

Hello!

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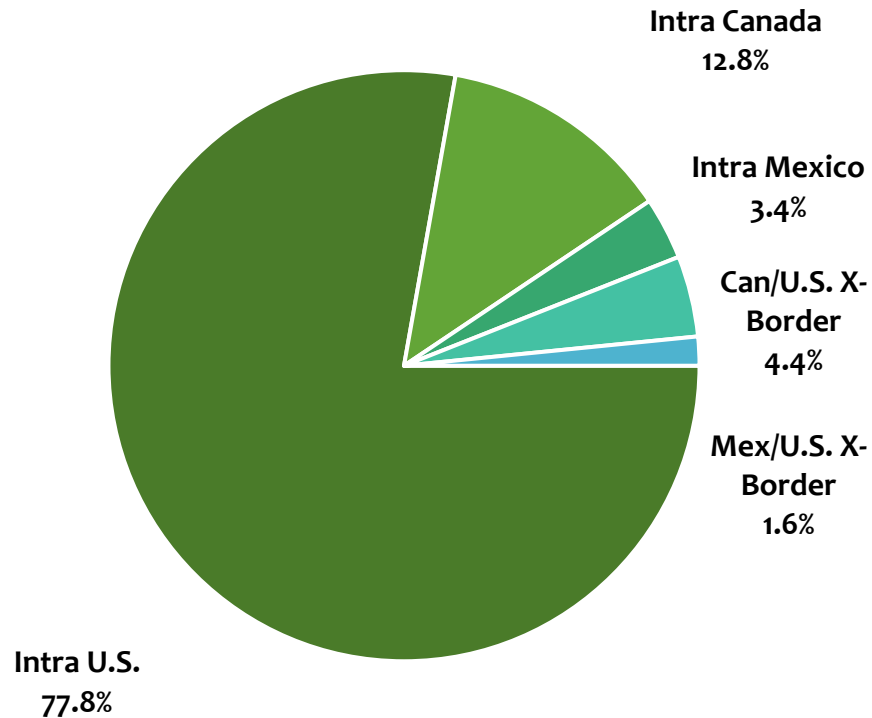
***INTERMODAL ISSUES AND
OPPORTUNITIES***

For: Railtrends

November 14, 2024

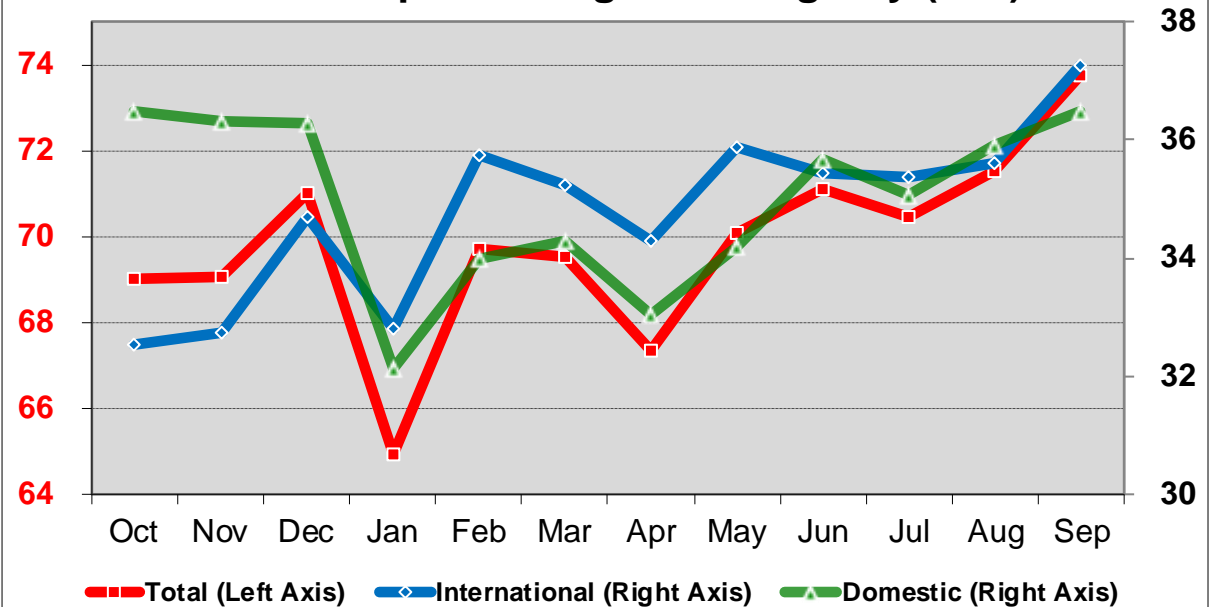
NORTH AMERICA YTD THRU SEPTEMBER

2024 YTD 10.4 Mill Revenue Moves



Sources: IANA ETSO, GTC Analysis

Rev. Moves per Average Working Day (000)

