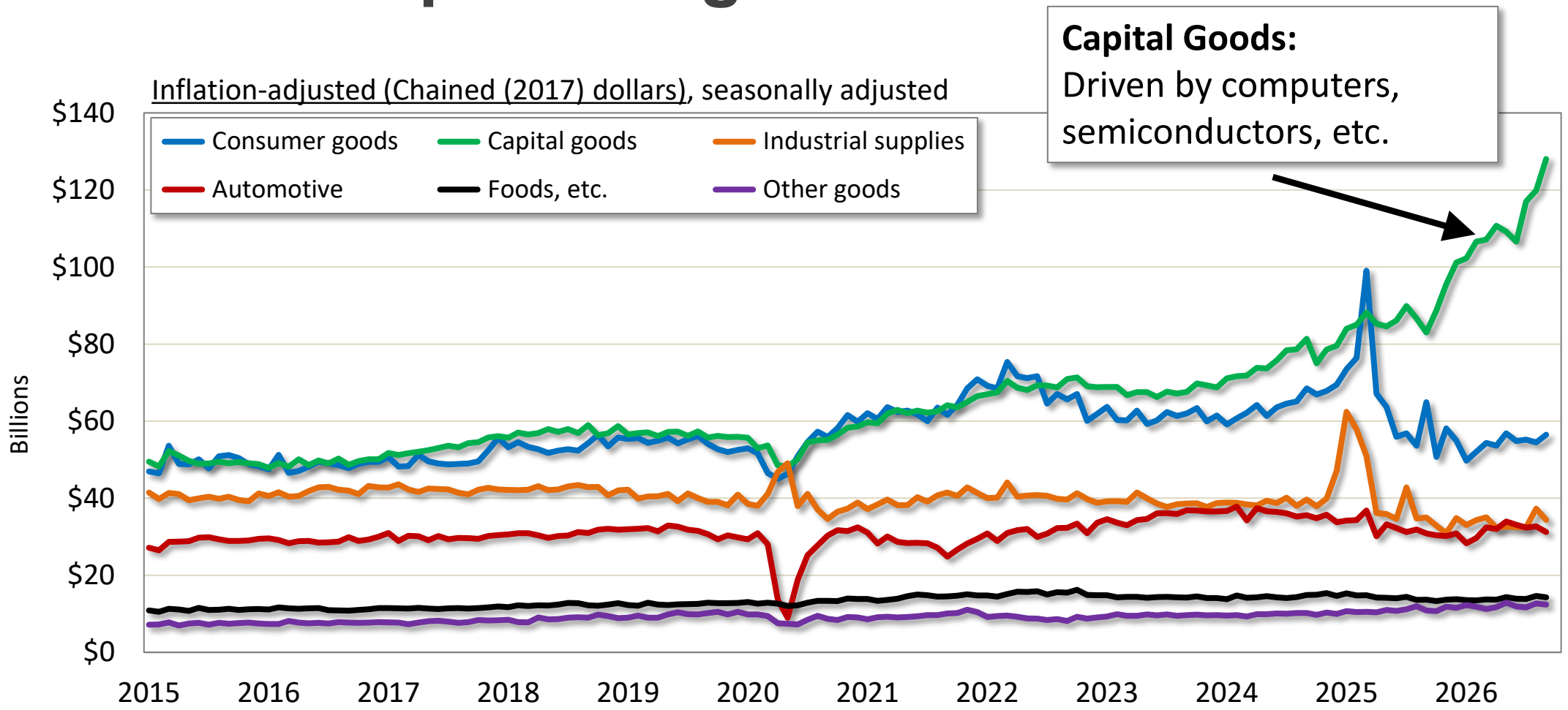
Source: Census Bureau
Analysis by FTR Transportation Intelligence

Computers-related imports from Mexico



Source: Bureau of Transportation Statistics
Analysis by FTR Transportation Intelligence

Real U.S. imports of goods



Source: Census Bureau
Analysis by FTR Transportation Intelligence

Energy buildout continues

Engine, turbine & power transmission output
Industrial production index (100 = 2017), seasonally adjusted

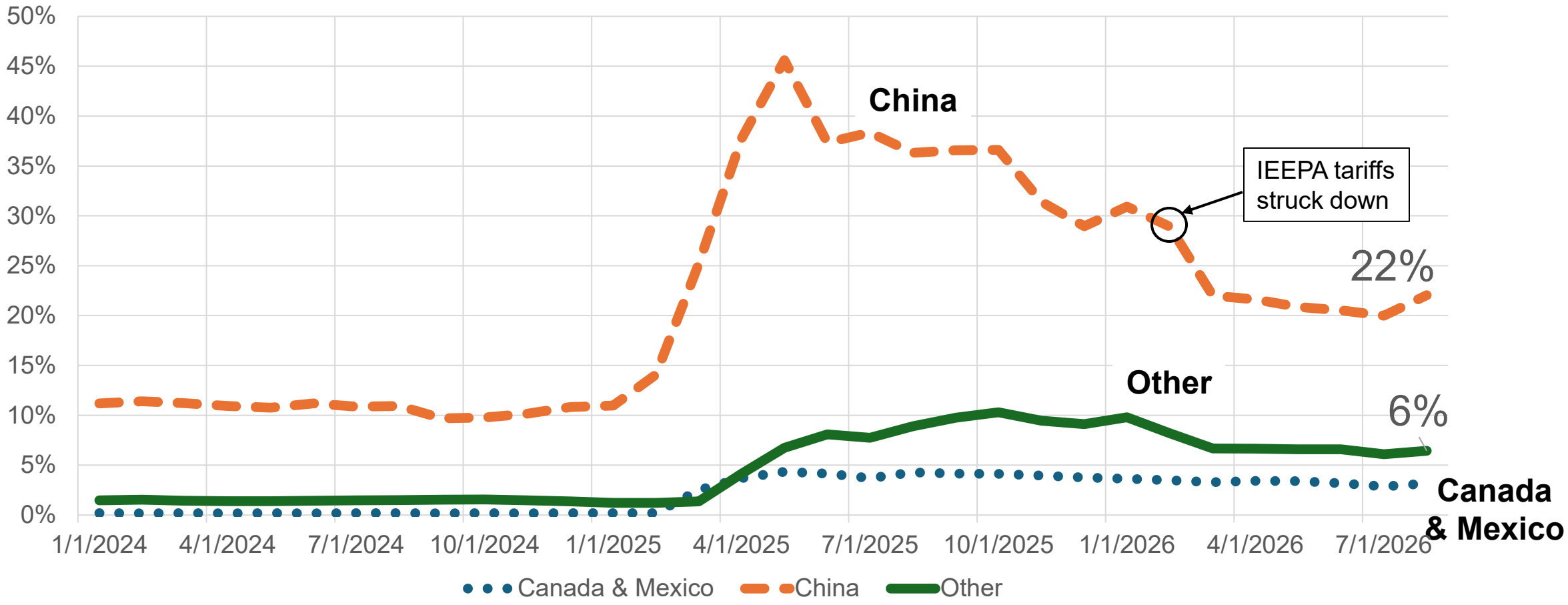


Source: Federal Reserve
Analysis by FTR Transportation Intelligence

5 Key Transportation Themes…

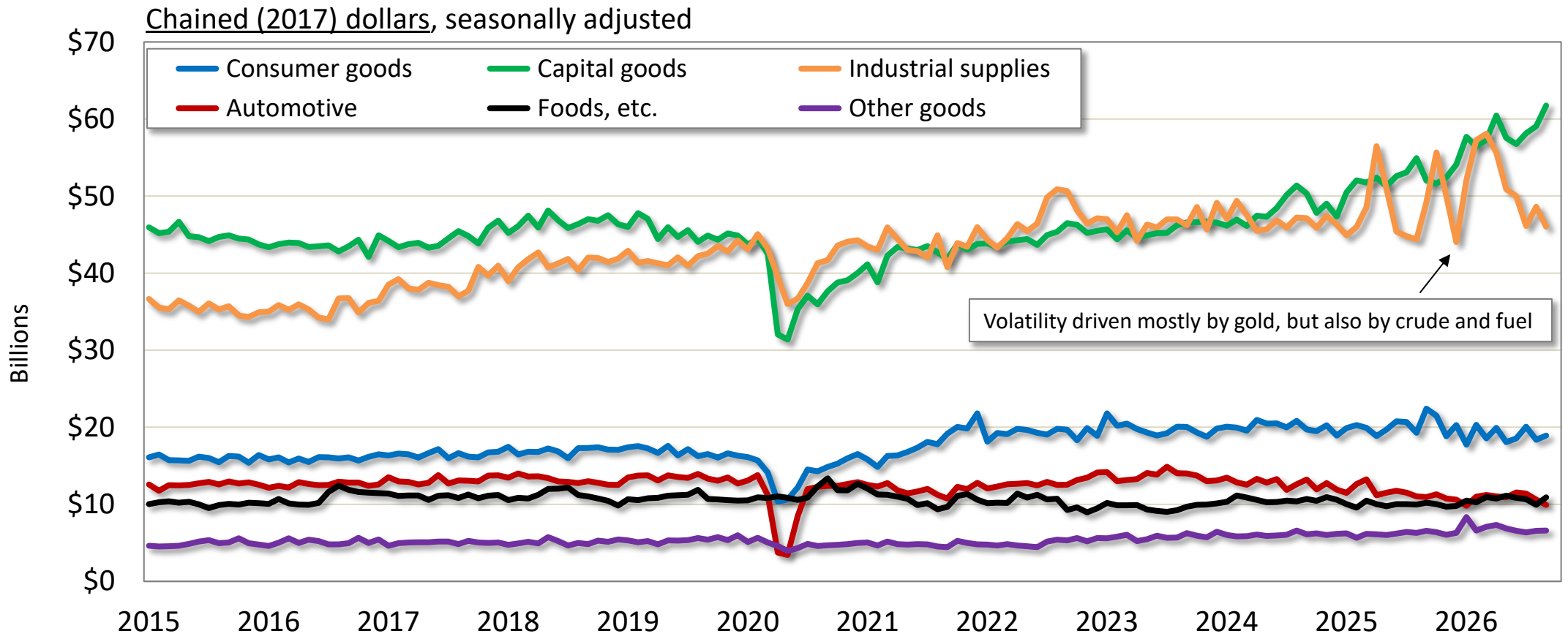
1. Diesel/Energy
2. Data Centers
3. **Regulatory/Tariffs**

Change in U.S effective tariff rates



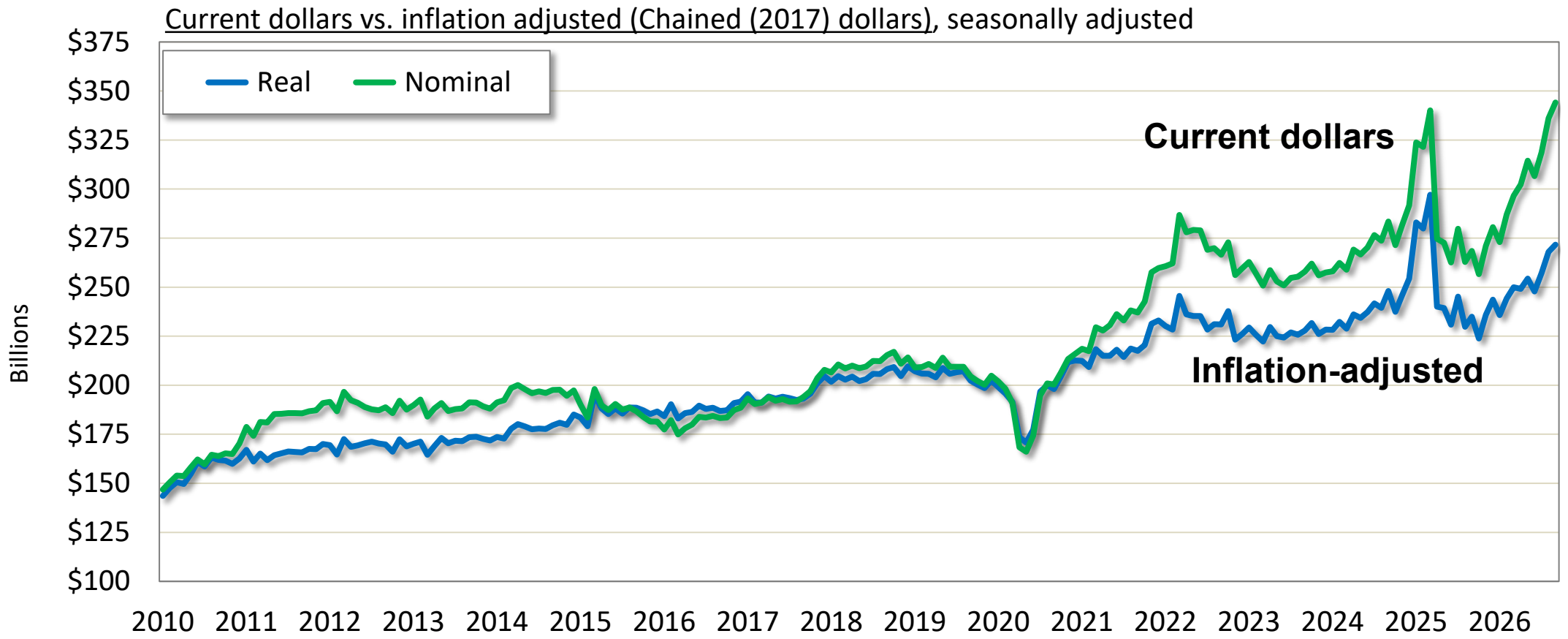
Source: U.S. Census Bureau
Analysis by FTR Transportation Intelligence

