

# Risk & Uncertainty in Today's Economy

North American Rail Shippers  
2025 Annual Meeting

May 8, 2025

**FTR** | Transportation  
Intelligence™



**Eric Starks**

*FTR, Chairman*

# Overview

- Tariffs
- Intermodal
- The Consumer
- Business Investment and Manufacturing
- Labor
- Inflation
- GDP & Goods Transport Sector



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# Tariff Rates

## U.S. Effective Rates

**2.6%**

Ending 2024

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With Reciprocal

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With Reciprocal

**29.7%**

90 Day  
Reciprocal  
Pause; China  
145%

# Tariff Rates

## U.S. Effective Rates

**2.6%**

Ending 2024

**24.4%**

With Reciprocal

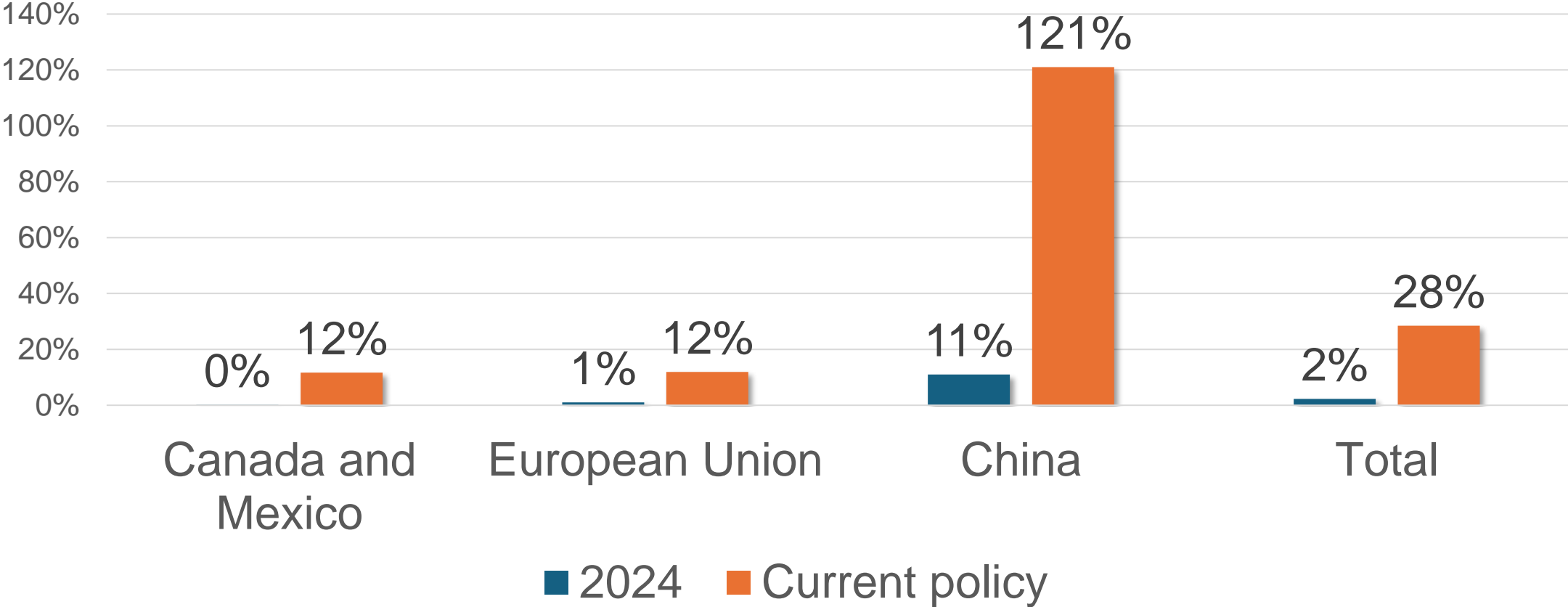
**29.7%**

90 Day  
Reciprocal  
Pause; China  
145%

**28.0%**

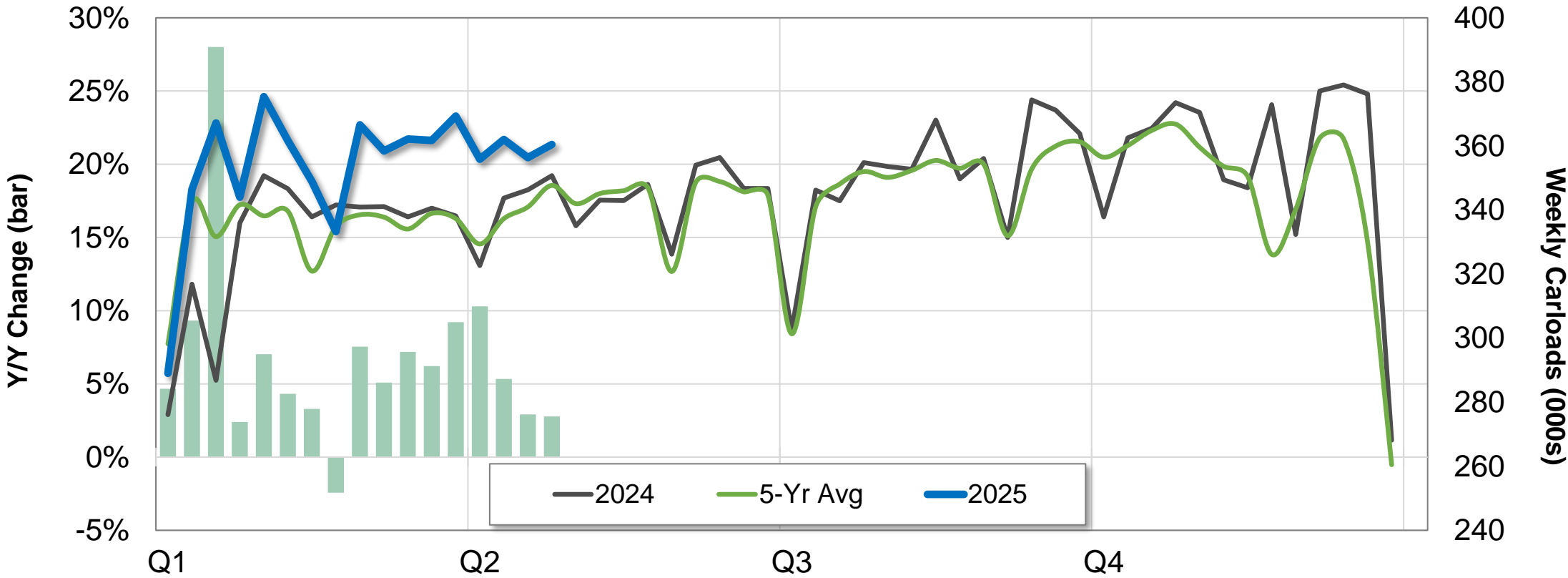
