State of Freight SYMPOSIUM

2027 PROCUREMENT OUTLOOK



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Agenda

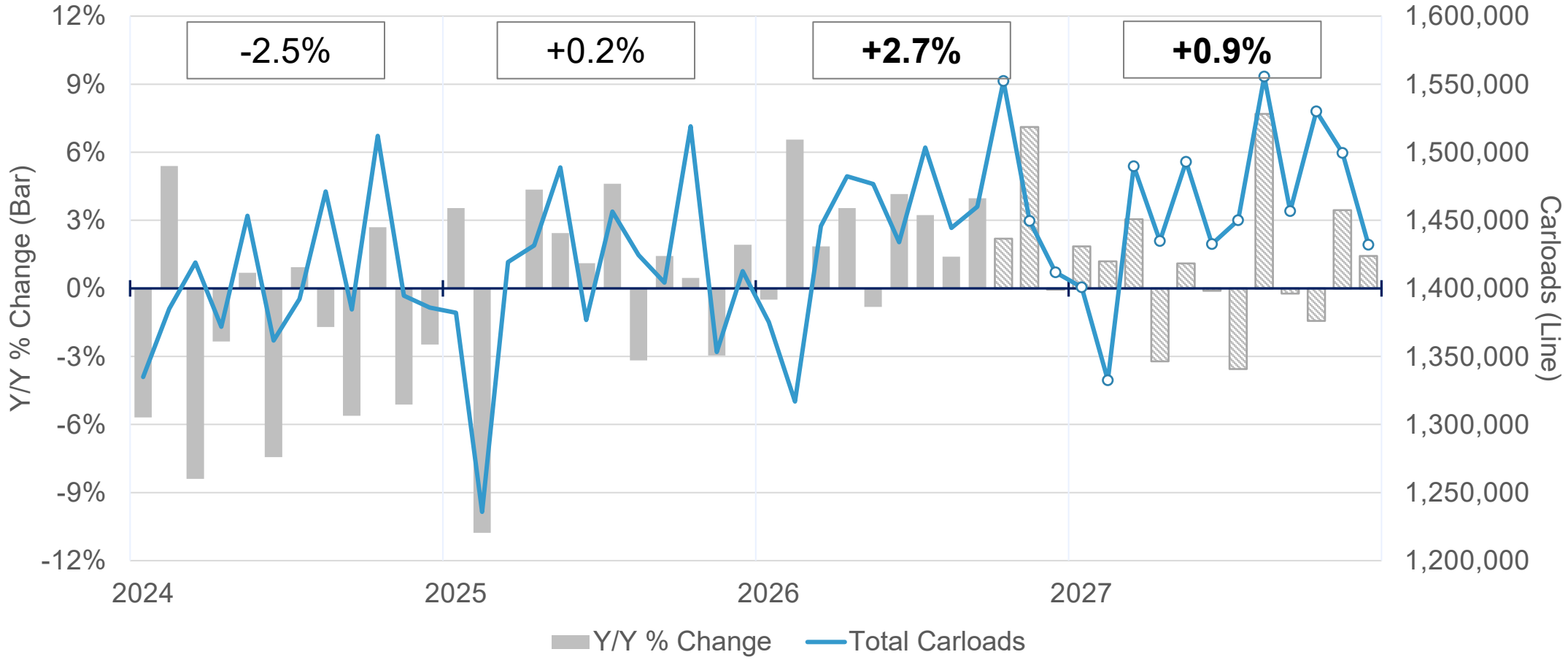
- Volume
- Equipment and Capacity
- Rates

- **Q/A**

Volume

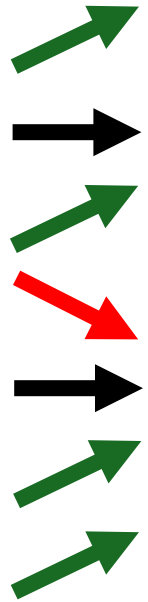
Rail

Carload expectations - total



Carloads by commodity

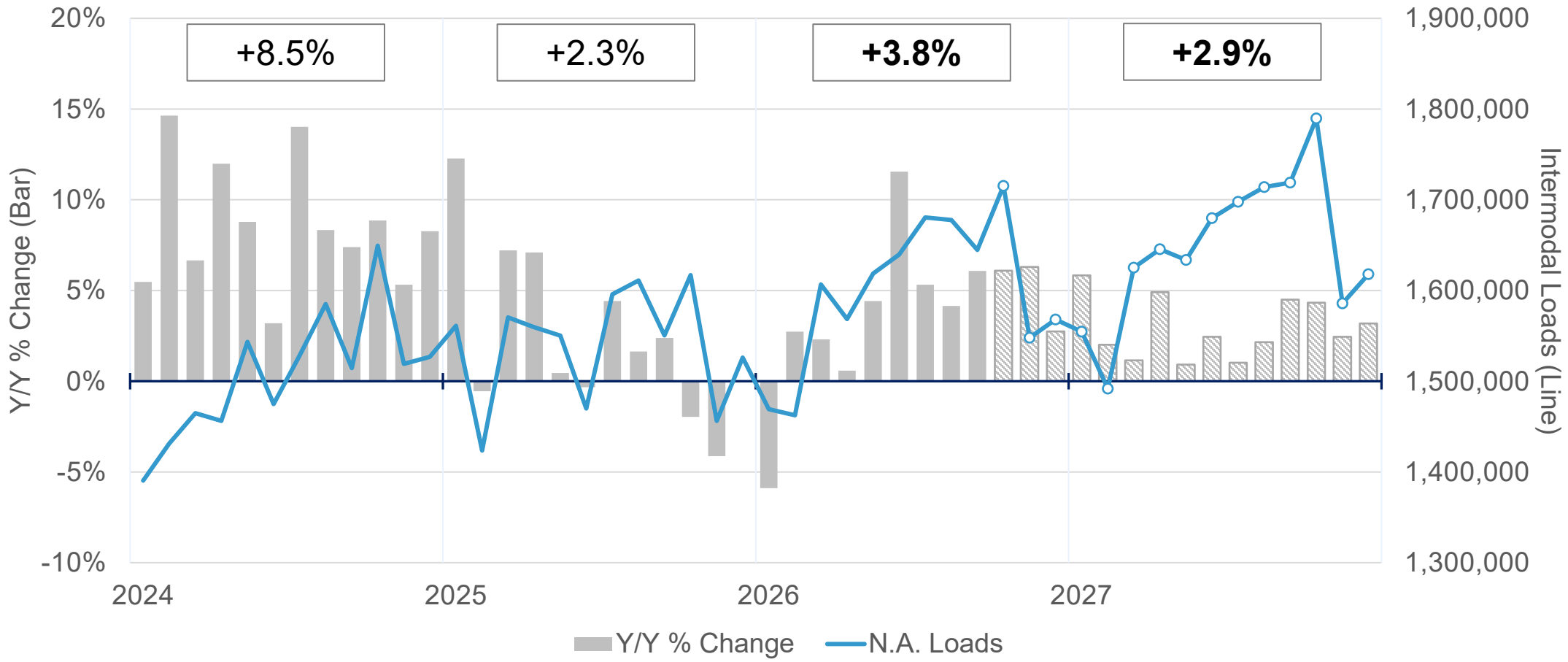
Commodity	2025	2026F	2027F	2028F
Agriculture	3.1%	9.0%	1.2%	1.4%
Automotive	-1.6%	-1.0%	0.1%	2.9%
Chemicals	0.2%	3.1%	2.5%	1.4%
Coal	3.0%	-3.2%	-3.5%	-0.9%
Forest products	-4.5%	0.5%	0.4%	1.7%
Metals	-5.8%	6.2%	4.2%	2.5%
Nonmetallic minerals	0.5%	2.6%	1.4%	1.4%
Economically Sensitive Freight	**-1.8%**	**3.1%**	**2.0%**	**1.8%**
Total	**0.2%**	**2.7%**	**0.9%**	**1.2%**



FTR Transportation Intelligence

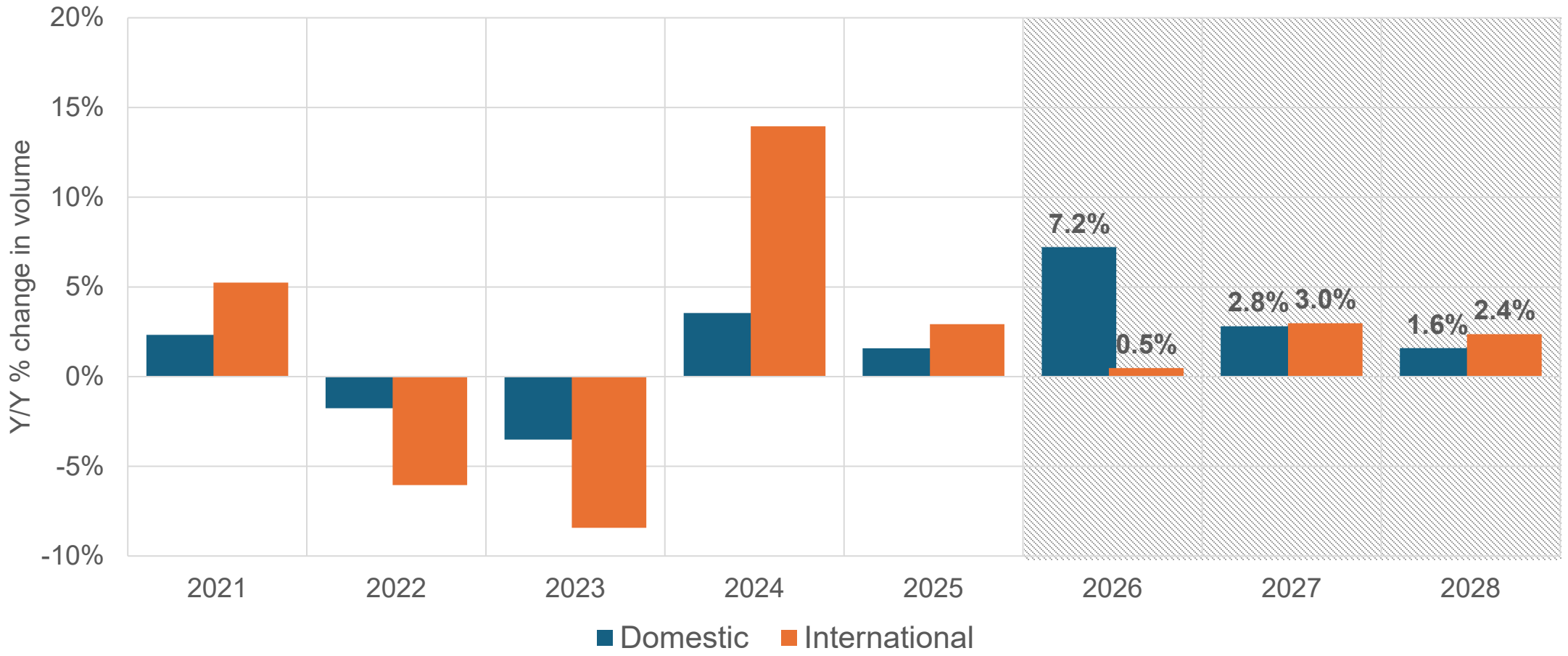
Source: AAR, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

