

# FTR | State of Freight WEBINARS

## MID-YEAR ECON REVIEW

*Moderator: Clayton Slaughter*

### STAY UP-TO-DATE

Keep your customers up-to-date on the latest market intelligence.

Point them to:

[FTRintel.com/coronavirus](https://FTRintel.com/coronavirus)

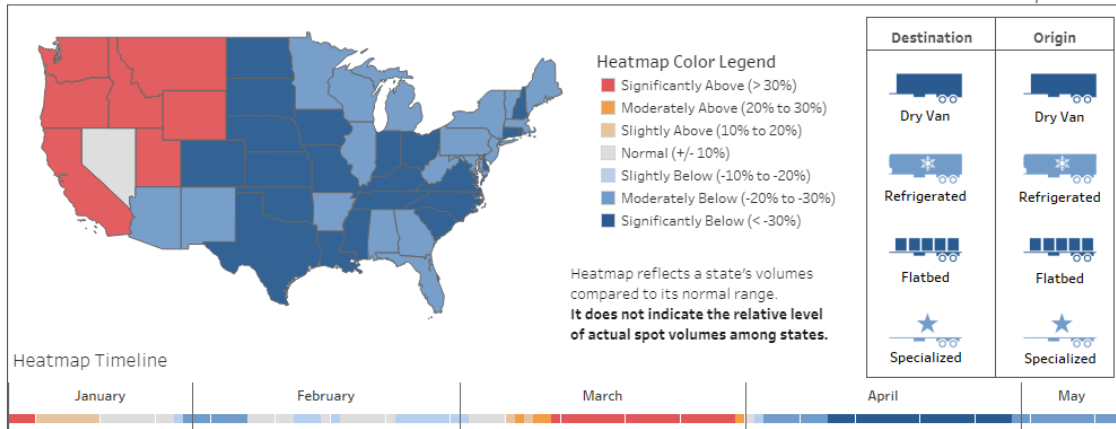
### STATE OF FREIGHT

State of Freight is a series of publications, webinars, podcasts, and intel from FTR.

## FTR COVID-19 Impact Heatmap

7 Day **Origin** Volumes for **Refrigerated** Trailers ending on May 11, 2020. (State: All)

[? Methodology](#)  
[Help](#)



A dashboard analysis of impacts from COVID-19 on the trucking industry created by FTR and Truckstop.com. Reflects the most recent seven days and is updated regularly.

\* Data displayed when two or more states are selected

Sources: Truckstop.com, FTR; Copyright 2020, FTR

Last Updated 5/13/2020



truckstop.com



Transportation Intelligence

# **FTR** | State of Freight **ASK THE EXPERT**

**MAY 21 | 11:00-11:30 AM EDT**

Our monthly Ask the Expert webinars give premium FTR Subscribers a chance to hear directly from FTR's team of leading industry experts, directly addressing your business issues and highlighting important topics that every transportation professional needs to stay on top of.

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## **FTR** | State of Freight **WEBINARS**

### **Upcoming Webinars:**

**May 28<sup>th</sup> at 11 AM**  
**Ask the Expert**

**June 11<sup>th</sup> at 11 AM**  
**Rail Carload Outlook**

**July 9<sup>th</sup> at 11 AM**  
**\*\* 2020 Key Issues in  
Transportation \*\***

[www.ftrintel.com/webinars](http://www.ftrintel.com/webinars)