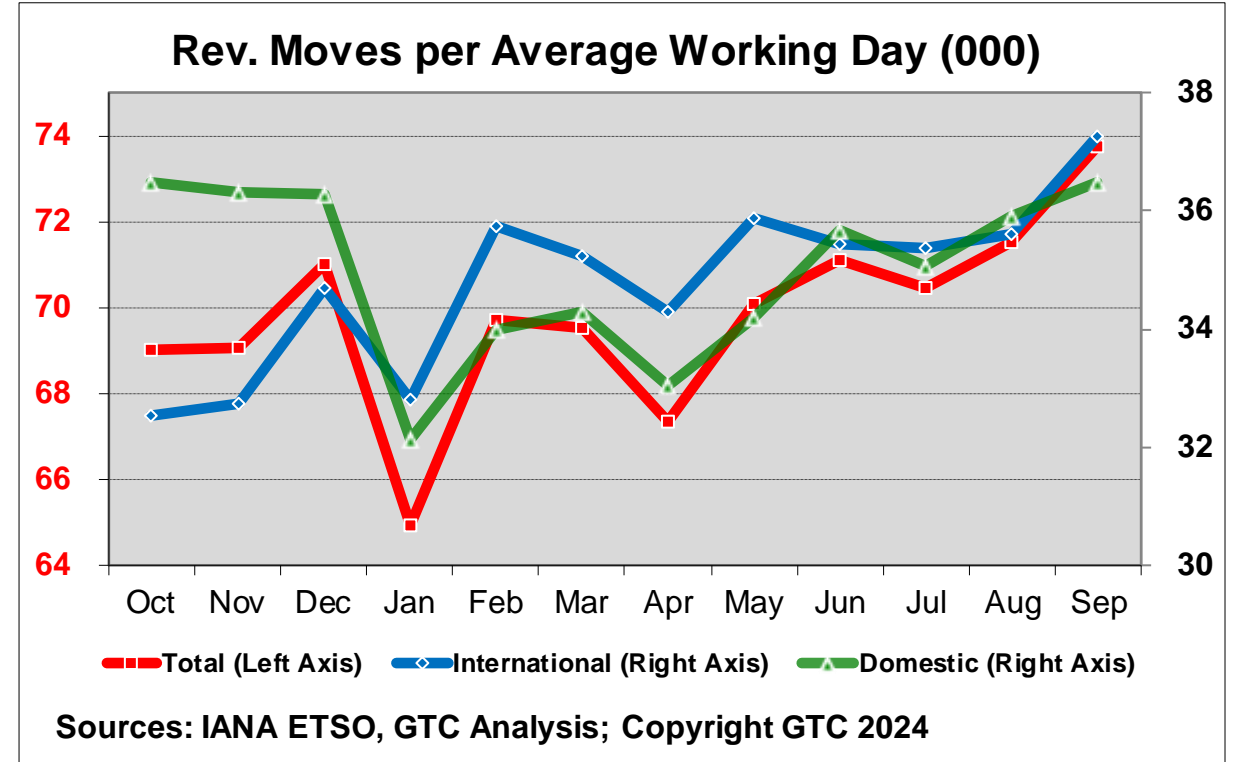


Sources: IANA ETSO, GTC Analysis; Copyright GTC 2024

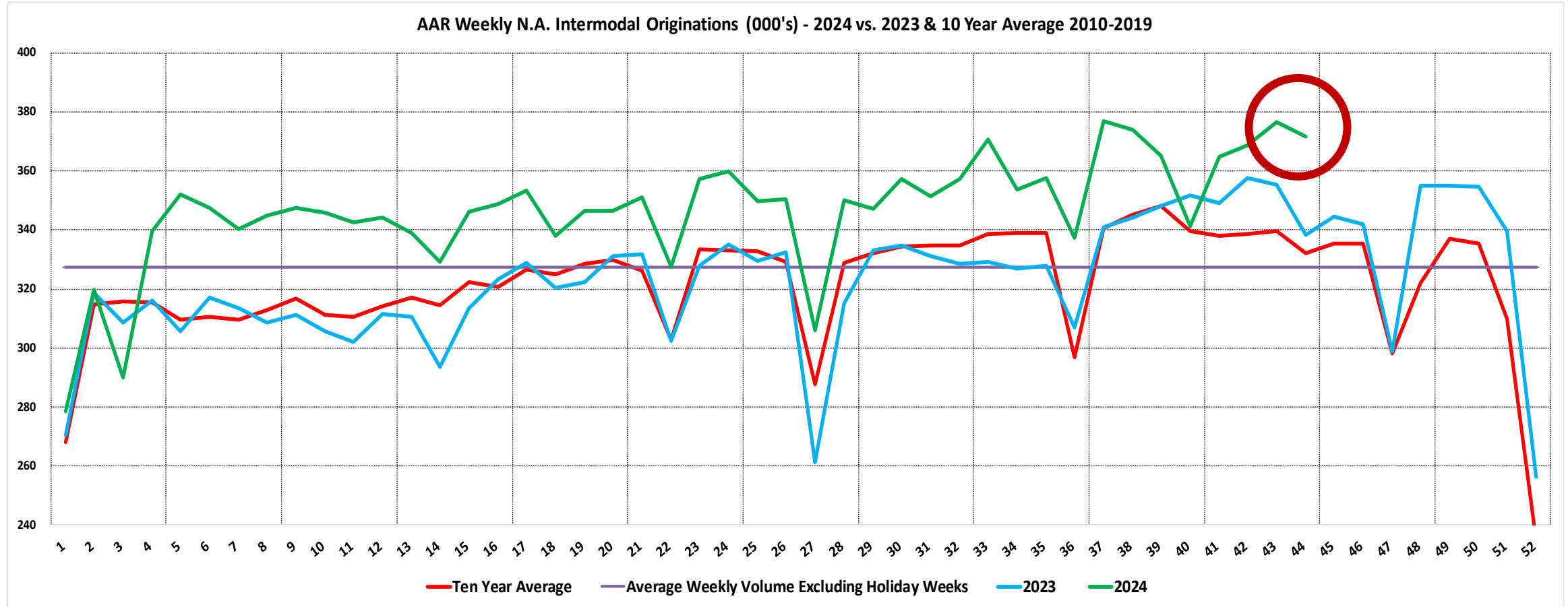
NORTH AMERICA YTD THRU SEPTEMBER

Segment	YTD Performance vs. same period 2023
Grand Total	+8.8%
International	+15.5%
Domestic	+2.8%
Domestic Container	+4.8%
Private Domcon	+6.1%
Rail Domcon	-0.2%
Trailer	-19.2%