Intermodal volume expectations



Source: IANA ETSO, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

Intermodal volume – domestic vs international

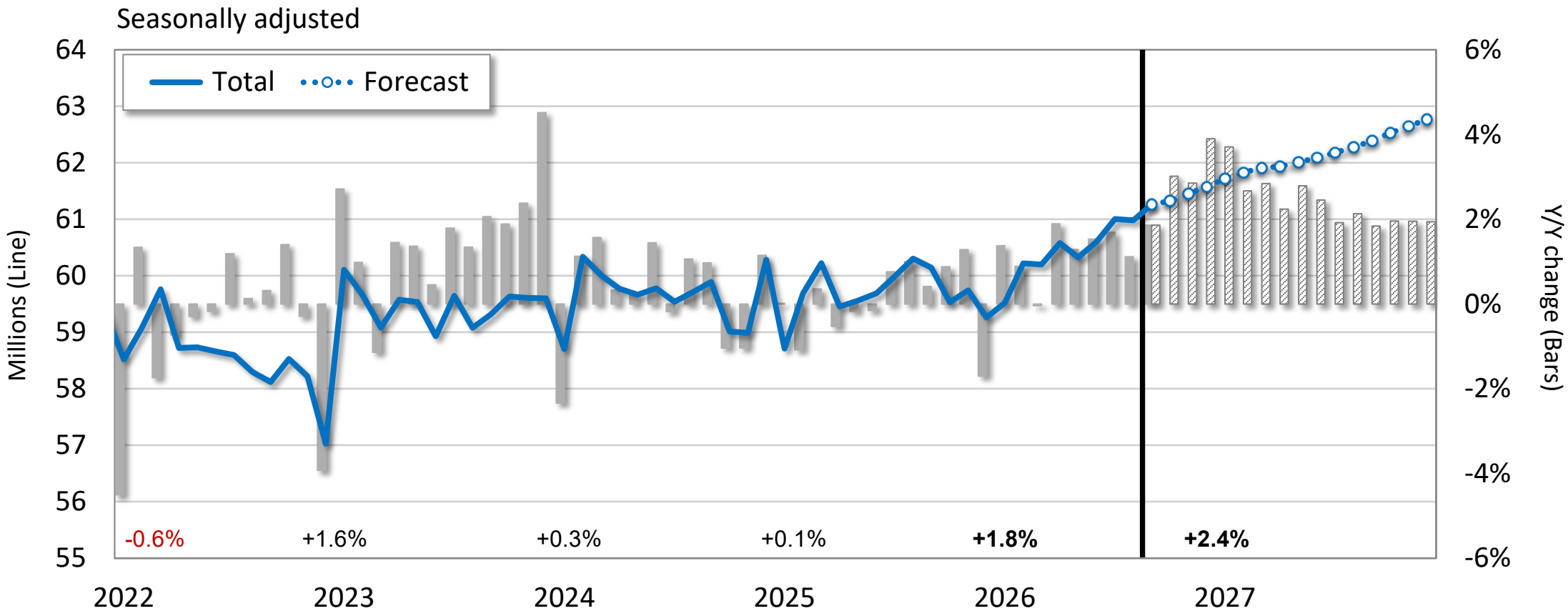


Note: Percentages denote y/y change

Source: IANA ETSO, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

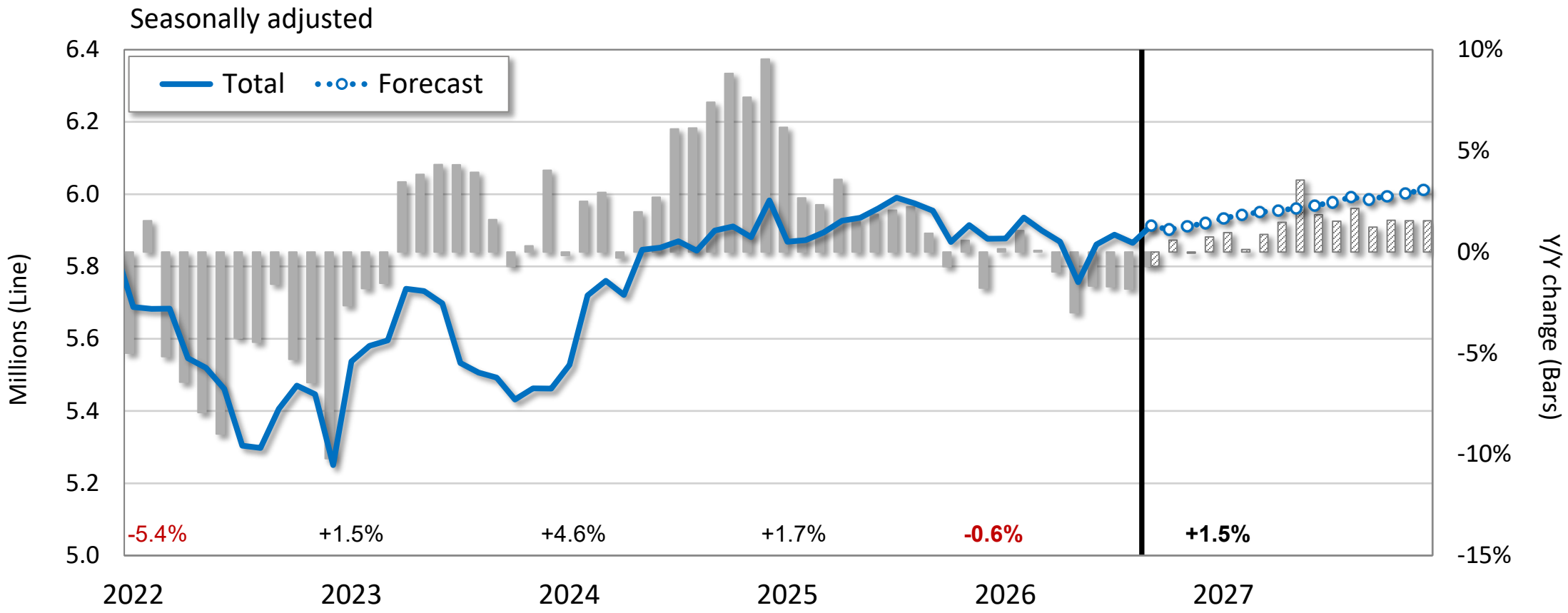
Truck

Total truck loadings



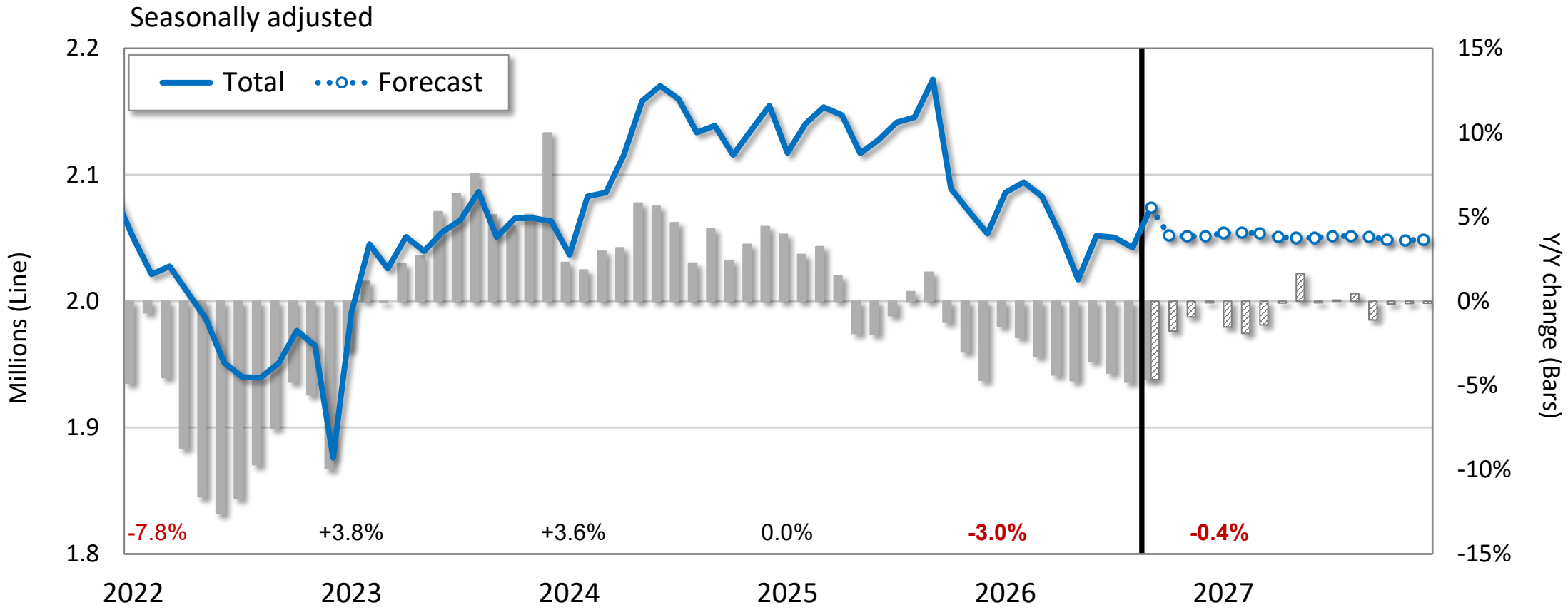
Source: FTR Freight•cast™

Tank truck loadings



Source: FTR Freight•cast™

Chemicals & allied products truck loadings

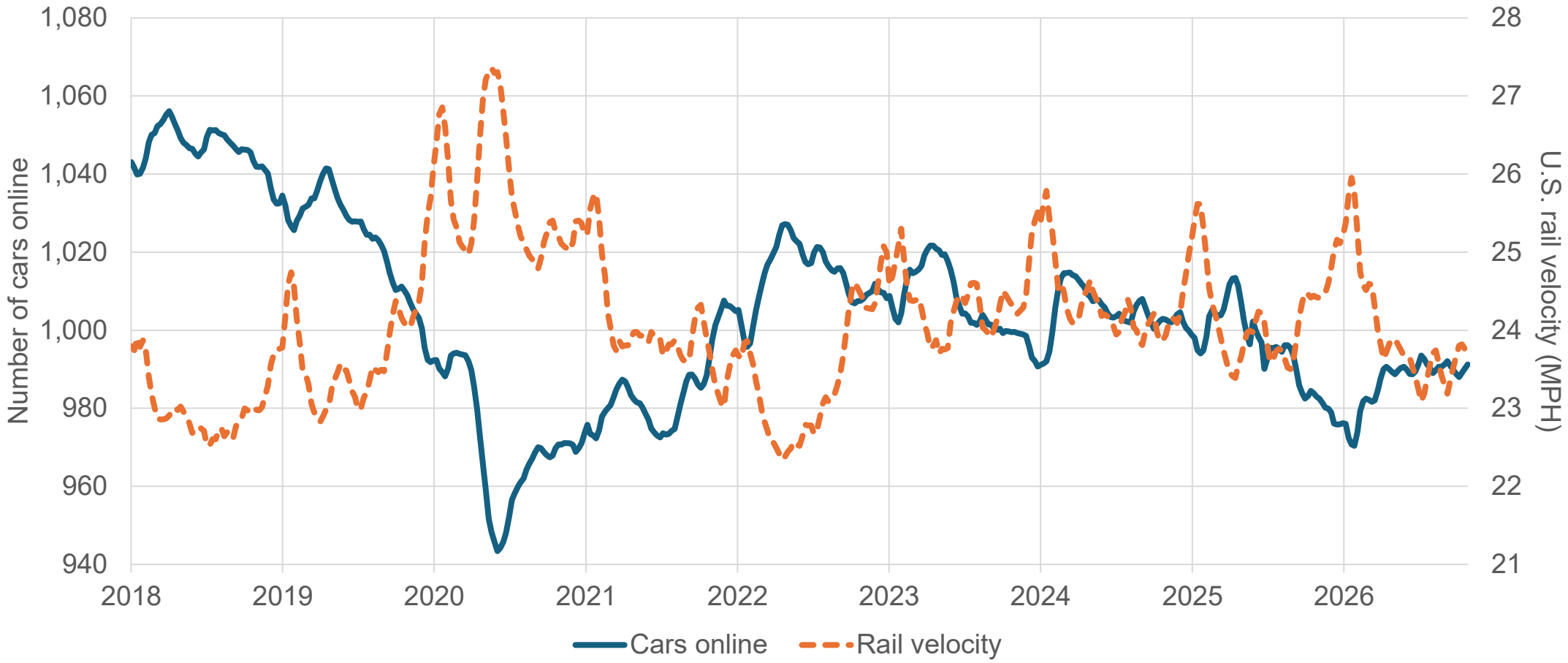


Source: FTR Freight•cast™

Equipment & Capacity

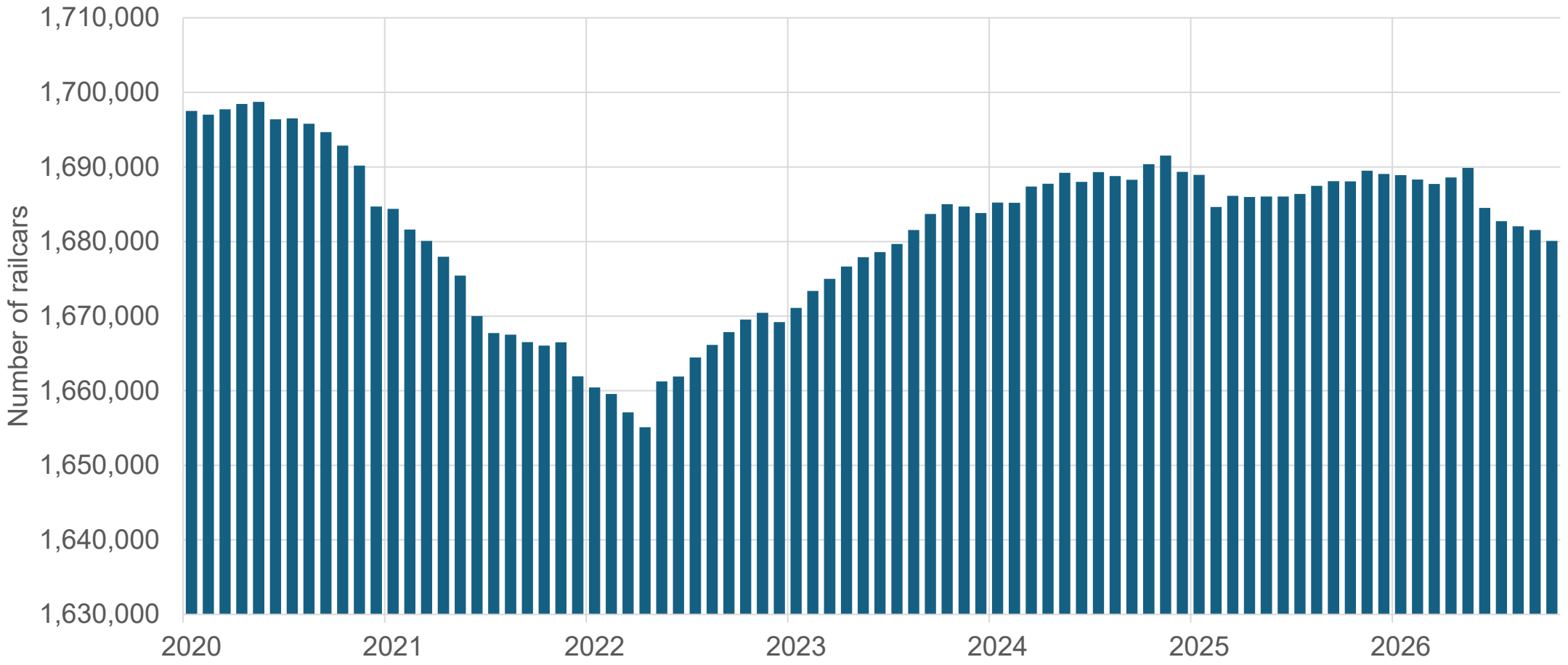
Rail

Velocity vs cars online



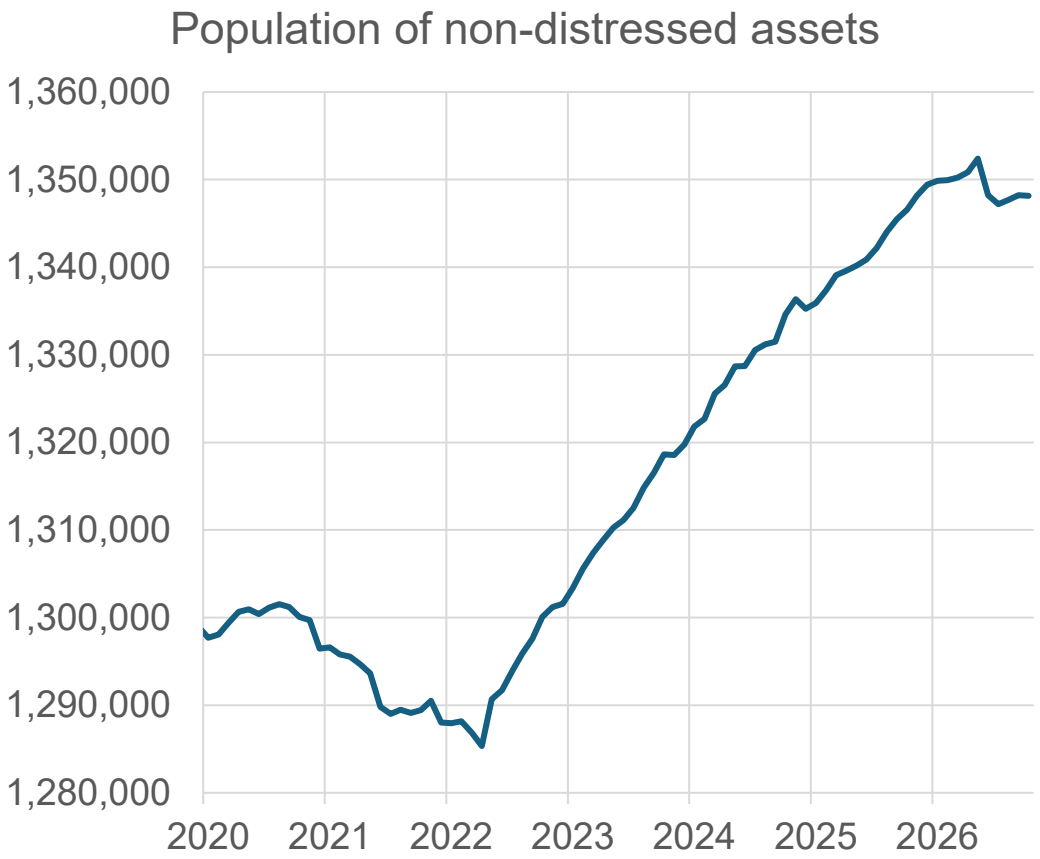
Source: STB, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

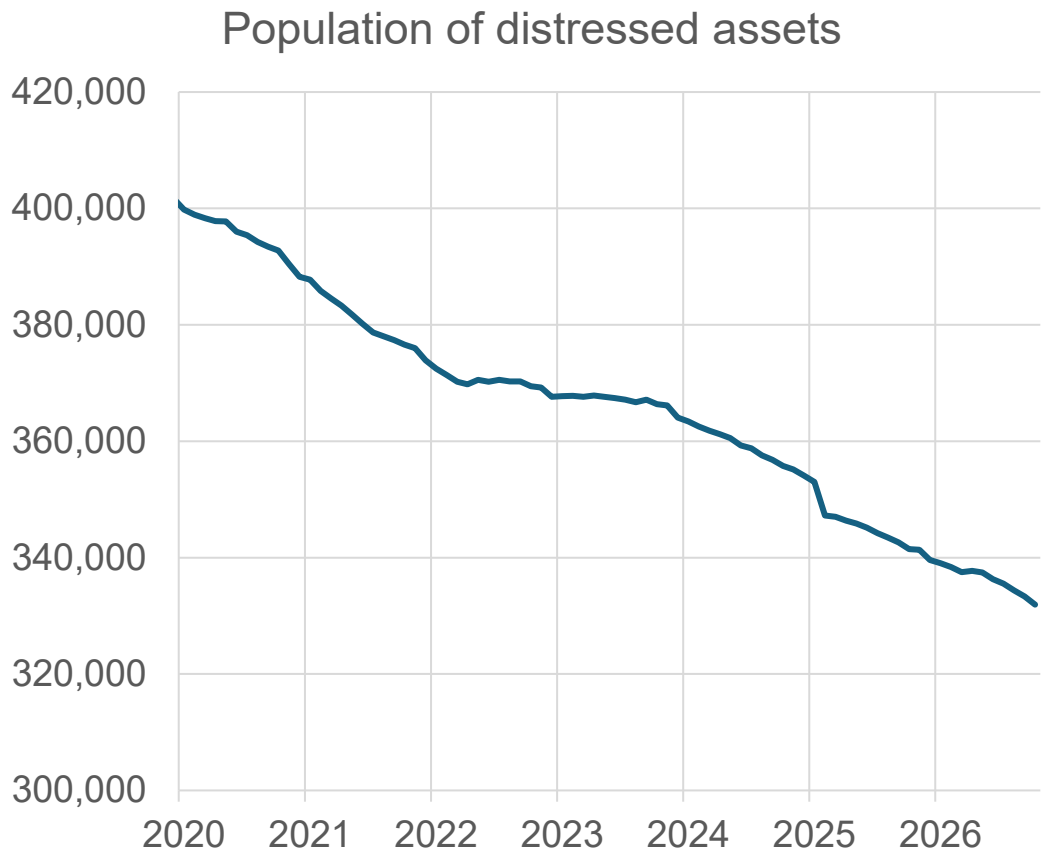
Size of the railcar fleet



Source: Railinc, FTR' Rail Equipment Monthly
Analysis by FTR Transportation Intelligence

