



2018 2Q Transload to Rail Report

CHICAGO – September 13, 2018 – [TTX](#), a leading provider of railcars and related freight car management services, today announced the results of its second quarter 2018 Transload to Rail Report. Since 2002, TTX Company has developed quarterly estimates of container transloading that help track trends in international logistics and intermodal operations.

TTX estimates that in the PSW (the ports of Long Beach and Los Angeles) 740,561 import TEUs transloaded during the second quarter of 2018, a 6.3% increase over 2Q17. On a share basis, TTX estimates that 34.6% of import TEUs were transloaded and shipped inland by rail (up from 32.8% during 2Q17). Intact or IPI (Inland Point Intermodal) shipments grew by 3.3% to 778,478 TEUs during 2Q18, from 753,916 during the same period last year. Imports into the PSW increased by 0.9% to 2,142,077 TEUs from 2,123,110 TEUs during 2Q17. For the first six months of this year, transloading increased by 6.8% (90,971 TEUs), outpacing both import growth of 4.4% and IPI shipments which grew by a 5.1% (73,630 TEUs).

IMPORT TRANSLOADS

	2010	2011	2012	2013	2014	2015	2016	2017
Estimated PSW Transload	2,014,667	2,130,208	2,270,555	2,394,283	2,482,540	2,548,672	2,693,501	2,849,595
vs. Prior Year	15.0%	5.7%	6.6%	5.4%	3.7%	2.5%	5.7%	5.8%
Share of PSW Imports	29.1%	30.3%	31.9%	32.2%	31.9%	33.0%	34.1%	33.8%
Estimated PSW Intact	2,796,424	2,991,372	2,844,753	2,978,060	3,156,104	3,044,385	2,807,620	2,941,764
vs. Prior Year	16.1%	7.0%	-4.9%	4.7%	6.0%	-3.5%	-7.8%	4.8%
Share of PSW Imports	36.3%	38.2%	36.0%	36.1%	36.5%	35.5%	32.0%	31.4%
Estimated PNW Transload	302,863	320,801	345,252	366,720	372,588	394,382	424,705	454,378
vs. Prior Year	12.6%	5.9%	7.6%	6.2%	1.6%	5.8%	7.7%	7.0%
Share of PNW Imports	21.2%	23.8%	24.4%	27.2%	28.7%	29.8%	30.5%	33.2%
Estimated PNW Intact	801,871	730,052	778,317	710,769	612,964	655,989	670,837	599,684
vs. Prior Year	33.3%	-9.0%	6.6%	-8.7%	-13.8%	7.0%	2.3%	-10.6%
Share of PNW Imports	56.0%	54.1%	54.9%	52.8%	47.2%	49.6%	48.2%	43.9%
Estimated W. Canada Transload	153,700	156,606	165,015	172,768	181,408	184,120	192,966	203,131
vs. Prior Year	1.6%	1.9%	5.4%	4.7%	5.0%	1.5%	4.8%	5.3%
Share of Western Canada Imports	11.1%	10.7%	9.9%	10.0%	9.8%	9.3%	9.9%	9.2%
Estimated W. Canada Intact	904,743	954,400	1,088,390	1,125,059	1,236,938	1,290,692	1,254,245	1,433,453
vs. Prior Year	22.3%	5.5%	14.0%	3.4%	9.9%	4.3%	-2.8%	14.3%
Share of W. Canada Imports	65.4%	65.0%	65.3%	65.4%	66.6%	65.2%	64.6%	65.0%

For PNW ports (Seattle and Tacoma), TTX estimates 115,987 TEUs were transloaded during 2Q18, a 6.4% increase over 2Q17. Total imports discharging at the PNW ports fell 0.8% (from 345,074 TEUs in 2Q17 to 342,206 in 2Q18) and IPI volume gained 3.2% to 157,988 TEUs during 2Q18. Transload's share of imports reached 33.9% during the quarter, exceeding 2Q17's share of 31.6%. From January 2018 through June, transloading grew 6.8% compared to the same period last year, while IPI dropped 7.2% as imports fell by 2.4%.

For western Canadian ports (Vancouver and Prince Rupert), TTX estimates the 2Q18 transload share at 9.0%, up from 8.9% in 2Q17. Transload volume increased to 51,081 TEUs in 2Q18 compared to 50,027 TEUs in 2Q17, a 2.1% increase, and IPI traffic expanded by 3.6% to 373,364 TEUs in 2Q18 from 360,528 TEUs in 2Q17. Imports to western Canadian ports were flat during the quarter (increasing by 0.3% to 565,570 TEUs in 2Q17 from 563,916 TEUs in 2Q17). For the first half of 2018, transloading grew by 2.1%, while IPI gained 8.3% and imports rose 6.0%, compared to 1H17.

Regarding the definition of transloading, TTX defines it as the transfer of cargo from international marine containers into domestic 53-foot containers that are subsequently shipped inland by rail. In some cases, transloading takes advantage of the spread in the cost of shipping three 40-foot containers inland versus shipping two 53-foot containers. More common, however, is that transloading helps many firms (particularly retailers) manage inventory levels and restocking, which ultimately lowers supply chain costs.

About TTX

[TTX Company](#) is a leading provider of railcars and related freight car management services to the North American rail industry. TTX's pool of railcars – over 230,000 cars and intermodal wells – is ideal for supporting shippers in the intermodal, automotive, paper & forest, metals, machinery, wind energy and other markets where flatcars, boxcars and gondolas are required. Owned by North America's leading railroads, TTX's free-running pools provide fungible assets that minimize total empty miles, further lowering costs and minimizing risk for the industry and helping the railroads conserve their capital for other critical infrastructure needs. Customers easily recognize TTX's bright yellow cars as a consistent, high quality, well-maintained fleet that serves many transportation needs.

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