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The Impact of COVID-19 on the Freight Market

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Complimentary analysis and tools related to COVID-19:

www.ftrintel.com/coronavirus

Disclaimer

FTR's business is assigning numbers to the future, which is tough enough when we understand the dynamics. We have no precedent for a sudden shutdown of a major segments of the U.S. economy and, potentially, a fairly sudden restart. We must make assumptions regarding how consumers and consumers and businesses will act when facing situations they have never faced before. This means that our forecasts are changing frequently as we see more data. The data presented in this webinar represent FTR's best analysis as of April 16, 2020, but we might very well have significantly different forecasts in the weeks to come.

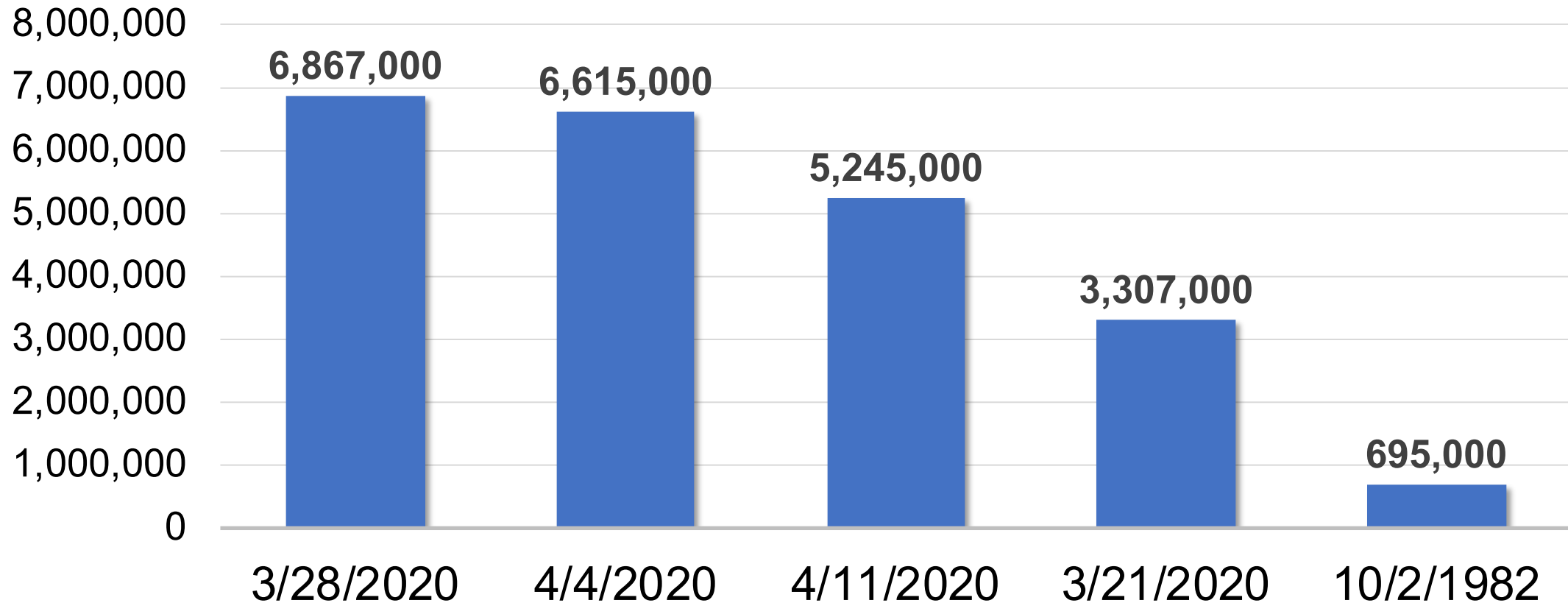
Overview

- Economic conditions and outlook
- Market conditions and outlook
- Risks and unknowns