+ Electronics  
Pause

# Changes in effective tariff rates



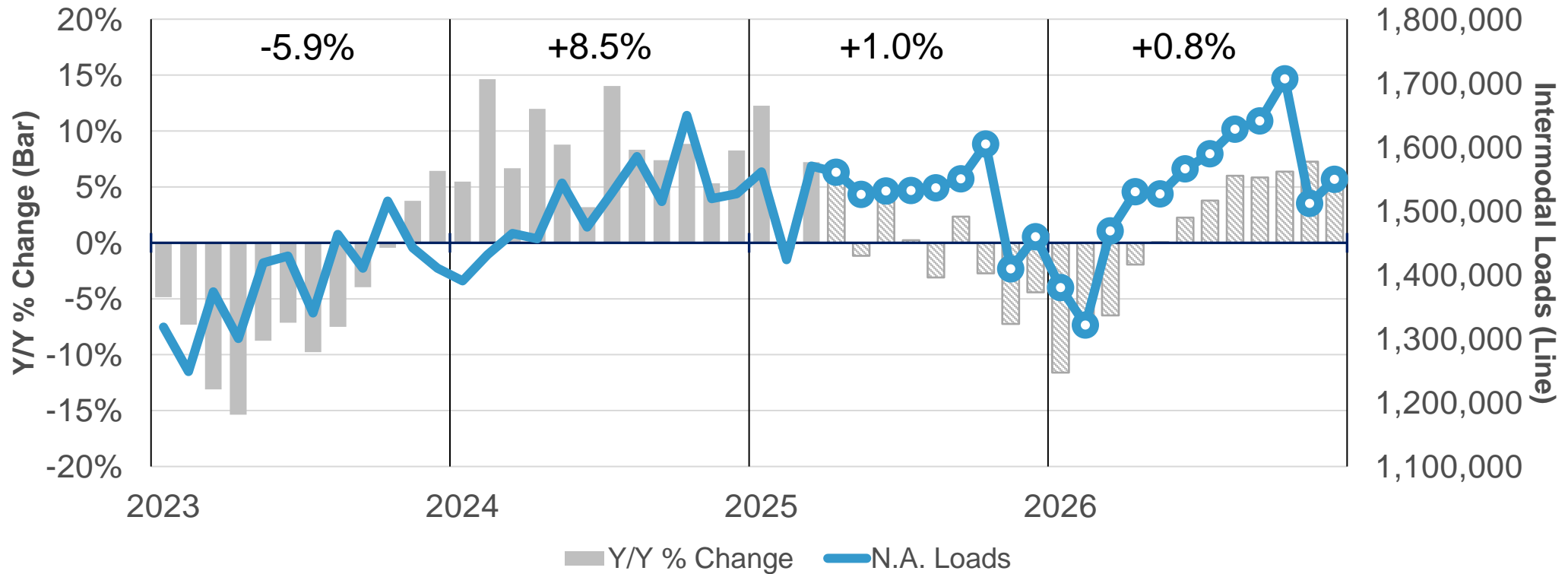
# Total intermodal

Weekly intermodal units & Y/Y% change



# Intermodal outlook: total intermodal

Monthly intermodal units & Y/Y% change

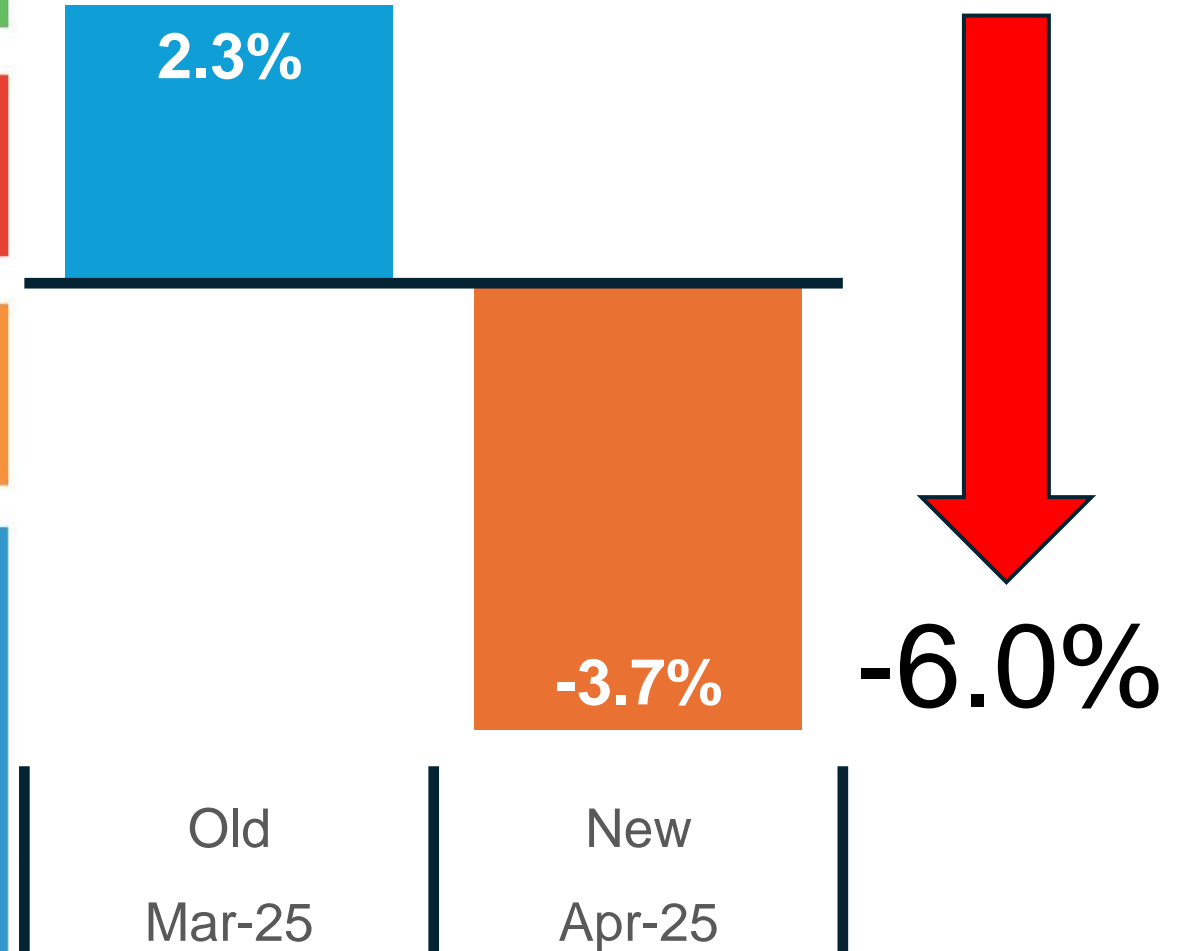


**Effective Rate  
Used for  
Forecasting**

**20%**

# Imports of Goods

2025 Average Quarterly Growth Q2-Q4

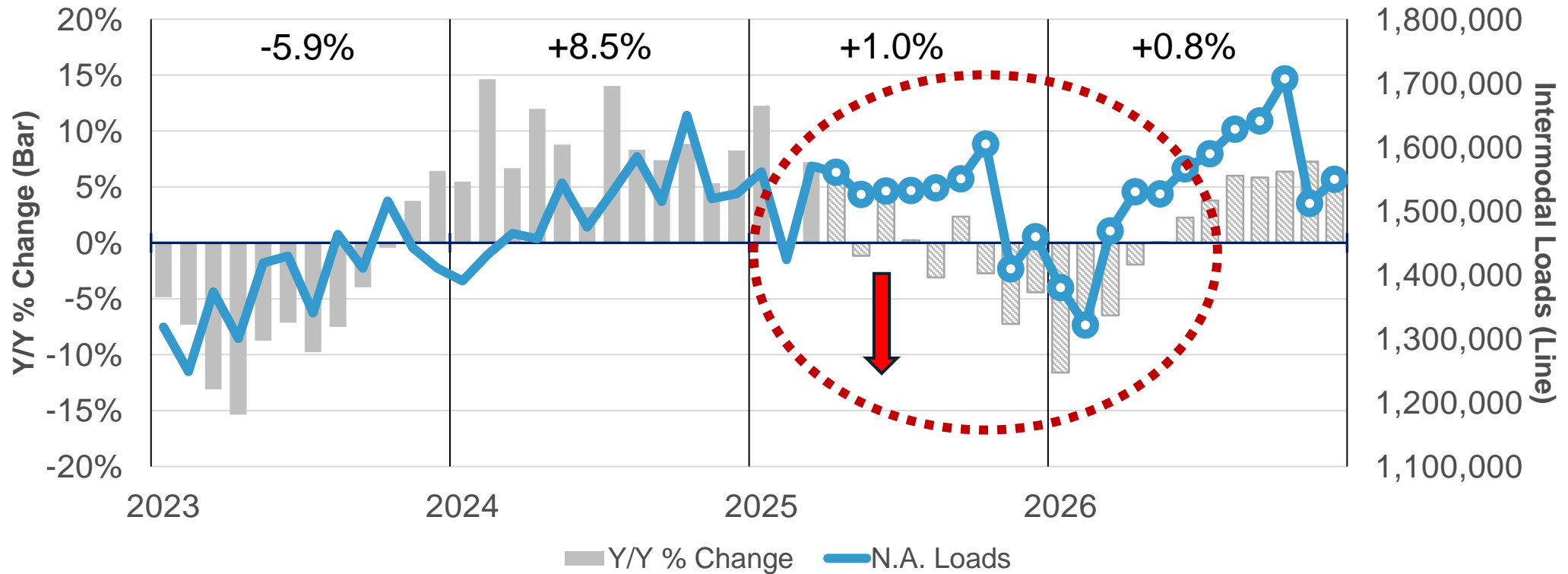


# LA/Long Beach Port Activity Expectations

- Long Beach:
  - TEUs down 34% y/y in Q2
- Los Angeles:
  - Week 19 (May 4-10): down 35% y/y
  - Week 20 (May 11-17): down 11% y/y
- Cancelled Sailings to LA and Long Beach as of May 5
  - 70 Total (36 L/A; 34 Long Beach)
- Quote: Long Beach Port CEO Mario Cordero
  - “These numbers even exceed the supply chain crisis during the coronavirus pandemic”

