

Transportation Information Update*

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AIR TRANSPORTATION

1. WestJet's first non-stop flight from Calgary to Charlottetown takes off

On July 29, 2021, WestJet celebrated the launch of its new route between Calgary and Charlottetown with the departure and arrival of flight 630 and flight 631 between the communities. The new non-stop flights directly link Western Canada to Prince Edward Island for the first time and marks a positive sign for both region's travel and tourism markets.

2. Air Canada Launches Two New Connections to Florida and More Frequent Flights to Mexico and the Dominican Republic from Quebec City

Air Canada is pleased to announce two new winter services departing from Jean Lesage International Airport: 1. Orlando and Fort Lauderdale, two very popular sun destinations in Florida, highly favoured by Quebecers. 2. Fort Lauderdale flights will start on November 19, 2021 and flights to Orlando on December 17, 2021. Starting December 4, 2021 Air Canada will also be offering more flights to Punta Cana and Cancun.

3. Aircraft movement statistics: Major airports, May 2021

In May 2021, there were 373,173 aircraft movements at Canada's major airports. This represents a 79.8% increase over May 2020, but still 34.0% below pre-pandemic levels in May 2019. Compared with May 2019, total domestic activity was down 37.2%, while flights to and from the United States were down 84.5%. Other international movements were one quarter what they were in May 2019 (-75.5%). Kenora Airport in Ontario recorded its highest number of domestic movements in almost a decade, in large part due to the activities of aircraft combating forest fires in the area.

4. Monthly civil aviation statistics, May 2021

As travel restrictions continued throughout May 2021, major Canadian airlines carried 514,000 passengers on scheduled and charter services during the month. While more than double the passengers from May 2020, it was down 92.5% from the pre-pandemic level in May 2019. Traffic and capacity were 94.8% and 88.7% below their pre-pandemic levels, respectively, in May 2021. At 38.1%, the passenger load factor fell below 40% for the first time in a year—since May 2020. Compared with May 2019, operating revenues were down 85.2% to \$296.0 million in May 2021.

5. Government of Canada highlights important progress for Calgary Airport Trail expansion project

On July 29, 2021, while speaking at Calgary International Airport, the Minister of Transport, the Honourable Omar Alghabra, highlighted important progress that's been reached for the expansion of the Calgary Airport Trail, which will improve access to and from the Calgary International Airport, while also boosting connectivity to the growing communities and commercial areas in northeast Calgary. The progress includes: 1) the partial completion last year of the extension between 36 St. NE and 60 St. NE, with the remainder to be opened soon in conjunction with the completion of related

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2. Air Canada Launches Two New Connections to Florida and More Frequent Flights to Mexico and the Dominican Republic from Quebec City, 29 July 2021, www.aircanada.ca
3. Aircraft movement statistics: Major airports, May 2021, July 29, 2021, www.statcan.gc.ca
4. Monthly civil aviation statistics, May 2021, May 2021, July 29, 2021, www.statcan.gc.ca
5. Government of Canada highlights important progress for Calgary Airport Trail expansion project, 29 July 2021, www.tc.gc.ca
6. Government of Canada supporting the Vancouver International Airport with new funding, July 30, 2021, www.tc.gc.ca
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17. Hallo Amsterdam!, August 5, 2021, www.westjet.ca
18. Porter Airlines signs aircraft support agreement with Embraer ahead of North

* The news indicated from the citations is those of the authors and not of Industry Canada or the CTRF.

interchanges; 2) the completion and opening last year of the Stoney Trail Ramp that connects to Ring Road; and, 3) the start of interchange construction at 19 Street NE and Barlow Trail, which is slated for completion in 2022.

6. Government of Canada supporting the Vancouver International Airport with new funding

On July 30, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced new funding to help the Vancouver International Airport recover from the effects of the COVID-19 pandemic and to support important transportation infrastructure projects at the airport. The Government of Canada is providing the Vancouver International Airport up to \$38.4 million from Transport Canada's Airport Critical Infrastructure Program for critical infrastructure projects including: 1. the improvements to the dyke and drainage system surrounding the airport to help protect the airport from rising sea waters and storms; and 2. the extension of the Runway End Safety Area (RESA) to provide extra space for an aircraft to stop safely in an emergency or in the event an aircraft leaves the end of the runway.

7. Air Canada Wins Six Top Honours in FXExpress Publications, Inc.'s Awards for Leisure, Family and Millennial Travel

Air Canada won six honours in a series of awards from FXExpress Publications, Inc.'s family of brands. Global Traveler's Leisure Lifestyle Awards honour the best in the world of leisure and lifestyle travel; trazeetravel.com's The Trazees recognize in the best in millennial travel; and whereverfamily.com's Wherever Awards acknowledge the best in family travel. The carrier was voted by readers of the well-regarded travel magazine Global Traveler, and its sister publications Trazee Travel and WhereverFamily.

8. First Quarter 2021 Air Fare Drops As Passenger Numbers Increase

The average U.S. domestic air fare declined in the first quarter of 2021 to \$260, down 1.2% from the inflation-adjusted fare of \$264 in the fourth quarter of 2020. The first quarter fare of \$260 was up 5.0% from the lowest inflation adjusted fare of \$248 in the third quarter of 2020. Adjusted for inflation (constant 2021 dollars) the average 1Q 2021 air fare was: 1. Down 24.0% from 1Q 2020 (\$343); 2. Down 1.2% from 4Q 2020 (\$264); and 3. Down 34.7% from 1Q 2016 (\$398). Air fares declined as passenger demand decreased. U.S. airlines reported 33.4 million originating passengers in the first quarter 2021, down from 60.8 million passengers a year earlier.

9. Passenger Airline Employment Rose 0.7% in May from April

The 24 U.S. scheduled passenger airlines employed 0.7% more full-time equivalents (FTEs) in May 2021 than in April 2021: 1. May's total number of FTEs (392,984) was up 1,483 from April (391,501) and down 68,613, a 14.9% drop from the onset of the pandemic in March 2020 (461,597). 2. May 2021 was the lowest FTE total for the month of May since 2015 (395,621). The increase from April resulted primarily from Delta Air Lines increase of 2,185 FTEs. Other passenger airlines reported a combined decrease in FTEs from April to May.

10. Air Canada Continues to Engage With Employees in Advancing Its Sustainability Goals and Commitments

With the help of its employees like Ameena Youssef and others, Air Canada continued to support communities in need across the country for various causes throughout the COVID-19 pandemic. This is one example of many other actions and accomplishments outlined in Air Canada's 2020 corporate sustainability report Citizens of the World released on August 3, 2021. "Our employees have shown great dedication, courage and tenacity. I am grateful to them for their professionalism, commitment and ability to overcome

American growth plans, August 5, 2021, www.flyporter.com

19. Amazon to develop air cargo facility at Newark Airport, August 5, 2021, www.ajot.com

20. Government of Canada makes major investments to ensure the recovery of Québec City Jean Lesage International Airport, August 6, 2021, www.tc.gc.ca

21. What air passengers need to know now that borders are opening up, August 6, 2021, www.cta-otc.gc.ca

22. DHL adds electric planes to express fleet, August 6, 2021, www.insidelogistics.ca

23. Transport Canada extending restrictions on direct flights from India until September 21, 2021, August 9, 2021, www.tc.gc.ca

24. June Airline Industry Employment Up Less than 1% from May, August 9, 2021, www.bts.gov

25. Government of Canada supporting John C. Munro Hamilton International Airport with new funding, August 11, 2021, www.tc.gc.ca

26. Weekly transborder aircraft movements trending upward, August 11, 2021, www.statcan.gc.ca

27. Air Canada Completes Refinancing Transaction exceeding C\$7.1 Billion, August 11, 2021, www.aircanada.ca

28. May 2021 U.S. Airline Traffic Data, August 12, 2021, www.bts.gov

29. Government of Canada supporting the Calgary International Airport with new funding, August 13, 2021, www.tc.gc.ca

30. Government of Canada supporting the Saskatoon John G. Diefenbaker International Airport with new funding, August 13, 2021, www.tc.gc.ca

31. Air Canada Welcomes New Health and Safety Measures by The Government of Canada to Facilitate Safer Travel, August 13, 2021, www.aircanada.ca

32. The WestJet Group responds to mandatory vaccination requirement for airline workers, August 13, 2021, www.westjet.ca

33. WestJet Encore Cabin Crew Members, represented by CUPE Local 4070, ratify five-year collective agreement, August 14, 2021, www.westjet.ca

34. Government of Canada invests in airport infrastructure in Newfoundland and Labrador, August 13, 2021, www.tc.gc.ca

35. U.S. Scheduled Passenger Airlines employed 1.3K more employees in June 2021 than in May 2021, August 16, 2021, www.bts.gov

36. U.S. Airlines June 2021 Passengers Increased 304% from June 2020 but Still Declined 21% from Pre-Pandemic June 2019 (Preliminary), August 17, 2021, www.bts.gov

37. Weekly aircraft movements, July 31 to August 6, 2021, August 18, 2021, www.statcan.gc.ca

38. U.S. Airlines June 2021 Passengers Increased 304% from June 2020 but Still Declined 21% from Pre-Pandemic, June 2019 (Preliminary), August 18, 2021, www.bts.gov

39. Air Canada joins IATA cargo rates program, August 18, 2021,

adversity," said Michael Rousseau, President and Chief Executive Officer at Air Canada. "2020 was without any doubt a year of great challenges, but also of opportunities for changes and improvements, innovations and creative solutions. Despite the challenges, one thing has never been clearer: we remain focused and committed to sustainability. Air Canada has been on this journey for quite some time, made significant progress over the years and will continue to move forward, ensuring to achieve its goals. We are definitely well positioned to take up on the challenges in the coming years."

11. Air Passenger Market Analysis

Air Passenger Market Analysis for June 2021 by IATA indicated slow air travel recovery continued for another month. The major highlights were: 1) June was another month of modest gains in air travel. Industry-wide revenue passenger-kilometres (RPKs) fell by 60.1% compared with the pre-crisis June 2019 – an improvement on the 62.9% decline in May. 2) Global domestic RPKs continued to recover, however performance was mixed across the key domestic markets. Russia, the US and Brazil showed positive RPK developments, but air traffic deteriorated in China and Australia. Int'l traffic also sustained its moderate recovery, with all regions but Asia Pacific showing better outcomes vs. May. 3) Passenger's willingness to travel remains strong but elevated international travel restrictions and rising COVID cases in some regions represent a risk to further air travel rebound.

12. Air Cargo Market Analysis June 2021

Air cargo remains dynamic and further growth is likely ahead according to IATA's cargo market analysis for June 2021. The major highlights were: 1) June 2021 was another month of strong air cargo performance, as industry-wide cargo tonne-kilometres (CTKs) grew 9.9% compared to June 2019 and air cargo drivers point to further growth ahead. 2) Supply chain conditions remain favourable, with low inventories-to-sales ratio, resilient demand for goods and more affordable air cargo compared to container shipping, all combining to make air cargo a competitive mode of transport. Besides, the shift of consumer spending from goods to services has so far not been as strong as feared. 3) Africa and North America remain the strongest regions. Airlines in all regions but Latin America have posted growth in CTKs in recent months.

13. Government of Canada investing in safety at the Bathurst Regional Airport

The Member of Parliament for Acadie—Bathurst, Serge Cormier, on behalf of the Minister of Transport, the Honourable Omar Alghabra, on August 4, 2021 announced that the Government of Canada is making important safety investments at the Bathurst Regional Airport. Through Transport Canada's Airports Capital Assistance Program, the Government of Canada will provide \$156,000 to the airport for equipment including a de-icing trailer, a runway condition reporting system, and a friction tester. This equipment will help maintain safety for passengers, air crews and airport workers.

14. WestJet to launch non-stop Calgary - Seattle service

WestJet on August 4, 2021 announced new non-stop service between Calgary, AB and Seattle, WA. As the airline with the most flights from Calgary, the new non-stop service to Seattle will operate four-times weekly beginning November 4, 2021, on WestJet Encore's Q400 aircraft and will increase to two-times daily on May 19, 2022.

15. U.S. Airlines June 2021 Fuel Use Up 8.1% from May But Still Down 23.8% from June 2019

The Department of Transportation's Bureau of Transportation Statistics (BTS) on August 4, 2021 released U.S. airlines' June Fuel Cost and Consumption numbers. U.S. airlines used 8.1% more fuel (1.2 billion gallons) in June 2021 than in May 2021 (1.1 billion gallons) to reach the highest monthly consumption level since February 2020 (1.3 billion gallons). June 2021 fuel consumption was more than double that of June 2020 (558 million gallons) but still 23.8% lower than in pre-pandemic June 2019 (1.6 billion gallons).