Economic conditions and outlook

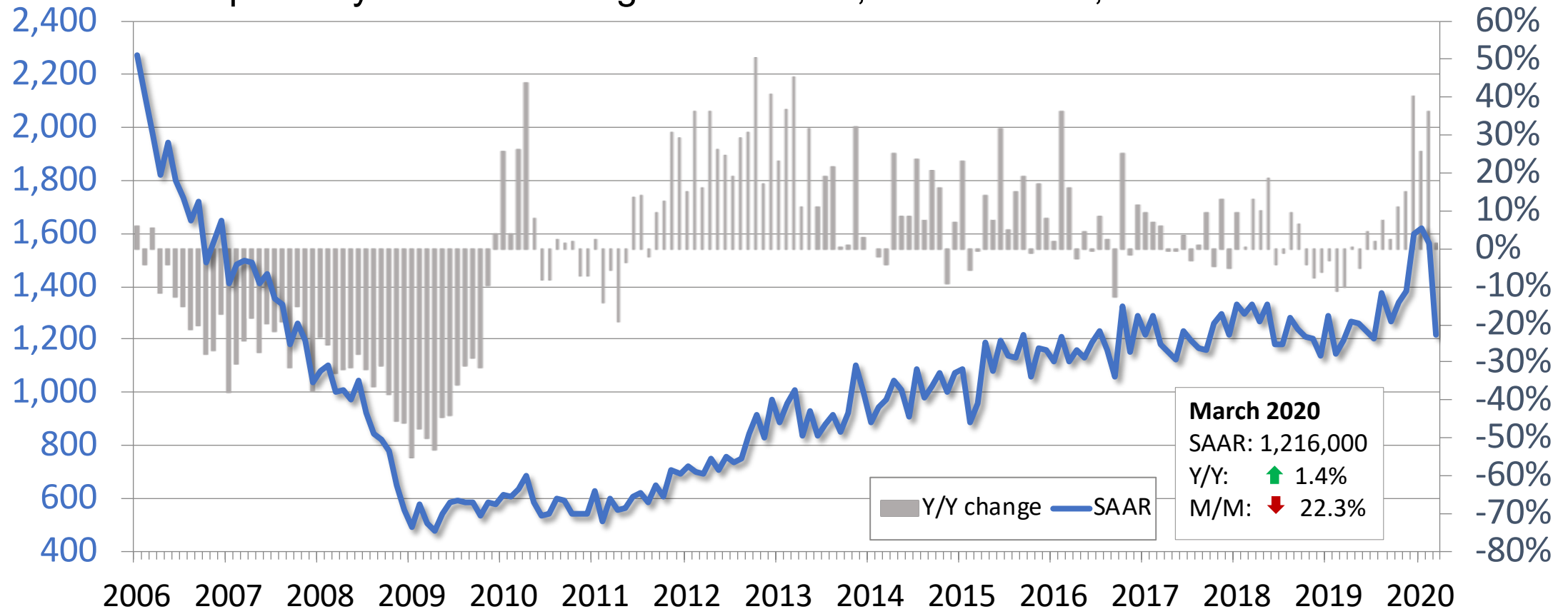
Worst weeks for unemployment

Largest weeks for initial unemployment claims, seasonally adjusted



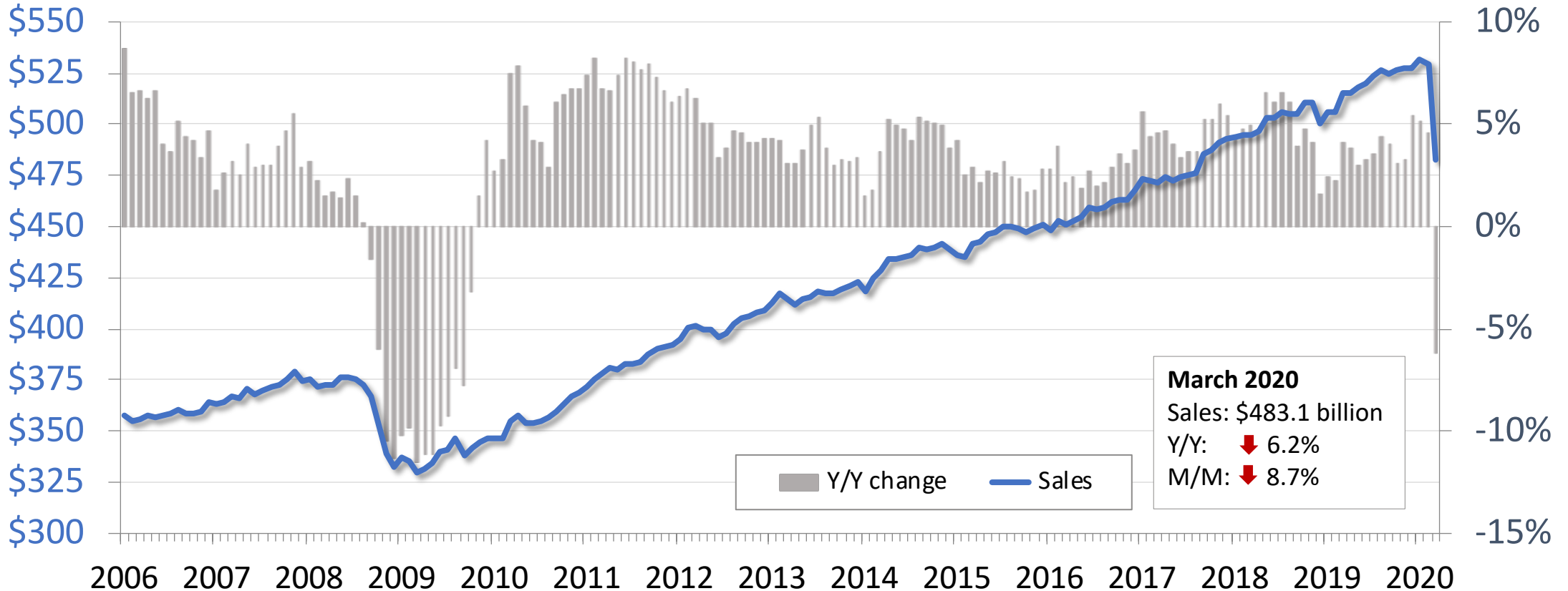