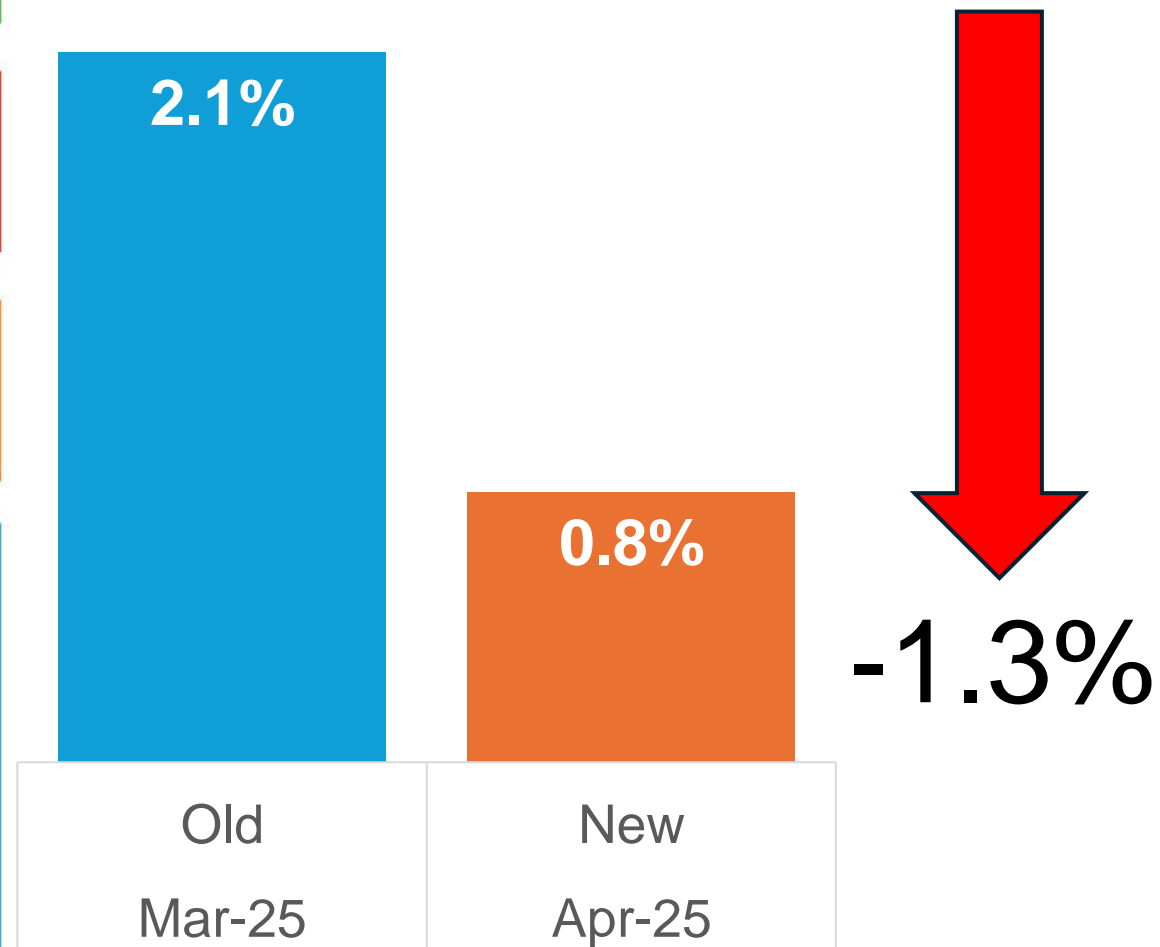
# Intermodal outlook: total intermodal

Monthly intermodal units & Y/Y% change



# Consumer Expenditures

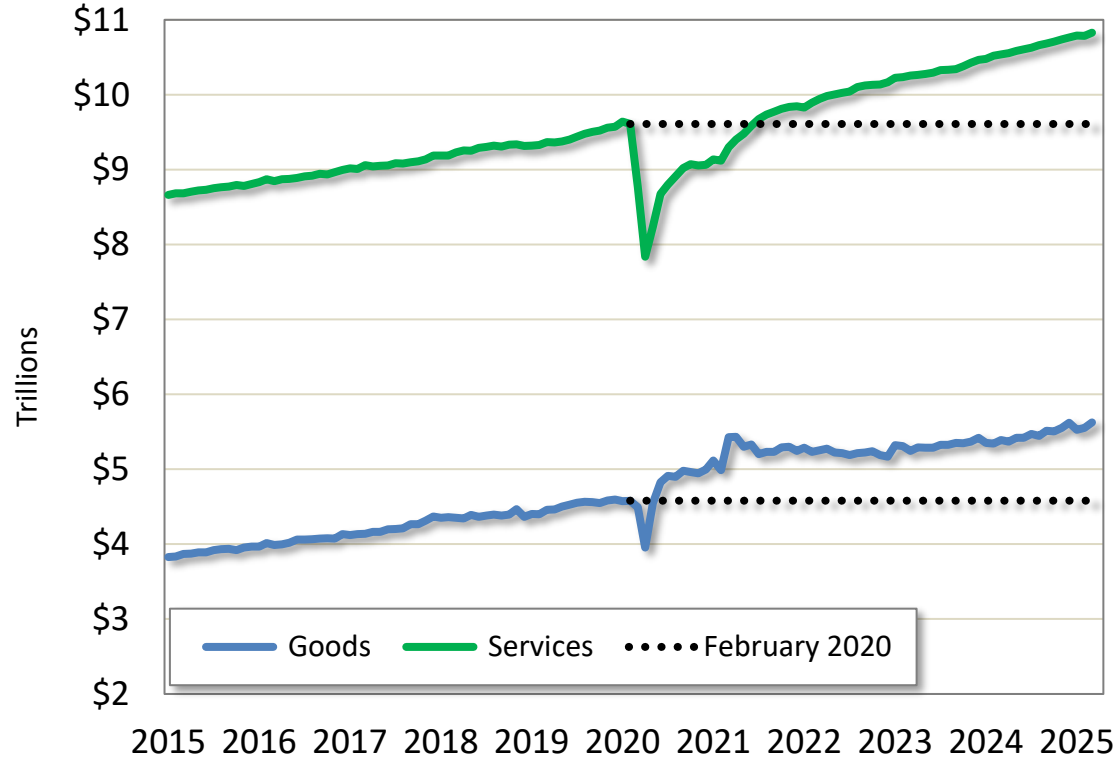
2025 Average Quarterly Growth Q2-Q4



# Real consumer spending

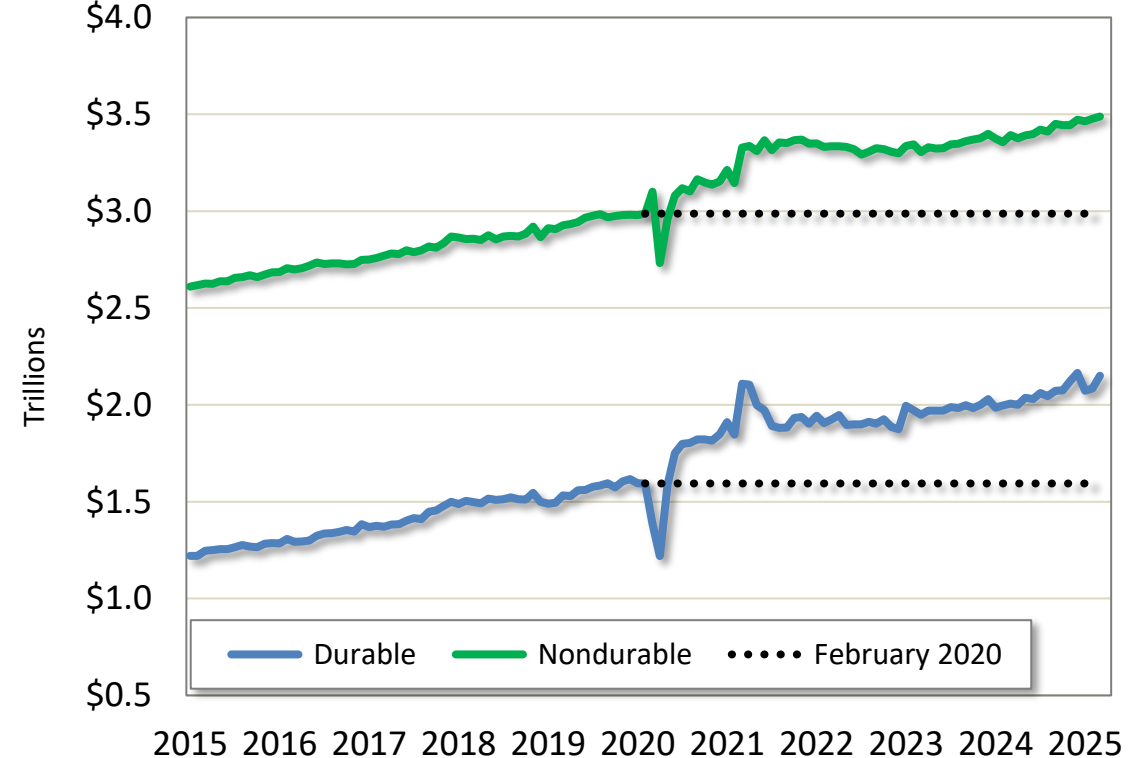
## Real consumer spending

Chained 2017 dollars, seasonally adjusted annual rate

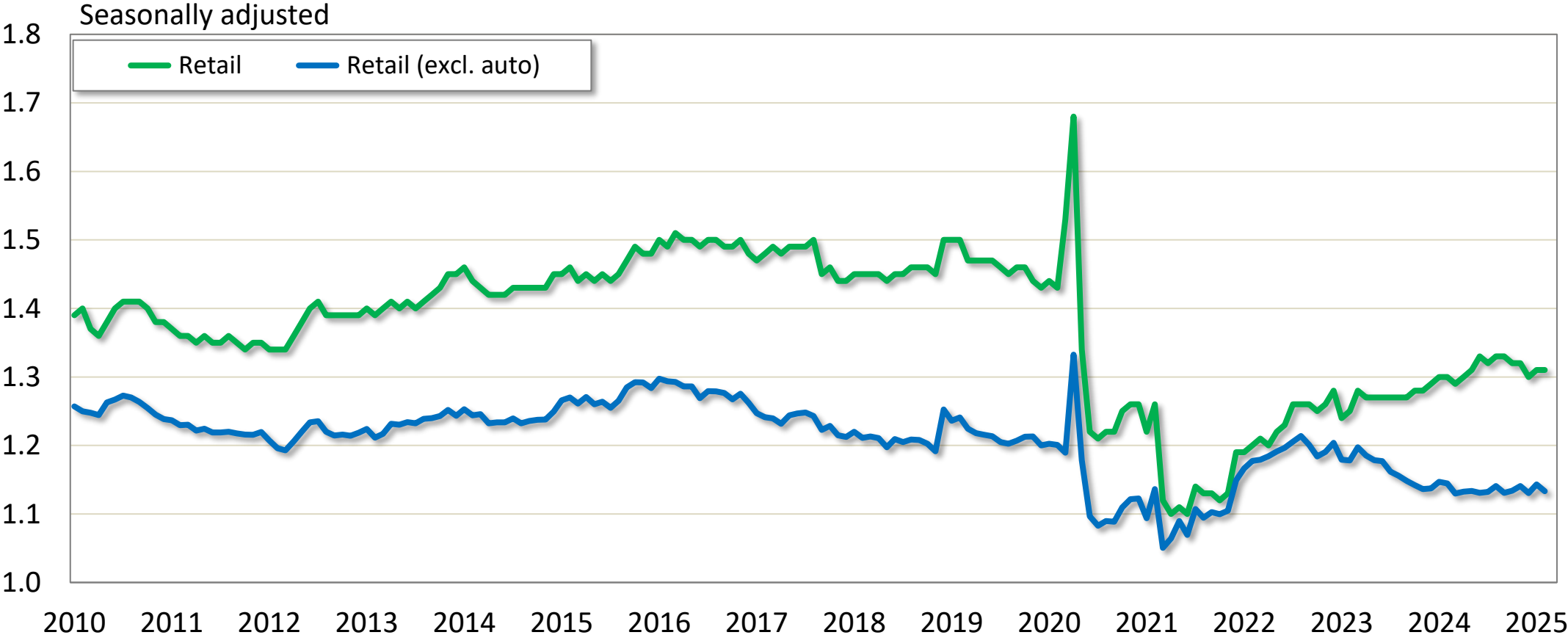


