



IANA

**INTERMODAL ASSOCIATION
OF NORTH AMERICA**

THE CONNECTING FORCE BEHIND INTERMODAL FREIGHT

THE BUSINESS OF INTERMODAL CONTINUES



IANA

INTERMODAL ASSOCIATION
OF NORTH AMERICA

THE BUSINESS OF INTERMODAL CONTINUES

*Intermodal Analyzed
With Larry Gross of Gross
Transportation Consulting*

October 27, 2020, 2:00 PM ET

Thank you to our *Gold* sponsors!



Housekeeping

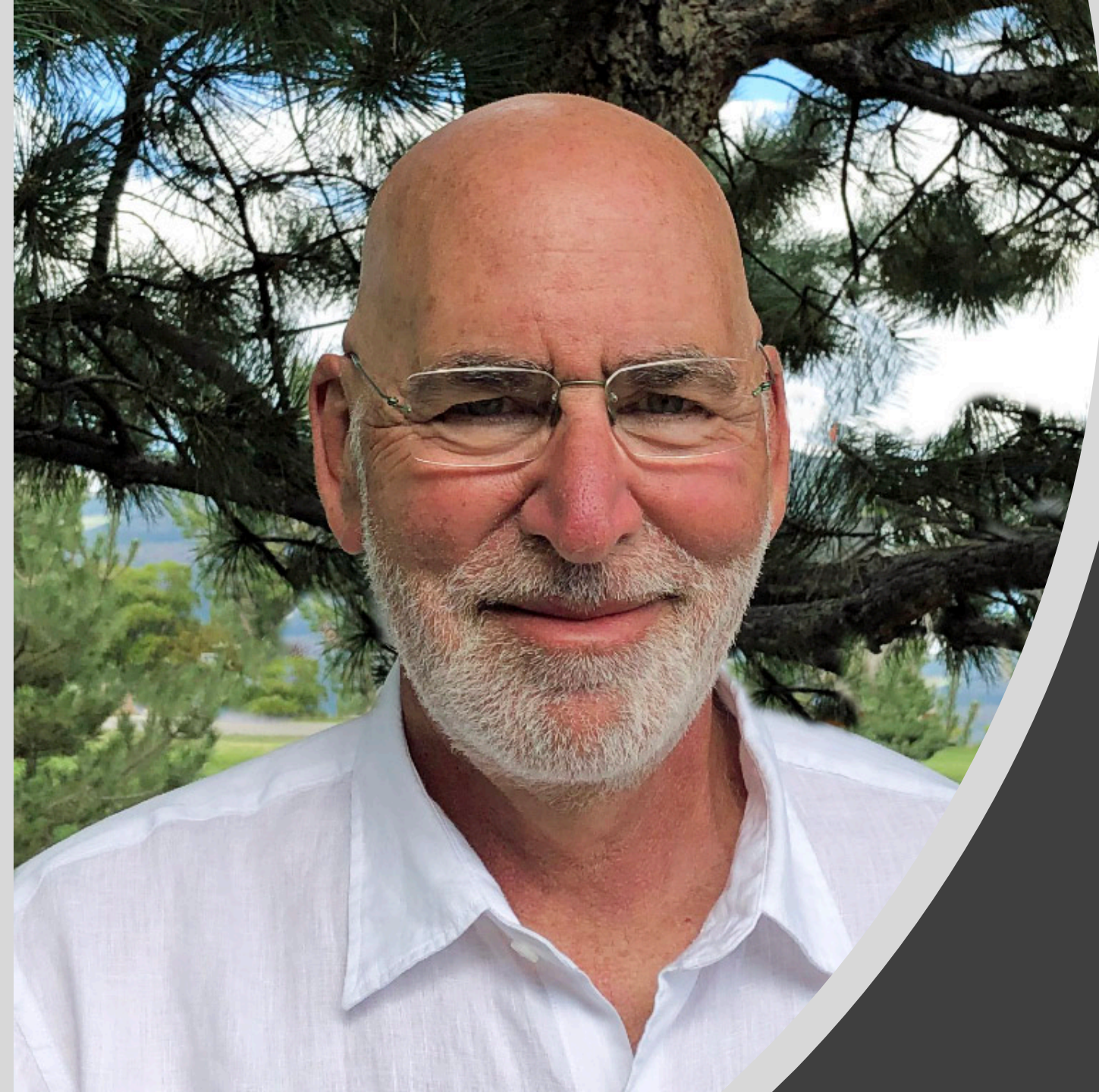
- Audience will be muted
- A question & answer session will follow the presentation
- Submit questions at any time via the Questions pane in the Control Panel
- A recording of this webinar, including the slides, will be available in the near future



Our
Moderator

Hal Pollard
Director of Education
IANA





**Our
Guest**

**Larry Gross
President
Gross
Transportation
Consulting**

Hello!

Larry Gross:

