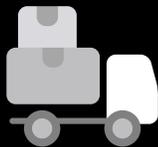
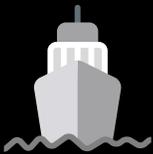
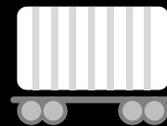




# Arkansas Transportation Report



May 2018



sponsored by The Arkansas Trucking Association & Arkansas State Chamber of Commerce



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# Arkansas River traffic surges in April, tops 1 million tons

For the first time in 2018, monthly barge activity on the Arkansas River topped 1 million tons.

According to information from the U.S. Army Corps of Engineers, traffic on the Arkansas River (McClellan-Kerr Arkansas River Navigation System) in April totaled 1,188,147 tons. That's the highest monthly total of the year, and a 25% jump from 951,934 tons shipped in March. The April total is also a 41.2% increase from 840,871 tons in April 2017.

The year-to-date total of barge activity through April stood at 3,880,476 tons, down 5% from the same period of 2017. Though down slightly from last year, the total still reflects an activity level that continues to recover from a sluggish start to the year. The combined three-month total of 2,692,329 tons through April was down 17% from the same period in 2017. It also represented the lowest YTD mark in the past eight years, encompassing the available historical data online from the Corps of Engineers. The decline in barge activity was caused by high levels on the Arkansas River, brought on by heavy rainfall.

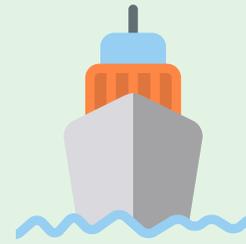
"Those of us who understand and appreciate the untapped potential of waterborne commerce on the inland river system are excited that the Arkansas River continues to increase its tonnage and overall impact on the local economy," said Bryan Day, executive director of the Little Rock Port Authority. "I hope that industries from around the world will take notice of these record numbers and spend a few more minutes looking at the potential to locate their business along this waterway."

Inbound tonnage through the first four months of 2018 totaled 1,603,277 tons, down 1% compared with the same period of 2017. Outbound tonnage in the January-April period was down 5%, from 1,582,433 tons to 1,504,578 tons. Internal tonnage (products shipped between ports on the river) totaled 772,621 tons, a 13% decrease from the January-April period of 2018.

Shipments of chemical fertilizer were the top product through the first four months at 1,104,985 tons, still down 15% compared to the same four months of 2017.

The big gainer was petroleum products, which went from 48,500 tons in January-April 2017 to 77,000 tons in January-April 2018, a jump of 59%.

The Arkansas River system is 445 miles long and stretches from the confluence of the Mississippi River to the Port of Catoosa near Tulsa, Okla. The controlled waterway has 18 locks and dams, with 13 in Arkansas and five in Oklahoma. The river also has five ports: Pine Bluff, Little Rock, Fort Smith, Muskogee, Okla., and the Tulsa Port of Catoosa in Oklahoma. **TBP**



Following are the top five categories of items moved on the Arkansas River through the first four months of 2018.

<b>Chemical fertilizers</b>	<b>down 15%</b>	
January-April 2018: 1,104,985 tons January-April 2017: 1,294,291 tons		
<b>Sand/gravel/rock</b>	<b>down 14%</b>	
January-April 2018: 590,600 tons January-April 2017: 500,711 tons		
<b>Soybeans</b>	<b>up 18%</b>	
January-March 2018: 443,600 tons January-March 2017: 444,800 tons		
<b>Iron/steel</b>	<b>up 14%</b>	
January-April 2018: 479,800 tons January-April 2017: 420,300 tons		
<b>Wheat</b>	<b>down 18%</b>	
January-April 2018: 321,200 tons January-April 2017: 393,000 tons		

## Arkansas River tonnage

(through the first four months each year)

<b>2018:</b> 3,880,476 tons	<b>2014:</b> 4,083,322 tons
<b>2017:</b> 4,087,370 tons	<b>2013:</b> 4,193,801 tons
<b>2016:</b> 3,960,834 tons	<b>2012:</b> 3,799,900 tons
<b>2015:</b> 3,718,174 tons	<b>2011:</b> 3,854,103 tons

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# Freight capacity still tight, but less tight

The most recent data from the Cass Freight Shipments and Expenditures Index indicates freight capacity is tight, but it is slightly less tight. That said, demand is still exceeding capacity in most modes by a significant amount.