## Real spending on goods

Chained 2017 dollars, seasonally adjusted annual rate

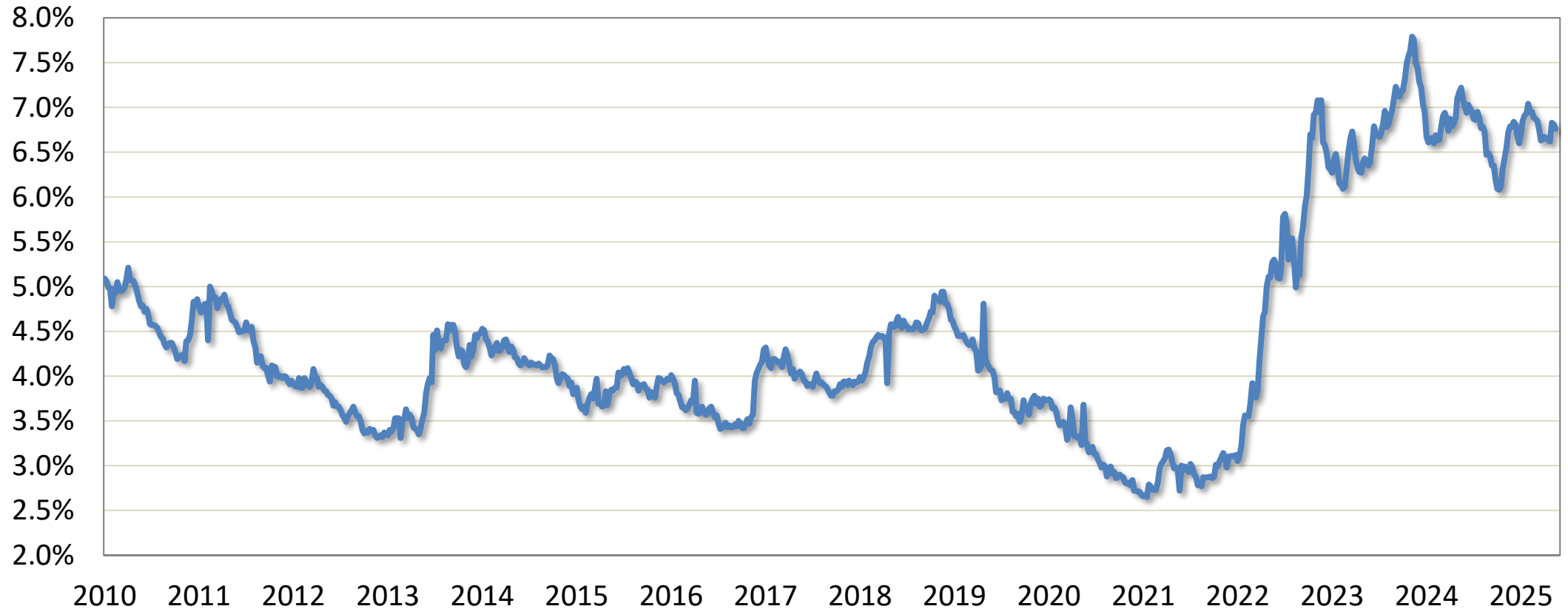


# Inventories-to-sales ratios: Retail

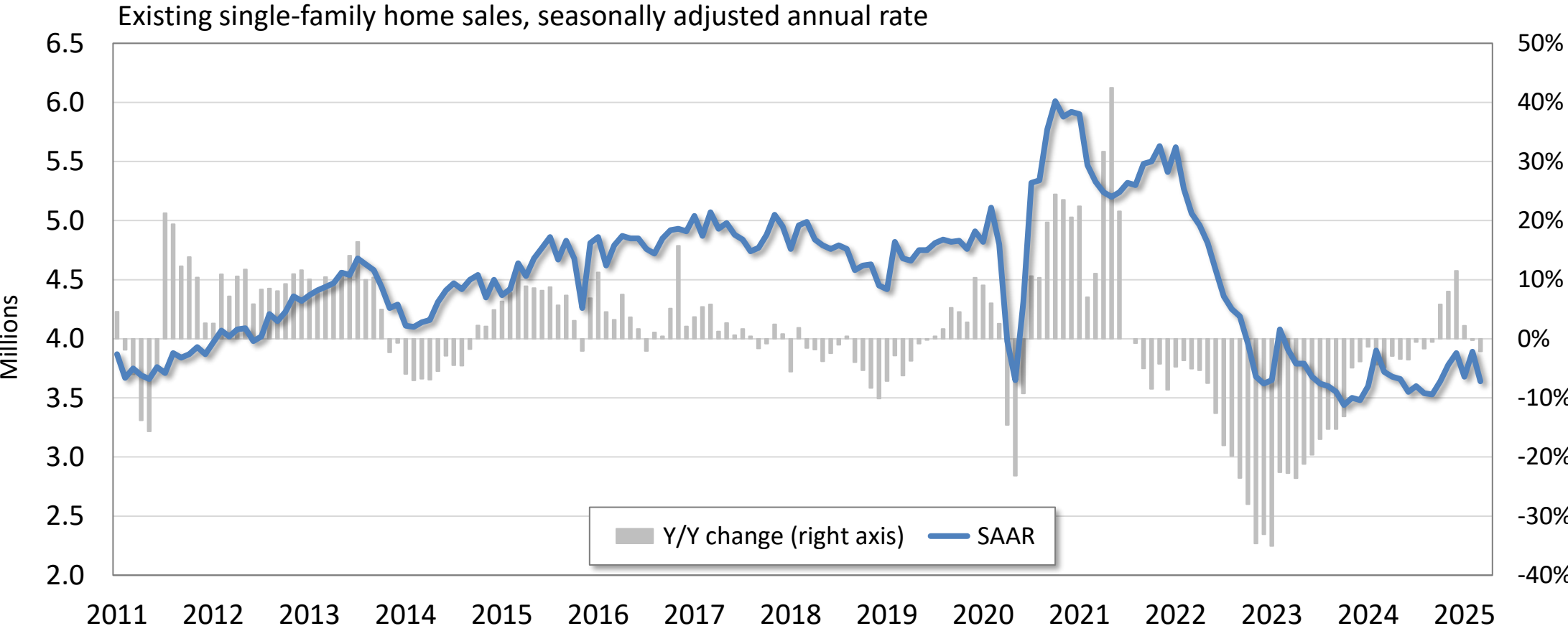


# Mortgage rates

30-year fixed-rate mortgage average in the U.S.



# Sales of existing homes

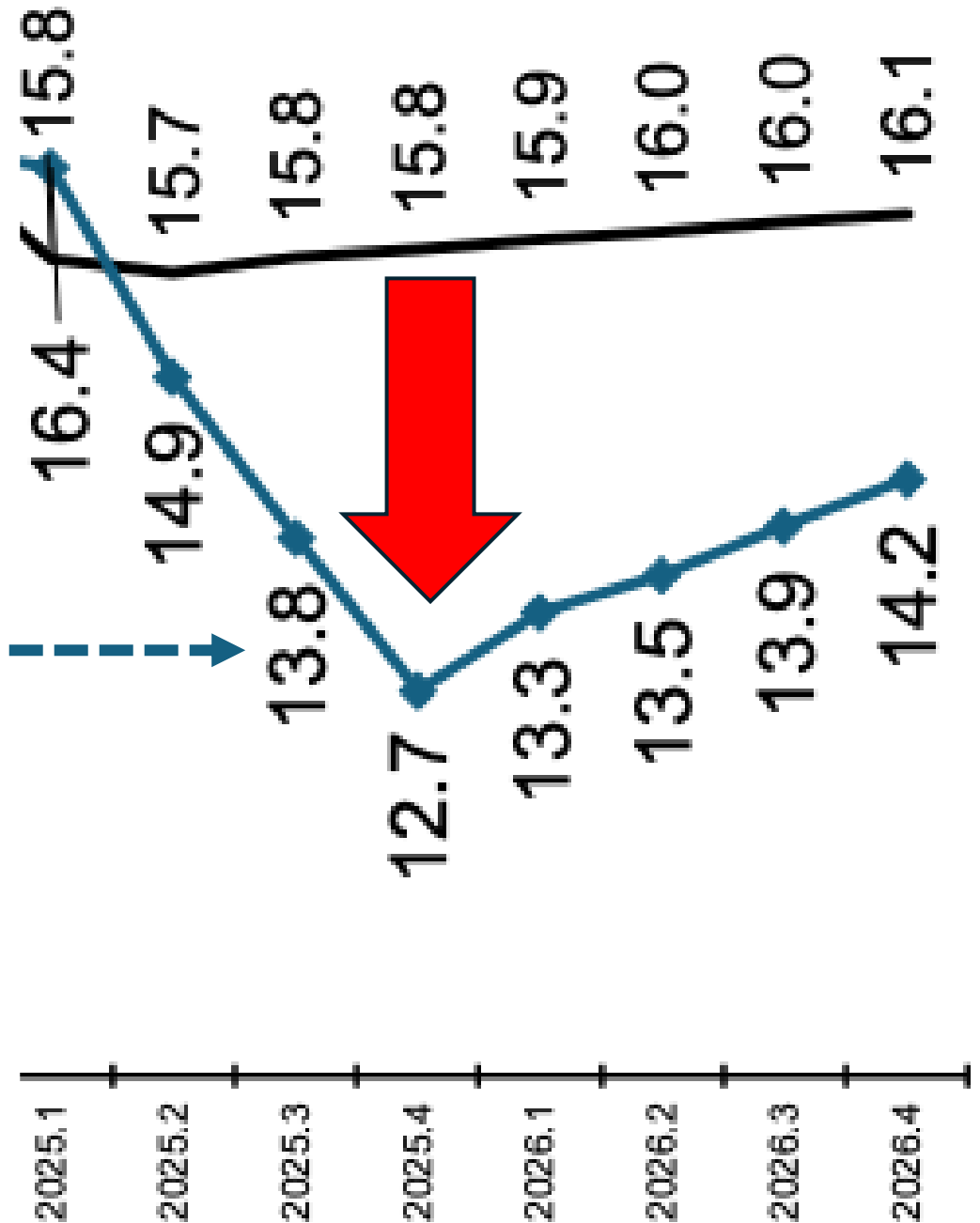


# Auto Sales

(Mil, Annual Rate)

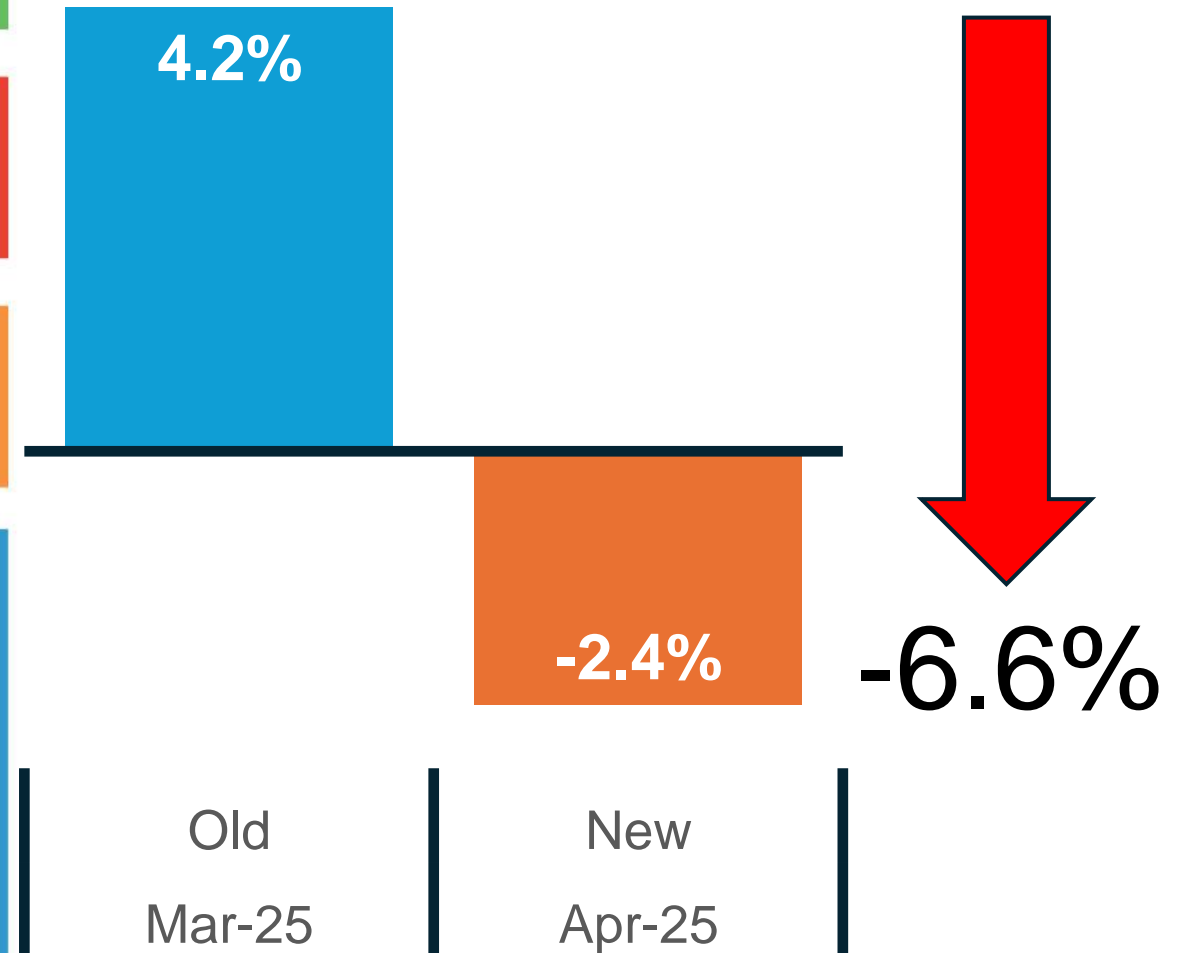
Old  
(March 25)

New  
(April 17)



