

# Transport Tracker

## Issue #1106, week ending Jan. 3, 2024; MARS Rail Conf focus on improving service

Industry Overview

### Hoexter's Thought of the Week

#### Rail Shipper Conference to focus on improving rail service

Next week, we are set to attend the Midwest Association of Rail Shippers (MARS) Conference (January 9-11) in Lombard, Illinois. The event includes presentations from Class I rail CEOs CSX's Joe Hinrichs, Norfolk Southern's Alan Shaw, and Canadian Pacific Kansas City's Keith Creel as well as Union Pacific President Beth Whited. The agenda also includes a Rail Shipper Perspective Panel with KBX Rail's Eric Monger and an update from the American Association of Railroads President Ian Jefferies. The Surface Transportation Board (STB) will also be hosting a shipper Question & Answer session to address regulatory questions on freight by rail.

We continue to expect the rails' ability to drive service gains to lead to share win-back and volume growth, despite a soft macro backdrop. With container import volumes inflecting higher and improved labor availability, we expect carriers to highlight improved trip plan compliance and first and last mile service levels. Shippers may also provide insight toward rail volume targets, and thoughts on upside if service continues to improve.

We also expect carriers and shippers to share thoughts on proposed reciprocal switch rules, as well as minimum service standards. In the STB's initial Notice of Proposed Rulemaking in September, the Board suggested 60% on-time performance, average transit time to not exceed 20-25% higher vs prior year's levels, and 80% first- and last-mile success rate, as a minimum service standard before shippers could mandate a forced switch. Although rails noted operating metrics may fluctuate as a result of day-to-day business levels, shippers noted that the 24-hour grace period may be too accommodative. We believe rails are aligned with shippers in looking to ramp service levels and thus, win share. However, we expect any regulations on forced inter-switching to be a slight service and growth headwind. The reciprocal switching may lead to increased congestion and exacerbate performance at times where service is already challenged.

The MARS conference will also host a Short Line Panel with Genesee & Wyoming CCO Mike Peters, American Short Line & Railroad Association President Chuck Baker, RJ Corman EVP Justin Broyles, Gulf & Atlantic Railways CCO Cassie Dull, and Watco Sales Manager Peggy Emeis, as well as a Rail Equipment Manufacturer presentation with railcar lessor GATX. We expect short line carriers to focus on potential regional partnerships with Class I carriers and for GATX to detail equipment demand trends as service ramps and asset turns improve (a potential read through for WAB)

03 January 2024

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### Key Data This Week:

- **Week 52 Rail Carloads: Up 2.7% Y-Y vs Week 51: +21.9% Y-Y**  
(Up for the 7<sup>th</sup> time in 10 weeks)
- **Dry Van spot rates ex-fuel = \$1.41/mile vs \$1.39 last week**, flat with \$1.41 on Dec 31, 2023. Spot rates with fuel were \$1.91 vs. \$1.90 last week, and flat from \$1.91 on Dec. 31, 2023.
- **DAT Load to Truck Ratio – 2.47 for the week of Dec. 31, up 31% seq.** from 1.88 last week.
- **Truck Activity: November Loads -4.3% Y-Y vs October's -5.4%**
- **December ISM Manufacturing Index 47.4, +0.7 pts.** vs November's 46.7

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Timestamp: 03 January 2024 08:03PM EST

**Exhibit 1: Airfreight & Surface Transportation**

Rails, Trucks, Airfreight, Other Transports Summary Valuation Table

Rating	Company	Price 01/03/24	Mkt Cap. (\$ bil.)	P/E '24e EPS	1-Wk Perf	Price Perf YTD %
B-1-7	Canadian National Railway (CNI)	125.06	80.8	20.6x	-1%	0%
B-1-7	Canadian Pacific Kansas City (CP)	78.86	73.5	24.4x	-1%	0%
B-1-7	CSX Corp. (CSX)	34.66	68.5	17.3x	0%	0%
B-1-7	Norfolk Southern Corp. (NSC)	232.97	52.7	17.9x	-1%	-1%
B-1-7	Union Pacific Corp. (UNP)	241.70	147.3	21.0x	-2%	-2%
NR	Grupo México Trans (GMXT*MM)(3)	MXN 38.90	10.0	--	2%	2%
<b>Rail Avg (ex GMXT for P/E)</b>				20.3x	-1%	-1%
<b>Intermodal / Container Lessors:</b>						
B-1-7	J.B. Hunt Transport Svcs (JBHT)	191.95	19.8	21.9x	-5%	-4%
NR	Hub Group (HUBG)	89.73	2.9	16.3x	-4%	-2%
NR	Textainer (TGH)	49.33	2.0	10.1x	0%	0%
<b>Intermodal Average</b>				16.1x	-3%	-2%
<b>Less-than-Truckload (LTL) Carriers:</b>						
C-3-7	ArcBest Corp. (ARCB)	116.42	2.8	11.2x	-5%	-3%
B-1-7	Old Dominion Freight Line (ODFL)	385.12	42.0	29.3x	-7%	-5%
B-1-9	Saia Inc. (SAIA)	418.79	11.1	26.0x	-7%	-4%
B-2-7	TFI International (TFII)	131.65	11.2	15.9x	-4%	-3%
C-1-9	XPO, Inc. (XPO)	82.58	9.6	25.0x	-8%	-6%
<b>LTL Average</b>				20.6x	-6%	-4%
<b>Truckload (TL) Carriers:</b>						
B-1-7	Knight-Swift Transportation (KNX)	55.77	9.0	15.9x	-4%	-3%
B-2-7	Schneider National (SNDR)	24.51	4.3	15.3x	-4%	-4%
B-3-7	Werner Enterprises (WERN)	40.74	2.6	17.0x	-5%	-4%
NR	Covenant Logistics (CVLG)	44.26	0.6	10.4x	-4%	-4%
NR	Heartland Express (HTLD)	13.59	1.1	47.9x	-6%	-5%
NR	Marten Transport (MRTN)	20.00	1.6	19.0x	-6%	-5%
NR	P.A.M. Transport (PTSI)	20.12	0.4	11.8x	-9%	-3%
NR	Universal Logistics Holdings (ULH)	27.96	0.7	--	-2%	0%
<b>TL Average</b>				19.6x	-5%	-3%
<b>Autonomous trucks</b>						
NR	TuSimple (TSP)	0.76	0.2	--	-10%	-13%
NR	Aurora Innovation (AUR)	3.29	5.0	--	-30%	-25%
<b>Autonomous trucks Average</b>				--	-20%	-19%
<b>Airfreight Companies:</b>						
B-1-7	FedEx Corp. (FDX)	247.64	61.9	14.0x	-1%	-2%
B-2-7	UPS (UPS)	157.54	134.2	16.3x	0%	0%
NR	Deutsche Post (DHL GY) (2)	€ 44.35	59.9	--	-1%	-1%
<b>Airfreight Average</b>				15.2x	-1%	-1%
<b>Freight Forwarders / Logistics:</b>						
B-3-7	C.H. Robinson Worldwide (CHRW)	87.34	10.2	21.6x	1%	1%
C-1-9	RXO (RXO)	22.46	2.6	46.4x	-6%	-3%
NR	Landstar System (LSTR)	185.10	6.7	23.6x	-6%	-4%
NR	Expeditors International (EXPD)	127.28	18.5	26.1x	0%	0%
B-2-8	Kuehne + Nagel Intl (KHNGF) (2)	CHF 294.60	41.3	34.6x	2%	2%
B-1-7	DSV Panalpina A/S (DSV DC) (2)	DKK 1,189.5	38.7	3.2x	1%	0%
NR	Forward Air Corp. (FWRD)	61.93	1.6	14.0x	-3%	-1%
NR	Ryder System, Inc. (R)	111.78	5.0	9.4x	-5%	-3%
NR	Air Transport Services Group (ATSG)	16.39	1.1	10.1x	-5%	-7%
NR	Fortress Transportation (FTAI)	44.75	4.5	21.5x	-5%	-4%
B-3-7	World Kinect (WKC)	22.46	1.4	10.1x	-3%	-1%
<b>Freight Forwarder Avg.</b>				20.0x	-3%	-2%
<b>Rail Equipment:</b>						
C-3-7	The Greenbrier Companies (GBX)	44.45	1.4	12.9x	0%	1%
NR	Freightcar America Inc. (RAIL)	2.70	0.0	54.0x	1%	0%
NR	GATX Corporation (GATX)	118.09	4.2	16.8x	-3%	-2%
NR	Koppers Holdings Inc. (KOP)	46.46	1.0	9.9x	-11%	-9%
NR	Trinity Industries Inc. (TRN)	26.11	2.1	13.4x	-1%	-2%
B-2-7	Wabtec Corp. (WAB)	124.68	22.3	18.5x	-2%	-2%
<b>Rail Equipment Avg.(ex-RAIL)</b>				14.3x	-3%	-3%
<b>Transport Average</b>				978.1	-4%	-3%
<b>S&amp;P 500</b>				21.8x	-2%	-1%

Source: BoFA Global Research estimates, Bloomberg, and First Call Estimates (for stocks not covered by BoFA Global Research).

Covered by: (2) Muneeba Kayani, (3) Carlos Peyrelongue - NR: Not Rated.

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**Exhibit 2: Marine Matters**

Crude, Product, Container, Dry Bulk, LNG, Jones Act Summary Valuation Table

Rating	Company	Price 01/03/24	Mkt Cap. (\$ bil.)	P/E '24e EPS or Yield	1-Wk Perf	Price Perf YTD
<b>Marine Matters</b>						
<b>Tanker Companies</b>						
C-2-7	Teekay Tankers, Ltd. (TNK)	53.53	1.8	0.0%	5%	7%
NR	Teekay Shipping Corp. (TK)	7.53	0.7	--	2%	5%
NR	Euronav (EURN)	€ 16.11	3.9	8.8%	2%	1%
NR	DHT Maritime (DHT)	10.28	1.7	18.9%	3%	5%
NR	Frontline Ltd. (FRO)	21.12	4.7	14.8%	5%	5%
NR	Tsakos Energy Navigation (TNP)	23.45	0.7	--	3%	6%
NR	Nordic American Tanker (NAT)	4.46	0.9	10.7%	3%	6%
NR	Ship Finance Limited (SFL)	11.59	1.5	8.8%	1%	3%
NR	KNOT Offshore Partners (KNOP)	6.30	0.2	--	7%	9%
<b>Tanker Average</b>				10.3%	3%	5%
<b>Product Tankers</b>						
C-2-7	Scorpio Tankers (STNG)	64.86	3.5	2.8%	5%	7%
NR	Capital Products (CPLP)	15.07	0.8	4.0%	11%	6%
NR	Ardmore Shipping (ASC)	14.78	0.6	6.2%	4%	5%
<b>Product Tankers Average</b>				4.3%	7%	6%
<b>LNG / LPG</b>						
NR	Golar LNG (GLNG)	23.24	2.5	--	0%	1%
NR	Dynagas LNG Partners (DLNG)	2.94	0.1	13.6%	6%	5%
NR	StealthGas (GASS)	6.92	0.2	--	4%	7%
<b>LNG / LPG Average</b>				13.6%	3%	4%
<b>Container Ship Lessors</b>						
NR	Costamare (CMRE)	10.89	1.3	4.2%	4%	5%
NR	Danaos (DAC)	76.32	1.5	4.2%	3%	3%
NR	Global Ship Lease (GSL)	20.26	0.7	7.4%	1%	2%
<b>Container Average</b>				5.3%	3%	3%
<b>Dry Bulk</b>						
NR	Navios Maritime L.P. (NMM)	28.84	0.9	3.6x	3%	3%
NR	Safe Bulkers, Inc. (SB)	4.01	0.4	5.6x	0%	2%
NR	Diana Shipping (DSX)	3.07	0.3	6.2x	2%	3%
NR	Eagle Bulk Shipping (EGLE)	56.25	0.6	10.7x	4%	2%
NR	Navios Maritime (NM)	28.84	0.9	--	3%	3%
NR	Eneti Inc (NETI)	11.33	0.4	--	0%	0%
NR	Golden Ocean Group (GOGL)	9.92	2.0	10.9x	2%	2%
C-1-7	Pacific Basin Shipping (PCFBF)(1)	HKD 2.58	1.7	6.3x	0%	0%
<b>U.S. Dry Bulk Average</b>				7.2x	2%	2%
<b>Jones Act Carrier/Other</b>						
B-1-9	Kirby Corp. (KEX)	78.72	4.7	15.1x	-1%	0%
NR	Matson Inc. (MATX)	115.35	4.0	15.7x	4%	5%
NR	Tidewater Inc. (TDW)	69.33	3.7	12.2x	-8%	-4%
<b>Jones Act Carrier/Other Average</b>				14.4x	-2%	1%
<b>Container Shipping / Diversified Companies</b>						
B-3-8	AP Moeller-Maersk (AMKBF) (2)	DKK 13,575	34.5	--	11%	12%
B-2-8	COSCO Shipping Holding Co (CICOF)(1)	HK\$7.95	7.6	--	2%	1%
C-3-8	K-Line (KAKKF)(1)	¥6,050.00	10.0	14.6x	0%	0%
B-3-8	Mitsui O.S.K. Lines (MSLOF)(1)	¥4,517.00	11.4	7.7x	0%	0%
B-3-8	NYK Line (NYUKF)(1)	¥4,371.00	15.5	8.9x	0%	0%
NR	Wan Hai Lines (WHILF)	TWD 55.00	5.0	--	-3%	0%
NR	Yang Ming Marine (YMGXF)	TWD 54.00	6.1	--	3%	5%
C-2-8	Evergreen Marine Corp (EVGQF)(2)	TWD 155.00	10.6	--	5%	8%
NR	Hapag LLOYD ADR (HLA GY) (2)	€ 146.40	28.1	--	8%	8%
C-3-9	ZIM Integrated Shipping Svcs (ZIM)	12.26	1.5	--	21%	24%
<b>Container &amp; Diversified Average</b>				10.4x	2%	6%
<b>Shipping Mkt Cap / Shipping Avg</b>				133.5	2%	3%
<b>S&amp;P 500</b>				4,709.28	21.8x	-2%

Source: BoFA Global Research estimates, Bloomberg, (for stocks not covered by BoFA Global Research)

Covered by: (1) Nathan Gee, (2) Muneeba Kayani

NR: Not Rated.

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**Airfreight and Surface Transportation Weekly Movers**

**Best:** GMXT (+2%) KHNGF (+2%) DSV DC (+1%)  
**Worst:** AUR (-30%) KOP (-11%) TSP (-10%)

**Marine Transportation Weekly Movers**

**Best:** ZIM (+21%) AMKBF (+11%) CPLP (+11%)  
**Worst:** TDW (-8%) WHILF (-3%) KEX (-1%)



## Upcoming Calendar of Events

Jan 9-11	Midwest Assoc. of Rail Shippers Meeting, Westin Chicago Lombard
Feb 28-29	Southeast Association of Rail Shippers Spring Meeting, Atlanta
Mar 3-6	Rail Equipment Finance (REF) Conference, La Quinta
Mar 3-6	TPM'24 – Transpacific Maritime Conference, Long Beach
Mar 13	World Kinect Corp (WKC) Investor Day, NYC
Mar 14	Aurora Analyst & Investor Day, Pittsburgh
Mar 19-21	BofA Global Industrials Conference, London
Mar 26	UPS Investor Day, Atlanta
Apr 30-May 2	National Assoc of Rail Shippers (NARS) Ann Mtg, Chicago
<b>May 14-16</b>	<b>BofA's 31<sup>st</sup> Annual Transport, Airline, &amp; Industrials Conf, NYC</b>

## BofA Global Research Reports

Title: Subtitle	Primary Author	Date Published
<a href="#">Trucking: Survey Says: Demand (52.4); Inventory view lower at yearend</a>	Ken Hoexter	29 December 2023
<a href="#">Transport Tracker: Issue #1105, week ending Dec. 27, 2023</a>	Ken Hoexter	27 December 2023

## Company News

**Koppers Holdings Inc.** elected James Sullivan as President & COO, effective January 1, 2024. Mr. Sullivan has been EVP & COO since January 2020. Leroy Ball will continue to serve as CEO of Koppers.

**Genesee & Wyoming, Inc.** (G&W) reported that **Grupo Mexico Transportes** (GMXT) will become its new joint-venture partner for the CG Railway, LLC, a U.S.-Mexico rail-ferry service that offers a three-day port-to-port transit time. CG Railway has direct interchange in the U.S. with G&W subsidiary Alabama & Gulf Coast Railway, Canadian National, CSX, Norfolk Southern and Alabama State Port Authority's Terminal Railway (with connections to BNSF, Canadian Pacific Kansas City, Union Pacific, and Mississippi Export Railroad, among others), and in Mexico with GMXT's Ferrosur (with connections to GMXT's Ferromex, FCCM/FIT, TFVM and CPKC de México).

Freight Brokerage **C.H. Robinson** has agreed with Ancora Catalyst Institutional, for it to renominate current directors Henry Winship and Henry Maier for election at its 2024 annual shareholder meeting. In exchange, Ancora agreed to not nominate any individuals for election to the Board, make any other proposals, or engage in any solicitation of proxies in connection to the 2024 annual shareholder meeting.

## Shipping

Container liner **Maersk** and **Hapag-Lloyd** said on Tuesday their container ships will continue to avoid the Red Sea route that gives access to the Suez Canal after a weekend attack on one of Maersk's vessels. On Sunday, Maersk had paused all Red Sea sailings for 48 hours following attempts by Yemen-based Houthi militants to board the *Maersk Hangzhou*.



## Week 52 Rail Carload Data: Up 2.7% Y-Y

**Key Takeaways – Up 2.7% (from +21.9% last week):** Total carloads for week 52 of 2023 were up 2.7% year-year, to 474,810 (BNSF has not reported yet), decelerating from last week's 21.9% increase (or 607,102 carloads). Carloads were up for the seventh time in the past ten weeks. Week 52 in 2023 included the Christmas Holiday, while Week 52 in 2022 included New Year Holiday. Growth was in line with the past 10-week average of +3.0%, while the full 4Q23 Carloads compared against a 1.7% increase in 4Q22. Coal was up (+3.6% year-year), moderating from last week's 29.3% increase. Nat Gas prices were flat at \$2.56/MMBtu from \$2.55 /MMBtu last week. Coal was up for the ninth time over the last ten weeks, while the absolute level of carloads was 46k, below 57k last week, and the past 10-week avg of 60k. Chemical volumes were up 21.3% year-year, moderating from last week's 23.9% increase. Chemicals posted an uptick for the 17<sup>th</sup> time over the past 18 weeks. Grain (-7.0%) was down, reversing last week's 3.9% increase. Grain was down for the 20<sup>th</sup> time over the last 23 weeks. Petroleum (+8.5%) was up, decelerating from last week's 31.2% increase. This was the 17<sup>th</sup> uptick in the last 18 weeks for Petroleum. Intermodal (-0.7%) was down, reversing last week's 22.9% increase. Intermodal absolute volumes were 208k, below 272k last week, and the 280k past 10-week avg. Auto (-14.7%) was down, reversing last week's 28.6% increase.