**Bill Witte**  
Economist

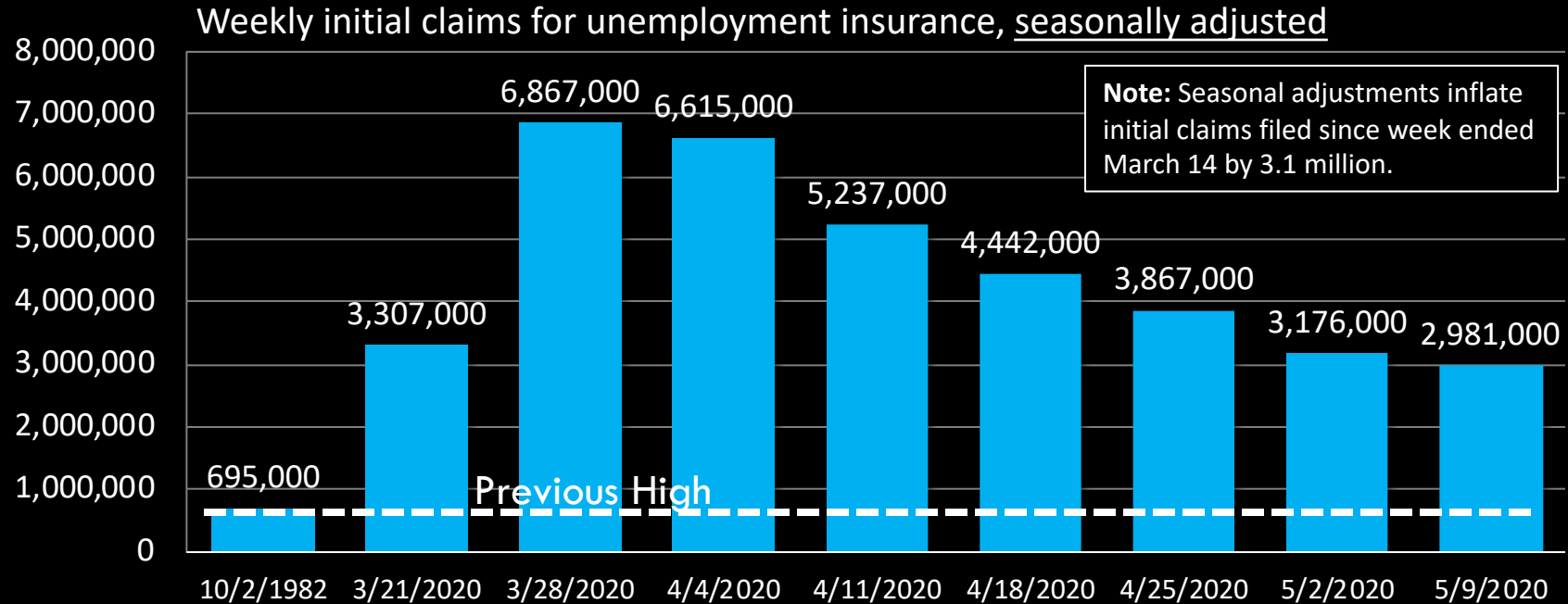
# Mid-Year Econ Outlook & Market Update



**Avery Vise**  
VP, Trucking

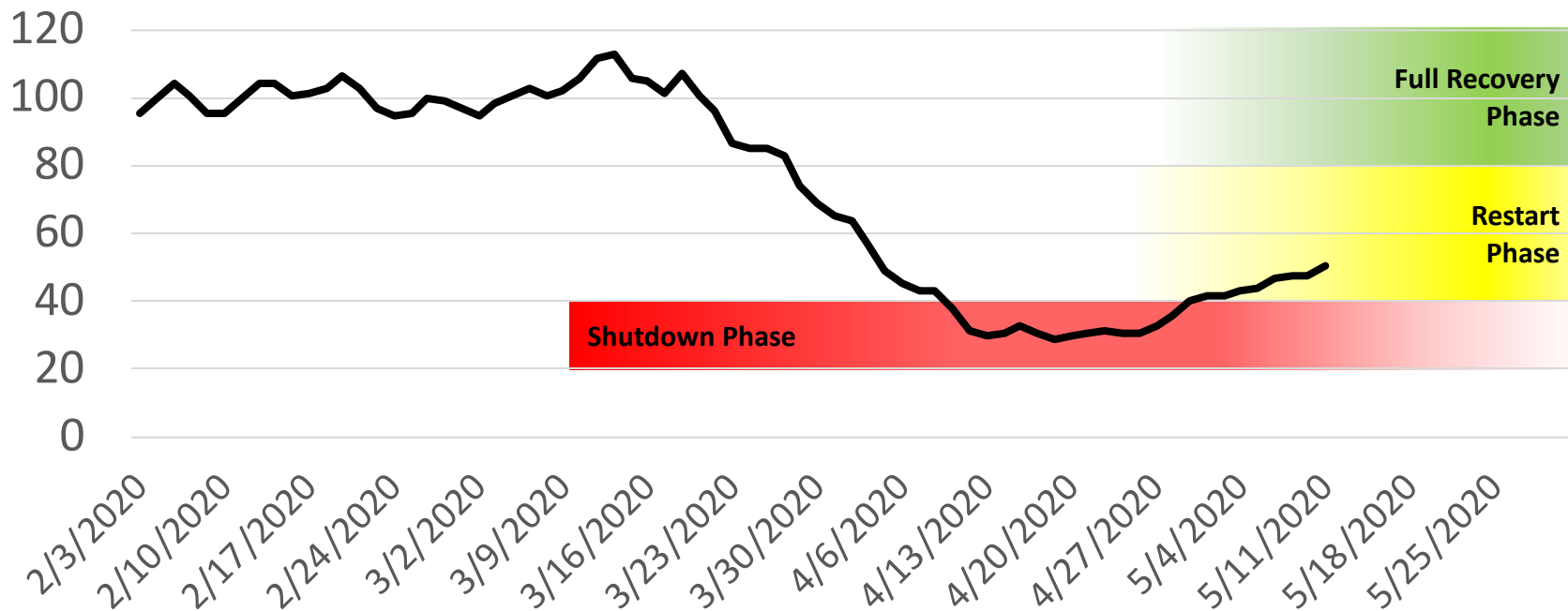
# MARKET UPDATE

# WORST WEEKS FOR UNEMPLOYMENT



# COVID-19 