Sources: IANA ETSO, GTC Analysis

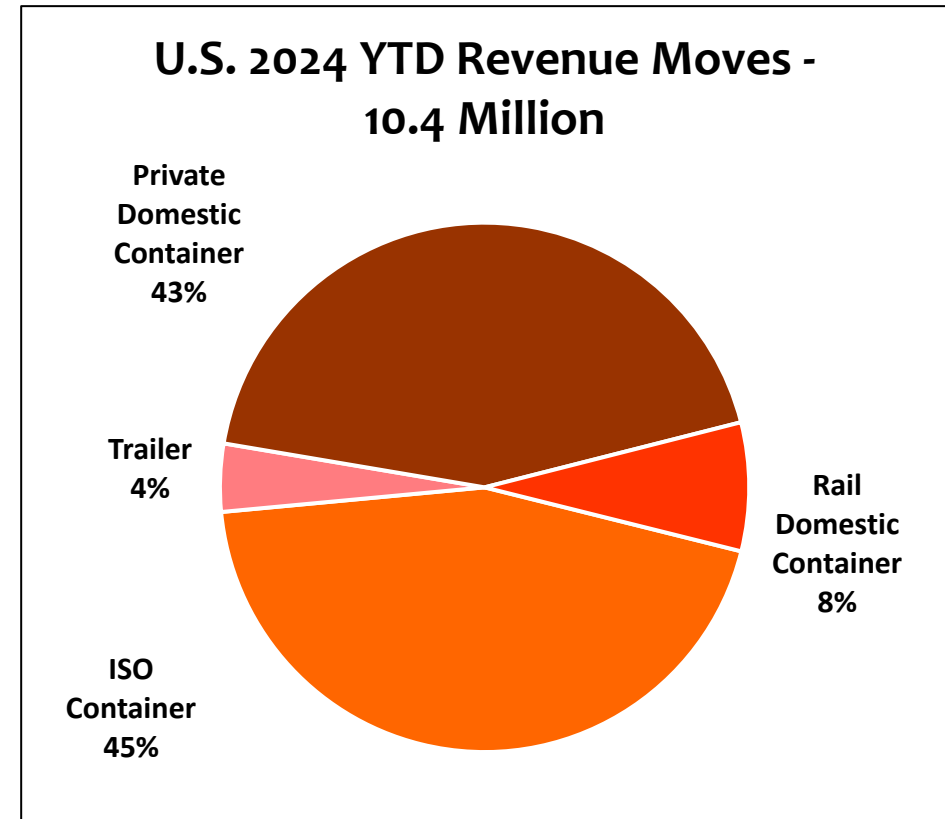


AAR WEEKLY NUMBERS SHOW STRENGTH CONTINUED THROUGH OCTOBER



U.S. – YTD THRU SEPTEMBER

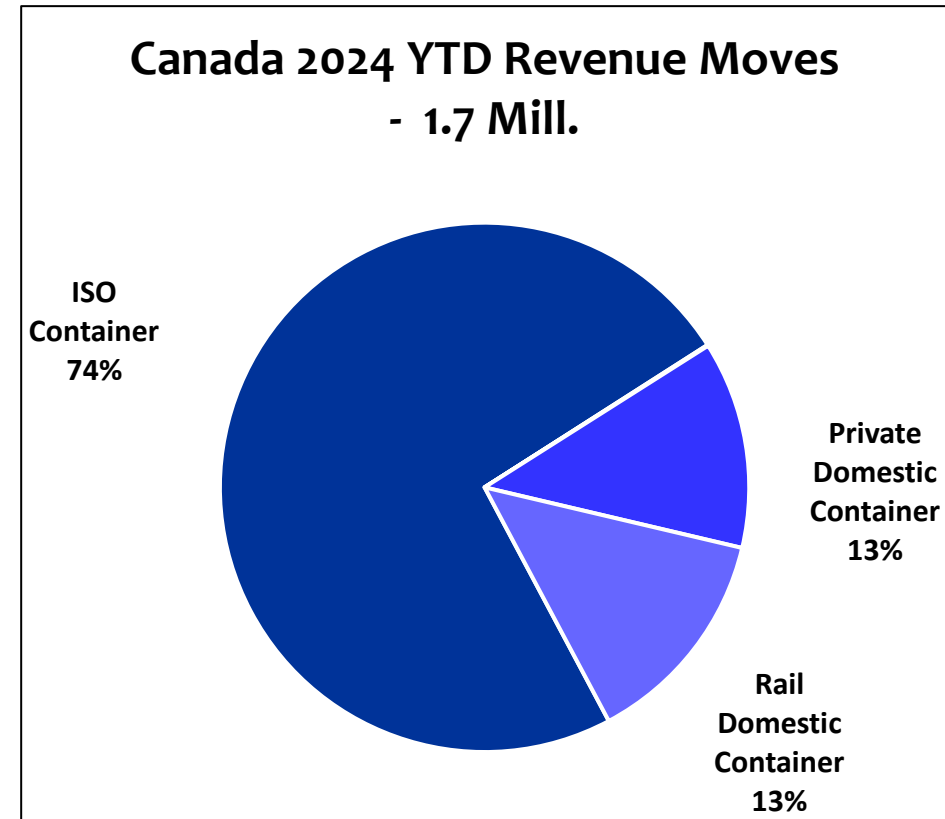
Segment	YTD Performance vs. same period 2023
Grand Total	+10.0%
International	+21.3%
Domestic	+2.4%
Domestic Container	+4.7%
Private Domcon	+4.6%
Rail Domcon	+4.9%
Trailer	-19.2%