**Overall Carloads:** Week 52 carloads were up 2.7% year-year, as increases at CPKC (+9.6%), CN (+5.9%), and UP (+4.6%) more than offset decreases at CSX (-1.0%) and NS (-3.0%). 4Q23 carloads were up 2.1% year-year, as increases at UP (+3.7%), NS (+3.2%), CPKC (+2.2%), and CSX (+1.7%) more than offset a decrease at CN (-1.0%). The 4Q23 carload result of +2.1% finished above our +0.2% full quarter target for the Class I rails, on average. The average carrier beat our target (+180 bps), with CNI the best at +270 bps vs. our target (-1.0% vs. our -3.8%), vs NSC the lowest upside vs our target in the group at +70 bps (+3.2% vs. our +2.6%).

**Revenue Ton Miles:** Week 52 RTMs: CN's RTMs are up 2.0% y-y 4QTD. CPKC's RTM are up 3.5% y-y 4QTD.

**Specifics: Intermodal carloads (43.8% of total)** were down 0.7% year-year, as decreases at CPKC (-3.9%), NS (-3.5%), and UP (-2.6%) more than offset increases at CSX (+1.2%) and CN (+8.2%). **Coal carloads (9.7% of total)** were up 3.6% year-year, as increases at CPKC (+50.4%), CN (+40.5%), and UP (+0.1%) more than offset decreases at NS (-9.1%) and CSX (-23.9%). **Chemical carloads (11.2% of total)** were up 21.3% year-year, as all rails increased, led by: UP (+29.4%), CPKC (+25.8%), CN (+16.0%), NS (+13.0%), and CSX (+12.6%). **Grain carloads (4.0% of total)** were down 7.0% year-year, as decreases at NS (-33.2%), CN (-19.6%), CSX (-9.6%), and CPKC (-4.7%) more than offset an increase at UP (+20.4%). **Petroleum carloads (4.6% of total)** were up 8.5% year-year, as increases at UP (+32.5%), CSX (+18.7%), and CPKC (+3.5%) more than offset decreases at CN (-0.9%) and NS (-1.2%). **Auto carloads (3.8% of total)** were down 14.7% year-year, as all rails declined, led by: CSX (-21.3%), CPKC (-16.8%), NS (-14.6%), (-10.2%), and CN (-10.0%).

### Exhibit 3: Carloads Week 52 2023 vs. 2022; and 4QTD volumes

Week 52 Rail Carload Data: Up 2.7% Y-Y

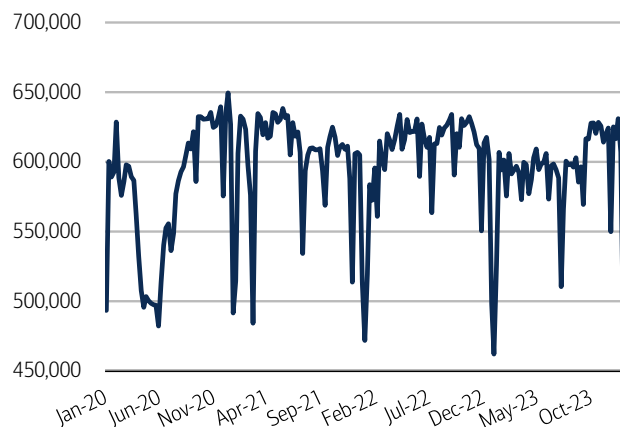
	% of total	2023 Wk 52	2022 Wk 52	% Δ	4Q23 QTD	% Δ
Intermodal	43.8%	208,040	209,404	-0.7%	3,586,885	1.7%
Coal	9.7%	46,133	44,535	3.6%	766,503	5.4%
Chemicals	11.2%	53,320	43,953	21.3%	719,520	7.3%
Auto	3.8%	18,065	21,181	-14.7%	411,995	8.3%
Grain	4.0%	18,987	20,424	-7.0%	348,730	-6.2%
Forest Prod.	3.9%	18,413	16,703	10.2%	263,755	-1.5%
Petrol. Prod.	4.6%	<u>21,708</u>	<u>20,006</u>	<u>8.5%</u>	<u>298,718</u>	<u>8.0%</u>
<b>Total Carloads</b>		<b>474,810</b>	<b>462,118</b>	<b>2.7%</b>	<b>7,865,747</b>	<b>2.1%</b>

Source: BofA Global Research and AAR

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**Exhibit 4: Total Weekly Carload Volumes**

Total volumes were 474,810 for Week 52

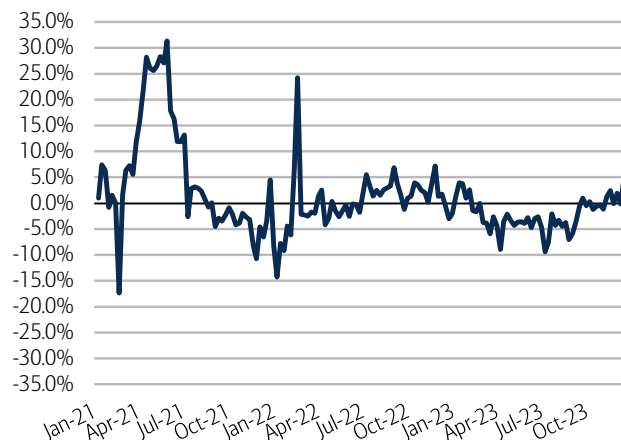


Source: BofA Global Research and Association of American Railroads.

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**Exhibit 5: Total Weekly Carload Growth Y-o-Y**

Total volume growth was 2.7% y-y for Week 52



Source: BofA Global Research and Association of American Railroads.

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**Exhibit 6: Total Quarterly Carload Growth Y-o-Y**

Total Carloads Forecast Up 0.2% in 4Q23

	3Q19a	4Q19a	1Q20a	2Q20a	3Q20a	4Q20a	1Q21a	2Q21a	3Q21a	4Q21a	1Q22a	2Q22a	3Q22a	4Q22a	1Q23a	2Q23a	3Q23a	4Q23e
<b>BNSF</b>	-2.5%	-6.2%	-5.2%	-17.9%	-8.3%	2.6%	4.8%	24.5%	4.4%	-3.1%	-3.3%	-5.6%	-5.0%	-9.2%	-10.3%	-11.1%	-4.8%	-
<b>CNI</b>	0.4%	-7.3%	-5.9%	-15.9%	-5.9%	7.1%	7.2%	13.5%	-0.9%	-10.0%	-5.9%	0.3%	2.9%	2.5%	0.5%	-7.1%	-9.7%	-3.8%
<b>CPKC</b>							-1.1%	19.6%	-0.5%	-5.7%	-4.0%	0.1%	10.1%	7.5%	5.7%	-2.3%	-4.9%	0.2%
<b>CSX</b>	-5.3%	-6.6%	-1.1%	-20.5%	-3.0%	3.9%	1.0%	26.6%	2.7%	-1.8%	-2.0%	0.2%	1.5%	-1.8%	-0.8%	-3.0%	-2.3%	0.1%
<b>NSC</b>	-5.8%	-9.2%	-11.4%	-25.6%	-7.0%	-1.2%	2.9%	25.5%	-0.3%	-3.6%	-4.5%	-3.3%	-2.1%	-1.3%	-0.1%	-5.6%	-2.2%	2.6%
<b>UNP</b>	-8.1%	-11.1%	-7.0%	-19.6%	-4.0%	2.9%	-0.7%	21.9%	0.0%	-3.9%	4.1%	-1.4%	3.2%	0.8%	-1.4%	-1.8%	-2.7%	1.8%
<b>Total</b>	-4.1%	-7.7%	-1.2%	-16.2%	-1.9%	6.9%	2.5%	22.3%	1.2%	-4.4%	-2.4%	-2.1%	0.8%	-1.5%	-2.2%	-5.6%	-4.3%	0.2%

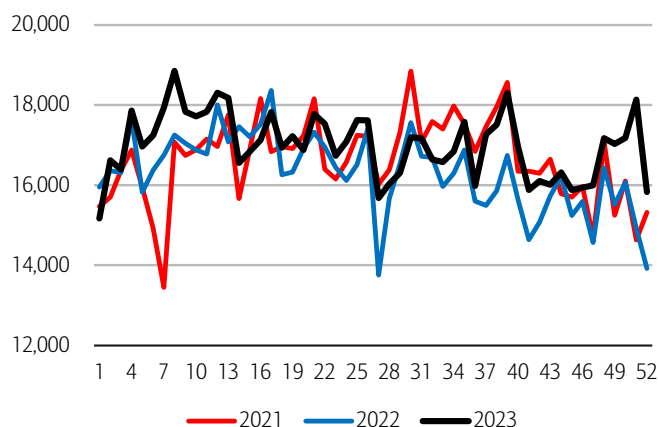
Source: BofA Global Research and Association of American Railroads.

Note: The total for 4Q23 is an average of the estimates; CPKC Reinstated data from 2020.

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**Selected Segments Weekly Carloads****Exhibit 7: Metal Carloads**

Metal Carloads were 15,832 in Week 52, up 13.7% Y-Y

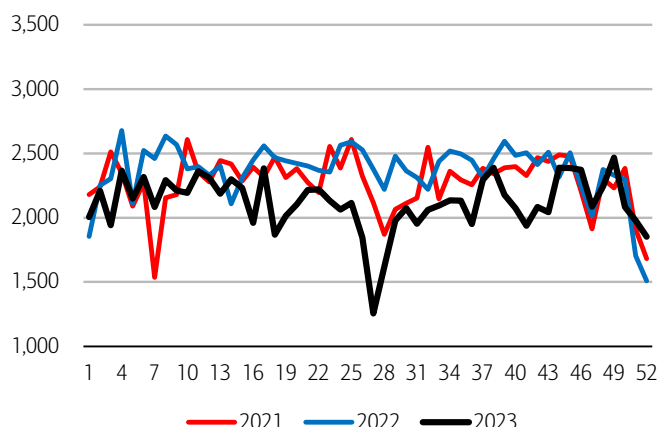


Source: BofA Global Research and Company data.

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**Exhibit 8: Forest Product Carloads**

Forest Product Carloads were 1,853 in Week 52, up 22.8% Y-Y



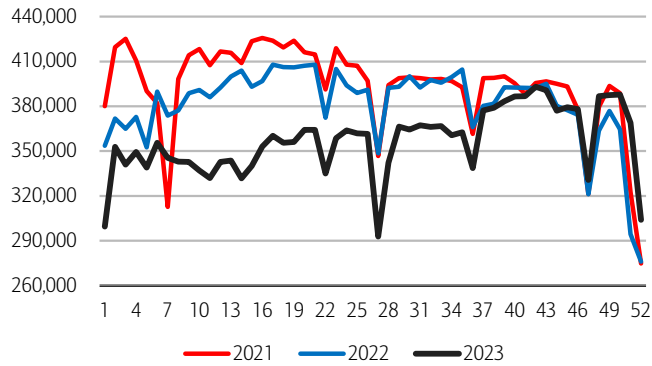
Source: BofA Global Research and Company data.

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## Selected Segments Weekly Carloads

### Exhibit 9: Intermodal Carloads

Intermodal Carloads were 304,046 in Week 52, up 10.2% Y-Y

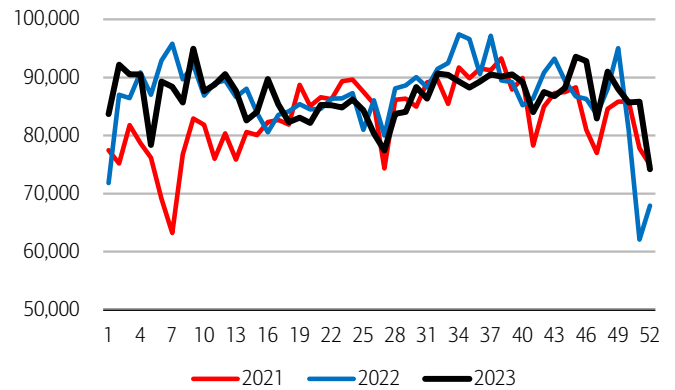


Source: BofA Global Research and Company data.

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### Exhibit 10: Coal Carloads

Coal Carloads were 74,212 in Week 52, up 9.3% Y-Y

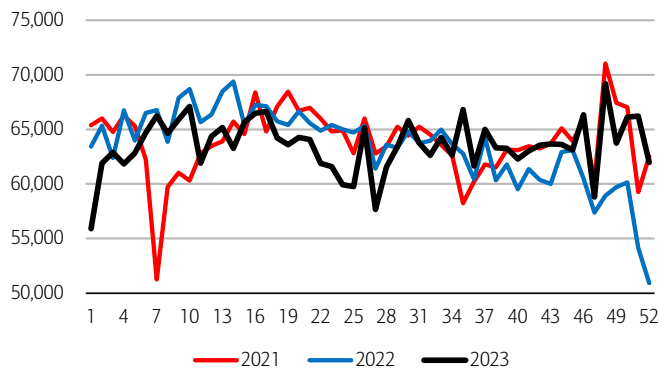


Source: BofA Global Research and Company data.

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### Exhibit 11: Chemical Carloads

Chemical Carloads were 61,985 in Week 52, up 21.7% Y-Y

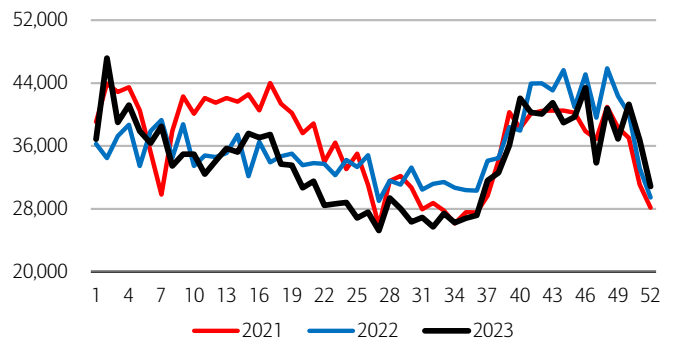


Source: BofA Global Research and Company data.

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### Exhibit 12: Grain Carloads

Grain Carloads were 30,845 in Week 52, up 4.7% Y-Y

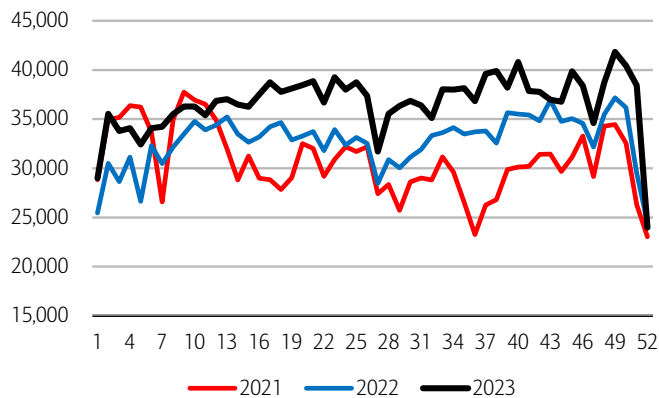


Source: BofA Global Research and Company data.

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### Exhibit 13: Auto Carloads

Auto Carloads were 23,964 in Week 52, down 2.0% Y-Y

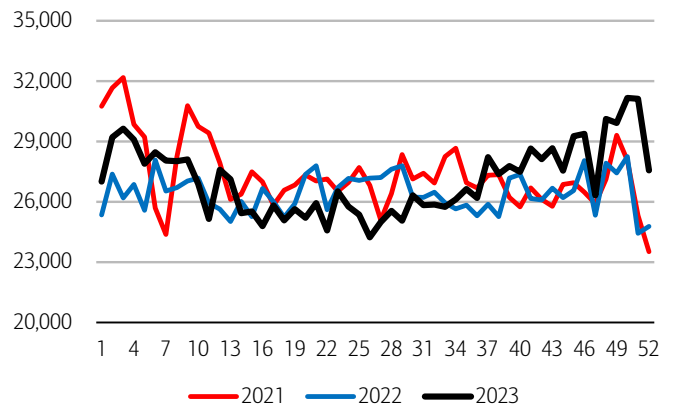


Source: BofA Global Research and Company data.

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### Exhibit 14: Petroleum Products Carloads

Petroleum Products Carloads were 27,563 in Week 52, up 11.3% Y-Y



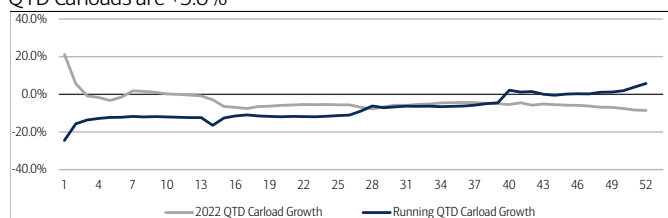
Source: BofA Global Research and Company data.