Housing starts

New privately owned housing units started, in thousands, SAAR



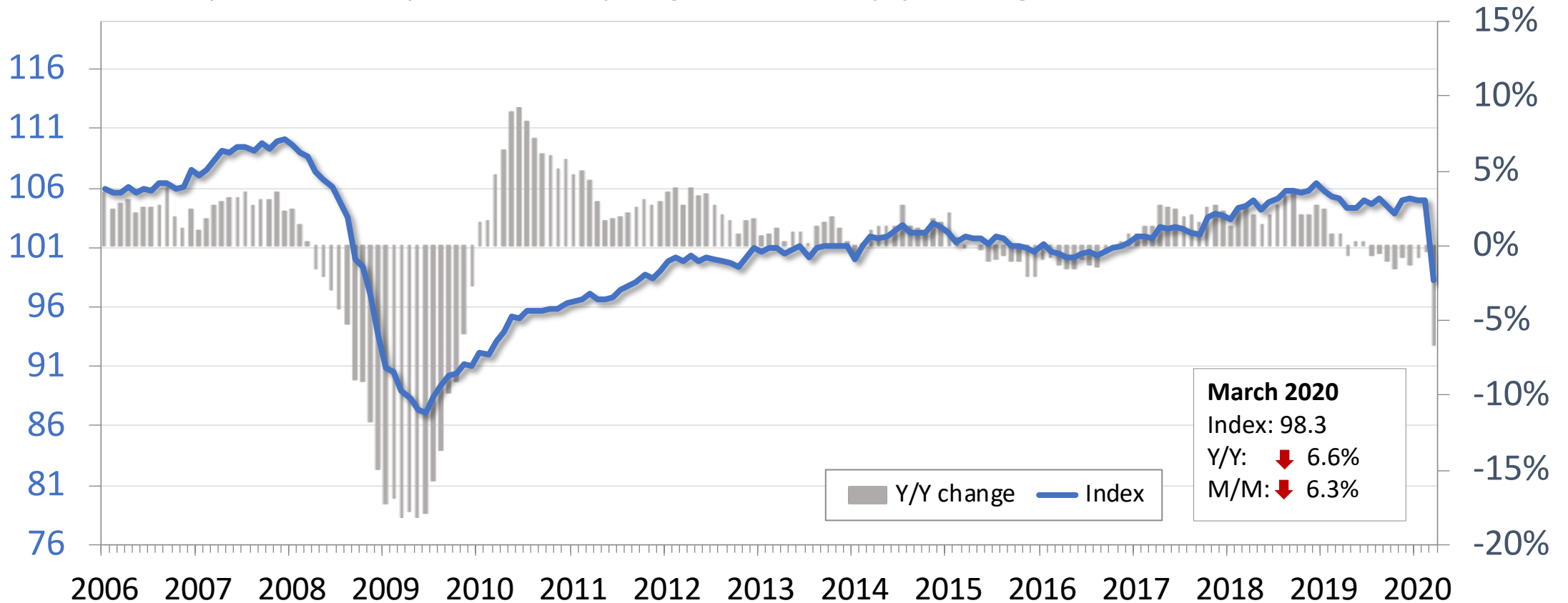
Retail and food service sales

Billions (Current), seasonally adjusted, and y/y change



