



IANA

**INTERMODAL ASSOCIATION
OF NORTH AMERICA**

THE CONNECTING FORCE BEHIND INTERMODAL FREIGHT

THE BUSINESS OF INTERMODAL CONTINUES



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OF NORTH AMERICA

THE BUSINESS OF INTERMODAL CONTINUES

*Intermodal Analyzed
With Larry Gross of Gross
Transportation Consulting*

September 29th, 2020, 2:00 PM ET

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Housekeeping

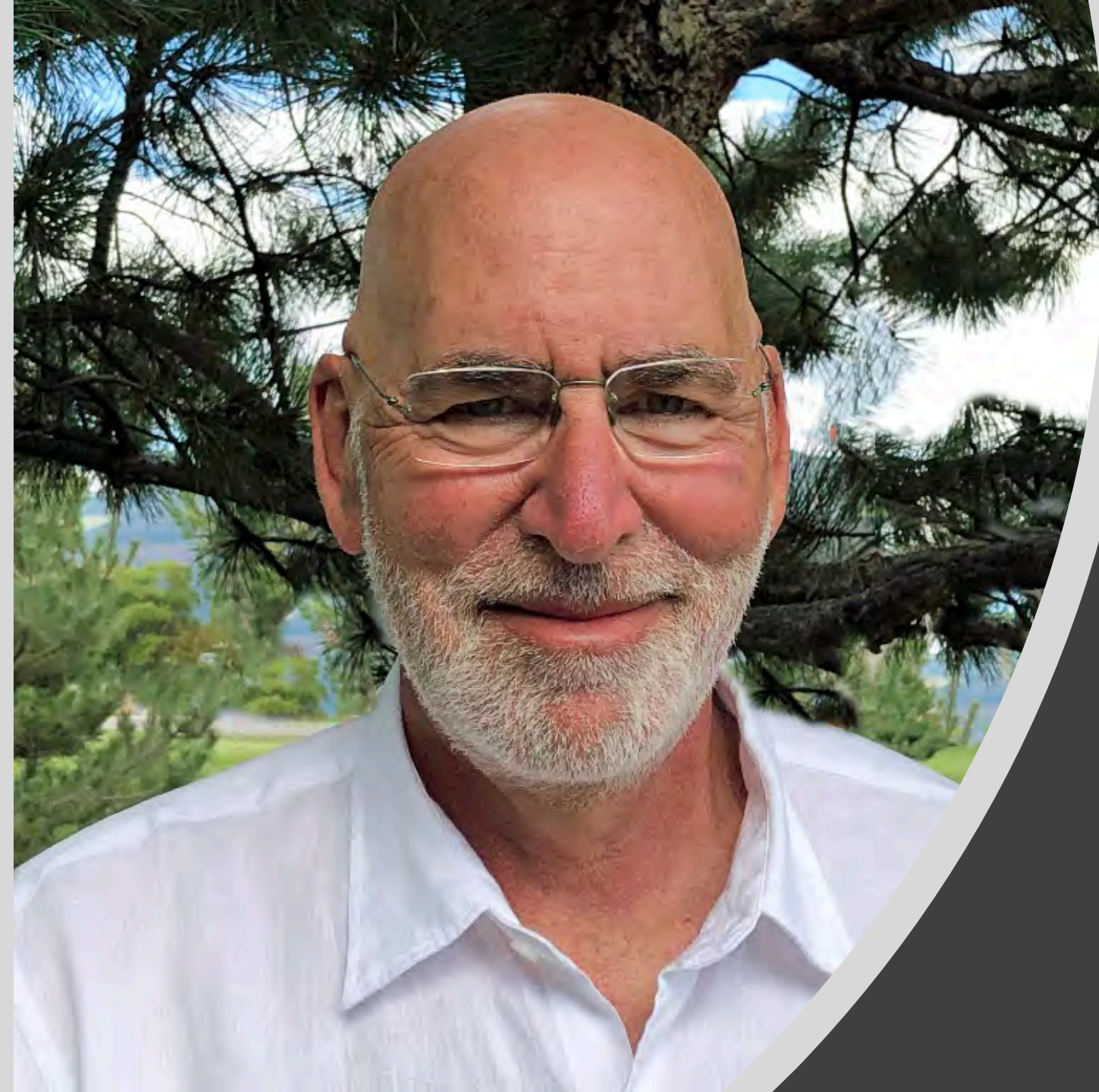
- Audience will be muted
- A question & answer session will follow the presentation
- Submit questions at any time via the Questions pane in the Control Panel
- A recording of this webinar, including the slides, will be available in the near future



Our
Moderator

Hal Pollard
Director of Education
IANA





**Our
Guest**

**Larry Gross
President
Gross
Transportation
Consulting**

Hello!

Larry Gross:

President

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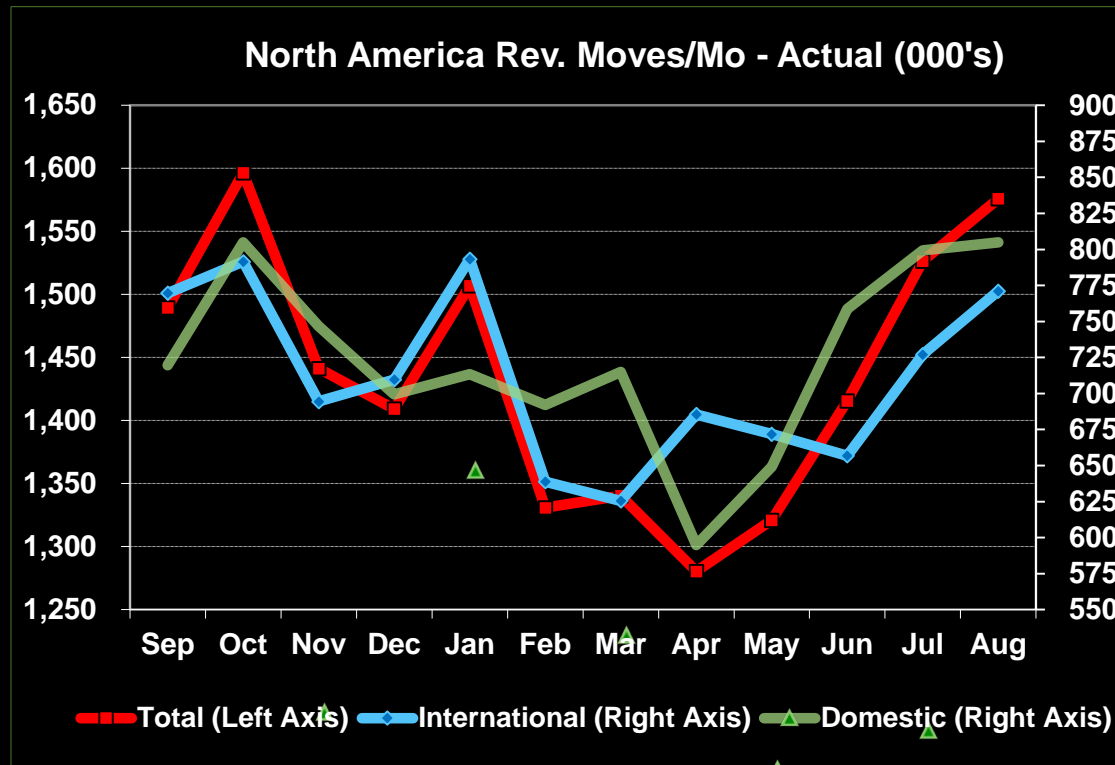
@Intermodalist