Sources: IANA ETSO, GTC Analysis

CANADA – YTD THRU SEPTEMBER

Segment	YTD Performance vs. same period 2023
Grand Total	+3.7%
International	+6.9%
Domestic	-4.4%
Domestic Container	-4.4%
Private Domcon	-1.5%
Rail Domcon	-6.9%
Trailer	N/A

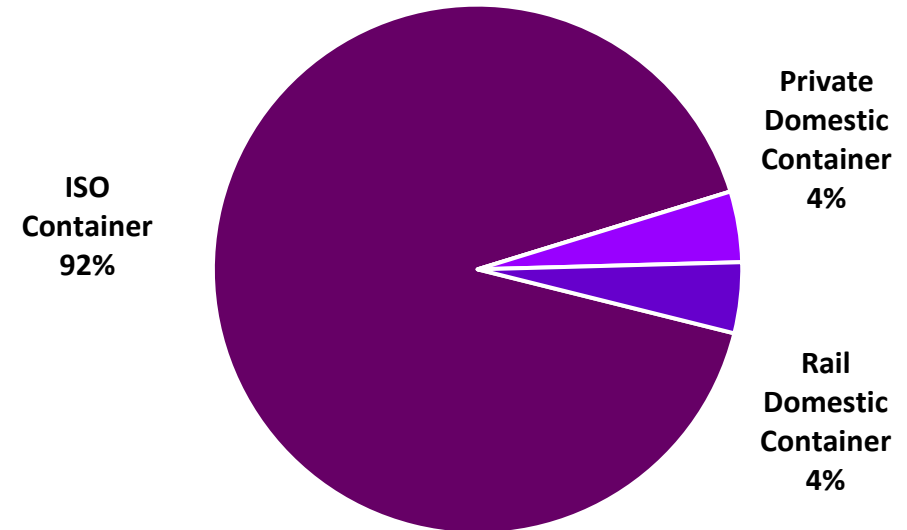


Sources: IANA ETSO, GTC Analysis

CANADA X-BORDER – YTD THRU SEPTEMBER

Segment	YTD Performance vs. same period 2023
Grand Total	-2.9%
International	-1.5%
Domestic	-14.5%
Domestic Container	-14.5%
Private Domcon	-14.3%
Rail Domcon	-14.7%
Trailer	N/A

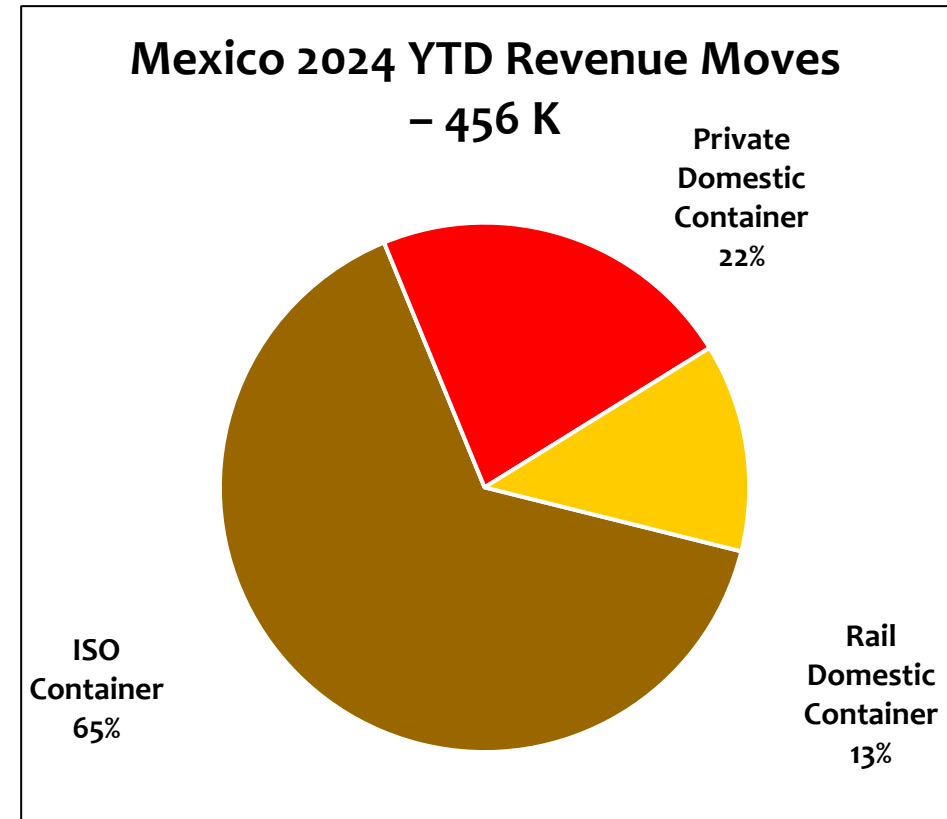
Can/U.S. X-Border 2024 YTD
Revenue Moves – 592 Thousand



