

THE INTERCHANGE WEEKLY

Fast Freight Facts at Your Fingertips

Issue 06 · Week of October 5, 2026 · Volume data: AAR Week 39, ended October 3, 2026 · Published by Rail-Industrial Partners

THIS WEEK IN BRIEF

No holiday affects this week's year-over-year figures. No federal holiday falls in AAR Week 39 of 2026 (September 27–October 3) or in the 2025 week it is compared with (September 28–October 4, 2025). Labor Day fell on **September 7, 2026** and **September 1, 2025**, and Columbus Day falls on October 12, 2026 and fell on October 13, 2025, all outside both weeks, so the year-over-year and week-over-week figures can be taken as published.

- **AAR Week 39, ended October 3, 2026:** U.S. rail traffic totaled 529,712 carloads and intermodal units, up 5.1% year over year: 230,711 carloads (+2.4%) and 299,001 containers and trailers (+7.4%). (AJOT; [Progressive Railroading](#))
- **Volume eased from the prior week.** Compared with Week 38, carloads fell 5,076 (–2.2%) and intermodal fell 2,609 (–0.9%). Year to date, combined traffic is 19,988,290 units, up 3.5%.
- **Metallic ores and metals led the named commodity groups** at 23,387 carloads, up 12.8%, followed by petroleum and petroleum products, up 12.2%. Grain was the weakest at 21,170 carloads, down 5.2%, with the harvest running behind its five-year pace. ([Progressive Railroading](#))
- **The October rail fuel surcharge is \$0.59 a mile**, up 11 cents from September and 40 cents from a year ago. USDA expects November to exceed the record \$0.61 set in July 2026. ([USDA AMS](#))
- **Hurricane Isaías shut in 62.89% of Gulf of Mexico oil production** by midday October 8, with about 2.7 million barrels a day of refining capacity in or near its path. Landfall was forecast near the Florida–Alabama border late October 9. ([Transport Topics](#))
- **The STB found BNSF, CSX, Norfolk Southern and Union Pacific revenue adequate for 2025** against a 9.79% industry cost of capital. ([Railway Age](#))
- **Wafra acquired Liberty Development Partners and invested in Gulf Inland Logistics Park and CMC Railroad**, a 3,900-acre rail-served park near Houston with Union Pacific and BNSF interchange. ([Railway Age](#))
- **Sides are forming in the UP–NS merger case ahead of the November 18 comment deadline.** IBEW became the seventh union to oppose it, Shintech filed in support, and ASLRRRA is writing up conditions it wants attached. ([Progressive Railroading](#); [FreightWaves](#))

THE NUMBERS

U.S. HEADLINE

AAR U.S. RAIL TRAFFIC, WEEK 39, ENDED OCTOBER 3, 2026

MEASURE	WEEK 39 (OCT 3)	WEEK 38 (SEP 26)	WOW	WOW %	YOY AS PUBLISHED	YTD, 39 WEEKS	YTD YOY
Carloads	230,711	235,787	-5,076	-2.2%	+2.4%	8,910,593	+2.7%
Intermodal units	299,001	301,610	-2,609	-0.9%	+7.4%	11,077,697	+4.2%
Total traffic	529,712	537,397	-7,685	-1.4%	+5.1%	19,988,290	+3.5%

Week-over-week columns are calculated from the two published AAR weekly releases. Year-over-year and year-to-date percentages are as published. AAR's U.S. figures exclude the U.S. operations of CPKC, CN and GMXT.

NORTH AMERICA

AAR, NINE REPORTING RAILROADS, WEEK ENDED OCTOBER 3, 2026

REGION	CARLOADS	YOY	INTERMODAL	YOY	COMBINED	YTD COMBINED	YTD YOY
United States	230,711	+2.4%	299,001	+7.4%	529,712	19,988,290	+3.5%
Canada	92,532	-0.8%	73,192	+0.7%	165,724	6,418,077	+1.3%
Mexico	11,825	+6.4%	14,179	+36.7%	26,004	993,284	+7.2%
North America	335,068	+1.6%	386,372	+6.9%	721,440	27,399,651	+3.1%

The three countries sum exactly to the published North American totals for both carloads and intermodal. Canada includes CN's and CPKC's U.S. and Mexican operations; Mexico covers GMXT and excludes CPKC's Mexican operation.