16. Airline Industry Statistics Confirm 2020 Was Worst Year on Record

The International Air Transport Association (IATA) released the [IATA World Air Transport Statistics \(WATS\)](#) publication with performance figures for 2020 demonstrating the devastating effects on global air transport during that year of the COVID-19 crisis. Willie Walsh, IATA's Director General said "2020 was a year that we'd all like to forget. But analyzing the performance statistics for the year reveals an amazing story of perseverance. At the

www.insidelogistics.ca

40. Air Canada's Aeroplan and LCBO Join Together to Launch New Loyalty Partnership, August 18, 2021, www.aircanada.ca

41. ATAC Welcomes Health Canada Proposed Changes to Travel Restrictions, August 18, 2021, www.atac.ca

42. Multi-year agreement will provide market-leading value to Ontarians, August 18, 2021, www.aircanada.ca

43. Canada's Airports Welcome New Border Measures for Fully Vaccinated Travellers, August 19, 2021, www.cacairports.ca

44. Quarterly civil aviation statistics, first quarter 2021, August 20, 2021, www.statcan.gc.ca

45. Travel between Canada and other countries, June 2021, August 20, 2021, www.statcan.gc.ca

46. We'll always have Paris, August 20, 2021, www.westjet.ca

47. Air Travel Consumer Report: June and 2nd Quarter 2021 Numbers, August 20, 2021, www.dot.gov

48. Eureka! We have found our way back to California, August 23, 2021, www.westjet.ca

49. Airport activity, 2020, August 25, 2021, www.statcan.gc.ca

50. Weekly aircraft movements, August 7 to 13, 2021, August 25, 2021, www.statcan.gc.ca

51. Monthly civil aviation statistics, June 2021, August 26, 2021, www.statcan.gc.ca

52. Aircraft movement statistics: Major airports, June 2021, August 26, 2021, www.statcan.gc.ca

53. Airlines Financial Monitor July-August 2021, August 27, 2021, www.iata.org

depth of the crisis in April 2020, 66% of the world's commercial air transport fleet was grounded as governments closed borders or imposed strict quarantines. A million jobs disappeared. And industry losses for the year totaled \$126 billion. Many governments recognized aviation's critical contributions and provided financial lifelines and other forms of support. But it was the rapid actions by airlines and the commitment of our people that saw the airline industry through the most difficult year in its history."

17. Hallo Amsterdam!

WestJet celebrated the launch of its new route between Calgary and Amsterdam with the 8:55 p.m. MT departure of WS20, on the airline's 787 Dreamliner. August 5th night's flight was the airline's first launch of new service to Europe after more than 18 months and marked a significant milestone in WestJet's commitment to restoring its global network. "We continue to invest in our global hub in Calgary, where we have the most departures, destinations and seats and we're thrilled to see today's flight take-off as we continue to rebuild our transatlantic network," said John Weatherill, WestJet Chief Commercial Officer. "This route between Calgary and Amsterdam provides greater access between Canada and European destinations for travellers on both sides of the Atlantic and is strengthening travel and tourism ties between our two countries."

18. Porter Airlines signs aircraft support agreement with Embraer ahead of North American growth plans

In preparation for major North American expansion, Porter Airlines has agreed to an aircraft aftermarket support program with Embraer. This follows the airline's announcement last month that it ordered up to 80 Embraer E195-E2 aircraft, including 30 firm commitments and purchase rights for another 50. Deliveries begin in the second half of 2022, as Porter prepares to grow beyond its current regional eastern Canada- and U.S.-focused route network to include routes to the west coast, southern U.S., Mexico and the Caribbean. The agreement is effective for up to 20 years of airframe heavy maintenance checks, technical solutions and access to the Pool Program, which includes component exchanges and repair services for hundreds of items for Porter's E2 fleet. Currently, the Pool Program supports more than 50 airlines worldwide.

19. Amazon to develop air cargo facility at Newark Airport

Amazon.com Inc. struck an agreement with the Port Authority of New York & New Jersey to develop an air-cargo facility at Newark Liberty International Airport. Amazon Global Air, the company's cargo airline, plans to spend \$125 million to transform two existing buildings at the airport, according to a Port Authority news release. The agency will receive \$157 million in rent over a 20-year lease and an upfront payment of \$150 million. The lease is expected to take effect later this year, the Port Authority said. New Jersey Governor Phil Murphy said the project would create 1,000 jobs. "With this new partnership, Newark will continue to be a global leader in logistics," Murphy said in a news release. "This new e-commerce hub will provide needed revenue to the Port Authority while also bringing new jobs to our state."

20. Government of Canada makes major investments to ensure the recovery of Québec City Jean Lesage International Airport

The Government of Canada is committed to supporting Canadian airports to ensure their recovery and growth following the COVID-19 global pandemic and to create good middle class jobs. On August 6, 2021, the Minister of Transport, the Honourable Omar Alghabra, and the President of the Treasury Board, the Honourable Jean-Yves Duclos announced that the Government of Canada is contributing nearly \$17 million to support Québec City Jean Lesage International Airport.

21. What air passengers need to know now that borders are opening up

As border restrictions are easing up, many countries including Canada, still require air passengers to meet special COVID entry requirements, which may include being fully vaccinated and pre-entry COVID testing. Air passengers must have all appropriate documentation required to enter the country they are going to, including proof that they meet any COVID-related requirements. Failure to do so can result in airlines refusing to allow air passengers to board their flights. Under the terms and conditions of your ticket, airlines may be allowed to refuse to transport you in certain situations. This can arise because the airline is required to comply with applicable government regulations or to address force majeure situations (e.g., events sometimes described as "acts of God"). This means that, even if you hold a valid ticket/itinerary, the airline might not be able to allow you to travel. Remember – you must have the proper documentation, including proof of full vaccination and negative COVID testing, when these requirements apply. Passengers have the responsibility to find out about such requirements before travelling.

22. DHL adds electric planes to express fleet

DHL Express has ordered 12 electric cargo planes. The fully electric Alice eCargo planes will come from Eviation, a Seattle-based electric plane manufacturer. Eviation expects to deliver the Alice electric aircraft to DHL Express in 2024. "We firmly believe in a future with zero-emission logistics," says John Pearson, CEO of DHL Express. "We have found the perfect partner with Eviation as they share our purpose, and together we will take off into a new era of sustainable aviation."

23. Transport Canada extending restrictions on direct flights from India until September 21, 2021

Based on the latest public health advice from the Public Health Agency of Canada, Transport Canada is extending the Notice to Airmen (NOTAM) that restricts all direct commercial and private passenger flights to Canada from India until September 21, 2021, at 23:59 EDT. All direct commercial and private passenger flights to Canada from India are subject to the NOTAM. Cargo-only operations, medical transfers or military flights are not included. Transport Canada is also extending the requirement related to third-country pre-departure COVID-19 molecular tests for travellers to Canada from India via an indirect route.

24. June Airline Industry Employment Up Less than 1% from May

U.S. airlines employed 709,678 workers in June 2021, 48 more than in May 2021 (709,630) and 39,349 fewer than in March 2020 (749,027). The June industry numbers consist of 599,050 full-time and 110,628 part-time workers. From the onset of the pandemic in March 2020 through June 2021, the largest passenger airlines dropped 55,920 employees: United Airlines, -22,467; Delta Air Lines, -21,647; and American Airlines, -10,368. During that time, major cargo airlines added 22,594 employees with Federal Express adding 23,337.

25. Government of Canada supporting John C. Munro Hamilton International Airport with new funding

On August 11, 2021, the Minister of Transport, the Honourable Omar Alghabra, and the Minister of Labour and Member of Parliament for Hamilton West—Ancaster—Dundas, the Honourable Filomena Tassi, announced more than \$5 million to help the John C. Munro Hamilton International Airport recover from the effects of the COVID-19 pandemic and to support continued air services and important transportation infrastructure projects at the airport.

26. Weekly transborder aircraft movements trending upward

The number of flights between Canada and the United States recorded as transborder aircraft movements (i.e., takeoffs and landings), were severely reduced by COVID-19 restrictions first imposed back in March 2020. Major Canadian airlines reduced the number of international flights in late March 2020 and continued operating on a restricted schedule for most of the year. Despite steady growth for the rest of 2020, transborder movements remained historically low. Despite the restrictions, there has been an increase in transborder movements since early March 2021. In fact, for the first time since March 2020, the number of transborder movements reached over 2,000 in the week starting July 3, 2021.

27. Air Canada Completes Refinancing Transaction exceeding C\$7.1 Billion

Air Canada on August 11, 2021 announced the closing of its previously announced private offering (the "Senior Secured Notes Offering") of C\$2.0 billion of 4.625% senior secured notes due 2029 (the "Canadian Dollar Notes") and US\$1.2 billion of 3.875% senior secured notes due 2026 (the "US Dollar Notes", and together with the Canadian Dollar Notes, the "Notes"). Air Canada also announced the closing of its previously announced US\$2.9 billion new senior secured credit facility, comprised of a US\$2.3 billion new term loan B maturing in 2028 (the "Term Loan"), together with a new undrawn US\$600 million revolving credit facility maturing in 2025 (the "Revolving Facility" and, together with the Term Loan, the "Senior Secured Credit Facilities"). Air Canada received aggregate gross proceeds of approximately C\$7.1 billion from the sale of the Notes and from the Senior Secured Credit Facilities.

28. May 2021 U.S. Airline Traffic Data

U.S. scheduled airlines carried 55.0 million passengers systemwide (domestic and international) in May 2021, seasonally-adjusted, according to the Bureau of Transportation Statistics' (BTS), up 15.9% from April 2021. BTS reported 50.3 million domestic passengers and 4.7 million international passengers on U.S. airlines flights in May 2021.

29. Government of Canada supporting the Calgary International Airport with new funding

On August 13, 2021, the Minister of Transport, the Honourable Omar Alghabra, and the Minister and Special Representative for the Prairies, the Honourable Jim Carr, announced new funding to help the Calgary International Airport recover from the effects of the global COVID-19 pandemic and to support important transportation infrastructure projects at the airport. The Government of Canada is providing the Calgary International Airport with close to \$57.5 million from Transport Canada's Airport Critical Infrastructure Program for the rehabilitation of the west runway (Runway 17R/35L).

30. Government of Canada supporting the Saskatoon John G. Diefenbaker International Airport with new funding

On August 13, 2021, the Minister of Transport, the Honourable Omar Alghabra, and the Minister and Special Representative for the Prairies, the Honourable Jim Carr, announced close to \$13.8 million to help the Saskatoon John G. Diefenbaker International Airport recover from the effects of the global COVID-19 pandemic and to support continued air services and important safety-related infrastructure projects at the airport.

31. Air Canada Welcomes New Health and Safety Measures by The Government of Canada to Facilitate Safer Travel

Although Air Canada awaits further details about the announcement on mandatory vaccinations, it is a welcome step forward in the evolving measures to protect the health and safety of airline employees, customers and all Canadians.

32. The WestJet Group responds to mandatory vaccination requirement for airline workers

The WestJet Group on August 13, 2021 welcomed the announcement by Transport Minister Omar Alghabra regarding mandatory vaccinations for federally regulated airline employees. "We continue to be a strong partner in Canada's vaccination rollout and are working diligently to implement the government's policy on mandatory vaccines for airline employees," said Mark Porter, WestJet Executive Vice-President, People and Culture. "Vaccinations are the most effective way to ensure the safety of our guests and employees, while curbing the spread of COVID-19."

33. WestJet Encore Cabin Crew Members, represented by CUPE Local 4070, ratify five-year collective agreement

WestJet Encore on August 14, 2021 announced that Encore Cabin Crew Members, represented by the Canadian Union of Public Employees (CUPE), have successfully ratified their first five-year agreement. This ratified agreement is in place from August 1, 2021, through to and including July 31, 2026. "I am glad to be sharing, once again, that we have achieved a collective agreement with CUPE," Said Ed Sims, WestJet President and CEO. "This agreement, with our WestJet Encore Cabin Crew Members, shows that we continue to bargain productively and respectfully with our union partners. The result shows a dedication toward the interests of our Encore Cabin Crew, guests and WestJet Encore as we all look towards a safe and healthy return to the travel industry."