Sources: IANA ETSO, GTC Analysis

MEXICO – YTD THRU SEPTEMBER

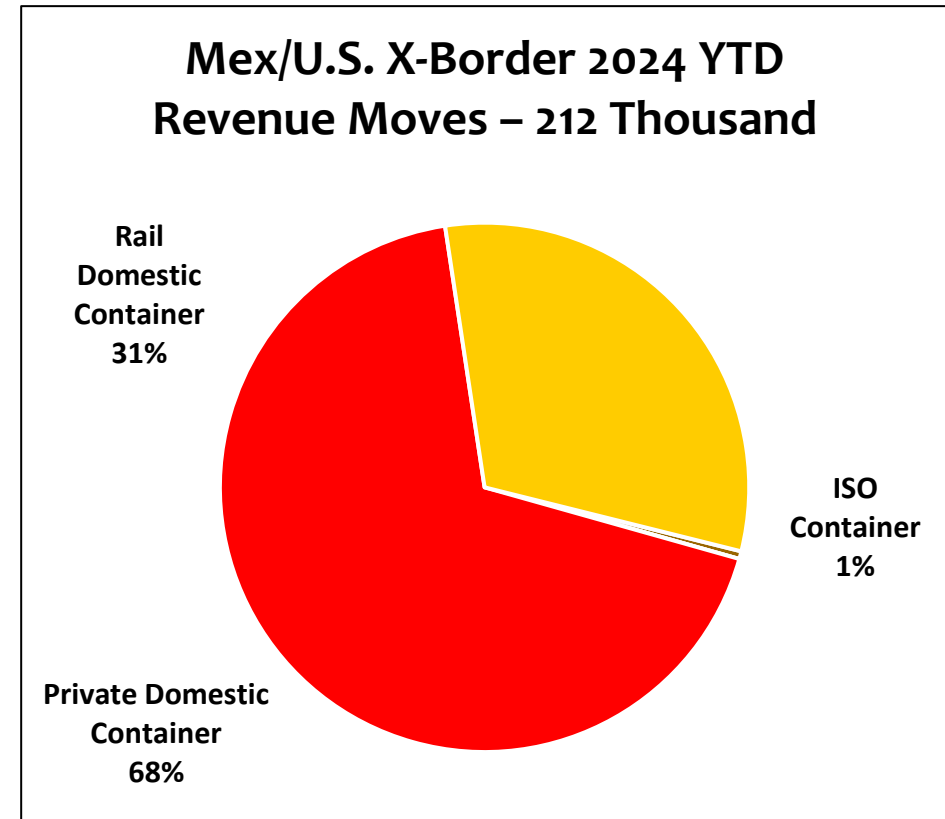
Segment	YTD Performance vs. same period 2023
Grand Total	+31.7%
International	+8.0%
Domestic	+120.9%
Domestic Container	+120.9%
Private Domcon	+247.3%
Rail Domcon	+35.2%
Trailer	N/A



Sources: IANA ETSO, GTC Analysis

MEXICO X-BORDER YTD THRU SEPTEMBER

Segment	YTD Performance vs. same period 2023
Grand Total	-7.9%
International	-81.9%
Domestic	-5.8%
Domestic Container	-5.8%
Private Domcon	+16.9%
Rail Domcon	-33.7%
Trailer	N/A