COMMODITY GROUPS, RANKED BY YEAR-OVER-YEAR CHANGE

AAR U.S. CARLOADS BY COMMODITY GROUP, WEEK 39

COMMODITY GROUP	WEEK 39 CARS	CARS VS PY	YOY	SHARE
Metallic ores and metals	23,387	+2,647	+12.8%	10.1%
Petroleum and petroleum products	11,804	+1,286	+12.2%	5.1%
Coal	58,163	+1,627	+2.9%	25.2%
Chemicals	32,891	-49	-0.1%	14.3%
Farm products excluding grain, and food	16,935	-720	-4.1%	7.3%
Grain	21,170	-1,160	-5.2%	9.2%
Forest products, nonmetallic minerals, motor vehicles and parts, and other (combined)	66,361	—	—	28.8%
Total carloads	230,711	—	+2.4%	100.0%

Note: Published summaries broke out six of AAR's ten commodity groups with carload counts, so forest products, nonmetallic minerals, motor vehicles and parts, and other are shown combined. Forest products was reported up 7.5%. One outlet listed coal as

down 0.1%. That figure belongs to chemicals; coal rose 2.9%.

BY RAILROAD

STB PART 1250 TOTAL WEEKLY VOLUME BY CARRIER, WEEK ENDED OCTOBER 3, 2026

CARRIER	BNSF	UP	NS	CSX	CN (U.S.)	CPKC (U.S.)
Part 1250 cars, including containers and trailers	204,045	178,793	144,131	132,521	45,591	29,622

Basis note. Part 1250 "carloads" include containers and trailers, so they cannot be compared with a carrier's own carload count, and the carriers are not summed because interchange traffic would be counted twice. CN and CPKC report only U.S. operations to the STB. Source: USDA AgTransport, STB Part 1250 data, via [IndexBox](#).

FREIGHT RAIL COMMODITIES BY RAILROAD

STB PART 1250 ORIGINATED CARS, WEEK ENDED OCTOBER 3, 2026

COMMODITY (ORIGINATED)	BNSF	UP	NS	CSX	CN (U.S.)	CPKC (U.S.)
Containers	104,578	71,709	63,237	50,053	3,553	4,041
Coal	21,504	14,031	10,905	10,887	1,188	n/p
Chemicals	6,704	18,036	3,030	4,803	3,085	2,010
Crushed stone, sand and gravel	4,074	7,246	3,435	5,201	1,791	2,379
Petroleum products	5,753	3,897	n/p	1,344	n/p	1,299
Metals	1,643	1,626	4,124	2,290	n/p	n/p
Metallic ores	2,295	n/p	n/p	n/p	8,779	n/p
Fertilizer	972	1,541	n/p	1,357	n/p	n/p

Originated cars only; do not sum. "n/p" means not published, not zero. CN and CPKC figures are U.S. operations only.

GRAIN BY RAILROAD

USDA GRAIN CARLOADS BY CARRIER, WEEK ENDED SEPTEMBER 26, 2026

CARRIER	WEEK ENDED SEP 26	SAME WEEK 2025	YOY	IN AAR U.S. TOTAL
BNSF	13,167	13,544	-2.8%	Yes
Union Pacific	6,445	5,607	+14.9%	Yes
Norfolk Southern	2,202	1,931	+14.0%	Yes
CSX	1,737	1,527	+13.8%	Yes
Subtotal, AAR-reporting carriers	23,551	22,609	+4.2%	Matches AAR
CPKC (U.S.)	4,595	2,834	+62.2%	No
CN (U.S.)	1,716	1,041	+64.8%	No
U.S. total	29,862	26,484	+12.8%	

The four AAR-reporting carriers sum to 23,551, exactly AAR's U.S. grain figure for Week 38. This USDA table runs one week behind the AAR week above. USDA put the all-carrier total up 8% on the week and 22% above the three-year average. Source: USDA AMS Grain Transportation Report, October 8, Table 3.