Truck Freight Recovery Index

**Total** (100 = Full recovery to pre-pandemic volumes)



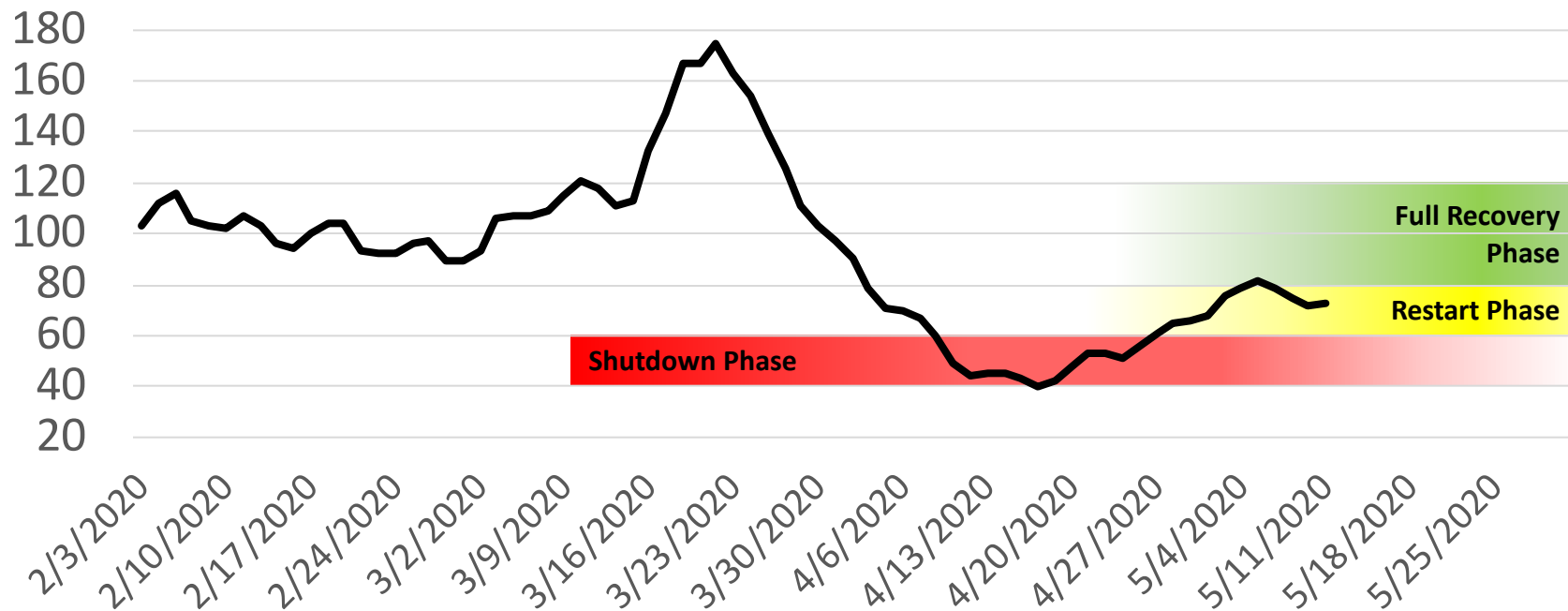
Last Updated: 5/13/2020

Source: Truckstop.com Spot Market Insights  
Analysis by FTR | Transportation Intelligence™