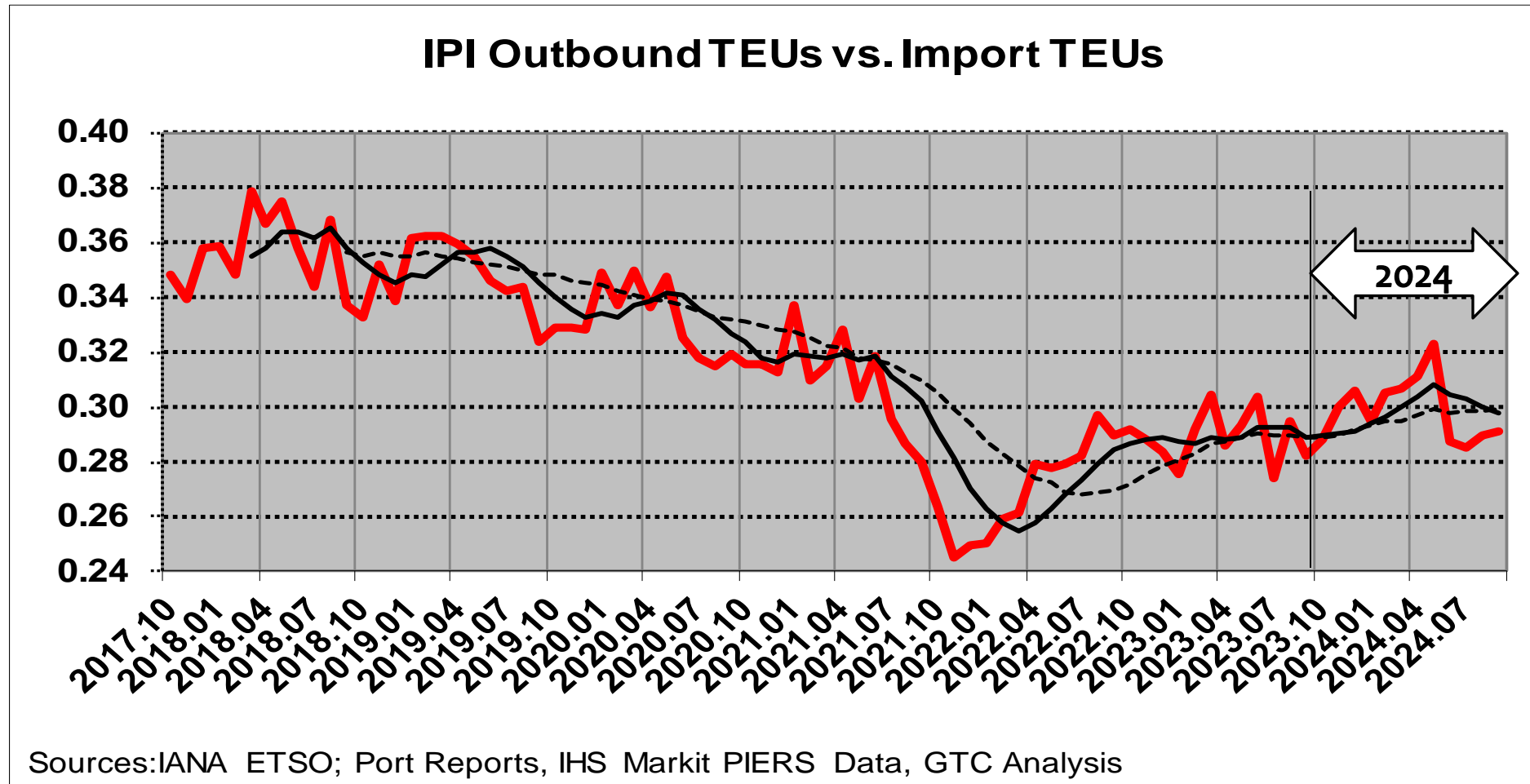


Sources: IANA ETSO, GTC Analysis