Real U.S. exports of goods



Source: Census Bureau
Analysis by FTR Transportation Intelligence

U.S. imports of goods – Nominal vs. real



Source: Census Bureau
Analysis by FTR Transportation Intelligence

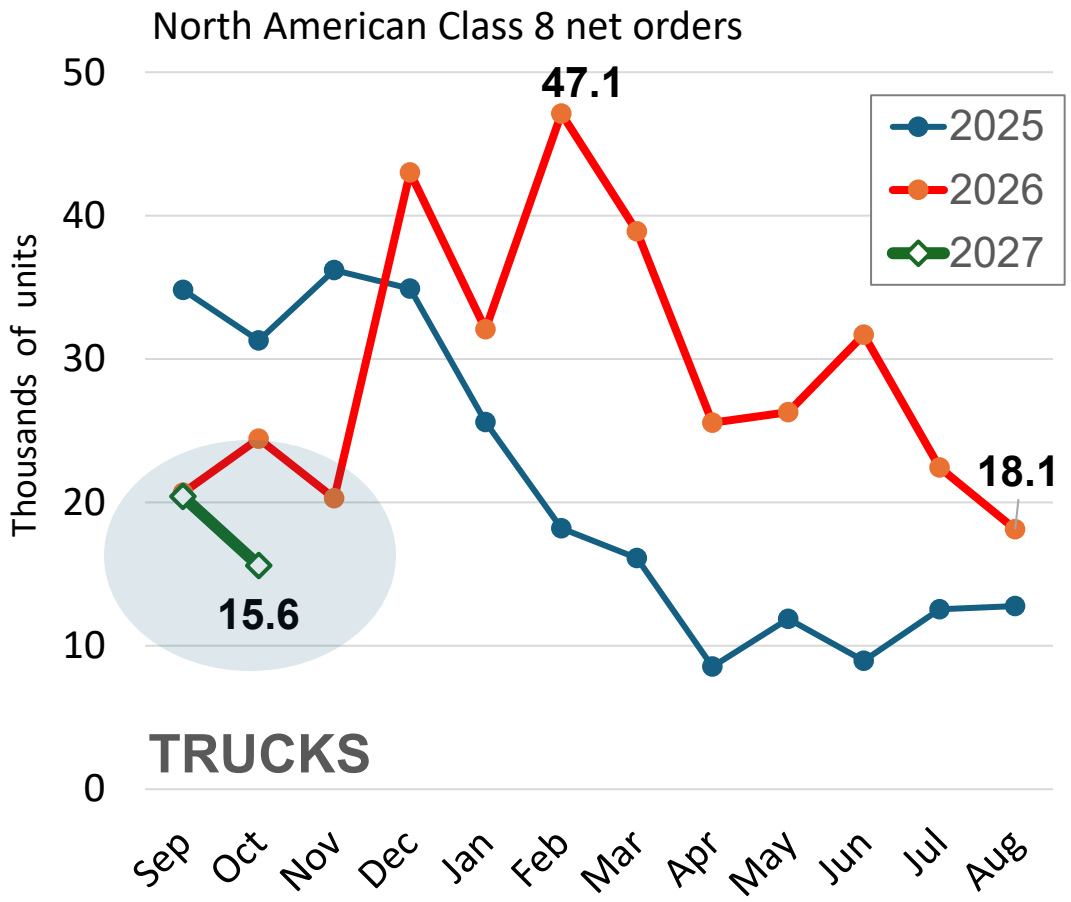
Regulatory/Tariffs

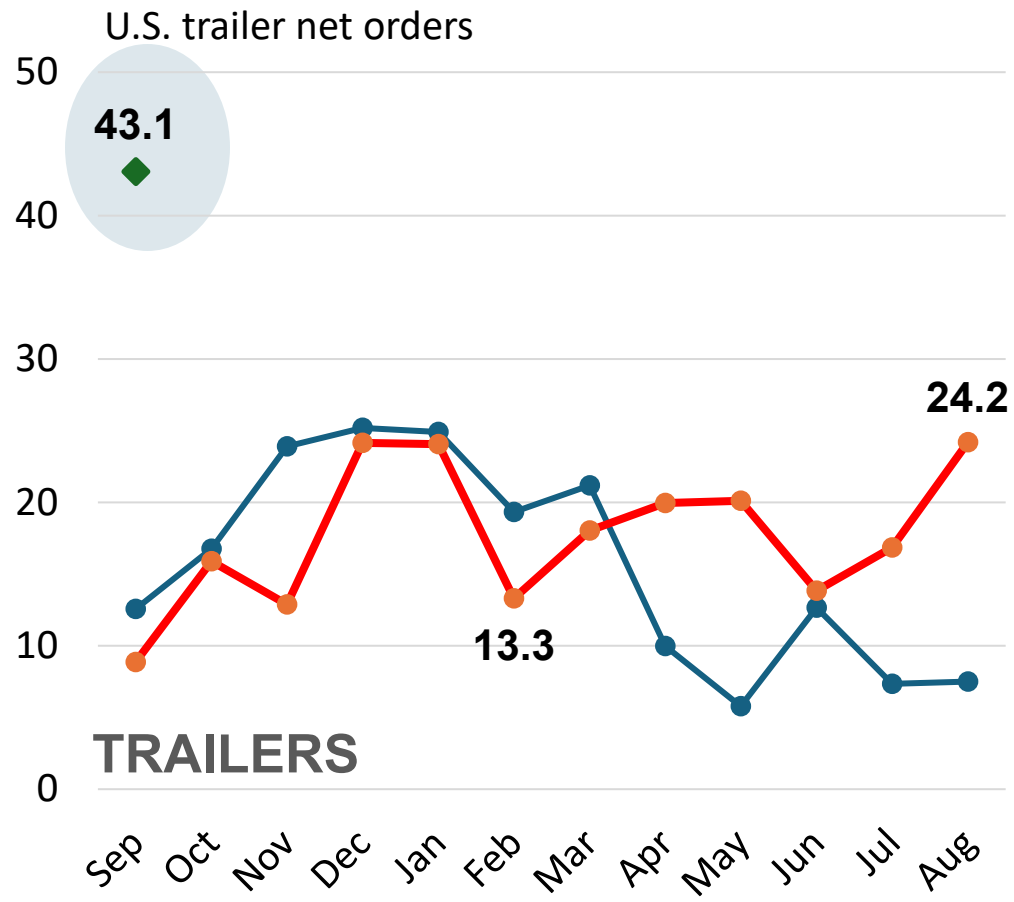
CV = Higher import costs, lower regulatory burden

- **Trucks/tractors & parts tariffs:** Section 232 tariff continues.
- **Steel & aluminum tariffs:** Too much to list...
- **Van-trailer U.S. antidumping and countervailing duty (AD/CVD):** Higher cost; too much to list…
- **EPA 2027 NOx:** EPA keeping regulation but allowing for nonconformance penalties (NCP) – Higher $ cost, distorting recent equipment demand.
- **GHG status:** Repealed in February 2026.
- **Rail Merger:** Major long-term implications for shippers.