INTERMODAL ANALYZED

Intermodal Association of
North America

September 29, 2020

DOMESTIC GAINS SLOWED IN AUGUST IPI IS CATCHING UP BUT HAS A WAYS TO GO

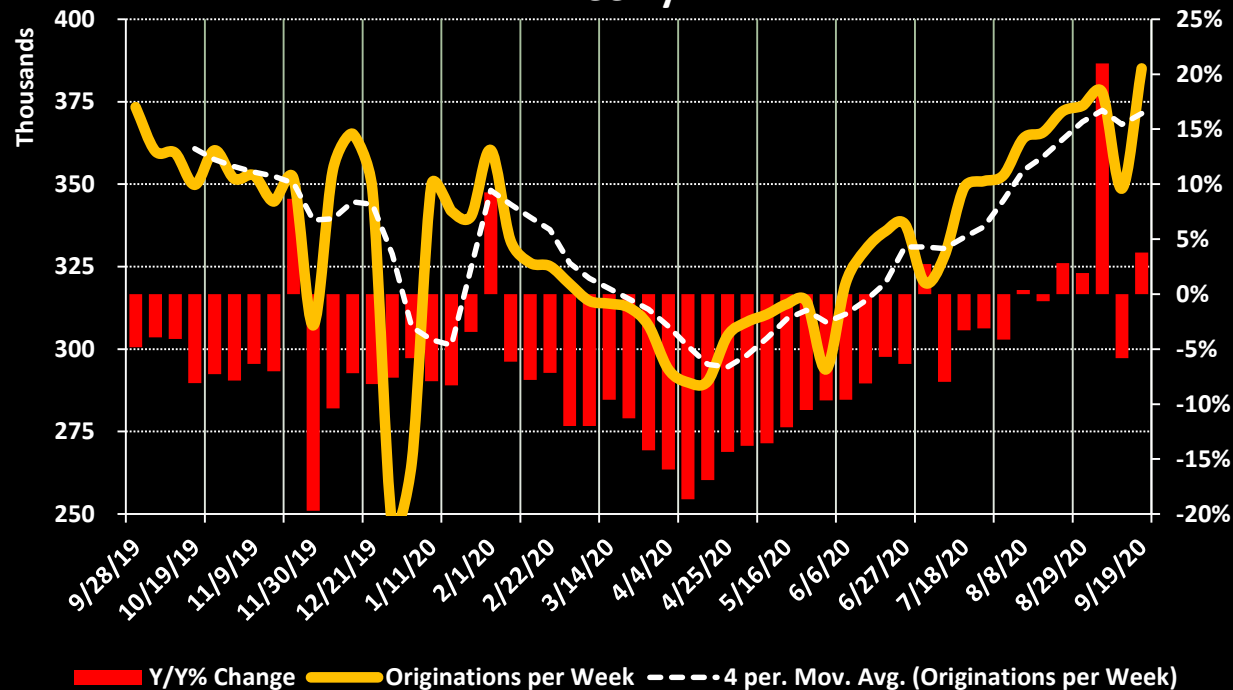


Source: IANA ETSO, GTC Analysis

August 2020	M/M	Y/Y
International	+6.0%	-9.0%
<i>Short Trailer</i>	<i>-6.0%</i>	+5.2%
<i>53' Trailer</i>	+4.8%	+2.5%
Total Trailer	+1.5%	+3.3%
<i>Private Domestic Container</i>	+0.5%	+4.0%
<i>Rail Domestic Container</i>	+0.6%	+5.4%
Total Domestic Container	+0.6%	+4.4%
Domestic	+0.7%	+4.3%
Grand Total	+3.2%	-2.7%