April shipments came in at 10.2% higher compared with the same month of 2017. Freight expenditures, the total amount spent on freight, rose 12.8% over the year-ago period of April 2017.

According to Donald Broughton, a chief market strategist and senior transportation analyst with Avondale Partners, which provides economic analysis for the Cass Freight Index, pricing power has erupted in some transportation modes to levels that spark overall inflationary concerns in the broader economy.

“As we explained in previous months, we do not fear long-term inflationary pressure as technology provides multiple ways to ever-increase asset utilization and price discovery in all parts of the economy, especially in transportation,” Broughton wrote. “In fact, we are seeing early signs that ELDs [Electronic Logging Devices] initially hurt the capacity/utilization of truckers, especially small truckers, but those truckers most adversely effected are now beginning to get some of the loss in utilization back.”

The American Trucking Associations’ (ATA) For-Hire Truck Tonnage jumped 2.2% in April, breaking a trend of two consecutive months of decline.

Compared with April 2017, the index surged 9.5%, which was the largest year-over-year increase since October 2017. Year-to-date, compared with the same four months last year, tonnage increased 8%, far outpacing the annual gain of 3.8% in 2017.

“Truck freight tonnage remains robust,” ATA Chief Economist Bob Costello wrote in his report. “And I don’t think we’ve even seen the traditional spring freight season yet. People are just getting around to buying grills, lawn mowers and yard tools. Plus, the produce season was also delayed due to a cold snap in early spring. Longer-term, strength in consumption, factory output and construction should keep truck freight tonnage solid for the quarters ahead.”

Trucking serves as a barometer of the U.S. economy, representing 70.6% of tonnage carried by all modes of domestic freight transportation, including manufactured and retail goods. Trucks hauled nearly 10.5 billion tons of freight in 2016. Motor carriers collected \$676.2 billion, or 79.8% of total revenue earned by all transport modes. **TBP**



## American Trucking Associations



**up 2.2%**

Truck Tonnage Index  
increase in April 2018



**down 1.0%**

Truck Tonnage Index  
decrease in March 2018



**April shipments  
up 10.2%**

compared with April 2017 (Cass Freight Index)



**April expenditures  
up 12.8%**

compared with April 2017 (Cass Freight Index)

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# U.S. rail traffic rises 3.3% in April

Total U.S. railroad traffic in April was 1.05 million carloads, up 3.3% from April 2017, according to the Association of American Railroads (AAR). Intermodal units (containers and trailers) in April totaled 1.09 million units, up 6.8% from the same month last year. Combined there were 2.15 million U.S. carload and intermodal originations in April, up 5.1% from April 2017.

Total U.S. carload traffic for the first four months of 2018 was 4.34 million carloads, up 0.6% from the same period last year; and 4.59 million intermodal units, up 5.8% from last year.

“Total U.S. rail traffic so far this year is a shade below where it was in 2015, but otherwise is higher than it’s been in the last 10 years,” AAR Senior Vice President of Policy and Economics John T. Gray wrote in the report. “Additionally, 15 of the 20 commodity categories we track had higher carloads in April 2018 than in April 2017, the most since January 2015. That’s good news for railroads and good news for the economy.”

Total U.S. weekly traffic for the week ending May 19 was 546,415 carloads and intermodal units, up 3.6% compared with the same week last year.

Total carloads for the period were 261,273 carloads, up 1.2% compared with the same week in 2017, while U.S. weekly intermodal volume was 285,142 containers and trailers, up 5.9% compared with last year.

Total combined U.S. traffic for the first 20 weeks of 2018 was 10,584,987 million carloads and intermodal units, up 3.6% compared with last year.