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## Selected Segments Weekly Carloads

### Exhibit 15: BNSF Carloads

QTD Carloads are +5.8%

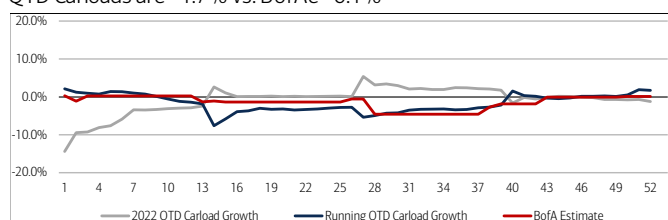


Carloads	Intermodal	Automotive	Industrial	Coal	Agriculture	Total Carloads
2023 Week 52	96,006	5,899	31,696	28,079	21,725	183,405
2022 Week 52	66,610	3,267	25,441	23,375	17,853	136,546
4Q23 QTD	1,270,689	74,438	404,534	363,149	288,046	2,400,856
4Q22 QTD	1,173,774	61,668	382,862	368,308	283,555	2,270,167
4Q QTD yoy % Chng	8.3%	20.7%	5.7%	-1.4%	1.6%	5.8%

Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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### Exhibit 17: CSX Carloads

QTD Carloads are +1.7% vs. BofAe +0.1%

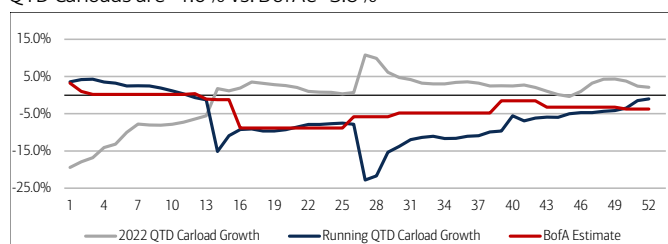


Carloads	Coal	Intermodal	Automotive	Food Products	Metals & Equipment	Forest Products	Chemicals & Petrol.	Fertilizers	Total Carloads
2023 Week 52	9,674	40,958	4,222	6,809	4,700	4,525	13,004	1,601	90,234
2022 Week 52	11,847	40,455	5,362	6,905	4,314	4,246	11,569	1,617	91,155
4Q23 QTD	191,853	714,118	97,950	110,273	72,798	59,415	183,744	23,440	1,553,513
4Q22 QTD	183,360	712,315	89,663	113,657	68,127	62,033	178,270	26,824	1,527,075
4Q QTD yoy % Chng	4.6%	0.3%	9.2%	-3.0%	6.9%	-4.2%	3.1%	-12.6%	1.7%
4Q BofA estimate	5.3%	-2.1%	9.5%	-1.5%	0.4%	-3.7%	1.1%	-7.3%	0.1%

Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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### Exhibit 19: CNI Carloads

QTD Carloads are -1.0% vs. BofAe -3.8%

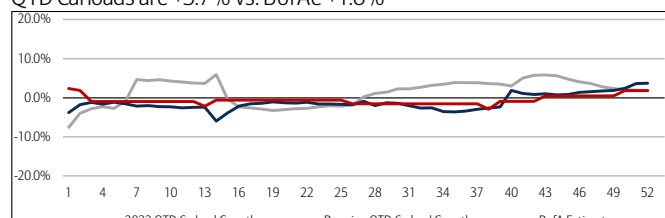


Carloads	Grain & Fertilizer	Forest & Paper	Coal & Coke	Intermodal	Automotive	Petrol. & Chemicals	Metals & Minerals	Total Carloads
2023 Week 52	9,556	4,559	8,121	34,137	2,510	12,009	14,986	85,879
2022 Week 52	10,157	4,423	5,992	31,553	2,791	11,244	14,927	81,088
4Q23 QTD	175,249	77,745	125,080	519,165	59,720	179,237	234,783	1,370,978
4Q22 QTD	189,514	81,485	124,223	548,834	52,797	158,000	230,471	1,385,324
4Q QTD yoy % Chng	-7.5%	-4.6%	0.7%	-5.4%	13.1%	13.4%	1.9%	-1.0%
4Q BofA estimate	-0.4%	-8.2%	-1.5%	-10.4%	16.3%	4.7%	-0.7%	-3.8%

Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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### Exhibit 16: Union Pacific Carloads

QTD Carloads are +3.7% vs. BofAe +1.8%

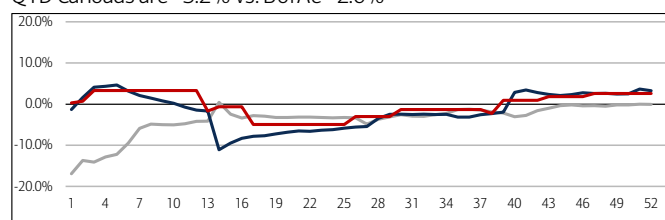


Carloads	Grain & Products	Fertilizer	Coal & Renewable	Industrial Chemicals & Plastics	Metals & Minerals	Forest Products	Energy Specialized Markets	Automotive	Intermodal	Total Carloads
2023 Week 52	13,950	3,521	13,809	11,898	9,562	4,001	11,231	10,725	43,466	125,682
2022 Week 52	11,579	2,859	13,760	9,955	10,086	3,367	9,410	11,413	44,691	120,130
4Q23 QTD	200,171	48,196	214,308	158,951	175,215	56,749	165,707	201,988	772,189	2,043,824
4Q22 QTD	195,809	45,080	213,495	151,164	182,407	54,695	149,794	192,573	736,912	1,971,156
4Q QTD yoy % Chng	2.2%	6.9%	0.4%	5.2%	-3.9%	3.8%	10.6%	4.9%	4.8%	3.7%
4Q BofA estimate	-1.5%	4.2%	-2.9%	1.3%	-4.9%	1.4%	8.8%	4.0%	4.0%	1.8%

Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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### Exhibit 18: NSC Carloads

QTD Carloads are +3.2% vs. BofAe +2.6%

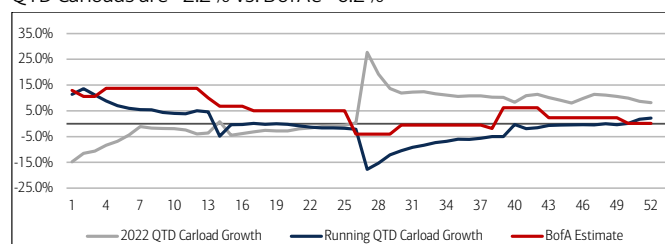


Carloads	Coal	Intermodal	Automotive	Ag. Forest & Consumer Prod.	Metals & Construction	Chemicals	Total Carloads
2023 Week 52	9,438	57,571	3,920	11,996	8,068	9,630	100,623
2022 Week 52	10,240	59,678	4,588	12,322	7,789	9,096	103,713
4Q23 QTD	170,712	1,009,157	91,416	178,944	138,227	144,721	1,733,176
4Q22 QTD	168,166	956,972	86,036	182,705	139,102	145,796	1,678,778
4Q QTD yoy % Chng	1.5%	5.5%	6.3%	-2.1%	-0.6%	-0.7%	3.2%
4Q BofA estimate	5.5%	4.5%	3.7%	-3.0%	-1.7%	-3.3%	2.6%

Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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### Exhibit 20: CPKC Carloads

QTD Carloads are +2.2% vs. BofAe +0.2%



Carloads	Grain	Coal	Polish	Fertilizer & Sulphur	Forest Products	Chem/Plastics	Minerals/Consumer	Automotive	Intermodal	Total Carloads
2023 Week 52	8,096	10,151	3,503	1,511	2,642	10,635	8,750	2,176	24,928	72,382
2022 Week 52	7,421	6,805	2,071	974	2,400	10,313	7,593	2,572	25,883	66,032
4Q23 QTD	148,654	134,482	41,484	18,227	36,535	145,178	133,126	57,985	448,585	1,164,256
4Q22 QTD	160,356	107,274	35,417	16,400	38,232	143,822	131,016	52,495	454,585	1,139,597
4Q QTD yoy % Chng	-7.3%	25.4%	17.1%	11.1%	-4.4%	0.9%	1.6%	10.5%	-1.3%	2.2%
4Q BofA estimate	-9.0%	20.3%	18.0%	8.3%	-5.8%	-0.1%	0.6%	11.8%	-3.6%	0.2%

Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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## Diesel Fuel Prices: -1.0% sequentially

Diesel fuel prices were down 1.0% from last week, to \$3.88 for week 52 of 2023. Prices remain below \$4.00 for the fourth consecutive week, while posting the 12<sup>th</sup> downtick in the past 13 weeks. The 4Q23 average for on-highway diesel was \$4.26/gallon, down 16% y-y from \$5.07 in 4Q22, while up 1% y-y sequentially from 3Q23's \$4.24.

**WTI crude oil** futures closed at \$70.43, down 7% from last week's \$75.57. This was the fifth weekly downtick in seven weeks. The 4Q23 average was \$78.44, down 4% from 4Q22's \$82.53 average, and down 5% from 3Q23's \$82.08. We target \$77 and \$80 for 1Q24 and 2024.

**Brent crude oil** futures closed at \$75.94, down 6% from last week's \$81.07. The 4Q23 average closed at \$82.80, down 6% from 4Q22 average of \$88.56, and down 4% from 3Q23's average of \$85.92.

**The Brent to WTI gap** is \$5.51, flat with last week's \$5.50. The current spread is down 11% from the 4Q22 avg. of \$6.03.

**Natural Gas** futures closed at \$2.56 on January 2<sup>nd</sup>, flat with \$2.55 last Tuesday. Nat Gas trends below \$3.00 for the seventh consecutive week. The 4Q23 average closed at \$2.91, down 53% from the 4Q22 average of \$6.13.

### Exhibit 21: Fuel surcharges

Weekly and Monthly surcharges table

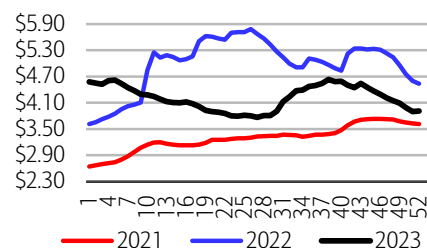
	<b>Week 51</b> <b>12/20/23</b>	<b>Week 52</b> <b>12/27/23</b>	<b>Week 1</b> <b>1/3/24</b>
ARCB - LTL	31.5%	31.8%	31.4%
XPO - LTL	33.8%	32.8%	33.3%
ARCB - TL	63.0%	63.6%	62.8%
XPO - TL	67.5%	65.5%	66.5%
FDX - Express	15.50%	15.25%	16.50%
UPS - Express	18.25%	18.00%	18.00%
FDX - Ground	15.50%	15.25%	15.50%
UPS - Ground	15.75%	15.50%	15.50%
	<b>Nov-23</b>	<b>Dec-23</b>	<b>Jan-24</b>
UP (standard)	\$0.50	\$0.49	\$0.44
y-y % change	-14%	-22%	-31%
UP (coal)	\$0.50	\$0.49	\$0.44
y-y % change	-14%	-22%	-31%
CSX	\$0.65	\$0.63	\$0.57
y-y % change	-13%	-22%	-30%
CPKC	\$0.61	\$0.60	\$0.53
y-y % change	-15%	-22%	-32%

Source: BofA Global Research and company reports.

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### Exhibit 22: National Diesel Fuel Prices

Diesel fuel prices: \$3.88 for week 52 of 2023

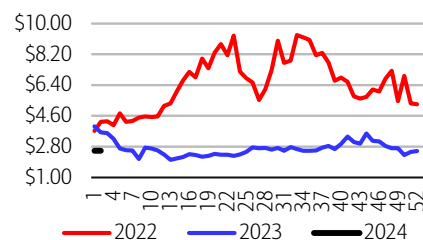


Source: BofA Global Research, DOE, Bloomberg

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### Exhibit 23: US Nat Gas Price Per MMBtu.

Futures closed at \$2.56 on January 2<sup>nd</sup>

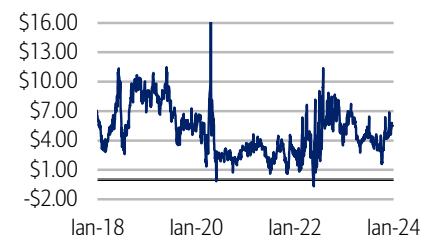


Source: BofA Global Research, DOE, Bloomberg

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### Exhibit 24: Brent to WTI Spread

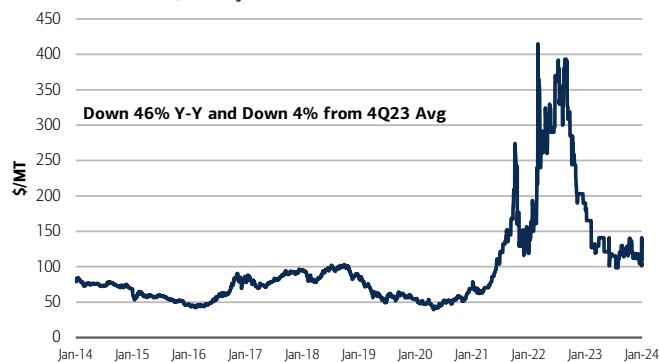
The Brent to WTI gap is \$5.51



Source: BofA Global Research, DOE, Bloomberg

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**Exhibit 25: Thermal Coal, Europe Coal 6000kcal CIF ARA Forward**Price = \$103.50 on January 3<sup>rd</sup>

Source: BofA Global Research and Bloomberg.

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**Exhibit 26: Australian Premium Coking Coal Futures**Price = \$330.00 on January 3<sup>rd</sup>

Source: BofA Global Research and Bloomberg.

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**Exhibit 27: Class 8 Truck net orders**

Prelim. November Class 8 Net Orders at 41,700 vs 32,287 in October



Source: BofA Global Research estimates and American Commercial Transportation Research (ACT)

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**Prelim. November Class 8 Net Orders at 41,700 (from 32,287 in October)****Exhibit 28: Class 8 Truck net orders**

Final Class 8 Net Orders at 41,732 in November (Preliminary was 41,700)

**November Class 8 Final Orders at 41,732****CLASS 8 NET ORDERS**

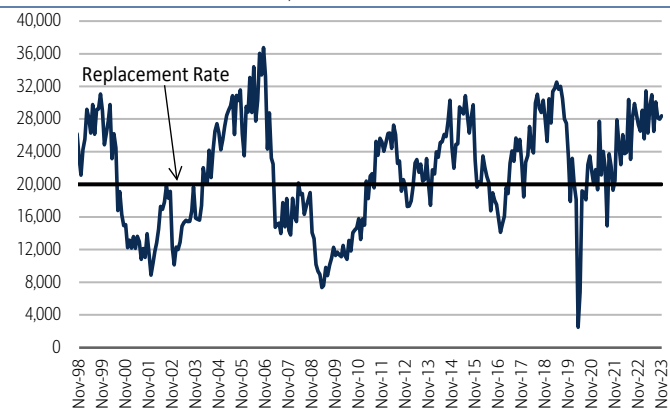
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
JAN	49,136	16,105	17,204	42,307	21,041	18,624
FEB	40,271	16,854	14,040	44,190	21,006	23,790
MAR	46,593	15,783	7,632	40,049	21,301	19,010
APR	34,735	14,859	4,251	33,353	15,820	12,016
MAY	35,721	10,886	6,690	23,072	14,081	15,623
JUN	42,213	12,979	16,010	25,824	15,444	16,773
JUL	52,618	10,298	20,359	25,876	11,025	15,573
AUG	53,040	11,119	19,389	37,096	20,892	19,513
SEP	42,781	12,692	30,768	27,323	53,271	36,974
OCT	43,526	21,864	39,089	23,391	42,359	32,287
NOV	28,114	17,483	52,104	9,902	32,630	41,732
DEC	21,381	20,073	50,760	20,651	30,623	
Year Total	490,129	180,995	278,296	353,034	299,493	251,984

Source: American Commercial Transportation Research (ACT)

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**Exhibit 29: Class 8 Truck production**

Class 8 Truck Production at 28,379 in November

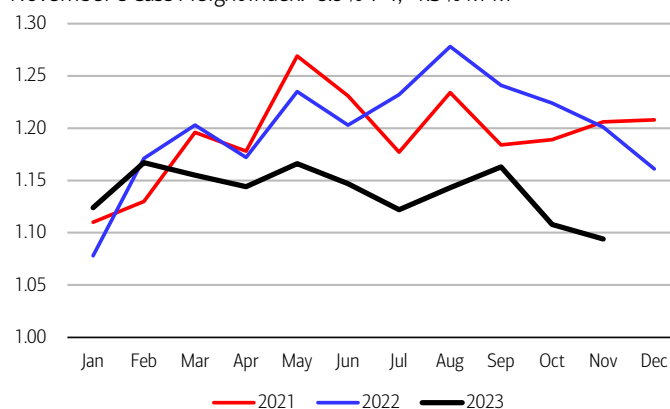


Source: BofA Global Research estimates and American Commercial Transportation Research (ACT)  
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## Class 8 Truck Production at 28,379 Up 1% Sequentially

**Exhibit 30: Cass Freight Shipments Index**

November's Cass Freight Index: -8.9% Y-Y, -1.3% M-M



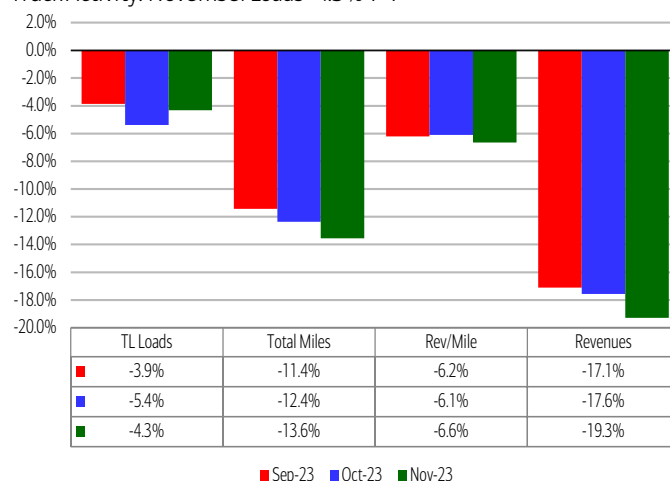
Source: Cass Information Systems, Inc.

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## Cass Freight Index: -8.9% Y-Y, -1.3% M-M

**Exhibit 31: Truck Activity**

Truck Activity: November Loads -4.3% Y-Y



Source: American Trucking Association

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## November Total Truck Loads: -4.3% Y-Y

Total truck loads declined 4.3% year-over-year in November, to a 100.9 index, moderating from October's 5.4% decline, according to the American Trucking Association (ATA). On a y-y basis, the loads index was down for the ninth consecutive month. Total revenues were down 19.3% year-year, deteriorating from October's 17.6% decrease, and Revenue per mile was down 6.6%, in line with the 6.1% decline in October. Total Revenues were down for the ninth consecutive month, while Rev/Mile for the tenth consecutive. Total miles were down 13.6% year-year, deteriorating from last month's 12.4% decline. During the month, DAT's seasonally adjusted Spot loads index was up 8% sequentially (to 217.2 from 200.6) and down 39% year-year. Within Less-Than-Truckload (LTL), tonnage was down 8.5% year-year, deteriorating from October's 7.3% decrease, while the overall LTL Revenue was down 10.4%, deteriorating from last month's 2.8% decrease. This was the 12<sup>th</sup> consecutive decline for this index. At the same time, Revenue per ton was down 2.0% in November, reversing October's 3.5% increase, and it was the first downtick in four months.