Change in fleet size

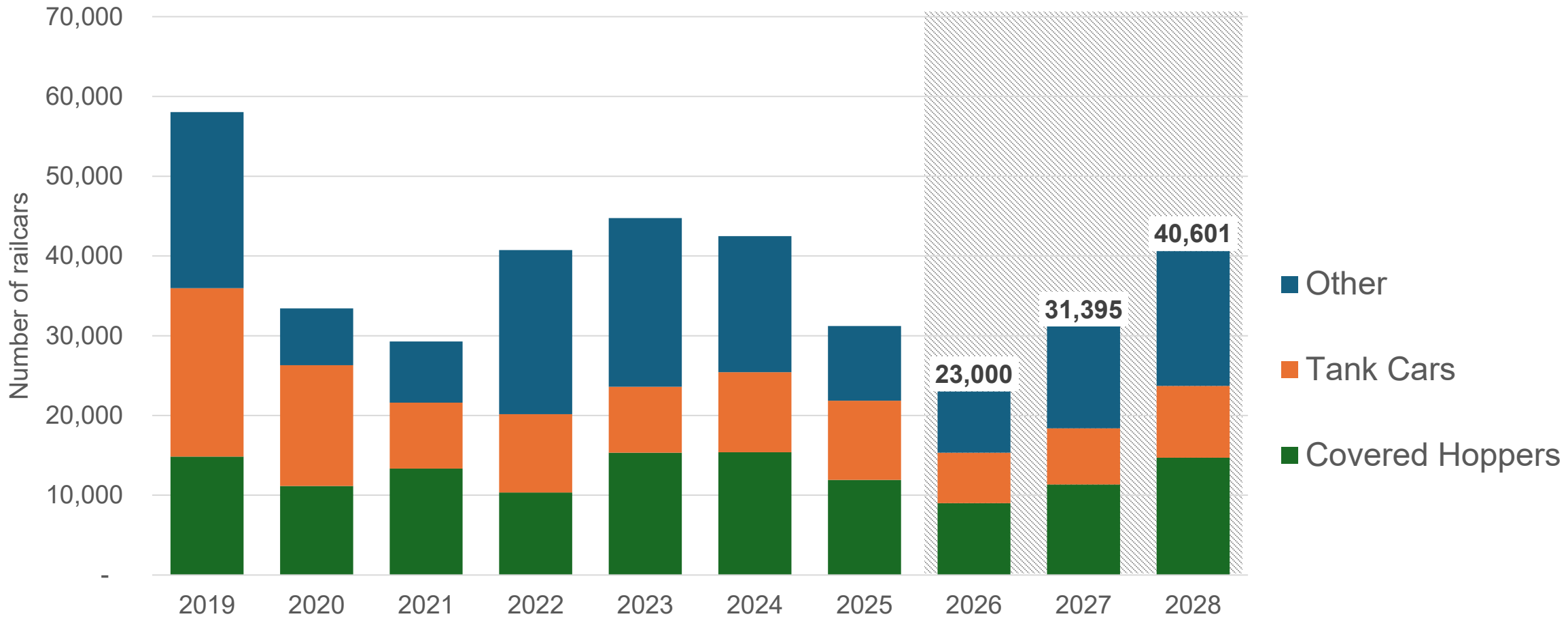




"Distressed" defined as coal cars, boxcars, and small cube CH

Source: Railinc, FTR' Rail Equipment Monthly
Analysis by FTR Transportation Intelligence