President

Gross Transportation Consulting

516-455-8988

lgross@intermodalindepth.com

@Intermodalist

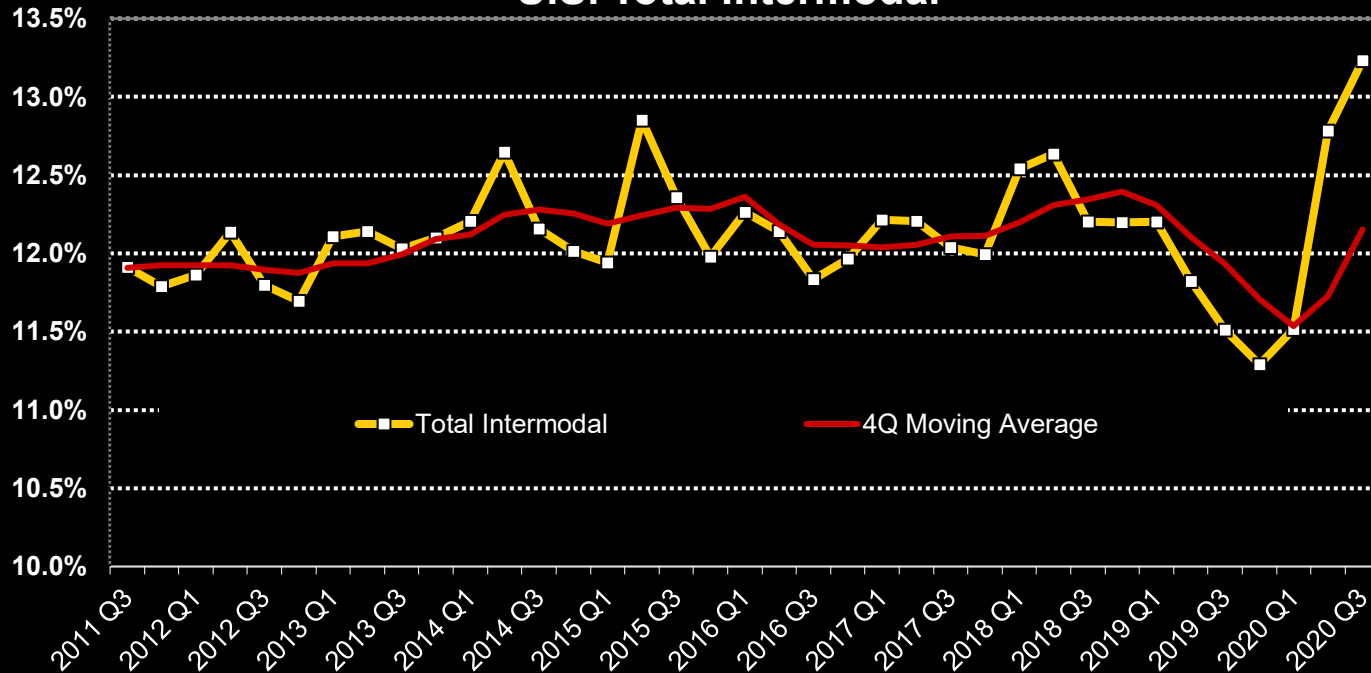
INTERMODAL ANALYZED

Intermodal Association of
North America

October 27, 2020

THE HEADLINE: INTERMODAL MARKET SHARE HAS SURGED

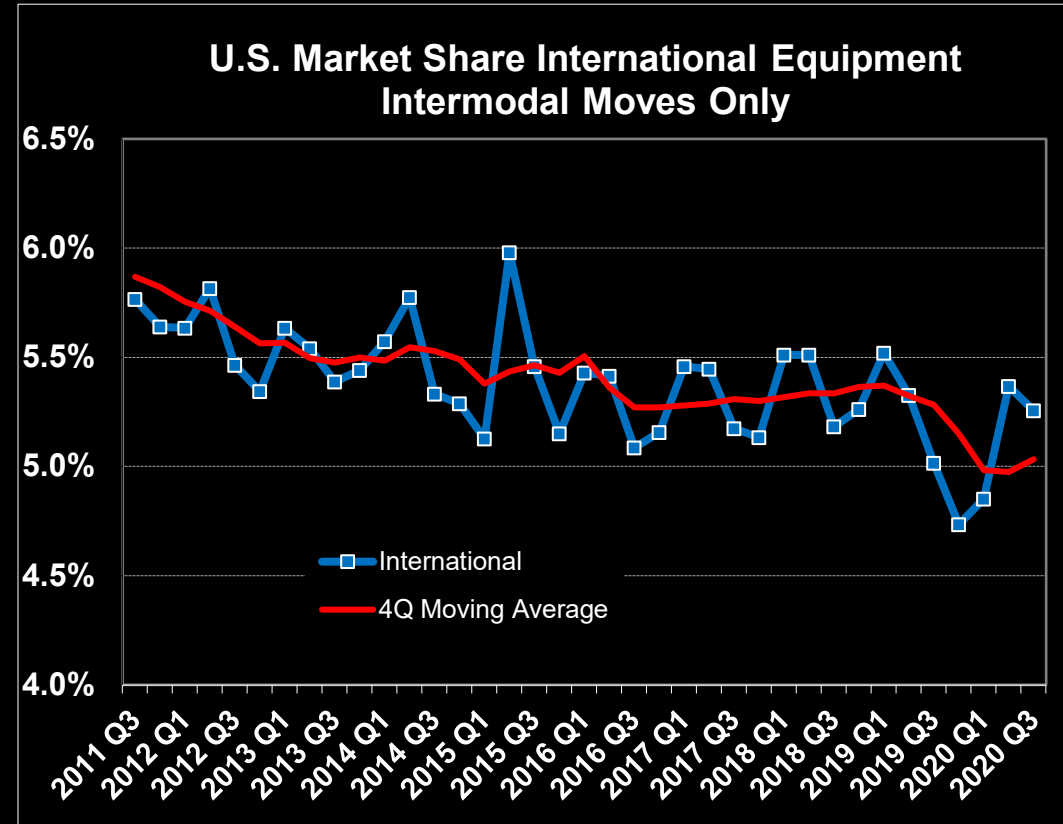
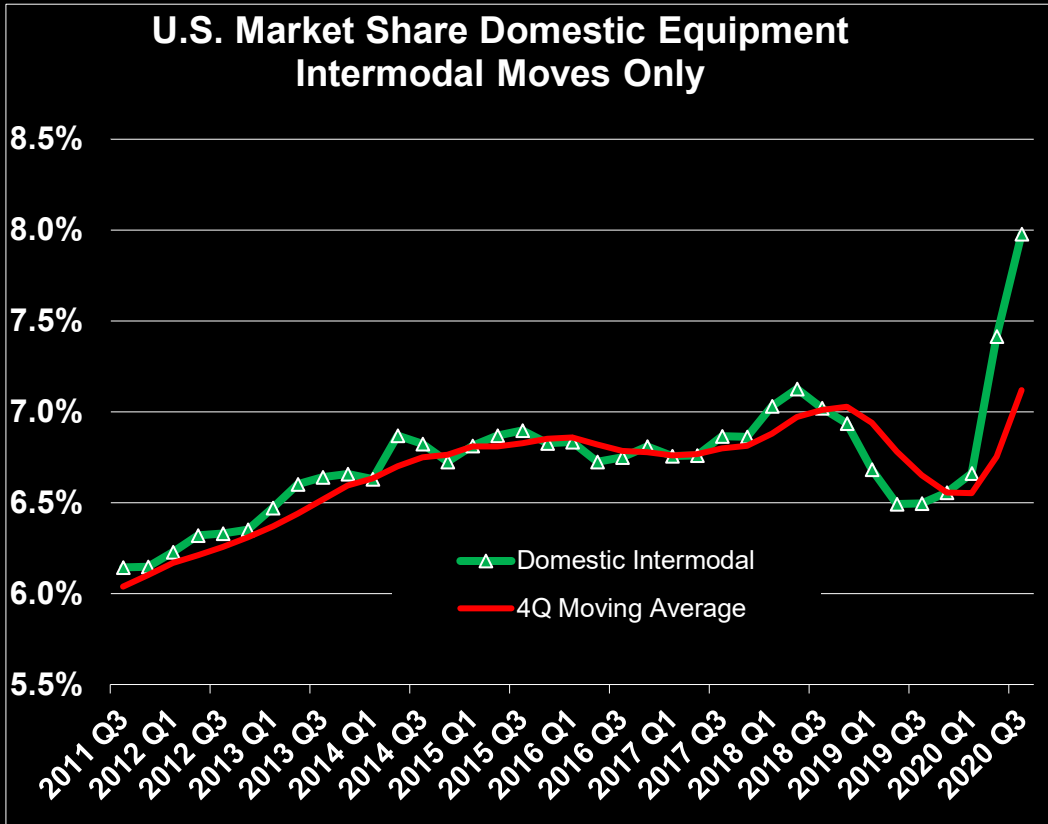
Market Share of Long Haul* Dry Van/Reefer Freight
U.S. Total Intermodal



