

July 16th - 2018



## **Trade and The Economy**

As the trade wars continue and the U.S. economy continues to hum along at a nice clip, consider whether free trade is good and if it should be open to all nations. The question becomes, do we really want to produce everything in the United States that can be produced elsewhere for much cheaper? Take a look at Apple: by availing itself of low skilled, low-wage labor in China to produce small plastic components and to assemble its products, they may have deprived U.S. workers of the opportunity to perform that low-end function in the supply chain. At the same time however, that decision enabled things we can't imagine being without, such as iPods, iPhones and iPads to be priced within the budgets of a large number of consumers. Had all of the components been produced and all of the assembly been performed in the United States, the higher prices would have been such that would have inhibited those devices from becoming mainstream and cost prohibitive for most consumers. In turn, like a domino effect, the incentives for the emergence of spin-off industries, such as apps, accessories, Uber, and AirBnb, would have been muted or absent. The bottom line is a tremendous amount of wealth and evolvment has been created by American companies on the back of the low cost products being produced in China. The President's quest to lower other tariffs in other countries for U.S. goods resulted in few listening and so, in came the counter tariffs. Let's hope the later policy is temporary and short lived with some capitulation with our trading partners, as it is our belief that this is not a good long term strategy for continued growth and thus continued increased rail traffic in the US. "Tariffs and other trade restrictions are nothing other than thuggery and theft camouflaged with faux-sophisticated excuses woven into layers and layers of costumes that fool the eyes of those who either won't or can't see straight." (DON BOUDREAUX). When the trade wars are put behind us and the markets open as they should, the US economy and rail for that matter will explode to a level never seen before.

## **North American Rail Movement**

Total North American rail volumes were up 7.8% y/y in week 27 (U.S. +8.6%, Canada +6.2%). YTD volumes are up 3.5% (U.S. +3.8%, Canada +3.7%). Overall, the largest increases in industry volumes came from intermodal (+9.8%), petroleum & petroleum products (+33.4%), metallic ores & metals (+7.7%), nonmetallic minerals (+5.7%), farm products & food (+10.5%) and grain (+8.2%).

In the East, CSX's total volumes were up 3.5%, with the largest increases coming from intermodal (+6.2%) and stone, sand & gravel (+26.9%). NSC's total volumes were up 15.5%, with the largest increases coming from intermodal (+21.0%) and petroleum (+49.6%). In the West, BN's total volumes were up 8.7%, with the largest increases coming from intermodal (+9.1%), grain (+39.8%), petroleum (+32.2%) and grain mill (+40.6%). The largest decrease came from coal (-5.3%). UNP's total volumes were up 8.0%, with the largest increase coming from intermodal (+10.8%), chemicals (+14.8%), motor vehicles & parts (+17.9%) and petroleum (+44.3%).

In Canada, CNI's total volumes were up 1.9%, with the largest increases coming from metallic ores

(+26.7%) and petroleum (+18.9%). RTMs were up 1.5%. CP's total volumes were up 11.2%, with the largest increases coming from petroleum (+114.4%), intermodal (+10.8%) and chemicals (+30.6%). The largest decline came from grain (-22.1%). RTMs were up 22.8%. KSU's total volumes were up 1.0%, with the largest increase coming from petroleum (+53.0%) and the largest decrease coming from coal (-19.7%). Although coal exports were down this past reporting week, they finished strong in 2Q18. Coal exports fell 5% month on month but are still up 33% year on year with added improvement in met coal pricing.

The cleaning, flaring and repair of railcars has been brisk this summer. We still have availability and can mobilize anywhere in North America for any large scale job quickly. Call us today for a quote. 239-390-2885. Railcar activity continues to be brisk for all car types. Inquiries for virtually every car type roll in daily. Inventory and what is available is also changing daily so call PFL for the latest and greatest. Please reach out to PFL at MARS this week in Geneva, WI, Curtis Chandler will be representing the company at this year's event and can be reached at 239-405-3365.

**PFL is seeking for 31.8's with magrods, for natural gasoline. DOT117's any size, any location. CPC-1232 C/I cars 25.5k's or larger. CPC1232, 23.5k C/I or larger for fuel oil. Pressure cars in the Marcellus and Edmonton.**

**PFL is offering 340W pressure cars for short term lease. DOT117 25.5k coiled and insulated. 31.8k's clean and ready to go with free move on NS. 3250cu, 286GRL available for lease.**

PFL offers turn-key solutions call PFL today. Our goal is to provide a win win scenario for all. Call PFL to find out more or trouble shoot today we can handle ALL of your Rail Car needs. Loaded storage, empty storage, leasing or subleasing excess cars, filling orders for cars wanted, mobile railcar cleaning, flaring and blasting, mobile railcar scrapping or scrapping of railcars at strategic partner sites and mobile repair. PFL will get it done for you. PFL is helping by assisting fleets and lessors with leases and sales; We offer "Total Fleet Evaluation Services" call PFL today for further information. We will analyze your current leases, storage, if applicable, and company objectives and draw up a plan of action. We can assist on return on lease scenarios saving Lessor and Lessee thousands of dollars.