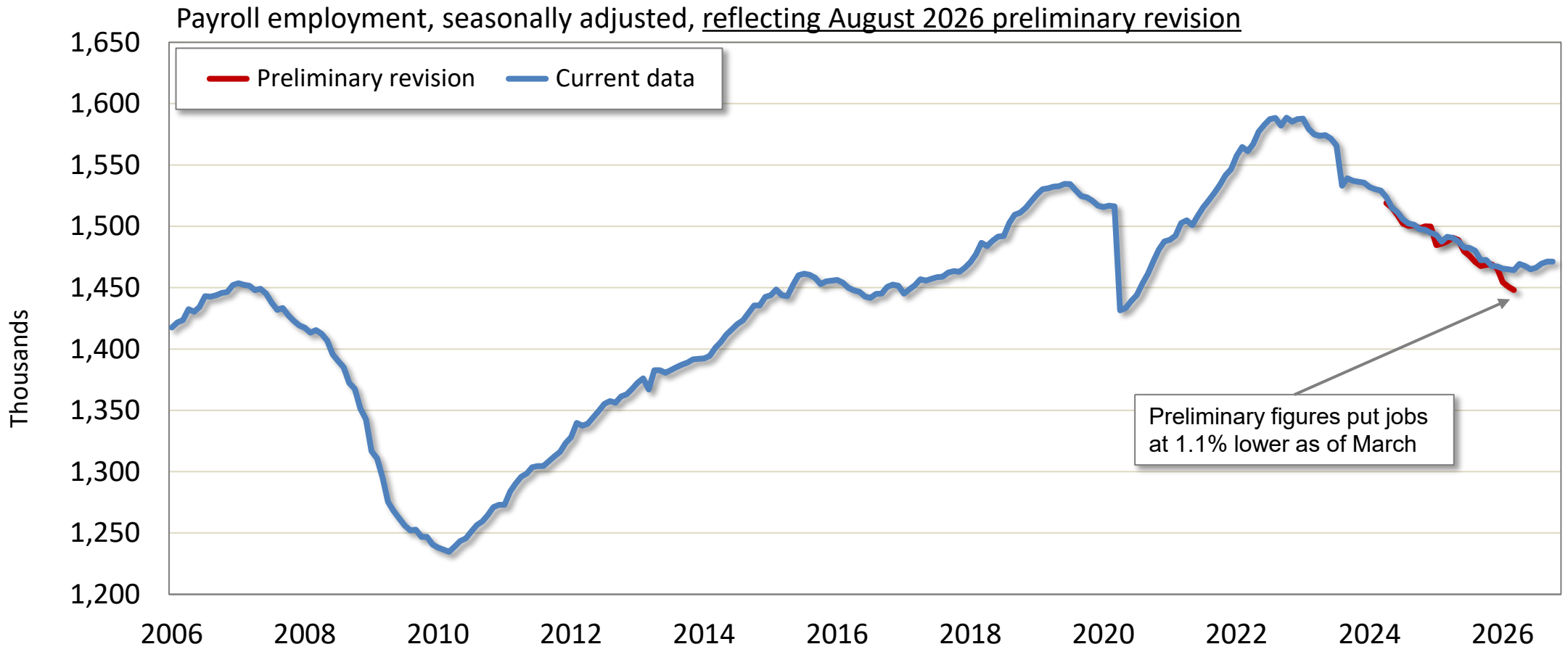
New car delivery expectations



Source: RSI ARCI, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

Truck

For-hire trucking jobs

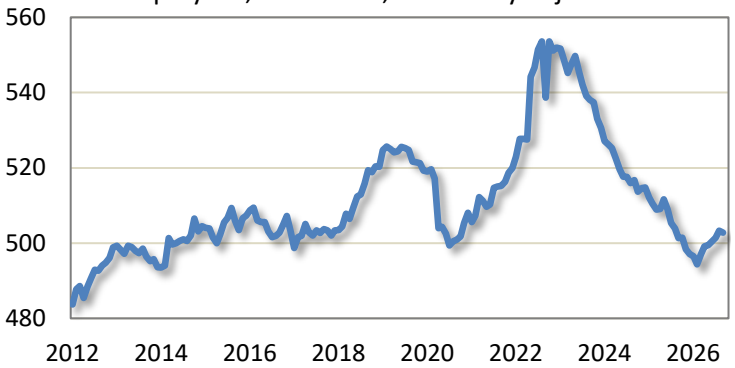


Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

Trucking payroll jobs by sector

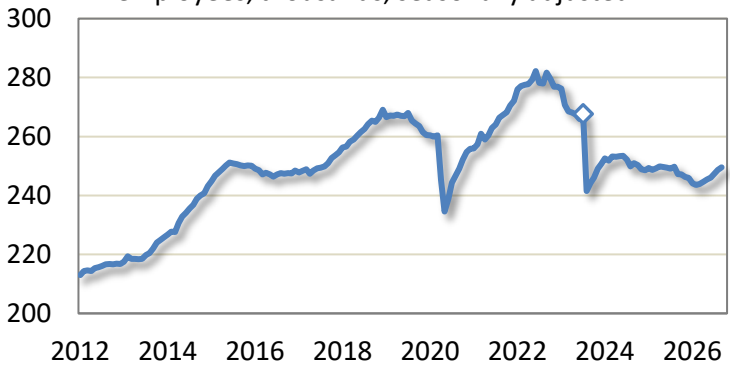
General freight truckload jobs

All employees, thousands, seasonally adjusted



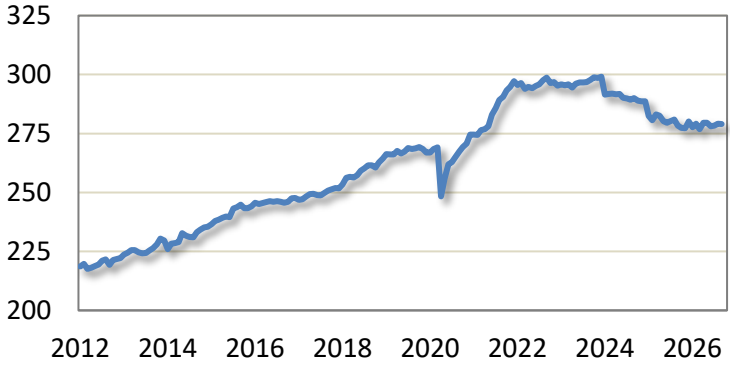
General freight LTL jobs

All employees, thousands, seasonally adjusted



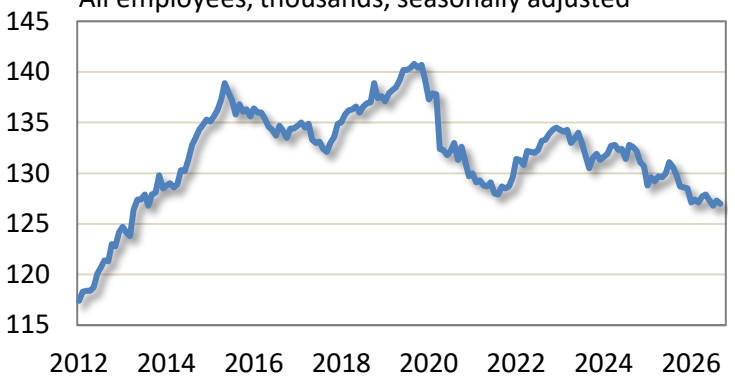
Local general freight jobs

All employees, thousands, seasonally adjusted



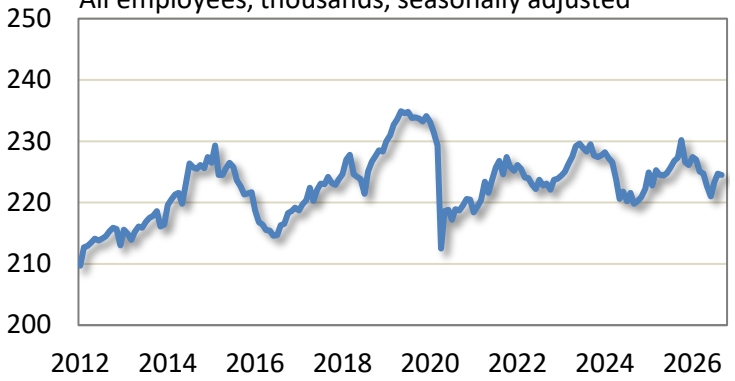
Long-distance specialized jobs

All employees, thousands, seasonally adjusted



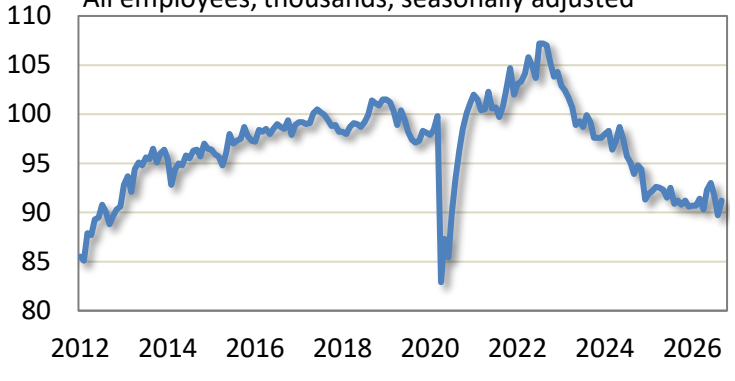
Local specialized jobs