U.S. Intermodal Share:
13.2% in Q3

Source: IANA ETSO, Transport Futures, GTC Analysis

THE DOMESTIC SECTOR HAS PROVIDED MOST OF THE MARKET SHARE MOMENTUM



Source: IANA ETSO, Transport Futures, GTC Analysis

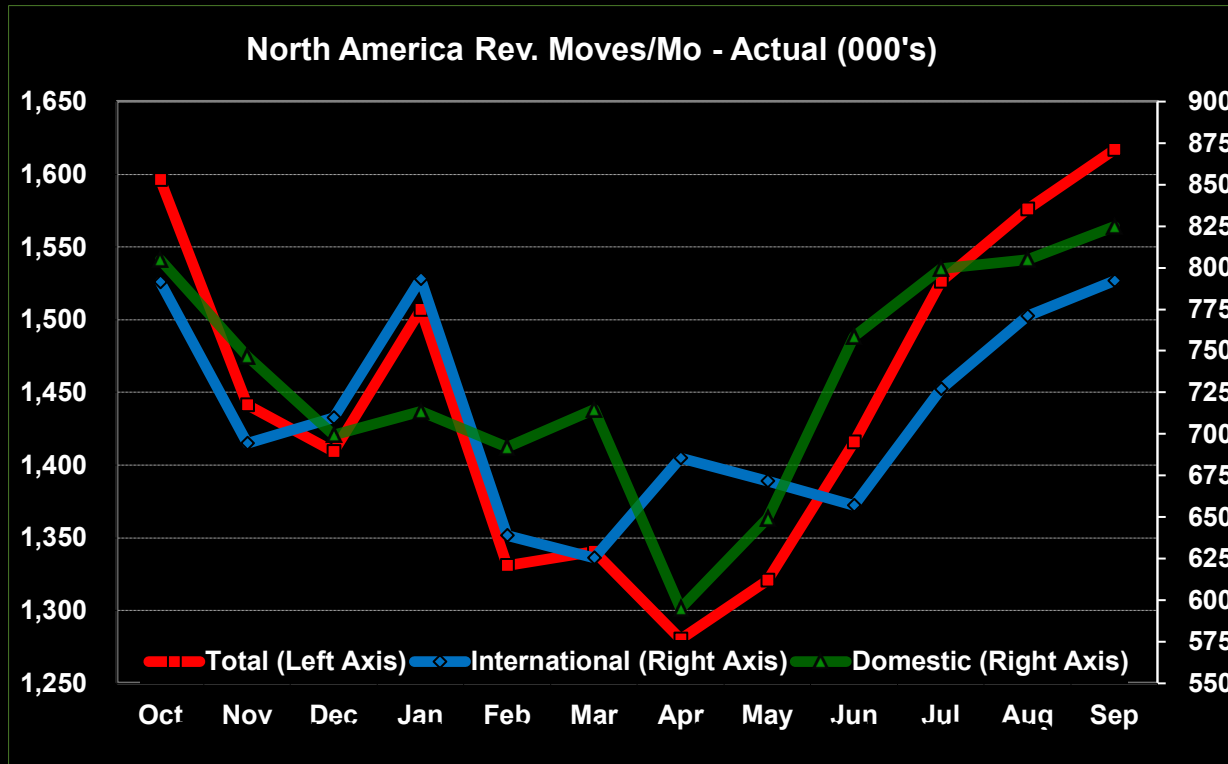
THE MAGNITUDE OF THE RECENT DOMESTIC SURGE IS UNPRECEDENTED

Intermodal U.S. Market Share - Domestic



Source: IANA ETSO, Transport Futures, GTC Analysis

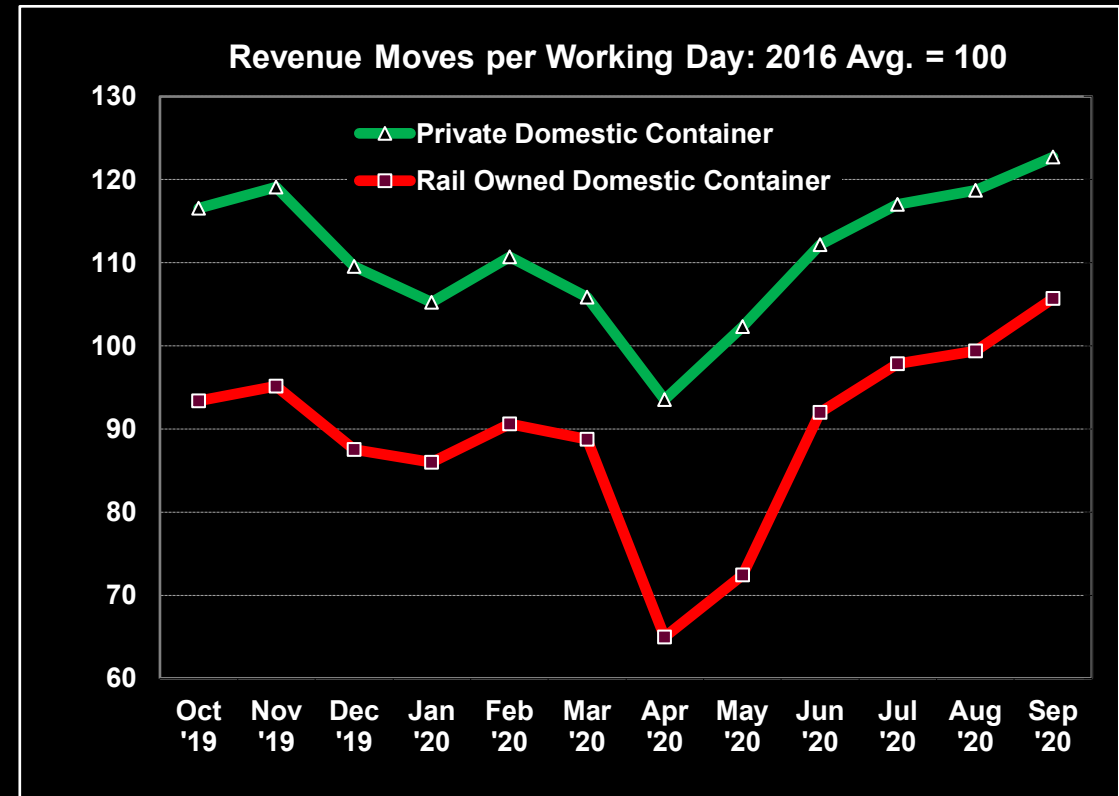
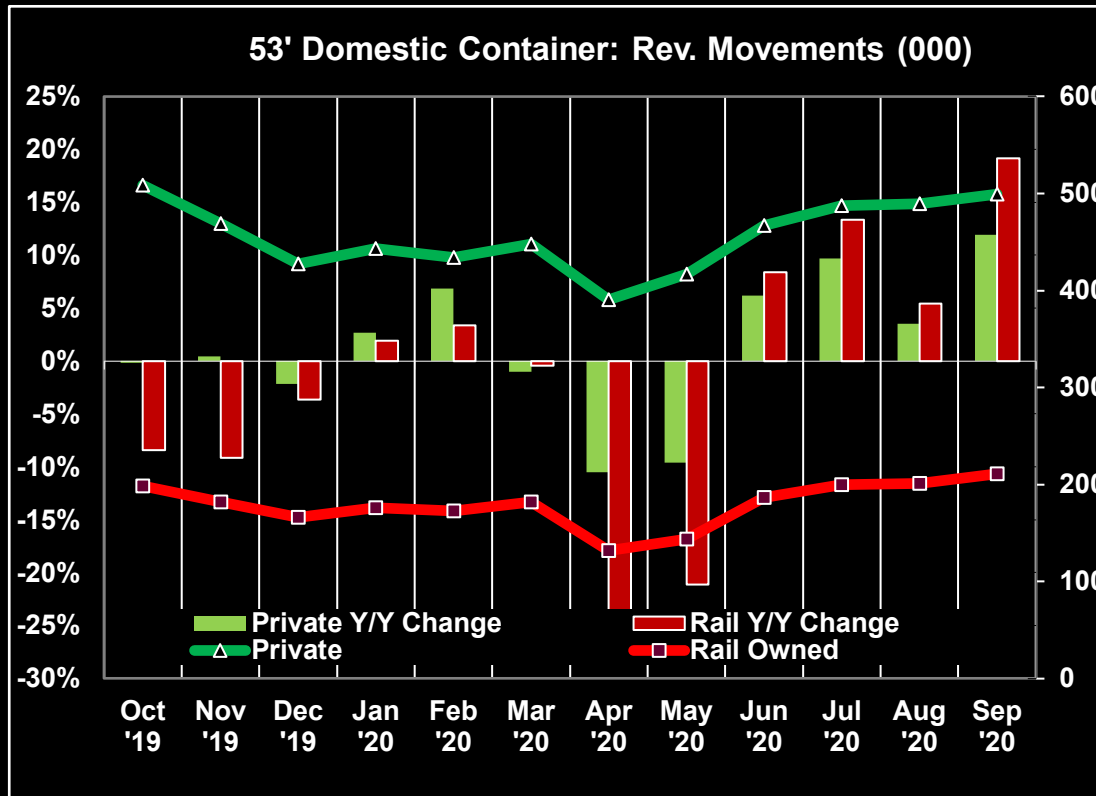
DOMESTIC GREW AGAIN IN SEPTEMBER IPI ALSO GAINED, MOVING INTO THE BLACK