AAR WEEKLY DATA INDICATES THE RALLY CONTINUED INTO SEPTEMBER

North America Total Intermodal Originations
Weekly

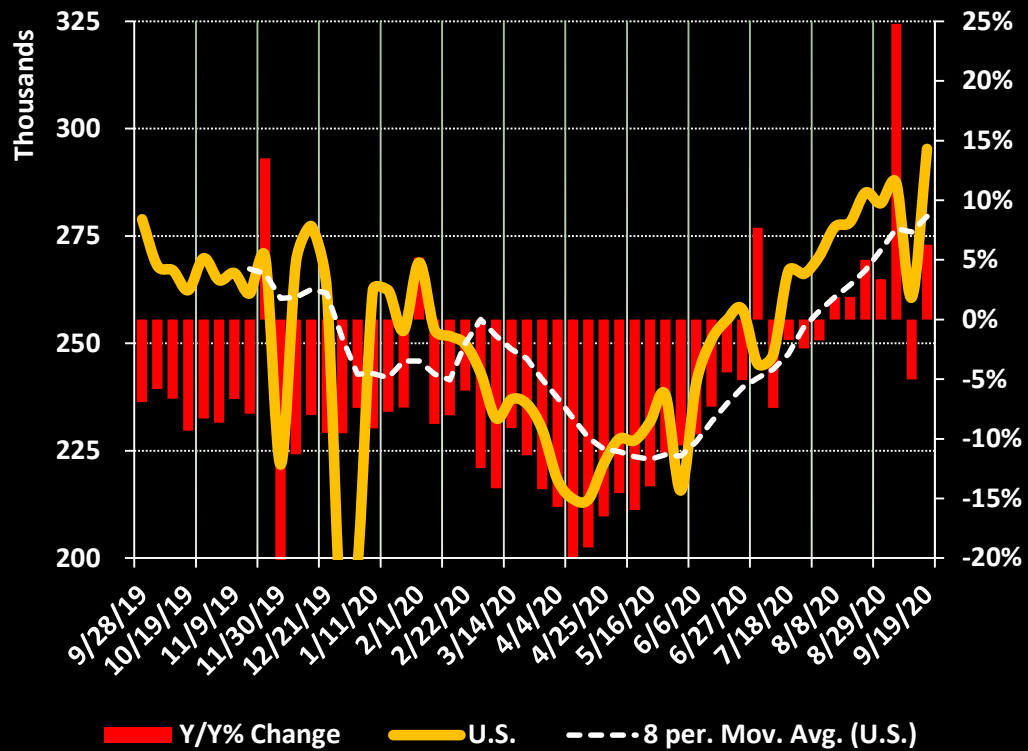


- Latest Y/Y Comps:
- Weekly: +3.8%
 - 4-Week Avg: +4.6%

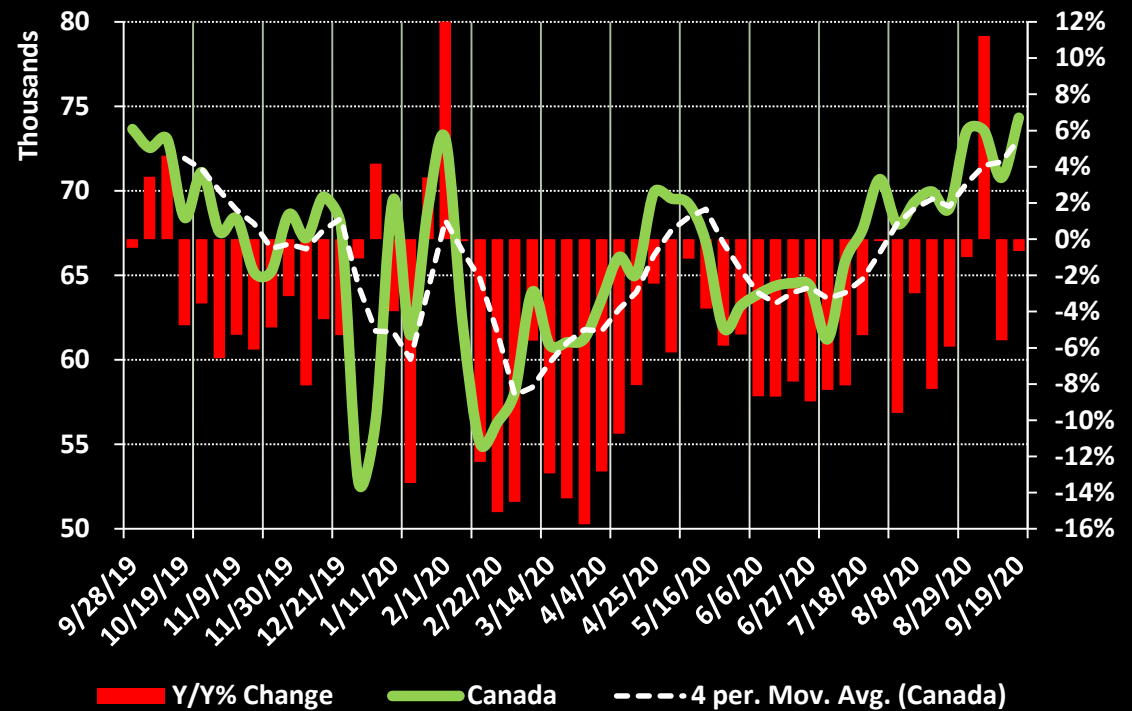
Source: AAR, GTC Analysis

IN RECENT WEEKS, U.S. HAS BEEN STRONGER THAN CANADA

United States Total Intermodal Originations Weekly



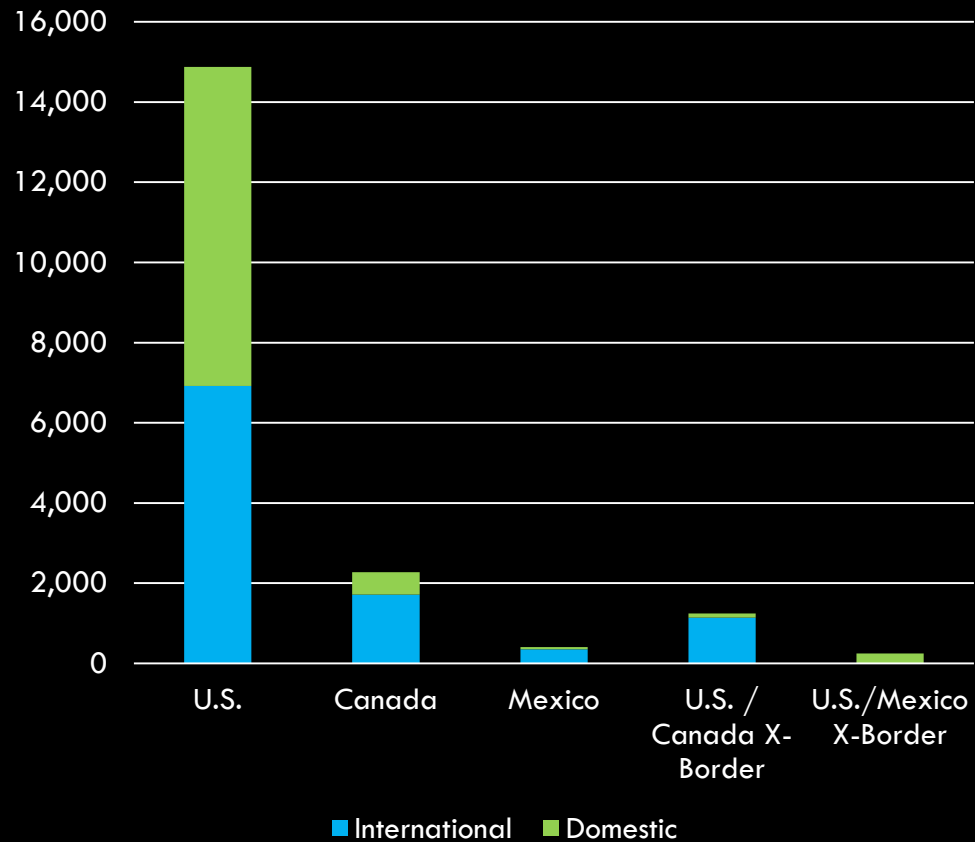
Canadian Total Intermodal Originations Weekly