All employees, thousands, seasonally adjusted



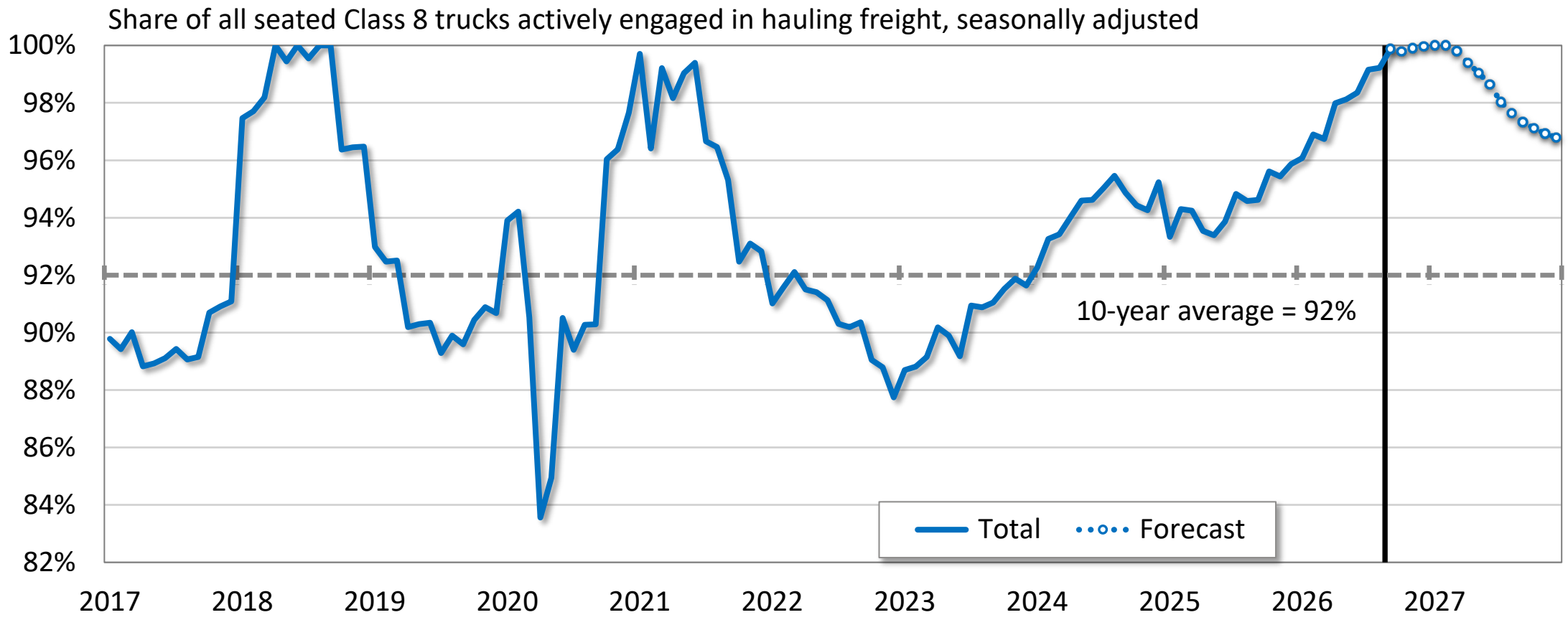
Household/office moving jobs

All employees, thousands, seasonally adjusted



Source: Bureau of Labor Statistics
Analysis by FTR Transportation Intelligence

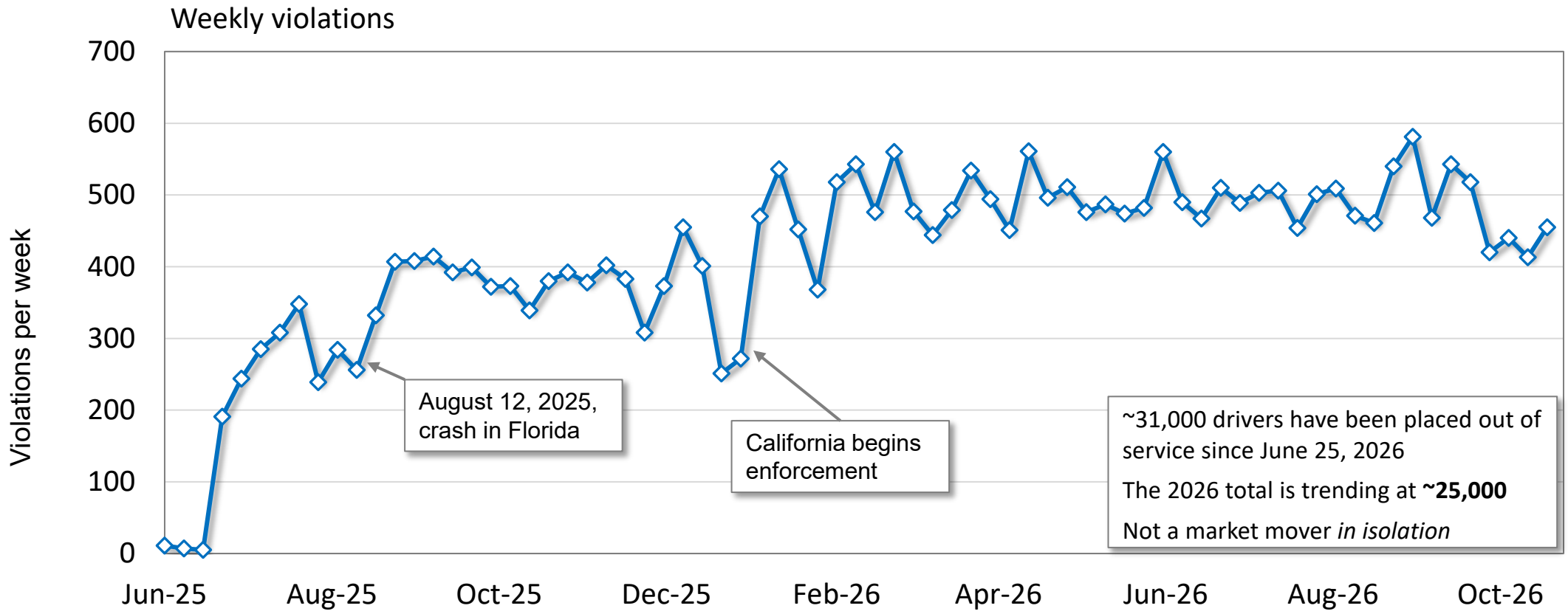
Active truck utilization



Enforcement and legal headwinds for capacity

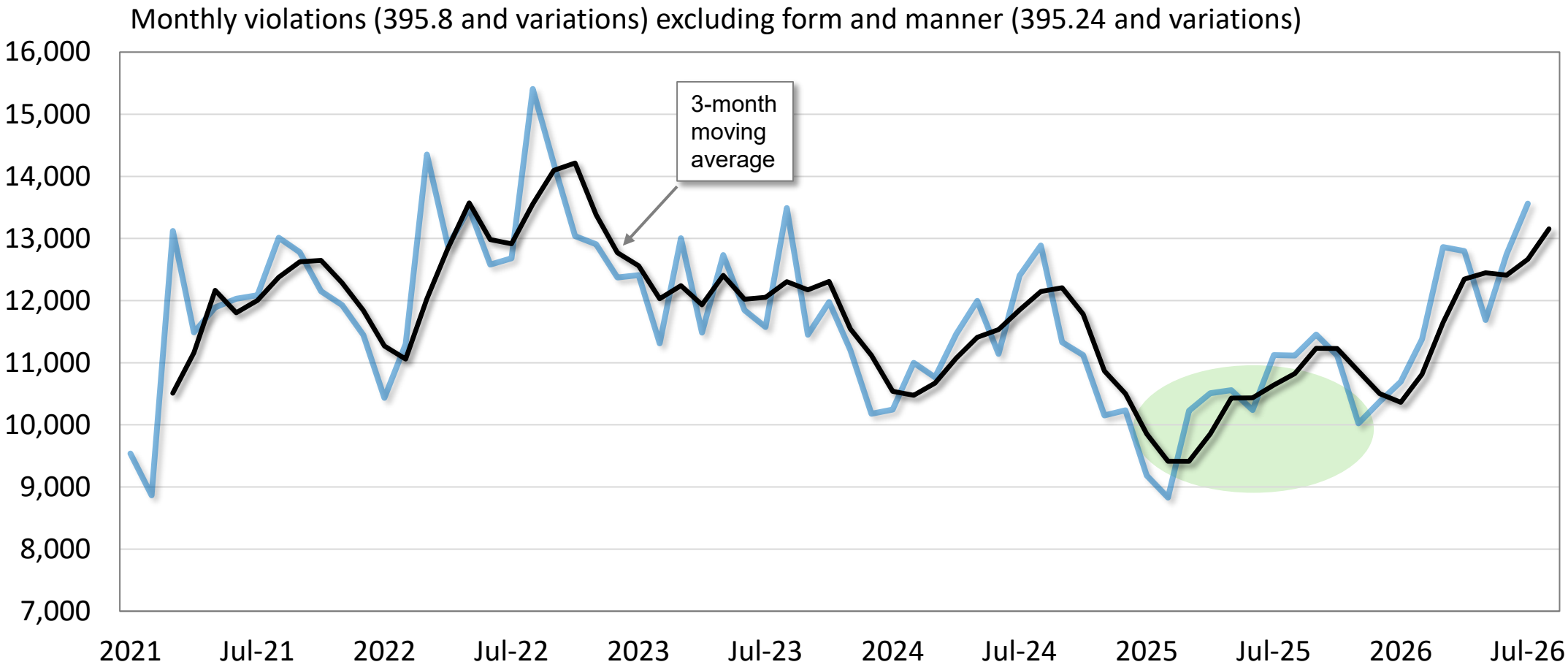
- Foreign drivers
  - English language proficiency
  - Non-domiciled CDLs
  - Cabotage
- Chameleon carriers (plus friction from Motus system rollout)
- ELD standards
- CDL training compliance
- Legal developments
  - U.S. Supreme Court's Montgomery decision – Carrier selection
  - $604 million judgment against C.H. Robinson – Carrier control

English language OOS violations



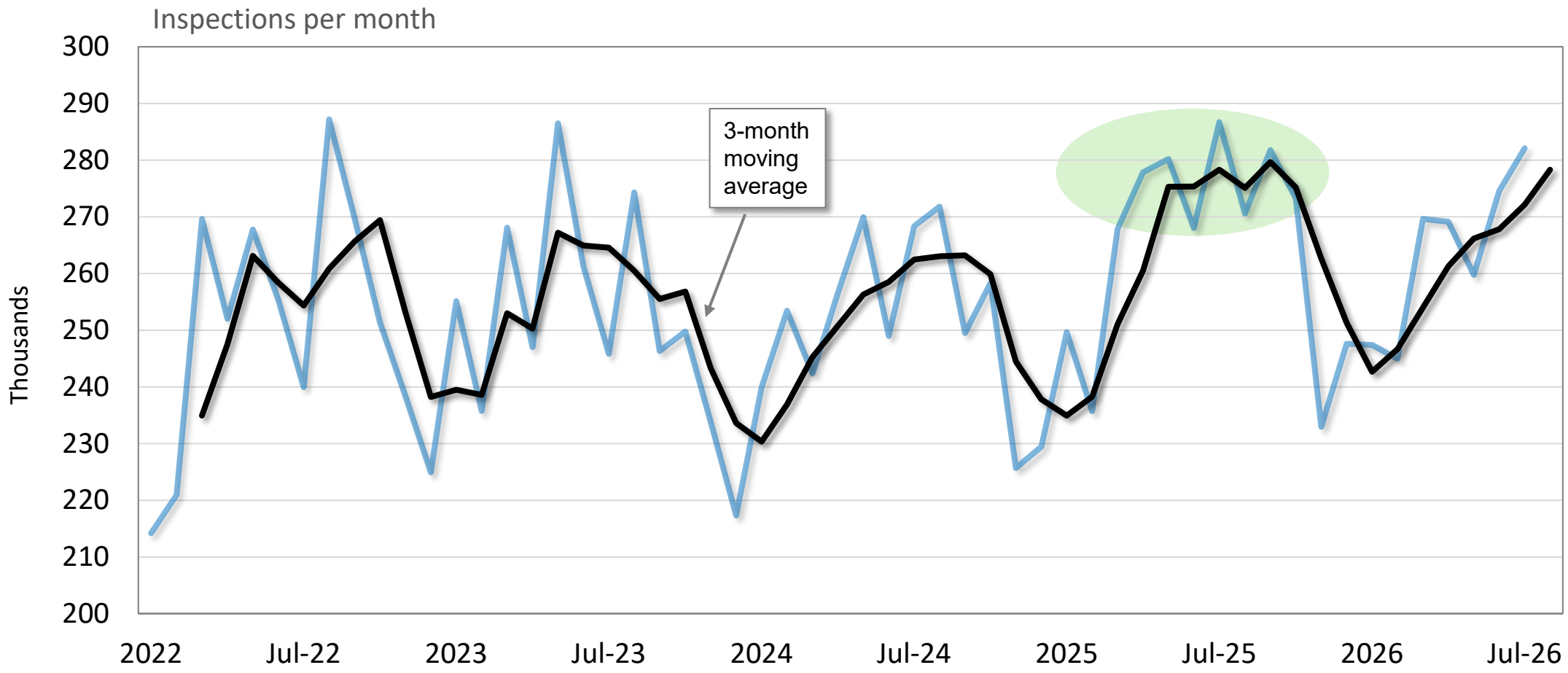
Note: Recent data likely reflects lags in reporting