Source: Online resources
Analysis by FTR Transportation Intelligence

Truck/trailer orders – impacted by EPA

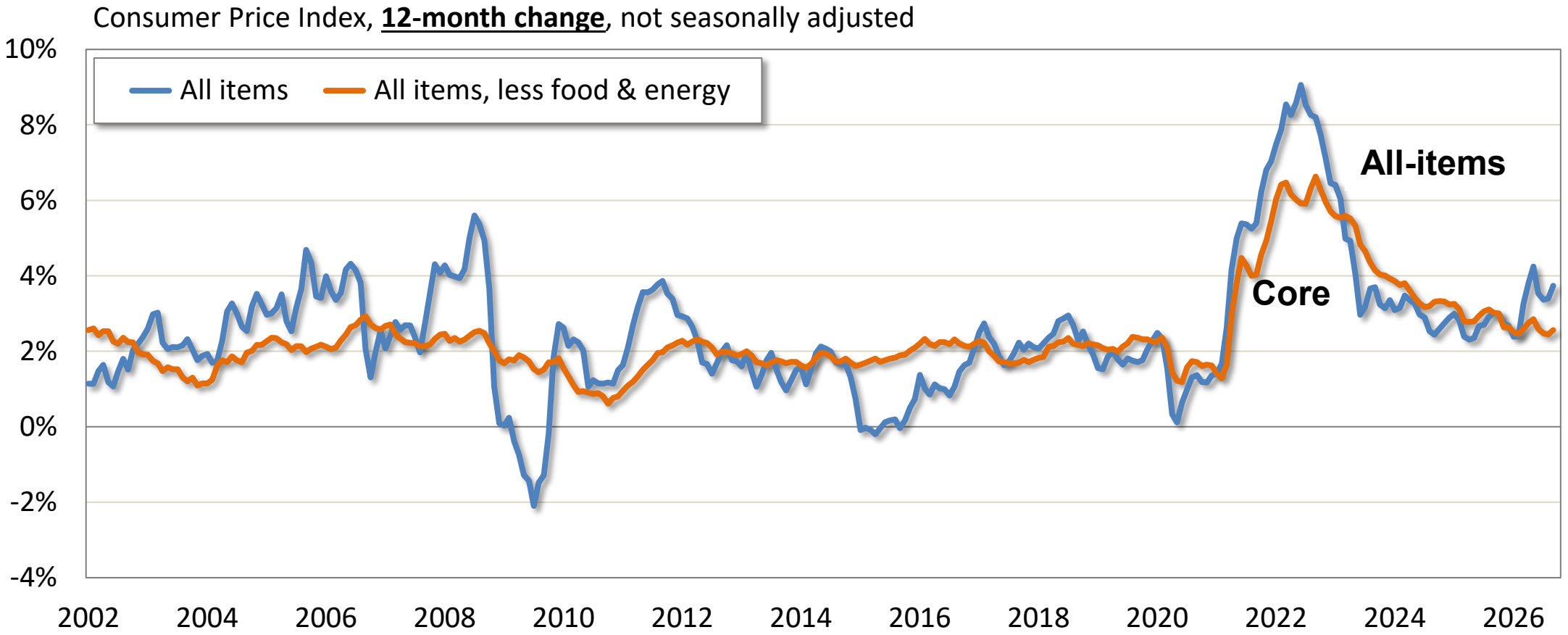




5 Key Transportation Themes…

1. Diesel/Energy
2. Data Centers
3. Regulatory/Tariffs
4. **Inflation**

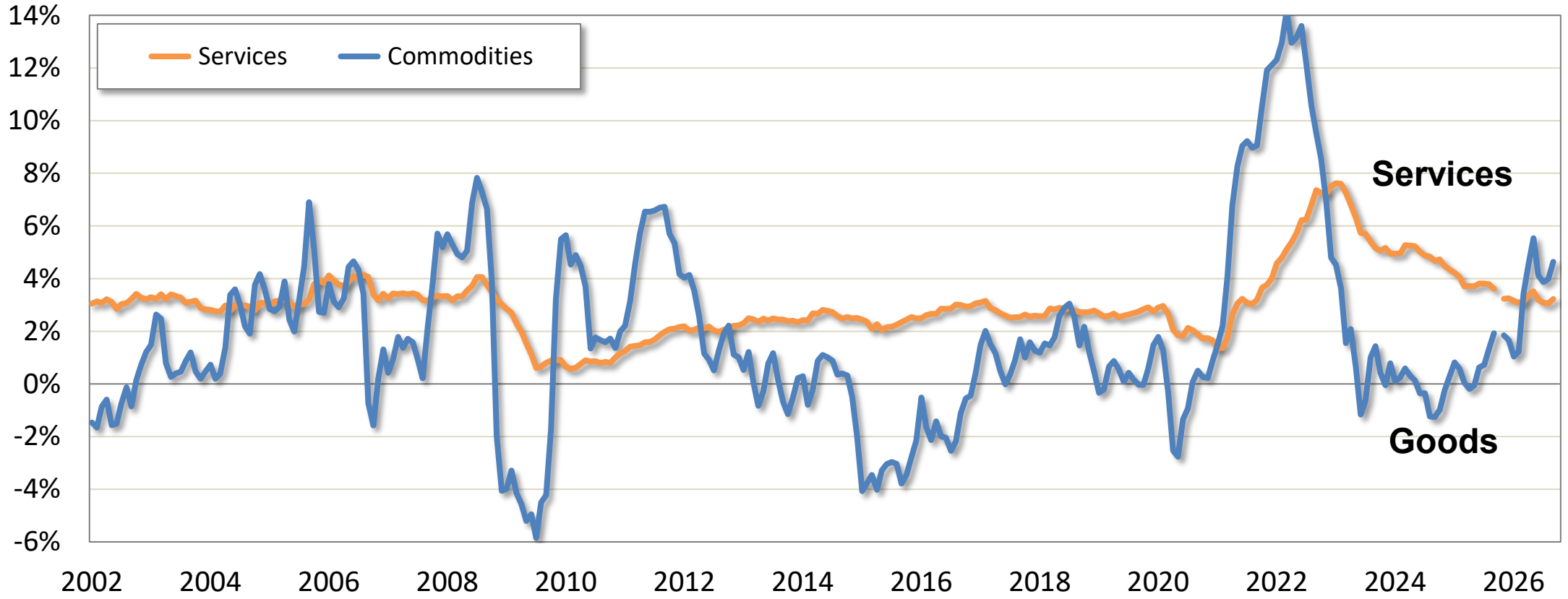
Consumer Price Index – All-items vs. core



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

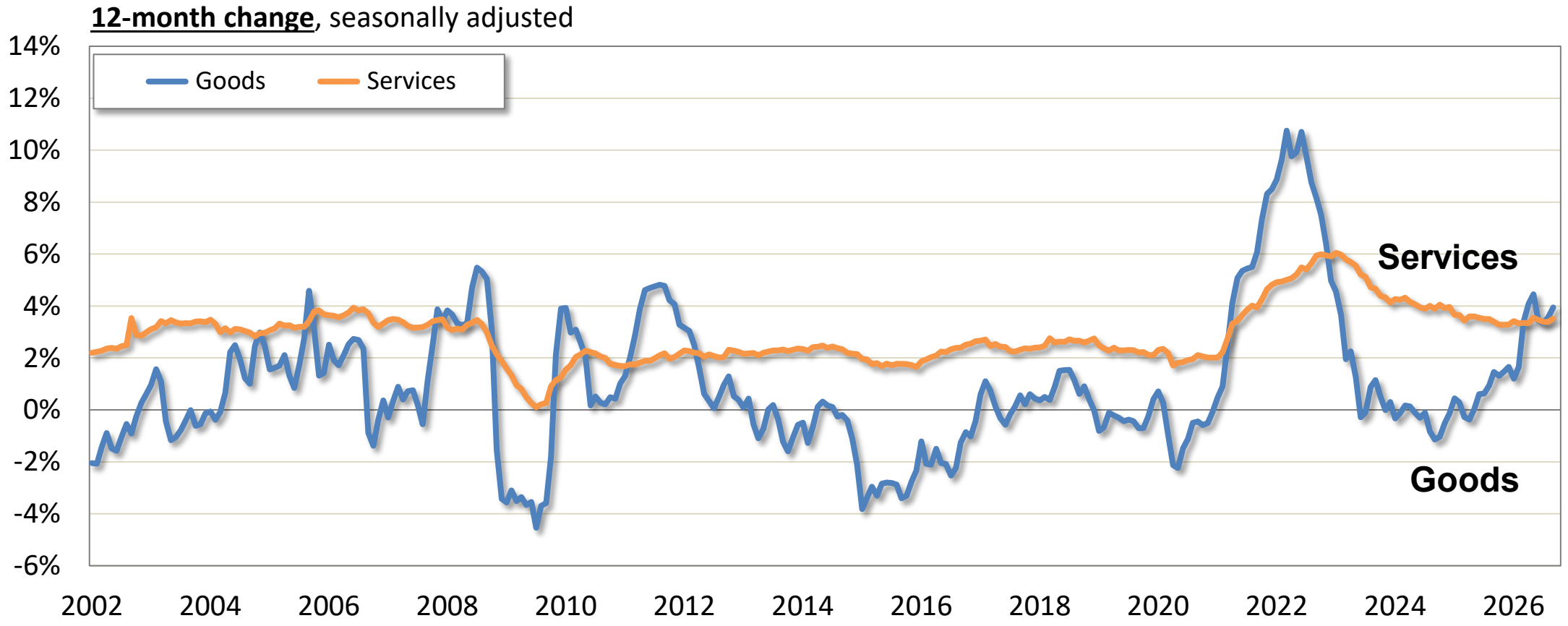
Consumer Price Index – Goods vs. services

Consumer Price Index, **12-month change**, not seasonally adjusted



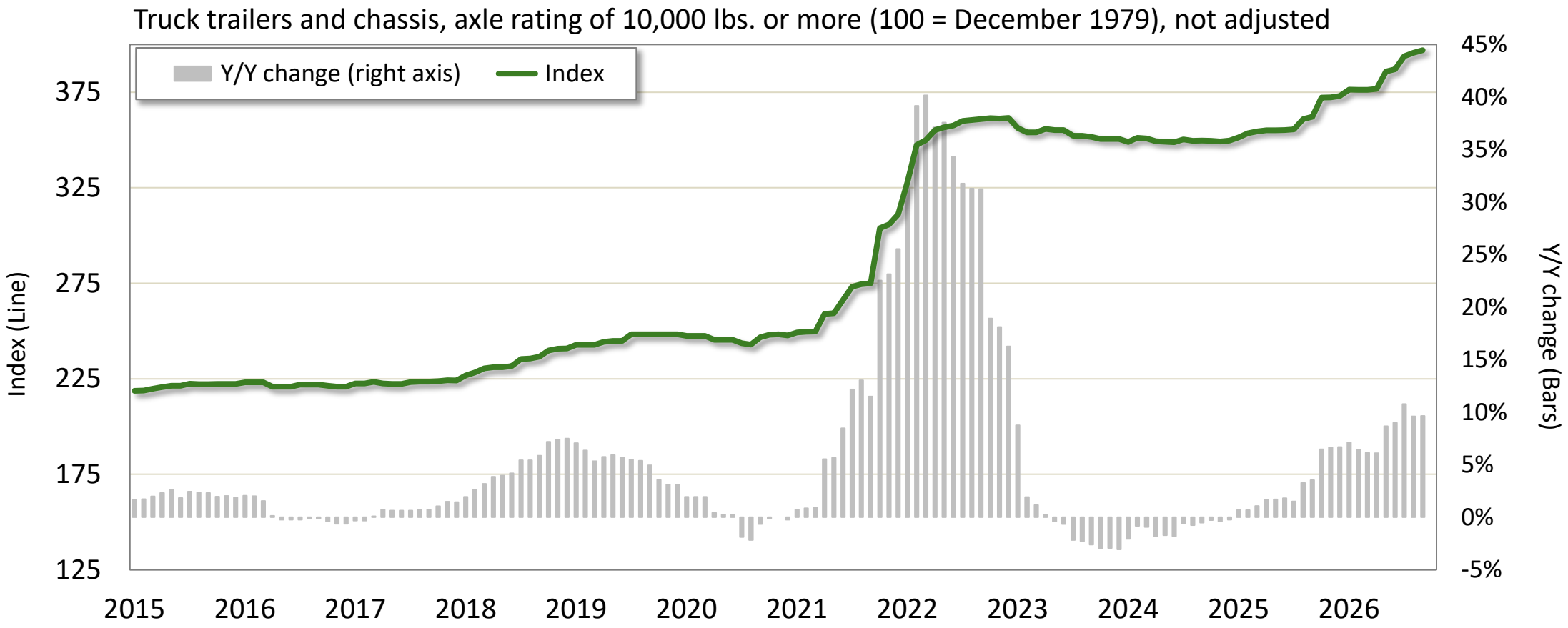
Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

PCE price index – Goods vs. services



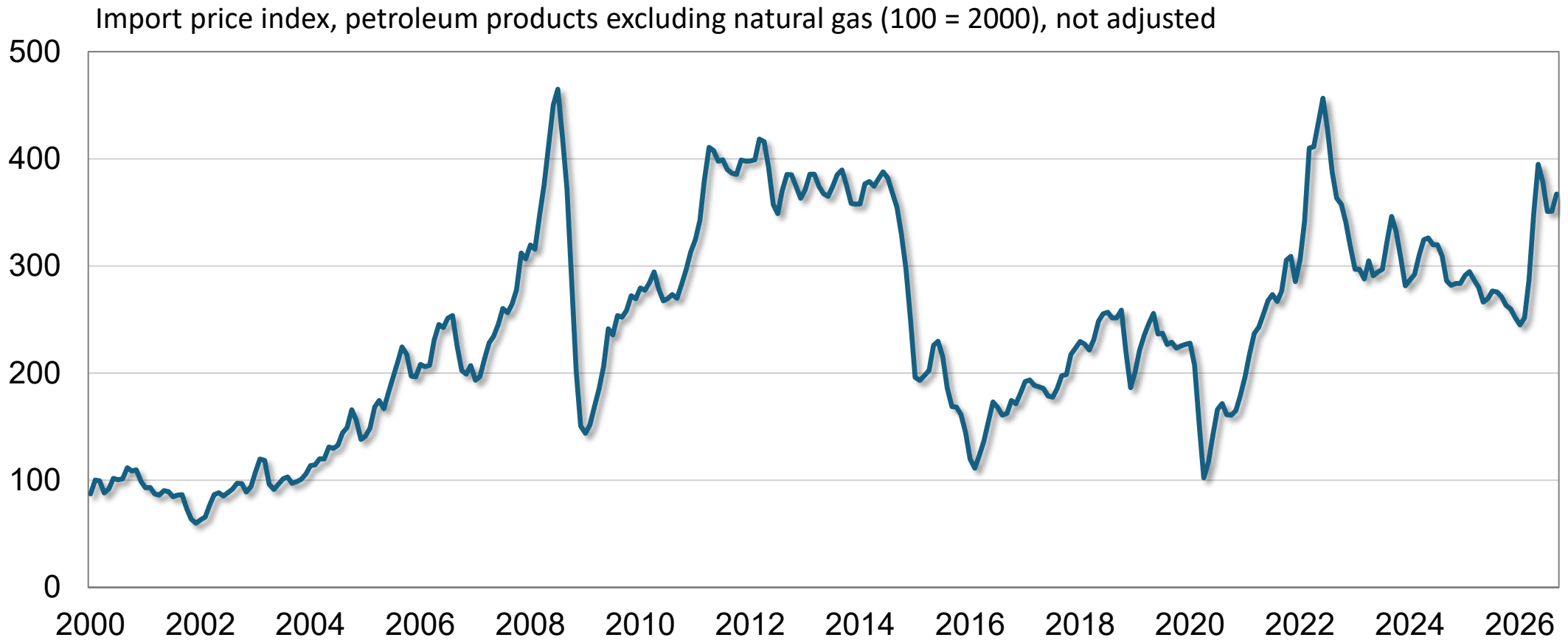
Source: Bureau of Economic Analysis
Analysis by FTR Transportation Intelligence