**PFL launched its new and enhanced Rail Car and Rail Car Storage Platform LAST WEEK. You received a special issue Rail Car Storage Report on Thursday of last week! If for some reason you missed the issue it is available on our website [www.pflpetroleum.com](http://www.pflpetroleum.com) under reports call PFL to get your FREE LOGIN.**

# INTRODUCING



# 2018

BRAND NEW  
VERSION 8.0

## ENHANCED RAILCAR WORKSPACE

- Instant access to our markets.
- Railcar Leasing, Sales and Storage.
- Now includes Railcar Specs, SDS, Drawings and Pictures.

## REQUEST ACCESS



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CATEGORY	TYPE	QUANTITY	PERIOD	CITY/STATE	CLASS	COMMODITY	SD	NOTES	MIN
TankCar	DOT 117	200	36	X	KCI	Gasoline	800	Bid will develop closer to Q3/Q4. Please see only. Flexible with term.	>P
HopperCar	3099/3250ca	40	12	X	X	Sand	350	Bid depends on size. Location is flexible.	-
TankCar	31.8 1232	100	12	sepus or beamount, TX	UP	gas and diesel	325		>P
TankCar	1232/117 25.5h-29.5h C/I	400	18	Saskatoon, SK	CP	Heavy Crude	475		-
TankCar	OPC1232	200	36	Mexico Use Only, Multiple Locations	X	Diesel, jet fuel	Regtable	Q3/Q4. Please see only. Flexible with term.	>P
TankCar	007117	120	12	CA, ND	X	Balloon	700		-
TankCar	007117	200	12	VA, AB	X	Crude	Regtable	NO/NE	-
TankCar	007117	100	12	West, TX	UP	Crude	Regtable		-
TankCar	29.5k C/I	25	12	Balesh, IL	UP/BN	Biodiesel	Regtable	Needed immediately.	>P
HopperCar	4000ca+	40	36	Roman, MD	CP/BN/UP	Plastic Pellets	375	prefers Gravity Gates, Trough Top Hatch. Needed ASAP. LEASE or PURCHASE.	-
TankCar	25.5 C/I	5	24	JR	OK	Corn Oil	350	Late July start	>P
TankCar	GP30	4	6	Baltimore, MD	NO/CP	Transox	500		>P
PressureCar	240e	15	6	Edmonton, AB	ON/CP	Propane/Balloon	475	Immediate thru Feb	-
TankCar	GP30	200	7	Multiple, Multiple Locations	Flex	Fuel Oil	100	Midwest Delivery	-

[CLICK HERE to GET a Quote](#)

Contact PFL for all your railcar needs  
239-390-2885

[pfldesk@pflpetroleum.com](mailto:pfldesk@pflpetroleum.com)

## PFL Railcar Buying/Leasing

# Opportunities

Lease Offer									
CATEGORY	TYPE	QUANTITY	PERIOD	CITY/STATE	CLASS1	PREV USE	CLEAN	OFFER	NOTES
TankCar	C/17.5	10	60	York,NY	UP,CSX		Yes	Negotiable	Ready to be lined - fit for caustic
TankCar	GP 18.4	30	36	Texas,TX	BN, UP	Caustic	Yes	650	Brand new cars - 286 GRL
TankCar	23.5 C/I	30	6	Multiple, Multiple Locations	UP/KCS		Yes	500	Camden, AR EACH (UP) & LA, Doyline KCS
TankCar	23.5 C/I	50	18	Multiple, Multiple Locations	Multiple	Crude, Asphalt	Yes	600	DOT111. Located in Midwest
TankCar	23.5 C/I	15	12	Memphis,TX	UP or BN		Yes	700	In storage.
TankCar	23.5k C/I	10	3	Toledo/Kansas City, Multiple Locations	NS/UP	Asphalt/6 Oil	Yes	Negotiable	Ohio & Kansas. Cant be used in Canada. Available July 10th.
TankCar	25.5k C/I	20	24	Elemendorf,TX	UP		Yes	650	Available immediately. DOT111
TankCar	25.5k C/I	100	36	Hayward,WI	CP		Yes	1700	CPC-1232. must be returned clean.
TankCar	25.5k C/I DOT117	8	24	Massillon,OH	NS	Fuel Oil	No	1300	can be returned dirty.
TankCar	28.3 C/I DOT117	200	60	X,TX	X	NEW	Yes	1200	new build coming from mexico to texas.. need to be returned clean. need to be returned clean. available end of July. built in 1987.
TankCar	26K NC/NI	7	60	Victoria,TX	NS/UP		Yes	650	
TankCar	31.8k CPC-1232	35	24	X,OH	NS	X	Yes	700	Cars have a free move anywhere on the NS. Cars need to be returned clean. available immediately.
PressureCar	340W & 300W	100	36	See Notes, Multiple Locations	UP, BN, CSX	Propane & Butane	No	520	Location: Indiana on CSXT. Provo, UT on UP or BNSF, New Jersey on CSX.
HopperCar	3600cu Open Top	94	12	X,SC	CSX or NS	Aggregate Service	Yes	450	100 ton. Steel. 78 are 1969 built, 14 are 1968 built. 1981 built.
HopperCar	4650/4700/4750cu, Covered	59	0	Madison,IN	CSX		Yes	300	263GRL. Also for sale.
HopperCar	4750cu covered	35	12	X, Multiple Locations	X		Yes	450	78-81 built. Located in Iowa/Ohio.
HopperCar	5150cu covered	100	60	Omaha,OK	UP	Grain	Yes	385	Free move 750 miles on UP. 96-