Electronic logging device violations



Source: Federal Motor Carrier Safety Administration
Analysis by FTR Transportation Intelligence

Total roadside inspections

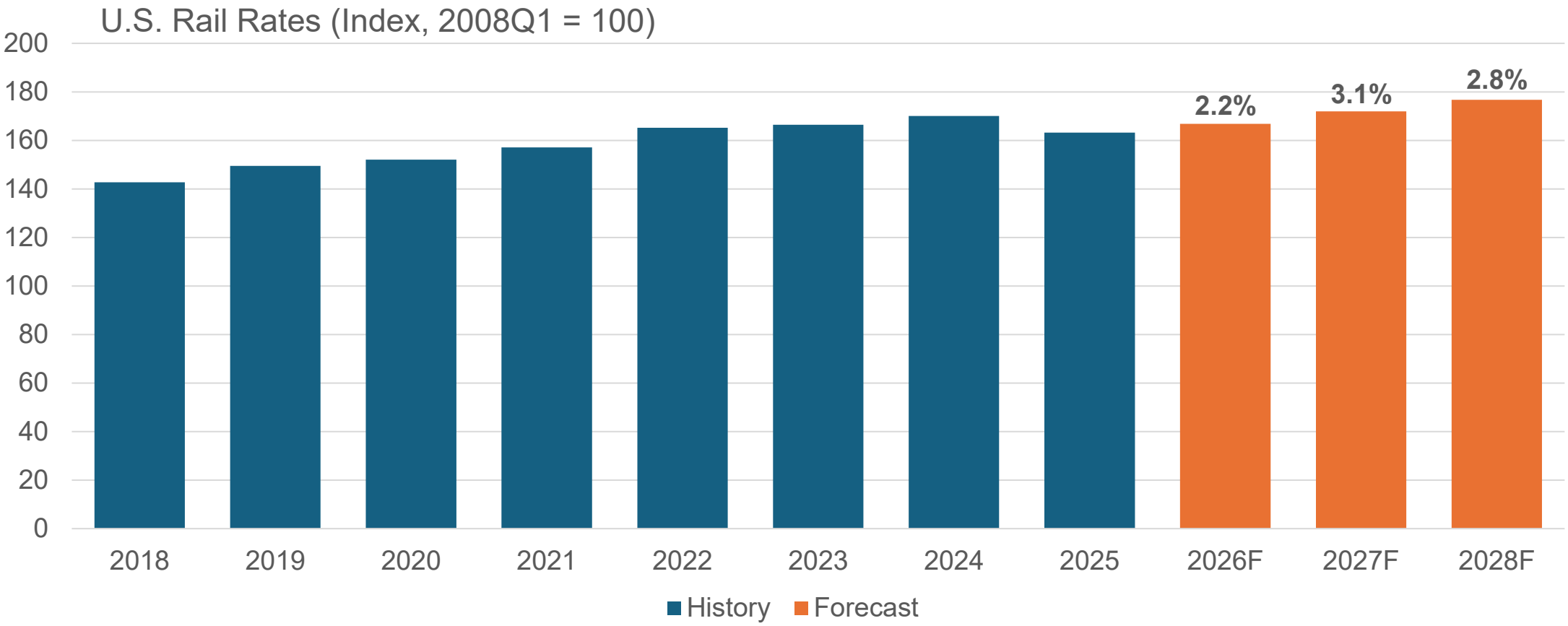


Source: Federal Motor Carrier Safety Administration
Analysis by FTR Transportation Intelligence