# COVID-19 Truck Freight Recovery Index

**Refrigerated** (100 = Full recovery to pre-pandemic volumes)



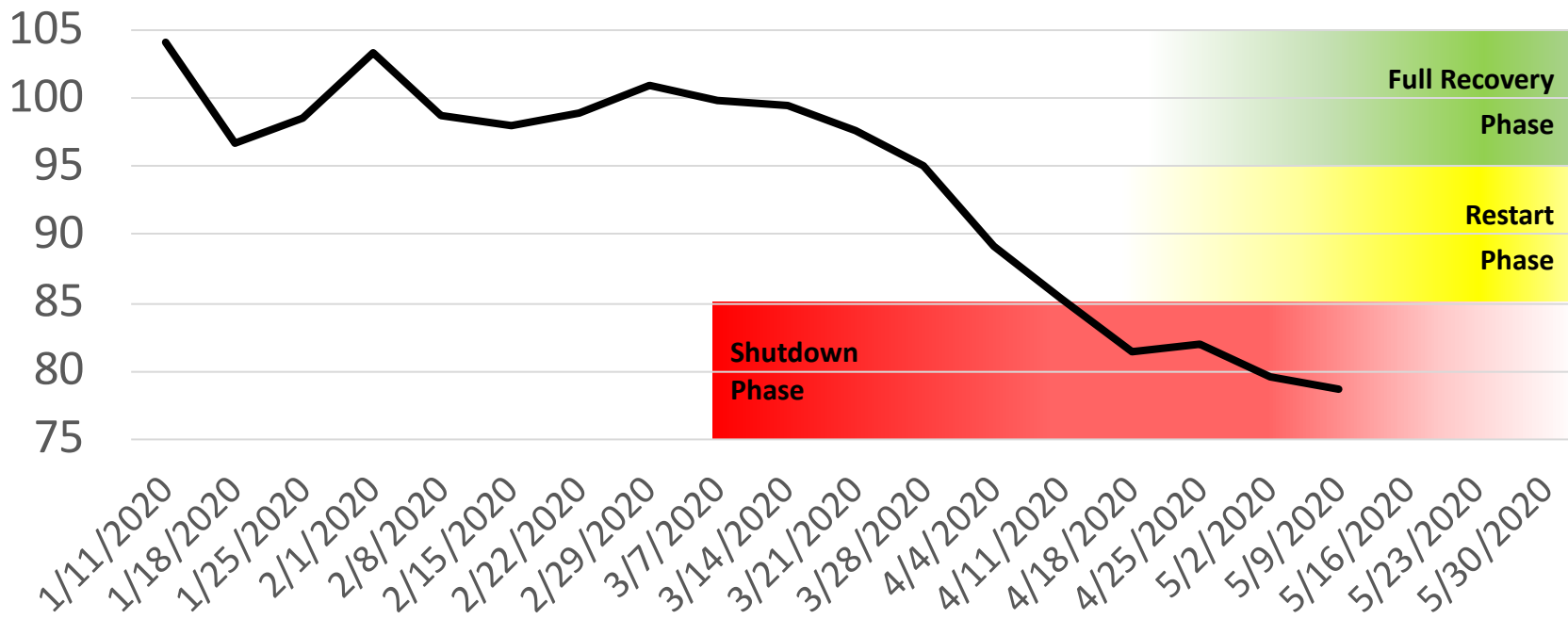
Last Updated: 5/13/2020

Source: Truckstop.com Spot Market Insights  
Analysis by FTR | Transportation Intelligence™



# COVID-19 Rail Freight Recovery Index

N.A. Carload (100 = Full recovery to pre-pandemic volumes)