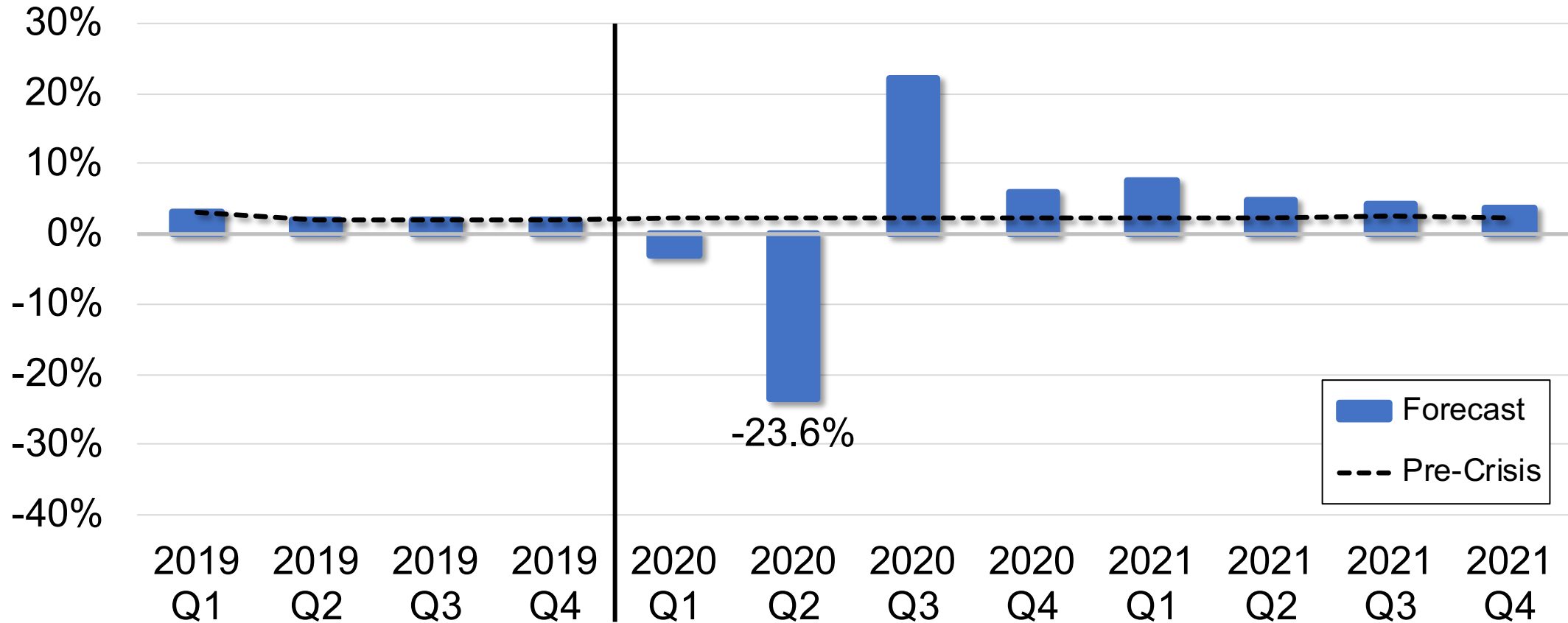
Fed Manufacturing Index

Index (100 = 2012), seasonally adjusted, and y/y change



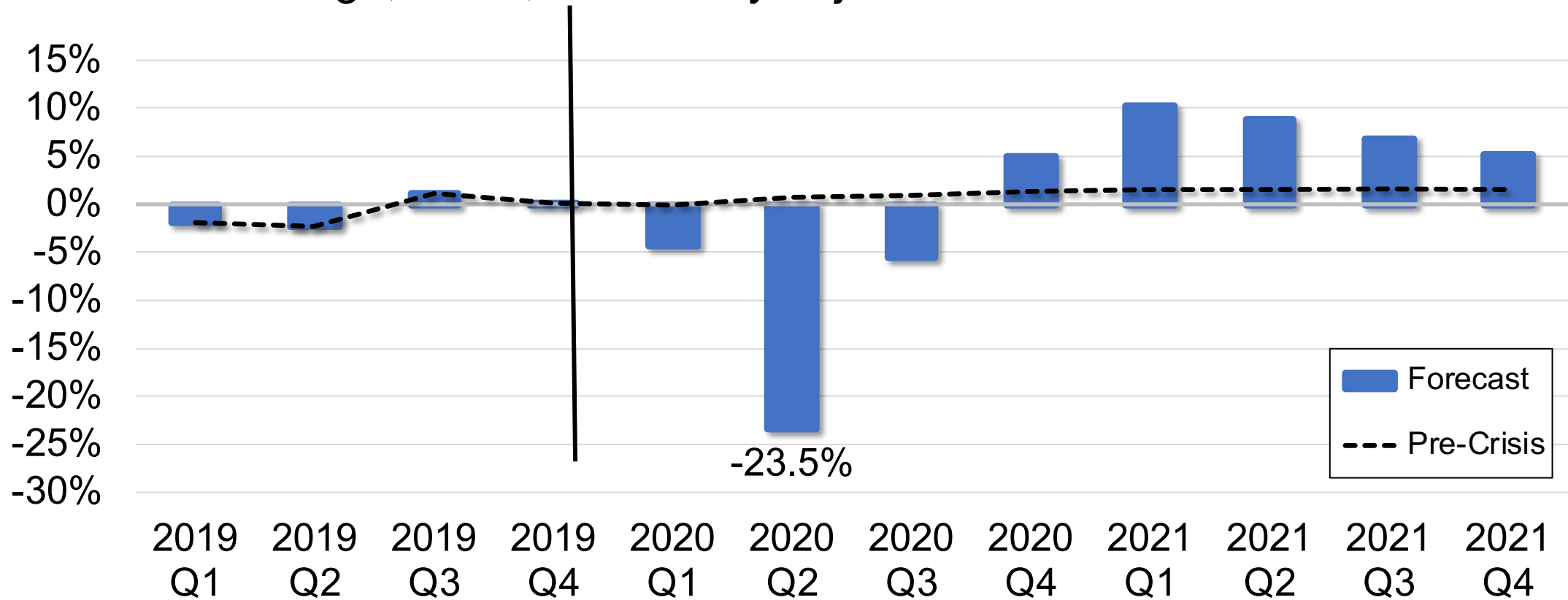
Real GDP

Q/Q change, seasonally adjusted annual rate