Rates

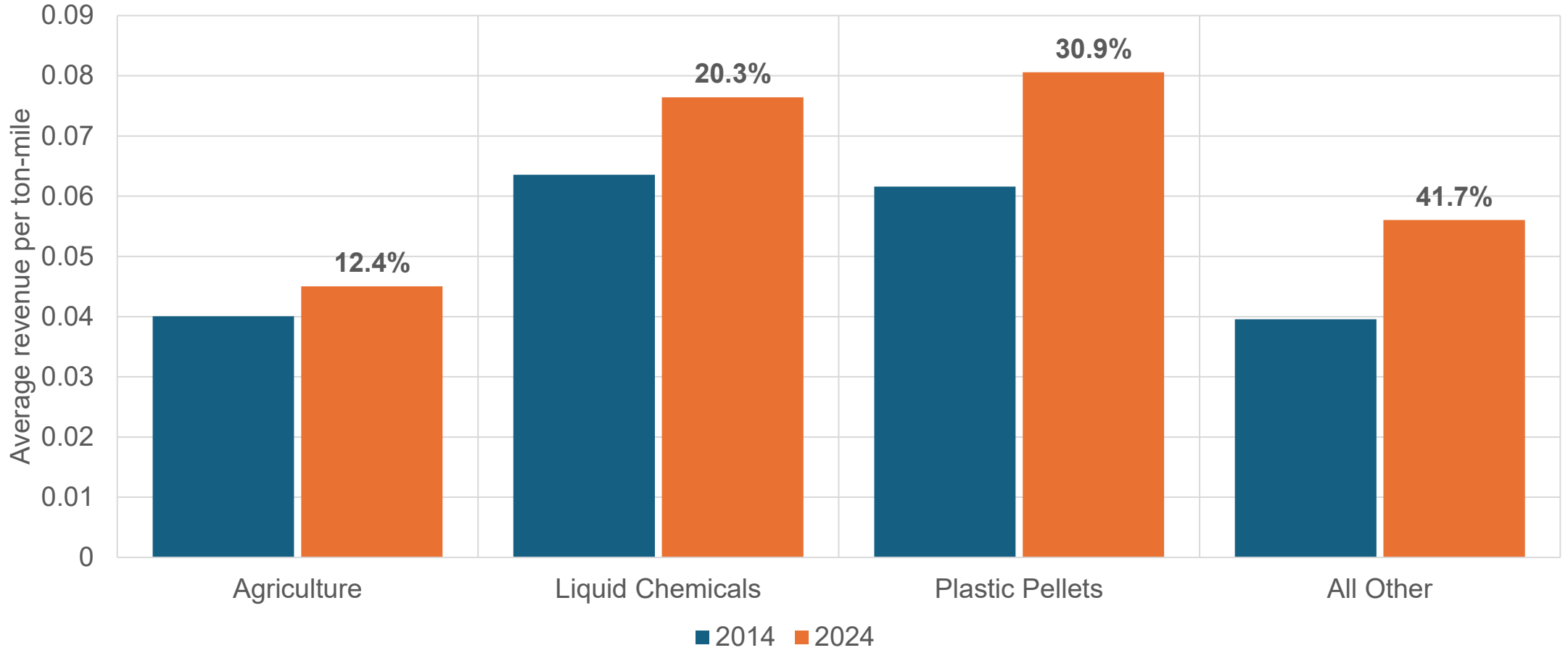
Rail

Carload railroad rate expectations



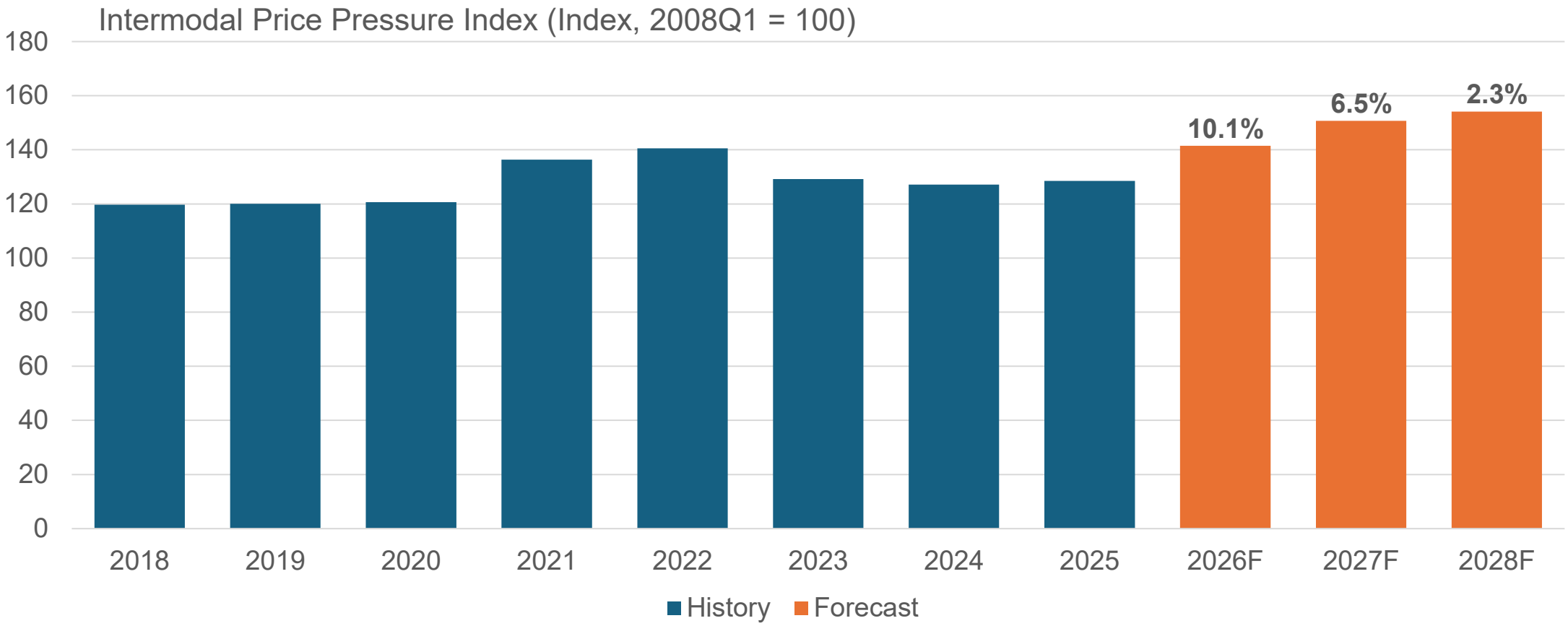
Note: Percentages denote y/y change

Rate increases by market



Note: Percentages denote total change since 2014

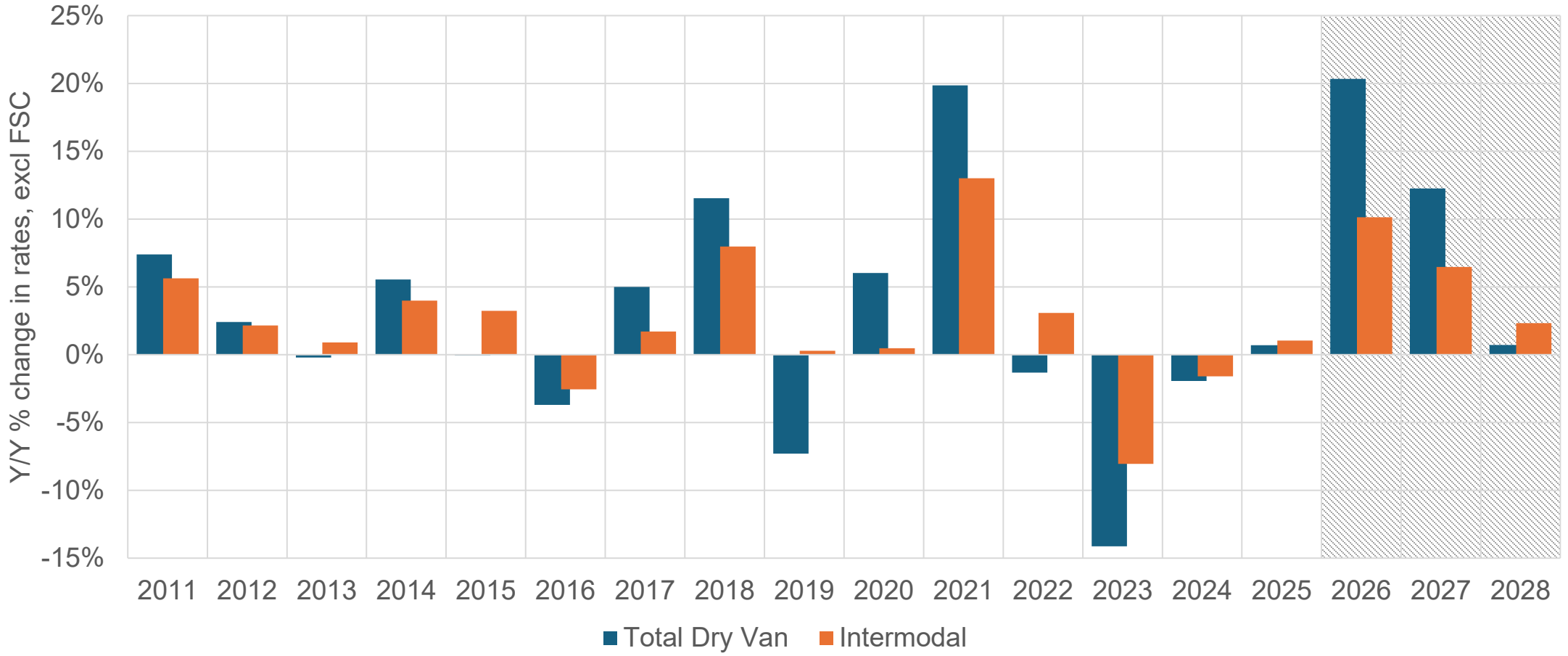
Intermodal rate expectations



Note: Percentages denote y/y change

Source: STB, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

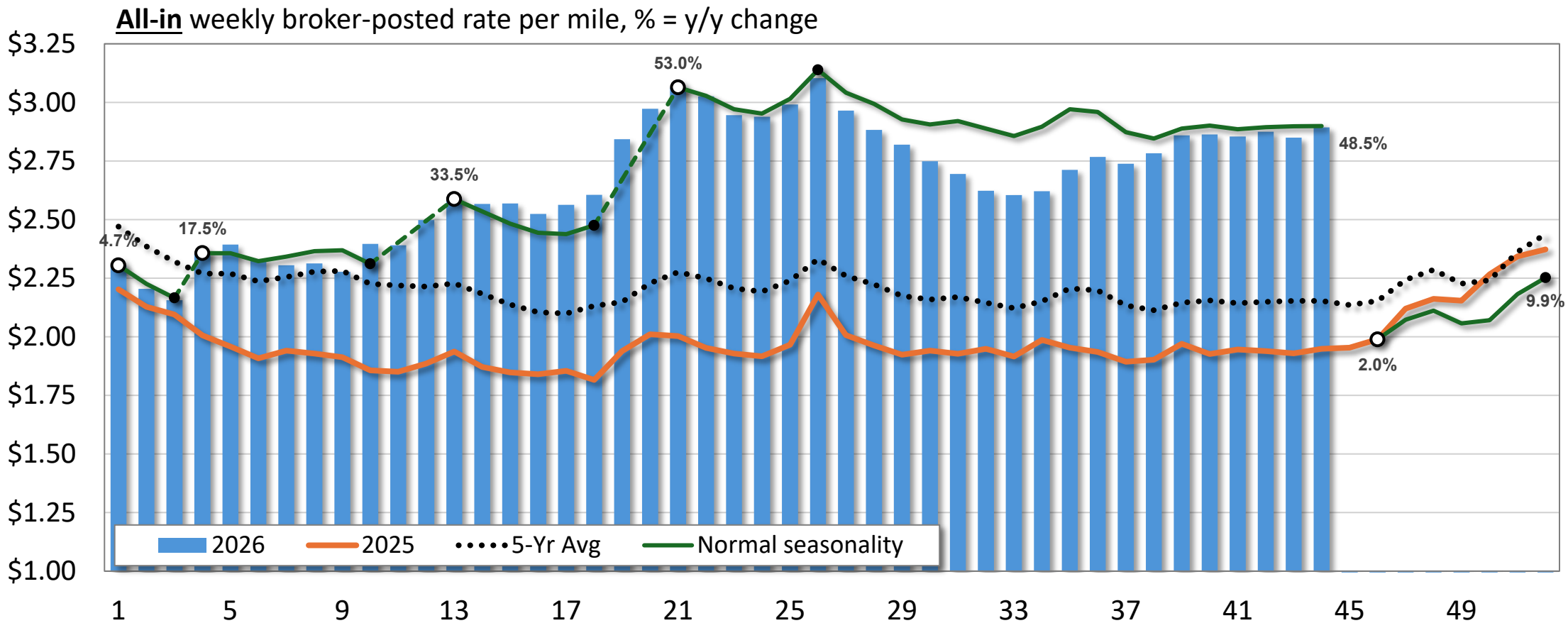
Intermodal vs trucking rates



Source: STB, Truckstop.com, FTR Transportation Intelligence
Forecast by FTR Transportation Intelligence

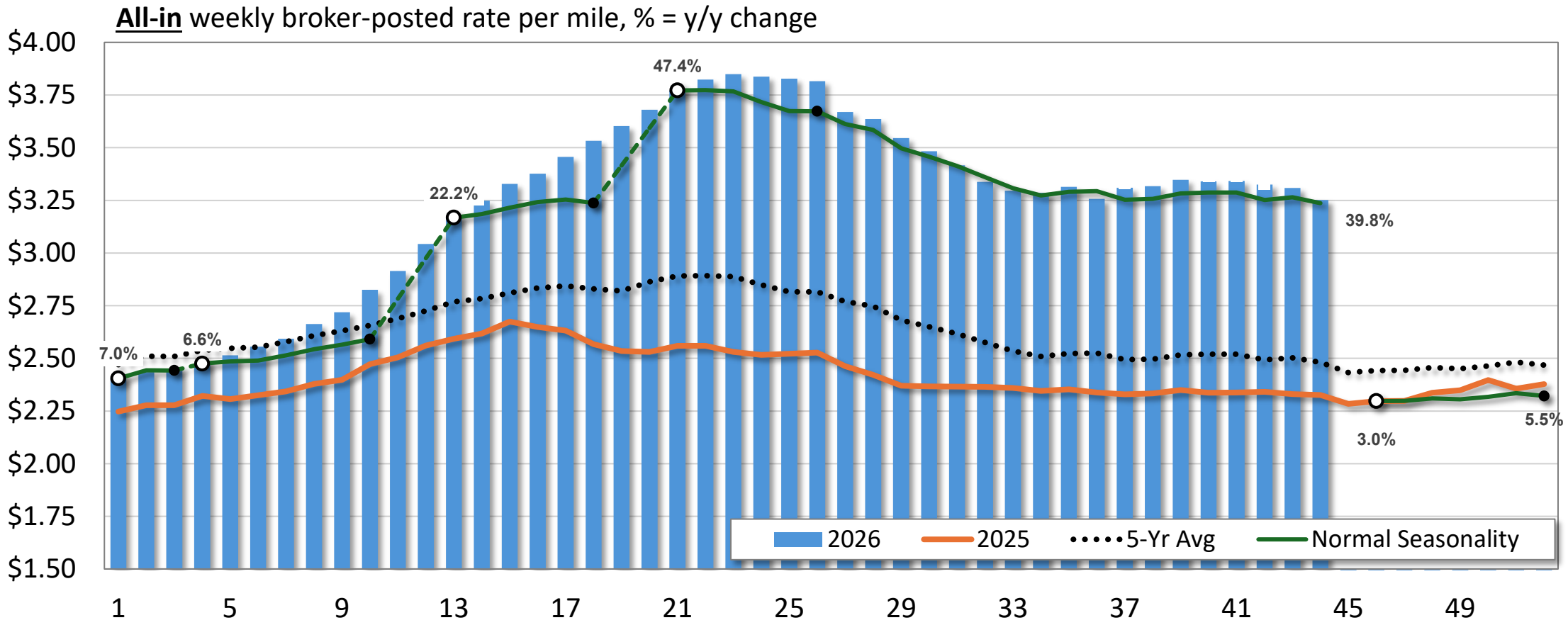
Truck

Dry van spot rates



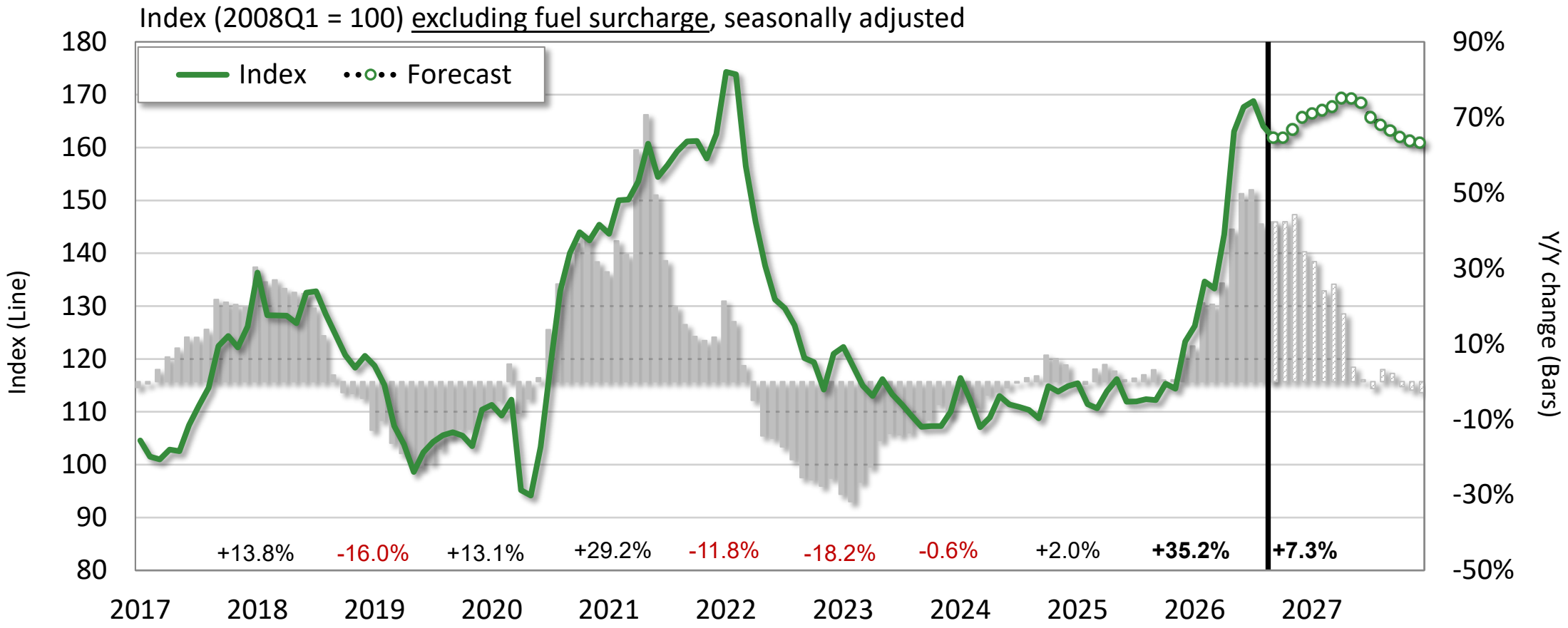
Source: Truckstop.com
Analysis by FTR Transportation Intelligence