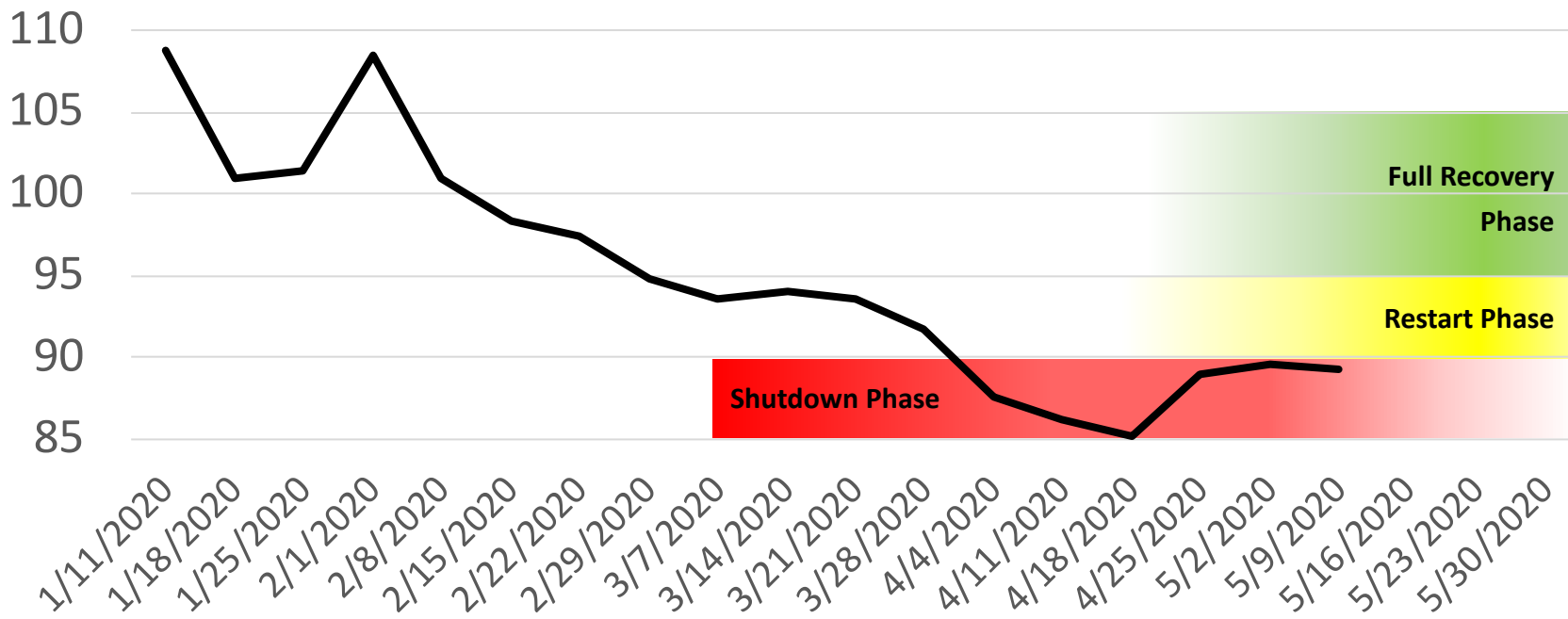
Last Updated: 5/13/2020

Source: AAR, FTR  
Analysis by FTR | Transportation Intelligence™ of AAR Weekly Rail Traffic Report



# COVID-19 Rail Freight Recovery Index

N.A. Intermodal (100 = Full recovery to pre-pandemic volumes)

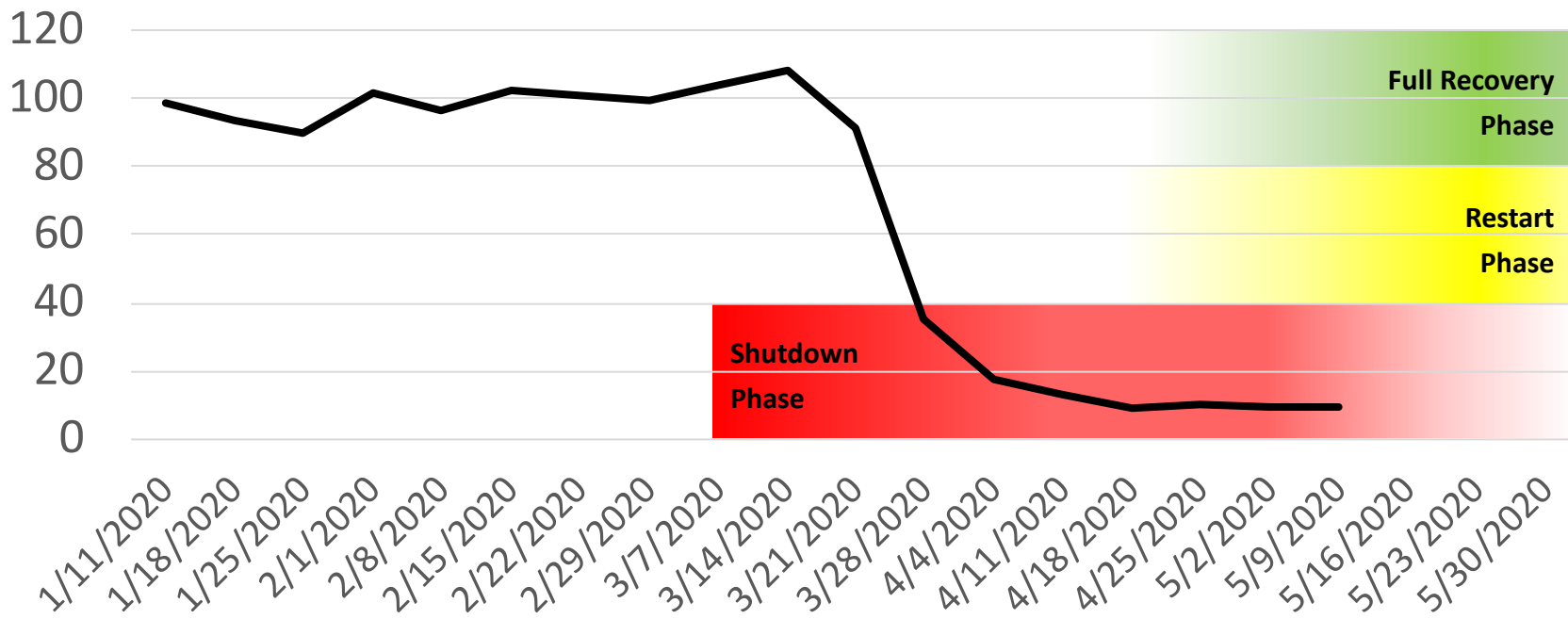


Last Updated: 5/13/2020

Source: AAR, FTR  
Analysis by FTR | Transportation Intelligence™ of AAR Weekly Rail Traffic Report

# COVID-19 Rail Freight Recovery Index

**Automotive** (100 = Full recovery to pre-pandemic volumes)



Last Updated: 5/13/2020

Source: AAR, FTR  
Analysis by FTR | Transportation Intelligence™ of AAR Weekly Rail Traffic Report

# ***Truck market volumes have come off the bottom but are nowhere near “normal”***

- **Dry Van**

- Dry Van activity has rebounded off the bottom but is stuck at low levels that do not yet indicate a significant return to normal industrial or consumer activity.