**Exhibit 32: Historical ATA Truck Tonnage Index**

Preliminary November Truck Tonnage: -1.2% Y-Y, -1.0% M-M



Source: American Trucking Association

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**Exhibit 33: Historical ATA Truck Tonnage Index**

October Truck Tonnage: -2.4% Y-Y, +0.9% M-M

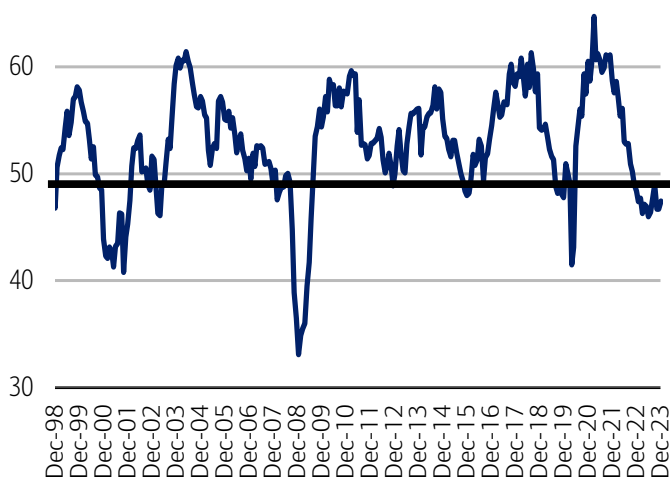
	2017	2018	2019	2020	2021	2022	2023
JAN	103.2	109.5	116.1	117.0	114.2	115.5	117.0
FEB	104.2	111.9	116.1	116.9	112.5	116.1	118.0
MAR	103.5	112.7	116.7	117.9	114.5	118.8	114.7
APR	104.3	111.9	117.6	107.3	113.7	116.5	112.7
MAY	105.0	113.3	117.4	109.7	112.9	117.1	114.1
JUN	103.7	113.8	117.1	111.1	111.3	117.5	113.8
JUL	106.9	113.0	118.3	113.1	110.6	115.8	115.0
AUG	108.2	113.7	119.7	110.9	110.8	118.2	115.2
SEP	108.8	114.7	117.3	111.0	112.7	119.1	113.9
OCT	109.2	116.0	117.9	111.1	113.1	117.6	114.9
NOV	109.9	116.8	116.9	111.8	113.8	114.8	
DEC	111.6	114.7	116.1	113.1	114.9	116.2	
Avg.	106.5	113.5	117.3	112.6	112.9	116.8	114.9

Source: American Trucking Association

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**Exhibit 34: ISM Manufacturing Index**

December ISM Manufacturing Index 47.4, +0.7 pts.



Source: BoFA Global Research and Bloomberg.

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**Prelim. November Truck Tonnage: -2.1% Y-Y, +1.1% M-M**

**October Truck Tonnage: -2.4% Y-Y, +0.9% M-M**

**ISM Manufacturing Index 47.4, +0.7 pts.**

**Increased to 47.4 from 46.7:** The Institute of Supply Management's Manufacturing Index was 46.7 in December, up 0.7 pts. from November's report. Economic activity in the manufacturing sector contracted for the 14<sup>th</sup> consecutive month, and the overall economy remained in contraction for the third consecutive month. Prices Index (-4.7 to 45.2) indicates decreasing raw materials prices for the eighth consecutive month, while Production Index (+1.8 to 50.3) indicates growth. New orders Index (-1.2 to 47.1) indicates order contractions for the 16<sup>th</sup> consecutive month, and the Employment Index (+2.3 to 48.1) indicated contraction for the sixth month over the last seven. Exports Index (+3.9 to 49.9) indicates contraction, and the Imports Index (+0.2 to 46.4) indicates contraction for the 14<sup>th</sup> consecutive month. Customer Inventories Index (-2.7 to 48.1) indicates levels are now perceived as too low, and Backlog of orders Index (+6.0 to 45.3) indicates contraction for the 15<sup>th</sup> consecutive month. The ISM had 5 upticks and 3 downticks this month, 3 upticks and 5 downticks in November and also in October, and 5 upticks and 3 downticks in September.

**Exhibit 35: BofA Truckload Diffusion Indicator**Demand Indicator at 52.4 from 49.0 (bi-weekly Issue #299 on Dec 28<sup>th</sup>)

Source: BofA Global Research estimates

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**BofA TRUCK SHIPPER SURVEY****Survey Says: Demand (52.4)**

This week, our proprietary bi-weekly **BofA Truckload Demand Indicator** for shippers' 0- to 3-month freight demand outlook **increased to 52.4 from 49.0 last survey**. The Demand Indicator moves above 50 for the first time since week of Nov 3, and for the only the 5th time in the past 20 issues. Nevertheless, it remains below the 54.2 average level of the '12, '15, '19 Freight Recession periods, highlighting the still relatively soft backdrop, but ends 2023 on a continued upswing from its recent trough. The Demand Indicator was up 6% year-year, its 8th year-year uptick in the past 10 issues. Rail carloads increased 22% year-year this week, above expectations even given the shift of Christmas day, its 6th uptick in 9 weeks. Dry van spot rates ex-fuel was \$1.39/mile, flat with last week, and remaining nicely above the \$1.21-\$1.26 band it was at between Aug-Oct. Of the respondents, 24% had a positive short-term demand outlook, up from 19% last survey; Neutral outlooks were 56%, down from 58%, and Negative outlooks were 20%, down from 23% last survey. In the week of Dec 28th, we surveyed 41 shippers for views on demand, supply, pricing, inventory.

**Inventory falls slightly into end of 2023**

**The Rate Indicator**, or shippers' view on truck rates, decreased to 46.3 from 47.9, down 3% sequentially, as expectations of rate increases fell. **The Inventory Indicator** fell to 52.4 from 53.1 last issue, down 1% sequentially, as shippers see slightly lower inventory levels after the holiday season and into yearend. **The Truck Capacity Indicator**, which measures shippers' views of available truckload capacity, decreased to 64.6 from 68.8 last survey, as shippers see tighter truck capacity.

**Exhibit 36: Shippers' 6-12 months outlook for freight demand**

L-T Demand Indicator at 58.5, up 10% sequentially

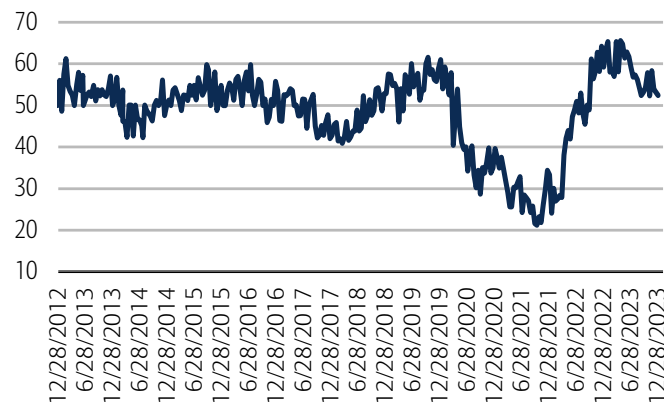


Source: BofA Global Research estimates

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**Exhibit 37: Shippers' view of inventory levels**

Inventory Indicator at 52.4, down 1% sequentially from last issue.



Source: BofA Global Research estimates

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**Rates view remain flat**

With respect to rates, 17% of shippers expect rates to fall, flat with last issue, 73% expect flat pricing, from 71% last issue, and 10% expect rates to rise, from 13% last issue. On capacity, 37% expect capacity to rise, from 46% last issue, 56% expect capacity to remain flat, from 46% last issue, 7% expect capacity to be lower, from 8% last issue. **SHIPPER COMMENTS:** A Consumer shipper sees a few factors impacting rates (squeezing higher) during the winter as icy roads and cold temps have an adverse impact on transportation. It believes these effects will drive up the cost of shipping and is always something that plays a part in shipping. (See survey for additional commentary).

**Exhibit 38: Shippers' view of Trucking rates over the next 3 months**

Rate Indicator at 46.3, -3% sequentially

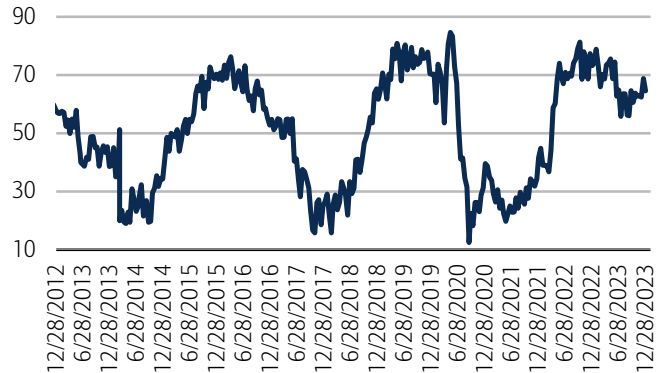


Source: BofA Global Research estimates.

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**Exhibit 39: Shippers' view of Capacity over the next 3 months**

Capacity Indicator slightly higher at 64.6, down 6% sequentially



Source: BofA Global Research estimates.

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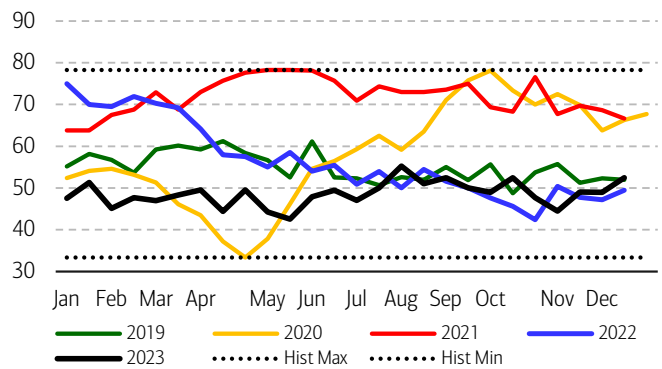
**Exhibit 40: BofA Truckload 0-3 month Demand (Diffusion) Indicator**

Diffusion indicator month-by-month levels

	2019		2020		2021		2022		2023	
Jan	1/3	55.1	1/2	52.3	1/14	63.8	1/13	75.0	1/12	47.5
	1/17	58.1	1/16	54.1	1/28	63.8	1/27	70.0	1/26	51.3
Feb	1/31	56.7	1/30	54.6	2/11	67.5	2/10	69.5	2/9	45.1
	2/14	53.7	2/13	53.1	2/25	68.8	2/24	71.9	2/23	47.6
Mar	2/28	59.2	2/27	51.3	3/11	72.9	3/10	70.3	3/9	46.9
	3/14	60.1	3/12	46.1	3/25	68.8	3/24	69.2	3/23	48.3
Apr	3/28	59.2	3/26	43.5	4/8	73.0	4/7	64.1	4/6	49.5
	4/11	61.2	4/9	37.2	4/22	75.7	4/21	58.0	4/20	44.4
	4/25	58.3	4/23	33.3	5/6	77.6	5/5	57.5	5/4	49.5
May	5/9	56.6	5/7	37.8	5/20	78.3	5/19	55.0	5/18	44.3
	5/23	52.5	5/21	46.2	6/3	78.3	6/2	58.5	6/1	42.6
Jun	6/6	61.1	6/4	54.6	6/17	78.1	6/16	54.0	6/15	47.9
	6/20	52.5	6/18	56.4	7/1	75.7	6/30	55.5	6/29	49.4
Jul	7/4	52.3	7/2	59.3	7/15	70.9	7/14	50.9	7/13	47.1
	7/18	50.6	7/16	62.5	7/29	74.3	7/28	53.9	7/27	50.0
Aug	8/1	52.6	7/30	59.1	8/12	73.0	8/11	50.0	8/10	55.2
	8/15	51.9	8/13	63.5	8/26	73.0	8/25	54.5	8/24	51.0
Sep	8/29	55.0	8/27	71.1	9/9	73.6	9/8	51.6	9/7	52.4
	9/12	51.9	9/10	75.8	9/23	75.0	9/22	50.0	9/21	50.0
Oct	9/26	55.6	9/24	78.1	10/7	69.4	10/6	47.6	10/5	48.9
	10/10	48.7	10/8	73.3	10/21	68.3	10/20	45.6	10/19	52.5
	10/24	53.8	10/22	70.0	11/4	76.6	11/3	42.4	11/2	47.7
Nov	11/7	55.7	11/5	72.5	11/18	67.7	11/17	50.4	11/16	44.4
	11/21	51.3	11/19	69.9	12/2	69.7	12/1	47.8	11/30	49.0
Dec	12/5	52.3	12/3	63.8	12/16	68.6	12/15	47.2	12/14	49.0
	12/19	51.9	12/17	66.3	12/30	66.7	12/29	49.4	12/28	52.4
			12/31	67.7						

Source: BofA Global Research estimates

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**Exhibit 41: Demand (Diffusion) Indicator for 0-3-month demand outlook on stack basis (2019-2023)**Demand Indicator to 52.4 (bi-weekly Issue #299 on December 28<sup>th</sup>)

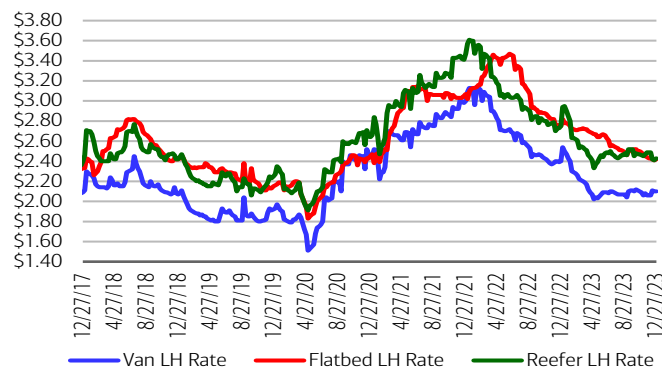
Source: BofA Global Research estimates

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**Disclaimer:** The indicator identified as BofA Truckload Diffusion Indicator in this report is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This indicator was not created to act as a benchmark.

**Exhibit 42: Month-to-Date Run Rate**

Van Rate = \$2.10 Flatbed Rate = \$2.42 &amp; Reefer Rate = \$2.43

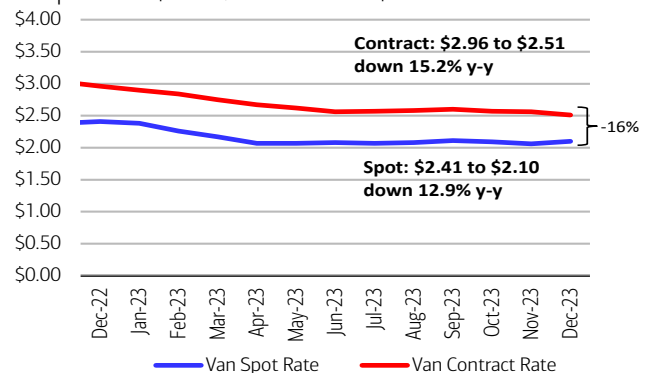


Source: DAT (Dial-A-Truck)

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**Exhibit 43: Monthly Van Spot Rate vs. Contract Rate**

Van Spot Rate = \$2.10 &amp; Contract Rate = \$2.51

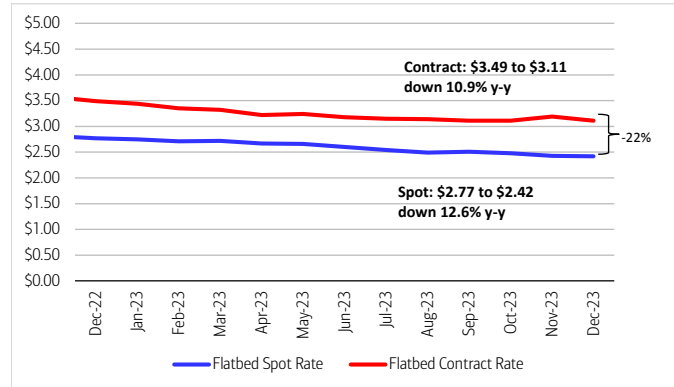


Source: DAT (Dial-A-Truck)

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**Exhibit 44: Monthly Flatbed Spot Rate vs. Contract Rate**

Flatbed Spot Rate = \$2.42 &amp; Contract Rate = \$3.11

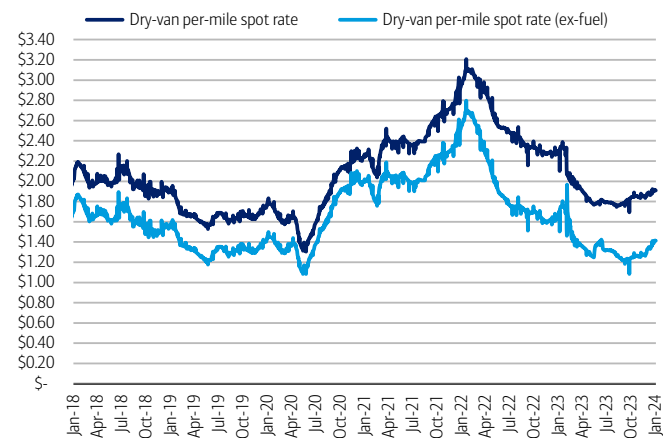


Source: DAT (Dial-A-Truck)

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**Exhibit 46: Truckstop.com Spot Rates**

Dry-Van Spot = \$1.91 Dry-Van (ex-fuel) = \$1.41

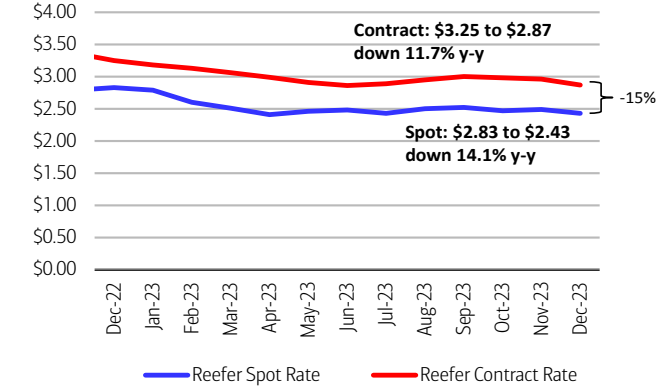


Source: Truckstop.com, Bloomberg

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**Exhibit 45: Monthly Reefer Spot Rate vs. Contract Rate**

Reefer Spot Rate = \$2.43 &amp; Contract Rate = \$2.87



Source: DAT (Dial-A-Truck)

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**TruckStop Spot Rates: Dry-Van Spot = \$1.91, Dry-Van (ex-fuel) = \$1.41**

Truckstop.com's Dry van spot rates ex-fuel were \$1.41/mi for the week ending January 4, from \$1.39/mi the prior week (December 27) and are flat YTD (from \$1.41/mi on Dec 31).

Truckstop.com's Dry van spot rates (fuel included) were \$1.91/mi for the week ending January 4, from \$1.91/mi the prior week (December 27) and are flat YTD (from \$1.91/mi on Dec 31).