34. Government of Canada invests in airport infrastructure in Newfoundland and Labrador

On August 13, 2021, Member of Parliament for Labrador, Yvonne Jones, on behalf of the Minister of Transport, the Honourable Omar Alghabra, announced an investment of \$3.45 million for studies to confirm the new location for the Nain Airport. The airport is critical to the Nain community as air transportation is the only means of resupply outside of the marine season. Once relocated from its sea shore location, where three of its runway edges are exposed to the sea, the new airport will be less susceptible to the impacts of climate change, with safer operating conditions and improved access to essential goods and services for the region.

35. U.S. Scheduled Passenger Airlines employed 1.3K more employees in June 2021 than in May 2021

The 24 U.S. scheduled passenger airlines employed 0.3% more full-time equivalents (FTEs) in June 2021 than in May 2021: 1) June's total number of FTEs (394,298) was up 1,314 from May 2021 (392,984) and down 62,962 from the onset of the pandemic in March 2020 (457,260), a 13.8% drop. 2) May 2021 was the lowest FTE total for the month of May since 2015 (396,973). The increase from May 2021 resulted largely from American Airlines adding 1,039 FTEs and United Airlines adding 296 FTEs. Only three reporting airlines reduced FTEs (Southwest, Skywest, and Horizon) from May to June. In June 2021, scheduled passenger airlines employed 56% of total airline industry FTEs, down from 63% in March 2020. Total industry includes cargo and charter carriers.

36. U.S. Airlines June 2021 Passengers Increased 304% from June 2020 but Still Declined 21% from Pre-Pandemic June 2019 (Preliminary)

U.S. airlines carried 304% more scheduled service passengers in June 2021 than in June 2020 (preliminary), according to data filed with the Bureau of Transportation Statistics (BTS) by 21 airlines that carry more than 90% of passengers. The 21 airlines carried 66.4 million passengers in June 2021 (preliminary), compared to 16.4 million passengers in June 2020 and the low of 3.0 million in April 2020, which was the lowest monthly total in BTS records dating back to 1974. Before the COVID-19 pandemic, the previous low was 14.6 million passengers in February 1975.

37. Weekly aircraft movements, July 31 to August 6, 2021

Weekly data on aircraft itinerant movements are now available for July 31 to August 6, 2021 on Statistics Canada website. For the week ending July 31, 2021 domestic movements were 43,324 compared to 44,086 for the week ending July 24, 2021.

38. U.S. Airlines June 2021 Passengers Increased 304% from June 2020 but Still Declined 21% from Pre-Pandemic June 2019 (Preliminary)

U.S. airlines carried 304% more scheduled service passengers in June 2021 than in June 2020 (preliminary), according to data filed with the Bureau of Transportation Statistics (BTS) by 21 airlines that carry more than 90% of passengers.

39. Air Canada joins IATA cargo rates program

Air Canada Cargo has joined IATA's Net Rates air cargo rates platform. IATA Net Rates supports real time rates distribution, dynamic pricing and booking, and is available worldwide. Under the TACT Air Cargo Solutions umbrella, freight forwarders can access the latest information on rates, rules, tariffs, schedules and compliance information, that can be accessed online or integrated with customer systems, accelerating the distribution of rates to market while simplifying and reducing the cost of rate handling procedures.

40. Air Canada's Aeroplan and LCBO Join Together to Launch New Loyalty Partnership

Porter Airlines is introducing a COVID-19 Vaccination Policy for its team members to support a safe and healthy workplace for employees and passengers. Aligning with Porter's restart of service on September 8, 2021, team members must be fully vaccinated or present a negative COVID-19 test administered within 72 hours of the start of their shift. The Canadian federal government recently announced its intention to mandate vaccination for federally-

regulated employers and workers. Porter is the first Canadian airline committed to introducing these important safety measures. Once specific requirements from the government are known, the policy may evolve.

41. ATAC Welcomes Health Canada Proposed Changes to Travel Restrictions

The Air Transport Association of Canada (ATAC) welcomes the “Priority Strategies to Optimize Testing and Quarantine at Canada’s Borders” report released by Health Canada. The document was produced by the COVID-19 Testing and Screening Expert Advisory Panel created by the Federal Government in November 2020. The report provides recommendations for land and air border measures.

42. Multi-year agreement will provide market-leading value to Ontarians

Aeroplan, Canada's leading travel loyalty program, and the LCBO, one of the world's largest buyers and retailers of beverage alcohol, are pleased to announce a new strategic partnership allowing Aeroplan members to earn points when shopping at LCBO stores across Ontario. The new partnership is expected to be launched in late 2021.

43. Canada’s Airports Welcome New Border Measures for Fully Vaccinated Travellers

Canada’s airports welcomed the announcement of new border measures, most notably that fully vaccinated U.S. citizens and permanent residents living in U.S. will be permitted into Canada as of August 9th for non-essential travel. Fully vaccinated travellers from other countries will be permitted to enter Canada for non-essential travel effective September 7th, 2021. Airports are also encouraged to see the return of international access for five communities, an end to hotel quarantines, the elimination of temperature screening of travellers and airport workers, randomized arrival testing, and new rules for children under 12.

44. Quarterly civil aviation statistics, first quarter 2021

The situation for the Canadian airline industry remained bleak in the first quarter of 2021 as COVID-19 cases continued to rise and more travel restrictions were implemented. With flights to Mexico and the Caribbean suspended as of January 31, 2021 some carriers curtailed operations altogether. Operating revenue for the 25 largest Canadian air carriers totalled \$1.5 billion in the first quarter, down 73.7% from the same quarter in 2020. This was the fifth consecutive year-over-year quarterly decline. In the wake of the pandemic, air cargo has become a key revenue stream for some airlines, generating \$509.1 million in the first quarter. Passenger revenue remained the main source of revenue for airlines, at \$806.8 million. Canadian carriers transported 2.3 million passengers on scheduled and charter services in the first quarter of 2021, down 88.1% from the first quarter of 2020.

45. Travel between Canada and other countries, June 2021

Although historically low, the number of international arrivals to Canada in June 2021 increased from the same month last year. Travellers from overseas countries made 34,500 trips to Canada in June 2021, almost 15,000 more than last June, but still down 96.1% from the pre-pandemic levels of June 2019. In June 2021, over 25,000 more American residents travelled to Canada than in June 2020, yet this was down 95.7% from the same month in 2019. Canadians made a total of 372,000 return trips home from abroad in June 2021. While this number was up by over 125,000 from June 2020, it was down 91.3% from June 2019.

46. We'll always have Paris

WestJet on August 20, 2021 reinstated its position as the only airline to operate a non-stop route between Calgary and Paris with the departure of flight 10 from Calgary International Airport on the airline's 787 Dreamliner. With the restart of service to Paris, WestJet becomes the airline serving the most European destinations, direct from its global hub in Calgary. WestJet introduced twice-weekly, non-stop, service between Calgary and Amsterdam on August 5, 2021 and is currently serving London (Gatwick) two times weekly, with both markets increasing to three-times weekly in September 2021.

47. Air Travel Consumer Report: June and 2nd Quarter 2021 Numbers

The U.S. Department of Transportation today released its August 2021 Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of June and for the second quarter of 2021. The ATCR and other aviation consumer matters of interest to the public can be found at <http://www.transportation.gov/airconsumer>. The total number of flights operated in June 2021 has reached 83% of pre-pandemic levels with 564,583 flights operated in June 2021 compared with 679,802 flights operated in June 2019. Flights operated in June 2021 were more than double the 236,234 flights operated in June 2020. In June 2021, reporting marketing carriers posted an on-time arrival rate of 74.6%, down from both 86.2% in May 2021 and 92.7% in June 2020. In June 2021, reporting marketing carriers cancelled 1.6% of their scheduled domestic flights, compared to the rate of 0.5% in May 2021 and 0.4% in June 2020.

48. Eureka! We have found our way back to California

WestJet on August 23, 2021 announced it is growing its California network. The airline is reintroducing non-stop service between Orange County/Anaheim and Calgary, initially operating twice weekly, beginning November 4, 2021, and quickly transitioning to three times weekly on December 7, 2021. Additionally, the airline moves from summer flights to providing year-round service between Calgary and San Francisco, operating twice weekly, beginning October 31, 2021.

49. Airport activity, 2020

In 2020, the COVID-19 pandemic crippled the aviation industry and brought an abrupt end to 10 consecutive annual increases in air passenger traffic. The total number of passengers enplaned and deplaned at Canadian airports dropped to 45.9 million in 2020, a decrease of 71.8% from the previous year. From 2019, traffic decreased significantly at Canada's largest airports. Toronto/Lester B. Pearson International and Montréal/Pierre Elliott Trudeau International both saw decreases of 73.6% in passenger traffic, while traffic was down 71.9% at Vancouver International and 69.2% at Calgary International.

50. Weekly aircraft movements, August 7 to 13, 2021

Weekly data on aircraft itinerant movements are now available for August 7 to 13, 2021. Domestic movements for the week ending August 7, 2021 were 41,032 compared to 43,234 for the week ending July 31, 2021.

51. Monthly civil aviation statistics, June 2021

Major Canadian airlines carried 844,000 passengers on scheduled and charter services during the month of June 2021. While this was almost double the number of passengers from June 2020, it was down 88.3% from the pre-pandemic level in June 2019. In June, passenger-kilometres and available seat-kilometres were 91.7% and 84.8% below their pre-pandemic levels, respectively, and the passenger load factor stood at 46.9%. Compared with June 2019, operating revenues were down 83.8% to \$367.0 million in June 2021.

52. Aircraft movement statistics: Major airports, June 2021

In June, there were a total of 378,048 aircraft movements at Canada's major airports. While this was an increase of almost 70,000 movements from June 2020, it was just over two-thirds (67.9%) of the number from June 2019, before the pandemic. Domestic movements have recovered more than international movements have. In June 2021, total domestic movements reached two-thirds (67.3%) of their June 2019 (pre-pandemic) levels, while flights to and from the United States stood at less than one-fifth (18.2%) of their pre-pandemic levels and other international traffic at one-quarter (25.5%). During the first six months of 2021, there were 39,134 movements to the United States, 3,793 fewer than in June 2019 alone. British Columbia was home to Canada's three busiest airports in June 2021: Boundary Bay (25,707 movements), Abbotsford (15,091) and Pitt Meadows (13,843).

53. Airlines Financial Monitor July-August 2021

Key points of the IATA July-August 2021 Airlines Financial Monitor were as follows: 1. Initial Q2 2021 results show that net losses of airlines at the aggregated level diminished compared with Q1 2021. In particular, North American airlines' financials showed a significant improvement amidst the rebound in U.S. domestic travel. Although the financial performance of the airline industry at the aggregated level improved considerably, new COVID-19 restrictions in some large domestic markets that are on the recovery track together with tight international travel restrictions pose downside risks to the recovery. 2. Global airline share price index increased in August 2021 following the FDA approval of COVID-19 vaccines in the United States. However, the year-to-date performance of global airline stock index is still lagging wider global equity markets. 3. Brent crude oil and jet fuel prices ticked down in August 2021 amidst concerns that new Delta outbreaks and the resulting restrictions will hit oil demand and slow global economic recovery.

WATER TRANSPORTATION

1. Drewry's composite World Container index increased 4% or \$344 to \$9,330.28 per 40ft container

Drewry has indicated that 1. The composite index increased 4% or \$344 this week, and also, remains 368% higher than a year ago. 2. The average composite index of the WCI, assessed by Drewry for year-to-date, is \$6,090 per 40ft container, which is \$3,957 higher than the five-year average of \$2,133 per 40ft container. 3. Drewry's composite World Container index increased by 4% or \$344 to reach \$9,330.28 per 40ft container, which is 368% higher than the same week in 2020. Freight rates from Shanghai to New York soared 13% or \$1,562 to reach \$13,434 per 40ft container, a change of 300% Y-o-Y. Spot rates on Shanghai to Los Angeles increased 6% or \$550 to \$10,503 for a 40ft box. Similarly, rates on Rotterdam to New York grew 5% to \$5,624 per feu. Freight rates on Shanghai to Genoa and New York to Rotterdam remain stable at previous week's level. Drewry expects rates to increase further in the coming weeks.