# Non-Residential Fixed Investment: Equipment

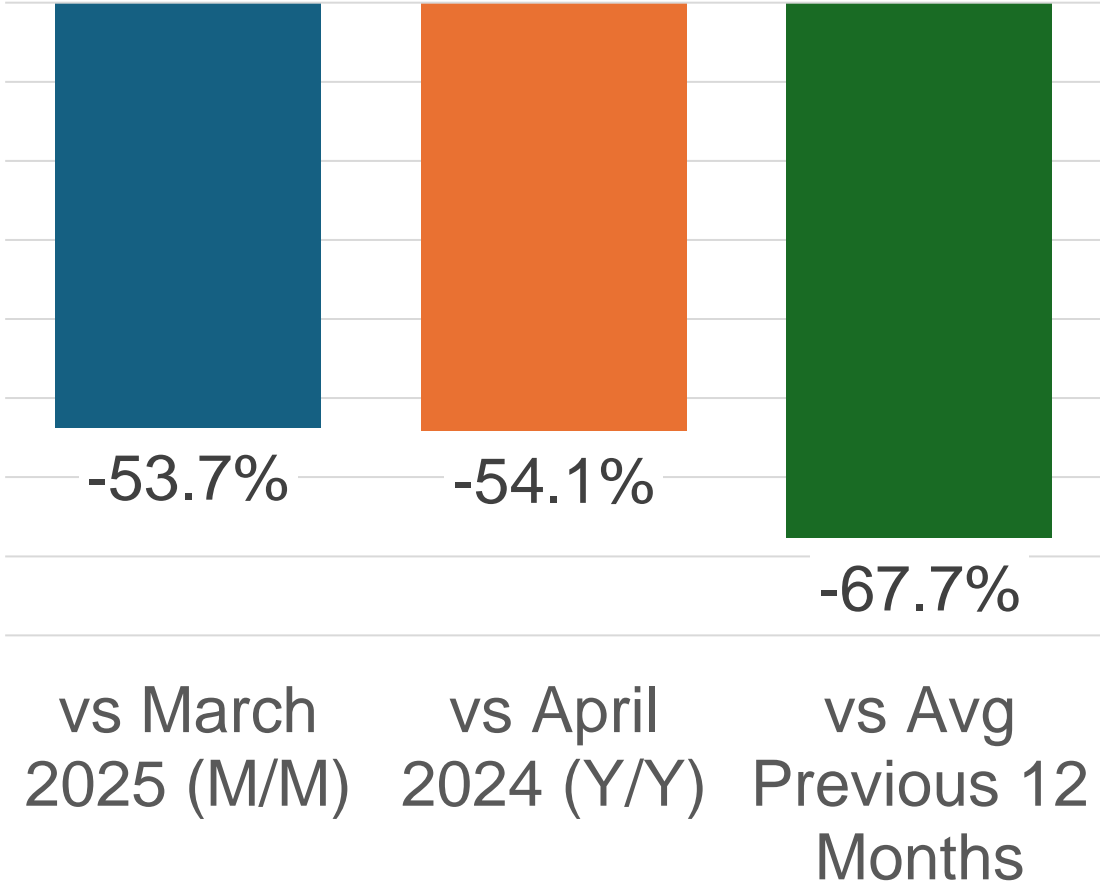
2025 Average Quarterly Growth Q2-Q4



**Uncertainty will keep  
businesses on the sideline**

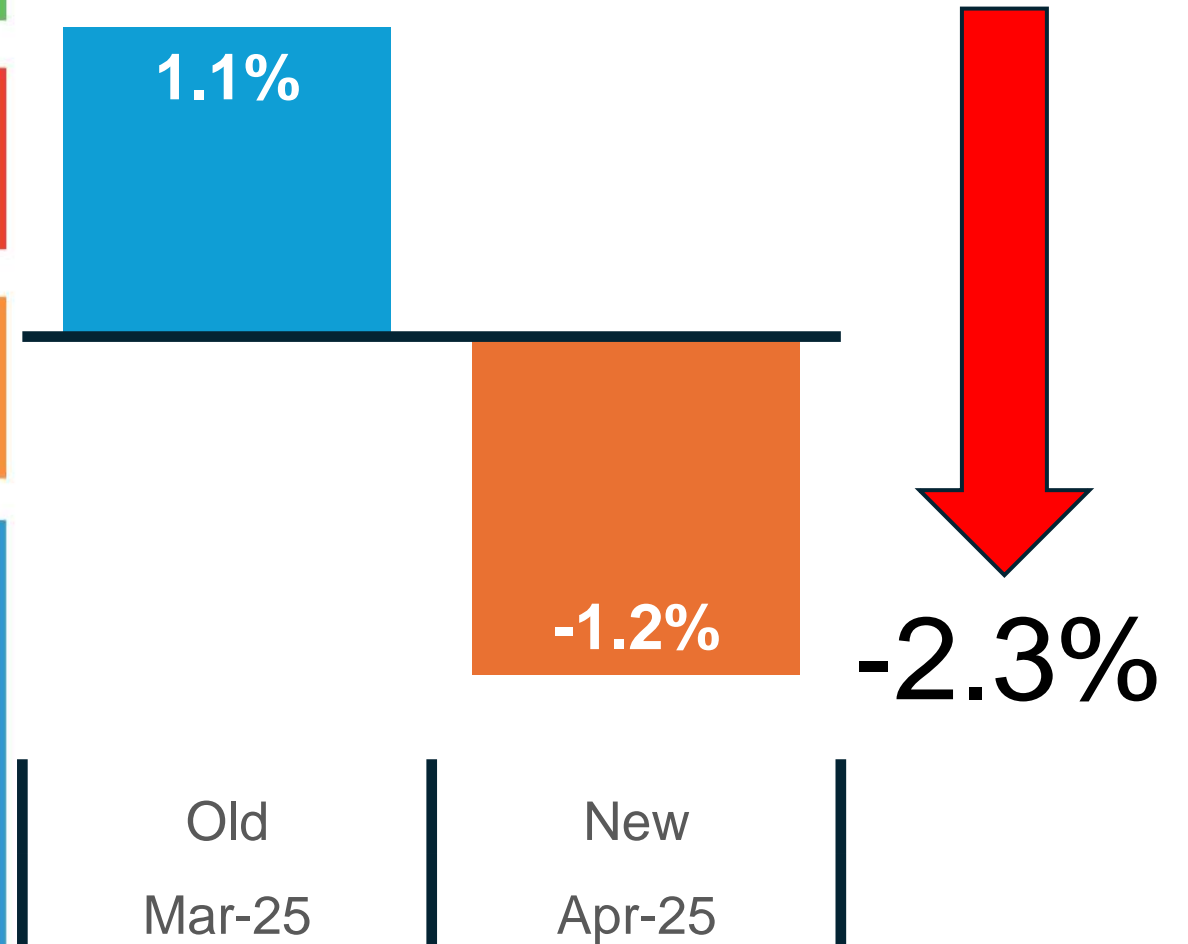
# Collapse in April 2025 North America Heavy Truck Net Order Activity

- 7,400 Net Orders
- Lowest level since May 2020 (COVID)
- Since 2008, only lower order activity was seen during the Great Recession and COVID