Fuel represented \$0.50/mi, down from last week's \$0.51/mi and flat with \$0.50 on Dec 31.

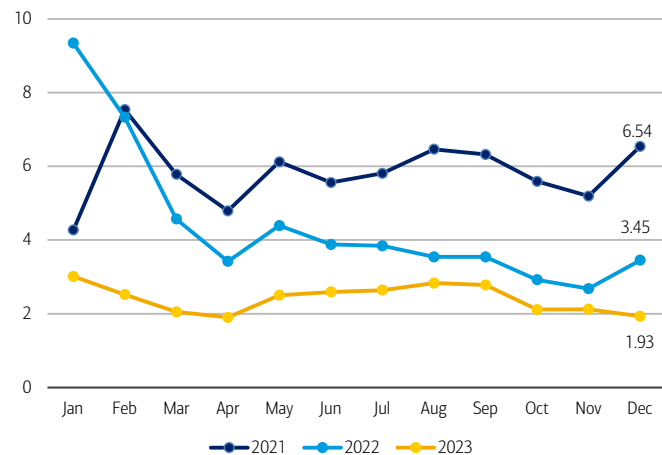
**DAT Spot Dry-Van Load/Truck Ratio = 2.47**

**Weekly Update:** DAT's (Dial-a-Truck) dry-van spot load-to-truck ratio was 2.47 for the week ended December 31, up from 1.88 (+31%) the prior week (December 24), and down from 5.57 (-56%) a year prior.

**Monthly Update:** DAT's (Dial-a-Truck) dry-van spot load-to-truck ratio was 1.93 on average for the month of December, down from 2.12 in November, and down from 3.45 (-44%) a year prior. The Ratio was down year-year for the 23<sup>rd</sup> consecutive month.

**Exhibit 47: Van Load to Truck Ratio**

December Load-to-Truck Ratio on average was 1.93, -9% M-M



Source: DAT (Dial-A-Truck), Bloomberg

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**Exhibit 48: Top 10 US Ports Loaded Volumes**

Top 10 Ports in October: +2.8% Y-Y, LA/LB +13.0% Y-Y

Top 10 U.S. Ports	2023 TEU's	2023 YTD Chg.	Sep-23 Y-Y %	Oct-23 Y-Y %	Sep-23 TEU's	Oct-23 TEU's
Los Angeles (18%)	4,750,717	-11%	22%	16%	513,244	493,731
Long Beach (16%)	4,185,642	-17%	12%	10%	510,174	453,373
<b>Total LA/LB (35% of total US)</b>	<b>8,936,359</b>	<b>-14%</b>	<b>17%</b>	<b>13%</b>	<b>1,023,418</b>	<b>947,104</b>
New York (17%)	4,408,300	-16%	-17%	-1%	439,412	492,780
Savannah (13%)	3,098,192	-13%	0%	-13%	311,423	332,072
Houston (11%)	2,650,898	0%	0%	0%	280,900	300,940
Norfolk (9%)	2,184,088	-8%	-7%	2%	211,588	238,788
Seaport Alliance (6%)	1,372,196	-11%	32%	13%	196,509	155,388
Charleston (7%)	1,603,838	-7%	-6%	-1%	153,627	181,674
Oakland (5%)	1,300,281	-13%	1%	-2%	134,185	142,255
Maryland (1%)	663,443	2%	1%	4%	62,320	74,764
<b>Total Top 10 (91.5% of US)</b>	<b>26,217,595</b>	<b>-11.4%</b>	<b>3.1%</b>	<b>2.8%</b>	<b>2</b>	<b>2,865,765</b>
Vancouver	1,927,330	-12%	-10%	-4%	203,535	203,535
Prince Rupert	408,694	-28%	-28%	-25%	41,589	41,589

Source: Ports of Los Angeles, Long Beach, New York, Savannah, Norfolk, Oakland, Houston, Charleston, Vancouver, Maryland, and BofA Global Research estimates

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**Exhibit 49: Port of Los Angeles/Long Beach Vessels waiting to dock**

On one-week moving average, vessels at anchor and loitering (given new queue system) were 6.4 on 01/04/23 (vs 10.0 on 12/27/23). On day-of basis: 4 vs 13 (includes 4 vs 13 vessels at dock), or 0 vs 0 in queue alone.

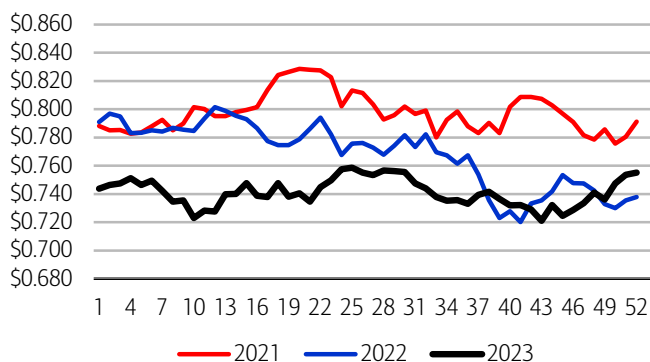


Source: BofA Global Research and Port of LA/Long Beach

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**Canadian Dollar and Mexican Peso FX Rates****Exhibit 50: Price of 1 Canadian Dollar in US\$**

1 CAD = 0.755 US\$

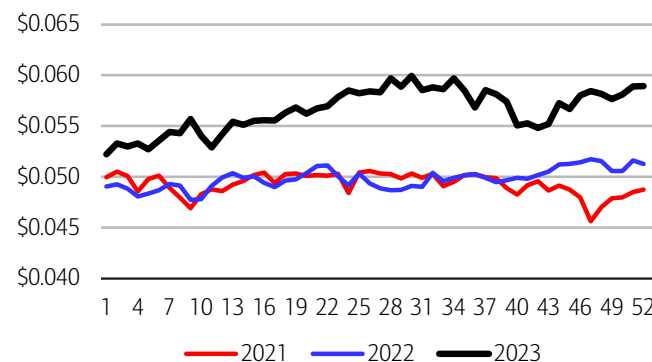


Source: Bloomberg

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**Top 10 Ports in October: +2.8% Y-Y, LA/LB +13.0% Y-Y****Port of LA/Long Beach – Ships in queue – 0 on 01/04/24 (from 0 a week prior)****Exhibit 51: Price of 1 Mexican Peso in US\$**

1 MXN = 0.059 US\$



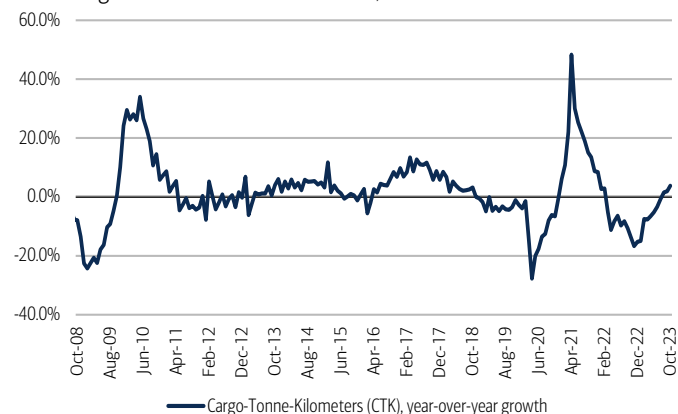
Source: Bloomberg

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**Exhibit 52: IATA Volume year-over-year growth**

IATA Freight Vols: +3.8% Y-Y in October, North America -1.8%



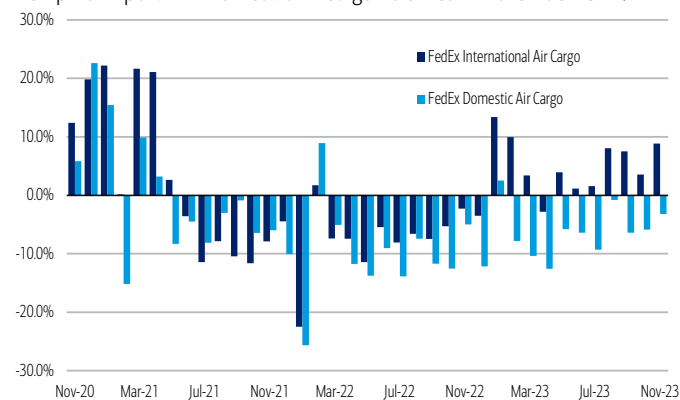
Source: International Air Transport Association

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**IATA Freight Vols: +3.8% Y-Y in October,  
North America -1.8%**

**Exhibit 53: FedEx Air Cargo Volumes at Memphis International Airport**

Memphis Airport FDX Domestic Air Cargo Volumes in November: -3.2% Y-Y



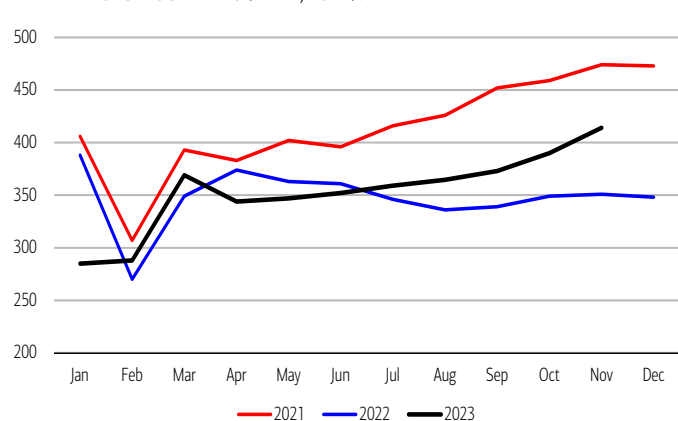
Source: BofA Global Research and Memphis International Airport Statistics

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**Memphis Airport FDX Air Cargo Volumes in  
November: -3.2% Y-Y**

**Exhibit 54: Hong Kong Airport cargo (000 tons)**

HKIA in November: +17.9% Y-Y, +6.2% M-M



Source: Hong Kong International Airport

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**Hong Kong Airport (HKIA): +17.9% Y-Y,  
+6.2% M-M**

## Rail Performance Measures

**Overall Takeaway:** The 3 main service level metrics for Class I Rails improved on a year-over-year basis this week, as Velocity, Cars-On-Line, and Dwell Time all posted upticks. Compared to last year, metrics were up for the 32<sup>nd</sup> time over the last 35 weeks. On a sequential basis, performance was mixed as Cars-On-Line improved, while Velocity and Dwell Time deteriorated. UNP (+2.8%) led the group in velocity this week, improving from last week's 0.8% increase. NSC (-11.6%) trailed the group this week, reversing last week's 0.9% increase. BNSF has not reported yet.

**Velocity** (avg. speed of rail network, faster is better): Deteriorated sequentially (-2.7%) and improved year-over-year (+11.4%).

**Cars-on-Line** (fewer cars-on-line is better): Improved sequentially (-1.3%) and improved year-over-year (-2.9%).

**Terminal Dwell** (lower is better): Deteriorated sequentially (+23.2%) and improved year-over-year (-15.9%).

### Exhibit 55: Rail Performance Metrics

Service levels improved on a year-over-year basis, while sequentially performance was mixed

#### Rail Performance Measures

##### Velocity (avg. speed of rail network, faster is better)

	2023	2023	2022		
	Week 52	Week 51	Week 52	% Seq Chg	% y-y Chg
(miles per hour)					
CNI	19.9	19.7	18.5	1.0%	7.6%
CPKC	17.3	18.6	14.3	-7.0%	21.0%
CSX	18.6	18.5	16.4	0.5%	13.4%
NSC	19.0	21.5	17.3	-11.6%	9.8%
UNP	26.0	25.3	24.0	2.8%	8.3%
BNSF (1)	27.4	27.4	26.2	0.0%	4.6%
Average	20.2	20.7	18.1	-2.7%	11.4%

% Seq Chg	% y-y Chg
-----------	-----------

Slower  
-2.7%

Faster  
11.4%

##### Cars On Line (fewer cars-on-line is better)

	2023	2023	2022		
	Week 52	Week 51	Week 52	% Seq Chg	% y-y Chg
(no. of cars)					
CNI	76,188	82,157	80,267	-7.3%	-5.1%
CPKC	90,177	92,460	100,067	-2.5%	-9.9%
CSX	123,282	124,363	127,647	-0.9%	-3.4%
NSC	170,447	167,504	169,393	1.8%	0.6%
UNP	301,801	305,154	307,169	-1.1%	-1.7%
BNSF (1)	246,824	246,824	251,417	0.0%	-1.8%
Average	152,379	154,328	156,909	-1.3%	-2.9%

Better  
-1.3%

Better  
-2.9%

##### Terminal Dwell Time (lower is better)

	2023	2023	2022		
	Week 52	Week 51	Week 52	% Seq Chg	% y-y Chg
(time in hours)					
CNI	7.6	6.9	9.4	10.1%	-19.1%
CPKC	10.3	9.0	14.0	14.4%	-26.4%
CSX	12.6	9.4	14.9	34.0%	-15.4%
NSC	32.1	23.5	37.5	36.6%	-14.4%
UNP	25.1	22.4	28.5	12.1%	-11.9%
BNSF (1)	25.4	25.4	28.7	0.0%	-11.5%
Average	17.5	14.2	20.9	23.2%	-15.9%

Worse  
23.2%

Better  
-15.9%

(1): Due the BNSF reporting schedule the reported data is delayed by one week and not included on the averages.

Source: BofA Global Research, company reports

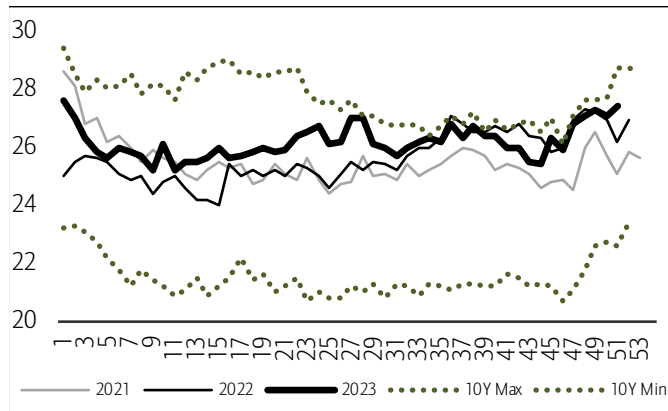
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## Weekly Rail Velocity Monitor

### Exhibit 56: BNSF Velocity

BNSF velocity was 27.4 mph for week 51

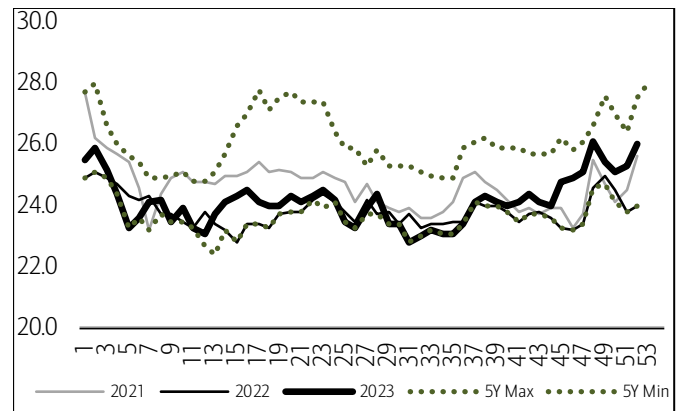


Source: Company reports, and Association of American Railroads.

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### Exhibit 57: Union Pacific Velocity

UNP velocity was 26.0 mph for week 52



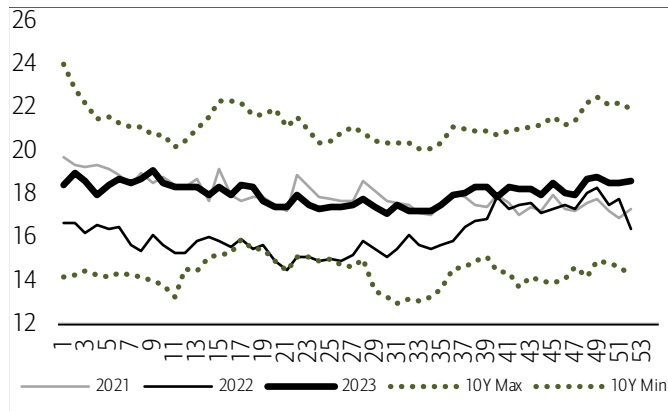
Source: Company reports, and Association of American Railroads.

UNP restated performance metrics, historical data available from 03/24/17

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### Exhibit 58: CSX Velocity

CSX velocity was 18.6 mph for week 52

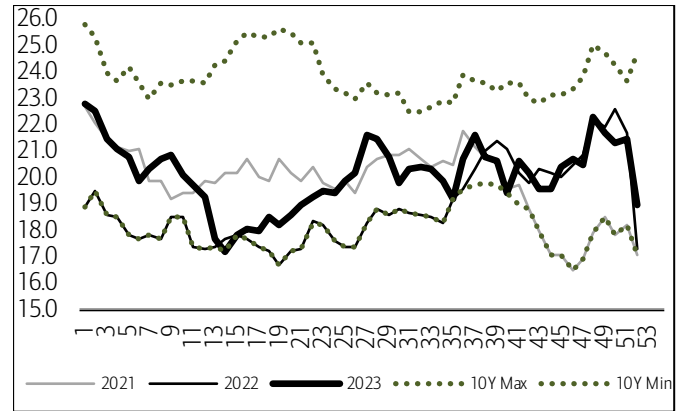


Source: Company reports, and Association of American Railroads.

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### Exhibit 59: Norfolk Southern Velocity

NSC velocity was 19.0 mph for week 52

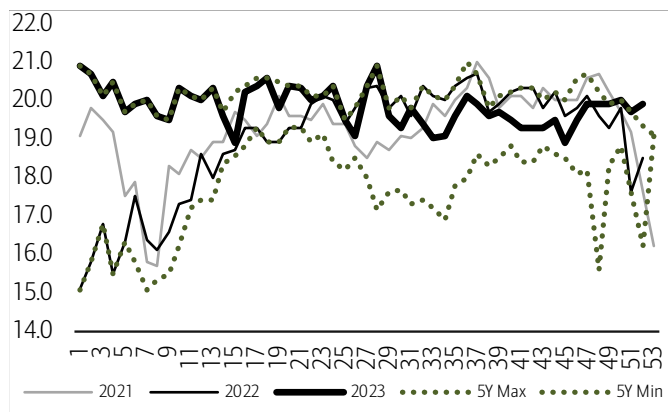


Source: Company reports, and Association of American Railroads.