SERVICE METRICS

USDA GRAIN SERVICE METRICS BY CARRIER, WEEK ENDED SEPTEMBER 25, 2026

CARRIER	ORIGIN DWELL (HRS)	LAST 4 WEEKS	SAME 4 WEEKS 2025	TRAIN SPEED (MPH)	UNFILLED GRAIN CAR ORDERS
CSX	26.2	30.0	27.9	19.0	0
CN	24.1	25.6	28.5	18.7	0
CPKC	23.2	25.3	18.9	21.3	1,159
Norfolk Southern	22.9	21.9	11.3	24.0	5
BNSF	22.9	23.6	17.5	22.5	954
Union Pacific	10.9	8.3	8.8	22.8	82
Total unfilled orders					2,200

Unfilled manifest grain car orders sum to the published total of 2,200. These figures lag the AAR week by more than a week. The STB's weekly EP 724 system service data were not available in time for this issue. Source: USDA AMS GTR, October 8, Table 4b.

THE READ

Combined volume +5.1% y/y on a clean comp, -1.4% sequentially off a strong Week 38. Intermodal is carrying it: +7.4% vs. +2.4% for carloads, and the spread holds YTD (+4.2% vs. +2.7%). That is truck conversion more than industrial production. TD Cowen's 3Q survey has 32% of shippers shifting volume to rail (20% in 2Q), citing diesel and truck capacity.

Metals (+12.8%) is corroborated by AISI: raw steel +4.8% y/y for the same week at 78.3% utilization. Petroleum (+12.2%) is pre-Isaias; any storm effect lands in Weeks 40-41.

Grain (-5.2%) is harvest timing. USDA had grain carloads +13% y/y the prior week, and storage is 1.28 bbu below average. Watch car supply: CPKC and BNSF hold 95% of unfilled orders.

COMMODITY WATCH

GRAIN AND AGRICULTURE

USDA's Crop Progress report for the week ended October 4 put the corn harvest at 23% complete against a 27% five-year average and soybeans at 25% against 33%. Corn was rated 54% good to excellent, down from 57%, and soybeans 57%, down from 58%. Winter wheat was 36% planted against a 46% average, with Kansas at 24% against 40%. (DTN, October 5) The October WASDE was released at 11 a.m. CDT on October 9, after this issue's data cutoff.

USDA projects a corn, soybean and sorghum harvest of 20.62 billion bushels, including 15.80 billion of corn, the second-largest on record, and a record 4.53 billion of soybeans. With September 1 stocks of 4.49 billion bushels, fall supplies total 25.11 billion against 25.49 billion of storage capacity. The resulting 381-million-bushel surplus is 874 million above last year but 1.28 billion below average, with 18 states in deficit and Iowa short 313 million bushels. (USDA AMS, October 8)

Barge grain movements for the week ended October 3 fell 16% on the week to 332,100 tons, up 9% from a year ago, and 730 grain barges were unloaded at New Orleans, down 23%. St. Louis spot barge freight was \$28.85 a ton, down from \$30.28 but 53% above a year ago. Grain inspected for export in the week ended October 1 was 2.83 million metric tons, down 15% from a year ago but 18% above the three-year average; year to date, inspections are up 11%. The Iowa-to-Gulf soybean basis widened 22 cents to -\$1.51 a bushel.