Six of the 10 carload commodity groups posted an increase compared with the same week in 2017. They included nonmetallic minerals up 2,518 carloads to 40,836; chemicals, up 1,440 carloads to 31,862; and petroleum and petroleum products, up 986 carloads to 10,655. Commodity groups that posted decreases compared with the same week in 2017 included grain, down 1,656 carloads, to 22,225; motor vehicles and parts down 778 carloads to 17,006; and coal, down 371 carloads to 78,519.

North American rail volume for the week ending May 19 on 12 reporting U.S., Canadian and Mexican railroads totaled 366,260 carloads, up 2.3% compared with the same week last year, and 372,668 intermodal units, up 4.6% compared with last year. Total combined weekly rail traffic in North America was 738,928 carloads and intermodal units, up 3.4%. North American rail volume for the first 20 weeks of 2018 was 14,274,661 carloads and intermodal units, up 3.2% compared with 2017.

Canadian railroads reported 83,575 carloads for the week, up 8.3%, and 70,974 intermodal units, up 4.4% compared with the



**3.6%**

Increase in rail car shipments— including intermodal — for the first 20 weeks of 2018.



**1.1%**

Year-to-date increase in rail shipments as of May 19.



**5.9%**

Year-to-date increase in intermodal shipments as of May 19.



**2.3%**

Year-to-date increase in North American rail volumes (Canada, Mexico and U.S.) as of May 19.

same week in 2017.

For the first 20 weeks of 2018, Canadian railroads reported cumulative rail traffic volume of 2,932,441 carloads, containers and trailers, up 3.2%.

Mexican railroads reported 21,412 carloads for the week and 16,552 intermodal units. Cumulative volume on Mexican railroads for the first 20 weeks of 2018 was 757,233 carloads and intermodal containers and trailers. **TBP**

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# April enplanements up at state's three largest airports

After showing slight declines in March, traffic at the state's three largest commercial airports bounced back in April.

Enplanements — or outbound passengers — at Northwest Arkansas Regional Airport (XNA) in Highfill was up 6.37% in April, from 57,146 last year to 60,788 this year. Year-to-date enplanements are also up 2.36% through the first four months, from 216,482 last year to 221,587 this year.

XNA is the state's second-largest airport and saw a record 725,284 enplanements last year, up 3.66% from the previous record total of 699,487 in 2016.

Enplanements at the state's largest airport, Bill and Hillary Clinton National Airport in Little Rock, totaled 86,886 in April, up 6.72% from April 2017. Year-to-date enplanements are up 0.86% through the first four months, from 302,656 last year to 305,262 this year.

After staying below the 1 million mark for two years, enplanements at Clinton National Airport rose to 1.01 million last year, up 2.02% compared with 996,897 in 2016.

April enplanements at Fort Smith Regional Airport totaled 7,031, up 3.74% from 6,777 in the same month last year. January-April enplanements at the airport totaled 26,202, down 3% from the same period last year.

According to the U.S. Department of Transportation, enplanements on all U.S. carriers (including domestic and international traffic) in February — the most recent federal data available — was 72.8 million. That's an increase of 1.4% from January, and a 4.8% jump compared with February 2017. **TBP**



## Enplanement history

### Bill and Hillary Clinton National Airport-Little Rock

2017: 1.01 million  
 2016: 996,897  
 2015: 992,712  
 2014: 1.03 million  
 2013: 1.08 million  
 2012: 1.14 million  
 2011: 1.10 million  
 2010: 1.12 million

**up 0.86%**

January-April 2018: 305,262

January-April 2017: 302,656

### Northwest Arkansas Regional Airport-Highfill

2017: 725,284  
 2016: 699,672  
 2015: 649,741  
 2014: 640,537  
 2013: 581,487  
 2012: 565,045  
 2011: 562,747  
 2010: 570,625

**up 2.36%**

January-April 2018: 221,587

January-April 2017: 216,482

### Fort Smith Regional Airport

2017: 89,582  
 2016: 87,488  
 2015: 86,704  
 2014: 92,869  
 2013: 84,520  
 2012: 86,653  
 2011: 86,234  
 2010: 86,129

**down 3%**

January-April 2018: 26,202

January-April 2017: 27,013

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