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### Exhibit 60: Canadian National Velocity

CNI velocity was 19.9 mph for week 52



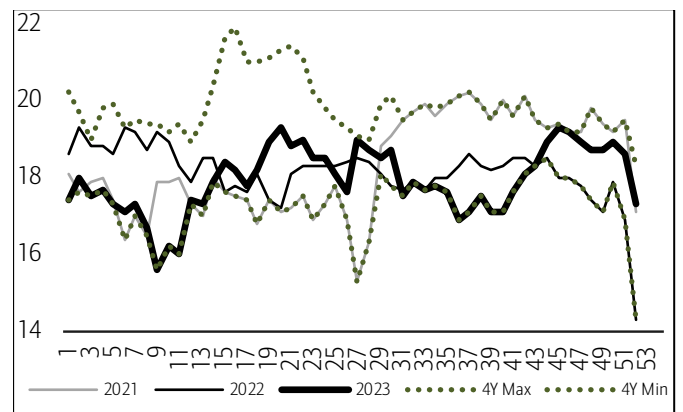
Source: Company reports, and Association of American Railroads.

CNI restated performance metrics, historical data available from 2017

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### Exhibit 61: Canadian Pacific Kansas City Velocity

CPKC velocity was 17.3 mph for week 52



Source: Company reports, and Association of American Railroads.

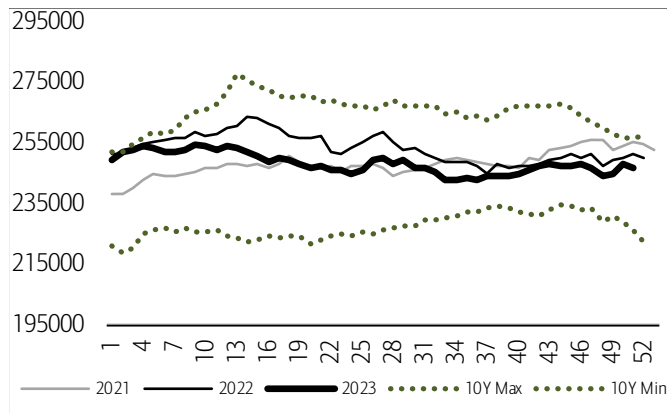
CPKC restated performance metrics, historical data available from 2020

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## Weekly Cars On-Line Monitor

### Exhibit 62: BNSF Cars-On-Line

BNSF cars on line were 246,824 for week 51

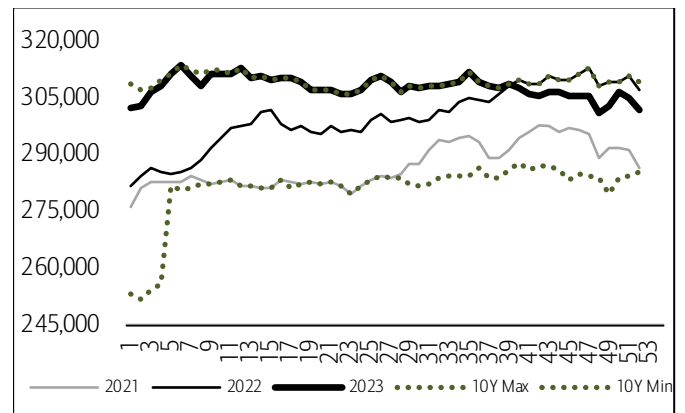


Source: Company reports, and Association of American Railroads.

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### Exhibit 63: Union Pacific Cars-On-Line

UNP cars on line were 301,801 for week 52



Source: Company reports, and Association of American Railroads.

UNP restated performance metrics, historical data available from 03/24/17

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### Exhibit 64: CSX Cars-On-Line

CSX cars on line were 123,282 for week 52

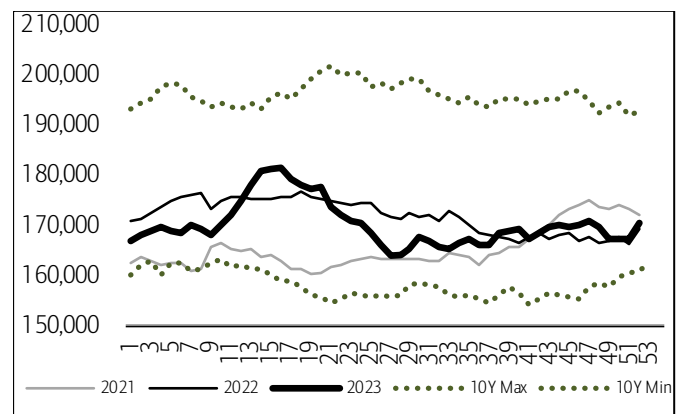


Source: Company reports, and Association of American Railroads.

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### Exhibit 65: Norfolk Southern Cars-On-Line

NSC cars on line were 170,447 for week 52

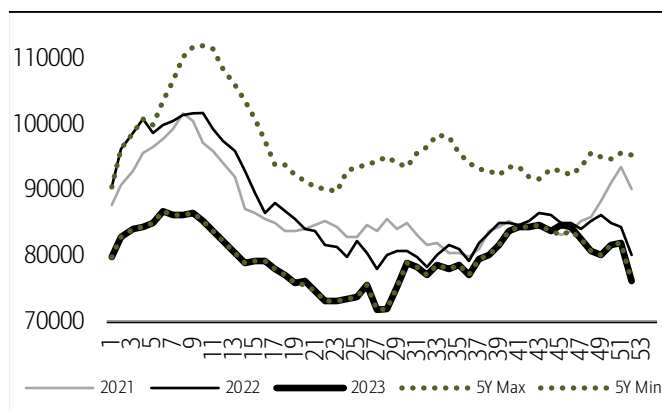


Source: Company reports, and Association of American Railroads.

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### Exhibit 66: Canadian National Cars-On-Line

CNI cars on line were 76,188 for week 52



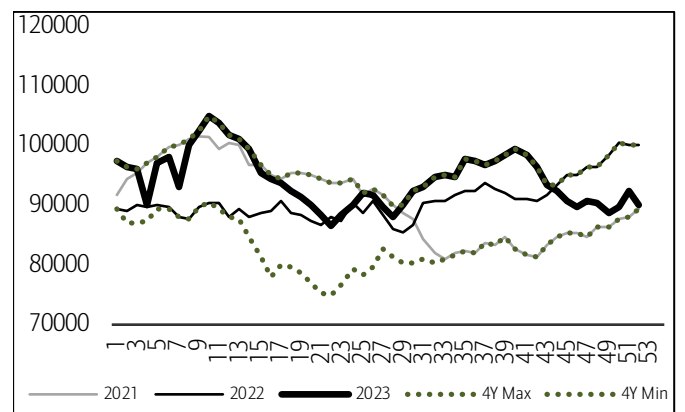
Source: Company reports, and Association of American Railroads.

CNI restated performance metrics, historical data available from 2017

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### Exhibit 67: Canadian Pacific Kansas City Cars-On-Line

CPKC cars on line were 90,177 for week 52



Source: Company reports, and Association of American Railroads.

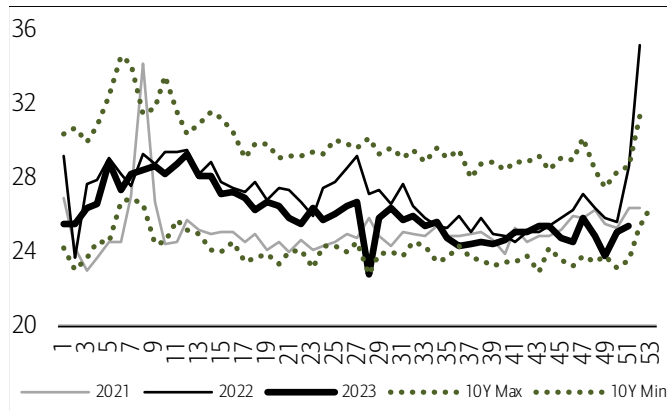
CPKC restated performance metrics, historical data available from 2020

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## Weekly Dwell Time Monitor

### Exhibit 68: BNSF Dwell Time

BNSF dwell time was 25.4 hrs for week 51

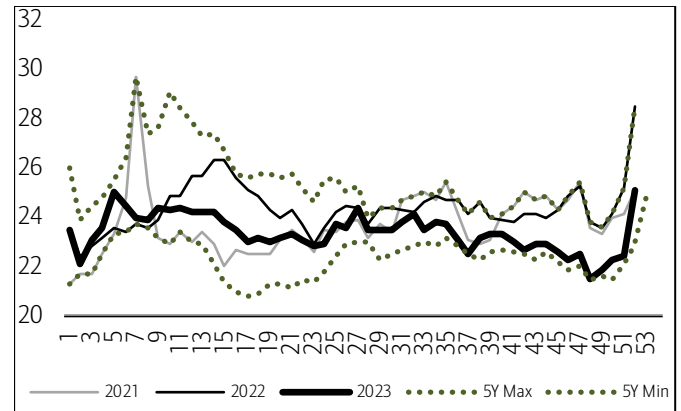


Source: Company reports, and Association of American Railroads.

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### Exhibit 69: Union Pacific Dwell Time

UNP dwell time was 25.1 hrs for week 52



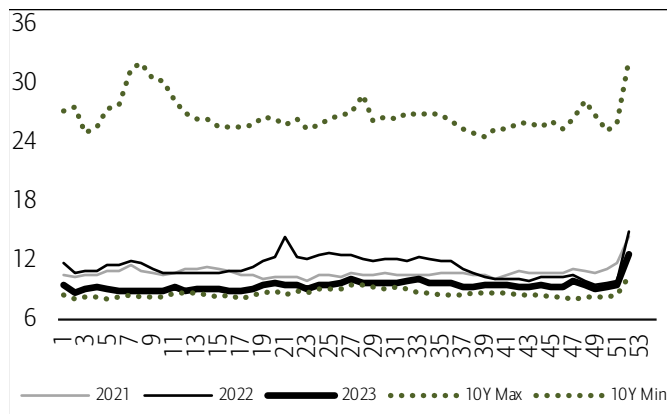
Source: Company reports, and Association of American Railroads.

UNP restated performance metrics, historical data available from 03/24/17

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### Exhibit 70: CSX Dwell Time

CSX dwell time was 12.6 hrs for week 52

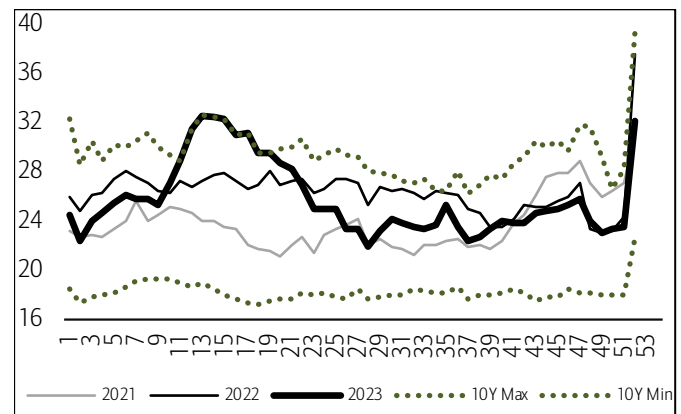


Source: Company reports, and Association of American Railroads.

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### Exhibit 71: Norfolk Southern Dwell Time

NSC dwell time was 32.1 hrs for week 52

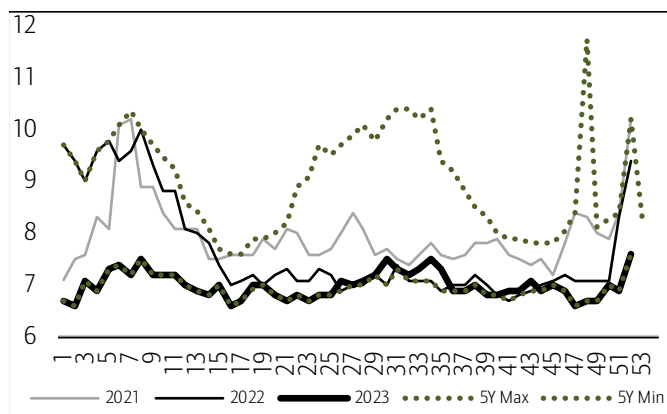


Source: Company reports, and Association of American Railroads.

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### Exhibit 72: Canadian National Dwell Time

CNI dwell time was 7.6 hrs for week 52



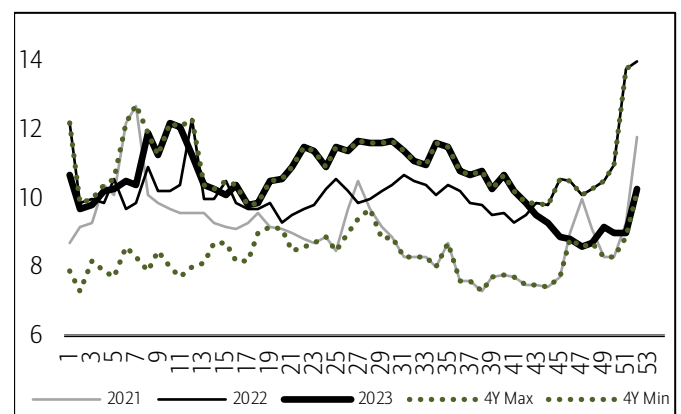
Source: Company reports, and Association of American Railroads.

CNI restated performance metrics, historical data available from 2017

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### Exhibit 73: Canadian Pacific Kansas City Dwell Time

CPKC dwell time was 10.3 hrs for week 52



Source: Company reports, and Association of American Railroads.

CPKC restated performance metrics, historical data available from 2020

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## Less-than-Truckload Data Update and Rail Employment

### Exhibit 74: Less-than-Truckload Tons/Day Y-Y%

LTL Tons/Day is down 0.9% on avg y-y in Nov. (among peers that disclose)

	ODFL	YELL	ARCB	SAIA	XPO
Nov-22	-8.6%	-24.8%	-3.0%	-7.7%	
Dec-22	-11.5%	-27.1%	-9.4%	-13.2%	
Jan-23	-7.8%	-17.2%	1.6%	-3.7%	2.8%
Feb-23	-12.4%	1.3%	2.1%	-7.6%	-2.0%
Mar-23	-15.8%	-16.9%	4.3%	-5.2%	-5.5%
Apr-23	-14.5%	-16.4%	1.3%	-1.1%	-2.0%
May-23	-14.4%	-16.3%	2.0%	-2.0%	-2.3%
Jun-23	-13.3%	-18.3%	-0.2%	-2.2%	-4.0%
Jul-23	-11.1%		-5.2%	3.4%	4.2%
Aug-23	-6.0%		-7.1%	6.8%	3.3%
Sep-23	-3.7%		-6.6%	9.7%	2.2%
Oct-23	-1.9%		-4.0%	7.8%	2.5%
Nov-23	-2.3%		-10.0%	9.2%	-0.4%

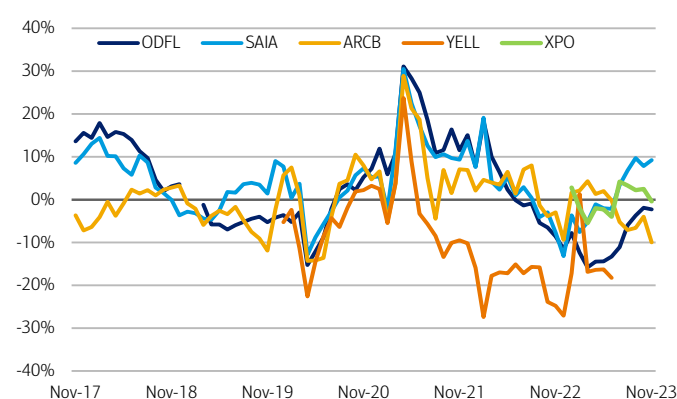
No data provided (BofA quarterly average)

Source: BofA Global Research estimates and company reports

BofA GLOBAL RESEARCH

### Exhibit 75: Less-than-Truckload Tons/Day Y-Y%

LTL Tons/Day is down 0.9% on avg y-y in Nov. (among peers that disclose)



Source: BofA Global Research estimates and company reports

BofA GLOBAL RESEARCH

### Exhibit 76: Less-than-Truckload Shipments/Day Y-Y%

Shipments/Day is up 2.9% on avg y-y in Nov. (among peers that disclose)

	ODFL	YELL	ARCB	SAIA	XPO	FDX
Nov-22	-7.3%	-23.2%	4.0%	-8.6%		-11.0%
Dec-22	-10.9%	-25.0%	-3.2%	-12.3%		-11.0%
Jan-23	-5.9%	-18.1%	7.1%	-4.0%	5.0%	-10.0%
Feb-23	-10.1%	-2.5%	9.5%	-7.6%	1.1%	-14.0%
Mar-23	-12.9%	-19.3%	7.3%	-9.4%	-0.5%	-19.0%
Apr-23	-11.8%	-15.4%	4.7%	-5.7%	3.1%	-17.0%
May-23	-11.4%	-13.8%	2.0%	-4.2%	1.8%	-17.0%
Jun-23	-11.2%	-16.4%	5.4%	-1.8%	0.9%	-16.0%
Jul-23	-8.5%		1.4%	6.0%	8.8%	-14.0%
Aug-23	-1.2%		2.1%	14.2%	8.3%	-8.0%
Sep-23	1.0%		0.9%	16.3%	6.6%	-6.0%
Oct-23	2.7%		3.7%	18.0%	6.2%	-5.0%
Nov-23	0.6%		-5.0%	18.9%	3.8%	-4.0%

No data provided (BofA quarterly average)

Source: BofA Global Research estimates and company reports

BofA GLOBAL RESEARCH

### Exhibit 77: STB employment data

November STB employment: 122,356, up 2.9% Y-Y



Source: STB

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### Exhibit 78: STB quarter to date data vs BofAe labor estimates

Data as of November 2023

	2023 4Q Avg #	4Q Avg. chg. %	BofAe	Diff	4Q Vols
UNP	33,165	0.6%	1.5%	-0.9%	1.8%
CSX	19,176	5.7%	3.3%	2.4%	0.1%
NSC	20,666	6.6%	7.0%	-0.4%	2.6%
CN	6,551	3.0%	4.6%	-1.6%	-3.8%
CP	2,914	1.1%	1.0%	0.1%	0.2%
KSU	2,925	-0.7%	-	-	-
BNSF	36,978	2.2%	-	-	-
Total	122,375	3.0%	-	-	-