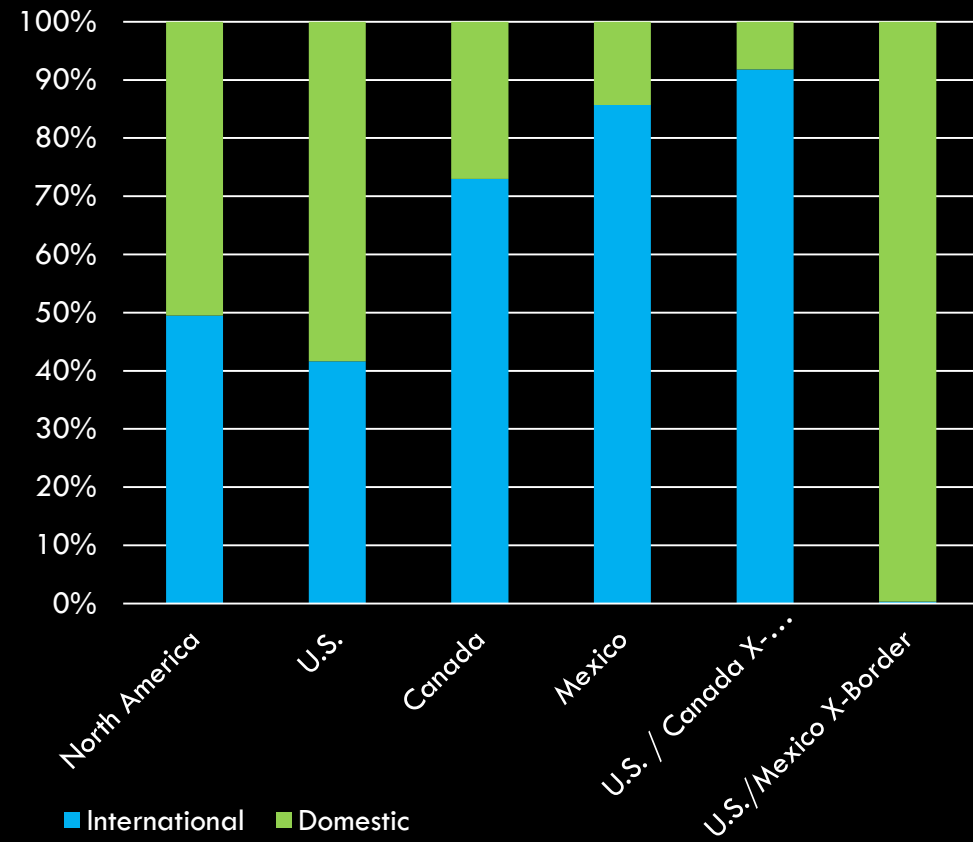
Source: AAR, GTC Analysis

COMPARISON OF KEY NORTH AMERICAN INTERMODAL MARKETS

Revenue Moves, Last 12 Months (000)