WATER TRANSPORTATION Canada

1. Drewry's composite World Container index increased 4% or \$344 to \$9,330.28 per 40ft container, 29 July 2021, www.ajot.com
2. Intermodal volumes up over 20 percent in Q2, 29 July 2021, www.insidelogistics.ca
3. Drewry: Port Throughput Indices July 2021, 30 July 2021, www.ajot.com
4. Maersk boosts 2021 profit outlook by about \$5 billion, August 2, 2021, www.joc.com
5. Government of Canada invests in transportation infrastructure in Nunavut, August 4, 2021, www.tc.gc.ca
6. Cargo surge continues at Port of Long Beach, August 5, 2021, www.ajot.com
7. Long Beach's Cordero predicts LA/LB will process 19 million TEUs in 2021, August 6,

2. Intermodal volumes up over 20 percent in Q2

Trans-Canada trade corridor saw 29.6 percent growth, IANA says. Total intermodal volumes rose 20.4 percent year-over-year in the second quarter of 2021, according to the Intermodal Association of North America's Intermodal Quarterly report. International containers gained 24.8 percent from 2020; domestic shipments, 15.7 percent; and trailers, 18.5 percent. "Intermodal volumes have now grown for the fourth consecutive quarter. What is noteworthy is the breadth of the gains," said Joni Casey, president and CEO of IANA.

3. Drewry: Port Throughput Indices July 2021

The Drewry Port Throughput Index rose to 141.3 points in May 2021, an increase of 3.3 points over April, which was very nearly enough to restore it to March's reading. Annual growth of 15.8% for the month confirms that the worldwide volume recovery is showing no signs of slowing down. Container throughput is expected to increase further through the 3Q21 peak season, after which we anticipate a modest seasonal slowdown in the final quarter. Growth forecasts remain highly sensitive to Covid-19 developments. Greater China ports index recorded a 9.8% year-on-year increase in May with growth mostly concentrated at the largest Chinese gateways. The top six ports (Shanghai, Ningbo, Shenzhen, Qingdao, Tianjin, and Xiamen) accounted for close to 90% of the volume growth, representing more than 65% of total throughput of the region. China's throughput growth in full-year 2021 is expected to be the highest in 10 years.

4. Maersk boosts 2021 profit outlook by about \$5 billion

Maersk upgraded revenue and profit expectations for the full-year 2021 as it sees a better-than-expected demand for trans-Pacific shipping. For 2021 it expects a profit of about \$5 billion.

5. Government of Canada invests in transportation infrastructure in Nunavut

On August 4, 2021, the Minister of Infrastructure and Communities of Canada, the Honourable Catherine McKenna, on behalf of Minister of Transport, the Honourable Omar Alghabra, announced a major investment of more than \$40 million for a project focused on developing port infrastructure that will improve the efficiency of Nunavut's off-shore fishing industry. The project involves the construction of a new deep-water port in Qikiqtarjuaq, located on the main route of the Northwest Passage, which would support the Davis Strait and Baffin Bay regions.

6. Cargo surge continues at Port of Long Beach

Resilient consumer demand continues to drive high volumes of cargo through the Port of Long Beach, which handled a record number of containers for the month of July 2021. Dockworkers and terminals moved 784,845 twenty-foot equivalent units (TEUs) in July, a 4.2% increase from the same month a year ago. July 2020, with 753,081 TEUs, was the previous "best July." Imports slightly grew last month, at 382,940 TEUs, a 1.6% increase, while exports decreased 20.7% year-over-year to 109,951 TEUs. Empties moved out of Long Beach ballooning 22.8%, to 291,955 TEUs. "Ships arrived last month to move these empty containers out of the harbor and clear valuable terminal space as we handle historic amounts of trade," said Port of Long Beach Executive Director Mario Cordero. "These boxes are a valuable commodity in the overstressed global supply chain. Our loaded exports are likely to rebound this month."

7. Long Beach's Cordero predicts LALB will process 19 million TEUs in 2021

In a virtual press conference, Cordero said the 19 million TEUs projection for the two ports reflects "a new normal" whereby the two ports will continue to process the high volumes of import and export containers that began with the

2021, www.ajot.com

8. Vancouver Fraser Port Authority announces \$1 million funding to support local channel dredging, August 10, 2021, www.portofmetrovancouver.com

9. Minister of Transport releases statement inviting public comment on a proposed Vessel Remediation Fund regulatory charge that will enhance protection of the marine environment, August 11, 2021, www.tc.gc.ca

10. Government of Canada announces new system to improve marine vessel traffic flow at the Port of Vancouver and in Southern British Columbia, August 12, 2021, www.tc.gc.ca

11. Vessel traffic restrictions on the St. Clair River on August 15, 2021, August 12, 2021, www.tc.gc.ca

12. Canadian Tire takes stake in Ashcroft Terminal, August 12, 2021, www.todaaystrucking.ca

13. Eelgrass transplanting work underway at Maplewood Marine Restoration Project, Aug. 12, 2021, www.portofmetrovancouver.com

14. U.S. imports expected to hit new highs in August, Aug 12, 2021, www.insidelogistics.ca

15. World's third-busiest port remains partially shut in China, August 15, 2021, www.ajot.com

16. St. Lawrence ports to get infrastructure upgrades, August 17, 2021, www.insidelogistics.ca

17. Vancouver to develop vessel traffic flow system, Aug 17, 2021, www.insidelogistics.ca

18. U.S. container-ship bottleneck lurches near its February record, August 16, 2021, www.ajot.com

19. Port of Los Angeles reports 36.8% volume jump in July, August 17, 2021, www.ajot.com

20. The Great Lakes-St. Lawrence Seaway System continues to be strong supply chain for wind energy, August 18, 2021, www.ajot.com

21. Container feeder service operating between Hamilton and Montreal, August 19, 2021, www.insidelogistics.ca

22. Port reaches milestone at Long Beach Container Terminal, August 20, 2021, www.ajot.com

23. Dry bulk shipping rates are soaring and the rally looks set, August 23, 2021, www.ajot.com

24. Container traffic at Port Houston registers best month ever: 297,621 TEUs, August 24, 2021, www.freightwaves.com

25. Railway carloadings, June 2021, August 25, 2021, www.statcan.gc.ca

26. Week 33: Carloads, Intermodal Drop, August 25, 2021, www.railwayage.com

27. Global shipping fleet value hits all time high of \$1.2 trillion, August 27, 2021, www.seatrade-maritime.com

28. China ports container volume rises 11.3% from January to July 2021, Ningbo Containerized Freight Index rises, August 27, 2021, www.ajot.com

29. Record cargo movements at L.A. and Long Beach ports threatened by worsening inland congestion, August 27, 2021, www.ajot.com

30. CMA CGM latest carrier to predict continued congestion amid record earnings, August 27, 2021, www.joc.com

surge following the COVID-19 outbreak

in 2020. This surge reflects increased buying power generated by the domestic economy as well as by the booming California economy, which drives containers through the Long Beach and Los Angeles ports. During the press conference, Cordero noted other developments at the Port that are driving growth and productivity.

8. Vancouver Fraser Port Authority announces \$1 million funding to support local channel dredging

The Vancouver Fraser Port Authority on August 10, 2021 announced \$1 million in funding towards a near-term dredging solution to support key Delta channels within the Fraser River communities, focusing on Ladner Harbour and Gunderson Slough. Dredging is the careful removal of sediment and debris from the bottom of a body of water, such as a river, lake, or harbour. The Vancouver Fraser Port Authority dredges deep sea channels to support Canada's trade. For 10 years and as a gesture of good will, the port authority committed to providing a \$7 million interim dredging solution to support the Fraser River communities. As the funding for the program has now concluded, the port authority is working with government to identify other sources of funding that will provide a longer-term solution to support dredging in the local channels.

9. Minister of Transport releases statement inviting public comment on a proposed Vessel Remediation Fund regulatory charge that will enhance protection of the marine environment

"Today [August 11, 2021], Transport Canada launched a public consultation on the Let's Talk Transportation web page to invite input on a proposal for the Vessel Remediation Fund regulatory charge and we want to hear your views. As part of the national strategy, and the Oceans Protection Plan, the Government of Canada has been examining options to establish vessel-owner financed funds over the longer term to deal with the increased number of abandoned, wrecked, and hazardous vessels in Canadian waters. ..."

10. Government of Canada announces new system to improve marine vessel traffic flow at the Port of Vancouver and in Southern British Columbia

On August 12, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced that the Vancouver Fraser Port Authority will work with partners to design, by March 31, 2022, a new collaborative system to manage marine vessel traffic and optimize the supply chain flow for this strategic gateway. Once implemented, this system will: 1) strengthen marine safety by reducing congestion and actively managing marine traffic in the busiest, most confined waters of the port; 2) improve the efficiency and reliability of the flow of goods through this strategic gateway for all supply chain partners; 3) reduce environmental impacts, including noise impacts in Southern Resident killer whale habitat, by limiting unnecessary vessel movements; and 4) reduce negative social impacts (like ambient noise and light pollution) by reducing overall anchorage usage in Southern British Columbia and implementing a Code of Conduct for vessels at anchorage.

11. Vessel traffic restrictions on the St. Clair River on August 15, 2021

In the interest of safe navigation, Transport Canada has exercised its authority under Sections 58 and 76 of the *Canada Marine Act* to restrict the movement of vessel traffic within the public Port of Sarnia. Under these restrictions, no unauthorized traffic will be permitted on the Canadian side of the St. Clair River, from the Blue Water Bridge, to the upper end of Stag Island, between noon and 8 p.m. on August 15, 2021. A Navigational Warning (NAVWARN) about temporary vessel restrictions for this day was issued on August 10, 2021.

12. Canadian Tire takes stake in Ashcroft Terminal

Canadian Tire is acquiring a 25% equity interest in Ashcroft Terminal, British Columbia's largest inland port that handles 7,000 railcars and 6,000 trucks per year. PSA International, which retains a 60% stake, continues to operate the facility. The remaining 15% is held by founding partner Crescent View Investments.

13. Eelgrass transplanting work underway at Maplewood Marine Restoration Project

This summer, the Vancouver Fraser Port Authority's, Habitat Enhancement Program and Tsleil-Waututh Nation (TWN) are advancing the final phases of work on the Maplewood Marine Restoration Project. This includes transplanting approximately 125,000 eelgrass shoots by hand from locally sourced beds, which will create a 1.5-hectare eelgrass bed—the largest eelgrass transplant ever performed in Burrard Inlet. Eelgrass, a type of seagrass, forms part of the most diverse and productive ecosystems in the world. These habitats serve many functions for a variety of salmonids, marine and shore bird species, and play a vital role in capturing carbon, which helps mitigate climate change impacts. Eelgrass provides food, shelter and protection from predators for many juvenile fish and shellfish of ecological, cultural, and recreational importance.

14. U.S. imports expected to hit new highs in August

Imports at the U.S.'s largest retail container ports should hit yet another record in August 2021 as consumer demand continues to stretch supply chains and retailers shift from the back-to-school season to the peak shipping season for winter holiday merchandise. The forecast is from the monthly *Global Port Tracker* report released by the National Retail Federation and Hackett Associates.

15. World's third-busiest port remains partially shut in China

China's Ningbo-Zhoushan container port, the world's third-busiest, remained partially closed for a sixth day, amid

ongoing concern over whether the shutdown will disrupt trade from the region longer term. The port hasn't published any updates on its operations since August 11, 2021, when it halted all inbound and outbound container services at its Meishan terminal after one employee tested positive for Covid-19. Consultant GardaWorld estimated the terminal accounted for about 25% of container cargo through the port, though Ningbo-Zhoushan had said it would redirect ships to other terminals and adjust operating hours at other docks. An employee at the port's media center said they had no new information to share when contacted by *Bloomberg News*. No new infections have been reported at the port since the initial case.

16. St. Lawrence ports to get infrastructure upgrades

Two Ports on the St. Lawrence River in Quebec are getting federal funding for infrastructure improvements. Saguenay Port is receiving \$33 million through the National Trade Corridors Fund and \$33 million from the Quebec government to increase handling capacity and reduce bottlenecks in daily operations. Trois-Rivières Port Authority will receive \$3,772,998 in financial support through Canada Economic Development's program for Quebec.

17. Vancouver to develop vessel traffic flow system

The Vancouver Fraser Port Authority is going to design and implement a system to manage marine vessel traffic and prevent bottlenecks. Marine traffic management systems are analogous to air traffic control for airports, regulating the arrival and departures of ships and ensuring their safety. The system will reduce congestion and manage marine traffic in the busiest, most confined waters of the port.

18. U.S. container-ship bottleneck lurches near its February record

The biggest U.S. trade gateway with Asia is clogged with the most inbound container vessels in more than six months, threatening to extend transportation delays, bite further into margins for American importers and boost prices for consumers. Thirty-seven ships were anchored awaiting berth space outside the twin ports of Los Angeles and Long Beach, California, as of late Sunday [August 15, 2021], the most since early February 2021, according to officials who monitor marine traffic in San Pedro Bay. That's almost double the length of the queue in mid-July and close to the record of 40 anchored vessels set Feb. 1, 2021.