Source: IANA ETSO, GTC Analysis

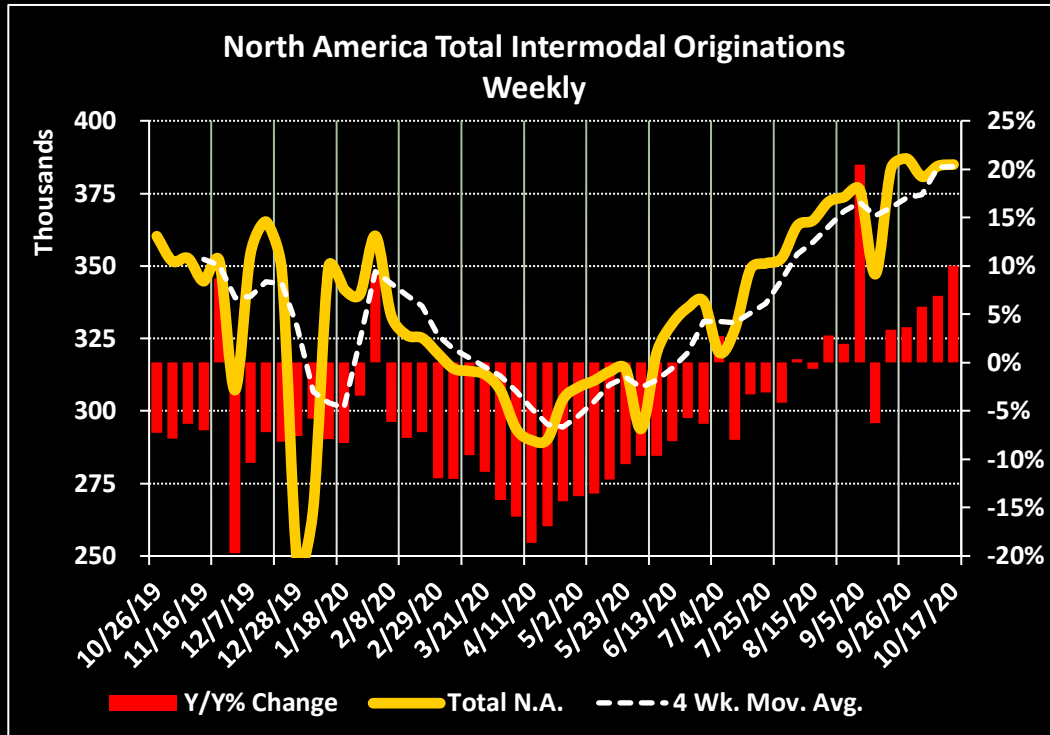
August 2020	M/M	Y/Y
International	+2.7%	+2.9%
<i>Short Trailer</i>	<i>-0.7%</i>	<i>+15.7%</i>
<i>53' Trailer</i>	<i>+1.3%</i>	<i>+16.5%</i>
Total Trailer	+0.7%	+16.3%
<i>Private Domestic Container</i>	<i>+1.9%</i>	<i>+12.5%</i>
<i>Rail Domestic Container</i>	<i>+4.9%</i>	<i>+19.1%</i>
Total Domestic Container	+2.8%	+14.4%
Domestic	+2.5%	+14.6%
Grand Total	+2.6%	+8.6%