Flatbed spot rates



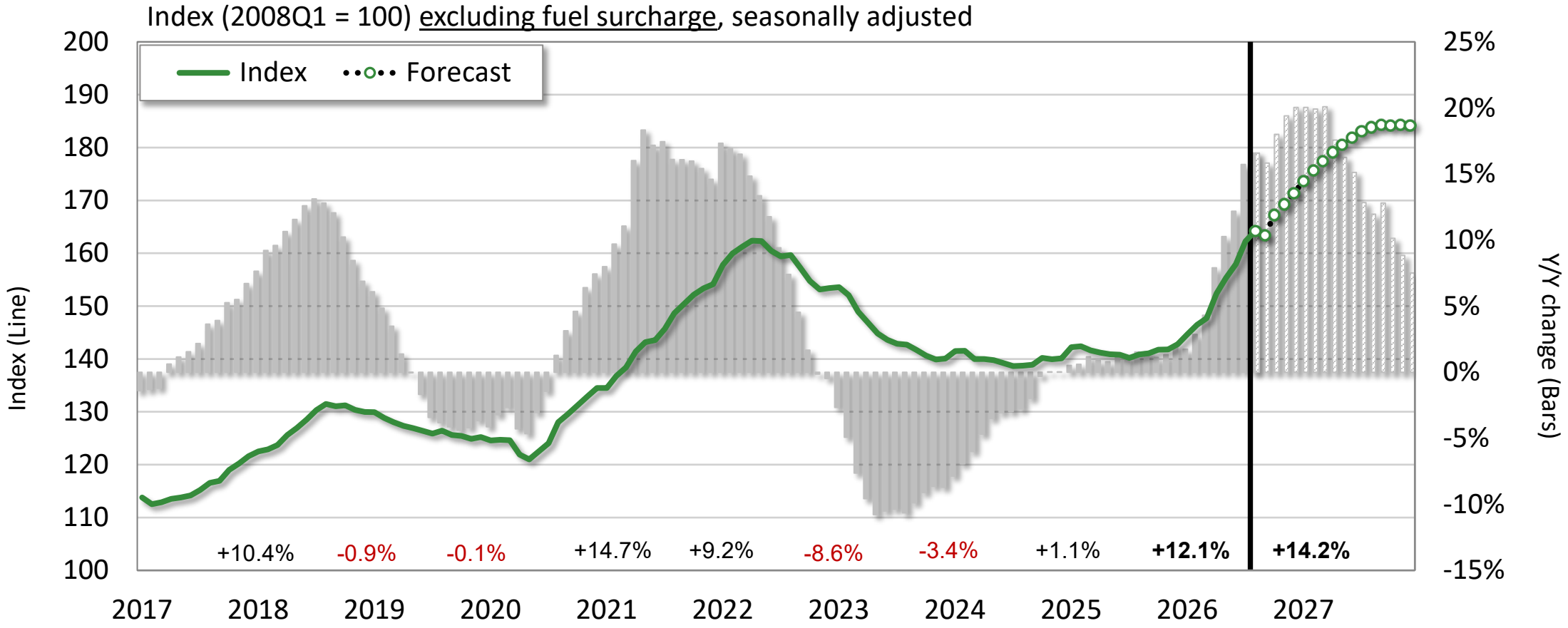
Source: Truckstop.com
Analysis by FTR Transportation Intelligence

Total truckload spot rates



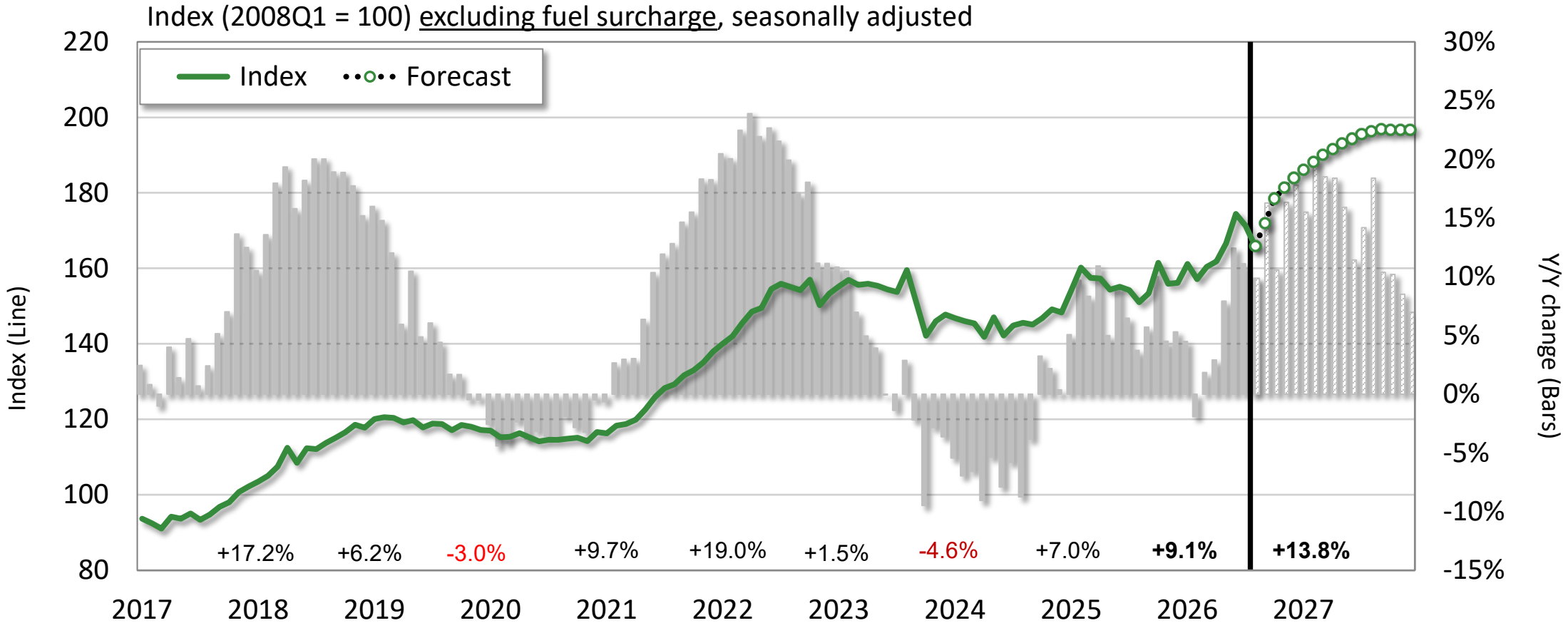
Source: FTR Freight•cast™; FTR *Trucking Update Service*

Total truckload contract rates



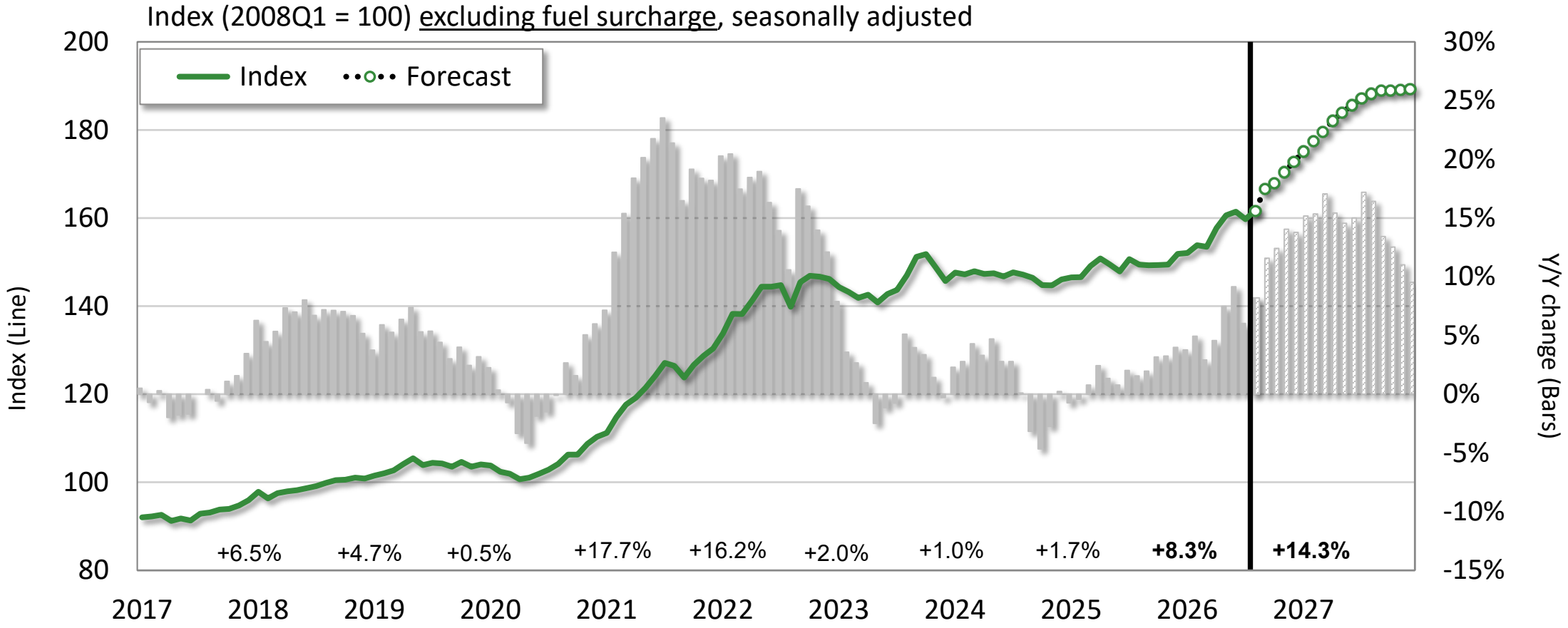
Source: FTR Freight•cast™; FTR *Trucking Update Service*

Tank truckload contract rates



Source: FTR Freight•cast™; FTR *Trucking Update Service*

LTL contract rates



Source: FTR Freight•cast™; FTR *Trucking Update Service*

Q&A

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