

## *Trucking: A View From the Street*



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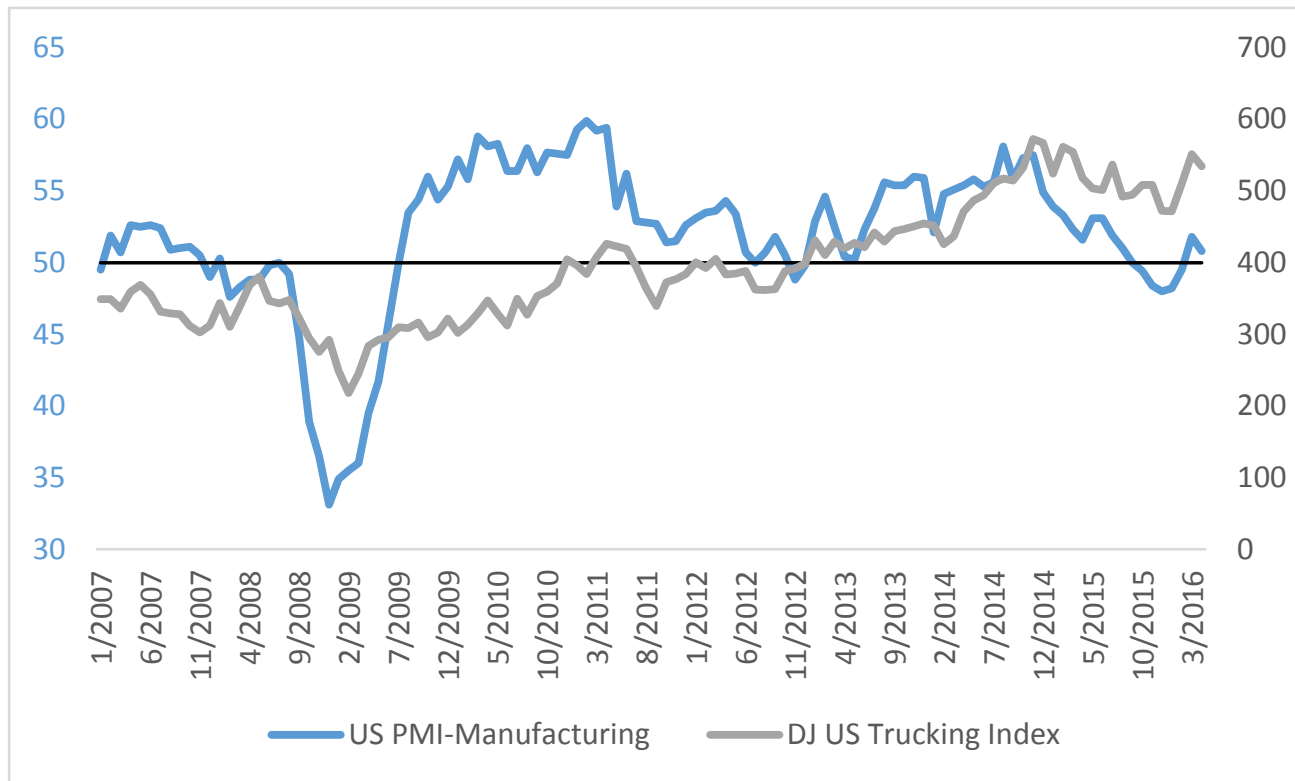
# *PRESENTATION OVERVIEW*

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- Macro
- Trucking views
  - TL
  - LTL
- Look Ahead and Q&A