RAIL-OWNED DOMESTIC CONTAINERS HAVE BEEN STAGING A RECOVERY



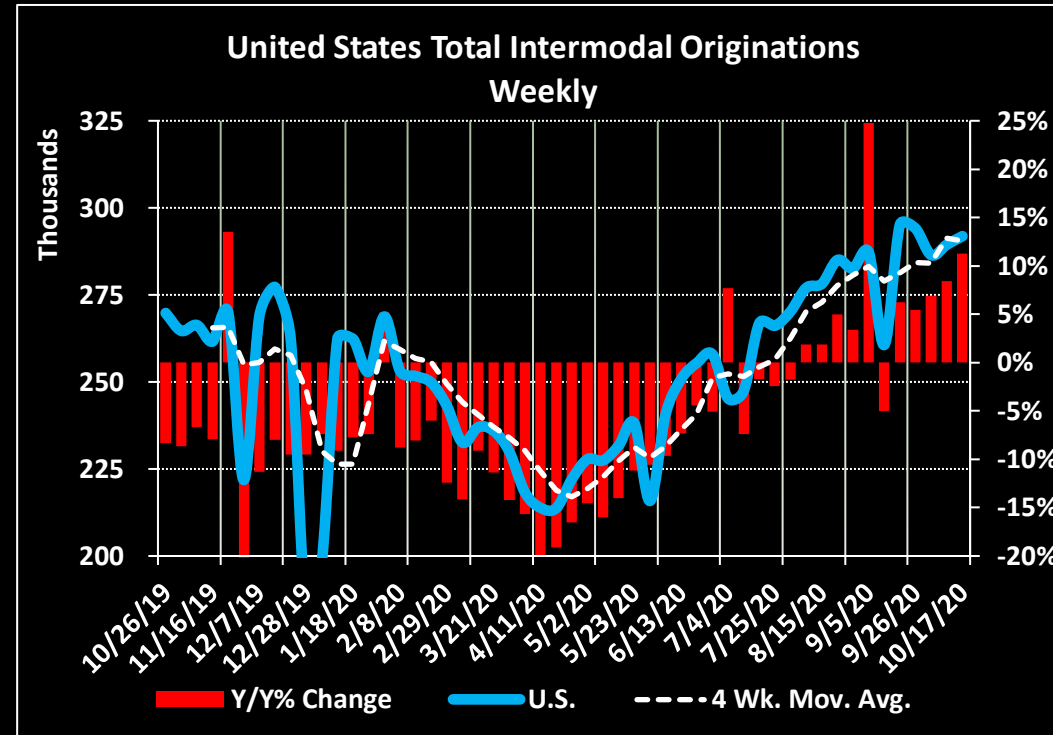
Source: IANA ETSO, GTC Analysis

AAR WEEKLY DATA INDICATES THE RALLY MAY BE STARTING TO FLATTEN OUT



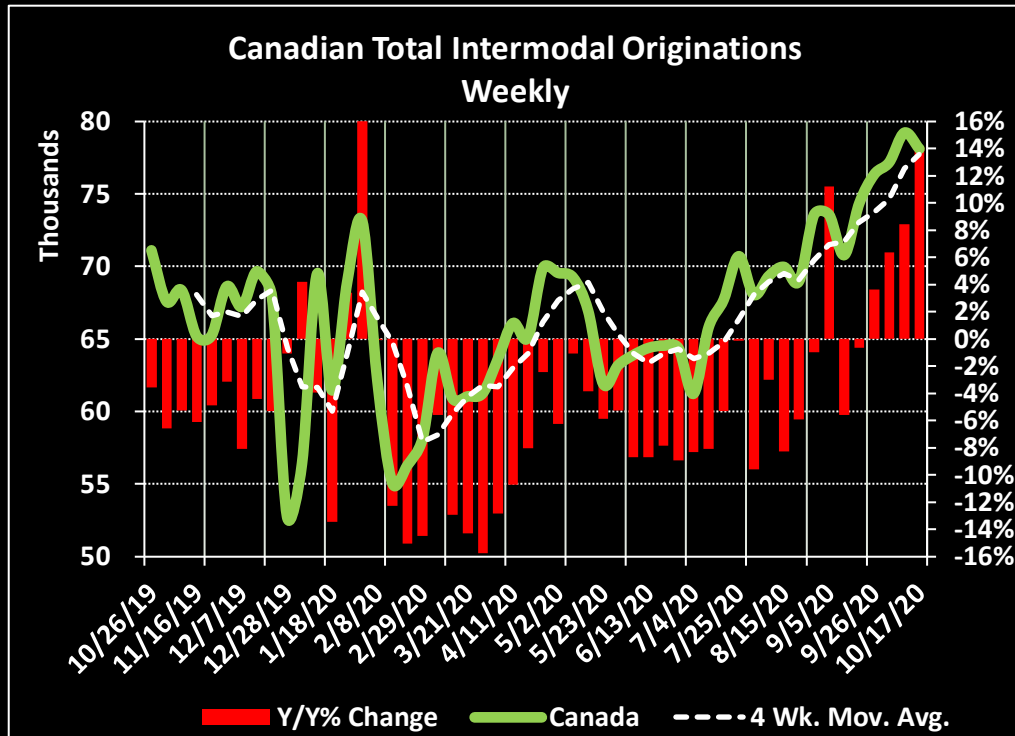
- Last Week: +10.1% Y/Y
- Last 4 Weeks: +6.6% Y/Y