- **Flatbed**

- Recent activity has not decelerated like we have seen in the van segments, but the levels are still low.
- 

## ***Intermodal has stabilized at a low level, but carload markets are still weakening***

- **Economically Sensitive Freight**

- When we exclude Ag, Petroleum, and Coal we get a picture that points to continued downward movement.

- **Energy**

- Current bottom shows as the week ending 5/2/2020 but this segment is trending lower.

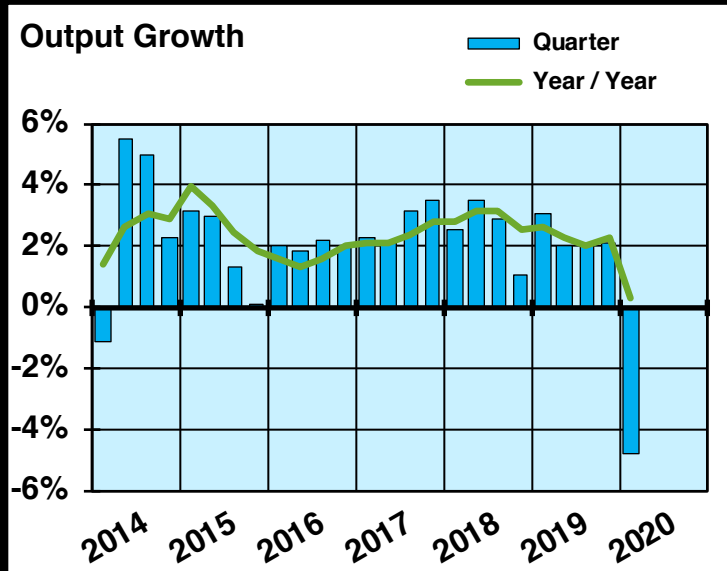
# The Economy: Mid-Year Review

## Outline

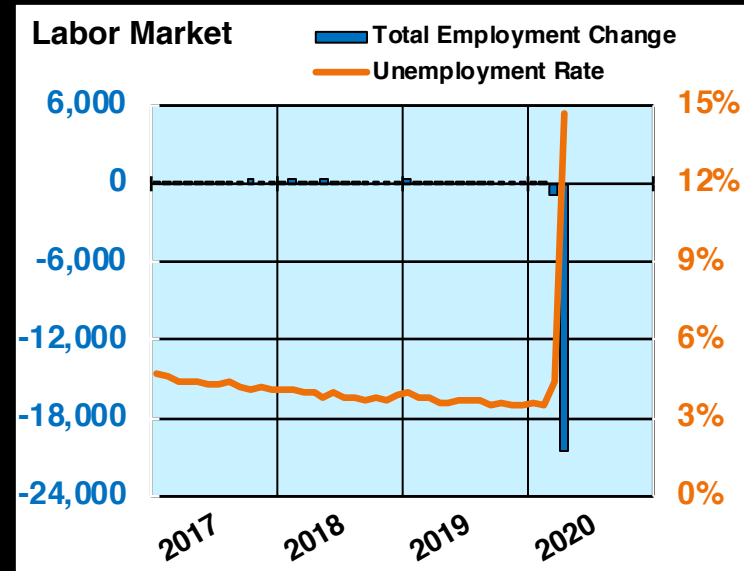
- The current situation
- Our current “forecast”
- Discussion