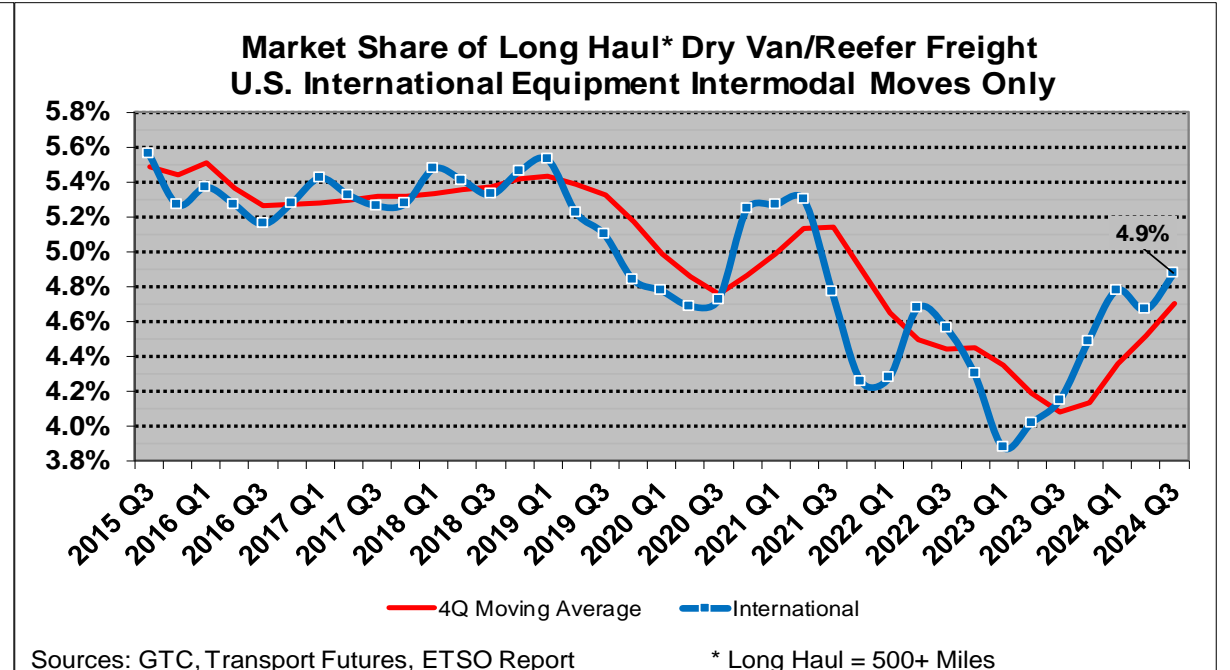
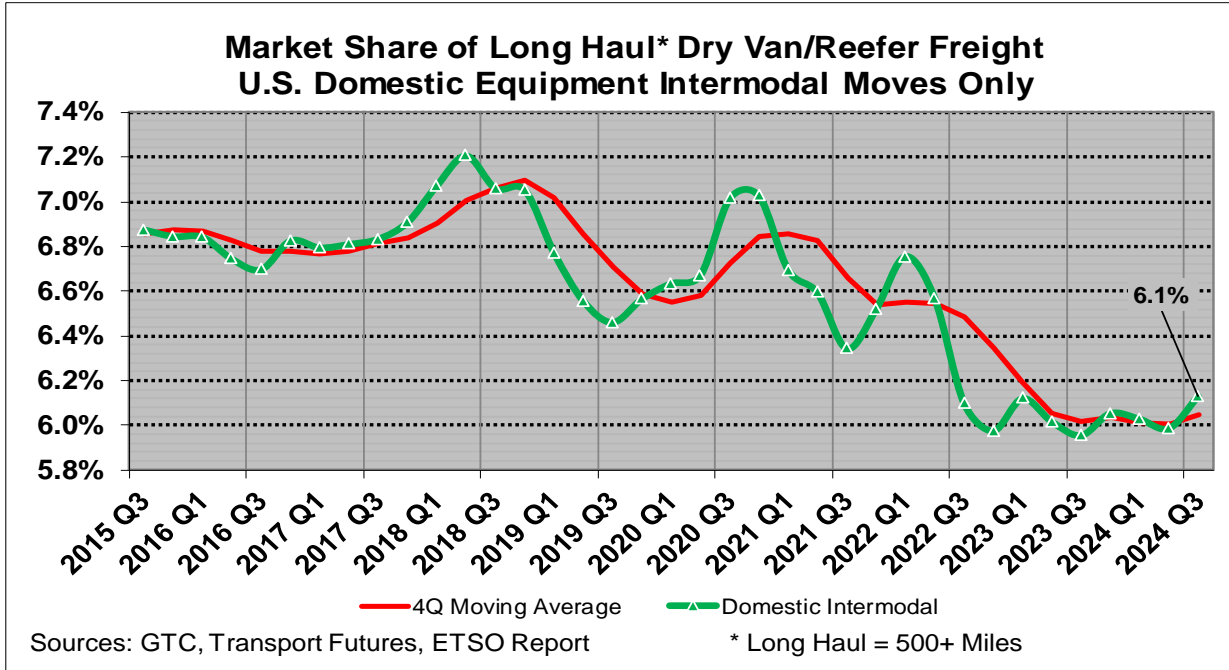
MAJOR 2024 THEMES