Source: AAR, GTC Analysis

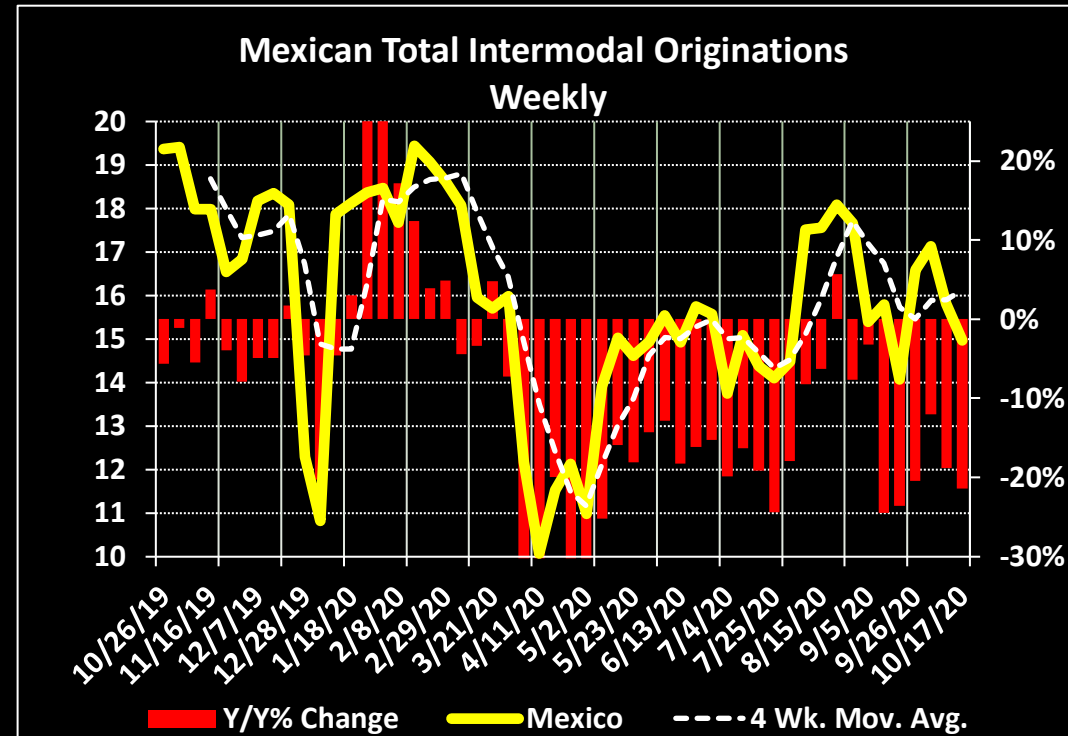


- Last Week: +11.3% Y/Y
- Last 4 Weeks: +8.0% Y/Y

CANADA HAS BEEN GROWING STRONGLY BUT MEXICO HAS BEEN HOBBLLED BY PROTESTS



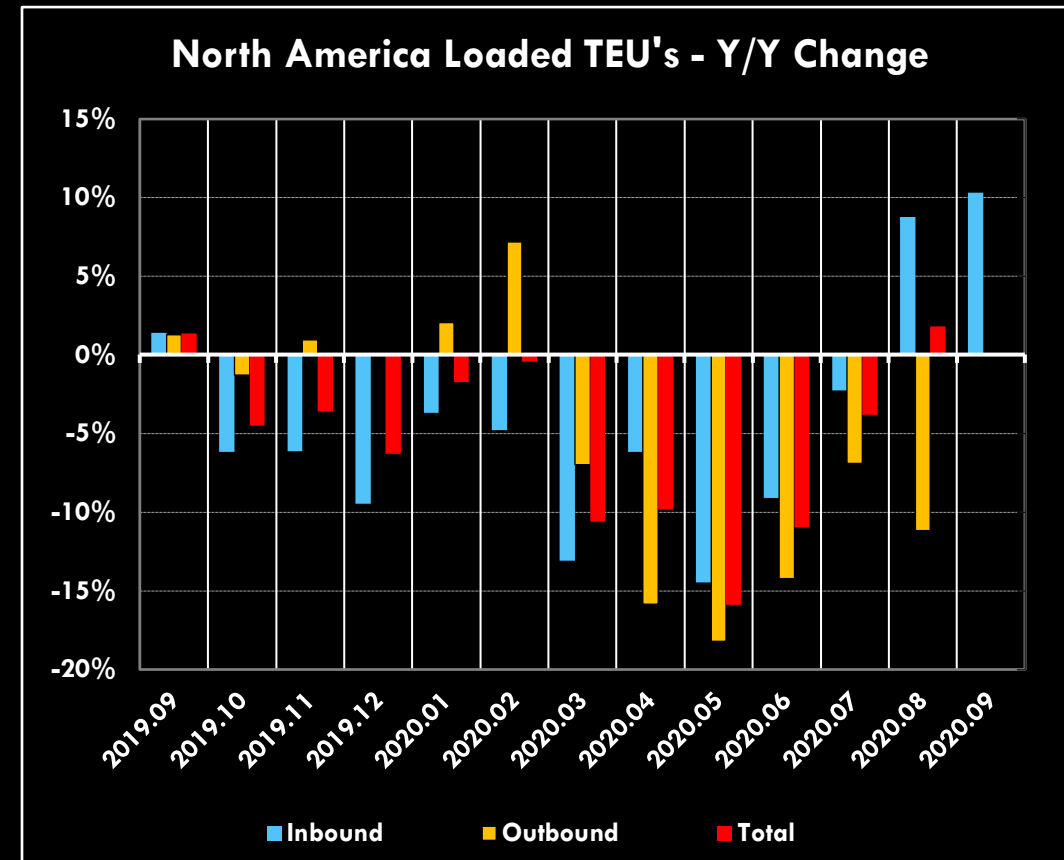
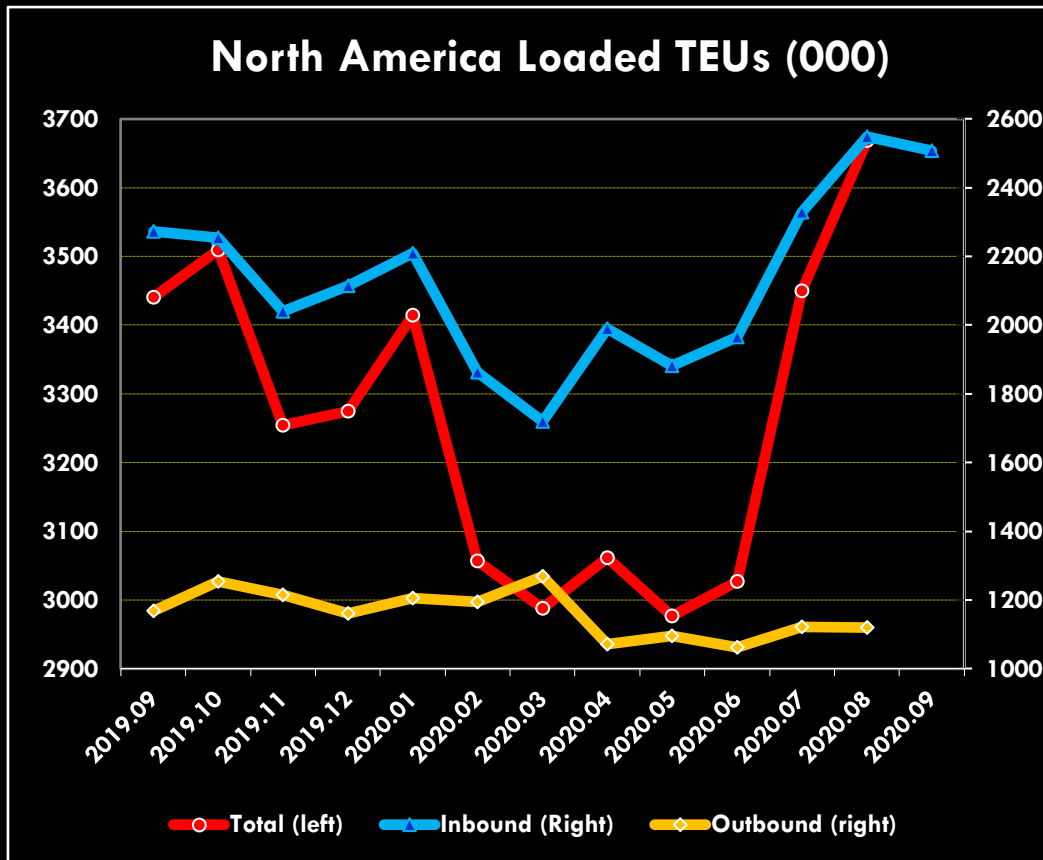
- Last Week: +14.1% Y/Y
- Last 4 Weeks: +8.0% Y/Y