# CURRENT SITUATION

The shutdown began toward the  
end of Q1



And hit the market with full force  
in April



# THE CURRENT SITUATION

## Summary

### Negative

- Uncertainty is at an all-time high
- Data will get worse before it gets better

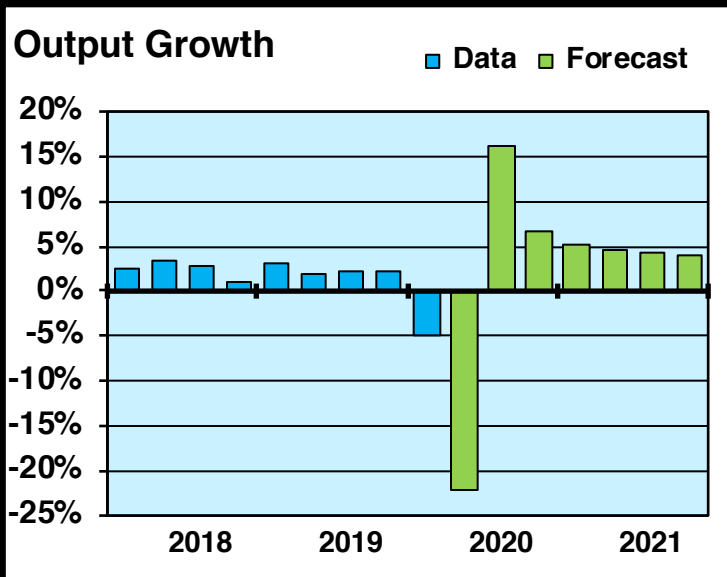
### Positive

- The underlying economy is probably about at bottom

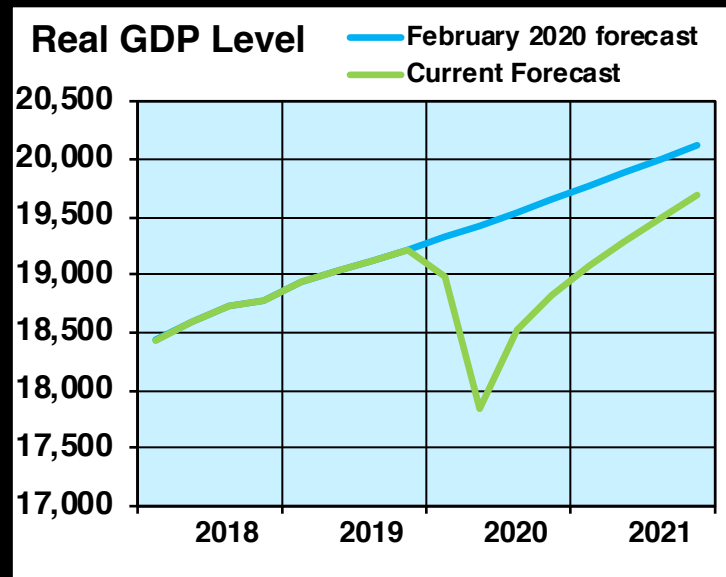
So where from here?