In the secondary railcar market for the week ended October 1, October shuttle bids averaged \$350 a car over tariff, down \$350 on the week and \$194 below a year ago. UP shuttles fell \$575 to \$125 over tariff and BNSF shuttles fell \$125 to \$575. November and December non-shuttle bids were \$100 over tariff at both BNSF and UP, each down \$50. ([USDA AMS](#))

BY CARRIER

BNSF was the only major grain carrier down year over year in the week ended September 26, at 13,167 cars (-2.8%), against gains of 14.9% at UP, 14.0% at NS, 13.8% at CSX, 62.2% at CPKC and 64.8% at CN (U.S. operations). CN reported another quarterly grain record and CPKC set September and quarterly records. CPKC held 1,159 unfilled grain car orders and BNSF 954, together 95% of the 2,200 national total. UP had 82 and ran origin dwell of 10.9 hours, against 22.9 to 26.2 hours at every other carrier. ([Progressive Railroading](#))

THE READ

Harvest pace, not demand. Corn and soybeans are 4-8 points behind average, and the storage math (381 mbu surplus, 1.28 bbu below average, Iowa short 313 mbu) points to heavy fall rail and barge loadings once combines catch up. The secondary market is pricing the lull: October shuttles fell \$350 to +\$350, UP shuttles \$575 to +\$125. Capacity sits on the wrong network. UP has slack (10.9-hour origin dwell, 82 unfilled orders); CPKC and BNSF have the volume and 2,113 of the 2,200 unfilled orders.

METALS, STEEL AND SCRAP

AISI reported U.S. raw steel production of 1,801,000 net tons at 78.3% capability utilization for the week ended October 3, down 2.4% from 1,845,000 tons at 80.5% the prior week and up 4.8% from 1,718,000 tons a year earlier. Year to date, 71,967,000 net tons at 79.0% utilization, up 5.3%. ([Yieh](#); [SteelOrbis](#))

October ferrous scrap opened higher, with a Detroit-area buyer paying \$20 a gross ton more for shredded and plate and structural and \$10 more for busheling, according to early reports. ([SMU](#)) U.S. steel imports reached a 15-month high of 2,346,901 short tons in August, up 3.4%, and license data put September at 2,492,332 tons, up 6.2%. ([SMU](#)) Commerce preliminarily raised dumping margins on Korean corrosion-resistant steel to 23.4% for KG Dongbu, 19.43% for Dongkuk Coated Metal/Aju and 20.58% for five other companies. ([SMU](#))

Cleveland-Cliffs is indefinitely idling Stelco's Hamilton, Ontario finishing operations and concentrating production at Lake Erie Works in Nanticoke. Canada's industry minister, Mélanie Joly, asked Cliffs for an employment plan, reportedly within five days. ([SMU](#)) Iowa Gov. Kim Reynolds signed MEGA program amendments on October 2 enabling a transferable incentive of up to 10% of qualifying investment over ten years, tied to Mesabi Metallics' planned \$15 billion steel mill. ([Office of the Governor of Iowa](#)) Nucor announced a \$105 million expansion of its Crawfordsville, Indiana utility towers and structures plant, and Worthington Steel said tight supply and extended lead times limited shipments while supporting prices. ([SMU](#); [SMU](#))

BY CARRIER

AAR's metallic ores and metals carloads rose 12.8% in the same week AISI raw steel output rose 4.8% year over year. In Part 1250 originations, metallic ores came mainly from CN at 8,779 cars and BNSF at 2,295, largely Lake Superior iron ore, while finished metals were led by NS at 4,124 and CSX at 2,290. Nucor's Crawfordsville expansion is in CSX and NS territory; the Hamilton idling and shift to Nanticoke fall on CN and CPKC in southern Ontario.

THE READ

Volume, output and capex are aligned. Metals carloads +12.8% on raw steel +4.8% y/y and 79.0% YTD utilization is a demand print, not a comp effect. The open question is imports at a 15-month high alongside extended domestic lead times: gap-fill or share loss. The data can't separate them yet. Nucor's \$105 million Crawfordsville expansion and the \$15 billion Mesabi Metallurgical DRI-EAF project are underwriting gap-fill.

CHEMICALS AND LIQUID BULK

Hurricane Isaias had shut in 62.89% of Gulf of Mexico oil production, about 1.28 million barrels a day, and 57.35% of gas by 11 a.m. CDT October 8, up from 25.08% and 16.37% a day earlier, with 121 of 371 manned platforms evacuated. Shell was shutting in Mars, Olympus, Ursa, Vito and Appomattox, and Chevron began shut-in procedures at four facilities. Isaias was a Category 2 storm with 100-mph winds on the evening of October 8, forecast to make landfall near the Florida–Alabama border late October 9 or early October 10.