- Last Week: -21.4% Y/Y
- Last 4 Weeks: -18.2% Y/Y

Source: AAR, GTC Analysis

IMPORTS EASED IN SEPTEMBER BUT THE Y/Y GAINS REMAINED VERY STRONG, NOT SO FOR EXPORTS

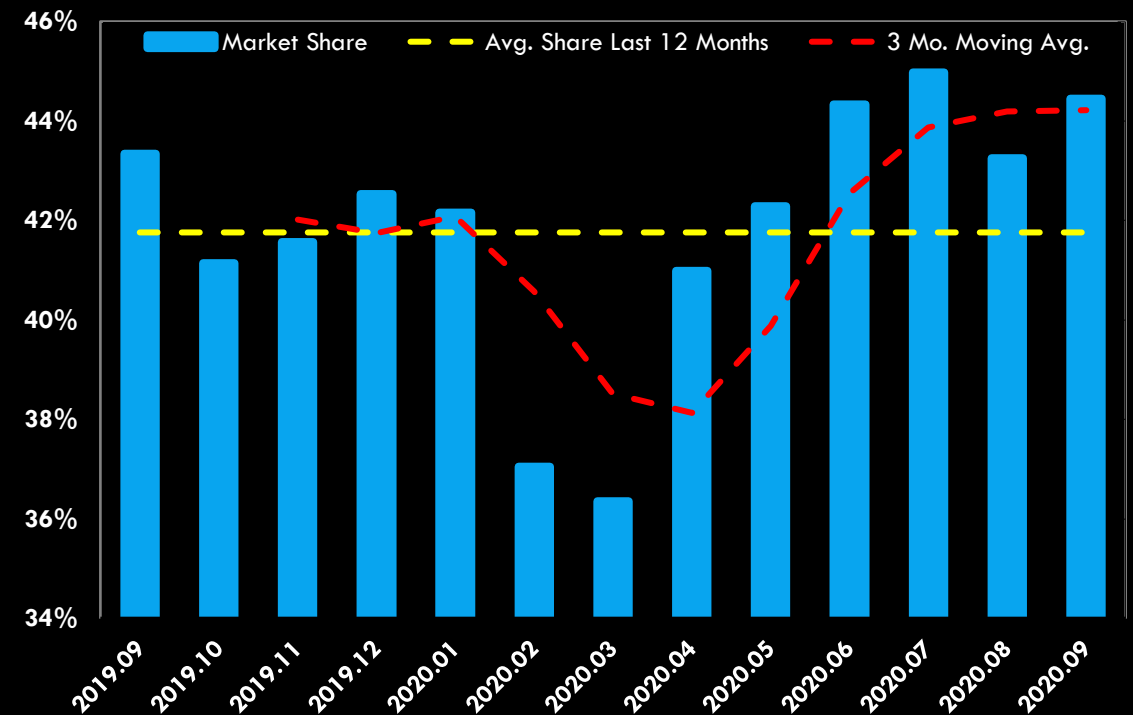


Source: Port Reports, IHS PIERS, GTC Analysis

U.S. WEST COAST IMPORT SHARE STILL LOOKING STRONG IN SEPTEMBER

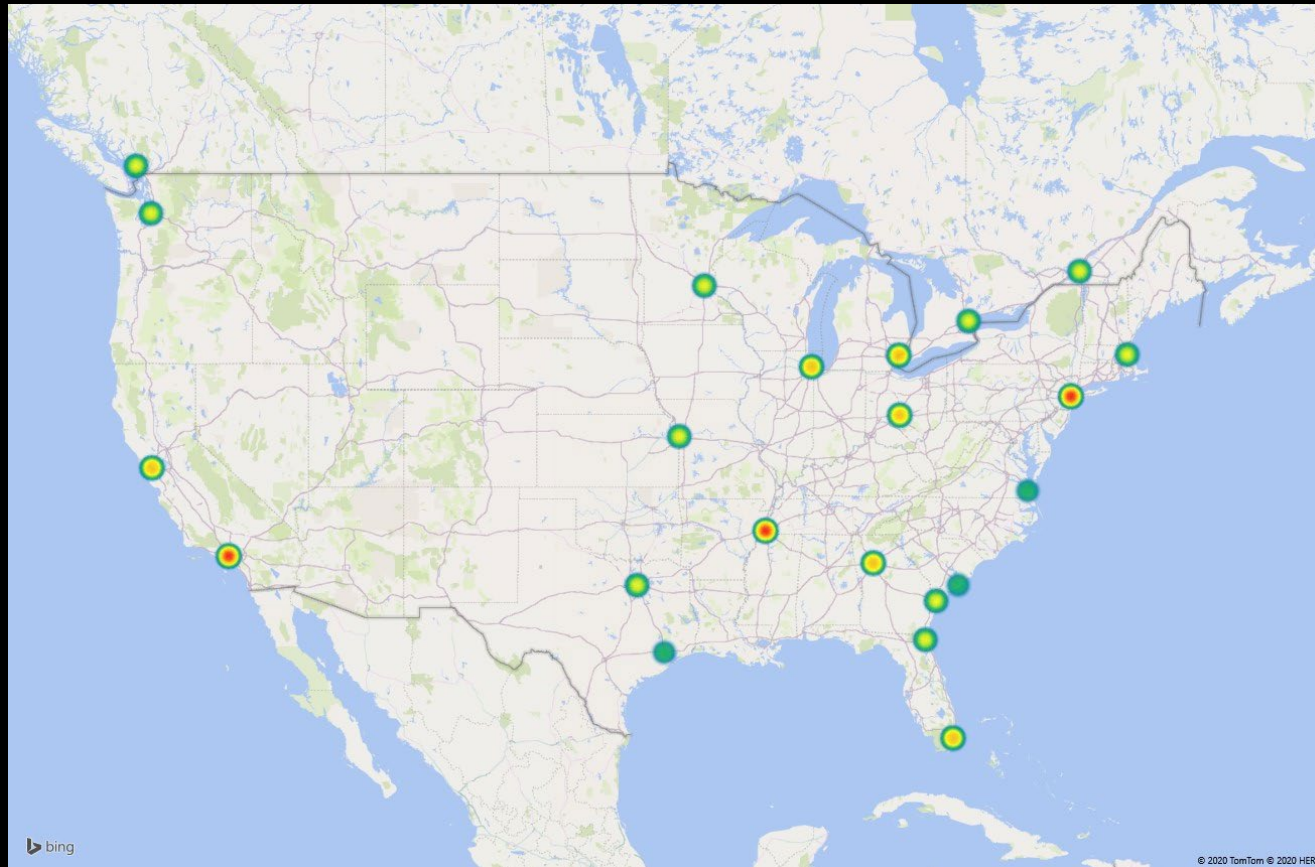
September Import TEUs	M/M	Y/Y
North America	-1.6%	+10.3%
LA/LB	+1.4%	+18.0%
Nor Cal	-2.5%	+10.6%
PNW	+4.7%	-12.2%
W. Can	-7.8%	-1.6%
Northeast	0.0%	+12.6%
Southeast	-8.8%	+5.6%
Gulf	+1.0%	+12.5%