Truck trailers PPI



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

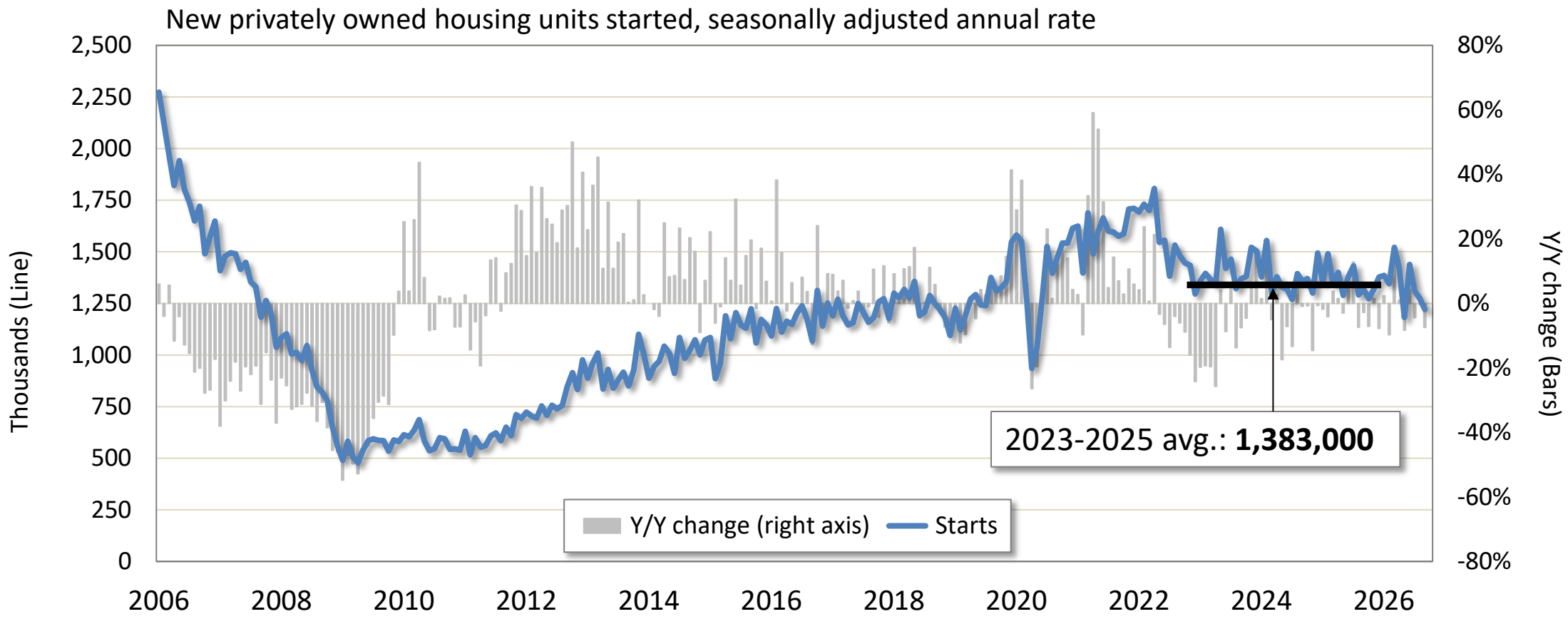
Import prices: petroleum products



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

Sidebar items

Housing starts

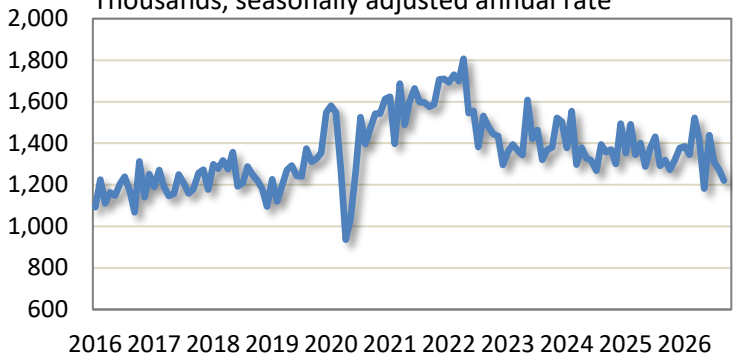


Source: Census Bureau
Analysis by FTR Transportation Intelligence

Housing metrics

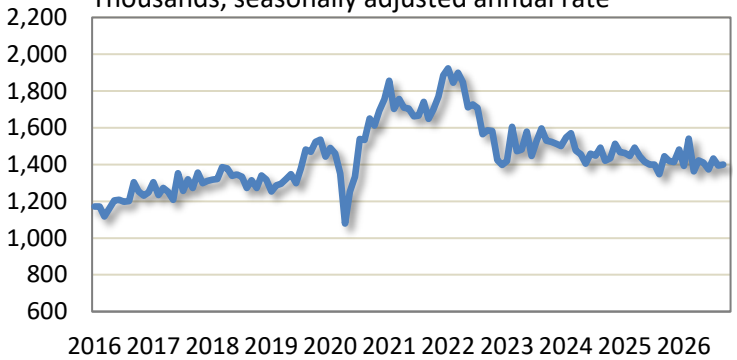
Housing starts

Thousands, seasonally adjusted annual rate



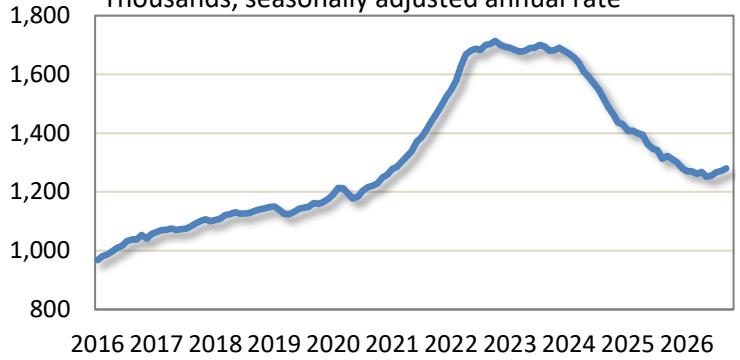
Housing permits

Thousands, seasonally adjusted annual rate



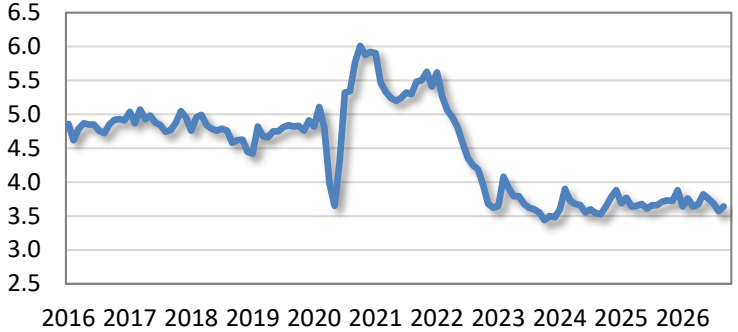
Homes under construction

Thousands, seasonally adjusted annual rate



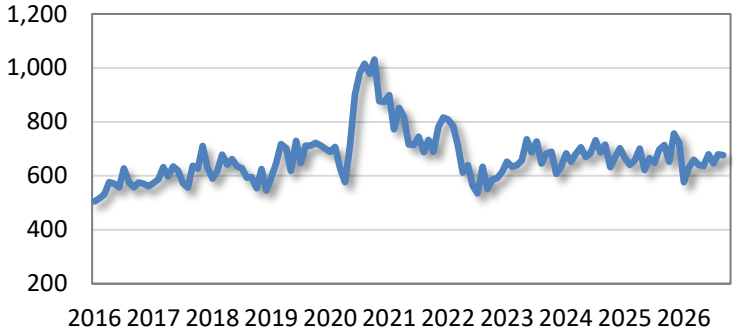
Existing single-family home sales

Millions, seasonally adjusted annual rate



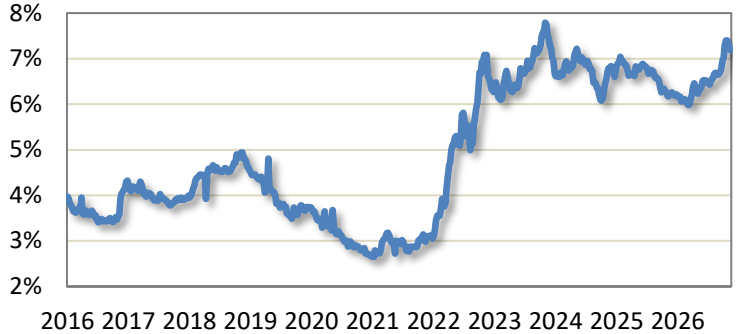
New single-family home sales

Thousands, seasonally adjusted annual rate



Mortgage rates

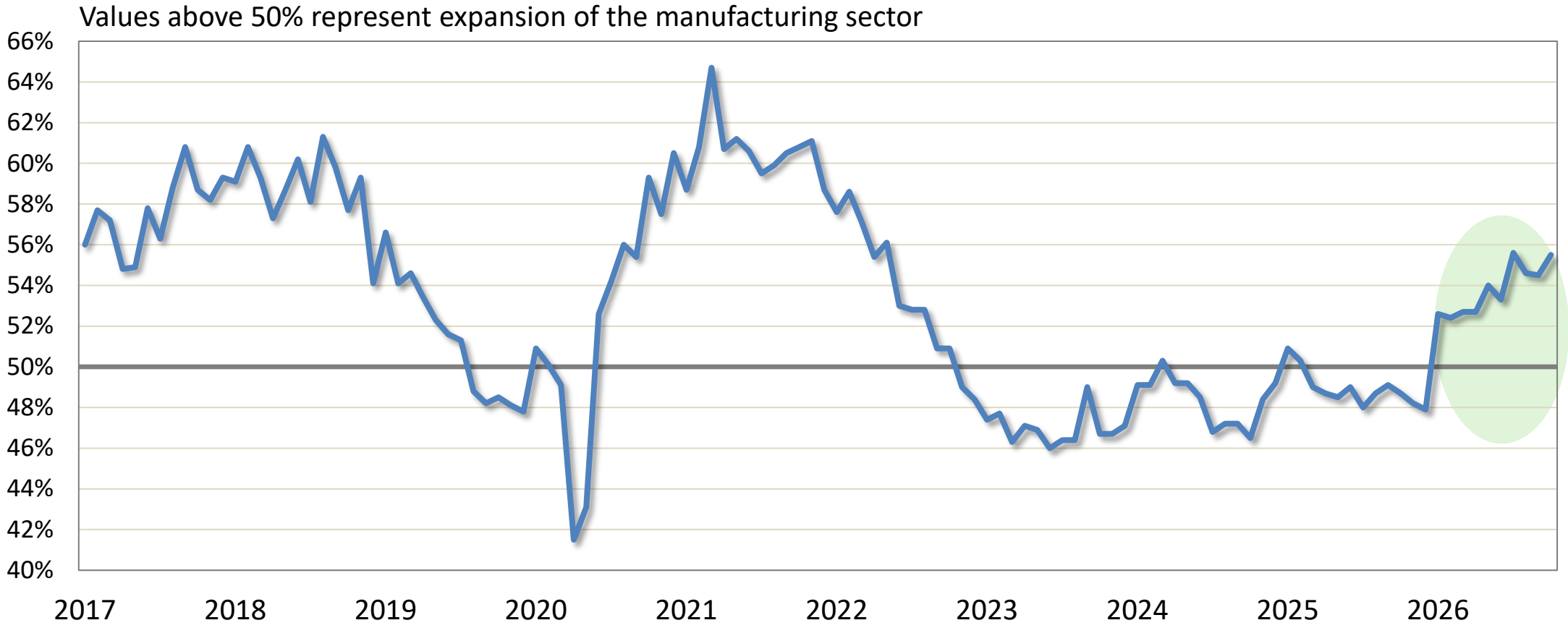
30-year fixed-rate mortgage average in the U.S.