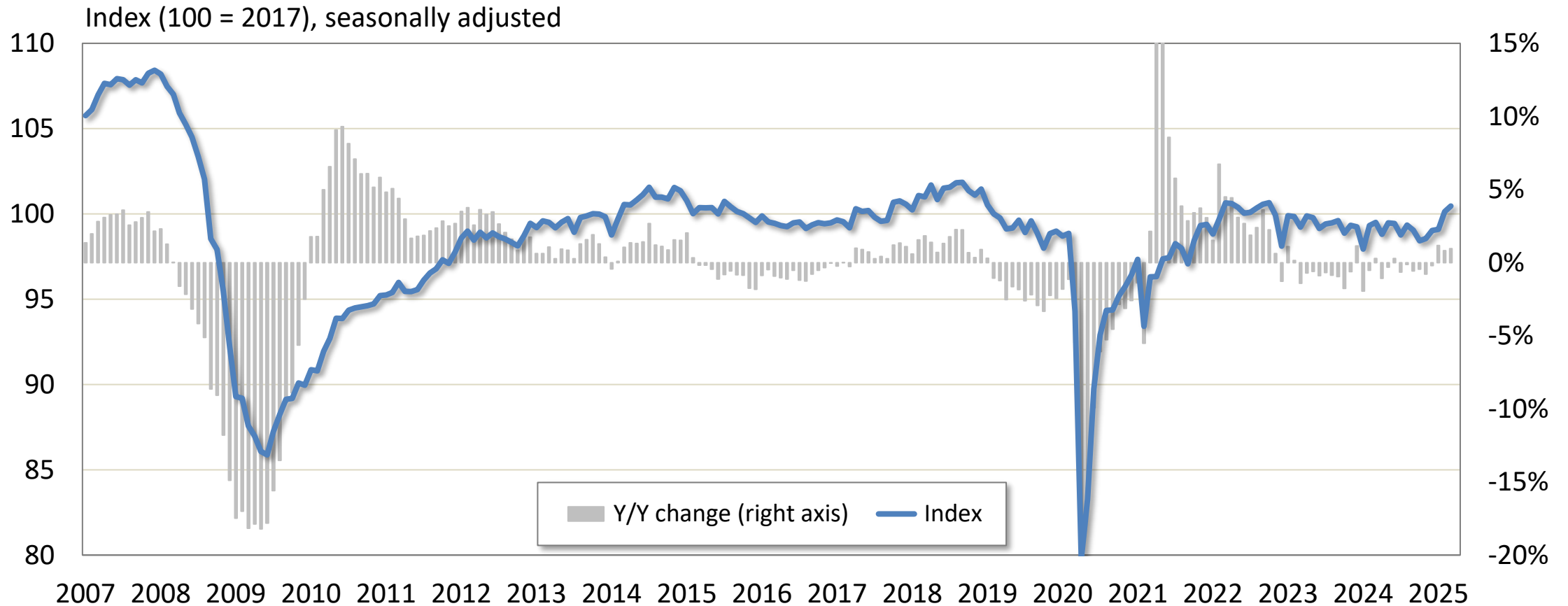


# Industrial Production

2025 Average Quarterly Growth Q2-Q4



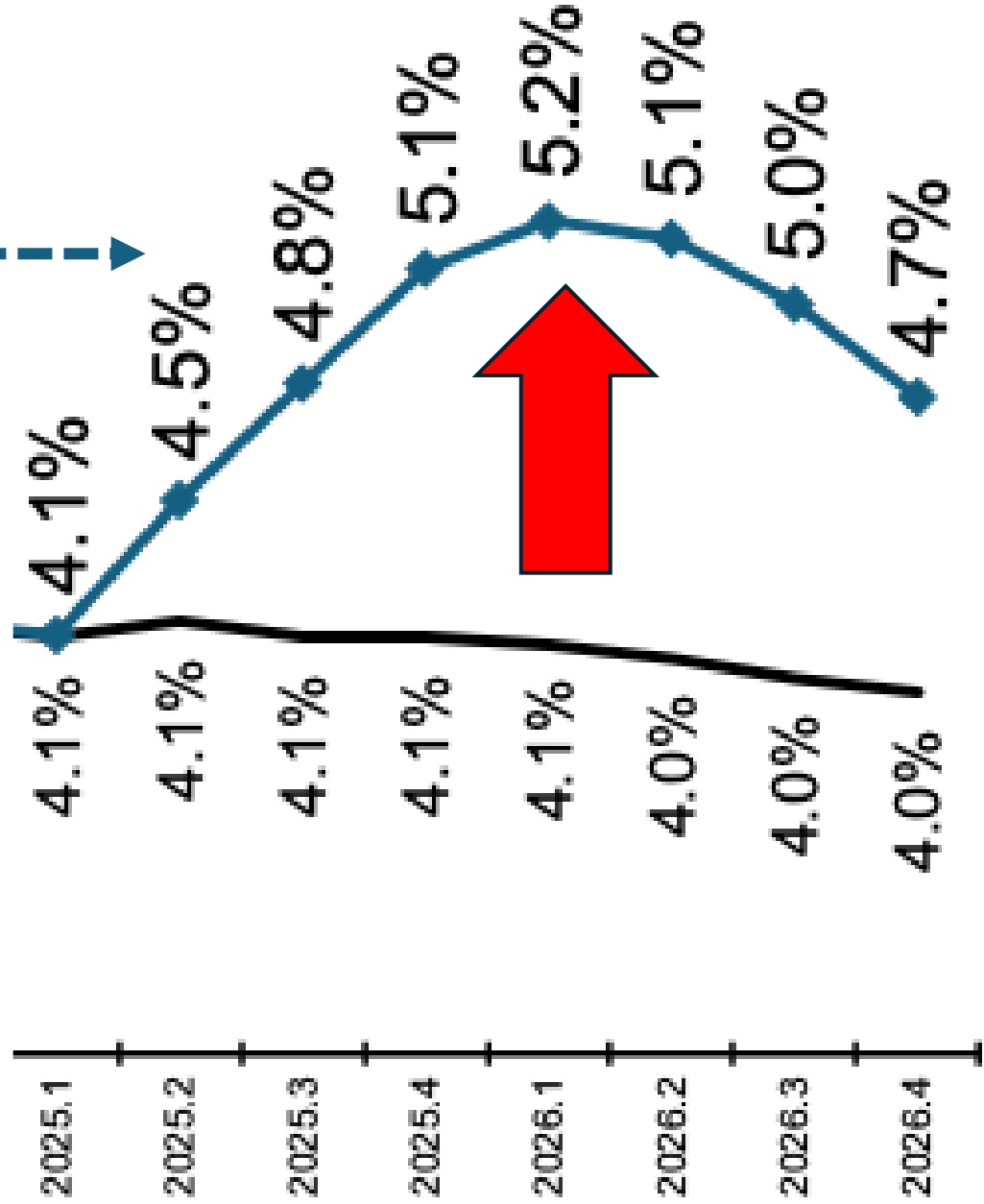
# Manufacturing output



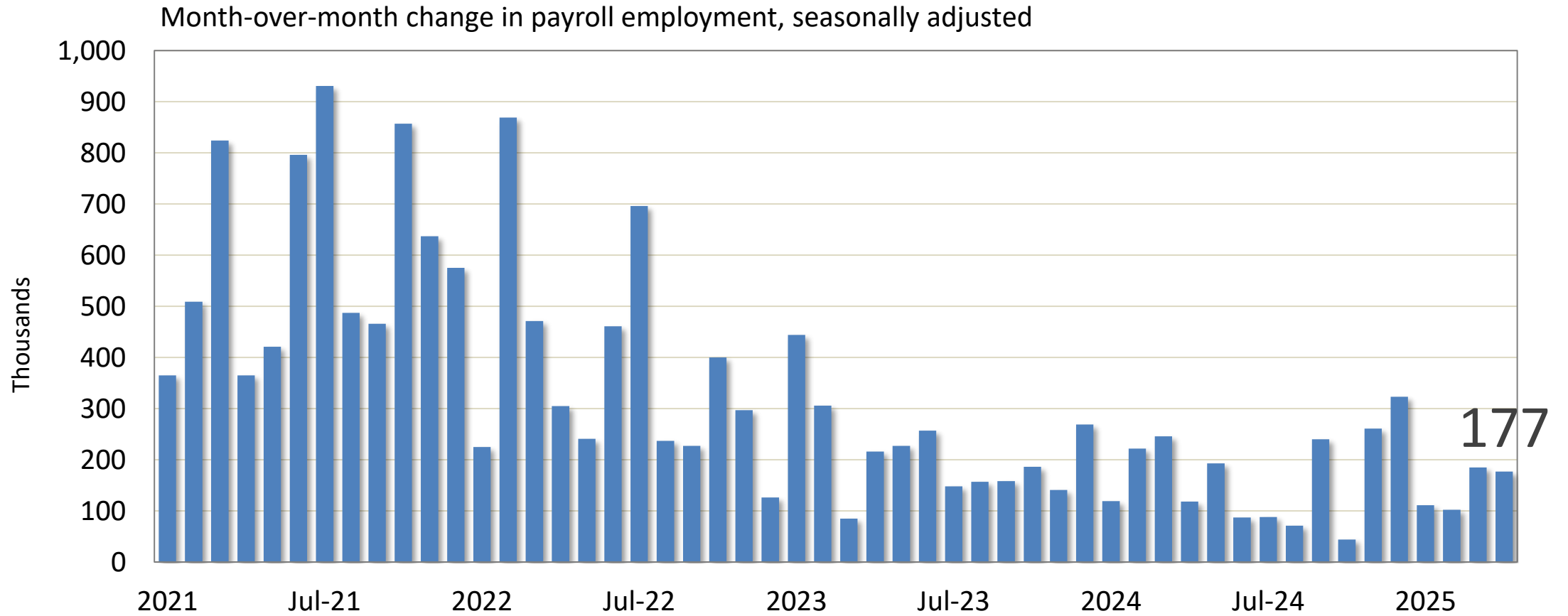
# Unemployment Rate

New  
(April 17)

Old  
(March 25)

