



Nodal Exchange, FreightWaves and DAT® to launch the world's first Trucking Freight Futures Contracts

March 7, 2019—Chattanooga, TN – Nodal Exchange, in partnership with FreightWaves, the leading provider of freight market news, data and analytics, and DAT, the largest spot freight marketplace in North America, announced the launch date of the world's first financially settled Trucking Freight Futures contracts planned for March 29, 2019.

U.S. trucking is a \$726 billion industry and is 30 percent bigger than the oil market. Trucking spot market volatility is subject to many factors including government regulations, trade policies, driver availability, seasonality, consumer spending and weather events.

"Nearly every industry with a commoditized product benefits from a futures market- except for trucking," said Craig Fuller, founder and CEO of FreightWaves. "Because of the decentralized nature of trucking and the lack of data, trucking freight futures were once impossible. The industry is undergoing a massive transformation and the growing ubiquity of telematics, mobile devices and interconnected systems are now providing market transparency that didn't exist previously."

The futures contracts will provide a way for carriers, shippers and third-party logistics providers to hedge their exposure to truckload spot rate volatility. Initial contracts will be based on seven lanes between major freight markets, three regional baskets of lanes and a national average truckload spot rate. These lanes have been chosen to provide a way for participants with exposure to truckload transportation costs to hedge their exposure.

"Freight and transportation costs are the most substantial risk to the earnings of an estimated 40 percent of S&P 500 companies," said Fuller. "Labor shortages, regulatory and trade environments, and the trucking industry's 'OPEC' moment in December 2017 with the electronic logging device (ELD) mandate, has created the right inflection point for Trucking Freight Futures to come to market."

Trucking Freight Futures will be financially settled contracts listed on Nodal Exchange, a designated contract market regulated by the U.S. Commodity Futures Trading Commission (CFTC). The contracts will clear through Nodal Clear, the clearinghouse for Nodal Exchange and central counterparty for Nodal Exchange transactions.

Nodal Exchange has established a strong position in the North American monthly power futures markets with 32% market share of open interest as of year-end 2018. Nodal Exchange extended its product offering beyond power and gas with the introduction of environmental contracts in November 2018 and will further its growth into new commodities with the launch of Trucking Freight Futures.

"We are very happy to be able to announce, with FreightWaves and DAT, the planned launch of the world's first trucking freight futures," said Paul Cusenza, Chairman and CEO of Nodal Exchange and Nodal Clear. "We see many similarities between power and trucking freight. For example, both commodities cannot be effectively stored, travel along geographically defined grids, are impacted by weather and are subject to complex seasonally driven demand cycles. We are excited to be able to apply our risk management expertise toward expansion into this new commodity market."

DAT Solutions, widely regarded as the North American truckload industry's benchmark for pricing, has developed the daily price assessments being used for contract settlement across the 7 lanes and basket indices.

Established in 1978, DAT is the trucking industry's largest load board where 256 million online transactions

took place in 2018 to match empty truckload capacity and freight. DAT also collects \$60 billion of actual freight bill data annually through direct system integrations with over 800 manufacturers, distributors, freight brokers and trucking companies. Freight brokers who are responsible for moving 82% of the nation's truckload spot market freight contribute pricing information to DAT RateView, the underlying data source for the Trucking Freight Futures Index.

"When we first started collecting freight rate data in 2010, the goal was to provide greater transparency to transportation professionals and establish a market benchmark," commented Claude Pumilia, President and CEO at DAT. "We continue to innovate through data insights, and our role in Trucking Freight Futures is just one example of how we are helping the industry manage risk and achieve greater success," Pumilia added.

About FreightWaves

FreightWaves is the leading provider of news, data and market analysis for the freight markets and is responsible for commercializing Trucking Freight Futures to industry participants to build awareness and market liquidity. FreightWaves was chosen as the Futures Industry Association (FIA) Innovator of the Year for 2018 for their efforts in developing a new futures market. The company's news site, freightwaves.com, is the number one freight and logistics news site globally and receives 2.7X more on-site engagement than any other freight-related news site. The company's SaaS product, SONAR, is the industry's first and only freight market data and analytics platform. FreightWaves' core customers are both freight industry professionals and financial institutions with direct and indirect exposure to the freight or related markets. www.freightwaves.com

About Nodal

Nodal Exchange is a derivatives exchange providing price, credit and liquidity risk management solutions to participants in the North American commodities markets. Nodal Exchange is a leader in innovation, having introduced the world's largest set of electric power locational (nodal) futures contracts. As part of EEX Group, a group of companies serving international commodity markets, Nodal Exchange currently offers over 1,000 contracts on hundreds of unique locations, providing the most effective basis risk management available to market participants. In addition, Nodal Exchange offers natural gas and environmental contracts. All Nodal Exchange contracts are cleared by Nodal Clear which is a CFTC registered derivatives clearing organization. Nodal Exchange is a designated contract market regulated by the CFTC. www.nodalexchange.com

About DAT

DAT operates the largest truckload freight marketplace in North America. Transportation brokers, carriers and industry analysts rely on DAT for market trends and data insights derived from 256 million annual freight matches and a database of \$60 billion in annual market transactions. DAT Solutions, LLC is a wholly owned subsidiary of Roper Technologies (NYSE:ROP), a diversified technology company and constituent of S&P 500, Fortune 1000 and Russell 1000 indices. www.DAT.com

###

FreightWaves contact:

Lisa McGinty, CMO
(615) 881-9979
lmcginty@freightwaves.com

Nodal Exchange contact:

Nicole Ricard, Managing Director of Marketing
(703) 962-9816
ricard@nodalexchange.com

DAT Solutions contact:

Eileen Hart, Vice President, Marketing & Corporate Communications
pr@dat.com
(503) 672-5132