19. Port of Los Angeles reports 36.8% volume jump in July

The Port of Los Angeles reported year-to-date container volumes were up in July by 36.8% over 2020 levels for a total of 6,318,675 TEUs, according to Gene Seroka executive director, Port of Los Angeles. Imports were up by 2.9% in July 2021 compared to July 2020 for a total of 469,361 TEUs while July exports declined by 27.6% to 91,440 TEUs over 2020 numbers. The number of empty containers being transported from the Port rose by 20.4% to 329,999 TEUs. The continued congestion at terminals and warehouses and where "containers are hard to come by" has slowed the ability to load and unload ships: "even so anchorages and dwell times are trending in the wrong direction. Seventy-five percent of ships stopped at anchor in July up from 50% in June." Seroka noted that dwell times at terminals continue at their peak of 5.3 days, on dock rail dwell time is running "over 13 days a new high" and street dwell times for trucks waiting to unload containers at warehouses is 8.3 days.

20. The Great Lakes-St. Lawrence Seaway System continues to be strong supply chain for wind energy

Ports of Erie, Burns Harbor, and Duluth see wind energy cargo on eight ships from five countries. The Great Lakes Seaway Partnership on August 18, 2021 reported that American and Canadian ports in the Great Lakes-St. Lawrence Seaway System saw 1,733 total transits from the opening of the St. Lawrence Seaway on March 22, 2021 through July 31, 2021, a 6.19 percent increase compared to transits through July last year. Commodities seeing an increase include iron ore, containers, steel, and wind energy cargo. Through July, all cargo shipped through the St. Lawrence Seaway reached 16,669,000 metric tons, up 4.64 percent compared to shipments during the same time in 2020.

21. Container feeder service operating between Hamilton and Montreal

At the end of June 2021, almost 300 containers were loaded onto the M/V Sedna Desgagnés at the Port of Hamilton, Ontario, as part of a new short-sea shipping service launched by Hamilton Container Terminal (HCT) in collaboration with Desgagnés. Bound for the Port of Montreal, this new container service was developed by HCT in partnership with the Hamilton-Oshawa Port Authority (HOPA Ports), Desgagnés, Federal Marine Terminals and the Port of Montreal. This shipment is the first of what is expected to be an increasingly frequent service for container movements on the Great Lakes. This trip will be followed by other Hamilton-Montreal voyages later this year, building up to 20+ sailings in 2022.

22. Port reaches milestone at Long Beach Container Terminal

The Port of Long Beach ushered in the next era of environmentally sustainable operations on August 20, 2021 with the completion of the Long Beach Container Terminal at Middle Harbor, one of the most technologically advanced cargo facilities in the world. Equipped with nearly all electric and zero-emissions equipment, LBCT at Middle Harbor is designed to strengthen competitiveness, improve cargo flow and dramatically enhance air quality amid an era of significant growth at the nation's second-busiest seaport.

23. Dry bulk shipping rates are soaring and the rally looks set

For a glimpse at how fast demand for commodities has rebounded in the wake of the coronavirus, look no further than the market for shipping them. August 23, 2021 marked the 10th consecutive increase for the Baltic Dry Index, a benchmark measure of commodity hauling costs that has surged to an 11-year high. “Earlier in the year, people thought this was a short-term spike in the market, but now people see it as more structural and longer term,” said Jan Rindbo, the chief executive officer of D/S Norden A/S, a 150-year-old Danish operator of more than 500 vessels.

24. Container traffic at Port Houston registers best month ever: 297,621 TEUs

Port Houston’s year-to-date container traffic increased 15% in TEUs compared to the first six months in 2020. The number of TEUs 297,621 were the best month so far recorded.

25. Railway carloadings, June 2021

Canadian railways carried 29.5 million tonnes of freight in June 2021. This was a slight increase (0.5%) from June 2020 (29.4 million tonnes), when rail traffic volumes fell to a four-year low because of widespread shutdowns at the onset of the pandemic. The overall tonnage remained just below the five-year average of 30.6 million tonnes for June 2021. Higher loadings of some energy products offset a sharp drop in iron ores and concentrates as well as continued declines in wheat and canola. To further explore current and historical data in an interactive format, please visit the Monthly Railway Carloadings: Interactive Dashboard.

26. Week 33: Carloads, Intermodal Drop

For the week ending Aug. 21, 2021, total U.S. rail traffic came in at 501,273 carloads and intermodal units, falling 2.6% from the same week last year, the Association of American Railroads (AAR) reported on Aug. 25, 2021. Rail volumes for the 33rd week of the year were down 6% compared with the same week in 2019, according to Susquehanna Financial Group (SFG) Analyst Bascome Majors. He also found the four-week trend was up 1% vs. 2020 and down 6% from 2019. Canadian railroads reported 74,355 carloads for the week, growing 3.1%, and 73,855 intermodal units, rising 7.4% vs. the previous-year period. For the first 33 weeks of 2021, they reported cumulative rail traffic volume of 4,899,749 carloads, containers and trailers, an increase of 6.9%.

27. Global shipping fleet value hits all time high of \$1.2 trillion

The increase in value of the Greek fleet is mainly the result of higher prices for container and dry cargo ships, but even for tankers, where rates have not risen as much, there has been a significant increase in value ... By 2021, dry cargo ships have overtaken tankers in value and container ships have climbed to third place. According to Clarkson Research Services, value of the global merchant fleet has risen by 26% in 2021 to date having fluctuated between \$850bn and \$1trn for most of the previous decade. It stood at \$700bn in early 2010. The merchant fleet is now 65% larger in gt terms than at the start of 2010.

28. China ports container volume rises 11.3% from January to July 2021, Ningbo Containerized Freight Index rises

From January to July 2021, the cargo volume of China ports was 8911.1million tons, a year-on-year increase of 11.3%; the container throughput of China ports was 161.9million TEU, a year-on-year increase of 12.4%. In terms of container freight rates, the average value of the Ningbo Container Freight index (NCFI) in August 2021 was 3816.8 points, having an increase of 7.28% compare to last month. From Ningbo to the North America route, U.S. retailers replenish inventory with large amounts of imported Asian products that lead to transportation demand remaining hot, some box liners push up freight rates again. The average freight rate of 40GP from Ningbo Port to Los Angeles port in August was \$6559, have an increase of 15.3% compare to last month from Ningbo Port to New York port was \$6443, increase of 10.8% month-on-month.

29. Record cargo movements at L.A. and Long Beach ports threatened by worsening inland congestion

Cargo movement data tracked by project44 shows that congestion has increased again across all four major Southern California ports (Hueneme, Los Angeles, Long Beach, and San Diego). According to data collected by the supply chain visibility company, 41 vessels are currently (August 26) anchored outside of LA and Long Beach awaiting berth space, while 33 are currently moored at both ports. However, this time around, data tracked by project44 indicates that regional ports are rallying, handling record volumes as shippers rush to get products to warehouses and store shelves in time for the holidays. Not since February’s peak of 40 vessels waiting at anchor has congestion been this severe. However, despite the backlog, the Port of Los Angeles is reporting record breaking productivity this year, handling upwards of 11,000 container units per vessel. These numbers are among the “best in the business” according to LA Port Executive Director, Gene Seroka. Land rail and road capacity are also at max capacity, slowing the rate of container movement through ports while Chinese COVID could still disrupt peak holiday shopping season

30. CMA CGM latest carrier to predict continued congestion amid record earnings

Carriers expect another increase in profit in the second half of 2021 as a lack of available vessel capacity and port and landside congestion, particularly in North America and Asia, continues to push rates up.

RAIL TRANSPORTATION

1. CP Files Proxy Statement Asking KCS Shareholders to Vote Against the Proposed CN-KCS Merger and Adjourn Shareholder Vote

Canadian Pacific Railway Limited on July 29, 2021 announced it has filed a proxy statement asking Kansas City Southern ("KCS") shareholders to vote "AGAINST" the proposed Canadian National-KCS combination at the KCS special meeting of stockholders on Aug. 19, 2021 so that CN's proposed acquisition can be decided at a later date, when more information will be available to KCS's stockholders.

2. CN to Engage with Communities for the Development of its Interim Extreme Weather Plan

CN announced on July 29, 2021 that it is seeking comments regarding its Interim Extreme Weather Fire Plan. The Plan presents measures to increase prevention, monitoring and response to wildfire risks when the fire danger level for a given area is "extreme". These measures will supplement existing practices and allow CN to serve our customers while protecting neighbouring communities.

3. Government of Canada takes action to further reduce the risk of uncontrolled movement of railway equipment

On July 30, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced that Transport Canada has approved changes to the Canadian Rail Operating Rules. In light of these changes, the Canadian Rail Operating Rules now prescribe: 1. when air brakes must be used during switching operations (i.e. process of rearranging rail cars in a train yard) to ensure a consistent approach across the railway system; 2. measures to ensure that stationary equipment is secured during switching operations to prevent uncontrolled movements; and 3. speed restrictions when switching is conducted with a remotely controlled locomotive.

4. Freight Rail Services Price Index, July 2021

The Freight Rail Services Price Index (2018=100) is now available for July 2021. The index for July 2021 was 107.2 compared to the index of 105.4 in June 2021.

5. CP Statement on STB Decision Relating to Access to KCS Information Needed to Prepare Merger Application

Canadian Pacific Railway Limited issued the following statement in response to the Surface Transportation Board ("STB") decision relating to materials sought by CP in preparing its application for authorization to control Kansas City Southern ("KCS"): "CP is gratified by the STB's decision released August 2, 2021, in which the STB confirms that CP may use the STB's discovery processes in the CP-KCS docket, Finance Docket No. 36500, to immediately seek from KCS the materials that are "relevant to its preparation of an application of authority to acquire control of KCS" to be filed in that docket. The Board also noted that CP may seek a waiver from otherwise applicable informational requirements to the extent it cannot obtain information from KCS, such as due to KCS's "reluctance to cooperate."

6. Transport Canada Updates Canadian Rail Operating Rules

Transport Canada has approved Canadian Rail Operating Rules changes to further reduce the risk of uncontrolled rail equipment moves. The changes are the result of Ministerial Order (MO) 20-09 issued in September 2020, requiring the railway industry "to adopt new practices designed to improve safety and prevent uncontrolled movement while conducting switching operations, and to ensure that equipment is properly secured while switching," according to Transport Canada. (That order was issued following the Transportation Safety Board of Canada's investigation into a 2017 fatal accident at CN's Melville Yard in Saskatchewan.) The rules—

RAIL TRANSPORTATION Canada

1. CP Files Proxy Statement Asking KCS Shareholders to Vote Against the Proposed CN-KCS Merger and Adjourn Shareholder Vote, 29, July 2021, www.cpr.ca
2. CN to Engage with Communities for the Development of its Interim Extreme Weather Plan, 29 July 2021, www.cn.ca
3. Government of Canada takes action to further reduce the risk of uncontrolled movement of railway equipment, July 30, 2021, www.tc.gc.ca
4. Freight Rail Services Price Index, July 2021, 30 July 2021, www.statcan.gc.ca
5. CP Statement on STB Decision Relating to Access to KCS Information Needed to Prepare Merger Application, August 2, 2021, www.cpr.ca
6. Transport Canada Updates Canadian Rail Operating Rules, August 2, 2021, www.railwayage.com
7. CP completes 2020–2021 Canadian crop-year; sets fourth consecutive record for shipping Canadian grain and grain products, August 3, 2021, www.cpr.ca
8. CN Achieves Record Grain Movement for 2020-2021 Crop Year and Submits Its 2021-2022 Grain Plan, August 3, 2021, www.cn.ca
9. CN and CP hit grain records in 20-21 crop year, August 4, 2021, www.insidelogistics.ca
10. AAR: Rail Volumes 'Decelerate' in July, August 4, 2021, www.railwayage.com
11. Government of Canada to explore opportunities to enhance passenger rail services in Southwestern Ontario, August 5, 2021, www.tc.gc.ca
12. Minister Alghabra meets with elected municipal officials on the Lac-Mégantic bypass project, August 6, 2021, www.tc.gc.ca
13. Canadian Pacific Railway plans to make new, higher bid for Kansas City Southern, WSJ reports, August 9, 2021, www.financialpost.ca
14. Higher revenues lift BNSF's Q2 profits, August 9, 2021, www.freightwaves.com
15. Canadian Pacific Submits Superior Proposal to Combine with Kansas City Southern, August 10, 2021, www.cpr.ca
16. CP boosts bid for Kansas City Southern, August 10, 2021, www.insidelogistics.ca
17. CN'S Pro-Competitive Combination with Kansas City Southern Continues to be Superior Proposal, August 10, 2021, www.cn.ca
18. STB: 2020 Railroad Cost of Capital Set at 7.89%, August 10, 2021, www.railwayage.com
19. Week 31: Is Intermodal Losing Steam?, August 11, 2021, www.railwayage.com
20. CP Commends Proxy Advisor ISS for Recommending KCS Stockholders "ABSTAIN" From Voting to Approve CN-KCS Merger Proposal, August 12, 2021, www.cpr.ca
21. CN Reaffirms Commitment to Pro-Competitive Combination With KCS, August 12, 2021, www.cn.ca
22. KCS board stands by CN offer, August 16, 2021, www.cn.ca
23. Canada, TransLink Investing C\$290MM in SkyTrain Projects, August 16, 2021, www.railwayage.com
24. For Transport Canada, C\$100MM to

announced July 30—now prescribe: 1. when air brakes must be used during switching operations “to ensure a consistent approach across the railway system.” 2. measures to ensure that stationary equipment is secured during switching operations to prevent uncontrolled movements. 3. speed restrictions when switching is conducted with a remote control locomotive.