HopperCar	5250cu covered	110	9	X,IA	CP		Yes	390	97 built. 4 pockets. old converted plastic pellet cars. 286GRL.
HopperCar	5800cu covered	50	6	X,PA	X	Pet Coke	No	525	Built 98-99. Freight negotiable.
HopperCar	4000cu	20	36	Multiple, Multiple Locations	NS/CSX/UP	X	Yes	400	PA(3) NS/CSX & NY(17) UP. Steel!
HopperCar	2300cu	84	48	Woodland,WA	BN, UP	Aggregates	No	475	free BN move - heading to storage soon!
HopperCar	5150cu	100	24	X, Multiple Locations	X	X	Yes	450	Located in Midwest
HopperCar	6300cu	100	24	X, Multiple Locations	X	X	Yes	575	
HopperCar	3000cu	100	24	X, Multiple Locations	CSX/CN	Sand	Yes	425	Midwest. 268GRL
HopperCar	3200cu	100	12	Multiple, Multiple Locations	Flexible	sand or resin coated sand	No	550	Available: immediately. 2 pocket/low profile gates. Trinity or greenbrier built

### Lease Bid

CATEGORY	TYPE	QUANTITY	PERIOD	CITY/STATE	CLASS1	COMMODITY	BID	NOTES
TankCar	DOT 117	200	36	X,	KCS	Gasoline	600	Bid will develop closer to Q3/Q4. Mexico use only. Flexible with term.
TankCar	31.8 1232	100	12	corpus or beamont, TX	UP	gas and diesel	525	
TankCar	1232/117 25.5k-29.5k C/I	400	18	Saskatchewan, SK	CP	Heavy Crude	475	
TankCar	CPC1232	200	36	Mexico Use Only, Multiple Locations	x	Diesel, jet fuel	Negotiable	Q3/Q4. Mexico use only. Flexible with term.
TankCar	DOT117	120	12	X, ND	X	Bakken	700	
TankCar	DOT117	200	12	X, AB	X	Crude	Negotiable	NC/NI.
TankCar	DOT117	100	12	West, TX	UP	Crude	Negotiable	
TankCar	29.5K C/I	25	12	Bateshill,	UP/BN	Biodiesel	Negotiable	Needed immediately.
TankCar	25.5 C/I	5	24	, WI	CN	Corn Oil	550	Late July start
TankCar	GP30	4	6	Baltimore, MD	NS/CSX	Transmix	500	
TankCar	23.5 C/I	200	7	Multiple, Multiple Locations	Flex	Fuel Oil	500	Midwest Delivery
TankCar	CPC1232	6	24	Multiple, Multiple Locations	BNSF	Fuel Oil 4	500	Need 2 in Washington, and 4 in Texas.
TankCar	29.5k C/I CPC1232 or DOT117	100	12	Flexible, Multiple Locations	Flexible	Crude Oil	Negotiable	Need Immediately.
PresssureCar	340w	15	8	Edmonton, AB	CN/CP	Propane/Butane	475	Immediate thru Feb
HopperCar	3000/3250cu	40	12	X,	X	Sand	350	Bid depends on size. Location is flexible.

### Sales Offer

CATEGORY	TYPE	QUANTITY	CITY/STATE	CLASS1	PREV USE	CLEANOFFER	NOTES
Gondola	4400cu alluminum	100	X, SD	X	coal	Yes 14000	Built in 1990. 286GRL.
Gondola	Ore Jennies	93	X, MN	Varies		Yes 32000	Build date 1997. available for lease as well at \$400pcpm.
Gondola	Mil Gondola, 2752 cu.	100	X, Multiple Locations	Multiple	Iron Ore Concentrate	No 74000	Located in MN & IN.
HopperCar	3250cu	13	Indiana, IN	NS, CSX	Sodium Sulfite	Yes 51000	3 are still dirty - looking for BID

HopperCar	3600cu Open top	94	X,NC	X	Aggregate	Yes	16000	78 are 69 built, 14 are 68 built. cars in storage.
PressureCar	340W	18	,		Propane	No	17000	Available early October 2018.



**SUMMER MEETING  
JULY 16 - 17  
GRAND GENEVA RESORT & SPA  
LAKE GENEVA WI**

Attending:



Curtis Chandler  
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239-405-3365

**Call PFL today for live pricing, further details and other markets.**

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