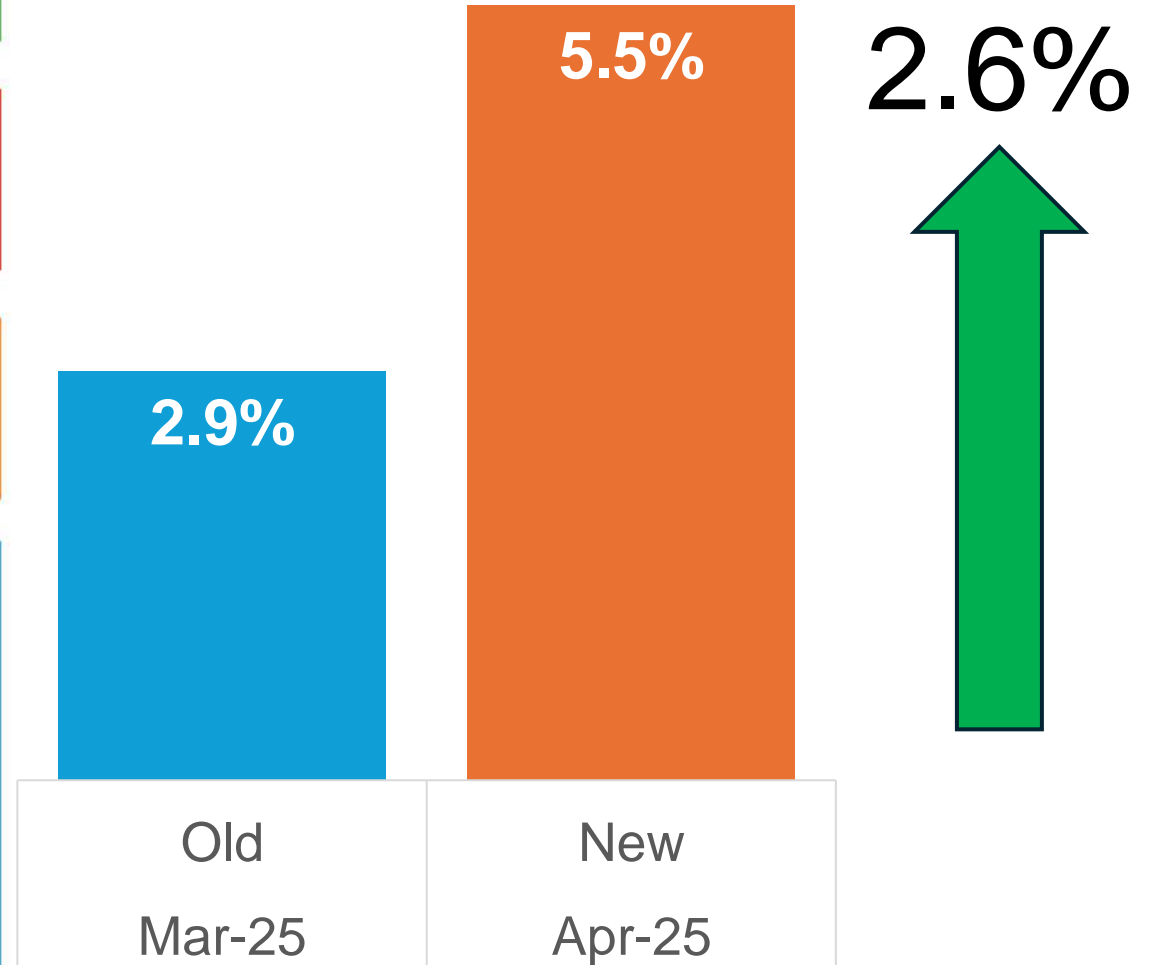


# Payroll job changes



# Inflation: CPI

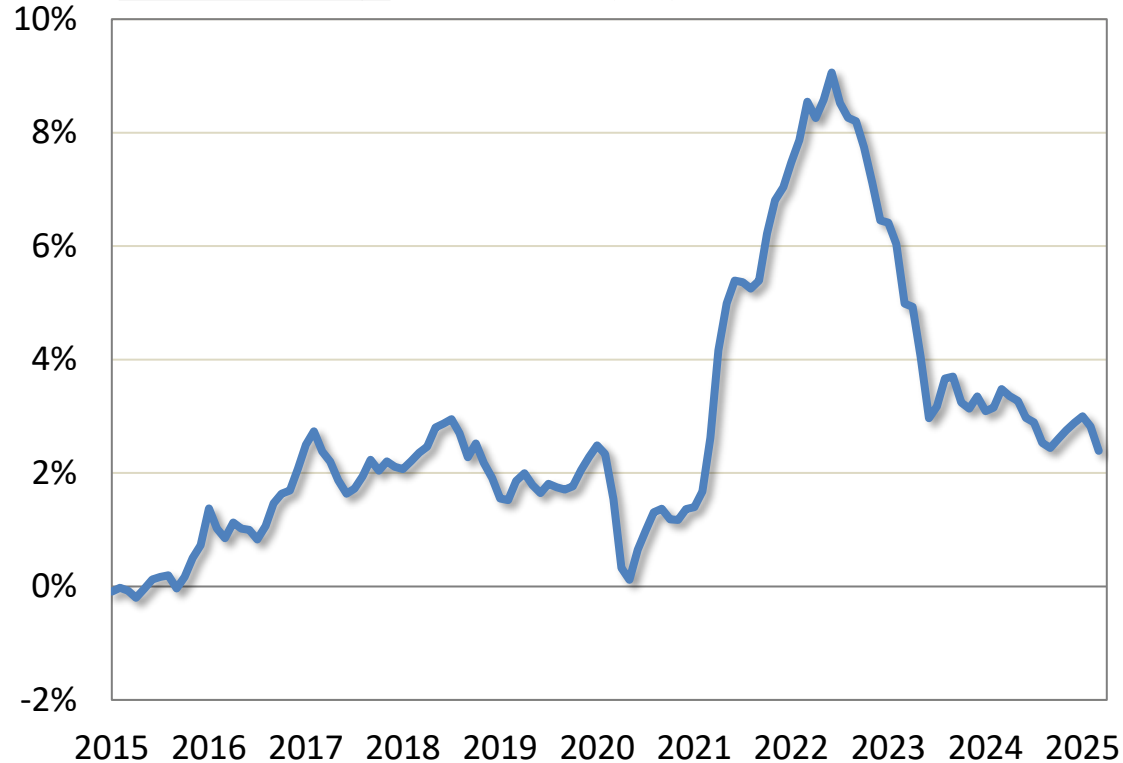
2025 Average Quarterly Growth Q2-Q4



# Prices and financing costs

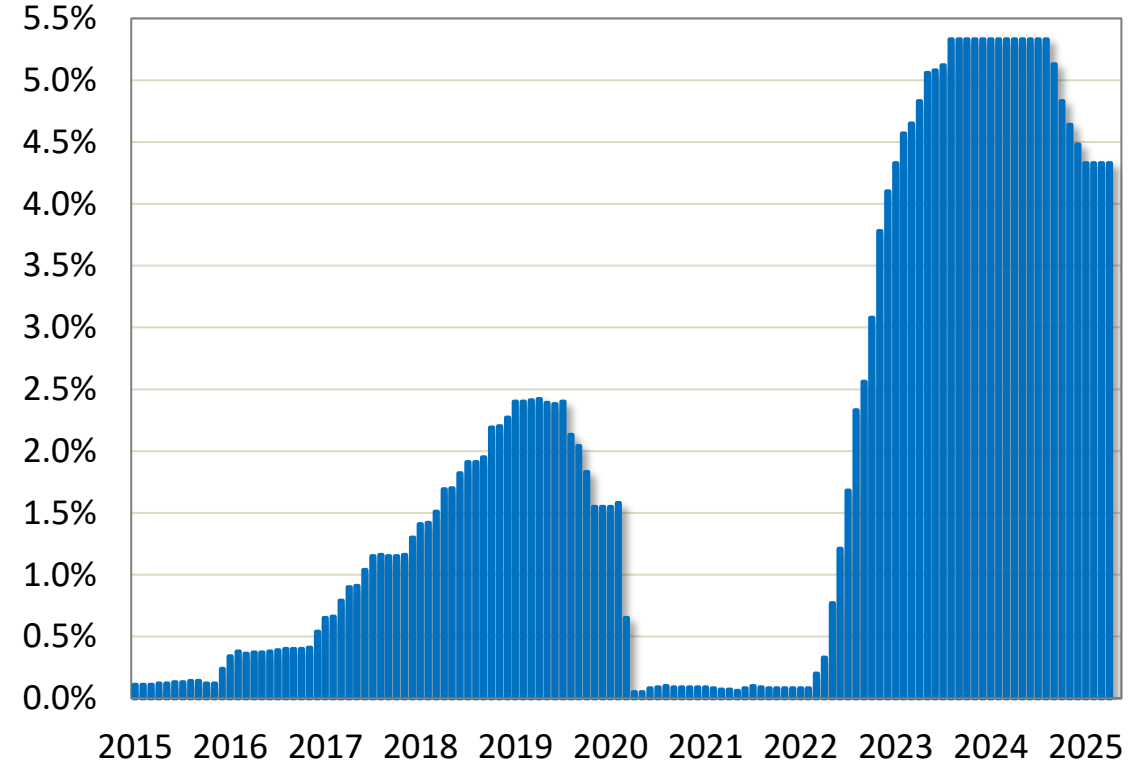
## Consumer Price Index

12-month change, not seasonally adjusted



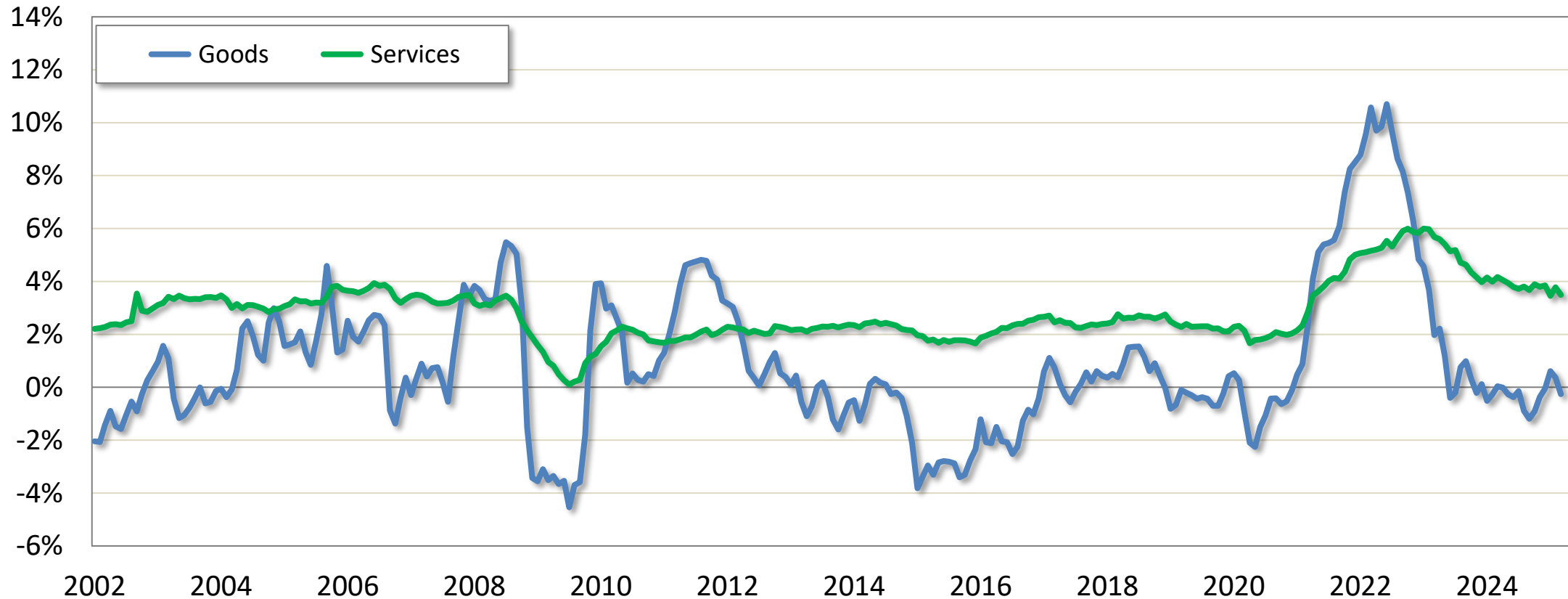
## Federal funds effective rate

Not seasonally adjusted



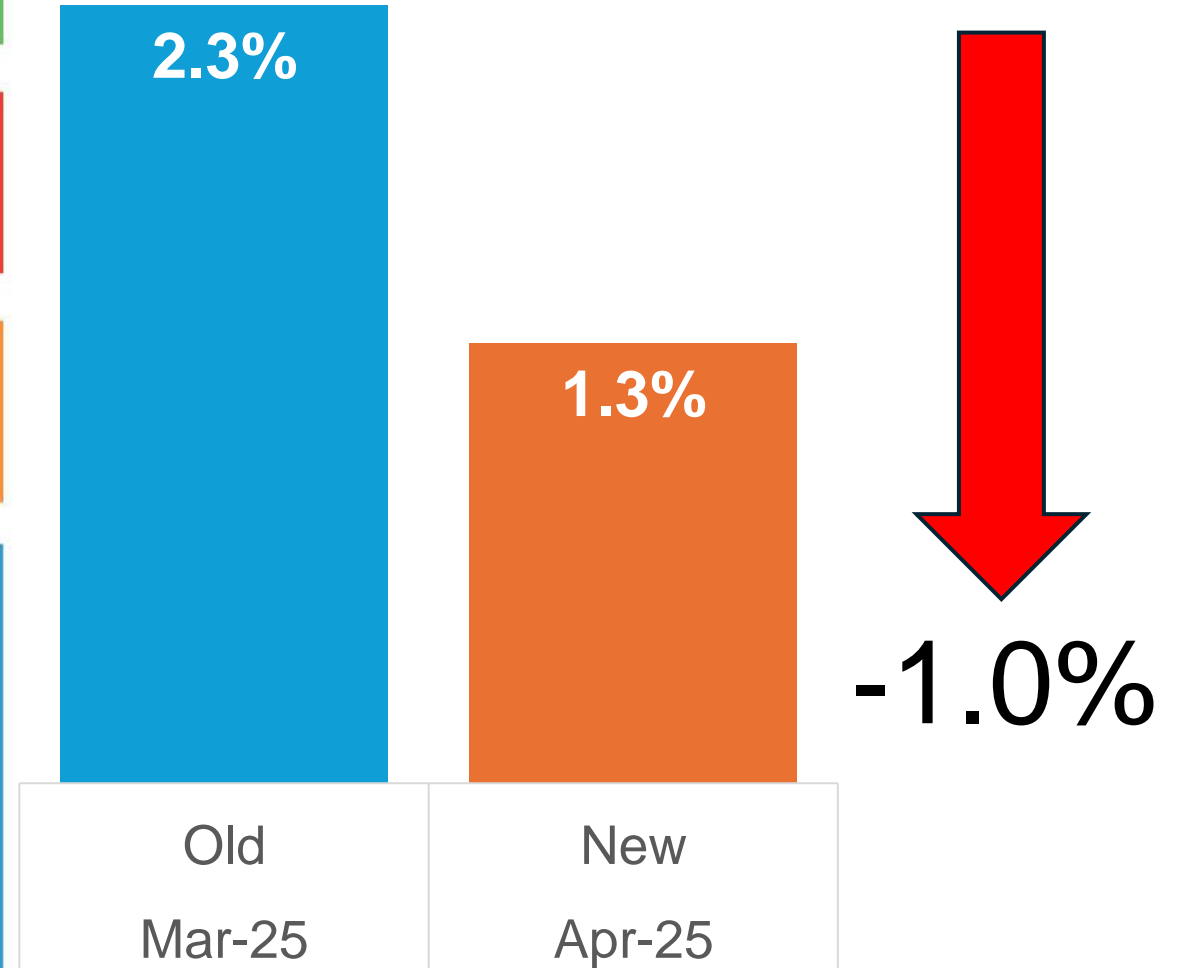
# PCE Price Index – Goods vs. services

12-month change, seasonally adjusted



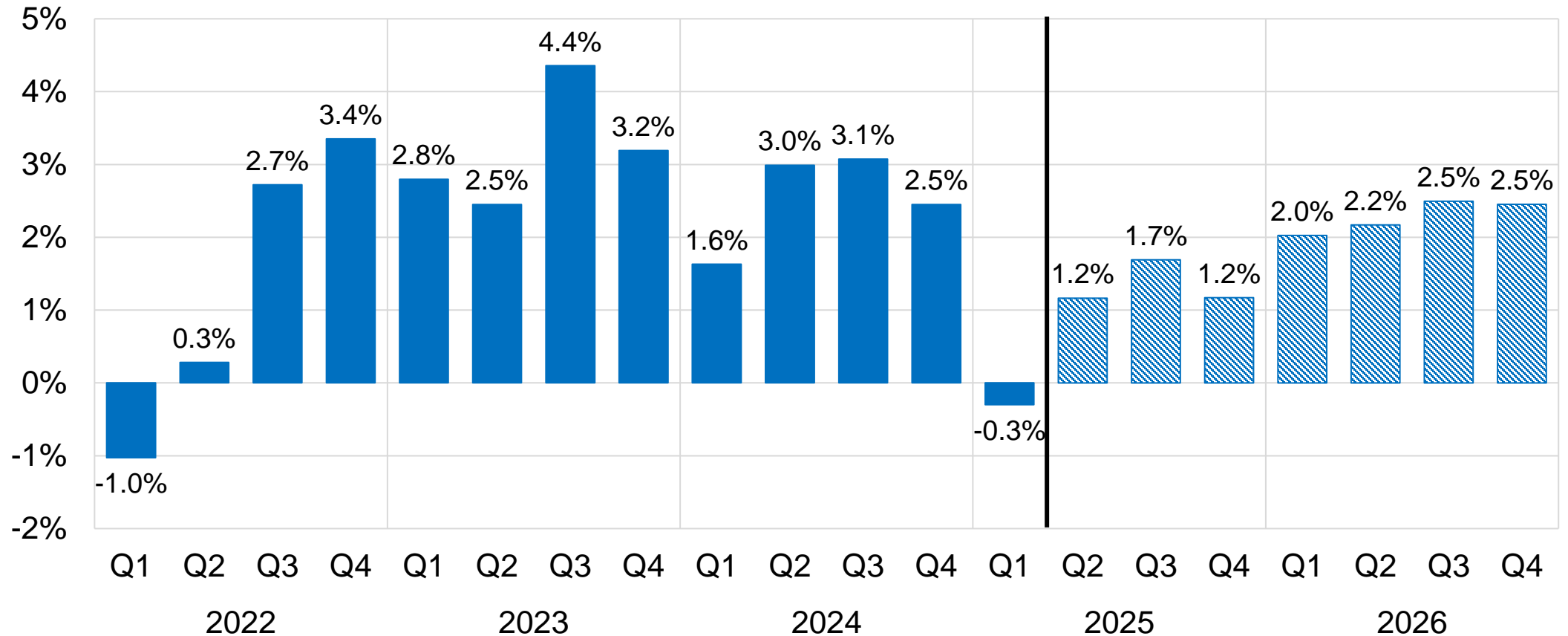