- Network resilience in the face of repeated disruptions and surges
- Big surge in West Coast IPI, driven by upstreaming of shipments in response to disruption threats, east coast-to-west coast import routing migration
- Slow-motion recovery in Domestic intermodal. Lots of capacity waiting to be put into service
- Canada suffering from repeated labor disruptions
- Weak performance on the Mexico border
- Strong Domestic growth within Mexico, especially Privates

INCREASE IN INTERNATIONAL HAS BEEN DRIVEN MAINLY BY INCREASE IN IMPORT TEUS

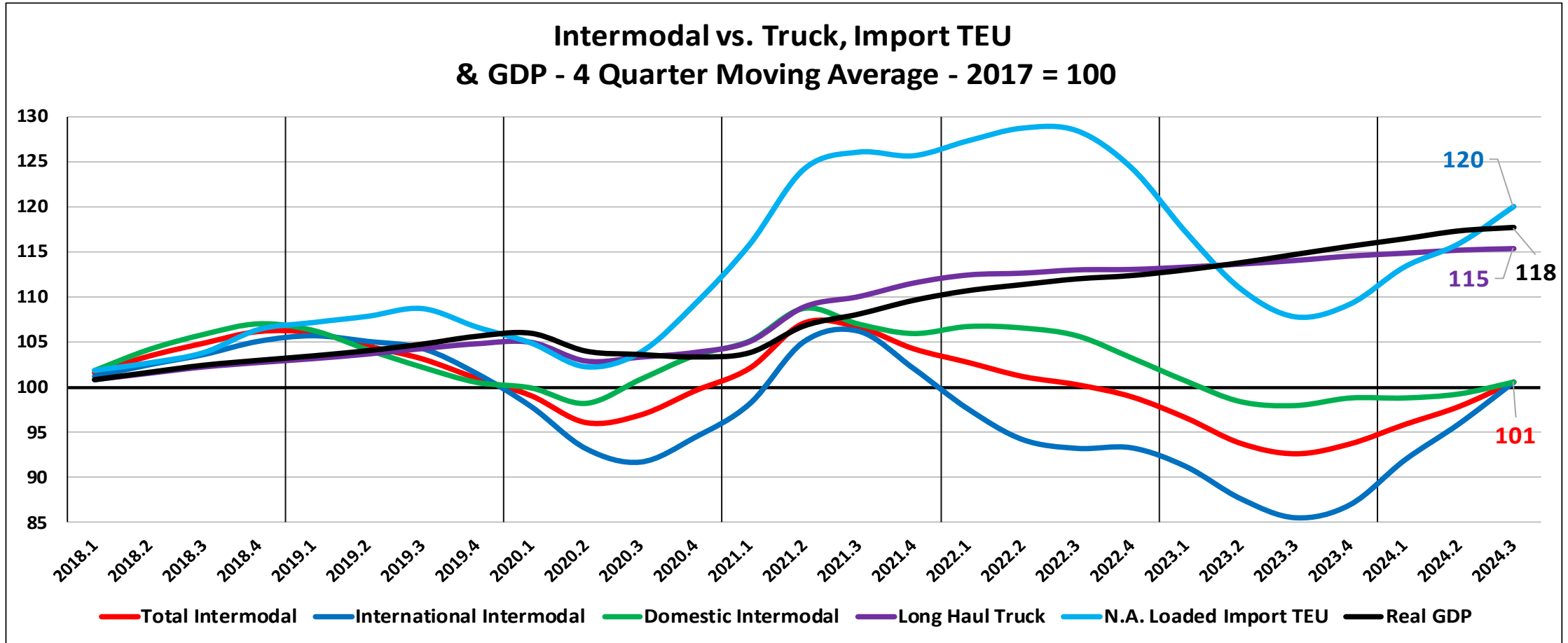


GREEN SHOOT?: DOMESTIC INTERMODAL MARKET SHARE TICKED UP IN Q3

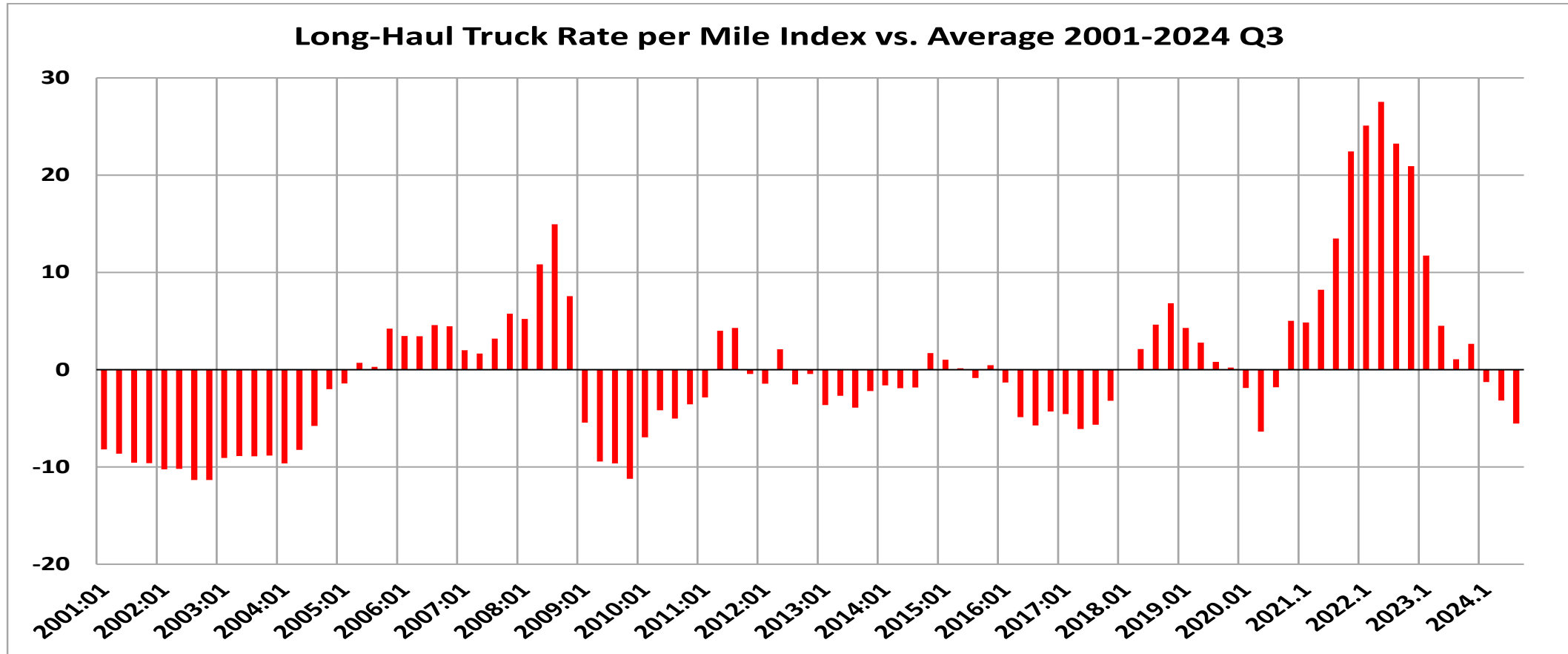


Sources: IANA ETSO, Transport Futures, GTC Analysis

SINCE 2017, INTERMODAL HAS UNDERPERFORMED VS. TRUCK, IMPORT TEUS & GDP



STOP WAITING FOR THE MARKET TO “NORMALIZE”



Sources: Transport Futures, GTC Analysis

POSSIBLE TRUMP EFFECTS

- Another big surge of imports before Inauguration Day
- Continued turbulence due to likely tariff gyrations
- Long-term, slower growth in imports as tariffs bite – but supply chains don't turn on a dime
- Sourcing retreat from China, likely resumption of west-to-east coast import migration
- Near-shoring to Mexico? Tariffs perhaps tied to action on illegal immigration.

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WHO KNOWS?

OUTLOOK

- Intermodal has demonstrated operational resilience in the face of major disruption. This will reassure shippers.
- In the absence of major changes in intermodal strategy, modest improvement in intermodal market share as truck rates begin to firm.
- Domestic intermodal outgrows truck modestly
- Imports shift back to the east coast, once ILA strike threat ends and especially if the shooting in the Middle East stops.
- IPI boom comes to an end, minimal growth next year, depending on tariff situation

INTERMODAL IN DEPTH



- *Produced in cooperation with IANA*
- *60 pages of “what’s happening now”*
- *2025 forecast*

www.IntermodalinDepth.com

Thanks! Questions?

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