FTR Transportation Intelligence

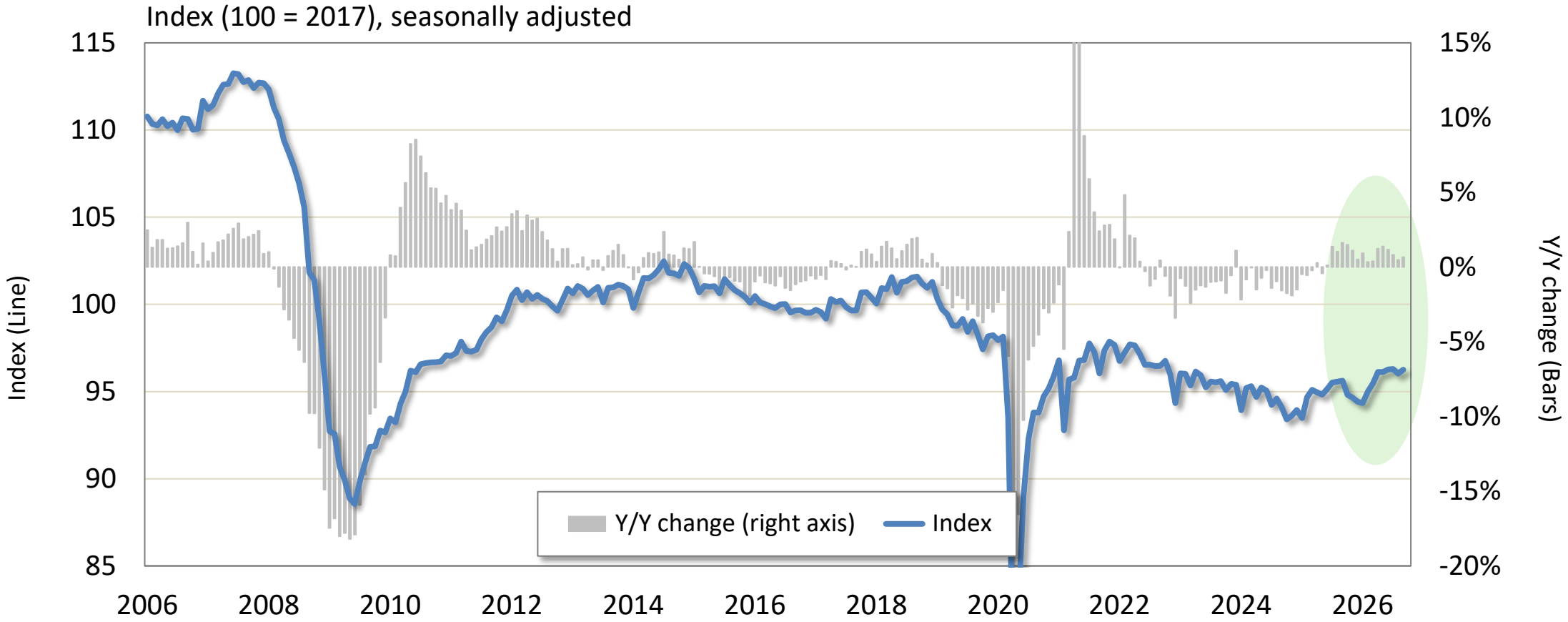
Source: Census Bureau, National Association of Realtors, Freddie Mac
Analysis by FTR Transportation Intelligence

ISM Manufacturing PMI



Source: Institute for Supply Management
Analysis by FTR Transportation Intelligence

Manufacturing output (excluding high-tech)

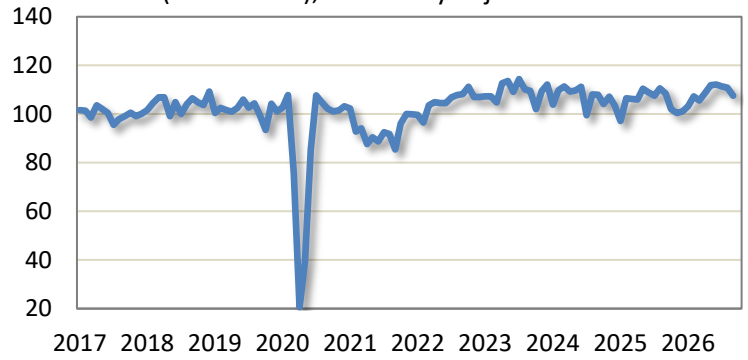


Source: Federal Reserve
Analysis by FTR Transportation Intelligence

Output for selected manufacturing sectors

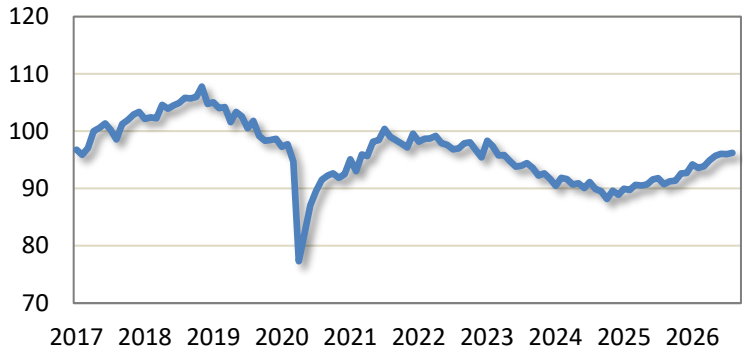
Motor vehicle and parts output

Index (100 = 2017), seasonally adjusted



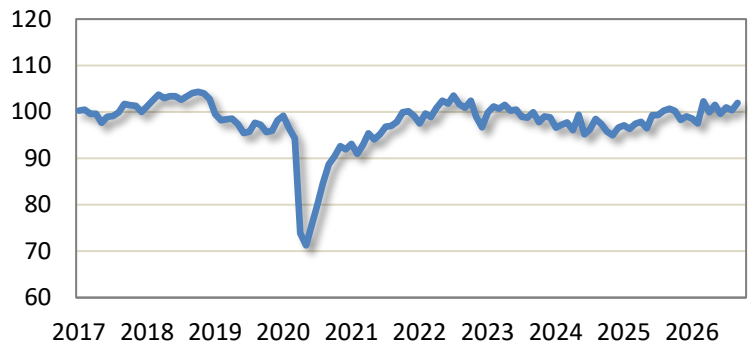
Machinery output

Index (100 = 2017), seasonally adjusted



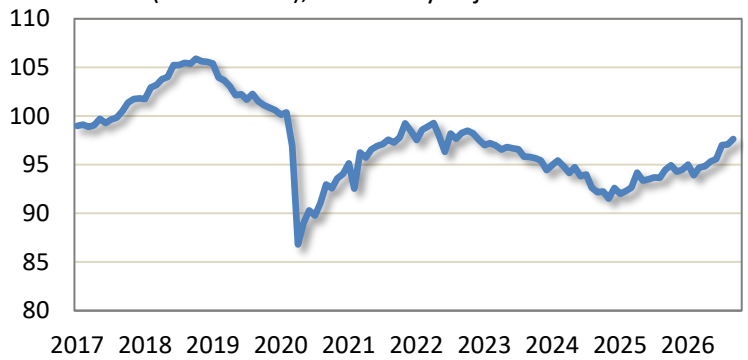
Primary metals output

Index (100 = 2017), seasonally adjusted



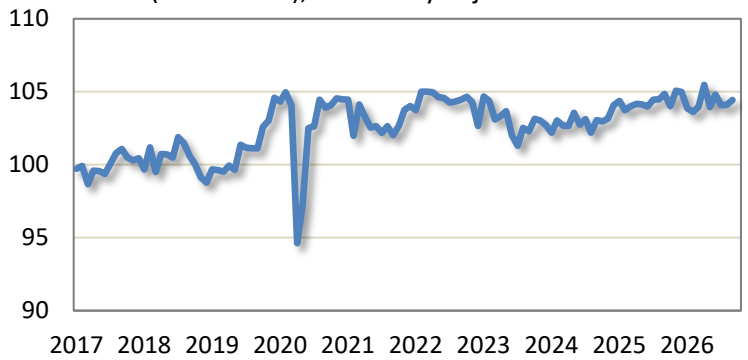
Fabricated metals output

Index (100 = 2017), seasonally adjusted



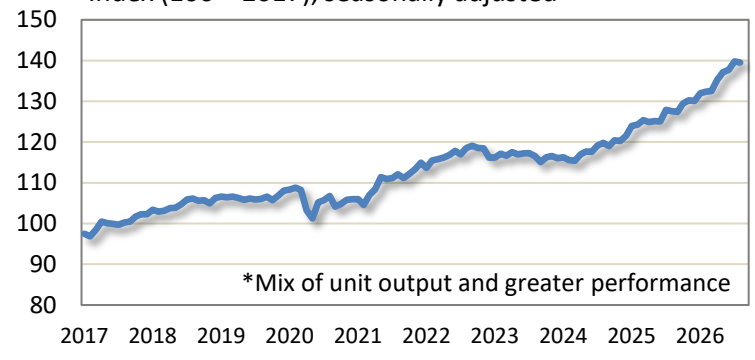
Food manufacturing output

Index (100 = 2017), seasonally adjusted



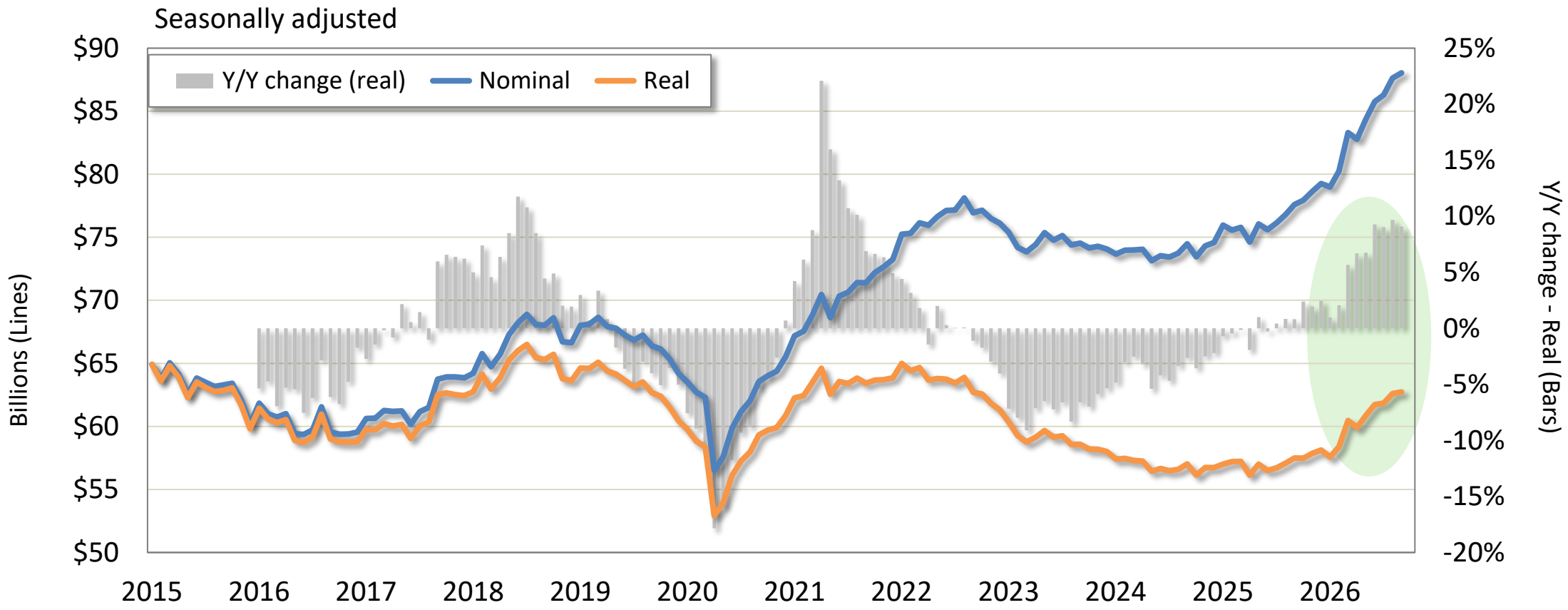
Computer & electronics output*

Index (100 = 2017), seasonally adjusted



Source: Census Bureau, National Association of Realtors, Freddie Mac
Analysis by FTR Transportation Intelligence

New orders for core capital goods



Real orders reflect adjustment by the Producer Price Index for private capital equipment

Retail inventories-to-sales ratio (excluding Auto)