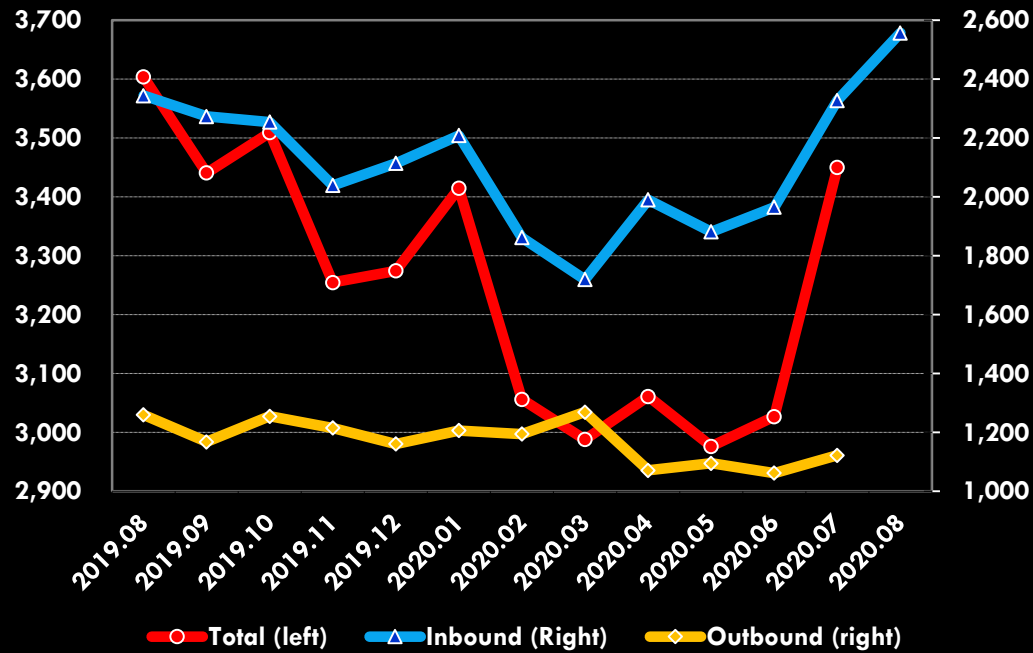


Market Composition

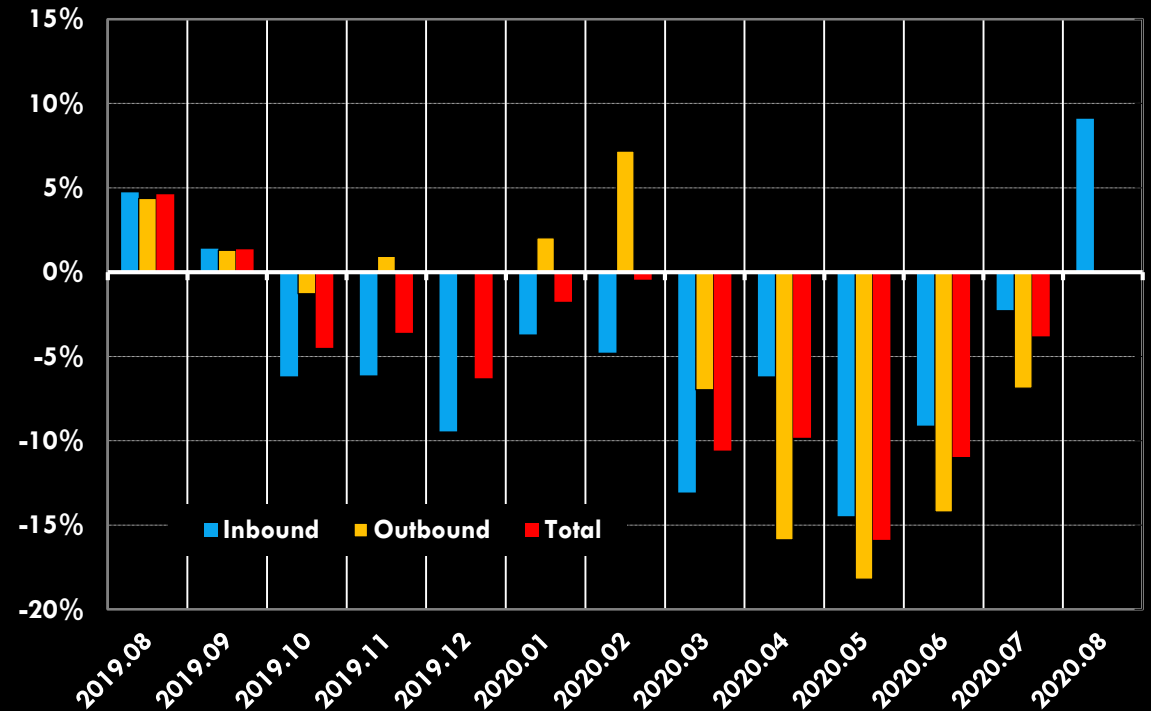


IMPORTS HAVE MOVED UP SHARPLY IN THE PAST TWO MONTHS

North America Loaded TEUs (000)