About 2.7 million barrels a day of refining capacity, roughly 14% of the U.S. total, sits in or near the forecast path, including Marathon Garyville (617,000 b/d), Chevron Pascagoula (356,000), Shell Norco (231,000), Valero St. Charles (215,000), PBF Chalmette (190,000) and Valero Meraux (125,000). As of October 9, no refinery or petrochemical shutdown or force majeure had been announced. ([Transport Topics](#); [WMTV](#))

December Brent traded at \$102.36 a barrel, up \$2.16, and November WTI at \$89.88, up \$1.60, early on October 8. ICIS reported tanker attacks in the Strait of Hormuz at their highest weekly level since the conflict began in late February, though about 20 million barrels a day of crude was still transiting. ([ICIS](#))

In plastics, ACC data put August U.S. resin production at 9.1 billion pounds, up 1.7% from July and down 0.7% from a year ago. Year to date, production is 71.3 billion pounds, up 4.3%, and sales and captive use 69.8 billion, up 2.2%. ([PlasticsToday](#))

BY CARRIER

AAR chemicals carloads were essentially flat at 32,891 (–0.1%). In Part 1250 originated chemicals, UP led at 18,036 cars, nearly three times BNSF's 6,704, followed by CSX at 4,803, CN at 3,085, NS at 3,030 and CPKC at 2,010. On received cars the order shifts east, with CSX at 5,096 and NS at 4,294 ahead of UP at 3,239. In the merger docket, Shintech said UP carries all of the rail traffic at its Plaquemine and Addis, Louisiana and Freeport, Texas plants.

FUELS AND FUEL ADDITIVES

For the week ended October 2, commercial crude inventories fell to 424.1 million barrels from 427.3 million. Gasoline stocks rose to 204.7 million barrels from 204.4 million, distillate stocks slipped to 105.1 million from 105.2 million, and four-week refinery utilization averaged 94.0%. The next report is due Thursday, October 15, because of the October 12 federal holiday. ([EIA](#))

Ethanol production for the week ended October 2 rose 46,000 barrels a day to 1.053 million, down 1.7% from a year ago. Stocks fell 122,000 barrels to 23.743 million, up 4.5% year over year. ([DTN](#), [citing EIA](#)) U.S. average diesel for the week ended October 5 was \$6.199 a gallon, up \$2.49 from a year ago. The October rail fuel surcharge is \$0.59 a mile, 36 cents above the three-year average. ([USDA AMS](#))

BY CARRIER

AAR petroleum and petroleum products carloads rose 12.2% to 11,804, all before the storm. In Part 1250 originated petroleum products, BNSF led at 5,753 cars, followed by UP at 3,897, CSX at 1,344 and CPKC at 1,299; NS received 1,912. On fuel cost guidance, UP cited diesel near \$4.25 a gallon and a 120–150 basis point margin drag, NS about 250 basis points of operating-ratio pressure, and CSX 110 basis points.

THE READ

At \$0.59 a mile and heading past the \$0.61 record, the surcharge works as a length-of-haul tax. It narrows the advantage of a single-line long haul against a shorter rail leg into a destination transload, and with diesel at \$6.20 it still widens rail's edge over OTR truck. Carriers are eating the rest in OR: UP guiding 120–150 bp, NS about 250 bp, CSX 110 bp.