Source: Census Bureau
Analysis by FTR Transportation Intelligence

5 Key Transportation Themes…

1. Diesel/Energy
2. Data Centers
3. Regulatory/Tariffs
4. Inflation
5. **Risks**

Source: FTR Freight•cast™

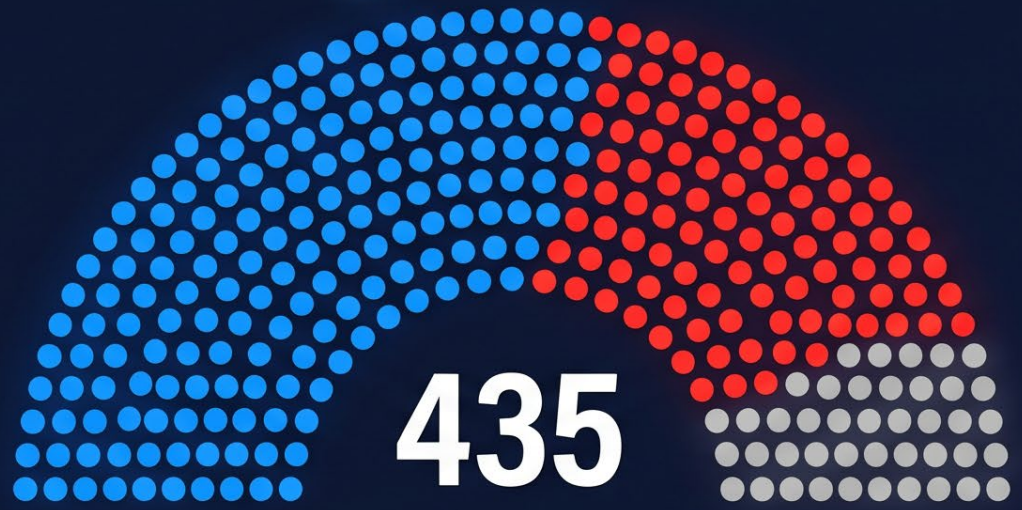
Risks

1. Election results
2. Geopolitical
3. Trade
4. Inflation
5. ???

2026 CONGRESSIONAL BALANCE OF POWER

LATEST PROJECTION AS OF NOVEMBER 5, 2026

HOUSE

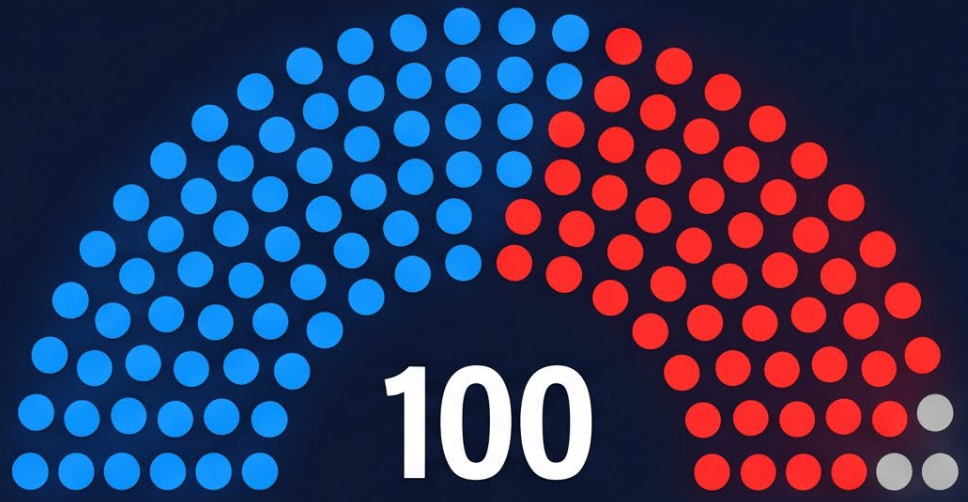


DEMOCRATS	REPUBLICANS
233	138

64 UNCALLED / TBD

218 FOR MAJORITY

SENATE



DEMOCRATIC CAUCUS	REPUBLICANS
54	44

2 UNCALLED

51 FOR MAJORITY

Source: Projected totals based on media reports as of November 5, 2026.

Election: Texas statewide results

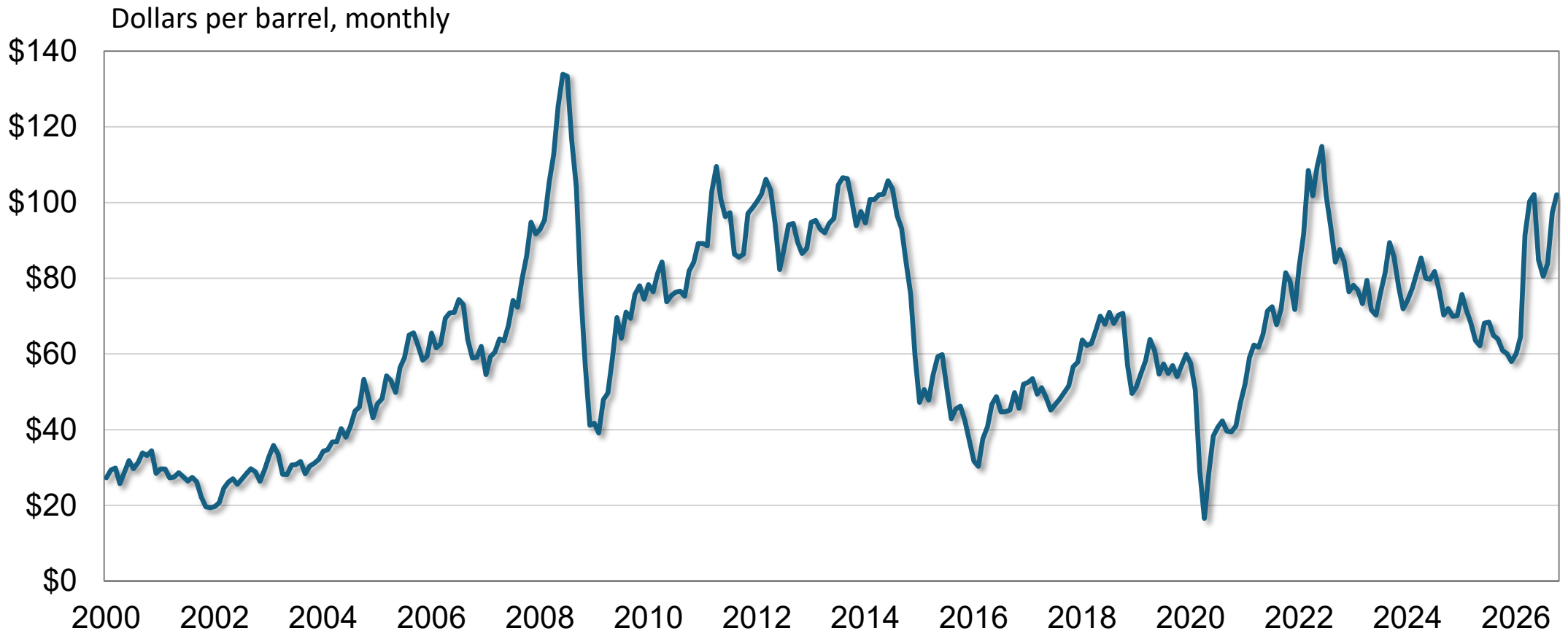
Race (Incumbent)	**Winner**
• U.S. Senate (R)	→ Democrat
• Governor (R)	→ Democrat
• Lt Governor (R)	→ Democrat
• Attorney General (R)	→ Democrat
• Comptroller (R)	→ Democrat
• Land Commissioner (R)	→ Democrat
• Ag Commissioner (R)	→ Democrat
• RR Commissioner (R)	→ Democrat
• Board of Education (R)	→ Democrat +5 (11-4 > 8-8)
• Judicial (R)	→ Democrat +7 (18-0 > 11-7)

Impacts?