7. CP completes 2020–2021 Canadian crop-year; sets fourth consecutive record for shipping Canadian grain and grain products

Canadian Pacific on August 3, 2021 announced it hauled more Canadian grain and grain products in the 2020–2021 crop production year than any other crop year during CP’s 140-year history. Working in close collaboration with customers and other participants in the Canadian grain supply chain, CP moved 30.62 million metric tonnes (MMT) this crop year, exceeding last year’s record of 29.52 MMT by 1.10 MMT, or 3.7 percent. This is the fourth consecutive year that CP has broken its annual movement record. Including grain moved in containers, CP moved a total of 31.21 MMT, up 3.4 percent from last crop year.

8. CN Achieves Record Grain Movement for 2020-2021 Crop Year and Submits Its 2021-2022 Grain Plan

CN announces that it has set a new record for the movement of Canadian grain and processed grain products via carload with over 31 million metric tonnes (“MMT”) moved during the 2020-2021 crop year. CN also filed and published its 2021-2022 Grain Plan on Friday July 30, 2021. This record exceeds the previous record for carload movement of 29.4 MMT set in the 2019–2020 crop year. CN also moved over 1.1 MMT of grain from Western Canada via containers, with grain volumes moved from Eastern Canada in addition to these levels.

9. CN and CP hit grain records in 20-21 crop year

CN moved over 31 million metric tonnes and CP hauled 30.62 million metric tonnes both record movements. CN in recognition announced its plans to acquire 1,000 new-generation, high-capacity, grain hopper cars. These are part of a larger 3,500-hopper-car fleet renewal program over the next three years. CP credits its ability to move so much grain to its 8,500-foot High Efficiency Product (HEP) train model and investments made by customers. An 8,500-foot HEP train can carry more than 40 percent more grain than the 7,000-foot train model when combined with the additional capacity of CP’s new high-efficiency hopper cars.

10. AAR: Rail Volumes ‘Decelerate’ in July

While U.S. rail traffic in July 2021 was up from July 2020, the percentage increase was “significantly lower” than in other recent months, AAR Senior Vice President John T. Gray reported on Aug. 4, 2021. In July, U.S. Class I railroads originated 904,670 carloads, rising 6.6%, or 55,969 carloads, from July 2020, and they originated 1,066,169 containers and trailers, increasing 1.5%, or 15,450 units. Combined, last month’s originations came in at 1,970,839, up 3.8%, or 71,419 carloads and intermodal units from July 2020. Canadian railroads reported 75,316 carloads for the week, gaining 4.1%, and 69,949 intermodal units, increasing 2.9% compared with the same week in 2020. For the first 30 weeks of 2021, they reported cumulative rail traffic volume of 4,463,379 carloads, containers and trailers, rising 7.3%.

11. Government of Canada to explore opportunities to enhance passenger rail services in Southwestern Ontario

On August 5, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced that the Government of Canada is exploring opportunities to enhance passenger rail services in Southwestern Ontario. As the Government of Canada takes first steps in preparing for the procurement process to build new, High-Frequency Rail services in the Toronto to Quebec City Corridor, efforts will also be undertaken to determine how passenger rail services might be improved to better service markets west of Toronto, including London, Windsor and Brantford. The Government of Canada will work with key partners.

12. Minister Alghabra meets with elected municipal officials on the Lac-Mégantic bypass project

On August 6, 2021, the Honourable Omar Alghabra, Minister of Transport, travelled to Lac-Mégantic and met with local stakeholders to reiterate his commitment to the Lac-Mégantic Bypass project. The Minister then met with other officials and went to the Espace de mémoire to remember the tragic events of 2013.

13. Canadian Pacific Railway plans to make new, higher bid for Kansas City Southern, WSJ reports

Canadian Pacific Railway Ltd plans to make a new, increased offer for Kansas City Southern, valuing the U.S. railroad operator at about US\$27 billion, the *Wall Street Journal* reported, citing people familiar with the matter.

14. Higher revenues lift BNSF’s Q2 profits

A 26% gain in revenues helped boost BNSF’s net profits in the second quarter of 2021 to \$1.5 billion.

15. Canadian Pacific Submits Superior Proposal to Combine with Kansas City Southern

Canadian Pacific Railway Limited on August 10, 2021 announced it has submitted a superior proposal to acquire Kansas City Southern (“KCS”) in a stock and cash transaction representing an enterprise value of approximately

Advance Rail Safety, Security, August 16, 2021, www.railwayage.com

25. Feds announce \$100m rail safety funding, August 17, 2021, www.insidelogistics.ca

26. Week 32: Carloads Up, Intermodal Down, August 18, 2021, www.railwayage.com

27. CP Applauds KCS Board’s Action to Adjourn Stockholder Meeting so Stockholders Can Fully Consider an STB, August 19, 2021, www.cpr.ca

28. ARCI: 2Q21 Railcar Orders, Deliveries, Backlog Grow, August 23, 2021, www.railwayage.com

29. FRA to Fund Grants for Rail Improvement Opportunities, August 26, 2021, www.dot.gov

30. Ride the WAVE to the GO Train, August 26, 2021, www.railwayage.com

31. DOJ Picks Apart CSX-Pan Am Transaction, August 27, 2021, www.railwayage.com

USD\$31 billion, offering KCS stockholders an alternative recognizing the premium value of KCS while providing more regulatory certainty. This achievable, pro-competitive CP-KCS alternative brings compelling short- and long-term value, more regulatory certainty, according to CP.

16. CP boosts bid for Kansas City Southern

Canadian Pacific Railway has submitted a new proposal the Kansas City Southern (KCS) rail shareholders, upping its previous US\$25 billion bid to \$31 billion. The new bid still falls short of Canadian National's offer of \$33.6 billion, which KCS has conditionally accepted. The proposed transaction, which has the unanimous support of the CP Board of Directors, values KCS at \$300 per share, representing a 34 percent premium, based on the CP closing price on August 9, 2021 and KCS's unaffected closing price on March 19, 2021.

17. CN'S Pro-Competitive Combination with Kansas City Southern Continues to be Superior Proposal

CN on August 10, 2021 issued the following statement regarding CN's proposed, pro-competitive combination with Kansas City Southern Canadian Pacific Railway Limited's announcement that it has made another inferior proposal to acquire KCS: CN and KCS' agreed transaction remains superior and the best option for both companies' stakeholders to deliver on a combination that will enhance competition and provide new servicing options for customers.

18. STB: 2020 Railroad Cost of Capital Set at 7.89%

The Surface Transportation Board decided on Aug. 4, 2021 that the annual cost of capital for the railroad industry was 7.89% for 2020. This figure represents the Board's Office of Economics estimate of the average rate of return needed to persuade investors to provide capital to the freight rail industry.

19. Week 31: Is Intermodal Losing Steam?

Total U.S. weekly rail traffic for the week ending Aug. 7, 2021 was 509,607 carloads and intermodal units, up 2.4% from the same point last year, as intermodal losses offset carload gains, the Association of American Railroads (AAR) reported on Aug. 11, 2021. U.S. Class I railroads hauled 234,336 carloads, a 6.3% increase compared with the same week in 2020, and 275,271 containers and trailers, a 0.6% decrease vs. 2020. Canadian railroads reported 72,235 carloads for the week, up 2.1%, and 68,578 intermodal units, down 1% compared with the same point in 2020. For the first 31 weeks of 2021, they reported cumulative rail traffic volume of 4,604,192 carloads, containers and trailers, up 7.1%.

20. CP Commends Proxy Advisor ISS for Recommending KCS Stockholders "ABSTAIN" From Voting to Approve CN-KCS Merger Proposal

Canadian Pacific Railway Limited on August 12, 2021 commended proxy advisor Institutional Shareholder Services Inc. ("ISS") for recommending KCS stockholders "ABSTAIN" from voting to approve the CN-KCS merger proposal. ISS said that "to ensure that shareholders are able to make a fully-informed decision" on the merger proposal and are able to fully understand any potential CN voting trust decision from the Surface Transportation Board ("STB"), stockholders are recommended to "ABSTAIN" on the vote for the merger agreement and continue to support the adjournment proposal.

21. CN Reaffirms Commitment to Pro-Competitive Combination With KCS

CN on August 12, 2021 reaffirmed its commitment to its pro-competitive combination with Kansas City Southern. JJ Ruest, President and Chief Executive Officer of CN said "We are pleased that the KCS board of directors has reiterated that the agreed transaction with CN is superior and recommends that stockholders vote FOR our pro-competitive combination. CN and KCS are committed to moving forward to create the premier railway for the 21st century. Together, we will enhance competition, drive economic growth and realize the benefits of a fully end-to-end transportation network connecting North America. We look forward to continuing to work with KCS to deliver this compelling combination to both companies' stakeholders."

22. KCS board stands by CN offer

Kansas City Southern has reaffirmed its support for Canadian National Railway Co.'s takeover bid, but said it may delay a shareholder vote on the deal next week if a U.S. regulator doesn't rule on a key voting trust soon. The railway said if the U.S. Surface Transportation Board does not release its decision on the voting trust by Aug. 17, then it would push the vote scheduled for Aug. 19 to a later date to give shareholders time to consider the decision.

23. Canada, TransLink Investing C\$290MM in SkyTrain Projects

Infrastructure Canada has reported that the government of Canada and Vancouver's TransLink have committed C\$236.7 million (US\$188.49 million) to build additional SkyTrain maintenance facilities; the government will also invest C\$53 million (US\$ 42.2 million) to upgrade SkyTrain's Burrard Station on the Expo Line and to expand Expo and Millennium line stations to support larger five-car, 85-meter (276-foot) trains. The new maintenance facilities are required to accommodate approximately 145 of the more than 200 new automated rapid transit cars set to start delivery in 2023.

24. For Transport Canada, C\$100MM to Advance Rail Safety, Security

Transport Canada will receive more than C\$100 million (\$79.66 million) from the Canadian government to continue

freight and passenger rail safety and security improvements. Minister of Transport Omar Alghabra on Aug. 13, 2021 reported that the funding, to be provided over five years starting in 2021-22, would allow Transport Canada to: 1) invest; 2) engage with Indigenous communities; 3) undertake research and analysis; and 4) provide additional funding.

25. Feds announce \$100m rail safety funding

The federal government announced it plans to spend more than \$100 million over five years, starting in 2021-22, on Transport Canada initiatives to advance rail safety. The money is expected to be spent on oversight to address new and evolving risks to the safety and security of railway operations.

26. Week 32: Carloads Up, Intermodal Down

Total U.S. rail traffic of 504,810 carloads and intermodal units for the week ending Aug. 14, 2021, kept pace with the same week last year, rising 0.9%, based on carload gains, according to the Association of American Railroads' (AAR) Aug. 18 report. U.S. Class I railroads moved 235,011 carloads in the 32nd week of the year, up 5.7% from the previous-year period, and 269,799 containers and trailers, down 3% from 2020. Canadian railroads reported 72,109 carloads for the week, dropping 2.3%, and 75,238 intermodal units, rising 7.8% compared with the same week in 2020. For the first 32 weeks of 2021, they reported cumulative rail traffic volume of 4,751,539 carloads, containers and trailers, up 6.9%.