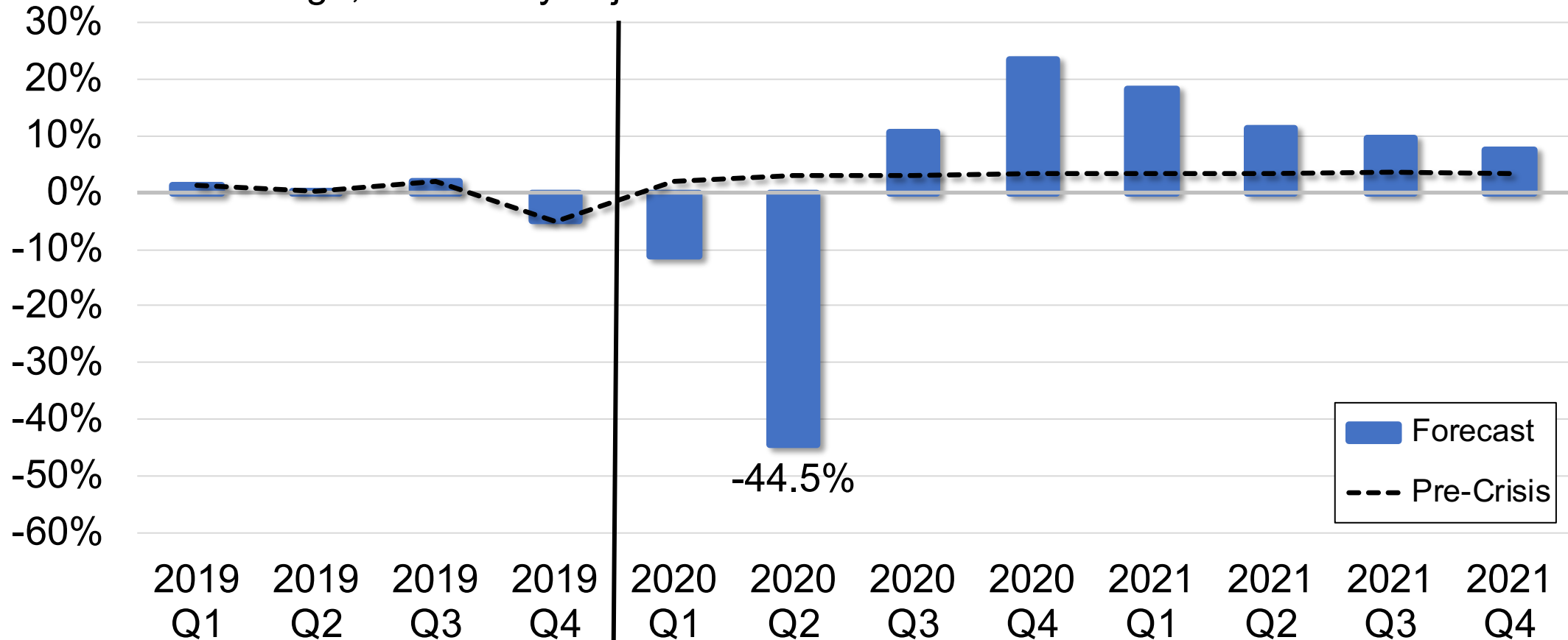
Industrial production

Q/Q change, index, seasonally adjusted annual rate



GDP Goods Transport Sector

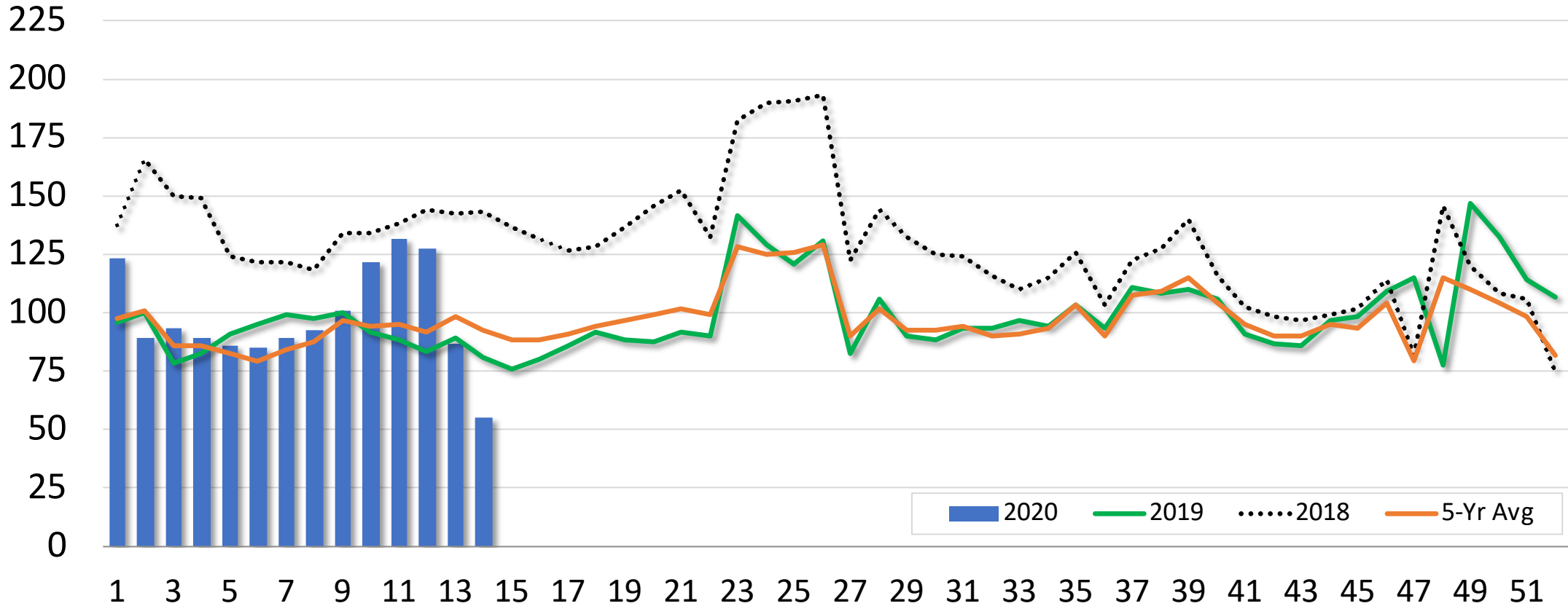
Q/Q change, seasonally adjusted annual rate