LUMBER, FOREST AND PAPER

Natural Resources Canada's published prices for the week of October 2 put the framing lumber composite at US\$485 per thousand board feet, down \$6. Eastern SPF 2×4 was C\$570, down \$5, and western SPF kiln-dried 2×4 #2 and better was unchanged at US\$464. The panel composite rose \$5 to US\$538, and north central 7/16" OSB rose C\$10 to C\$460. (NRCan) CME lumber futures settled at US\$526.50, down 14.5% from a year ago and 8.3% from a month earlier, after a one-year high of \$650.06 in late July. Most Canadian producers pay a combined 35.16% anti-dumping and countervailing deposit, plus a 10% national security tariff in place since October 2025. (Wood Central) Bearlodge Forest Products will close its Hulett, Wyoming sawmill and pallet operations after October 31, after nearly 50 years, citing input costs, labor and pricing. (Cowboy State Daily)

Packaging Corporation of America will close its Middletown, Ohio converting plant, affecting about 91 employees, with most released December 1. The work moves to larger plants, including the \$275 million, 556,000-square-foot Newark, Ohio facility that opened in August, about 130 miles away. (PaperAge) Mercer International halted the restart of its 360,000-ton Rosenthal kraft pulp mill in Germany after discoloration was reported near its discharge point; most of the mill's pulp moves by rail. (PaperAge) Norske Skog will invest up to about NOK 850 million to rebuild PM6 at Saugbrugs, Norway for up to 300,000 tons a year of kraftliner, shutting PM4 and PM5 on startup in the first half of 2028, and Sappi Europe announced a €89-a-ton board increase effective November 1. (PaperAge; PaperAge)

BY CARRIER

AAR forest products was reported up 7.5%, against 8,822 carloads (+7.7%) a week earlier. In Part 1250 originations, lumber and wood came mainly from UP at 1,361 cars and BNSF at 883, and pulp and paper from CSX at 1,705 and NS at 1,089. The PCA consolidation from Middletown to Newark stays within the CSX and NS footprint in Ohio.

THE READ

Volume up, price down. Forest products carloads +7.5% against a \$485 framing composite and CME futures -14.5% y/y. That reads as supply pushing into a soft market after two years of curtailments (about 50 North American mills shut or curtailed). Demand hasn't turned.

CEMENT, AGGREGATES AND INDUSTRIAL MINERALS

Construction Partners' Lone Star Paving acquired J.H. Strain & Sons of Tye, Texas, adding two hot-mix asphalt plants serving Abilene and more than 125 employees. (Pit & Quarry) The Granite-Super joint venture won an approximately \$324.8 million contract for Cleveland's Big Creek Tunnel, 22,300 feet of 20-foot tunnel and the last of seven tunnels in the \$3 billion Project Clean Lake program, running from fall 2026 to winter 2030. (Rock Products) NSSGA urged passage of S. 5653, the Bipartisan American Affordability and Jobs Act of 2026, a permitting reform bill from Sens. Capito and Whitehouse with Lee and Heinrich. (Rock Products)

At TACA's San Antonio seminar, TCEQ reported that two central Texas quarries did not measurably add to fine particulate levels, while a sand mine showed higher readings. (Pit & Quarry) Pit & Quarry also reported data center construction competing for materials and equipment, delaying Tecweigh's St. Paul expansion. (Pit & Quarry) No North American cement or industrial minerals developments were reported this week.

BY CARRIER

Crushed stone, sand and gravel sit in AAR's nonmetallic minerals group, which was not broken out this week; it was 34,021 carloads (+3.7%) in Week 38. In Part 1250 originations, UP led at 7,246 cars, followed by CSX at 5,201, BNSF at 4,074 and NS at 3,435. The Cleveland tunnel project is in CSX and NS territory.

FRAC SAND, COAL AND FERTILIZER

Frac sand and proppant. The Baker Hughes count for October 2 put the U.S. at 598 rigs (456 oil, 133 gas), down 1 on the week and up 49 from a year earlier. Canada rose 8 to 216. ([American Oil & Gas Reporter](#)) At an investor conference, Smart Sand CFO Lee Beckelman described more than 450 million tons of Northern White reserves, 10 million tons a year of capacity across Oakdale and Blair, Wisconsin and Ottawa, Illinois, unit trains of 100 to 150 cars, and logistics at about two-thirds of delivered cost. Smart Sand reports third-quarter results November 10. ([The Cerbat Gem](#))