# Macro

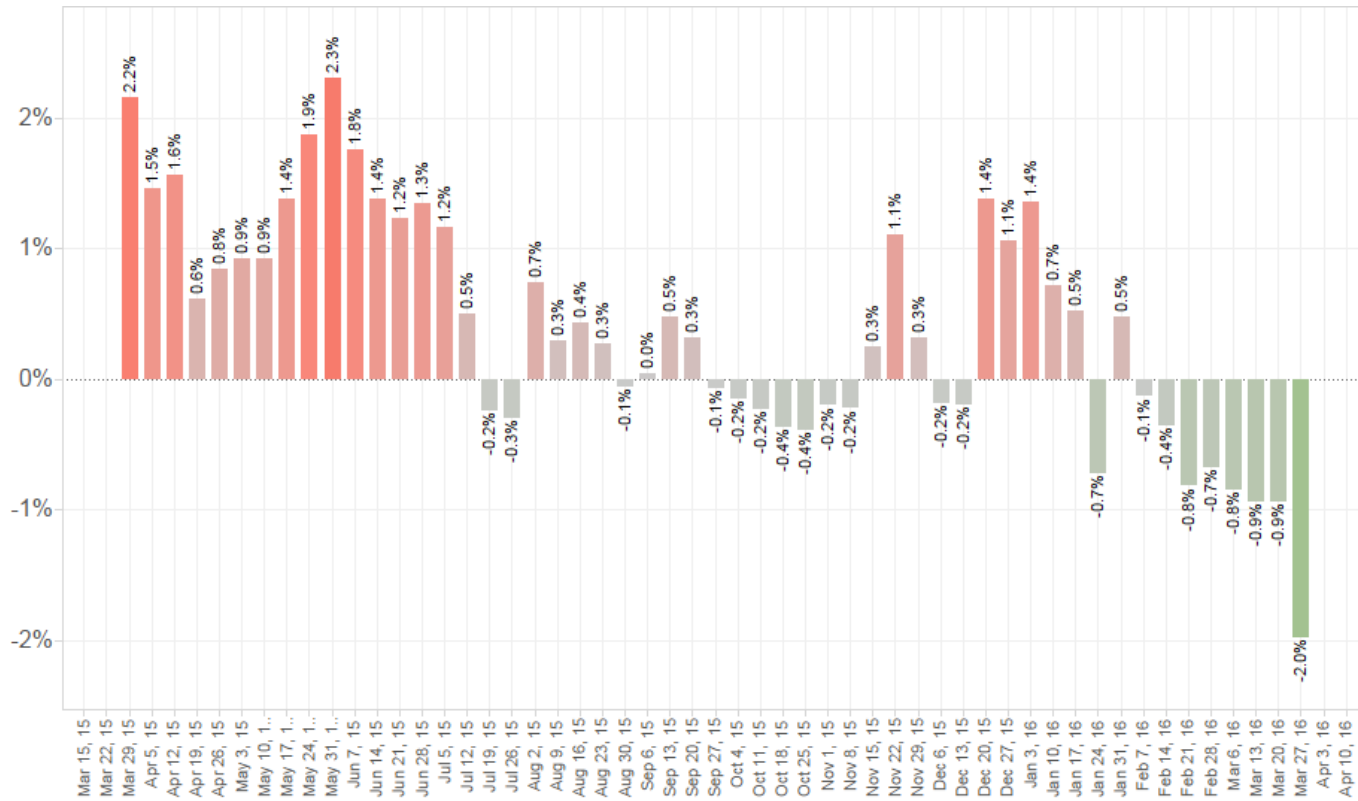
## ■ US PMI - Manufacturing



Source: Bloomberg, Federal Reserve, Dow Jones, Cowen and Company

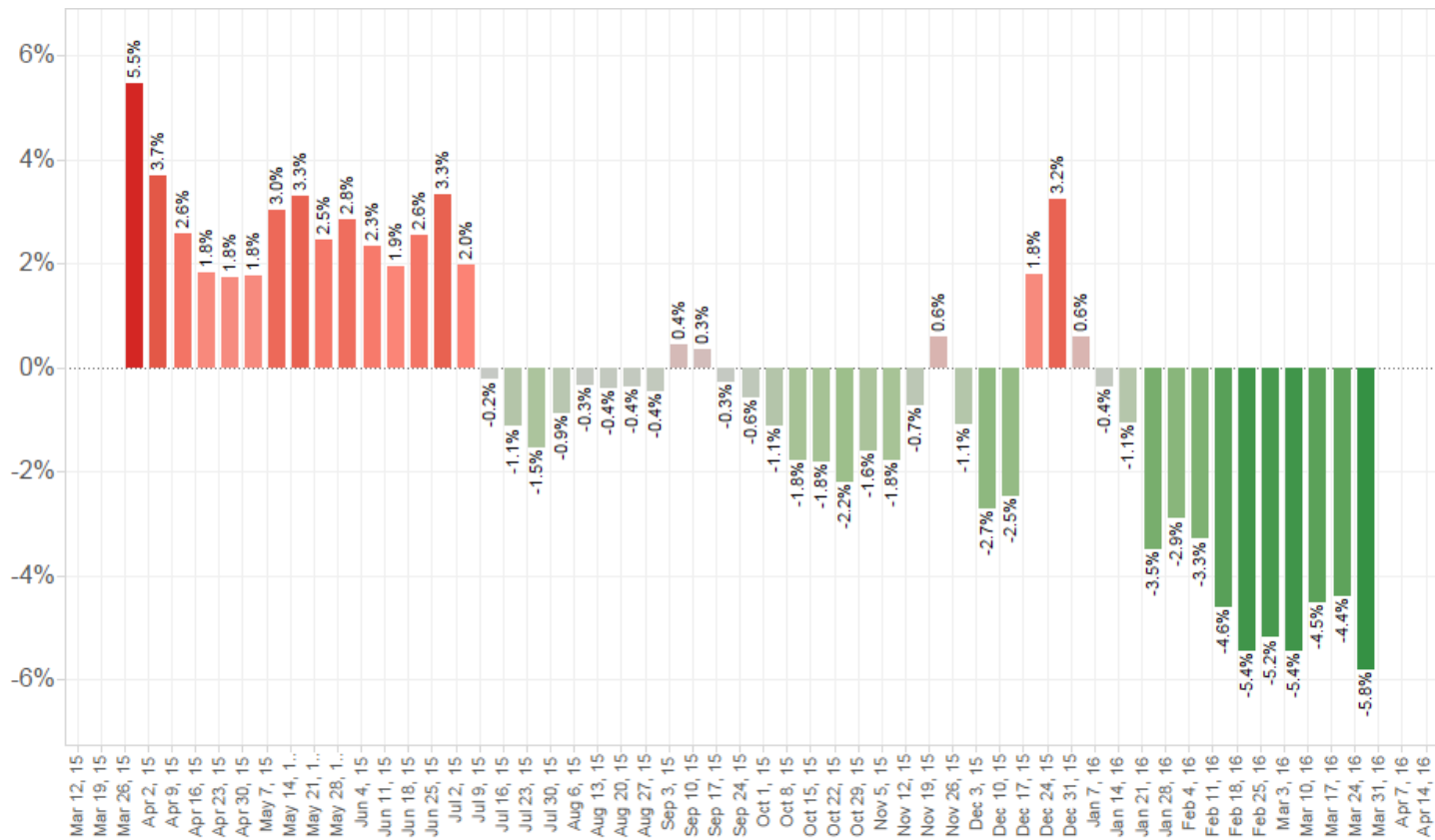
# Trucking - TL

## Chainalytics-Cowen Dry-Van Truckload Freight Demand Index



# Trucking - TL

## Chainalytics-Cowen Temp-Control Truckload Freight Demand Index



## *Current Truckload Industry Views*

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- 1Q demand sluggish. Volume trends started to fall off in late March and remained challenging throughout April
- Pricing has moderated further, with many expecting contractual increases in the 0-2% (could be worse if things don't improve) range in 2016
- Anticipated ELD implementation and capacity cuts by carriers likely to constrain capacity in the longer term, potentially providing a floor for pricing at current levels
- Industry could get nudged into quicker compliance

## *Current LTL Industry Views*

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- Tonnage weakness has become more pronounced due partly to exposure to industrial products, which have been impacted by a strong USD
- Pricing has been holding in better than we expected, but a few carriers have noted recent price competition
- Highly levered model

# Addendum

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