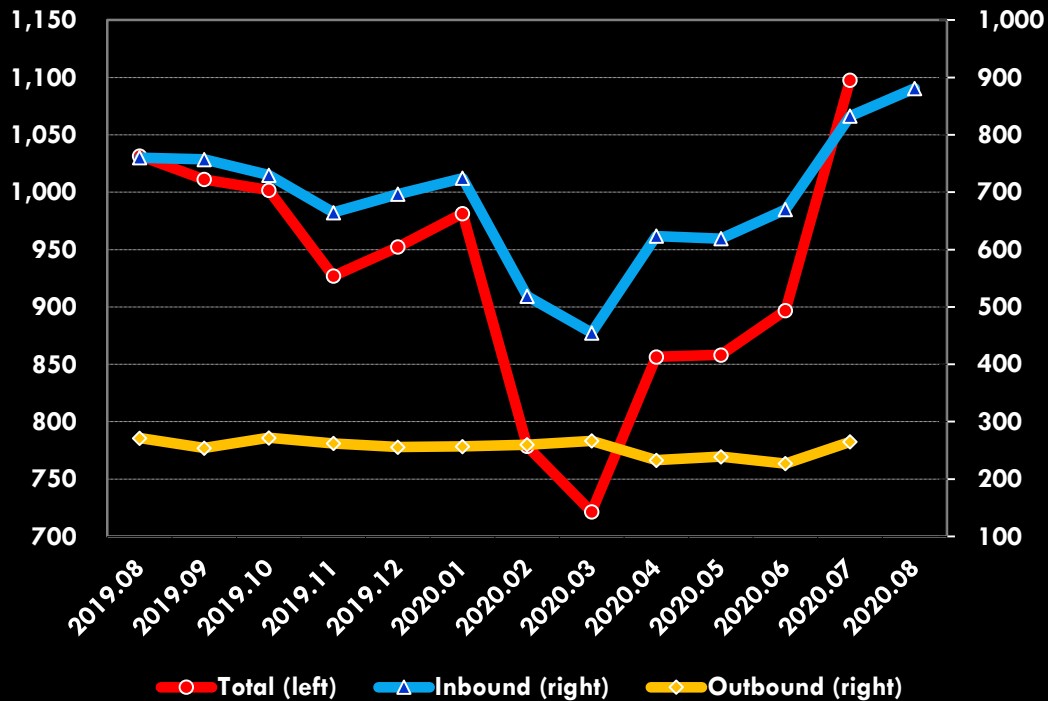
North America Loaded TEU's - Y/Y Change



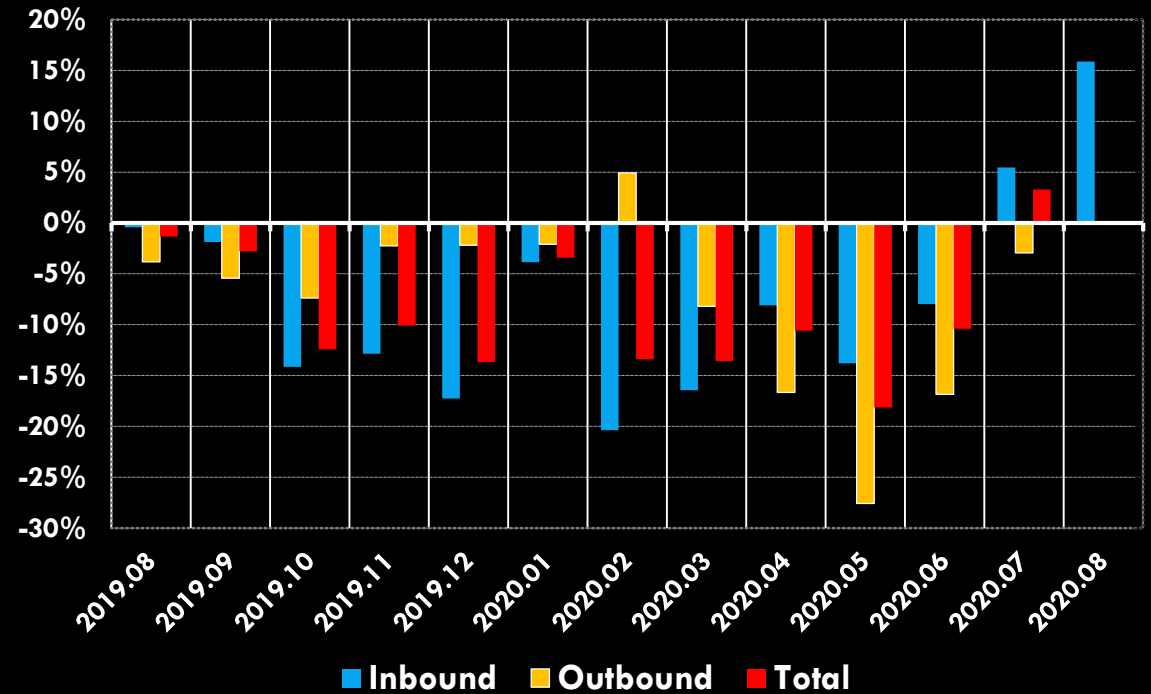
Source: Port Reports, IHS PIERS, GTC Analysis

L.A./LONG BEACH HAS BEEN THE EPICENTER OF THE IMPORT SURGE

L.A./Long Beach - Loaded TEUs (000)

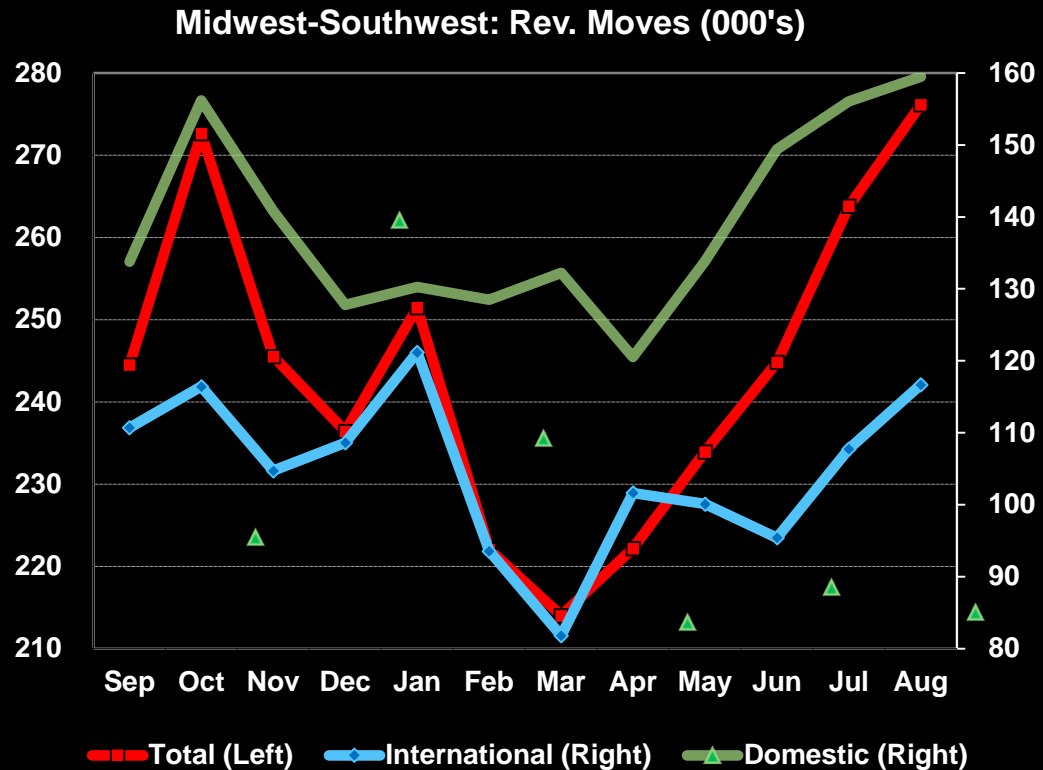


L.A./Long Beach Loaded TEU's - Y/Y Change



Source: Port Reports, IHS PIERS, GTC Analysis

TRANSLOADING HAS BEEN THE MODE OF CHOICE OUT OF SOUTHERN CALIFORNIA



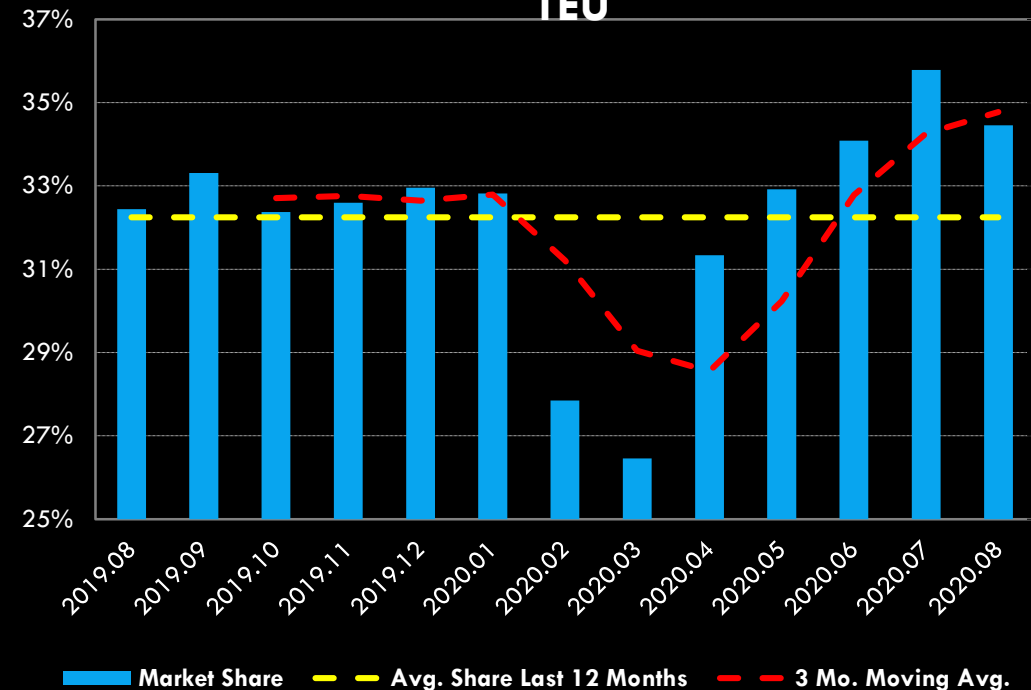
Source: Port Reports, IHS PIERS, GTC Analysis