Note: Monthly average quarter-to-date; 4Q Volumes are estimates

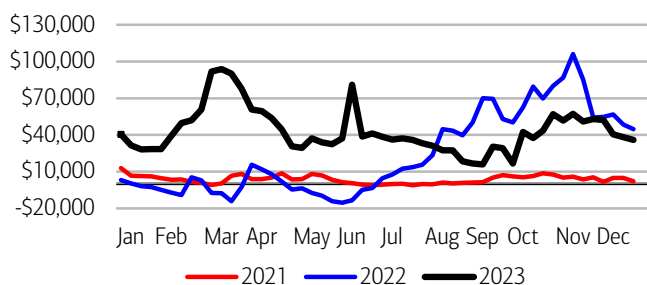
Source: STB, BofA Global Research estimates

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## Weekly Shipping Rates

### Exhibit 79: VLCC Spot Rates

VLCC Spot Rates at \$35,878 as of 12/29/2023

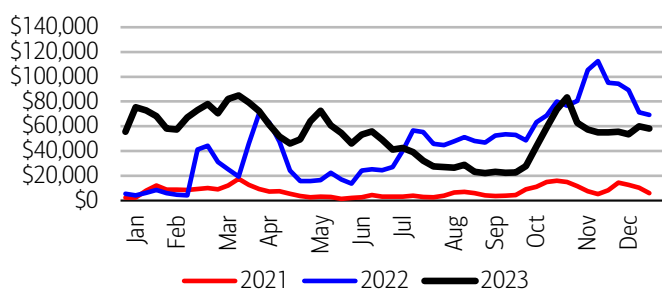


Source: BofA Global Research and Clarksons

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### Exhibit 81: Suezmax Spot Rates

Suezmax Spot Rates at \$58,234 as of 12/29/2023

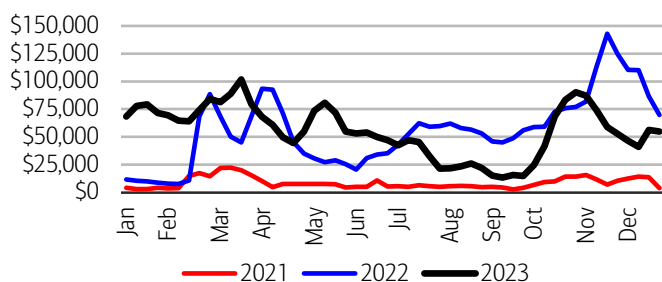


Source: BofA Global Research and Clarksons

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### Exhibit 83: Aframax Spot Rates

Aframax Spot Rates \$54,777 as of 12/29/2023

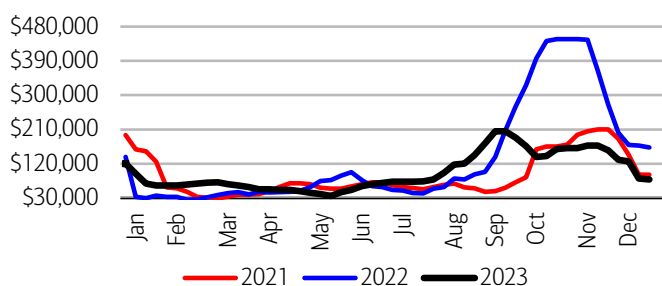


Source: BofA Global Research and Clarksons

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### Exhibit 85: LNG TFDE Spot Rates

LNG TFDE Spot Rates at \$78,750 as of 12/29/2023

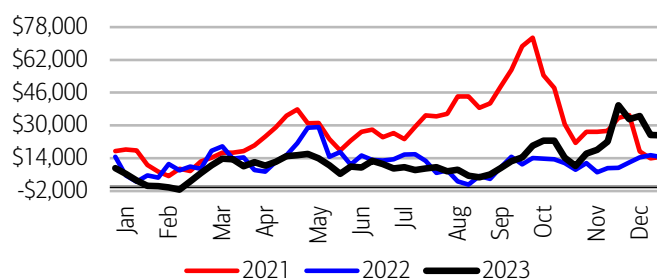


Source: BofA Global Research and Clarksons

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### Exhibit 80: Capesize spot Rates

Capesize Spot rates at \$25,100 as of 12/29/2023

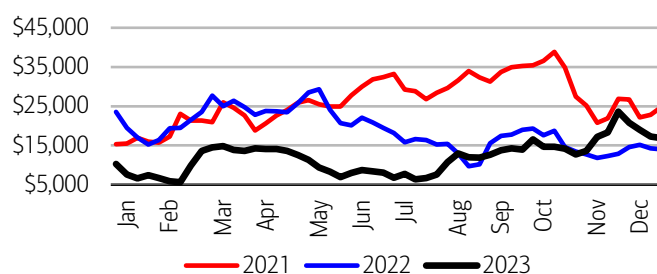


Source: BofA Global Research and Clarksons

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### Exhibit 82: Panamax Spot Rates

Panamax Spot Rates at \$16,871 as of 12/29/2023

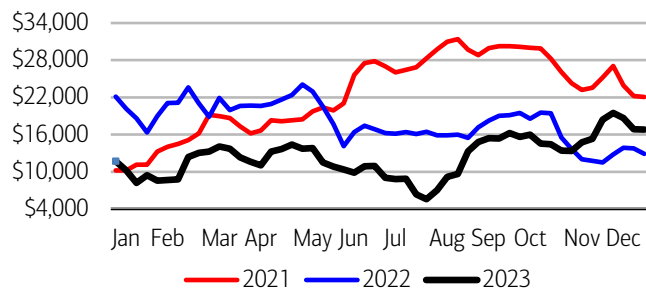


Source: BofA Global Research and Clarksons

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### Exhibit 84: Supramax Spot Rates

Supramax Spot Rates at \$16,789 as of 12/29/2023



Source: BofA Global Research and Clarksons

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### Exhibit 86: Yearly and Quarterly Gas Carrier Rate Data

LNG Carrier Rate is down 4QTD and YTD

Gas Carrier	4QTD Average	2023 YTD Avg.	Orderbook % of Fleet
LNG TFDE	\$140,865	\$97,077	76%
% chg. Y-Y	-57%	-27%	

Source: Clarkson

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**Exhibit 87: Yearly and Quarterly Tanker Rate Data**

Tanker Rates are down 4QTD, but mixed YTD

Tanker	4QTD Average	2023 YTD Avg.	Orderbook % of Fleet
VLCC	\$44,361	\$43,206	2%
% chg. Y-Y	-34%	81%	
Suezmax	\$57,272	\$53,480	5%
% chg. Y-Y	-29%	21%	
Aframax	\$59,894	\$55,477	11%
% chg. Y-Y	-34%	-1%	

Source: Clarkson

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**Exhibit 88: Yearly and Quarterly Dry Bulk Rate Data**

Dry Bulk Rates are up 4QTD but mixed YTD

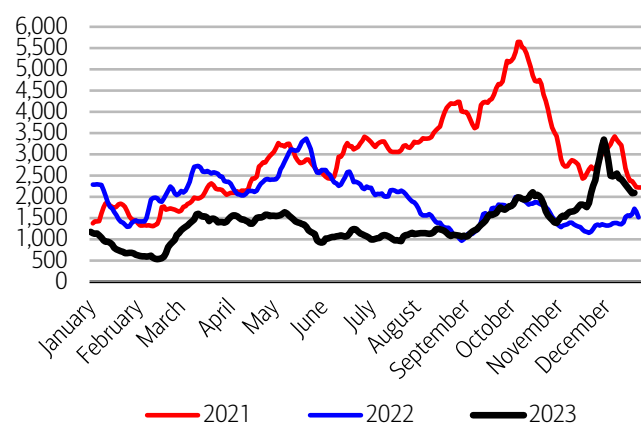
Dry Bulk	4QTD Average	2023 YTD Avg.	Orderbook % of Fleet
Capesize	\$23,341	\$12,429	5%
% chg. Y-Y	97%	5%	
Panamax	\$16,868	\$12,003	9%
% chg. Y-Y	15%	-36%	
Supramax	\$15,967	\$12,451	8%
% chg. Y-Y	7%	-31%	

Source: Clarkson

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**Exhibit 89: Baltic Dry Index**

Baltic Dry Index is at 2,094 as of 12/29/2023



Source: Bloomberg

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**Exhibit 90: Shipping Rates**

Shipping Rates are down year-over-year

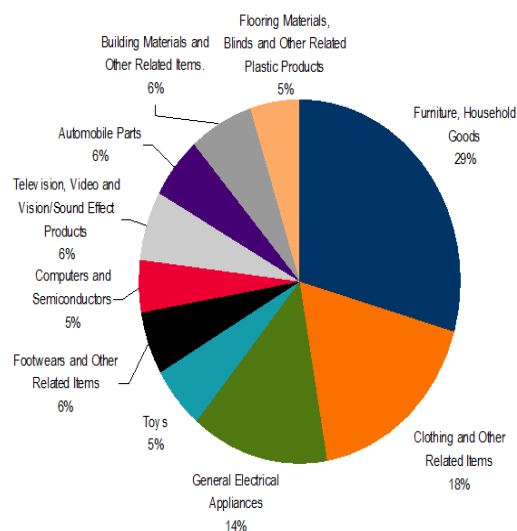
	Current Wk 12/29/23	Prior Wk 12/22/23	YOY Wk 12/30/22	Seq % Change	YOY % Change
<b>Vessel Type</b>					
VLCC	\$35,878	\$38,272	\$44,765	-6.3%	-19.9%
Suezmax	\$58,234	\$59,837	\$69,178	-2.7%	-15.8%
Aframax	\$54,777	\$56,111	\$69,855	-2.4%	-21.6%
LNG TFDE	\$78,750	\$81,250	\$163,000	-3.1%	-51.7%
Baltic Dry Index	2,094	2,348	1,650	-10.8%	26.9%

Source: Bloomberg and Clarkson

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**Exhibit 91: Container Breakdown by Commodity**

Furniture, Household &amp; Goods represents almost 30%

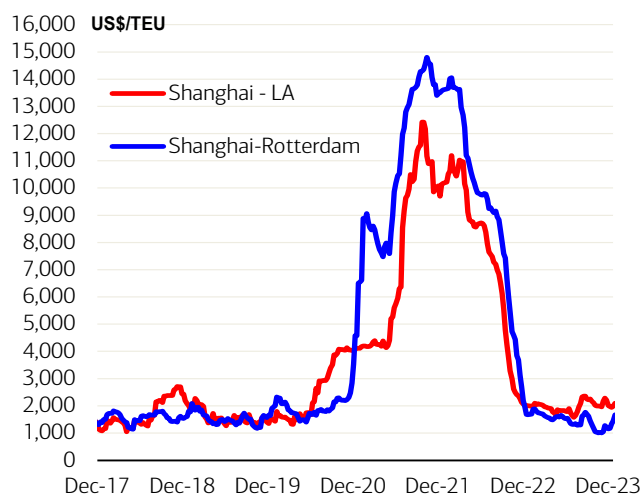


Source: OOCL, BofA Global Research estimates

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**Exhibit 92: Container Rates – Shanghai Containerized Freight Index (SCFI)**

Shanghai – LA is up year-year and Shanghai – Rotterdam is down year-year



Source: Chinese Shipping, and BofA Global Research

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**Exhibit 93: Railroads Comp Sheet**

Data as of 01/03/2024

								EPS															
		Share	Shares	Mkt Cap	Net Debt	EV		BofA	BofA	BofA	Cons.	Forward	P/E	EBITDA (\$ bil)			Forward	EV/EBITDA					
QRQ			Out.																				
Company	Ticker	Price	(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)		2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e			
Canadian National	CNI	B-2-7	\$125.06	646	\$80.8	\$13.4	\$94.1	\$5.75	\$5.36	\$6.08	\$6.02	21.7x	23.3x	20.6x	\$6.61	\$6.19	\$6.74	14.2x	15.2x	14.0x			
Canadian Pacific	CP	B-1-7	\$78.86	932	\$73.5	\$17.6	\$91.1	\$2.89	\$2.80	\$3.23	\$3.33	27.3x	28.2x	24.4x	\$4.92	\$4.98	\$5.54	18.5x	18.3x	16.4x			
CSX Corporation	CSX	B-1-7	\$34.66	1,976	\$68.5	\$17.0	\$85.5	\$1.91	\$1.82	\$2.00	\$1.98	18.1x	19.0x	17.3x	\$7.42	\$7.08	\$7.39	11.5x	12.1x	11.6x			
Norfolk Southern	NSC	B-1-7	\$232.97	226	\$52.7	\$15.1	\$67.8	\$13.60	\$11.75	\$13.00	\$12.91	17.1x	19.8x	17.9x	\$6.12	\$5.31	\$5.85	11.1x	12.8x	11.6x			
Union Pacific	UNP	B-1-7	\$241.70	610	\$147.3	\$32.1	\$179.5	\$11.23	\$10.11	\$11.50	\$11.35	21.5x	23.9x	21.0x	\$12.26	\$11.32	\$12.47	14.6x	15.9x	14.4x			
												21.2x	22.9x	20.3x				14.0x	14.8x	13.6x			
2024Q1EPS								Revenue		2023Q3		Net		ROIC		Total Return (w/reinvested dividends)					Dividend		
		est.	Δ to	EPS Growth			YoY	Growth	Op.	Debt/													
Company		BofA	Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio	EBITDA	1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield			
Canadian National		\$1.36	\$1.37	-1%	4%	11%	6%	18%	4%	2%	62%	2.2x	9.6%	-1%	0%	7%	6%	13%	\$3.11	1.9%			
Canadian Pacific		\$0.77	\$0.76	0%	-1%	8%	1%	65%	17%	15%	61%	3.8x	12.1%	-1%	0%	6%	5%	19%	\$0.77	0.7%			
CSX Corporation		\$0.45	\$0.46	-3%	3%	88%	6%	19%	1%	4%	64%	2.4x	9.3%	0%	0%	14%	6%	13%	\$0.44	1.3%			
Norfolk Southern		\$3.08	\$2.98	3%	-33%	15%	2%	14%	0%	1%	69%	3.3x	7.6%	-1%	-1%	-4%	1%	12%	\$5.40	2.3%			
Union Pacific		\$2.60	\$2.63	-1%	-7%	11%	4%	14%	-1%	1%	63%	3.0x	10.5%	-2%	-2%	19%	7%	15%	\$5.20	2.2%			
								64%			2.9x	10%		-1%	-1%	9%	5%	14%					

Source: BofA Global Research estimates, Company reports, Bloomberg (for stocks not covered by BofA Global Research)

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**Exhibit 94: Intermodal/Container Lessors Comp Sheet**

Data as of 01/03/2024

										EPS															
			Share	Shares	Mkt Cap	Net Debt	EV					BofA	BofA	BofA	Cons	Forward	P/E	EBITDA (\$ bil)			Forward	EV/EBITDA			
QRQ			Price	Out.																					
Company	Ticker			(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)					2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	
J.B. Hunt																									
Transp.	JBHT	B-1-7	\$191.95	103	\$19.8	\$1.4	\$21.2	\$9.79	\$7.05	\$8.75	\$8.19	19.6x	27.2x	21.9x	\$2.06	\$1.77	\$2.05	10.3x	12.0x	10.3x					
Textainer Group	TGH	n/a	\$49.33	41	\$2.0	\$4.9	\$6.9	n/a	\$4.55	n/a	\$4.87	8.0x	10.8x	10.1x	\$0.75	\$0.65	\$0.65	9.2x	10.6x	10.6x					
Hub Group Inc	HUBG	n/a	\$89.73	31	\$2.9	\$0.2	\$3.0	n/a	\$5.35	n/a	\$5.49	8.5x	16.8x	16.3x	\$0.62	\$0.39	\$0.39	4.8x	7.8x	7.8x					
													12.1x	18.3x	16.1x				8.1x	10.1x	9.6x				
2024Q1EPS										2023Q3		Net		ROIC		Total Return (w/reinvested dividends)					Dividend				
		est.	Δ to	EPS Growth			YoY		Revenue Growth		Op.	Debt/													
Company		BofA	Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio	EBITDA	1yr		1 week					YTD	1yr	3yr	5yr	Annual	Yield
J.B. Hunt		\$1.85	\$1.71	8%	-22%	26%	13%	22%	-10%	9%	92%	0.8x		12%		-5%	-4%	12%	13%	17%				\$1.68	0.9%
Textainer Group		n/a	\$1.14	-1%	118%	176%	7%	-2%	8%	54%	7.1x		6%			0%	0%	63%	40%	37%				\$1.20	2.4%
Hub Group Inc		n/a	\$1.04	-36%	70%	6%	26%	-15%	3%	96%	0.3x		18%			-4%	-2%	15%	16%	20%				--	--
													81%	2.7x		12%		-3%	-2%	30%	23%	25%			

Source: BofA Global Research estimates, Company reports, Bloomberg (for stocks not covered by BofA Global Research)

BoFA GLOBAL RESEARCH

**Exhibit 95: Less-than-Truckload (LTL) Comp Sheet**

Data as of 01/03/2024

		Share		Shares	Mkt Cap	Net Debt	EV	EPS				Forward			P/E			EBITDA (\$ bil)			Forward			EV/EBITDA							
		QRQ		Out.				BofA	BofA	BofA	Cons.							2022a	2023e	2024e	2022a	2023e	2024e								
Company	Ticker		Price	(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)	2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e								
Arcbest Corp	ARCB	C-3-7	\$116.42	24	\$2.8	\$0.0	\$2.7	\$13.63	\$7.65	\$10.40	\$10.27	8.5x	15.2x	11.2x	\$0.58	\$0.36	\$0.45	4.8x	7.7x	6.1x											
Old Dominion	ODFL	B-1-7	\$385.12	109	\$42.0	(\$0.1)	\$41.9	\$12.18	\$11.17	\$13.15	\$13.35	31.6x	34.5x	29.3x	\$2.10	\$1.96	\$2.24	19.9x	21.4x	18.7x											
Saia Inc	SAIA	B-1-9	\$418.79	27	\$11.1	(\$0.1)	\$11.0	\$13.40	\$13.11	\$16.10	\$16.10	31.3x	31.9x	26.0x	\$0.63	\$0.64	\$0.76	17.6x	17.2x	14.5x											
TFI Int'l	TFII	B-2-7	\$131.65	85	\$11.2	\$1.8	\$13.0	\$8.02	\$6.34	\$8.25	\$7.77	16.4x	20.8x	15.9x	\$1.13	\$0.91	\$1.13	11.5x	14.3x	11.5x											
XPO, Inc.	XPO	C-1-9	\$82.58	116	\$9.6	\$2.9	\$12.4	\$3.53	\$2.77	\$3.30	\$3.57	23.4x	29.8x	25.0x	\$0.66	\$0.64	\$0.79	18.8x	19.4x	15.8x											
												22.2x	26.4x	21.5x				14.5x	16.0x	13.3x											
		2024Q1EPS						Revenue				2023Q		ROIC		Total Return (w/reinvested dividends)					Dividend										
		est.		Δ to Street		EPS Growth		YoY		Growth		3 Op. Ratio		Net Debt/EBITDA		1yr		1 week		Return YTD		1yr		3yr		5yr		Annual		Yield	
Company		BofA	Cons.	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio	EBITDA	1yr	5yr	1yr	5yr	1yr	YTD	1yr	3yr	5yr	1yr	3yr	5yr	1yr	3yr	5yr	1yr	3yr	5yr		
Arcbest Corp		\$2.28	\$1.75	30%	-42%	108%	24%	34%	-11%	8%	93%	0.3x		7.2%		-5%	-3%	70%	40%	29%				\$0.48	0.4%						
Old Dominion		\$2.87	\$2.86	0%	-4%	35%	19%	19%	-5%	8%	71%	-0.1x		18.7%		-7%	-5%	37%	26%	38%				\$1.60	0.4%						
Saia Inc		\$3.35	\$3.45	-3%	-7%	48%	31%	22%	1%	13%	83%	-0.2x		11.9%		-7%	-4%	101%	32%	51%				--	--						
TFI Int'l		\$1.81	\$1.63	11%	-16%	62%	26%	22%	-17%	22%	90%	1.6x		10.9%		-4%	-3%	33%	38%	--				\$1.60	1.2%						
XPO, Inc.		\$0.61	\$0.66	-8%	-22%	86%	n/a	7%	0%	-9%	91%	3.8x		--		-8%	-6%	155%	26%	34%				--	--						
												86%	1.1x			12.2%			-6%	-4%	79%	32%	38%								