27. CP Applauds KCS Board's Action to Adjourn Stockholder Meeting so Stockholders Can Fully Consider an STB

Canadian Pacific Railway Limited on August 19, 2021 issued the following statement on the Kansas City Southern ("KCS") Board of Directors' action to postpone its Aug. 19, 2021 special meeting of stockholders to Sept. 3, 2021. "By rightly postponing Thursday's meeting, the KCS Board of Directors appropriately will allow stockholders to have access to all the information needed before voting on the CN-KCS merger proposal, including the critical decision by the Surface Transportation Board ("STB") on the Canadian National ("CN") proposed voting trust. Delaying the stockholder vote also means KCS stockholders won't become locked into a CN-KCS combination and then unable to consider other, better options like CP's Aug. 10 proposal, which remains outstanding."

28. ARCI: 2Q21 Railcar Orders, Deliveries, Backlog Grow

Second-quarter 2021 freight car reporting statistics from the Railway Supply Institute's (RSI) American Railway Car Institute Committee (ARCI) show sequential boosts in orders, deliveries and backlog since fourth-quarter 2020. Carbuilders took orders for 9,466 cars in second-quarter 2021, up 52.02% compared with 6,227 in first-quarter 2021; and up 178.68% from fourth-quarter 2020's 3,397 cars. Second-quarter 2021 orders increased 392.25% from second-quarter 2020's 1,923 cars. Pre-pandemic levels averaged at about 9,300 railcars per quarter in 2019, according to ARCI.

29. FRA to Fund Grants for Rail Improvement Opportunities

The U.S. Department of Transportation's Federal Railroad Administration on August 26, 2021 announced a notice of funding opportunity, making available nearly \$362 million through its Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program. CRISI funds projects that reduce congestion, improve short-line and regional railroad infrastructure, relocate rail lines, enhance multi-modal connections and facilitate service integration between rail and other modes such as at ports or intermodal facilities. These grants will help build resilience across America's supply chains, in support of the Biden-Harris Administration's ongoing Supply Chain Disruptions Task Force.

30. Ride the WAVE to the GO Train

GO Transit passengers from Ontario's Durham Region will soon be able to take an autonomous, zero-emission electric shuttle vehicle to the GO Whitby Station. The WAVE (Whitby Autonomous Vehicle Electric) shuttle is made possible by a Metrolinx partnership with several agencies to help create what's being called "smart infrastructure," part of a "fully integrated local transit network of the future."

31. DOJ Picks Apart CSX-Pan Am Transaction

In Aug. 26, 2021 comments filed with the Surface Transportation Board, the United States Department of Justice took issue with many aspects of the proposed CSX-Pan Am Railways merger, citing President Biden's July 9 Executive Order, "Promoting Competition in the American Economy."

HIGHWAY TRANSPORTATION

1. Government of Canada invests in transportation infrastructure in Whitehorse

On July 29, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced a major investment of \$135 million for a project that will improve the safety, reliability, and efficiency of one of the major transportation arteries in Yukon. Strategic upgrades that will be made to the Klondike Highway corridor between Whitehorse and Dawson City, include:

HIGHWAY TRANSPORTATION Canada

1. Government of Canada invests in transportation infrastructure in Whitehorse, 29 July 2021, www.tc.gc.ca
2. Couriers and Messengers Services Price Index, June 2021, 30 July 2021, www.statcan.gc.ca
3. Urban public transit, May 2021, June 2021, 30

1) reconstructing 110 km of the Highway between Carmacks and Stewart Crossing; and 2) adding innovative technologies for the smart use of transportation networks, including an Intelligent Transportation System.

2. Couriers and Messengers Services Price Index, June 2021

The Couriers and Messengers Services Price Index (2003=100) is now available for June 2021. The index for June 2021 was 225.1 compared to the index of 223.7 in May 2021.

3. Urban public transit, May 2021

In May 2021, while public transit ridership recorded a second straight year-over-year increase, it still remained far below pre-COVID-19 levels as Canadians continue to grapple with fallout from the pandemic. Almost 50 million passenger trips were made in May 2021, 106 million fewer rides than were taken during the same month in 2019.

4. North American Transborder Freight up 94% in May 2021

Transborder freight between the U.S. and North American countries (Canada and Mexico) in May 2021 was: 1. Total Transborder freight: \$108.6 billion of transborder freight moved by all modes of transportation, up 93.8% compared to May 2020 but remained 1.0% below May 2019. May 2021 Transborder freight was down 1.1% compared to \$109.8 billion in May 2019. 2. Most-used mode: Trucks moved \$68.0 billion of freight, up 73.6% compared to May 2020. Truck freight was down 1.4% compared to \$68.9 billion in May 2019. 3. Second most-used mode: Railways moved \$15.9 billion of freight, up 190.3% compared to May 2020. Rail freight was down 2.2% compared to \$16.3 billion in May 2019. U.S.-Canada (both directions) trade was as follows: Truck: \$30.9b; Rail: \$8.5b; Pipeline: \$6.2b; Air: \$3.1b; and Vessel: \$2.3b.

5. Roadcheck inspections ground 27.2% of Canadian vehicles

Canadian enforcement teams placed 27.2% of inspected vehicles out of service during the international Roadcheck blitz that ran May 4-6, 2021 compared to a 20.9% out-of-service rate in the U.S. Teams completed 3,349 Level 1 inspections on this side of the border, placing 912 vehicles and 117 drivers out of service, the Commercial Vehicle Safety Alliance (CVSA) reports. In the U.S., there were 19,786 Level 1 inspections, with 4,136 vehicles and 1,083 drivers placed out of service.

6. Truckers face delays as CBSA staff to begin job action Friday [August 6, 2021]

Travelers and commercial traffic entering Canada should expect long lineups and lengthy delays at border crossings and airports starting August 6, 2021, as nearly 9,000 Canada Border Services Agency (CBSA) employees begin job action across the country. The Public Service Alliance of Canada (PSAC) and the Customs and Immigration Union (CIU) served strike notice to the government on August 3, 2021.

7. Ontario Opening Temporary Road Test Centres

The Ontario government is beginning to open temporary road test centres on Monday, August 9, 2021, to increase the number of passenger road tests (class G2/G) available in areas where demand is highest. The first two temporary road test centres will open in Guelph and Oshawa, with four more following in September 2021 across the Greater Golden Horseshoe.

8. USDOT Proposes Improved Fuel Economy Standards for MY 2024-2026 Passenger Cars and Light Trucks

The U. S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) announced on August 5, 2021 that it will soon propose robust new fuel economy standards. The reconsideration of the fuel economy standards set in 2020 is in direct response to President Biden's Executive Order 13990 and the Biden-Harris Administration's commitment to promote and protect public health and the environment.

July 2021, www.statcan.gc.ca

4. North American Transborder Freight up 94% in May 2021, August 2, 2021, www.bts.gov

5. Roadcheck inspections ground 27.2% of Canadian vehicles, August 3, 2021, www.todaystrucking.com

6. Truckers face delays as CBSA staff to begin job action Friday, August 4, www.todaystrucking.com

7. Ontario Opening Temporary Road Test Centres, August 4, 2021, www.mto.gov.on.ca

8. USDOT Proposes Improved Fuel Economy Standards for MY 2024-2026 Passenger Cars and Light Trucks, August 5, 2021, www.dot.gov

9. Tentative Collective Agreement Reached Between Gov't-Border Workers Union, August 6, 2021, www.todaystrucking.com

10. Biden calls for tighter emissions standards, electric vehicle leadership, August 6, 2021, www.todaystrucking.com

11. Truckers cheer Senate passage of infrastructure bill, August 10, 2021, www.todaystrucking.com

12. June 2021 Freight Transportation Services Index (TSI), August 11, 2021, www.bts.gov

13. Titanium Transportation hits +\$100M in quarterly revenue for first time, August 11, 2021, www.todaystrucking.com

14. Used truck demand surges, but buying considerations unchanged, August 11, 2021, www.todaystrucking.com

15. Ontario Seeks Feedback to Improve Transportation in Eastern Ontario, August 12, 2021, www.mto.gov.on.ca

16. Government of Canada and Northwest Territories invest \$50 million in Dehk'è Frank Channel Bridge replacement, August 13, 2021, www.tc.gc.ca

17. Used truck prices continue to rise: Ritchie Bros., August 17, 2021, www.todaystrucking.com

18. Ontario and Toronto Start Delivery of SmartTrack Stations Program, August 17, 2021, www.mto.gov.on.ca

19. Trucking conditions softened in June, but remain strong: FTR, August 18, 2021, www.todaystrucking.com

20. Used Truck Prices Keep Rising: Auctioneer, August 19, 2021, www.ontruck.ca

21. Canada's spot market cools in July, August 20, 2021, www.todaystrucking.com

22. B.C. to cover cost of training youth to become log truck drivers, August 23, 2021, www.todaystrucking.com

23. Goodyear working with Plus on autonomous trucking technology, August 23, 2021, www.todaystrucking.com

24. North American Transborder Freight up 41% in June 2021 from June 2020, up 12% since Pre-Pandemic June 2019, August 24, 2021, www.bts.gov

25. Lack of capacity keeping lid on truck tonnage: ATA, August 24, 2021, www.todaystrucking.com

26. Manitoulin adds Peterborough, Ontario, terminal, August 25, 2021, www.insidelogistics.ca

27. Supply Chain Bottlenecks to Endure: Experts, August 26, 2021, www.ontruck.ca

“This proposal would save drivers hundreds of billions of dollars on gas, reduce pollution, and help counter the climate crisis we are seeing all around us,” said U.S. Transportation Secretary Pete Buttigieg. “And by giving American car manufacturers a clear path forward, we will ensure that more of those clean vehicles, and jobs, are created right here.”

9. Tentative Collective Agreement Reached Between Gov’t-Border Workers Union

The Treasury Board of Canada Secretariat announced on the morning of August 6, 2021 that it has reached a tentative collective agreement with Canada Border Services Agency officers and workers, represented by the Public Service Alliance of Canada and the Customs and Immigration Union. “As a result of this development, we expect operations to continue and we know that we can rely on all of you to work with your usual high levels of dedication, integrity and professionalism. This will allow us to collectively maintain the safety and security of our border, ensure compliance with our laws, and keep the border open to legitimate travellers and goods,” CBSA leadership said in a statement. “In what is a very dynamic period, we have shown that we can work together as one team to persevere through challenging times.”

10. Biden calls for tighter emissions standards, electric vehicle leadership

U.S. President Joe Biden has issued an executive order to tighten engine and vehicle emissions standards, and is looking to reclaim America’s leadership in developing electric vehicles. “Right now, China is leading the race, and is one of the largest and fastest-growing electric vehicle markets in the world. And a key part of the electric vehicle – to state the obvious – is the battery. And right now, 80% of the manufacturing capacity for these batteries is done in China,” Biden said in a speech on the South Lawn.

11. Truckers cheer Senate passage of infrastructure bill

The U.S. Senate passed a \$1 trillion infrastructure bill that contains several measures related to trucking. The *Infrastructure Investment and Jobs Act of 2021* reauthorizes spending on existing federal public-works programs and provides \$550 billion in new spending. Of those new funds, \$110 billion would go toward roads and bridges, \$66 billion to rail and almost \$40 billion to transit. About \$7.5 billion is allocated to building charging stations for electric vehicles.

12. June 2021 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, fell 0.2% in June 2021 from May 2021, falling for the second consecutive month, according to the U.S. Department of Transportation’s Bureau of Transportation Statistics’ (BTS). From June 2020 to June 2021 the index rose 5.6% compared to a decline of 7.0% from June 2019 to June 2020 and an increase of 1.4 percent from June 2018 to June 2019

13. Titanium Transportation hits +\$100M in quarterly revenue for first time

Titanium Transportation Group secured \$100.8 million in revenue in the second quarter of the year, marking its fourth consecutive record quarter and surpassing \$100 million for the first time. The fleet credits growth in both its truck transportation and logistics segments — as well as gains realized through integrating the recently acquired International Truckload Services (ITS).

14. Used truck demand surges, but buying considerations unchanged

You may have to tap the brakes on your dreams to jump into a shiny new truck and roll down the highway. New vehicles are hard to come by as the supply chain issues emerge in the pandemic. It hardly means an end to new opportunities in trucking. A growing number of businesses are simply needing to explore used equipment options. But even those available inventories are tight.

15. Ontario Seeks Feedback to Improve Transportation in Eastern Ontario

Ontario has launched an online survey to gather valuable local input on regional transportation needs and priorities in Eastern Ontario. Feedback from the survey will be used to help develop a long-term plan that will improve the transportation network in the region.