Coal, petcoke and coke. AAR coal carloads rose 2.9% to 58,163, reversing the prior week's 2.1% decline. Queensland's four coal terminals shipped 18.5 million metric tons in September, up 8.5% from a year ago, bringing January–September exports to 149.13 million tons. ([SteelOrbis](#)) In Russia, Rospadskaya suspended production after a mine fire. ([The Coal Hub](#))

Fertilizer. CF Industries pushed the restart of its 1.3-million-ton-a-year Yazoo City, Mississippi nitrogen complex to the first half of 2027, citing equipment fabrication, and expects below-average North American inventories entering the 2027 season. ([Fertilizer Daily](#)) Wholesale prices for the week ended October 2 split sharply: urea \$796.25 a short ton (+9.1%), UAN28 \$533.34 (–11.1%), potash \$571.35 (+6.8%), DAP \$945.56 (–1.7%) and MAP \$978.00 (–3.8%). A 30,000-ton Belarusian potash cargo was reported bound for New Orleans, the first in four years. ([Fertilizer Daily](#)) Four physically settled MIAx NOLA fertilizer futures, for urea, MAP, DAP and potash, begin trading October 19. ([Fertilizer Daily](#))

BY CARRIER

In Part 1250 originated coal, BNSF led at 21,504 cars, followed by UP at 14,031, NS at 10,905 and CSX at 10,887; CPKC received 3,561. Coke originations were CSX 1,144 and CPKC 834. Fertilizer originations were UP 1,541, CSX 1,357 and BNSF 972. Yazoo City is served by CN, so its continued outage affects CN's U.S. traffic rather than an AAR-reporting carrier.

MARKET MOVES

TERMINALS AND FACILITIES

Wafra acquired Liberty Development Partners and made a strategic investment in Gulf Inland Logistics Park and CMC Railroad at Dayton, Texas, northeast of Houston. The park now covers about 3,900 acres of rail-served industrial land, up from about 1,150 acres in 2022, with access to U.S. 90 and SH 99. CMC Railroad interchanges with UP and BNSF, provides switching and storage for more than 1,000 railcars, and expects about 1,000 more storage spaces by year-end. Terms were not disclosed, and current management stays in place. ([Railway Age](#), October 8)

BNSF's Barstow International Gateway awaits a court ruling on an environmental lawsuit brought by the Sierra Club, East Yard Communities for Environmental Justice, NRDC and the Center for Biological Diversity, with construction still targeted for the end of 2026. The 4,500-acre, \$4 billion-plus project includes more than 200 miles of track and warehouses for transloading international containers into domestic ones, with opening targeted for 2028 or 2029. ([RailPrime](#)) UP's Kenny Rocker said rail holds 27% of the Los Angeles basin transportation market, and Larry Gross put intermodal up 6.6% in the quarter's second-to-last week, led by domestic. ([Progressive Railroading](#))

RAILROADS AND SHORT LINES

ASLRRA presented President's Awards for safety to 16 member railroads at its Fall Super Regional Meeting in St. Louis, based on 2025 incident rates. Recipients included Indiana Rail Road, Terminal Railroad Association of St. Louis, Texas North Western, Shenandoah Valley,

Central Railroad of Indiana, Dakota Northern and Port Terminal Railroad Association. (Progressive Railroading) CN reported another quarterly grain record, and CPKC set September and quarterly grain records. (Progressive Railroading)

EQUIPMENT, LABOR AND RATES

Rates. TD Cowen's third-quarter rail shipper survey found shippers expecting rail prices to rise 4.4% over the next 6 to 12 months, the largest expected increase since 2021 and above the 3.7% five-year average. The share of shippers moving volume to rail rose to 32% from 20%, while expected business growth slipped to 1.8%. Roundtable participants cited drayage and chassis availability as ongoing problems, and UP indicated its next bid cycle could shift into the second half of 2027 if truck conditions persist. (Railway Age)

Equipment. Parallel Systems closed a \$100 million Series C to commercialize its third-generation Panther autonomous battery-electric rail vehicle. The Max-Theurer family formed JMT Industrie Holding as a joint holding company for Plasser & Theurer, Robel, Matisa and Seno International, with expected 2026 revenue of about €1.7 billion. (Progressive Railroading)