Market conditions and outlook

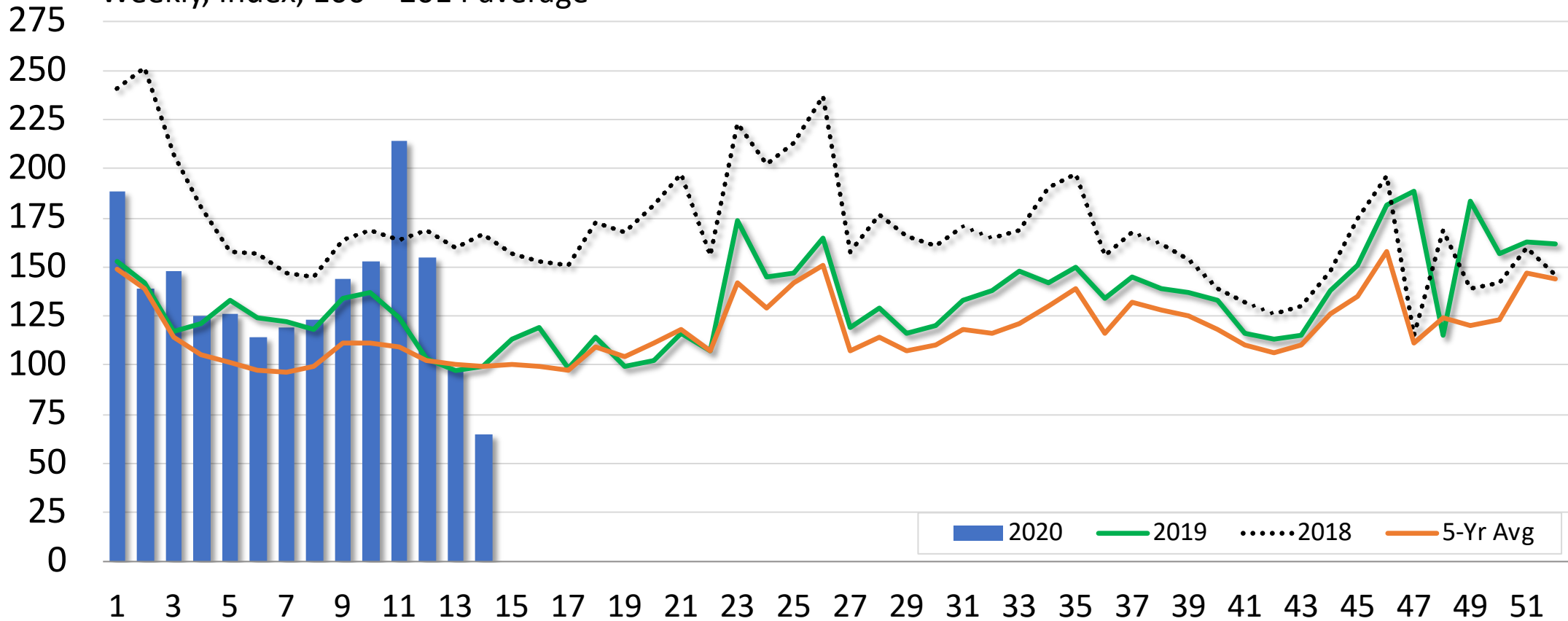
Dry van spot loads posted

Weekly, Index, 100 = 2014 average



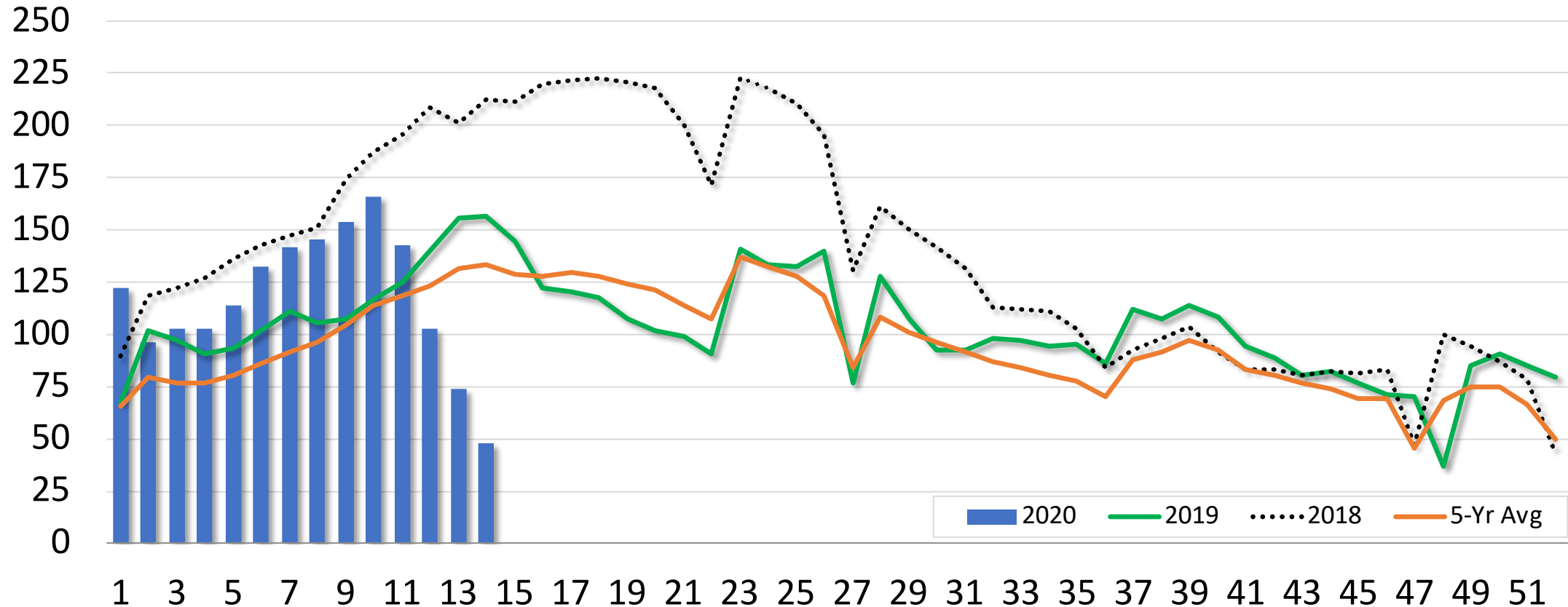
Refrigerated spot loads posted

Weekly, Index, 100 = 2014 average



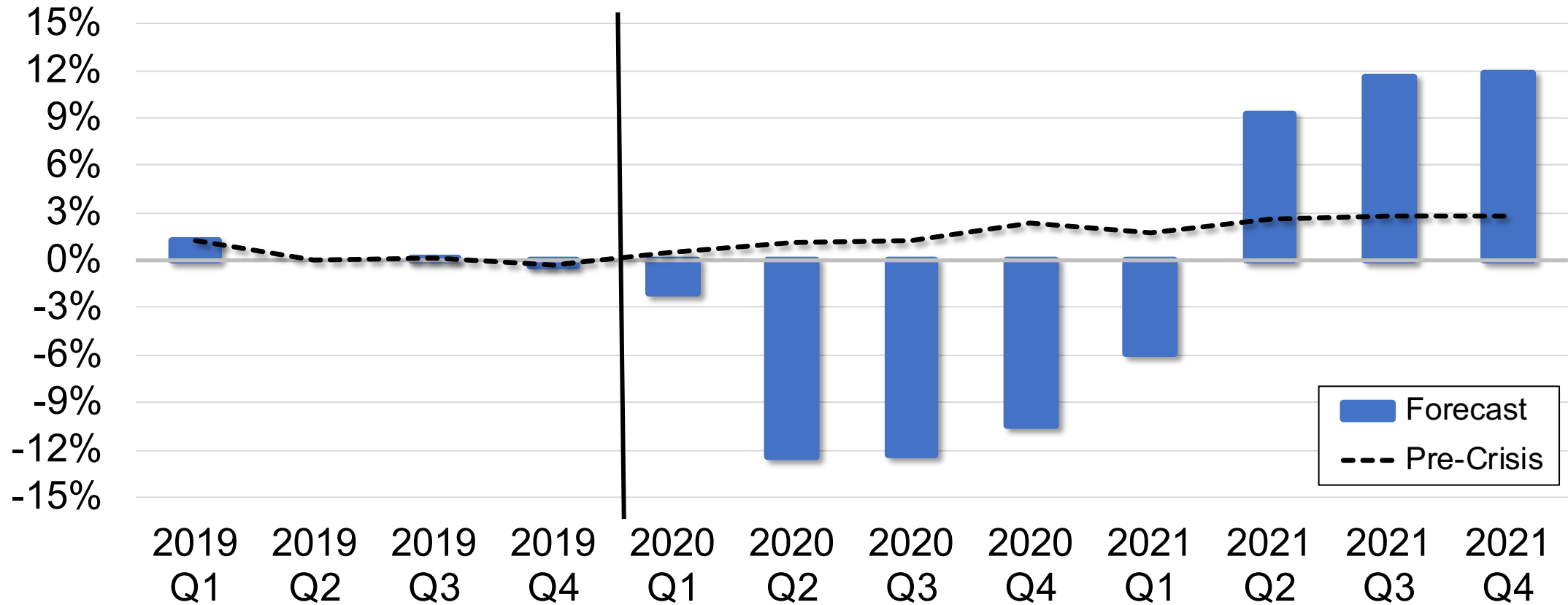
Flatbed spot loads posted

Weekly, Index, 100 = 2014 average