	Q3 To Date Y/Y
N.A. Import TEUs	+3.4%
International/IPI – Network	-10.9%
L.A./L.B. Import TEUs	+10.6%
Midwest-Southwest IPI / International Rev. Moves	-10.2%
Midwest-Southwest Domestic Container Rev. Moves	+16.1%
Midwest-Southwest Trailer Rev. Moves	+1.5%

MONTHLY CHANGES SHOW PENDULUM STARTING TO SWING EAST

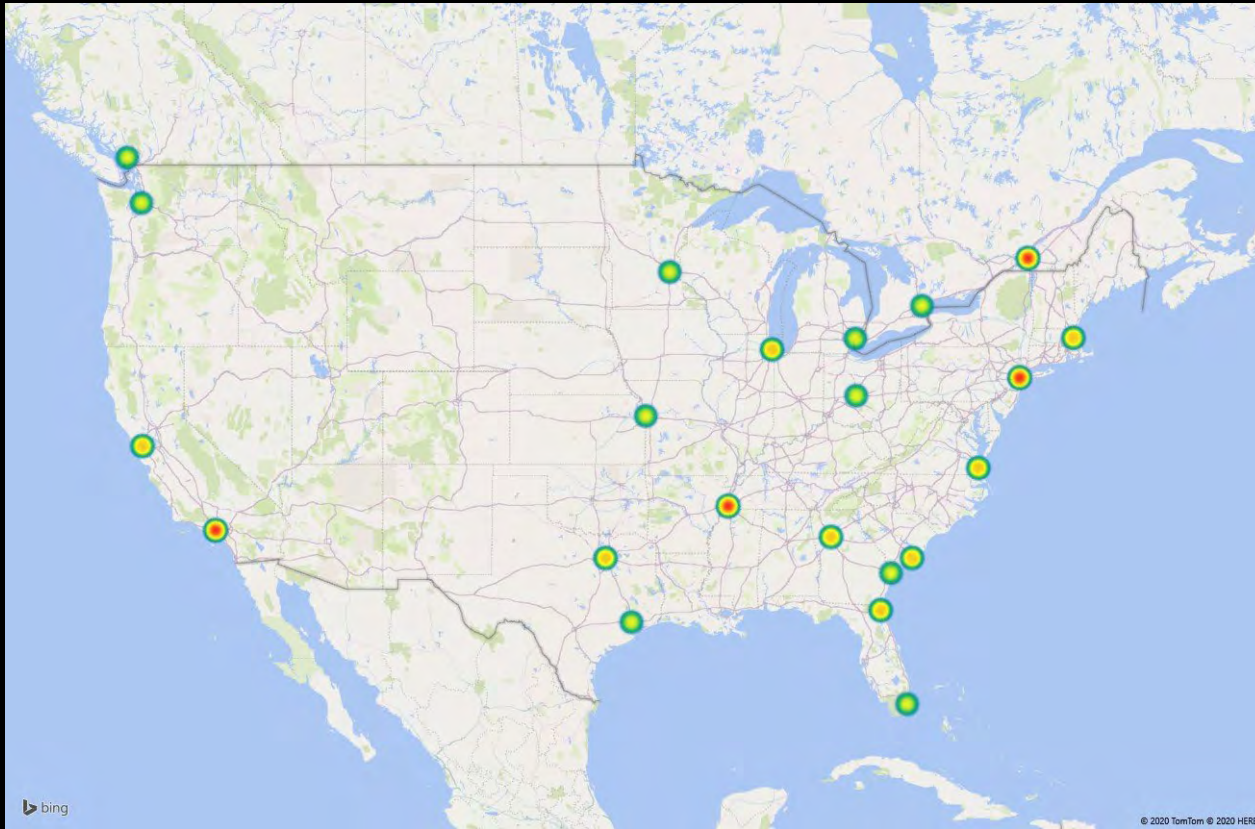
August Import TEUs	M/M	Y/Y
North America	+9.9%	+9.1%
LA/LB	+5.8%	+15.9%
Nor Cal	-0.2%	+9.0%
PNW	+4.7%	-1.9%
W. Can	+4.3%	+8.2%
Northeast	+12.7%	+6.7%
Southeast	+20.0%	+2.9%
Gulf	+15.9%	+7.9%