Labor. IBEW, representing more than 10,000 rail workers, declared opposition to the UP–NS merger after talks with UP on worker protections broke down; it joins BLET, BMWED, BRS, IAM, TCU/IAM and TWU. (Progressive Railroading)

POLICY AND FUNDING

Revenue adequacy, EP 552 (Sub-No. 30). The STB found four Class I railroads revenue adequate for 2025 against a 9.79% cost of capital: UP at 17.09% return on investment, CSX 11.40%, BNSF 10.91% and NS 10.29%. CN's Grand Trunk U.S. affiliates (6.09%) and Soo Line with Kansas City Southern (5.30%) fell short. (Railway Age)

UP–NS merger, STB Finance Docket No. FD 36873. On October 6 the Board accepted four late-filed descriptions of anticipated responsive applications. (STB) George Avery Grimes filed a 23-page statement arguing a combined UP/NS would influence more than 90% of its connected short lines and at least 60% of the short line industry. (Railway Age) Shintech, the largest U.S. PVC producer, filed a letter supporting the merger. (FreightWaves) ASLRRA is drafting comments and possible conditions for the November 18 deadline. (Railway Age) UP CEO Jim Vena put approval odds at 99.99%, while TD Cowen expects a decision no earlier than the second half of 2027. (FreightWaves) A consultant critique challenged the applicants' estimate of about 2.14 million truckloads diverted to rail each year, noting that no truck shippers testified to committing freight. (Railway Age)

Abandonments. The STB decided abandonment exemptions for CSX in Hamilton County, Ohio (AB 55, Sub-No. 823X) on October 7 and for The Alabama Great Southern Railroad in St. Tammany Parish, Louisiana (AB 290, Sub-No. 423X) on October 6.

Funding. FRA designated \$416 million in Florida from its \$5.3 billion August investment: \$356 million to Florida DOT for upgrades at 910 grade crossings and \$57 million to the City of Cocoa for a Brightline station, access road and double track, with Florida adding \$100 million. (Progressive Railroading) No federal rail grant window is currently open; FRA CRISI FY25–26 and the Railroad Crossing Elimination Program both closed in June. Virginia DRPT is taking input on its 2026 Statewide Rail Plan through early November. (Progressive Railroading)

DATES TO WATCH

DATE	EVENT	WHY IT MATTERS
Oct 15, 2026	EIA weekly petroleum report, delayed by the October 12 holiday	First inventory read after Hurricane Isaias
Oct 19, 2026	MIAX NOLA fertilizer futures begin trading	Physically settled urea, MAP, DAP and potash at New Orleans
Oct 31, 2026	Bearlodge Forest Products closes, Hulett, Wyoming	A regional forest products origin exits
Nov 1, 2026	Sappi Europe board increase effective	Watch for North American follow-through
Early Nov 2026	Virginia DRPT Statewide Rail Plan survey closes	Public input on state rail priorities

DATE	EVENT	WHY IT MATTERS
Nov 10, 2026	Smart Sand third-quarter earnings	Northern White volumes and logistics costs
Nov 18, 2026	STB FD 36873: comments and responsive applications due	Merger conditions and responsive filings
Nov 19–20, 2026	RailTrends, New York	All seven Class I railroads and all four STB members
Dec 1, 2026	PCA Middletown, Ohio separations effective	Converting work consolidates in Newark, Ohio
Year-end 2026	CMC Railroad adds about 1,000 railcar storage spaces; Barstow court ruling expected	New Houston-area storage; a \$4 billion intermodal and transload build
Feb 16, 2027	STB FD 36873: responses due	Second round of the merger record
H1 2027	CF Industries Yazoo City restart	1.3 million tons a year of Mid-South nitrogen returns
May 28, 2027	STB FD 36873: final briefs due	Closes the evidentiary record
H1 2028	Norske Skog Saugbrugs PM6 startup	New kraftliner capacity; PM4 and PM5 close

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