- Data Center
- Energy
- Housing
- Oversight
- Border
- …

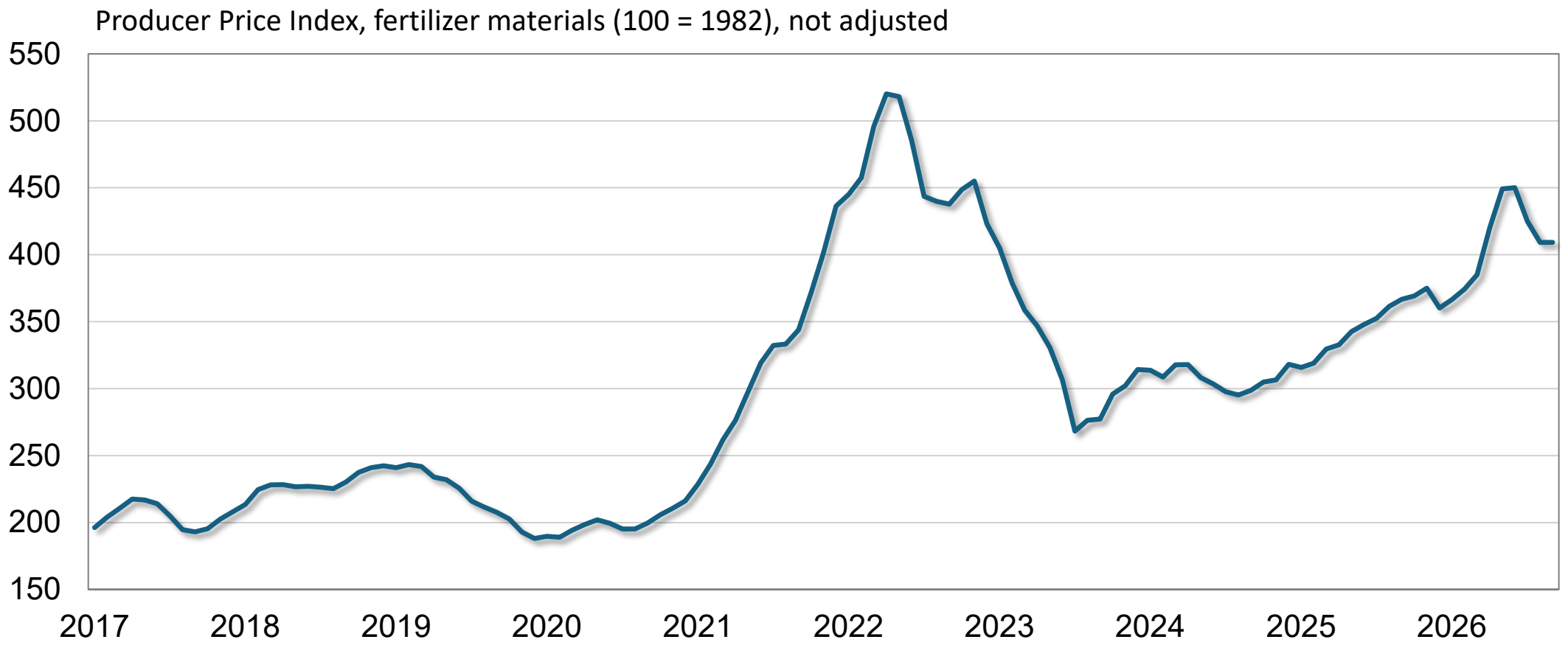
Source: Texas Secretary of State

Geopolitics: WTI crude oil spot price



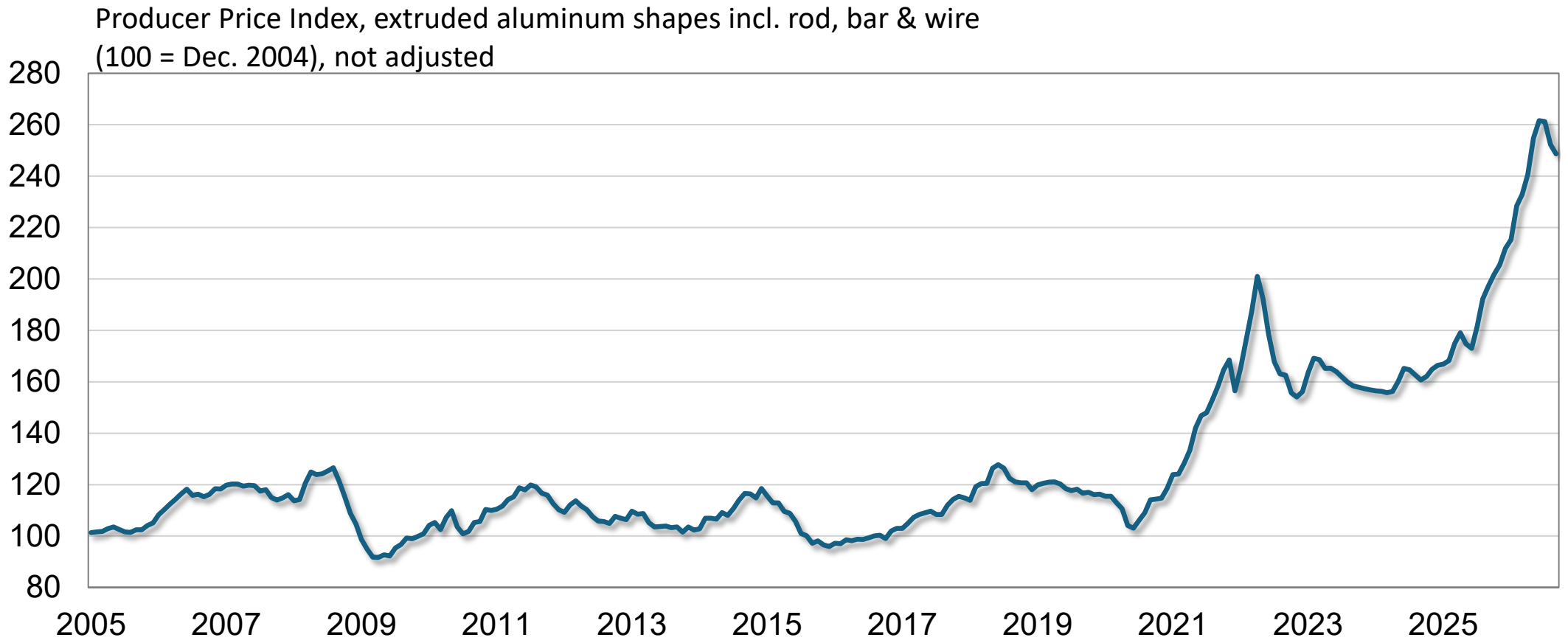
Source: Federal Reserve Bank of St. Louis
Analysis by FTR Transportation Intelligence

Geopolitics: Fertilizer materials PPI



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

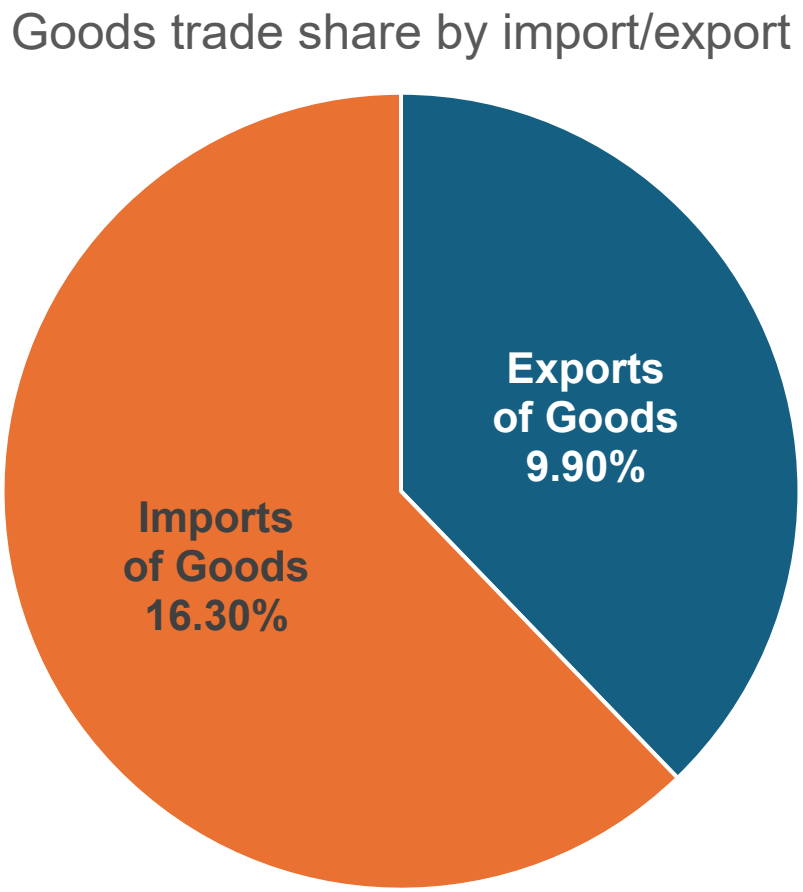
Geopolitics: Extruded aluminum shapes PPI



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

Trade matters





Source: BEA, FTR
Analysis by FTR Transportation Intelligence

Transborder trade impacts

EXPORT

5 Top 10 commodities by truck tons

Sep 2025 – Aug 2026, change vs the 12 months before

#	Commodity	Tons	Chg	Loaded trucks	Chg	Share
1	39 Plastics	13,625,027	+6.6%	1,361,641	+6.7%	10.7%
2	27 Energy Products (Oil, Gas & Coal)	12,229,270	-11.7%	597,350	-11.2%	9.6%
3	25 Salt, Stone & Cement	7,724,624	-5.3%	366,630	-5.0%	6.1%
4	72 Iron & Steel	7,544,238	+10.6%	433,264	+11.0%	5.9%
5	48 Paper & Paperboard	7,332,904	+4.6%	775,535	+5.9%	5.8%
6	87 Motor Vehicles & Parts	7,160,716	+8.1%	570,217	+10.6%	5.6%
7	73 Iron & Steel Articles	6,297,942	-4.2%	567,827	-5.0%	5.0%
8	84 Machinery & Computers	5,165,043	+7.7%	506,851	+6.6%	4.1%
9	85 Electrical Machinery & Electronics	4,347,593	+7.4%	903,778	+9.8%	3.4%
10	10 Grain (excl. Oilseeds)	3,826,667	-34.9%	190,142	-34.9%	3.0%
	Top 10	**75,254,024**	-1.7%	**6,273,235**	+1.8%	**59.2%**
	All	**127,146,469**	-0.9%	**10,017,445**	+1.2%	**100.0%**

Source: FTR Transborder Freight Model, from BTS TransBorder Freight Data. Short tons; loads = loaded trucks.

FTR Transportation Intelligence.

IMPORT

5 Top 10 commodities by truck tons

Sep 2025 – Aug 2026, change vs the 12 months before

#	Commodity	Tons	Chg	Loaded trucks	Chg	Share
1	87 Motor Vehicles & Parts	11,266,227	-5.4%	881,243	-5.0%	9.1%
2	07 Vegetables	9,974,318	-1.0%	342,771	-2.7%	8.0%
3	84 Machinery & Computers	8,872,221	+19.6%	858,153	+16.7%	7.1%
4	25 Salt, Stone & Cement	8,742,638	+21.1%	410,890	+20.3%	7.0%
5	44 Wood & Lumber	7,357,154	-8.5%	467,568	-11.1%	5.9%
6	85 Electrical Machinery & Electronics	5,770,785	+7.6%	1,185,217	+8.6%	4.6%
7	08 Fruit & Nuts	5,673,592	+3.6%	255,624	+2.0%	4.6%
8	39 Plastics	5,453,919	+8.9%	526,058	+5.7%	4.4%
9	48 Paper & Paperboard	5,138,452	+1.3%	518,518	-1.6%	4.1%
10	22 Beverages	4,058,668	-8.1%	288,674	-9.8%	3.3%
	Top 10	**72,307,974**	+3.3%	**5,734,716**	+3.0%	**58.2%**
	All	**124,257,249**	-0.3%	**9,661,549**	-0.9%	**100.0%**

Source: FTR Transborder Freight Model, from BTS TransBorder Freight Data. Short tons; loads = loaded trucks.

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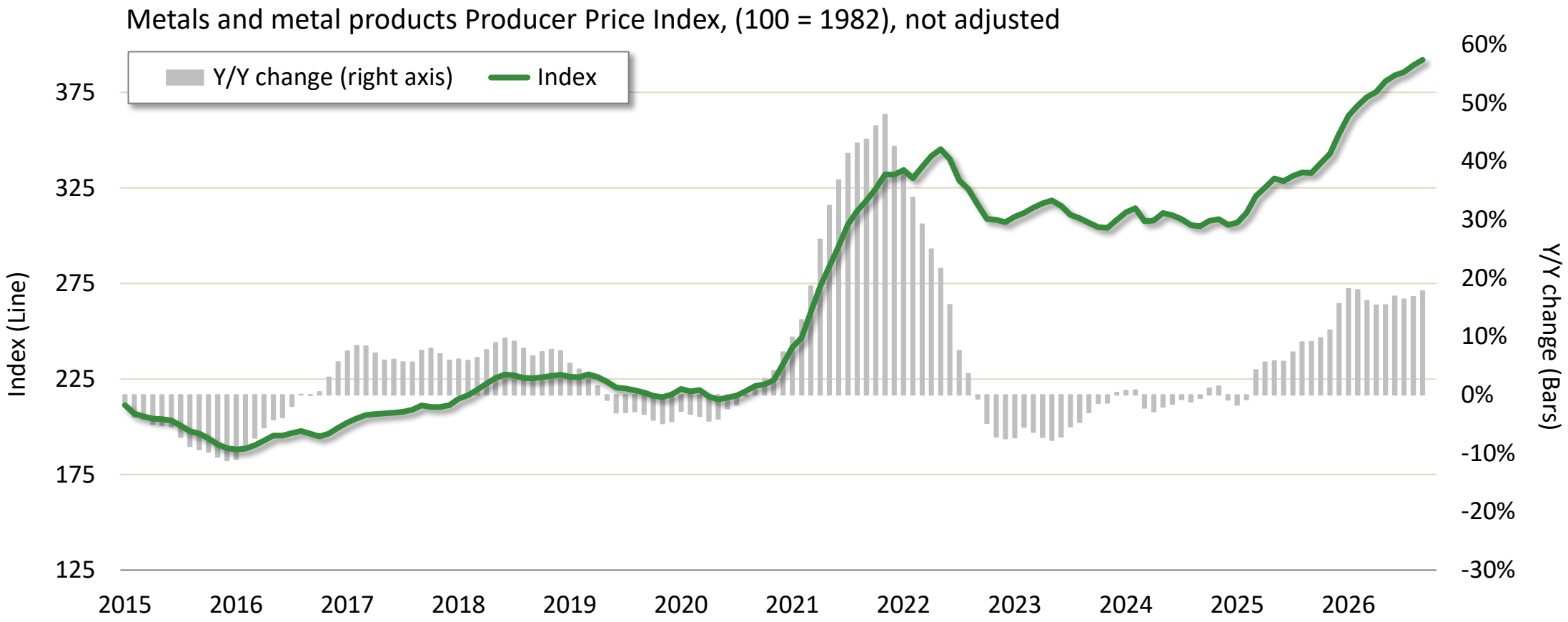
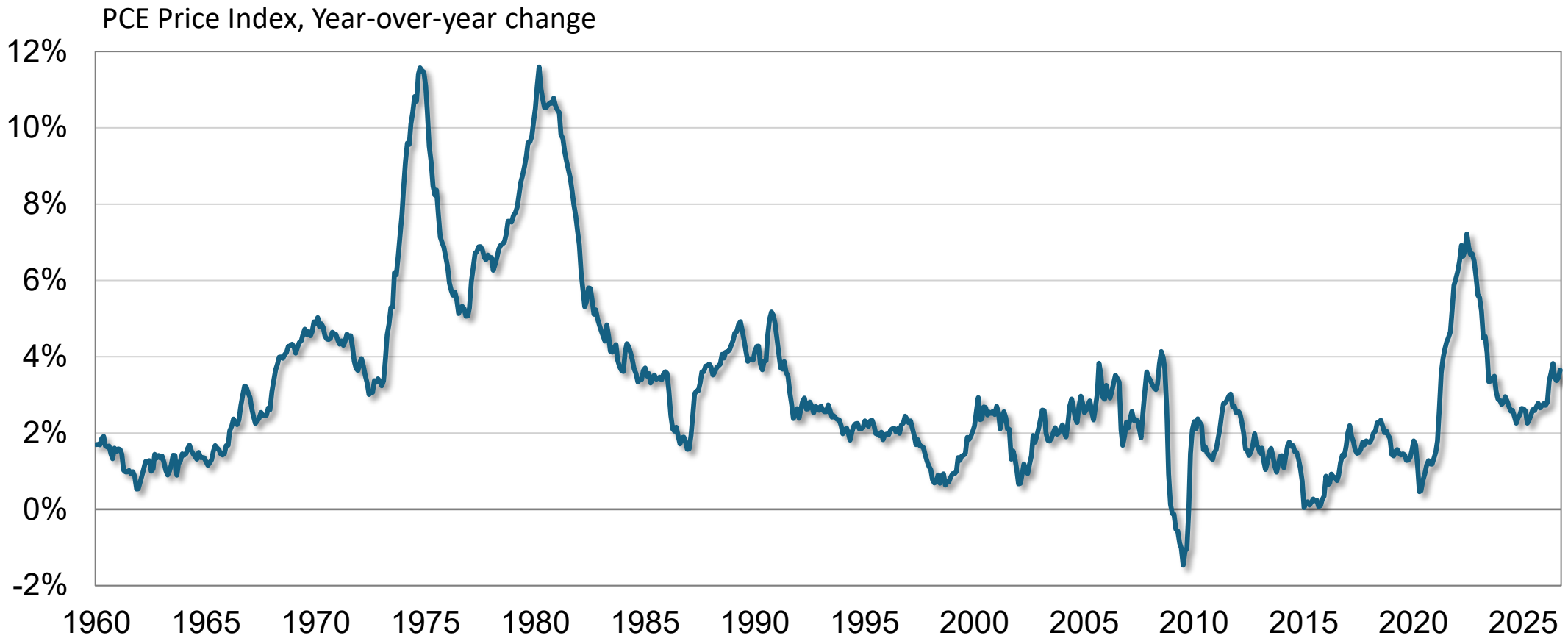
Inflation: Metals PPI