L.A./Long Beach: Share of Inbound N.A. TEU



Source: Port Reports, IHS PIERS, GTC Analysis

DRAYAGE DEMAND INDEX SHOWS WILDLY VARIABLE CONDITIONS

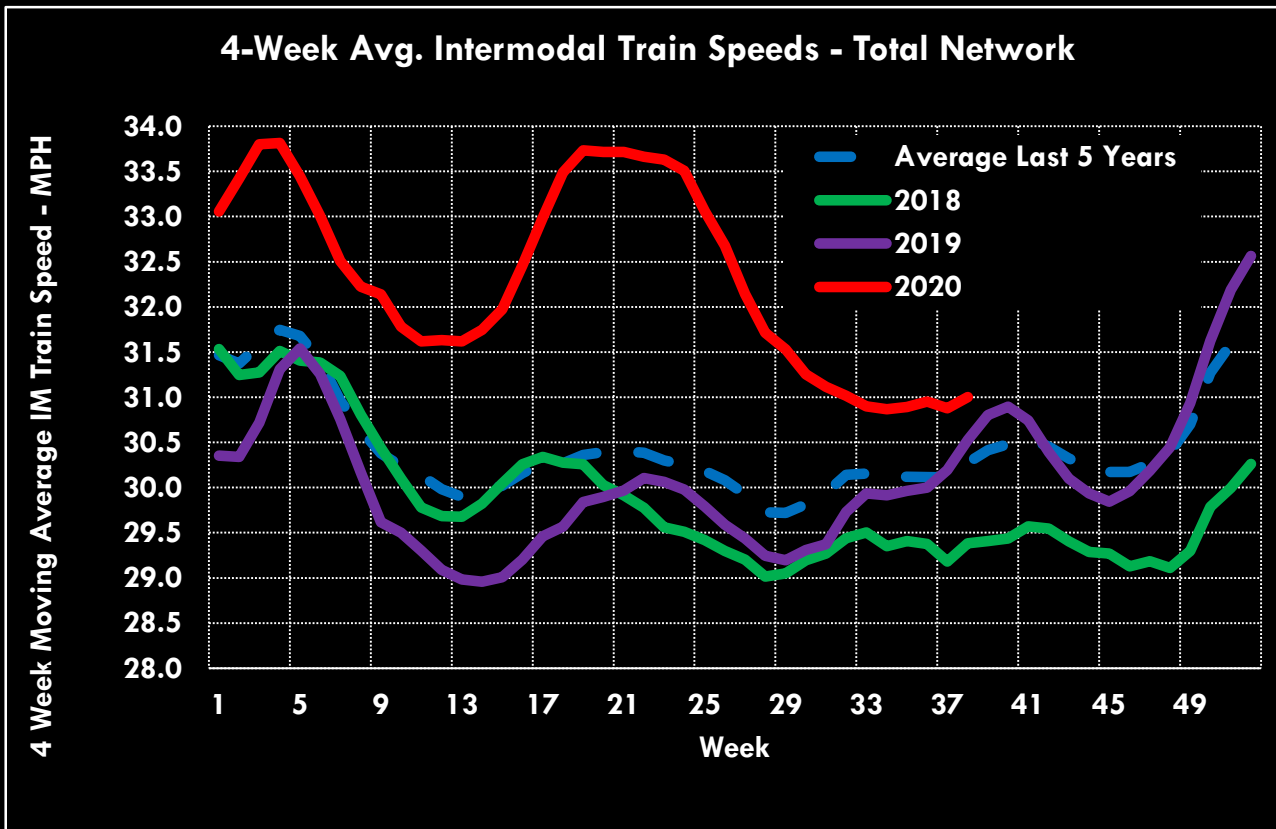


0 to 50	Blue	Loose
51 to 100	Green	Low Normal
101 to 150	Yellow	High Normal
150 to 200	Orange	Tight
Above 200	Red	Very Tight

- Critical conditions in LA, Memphis, NYC, Montreal
- Generally placid elsewhere

Source: Drayage.com, GTC Analysis

INTERMODAL TRAIN SPEEDS HAVE BEEN STABLE AT SLIGHTLY ABOVE-AVERAGE LEVELS



- Average speed most recent week: 31.0 mph
- 2.4%/0.7 mph better than 5-year average
- 1.5%/0.5 mph better than prior year

Source: STB EP 724 Rail Service Issues Reports, GTC Analysis

WHY HAS FREIGHT BEEN SO STRONG?

- **Freight is good but not as strong as intermodal makes it appear**
 - **Truck freight has recovered somewhat but tight conditions are equally due to capacity exiting the system**
 - **Inventory pipeline was depleted by China shutdown followed by N.A. shutdown and needed to be replenished – fast!**
 - **Resulting conditions were exceptionally “intermodal friendly”**
- **Those consumers with \$\$\$ have rerouted spending from “experiences” to “stuff”. more “stuff” bought = more freight**
- **Government support has kept incomes reasonably level – up to now.**

WILL FREIGHT STAY STRONG? THERE ARE AREAS OF CONCERN

- **Virus is accelerating as cold weather approaches. That doesn't even count flu season.**
- **Many businesses got by so far with "outdoor" options that won't be feasible come Winter.**
- **Government economic support finished or expiring with seemingly little chance of a new bill before the election**
- **Rehiring appears stalled out at the moment**
- **Foreclosure and small business bankruptcy waves looming**
- **Societal fears still high**
- **Election anxiety "off the charts"**

For me, the balance appears negative. But I didn't see the freight wave coming either. Caveat Emptor!

INTERMODAL IN DEPTH

Intermodal In Depth is a monthly analytical report that summarizes the latest trends

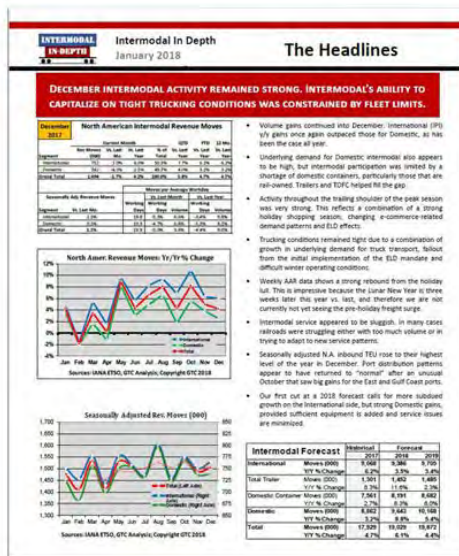
Drawing from a variety of data sources, Intermodal In Depth provides a timely and detailed look at the key drivers of the North American intermodal sector. More than just data, Intermodal In Depth goes deep to analyze what the data means, providing the reader with a thorough understanding of the current state of Intermodal. All the information and analysis presented in one convenient package.

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Gross Transportation Consulting has teamed up with the Intermodal Association of North America to produce a powerful database tool for understanding detailed equipment flows by type throughout North America. Obtain the information you need on region-to-region flows by equipment type at the push of a button.

- Try Intermodal in Depth for six months for as little as \$200

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Thanks! Questions?

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September 29, 2020

Q&A

Please type your questions
in the control panel



For more information about **IANA** data, including and the
Volume Analyzer & ETSO Database

And now:



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Transportation Consulting

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Intermodal Analyzed

Join us for the next session in the series:

- October 27th 2:00pm ET

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