U.S. West Coast: Share of Inbound N.A. TEU



Source: Port Reports, IHS PIERS, GTC Analysis

DRAYAGE DEMAND INDEX SHOWS WILDLY VARIABLE CONDITIONS

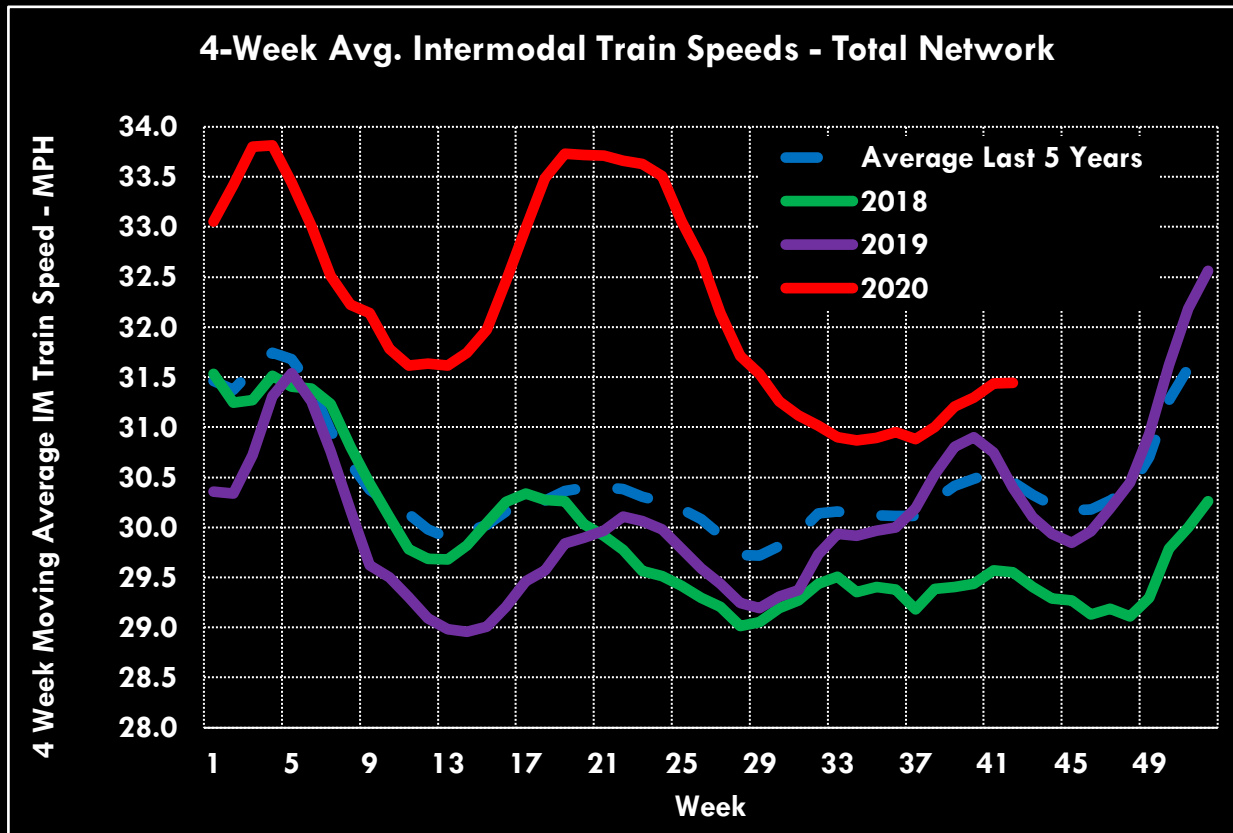


0 to 50	Blue	Loose
51 to 100	Green	Low Normal
101 to 150	Yellow	High Normal
150 to 200	Orange	Tight
Above 200	Red	Very Tight

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

Source: Drayage.com, GTC Analysis

INTERMODAL TRAIN SPEEDS HAVE SEEN SEASONAL IMPROVEMENT



- Average speed most recent week: 31.4 mph
- 3.3%/0.9 mph better than 5-year average
- 3.5%/1.0 mph better than prior year
- *But terminal delays and rolled cargo are problematic*

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

THE STARS HAVE ALIGNED IN FAVOR OF INTERMODAL

- Recovering demand for long-haul trucking has collided with capacity reductions, resulting in market tightness
- Depleted supply chains needed restocking
- Heavy import flows benefited intermodal disproportionately
- Intermodal –friendly port routings have compounded the benefit

READING THE TEA LEAVES

PEAK SEASON

- Domestic achieved peak levels in September, and further growth appears unlikely due to capacity issues
- But volume may stay stronger for longer than normal
- Imports would typically decline from August through December, but does normal mean anything this year?
- Inbound Trans-Pacific volumes are reported to be strong.
- Potential upside for IPI

A MULTITUDE OF CONCERNS REMAIN REGARDING THE LONGER TERM

- Virus continues to accelerate as weather cools and people congregate indoors.
- Measures to stem the spread are meeting political resistance and general “Pandemic Fatigue”
- Vaccine efforts on track but will not have concrete widespread impacts until mid-next year at best
- Near-term continuance of Federal economic support remains out of reach politically
- Rehiring appears stalled out at the moment
- Foreclosure and small business bankruptcy waves still 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

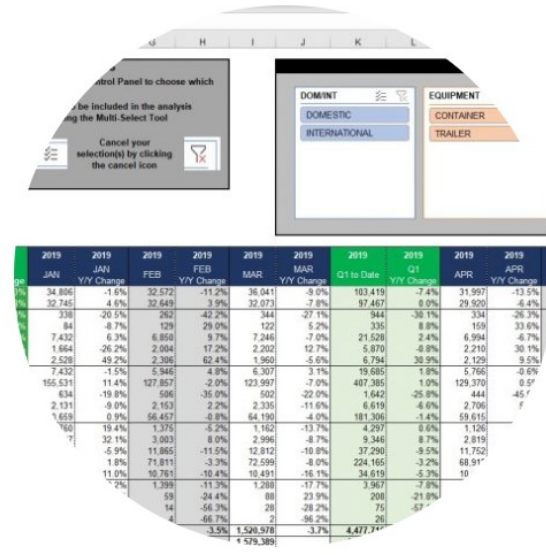
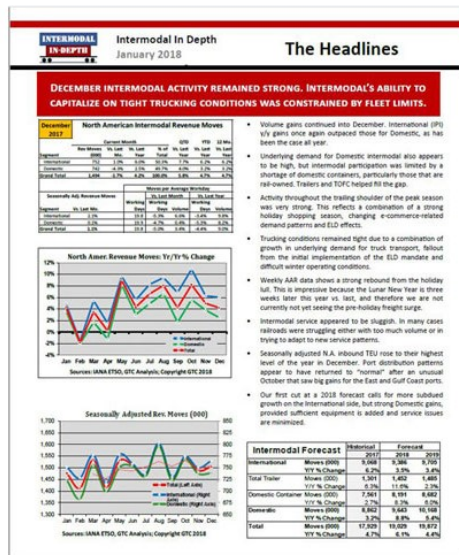
Drawing from a variety of data sources, Intermodal In Depth provides a timely and detailed look at the key drivers of the North American intermodal sector. More than just data, Intermodal In Depth goes deep to analyze what the data means, providing the reader with a thorough understanding of the current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

The Intermodal Volume Analyzer puts detailed data on equipment flows at your fingertips

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

- Add the IANA Intermodal Volume Analyzer and save another 20% on both!



www.IntermodalInDepth.com

Thanks! Questions?

Larry Gross:

President

Gross Transportation Consulting

516-455-8988

lgross@intermodalindepth.com

@Intermodalist

INTERMODAL ANALYZED

Intermodal Association of
North America

October 27, 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:



Visit: intermodal.org/data-statistics
or e-mail us at: info@intermodal.org

Innovation Incubator

Have an idea you believe will transform the intermodal industry?

Submit your idea today to the

Bright Ideas Innovation Incubator!

For more information visit:

www.intermodal.org/education

Thank you to our *Gold* sponsors!





IANA

INTERMODAL ASSOCIATION
OF NORTH AMERICA

THE CONNECTING FORCE BEHIND INTERMODAL FREIGHT

© 2020 Intermodal Association of North America. This presentation was produced for the use of IANA members and may not be reproduced, re-distributed or passed to any other person or published in whole or in part for any purpose without the prior consent of IANA. IANA, 11785 Beltsville Drive, Calverton, MD 20705-4048.