# GDP

2025 Average Quarterly Growth Q2-Q4



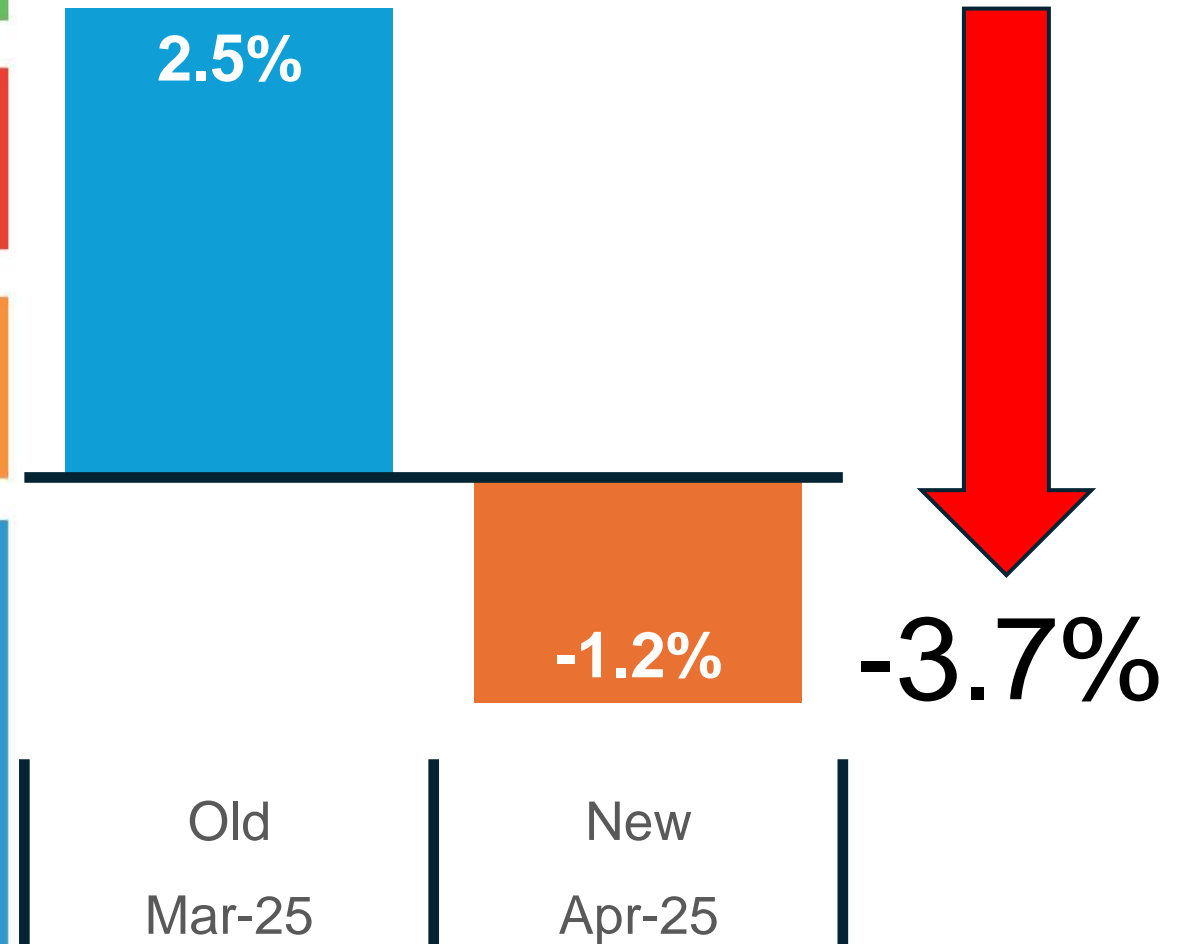
# Real GDP

Q/Q change, seasonally adjusted annual rate



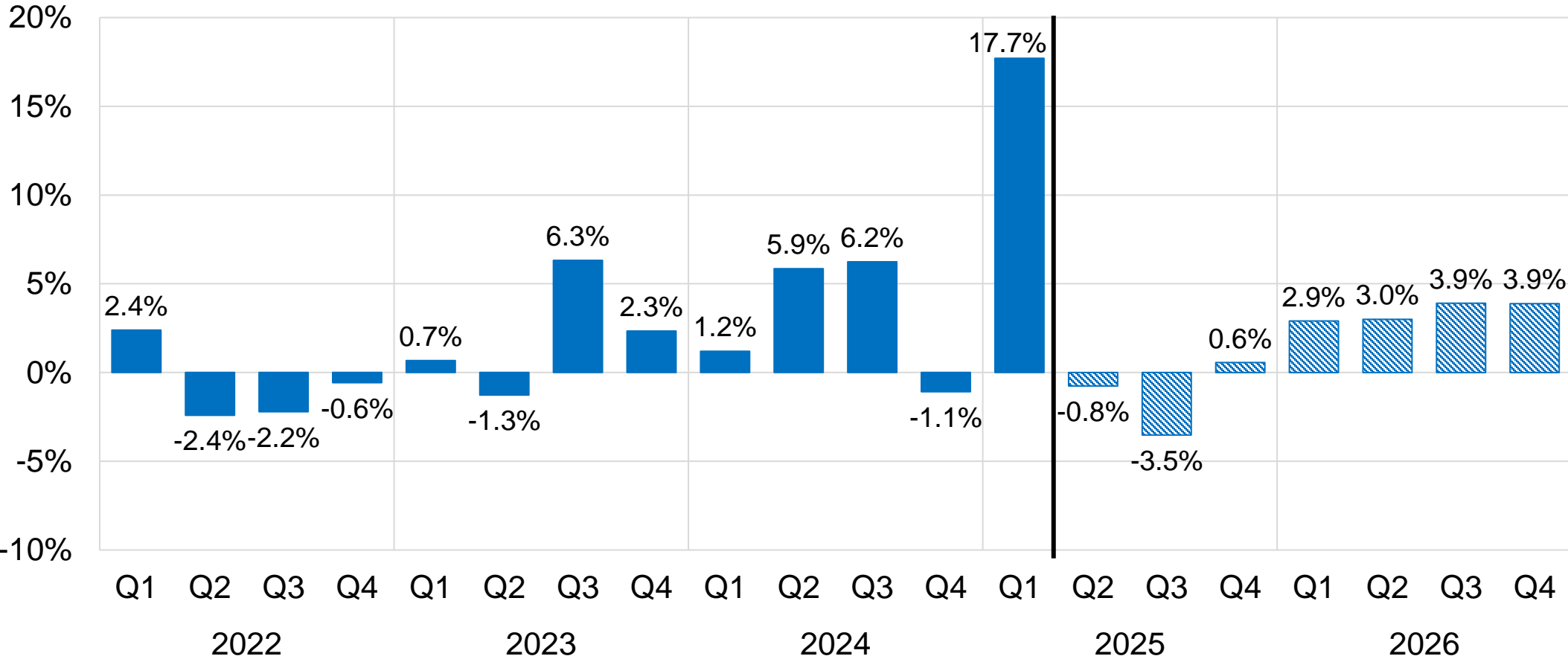
# Goods Transport Sector

2025 Average Quarterly Growth Q2-Q4



# GDP: goods transportation

Q/Q change, seasonally adjusted annual rate



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20  
25

SEPT. 8-11, 2025  
Indianapolis, IN

*Registration opens April 1 at*

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# Q&A

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