# THE CURRENT FORECAST

Historically awful Q2,  
then a bounce in Q3

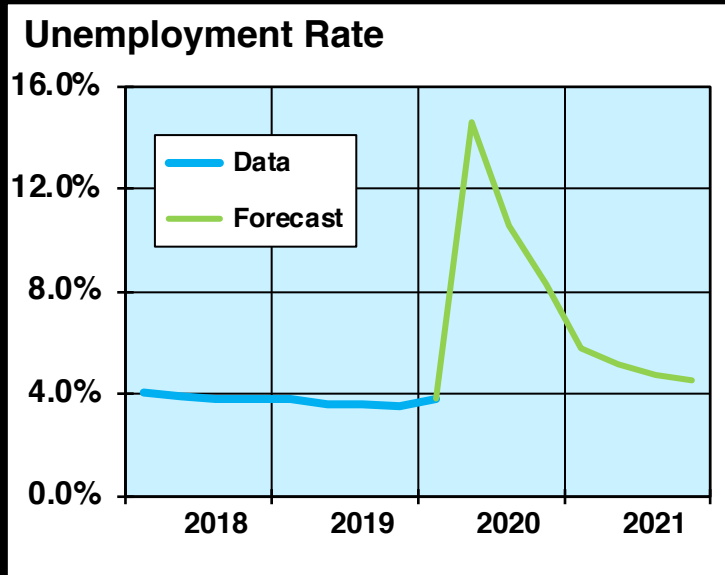


But no “new normal” until  
the end of 2021

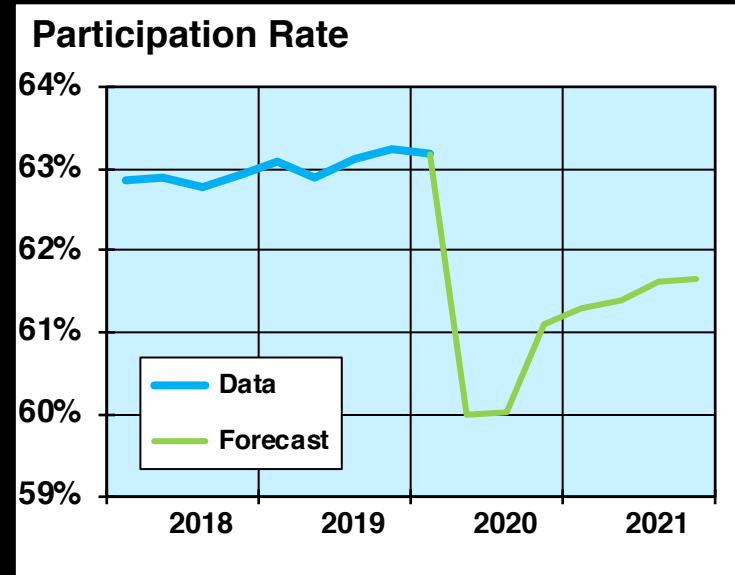


# THE CURRENT FORECAST

Large jump in unemployment, then  
a decline but not to previous lows



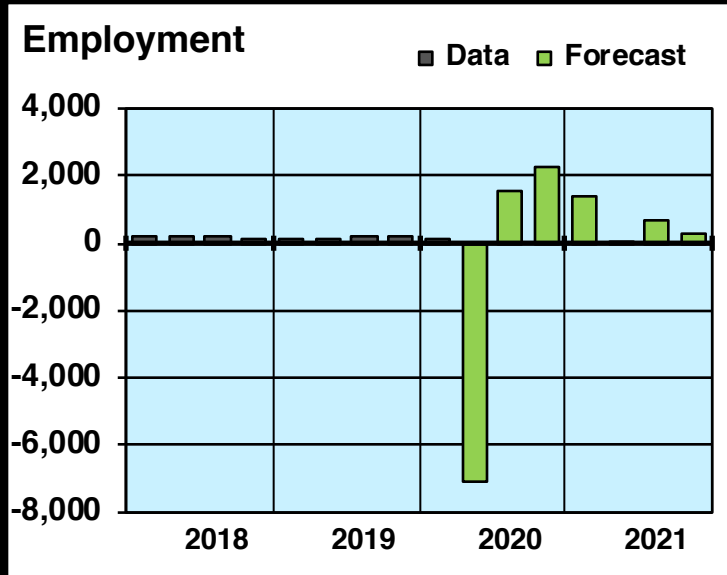
And also a permanent hit to the  
labor force



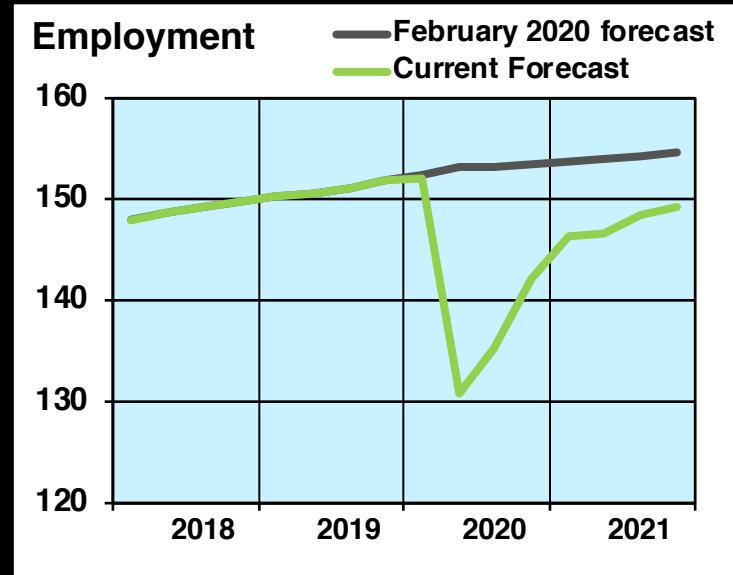


# THE CURRENT FORECAST

This implies a slow recovery  
in employment



And again a new normal lower  
than the pre-pandemic trajectory



# MID-YEAR REVIEW: DISCUSSION

- The last few minutes are all guesswork
- Probably with an optimistic bias
- The key will be how many roadblocks policy makers manage to throw in the path of the recovery
- And, of course, what the virus decides to do

# MID-YEAR REVIEW: DISCUSSION

## Sectors that could face a hard time

- Hospitality and travel related
- Energy
- Commercial construction
- Higher education

## Sectors that could come out okay

- Residential construction
- Consumer durable goods

There is an election in less than 6 months



**Bill Witte**  
Economist

# Mid-Year Econ Outlook & Market Update



**Avery Vise**  
VP, Trucking

# Q & A



- Type a question into the 'Question' pane.

*We will attempt to answer  
as many of your questions  
as time permits*



# REPLAY/SLIDES WILL BE AVAILABLE

- A replay, along with slides, will be available by next Monday
  - Available to FTR subscribers
    - Available in the 'On-Demand Videos' section when logged in
- Check your email to find out when it is ready
- Feel free to follow up with our speakers – or anyone else on the FTR team
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## Thank You!