16. Government of Canada and Northwest Territories invest \$50 million in Dehk’è Frank Channel Bridge replacement

On August 13, 2021, the Member of Parliament for Northwest Territories, Michael McLeod, on behalf of the Minister of Transport, the Honourable Omar Alghabra, and the Honourable Diane Archie, Territorial Minister of Infrastructure, announced a major investment for the construction of a new bridge to replace the Dehk’è Frank Channel Bridge, which has reached the end of its life. The Government of Canada is investing \$37.5 million in this project under the National Trade Corridors Fund, and the Government of Northwest Territories is providing \$12.5 million, for a total investment of \$50 million for the new Frank Channel Bridge.

17. Used truck prices continue to rise: Ritchie Bros.

Used truck prices continue to rise in Canada, according to the latest market update from auctioneer Ritchie Bros. In the second quarter, truck tractor prices sold by Ritchie Bros. in Canada were up 14% year-over-year, while vocational truck prices climbed 21%. This paled in comparison to the 31% and 26% increases seen in the U.S. over the same period.

18. Ontario and Toronto Start Delivery of SmartTrack Stations Program

The Ontario government and the City of Toronto have signed a revised “Ontario-Toronto Agreement in Principle,” endorsing the SmartTrack Stations Program, bringing the transit initiative one step closer to construction. The Program will see five new stations along existing GO rail corridors, offering more frequent rapid transit service for the people of Toronto.

19. Trucking conditions softened in June, but remain strong: FTR

Trucking conditions softened slightly in June 2021, according to the FTR Trucking Conditions Index, but still remained “strong” with a reading of 12.61. The index pulls together five metrics affecting the U.S. trucking industry. The pullback from 15.72 in May 2021 reflects slightly weaker freight volumes and rates. However, the index is expected to remain strong as capacity utilization is high.

20. Used Truck Prices Keep Rising: Auctioneer

Used truck prices continue to rise in Canada, according to the latest market update from auctioneer Ritchie Bros. In the second quarter of 2021, truck tractor prices sold by Ritchie Bros. in Canada were up 14% year-over-year, while vocational truck prices climbed 21%. This paled in comparison to the 31% and 26% increases seen in the U.S. over the same period. Canadians were active on both the buy and sell side. Alberta, B.C., and Ontario were among the top five selling and buying regions, joined by California and Texas.

21. Canada’s spot market cools in July

Canadian spot market load volumes fell 11% in July, reflecting Canadian and U.S. holidays. Daily postings were down an average of 6% per day. However, Quebec bucked the trend with strong outbound volumes both domestically and cross-border. Load volumes were up 31% compared to July 2020, according to the latest data from Loadlink Technologies.

22. B.C. to cover cost of training youth to become log truck drivers

The province of B.C. will pay for up to eight youths to launch careers as professional logging truck drivers in the Okanagan region. “Projects like this one support people to find new opportunities in a growing and high-demand sector,” said Nicholas Simons, Minister of Social Development and Poverty Reduction. “Graduates of the program will have the skills they need to find good-paying jobs, while employers will have access to qualified employees.” The total cost borne by the province will be nearly \$325,000, which will allow the youth to get their education at Okanagan College in Vernon.

23. Goodyear working with Plus on autonomous trucking technology

Goodyear has announced it is working with Plus on autonomous trucking technologies. The company will provide its suite of services, including connected tires, to improve efficiency and safety of trucks using Plus’s Level 4 autonomous driving technologies. The partnership will also examine how Goodyear’s connected tires can feed into Plus’s online machine learning-based fuel economy tools.

24. North American Transborder Freight up 41% in June 2021 from June 2020, up 12% since Pre-Pandemic June 2019

The major highlights of transborder freight between the U.S. and North American countries (Canada and Mexico) in June 2021 were as follows: 1) Total Transborder freight: \$116 billion by all modes of transportation, up 41% compared to June 2020. June 2021 Transborder freight was up 11.8% compared to \$103.8 billion in June 2019. 2) Nations: Freight between the U.S. and Canada totalled \$58.8b. Freight between the U.S. and Mexico totalled \$57.2B. 3) Most-used mode: Trucks moved \$72.2 billion of freight, up 27.9% compared to June 2020 and up 10% compared to \$65.6 billion in June 2019. The U.S.-Canada trade (both directions) of \$58.8b by mode were as follows: Truck: \$32.5b; Rail: \$9.2b; Pipeline: \$7.6b; Air: \$3.2b; and Vessel: \$2.6b.

25. Lack of capacity keeping lid on truck tonnage: ATA

U.S. for-hire truck tonnage slid 1.2% in July 2021, according to the American Trucking Associations (ATA). This comes on the heels of a 2% pullback in June. “Softness in tonnage over the last few months is due more to supply constraints, rather than a big drop in freight volumes,” said ATA chief economist Bob Costello. “Not only are there broader supply chain issues, like semiconductors, holding tonnage back, but there are also industry specific difficulties, including the driver shortage and lack of equipment. For-hire truckload carriers are operating fewer trucks than a year earlier. It is difficult to haul significantly more freight with fewer trucks and drivers.”

26. Manitoulin adds Peterborough, Ontario, terminal

Manitoulin Transport has opened a new terminal in Peterborough, Ontario. The 10,088 square foot facility, with 10 dock doors and an outdoor ramp, will increase operating capacity by more than 30 percent. The cross-dock facility also includes office space. Two additional staff will be hired to manage increased volumes. “In a time when many businesses are closing or leaving smaller markets, this investment affirms Manitoulin’s commitment to being in Peterborough for the long term,” said Jeff King, president, Manitoulin Transport.

27. Supply Chain Bottlenecks to Endure: Experts

Stifling supply chain bottlenecks are likely to remain — and possibly worsen — in the months ahead as consumers follow back-to-school purchases with end-of-year holiday shopping, according to experts who spoke with *Transport Topics*. “It seems like every time we find a path out of the disruption, we find another disruption,” Association of Supply Chain Management Executive Vice President Douglas Kent told TT. “It’s a multitude of problems. I wouldn’t put the pandemic as the main disrupter, but it certainly has highlighted some of the vulnerabilities in the supply chain. Some are operational and some are strategic, and the strategic ones are going to be hardest to fix and a much longer cycle time.”

GENERAL TRANSPORTATION

Canada

1. Economy grew in second quarter

The Canadian economy appears to have bounced back after its worst two-month stretch since the start of the pandemic, eking out a gain in June 2021 and growth in the second quarter of the year. Statistics Canada said its preliminary estimate is that real gross domestic product grew at an annualized rate of 2.5 per cent between April and June, buttressed by a 0.7 percent rise in June as pandemic restrictions eased following declines of 0.5 percent in April and 0.3 percent in May. The decline in May put total economic activity about two per cent below pre-pandemic levels seen in February 2020. The agency said that with growth in June 2021, total economic activity was about one percent below pre-pandemic levels.

2. A blueprint for the urban mobility revolution

“The Innovative Mobility Landscape: The Case of Mobility as a Service”, published by the International Transport Forum (ITF) and the World Business Council for Sustainable Development (WBCSD): reviews the changing landscape of urban mobility operators and services; examines how Mobility as a Service (MaaS) can reshape urban travel; and identifies the main regulatory challenges to create a healthy

MaaS ecosystem that delivers clear benefits to people and aligns with societal objectives. The study’s key findings: 1. Covid-19 has temporarily paused transport trends, creating challenges and opportunities. 2. Mobility today offers more choice, has more layers, is more digital – which may shift travel. 3. Urban mobility has the greatest potential to decarbonise. 4. Mobility as a Service promises significant benefits from integrating mobility offers. 5. Mobility as a Service requires an effective framework for regulation and data governance.

3. Government of Canada invests in transportation infrastructure in Nunavut

On August 9, 2021, Minister of Northern Affairs, the Honourable Dan Vandal, on behalf of Minister of Transport, the Honourable Omar Alghabra, announced a major investment of \$30 million for a project that will improve the safety, reliability, and efficiency of air transportation in Nunavut, by building new shelters to house heavy equipment essential for air operations, and to store cargo in the communities of Arviat, Kugaaruk, Taloyoak, Gjoa Haven, Kugluktuk, Pond Inlet, and Grise Fiord.

4. Government of Canada committed to improvements in the Milton Transportation Corridor

As part of its long-term commitment on infrastructure, the Government of Canada renewed the National Trade Corridors Fund in Budget 2021 with an additional \$1.9 billion in funding. The Milton rail corridor plays a key role in supporting the safe and efficient movement of people and goods through the greater Toronto area, and it is facing bottlenecks. On August 10, 2021, the Minister confirmed that the Government of Canada is committed to making improvements in the Milton Corridor. The funding could come from the National Trade Corridors Fund to address bottlenecks and increase the capacity of this critical corridor to meet the growing needs of moving people and freight seamlessly through Mississauga and Milton in order to support the expanding population and economy in the Greater Toronto and Hamilton area.

5. Federal Government Announcement Regarding Mandatory Vaccinations

Intergovernmental Affairs Minister Dominic LeBlanc and Transport Minister Omar Alghabra announced in a press conference on August 13, 2021 that the Government of Canada’s intends to require vaccination for the federal public service as early as the end of September 2021.

GENERAL TRANSPORTATION

Canada

1. Economy grew in second quarter, August 2, 2021, www.insidelogistics.ca
2. A blueprint for the urban mobility revolution, August 6, 2021, www.oecd-itf.org
3. Government of Canada invests in transportation infrastructure in Nunavut, August 9, 2021, www.tc.gc.ca
4. Government of Canada committed to improvements in the Milton Transportation Corridor, August 10, 2021, www.tc.gc.ca
5. Federal Government Announcement Regarding Mandatory Vaccinations, August 13, 2021, www.ontruck.ca
6. High rates, slow service forecast until end of January, August 24, 2021, www.insidelogistics.ca
7. National Travel Survey, first quarter 2021, August 27, 2021, www.statcan.gc.ca
8. Updates to BTS National Transportation Statistics Include Number of Transportation Operators, GDP Attributable to Transportation, among Other Historical Tables, August 27, 2021, www.bts.gov
9. U.S. goods-trade gap shrinks as imports fall from record high, August 27, 2021, www.ajot.com

6. High rates, slow service forecast until end of January

A lack of capacity and exploding transport costs for goods moving from the Far East to Europe are set to last until well into the new year. As a result, the festive season will be spoiled for European importers of consumer goods from Asia this year. Analysis by software company *Setlog* forecasts delivery delays, capacity bottlenecks and freight rates at a very high level until at least the Chinese New Year (end of January). The situation is expected to ease somewhat by Easter 2022 at the earliest, the experts stress.

National Travel Survey, first quarter 2021

In the first quarter of 2021, Canadians took over 27.1 million trips both within Canada and abroad. With ongoing travel restrictions and borders closed to non-essential travel, the volume of trips was quantitatively and qualitatively different when compared with the same quarter in 2019, before the pandemic. The total number of trips made by Canadians from January to March of 2021 was less than half (42.7%) the total made during the same period in 2019. In 2021, almost all (98.4%) of these trips were domestic, while before the pandemic, roughly 15% of trips were to the United States or overseas destinations. With nearly 9 million fewer trips abroad by Canadians in the first quarter, tourism spending abroad was down 92.7% compared with the same quarter in 2019. More recent data on international travel by Canadian residents are available from the monthly "Travel between Canada and other countries."

Updates to BTS National Transportation Statistics Include Number of Transportation Operators, GDP Attributable to Transportation, among Other Historical Tables

BTS on August 27, 2021 released its monthly update to National Transportation Statistics (NTS), a guide to historical transportation trends at the national level. This month's featured table, Age and Availability of Amtrak Locomotive and Car Fleets is part of the NTS section on the condition of the transportation system.

U.S. goods-trade gap shrinks as imports fall from record high

The U.S. merchandise-trade deficit narrowed to the smallest in three months in July 2021 as imports fell from the highest on record. The gap decreased to \$86.4 billion from a revised \$92.1 billion in June 2021, according to Commerce Department data released on August 27, 2021. That was smaller than all estimates in a Bloomberg survey of economists. Imports declined 1.4% to \$233.9 billion, led by a drop in the value of inward-bound shipments of consumer goods. The only category to increase from the prior month was automotive vehicles. The pause in growth in imports comes as Americans rein in spending on purchases and shift their preference toward services as vaccinations enabled people to engage in activities less accessible earlier in the pandemic. Exports climbed for a fifth straight month, advancing 1.5% to a record \$147.6 billion. Gains were broad-based and were led by categories such as capital goods, autos and consumer goods