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

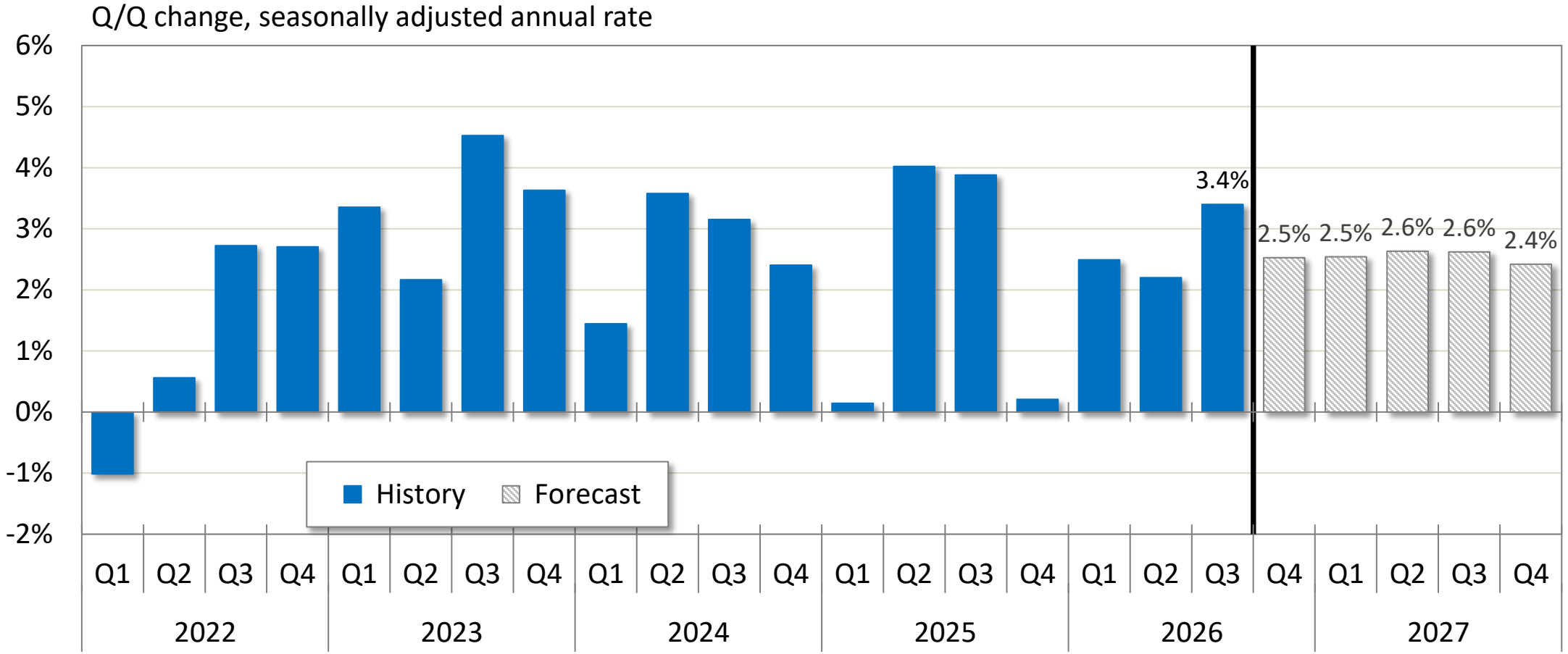
This isn’t 1980



Source: Bureau of Economic Analysis
Analysis by FTR Transportation Intelligence

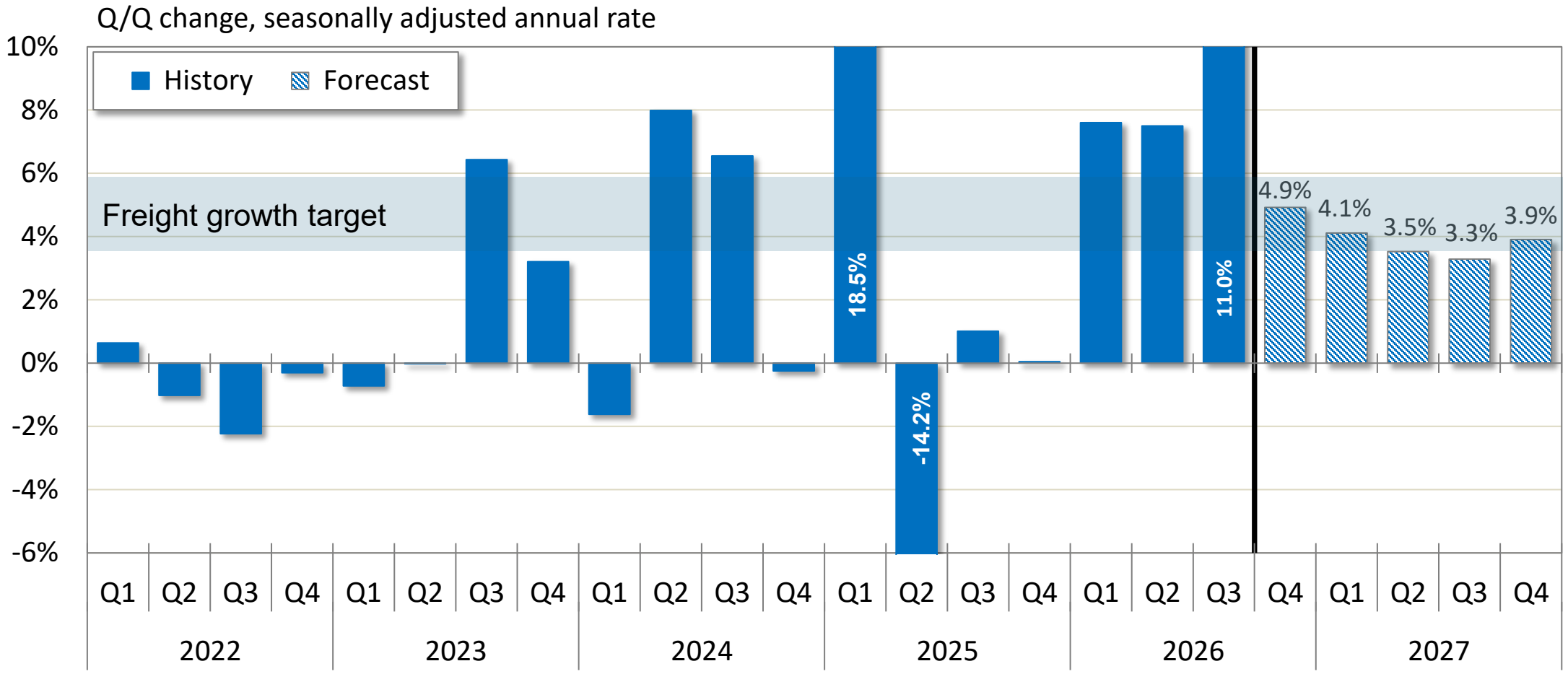
Outlook

Real Gross Domestic Product



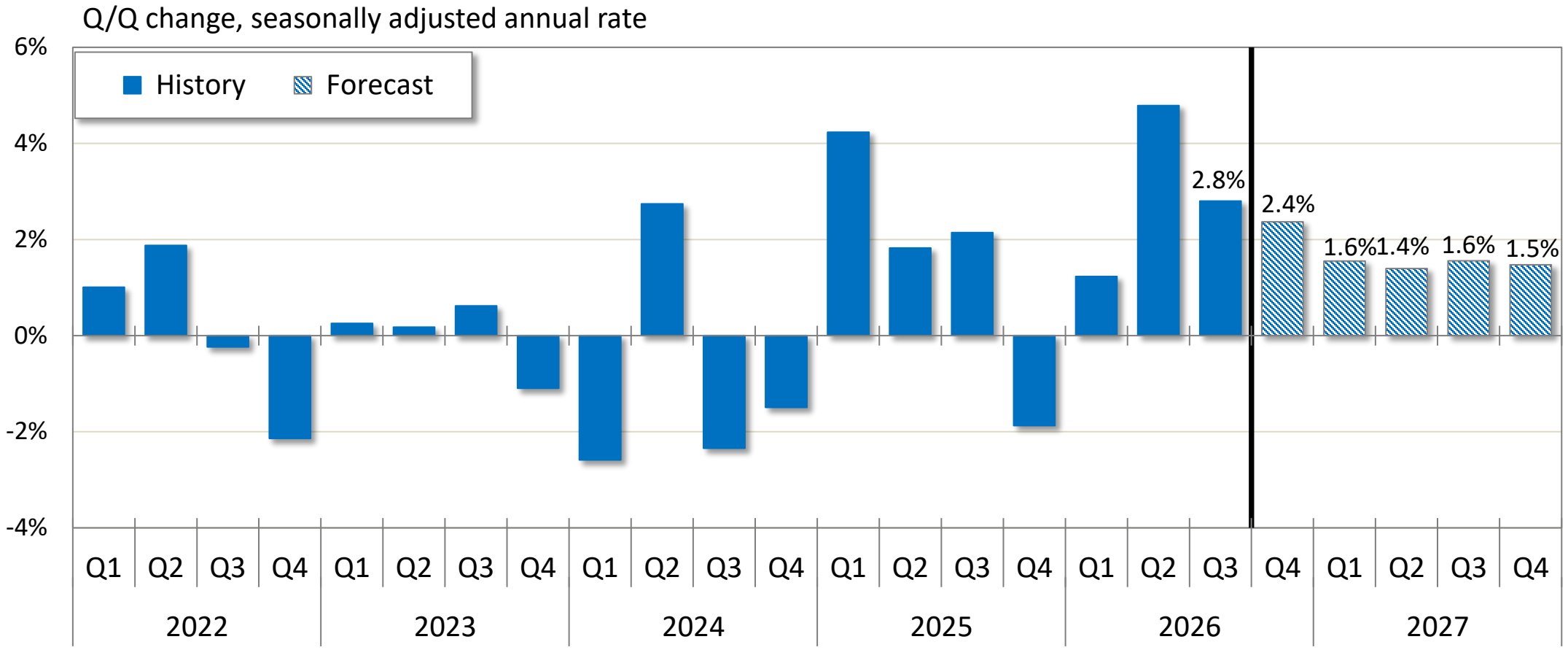
Source: Bureau of Economic Analysis
Forecast and analysis by FTR Transportation Intelligence and Witte Econometrics

GDP Goods Transport Sector



Source: Bureau of Economic Analysis
Forecast and analysis by FTR Transportation Intelligence and Witte Econometrics

Industrial production



Source: Bureau of Economic Analysis
Forecast and analysis by FTR Transportation Intelligence and Witte Econometrics

Q&A

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