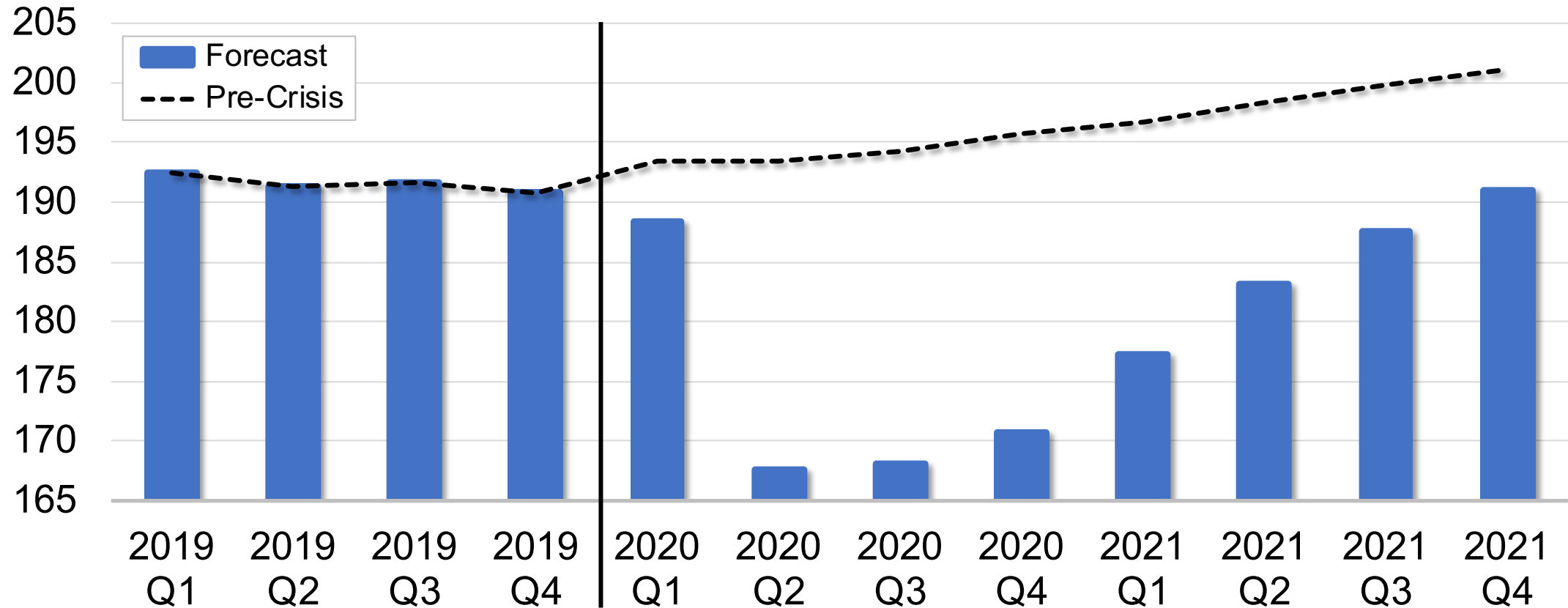
Truck loadings - Y/Y change

Seasonally adjusted annual rate



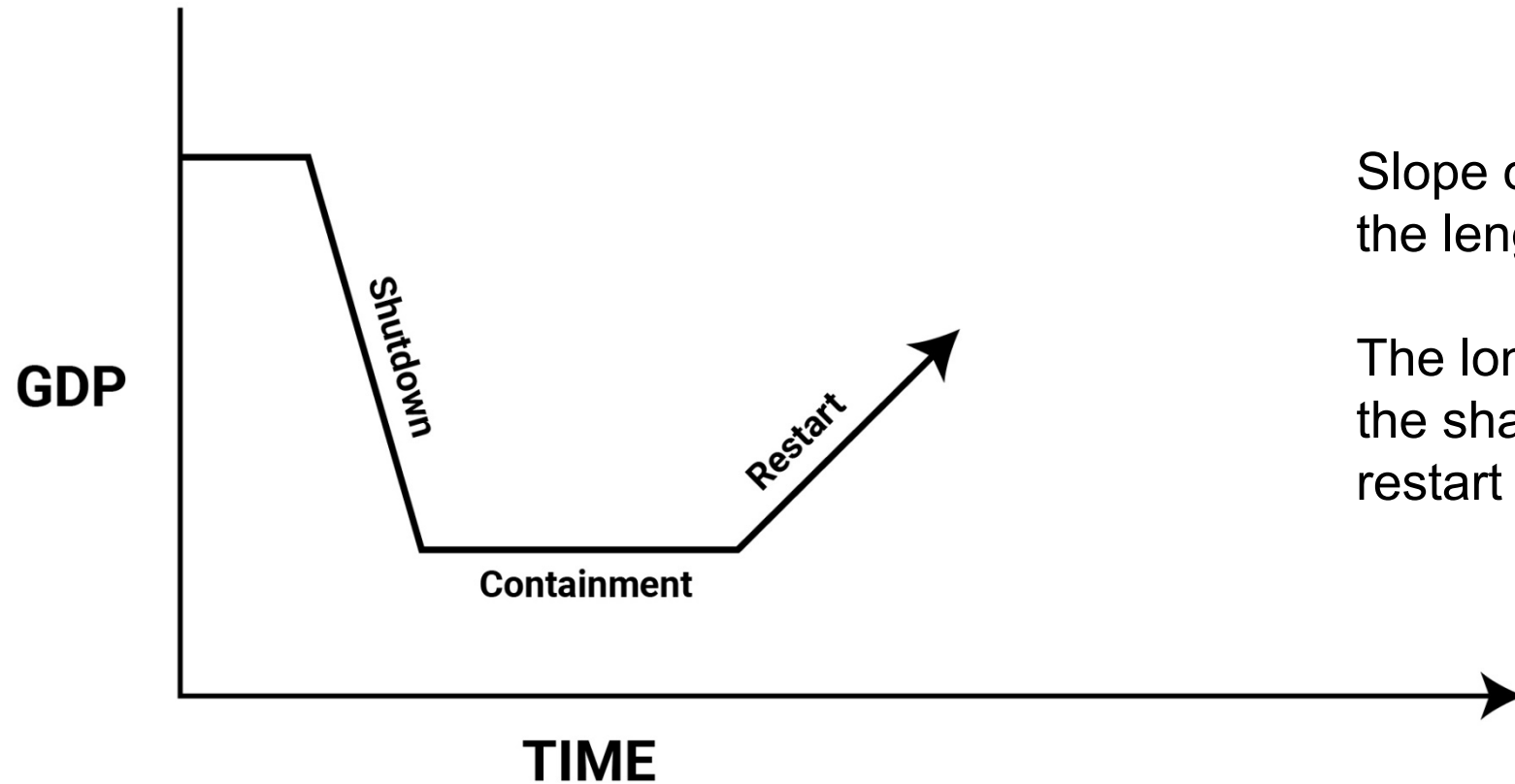
Truck loadings - Actual (Millions)

Seasonally adjusted



Risks and unknowns

Phases of the economic crisis

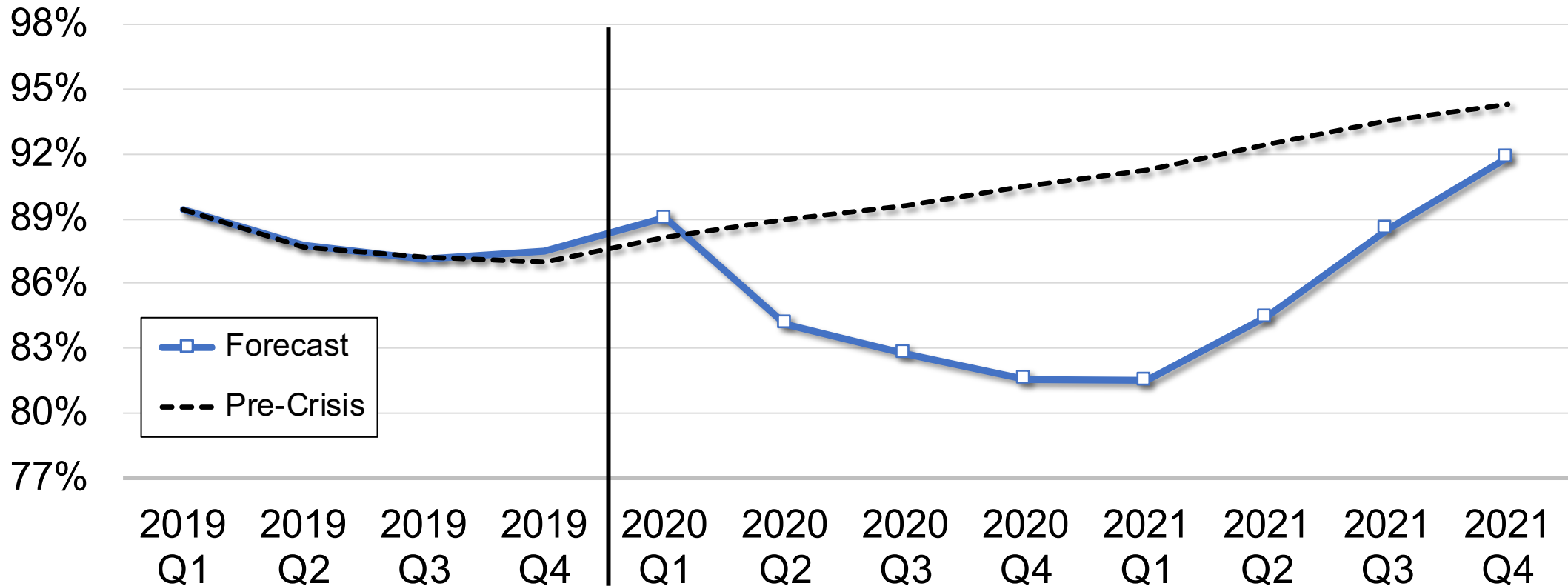


Slope of restart line correlates to the length of the containment line.

The longer the containment line the shallower the slope of the restart line.

Active truck utilization

Percentage of seated trucks engaged in hauling freight



Capacity questions

- Carrier layoffs and failures
- CARES Act effects – PPP and unemployment insurance
- Drug and alcohol clearinghouse

Questions?

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