Source: BofA Global Research estimates, Company reports, Bloomberg (for stocks not covered by BofA Research)

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**Exhibit 96: Airfreight Comp Sheet**

Data as of 01/03/2024

			Share	Share	Mkt Cap	Net Debt	EV	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA			
Company	Ticker	QRQ	Price	Out.				BoFA	BoFA	BoFA	Cons.	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	
Fedex Corp	FDX	B-1-7	\$247.64	250	\$61.9	\$13.8	\$75.7	\$14.96	\$17.70	\$20.85	\$17.66	16.6x	14.0x	11.9x	\$9.55	\$11.60	\$11.60	7.9x	7.2x	6.5x	
United Parcel-B	UPS	B-2-7	\$157.54	723	\$134.2	\$16.8	\$151.0	\$12.95	\$8.80	\$9.65	\$9.51	12.2x	17.9x	16.3x	\$16.97	\$14.06	\$14.06	8.9x	11.6x	10.7x	
												14.4x	15.9x	14.1x				8.4x	9.4x	8.6x	
			2024Q1EPS est.	EPS Growth			YoY	Revenue Growth			2023Q3 Op. Ratio	Net Debt/EBITDA	ROIC	Total Return (w/reinvested dividends)					Dividend		
Company			BoFA	Cons.	Δ to Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio		1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield
Fedex Corp			\$3.13	\$3.60	-13%	-7%	94%	11%	-4%	-7%	5%	94%	3.3x	5%	-1%	-2%	43%	0%	11%	\$5.04	2.0%
UPS			\$2.14	\$1.96	9%	-23%	257%	0%	3%	-8%	4%	92%	1.3x	15%	0%	0%	-7%	1%	14%	\$6.48	4.1%
												93%	2.3x	10%							

Source: BoFA Global Research estimates, Company reports, Bloomberg.

Note: FedEx fiscal calendar ends May 31. Fiscal year 2024 goes from June 1, 2023 - to - May 31, 2024. Quarter estimates correspond to 3Q24, and year metrics correspond to fiscal years 2023, 2024, and 2025.

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**Exhibit 97: Truckload Carriers Comp Sheet**

Data as of 01/03/2024

								EPS													
	QRQ	Share	Shares	Mkt Cap	Net Debt	EV	BofA	BofA	BofA	Cons.	Forward	P/E	EBITDA (\$ bil)			Forward EV/EBITDA					
Company	Ticker	Price	Out. (mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)	2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e		
Knight Transportation	KNX	B-1-7	\$55.77	161	\$9.0	\$2.7	\$11.7	\$5.10	\$2.15	\$3.50	\$2.96	10.9x	25.9x	15.9x	\$1.77	\$1.20	\$1.59	6.6x	9.7x	7.3x	
Schneider National	SNDR	B-2-7	\$24.51	93	\$4.3	\$0.2	\$4.6	\$2.63	\$1.41	\$1.60	\$1.50	9.3x	17.4x	15.3x	\$0.97	\$0.70	\$0.79	4.7x	6.5x	5.8x	
Werner Enterprises	WERN	B-3-7	\$40.74	63	\$2.6	\$0.6	\$3.2	\$3.71	\$2.02	\$2.40	\$2.44	11.0x	20.2x	17.0x	\$0.61	\$0.49	\$0.53	5.3x	6.6x	6.1x	
Covenant Transport	CVLG	n/a	\$44.26	11	\$0.6	\$0.2	\$0.8	n/a	n/a	n/a	\$4.25	7.5x	10.7x	10.4x	\$0.15	\$0.12	\$0.12	5.4x	6.7x	6.7x	
Heartland Express	HTLD	n/a	\$13.59	79	\$1.1	\$0.3	\$1.4	n/a	n/a	n/a	\$0.28	9.6x	251.7x	47.9x	\$0.25	\$0.23	\$0.23	5.6x	6.2x	6.2x	
Marten Transport	MRTN	n/a	\$20.00	81	\$1.6	(\$0.1)	\$1.6	n/a	n/a	n/a	\$1.06	15.0x	21.7x	19.0x	\$0.25	\$0.21	\$0.21	6.2x	7.3x	7.3x	
Pam Transport	PTSI	n/a	\$20.12	22	\$0.4	\$0.1	\$0.5	n/a	n/a	n/a	\$1.70	4.6x	13.8x	11.8x	\$0.20	\$0.11	\$0.11	2.7x	4.7x	4.7x	
Universal Logistics	ULH	n/a	\$27.96	26	\$0.7	\$0.5	\$1.2	n/a	n/a	n/a	n/a	4.3x	--	--	\$0.32	--	--	3.7x	--	--	
												9.0x	51.6x	19.6x				5.0x	6.8x	6.3x	
		2024Q1EPS est.			EPS Growth		YoY		Revenue Growth		2023Q3 Op. Ratio	Net Debt/EBITDA	ROIC	Total Return (w/reinvested dividends)					Dividend		
Company		BofA	Cons.	Δ to Street	1yr	3yr	5yr	3Q2023	1yr	5yr			1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield	
Knight Transportation		\$0.63	\$0.49	29%	-54%	42%	7%	24%	-7%	10%	95%	2.3x	6.1%	-4%	-3%	6%	11%	18%	\$0.56	1.0%	
Schneider National		\$0.31	\$0.25	23%	-33%	49%	29%	18%	-14%	2%	96%	0.2x	7.0%	-4%	-4%	4%	7%	9%	\$0.36	1.5%	
Werner Enterprises		\$0.44	\$0.43	3%	-28%	19%	-4%	20%	4%	6%	95%	1.3x	9.6%	-4%	-4%	1%	2%	11%	\$0.56	1.4%	
Covenant Transport		n/a	\$0.90	-35%	--	--	--	16%	-7%	5%	95%	0.0x	15.6%	-4%	-4%	28%	45%	18%	\$0.44	1.0%	
Heartland Express		n/a	(\$0.01)	-84%	27%	--	--	59%	69%	18%	103%	1.3x	12.0%	-6%	-5%	-12%	-8%	-5%	\$0.08	0.6%	
Marten Transport		n/a	\$0.23	-26%	22%	2%	30%	-2%	8%	94%	-0.3x	13.5%	13.5%	-6%	-5%	3%	7%	17%	\$0.24	1.2%	
Pam Transport		n/a	\$0.31	-58%	162%	37%	34%	-6%	11%	96%	0.7x	15.6%	15.6%	-9%	-3%	-22%	18%	17%	--	--	
Universal Logistics		n/a	n/a	-32%	73%	--	15%	-15%	3%	91%	1.6x	18.6%	18.6%	-2%	0%	-17%	13%	11%	\$0.42	1.5%	
												95%	0.9x	12%	-5%	-3%	-1%	12%	12%		

Source: BoFA Global Research estimates, Company reports, Bloomberg (for stocks not covered by BoFA Global Research).

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**Exhibit 98: Freight Forwarding Comp Sheet**

Data as of 01/03/2024

		QRQ	Share	Shares	Mkt Cap	Net Debt	EV	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA				
				Out.				BofA	BofA	BofA	Cons.											
Company	Ticker	Price		(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e			
CH Robinson	CHRW	B-3-7	\$87.34	117	\$10.2	\$1.4	\$11.6	\$6.29	\$7.50	\$3.55	\$3.96	11.6x	24.6x	21.6x	\$1.38	\$0.7	\$0.76	8.4x	16.8x	15.2x		
RXO Inc	RXO	C-1-9	\$22.46	117	\$2.6	\$0.4	\$3.0	\$1.43	\$1.59	\$0.29	\$0.48	14.1x	77.4x	40.8x	\$0.31	\$0.1	\$0.17	9.7x	22.1x	17.2x		
World Kinect	WKC	B-3-7	\$22.46	60	\$1.4	\$0.5	\$1.9	\$1.36	\$2.04	\$1.85	\$2.34	11.0x	12.1x	11.0x	\$0.38	\$0.4	\$0.40	4.9x	5.0x	4.8x		
Landstar System	LSTR	n/a	\$185.10	36	\$6.7	(\$0.4)	\$6.3	n/a	n/a	\$11.76	\$7.85	15.7x	25.1x	23.6x	\$0.63	\$0.4	\$0.41	10.0x	15.5x	15.5x		
Expeditors Intl	EXPD	n/a	\$127.28	145	\$18.5	(\$1.1)	\$17.4	n/a	n/a	\$8.83	\$4.88	14.4x	24.8x	26.1x	\$1.98	\$1.0	\$1.03	8.8x	16.9x	16.9x		
Forward Air Corp	FWRD	n/a	\$61.93	26	\$1.6	\$0.3	\$1.9	n/a	n/a	\$14.24	\$4.43	4.3x	--	--	\$0.32	\$0.2	\$0.22	5.8x	8.5x	8.5x		
												11.9x	32.8x	24.6x				7.9x	14.1x	13.0x		
2024Q1EPS est.										2023Q3 Op.		ROIC		Total Return (w/reinvested dividends)					Dividend			
Company		Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Net Debt/EBITDA		1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield			
CH Robinson		\$0.87	\$0.85	3%	-56%	26%	0%	7%	-29%	3%	97%	2.2x	23%	1%	1%	-1%	0%	4%	\$2.44	2.8%		
RXO Inc		\$0.05	\$0.04	39%	--	--	--	2%	--	--	99%	--	--	-6%	-3%	--	--	--	--	--		
World Kinect		\$0.35	\$0.46	-24%	12%	-4%	24%	88%	-10%	18%	99%	1.4x	7%	-3%	-1%	-13%	-9%	3%	\$0.56	2.5%		
Landstar System		n/a	\$1.71	-32%	35%	6%	14%	-25%	5%	94%	-0.8x	38%	38%	-5%	-3%	16%	14%	17%	\$1.32	0.7%		
Expeditors Intl		n/a	\$1.19	-45%	41%	15%	3%	-45%	10%	90%	-1.0x	35%	35%	0%	0%	23%	11%	16%	\$1.38	1.1%		
Forward Air Corp		n/a	\$0.90	-32%	124%	13%	19%	-12%	6%	96%	0.9x	20%	20%	-3%	-1%	-40%	-6%	4%	\$0.96	1.6%		
										96%	0.5x	25%						-3%	-1%	-3%	2%	9%

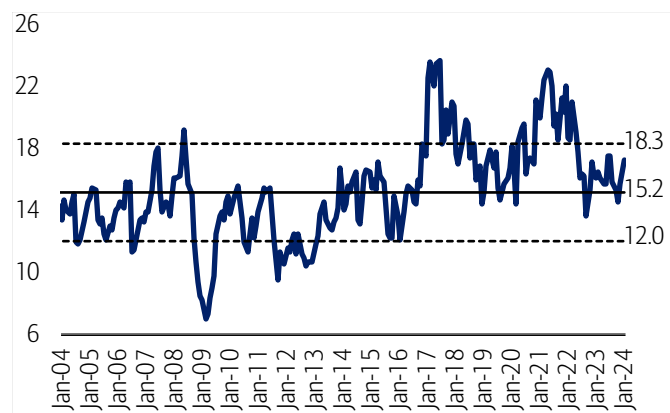
Source: BoFA Global Research estimates, Company reports, Bloomberg (for stocks not covered by BoFA Research)

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**Exhibit 99: CSX forward P/E**

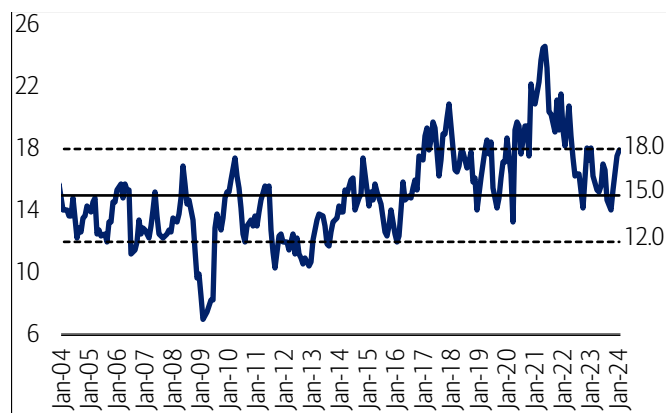
CSX Forward P/E is 17.3x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 100: NSC forward P/E**

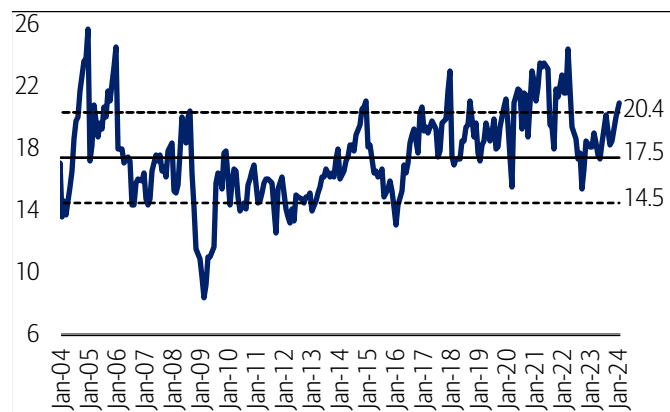
NSC Forward P/E is 17.9x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 101: UNP forward P/E**

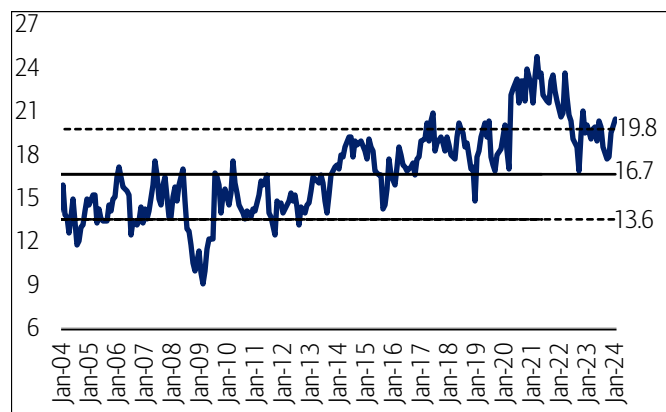
UNP Forward P/E is 21.0x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 102: CNI forward P/E**

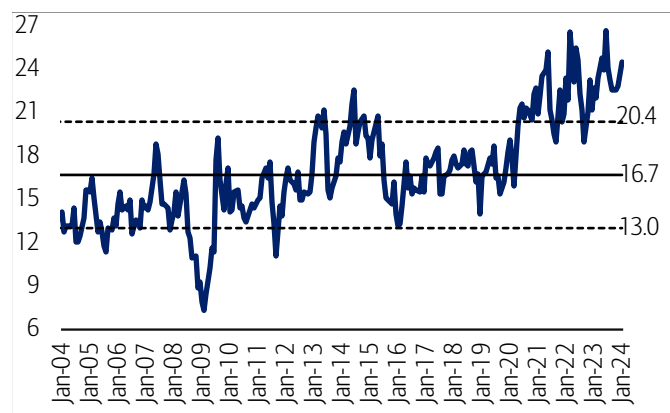
CNI Forward P/E is 20.6x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 103: CP forward P/E**

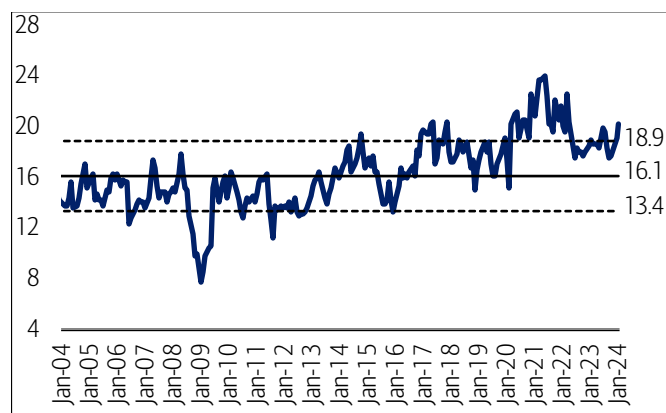
CP Forward P/E is 24.4x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 104: Rails Average forward P/E**

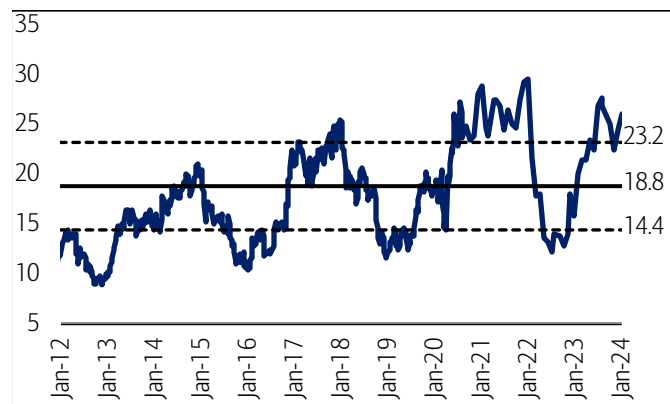
Rails Average Forward P/E is 20.3x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 105: SAIA forward P/E**

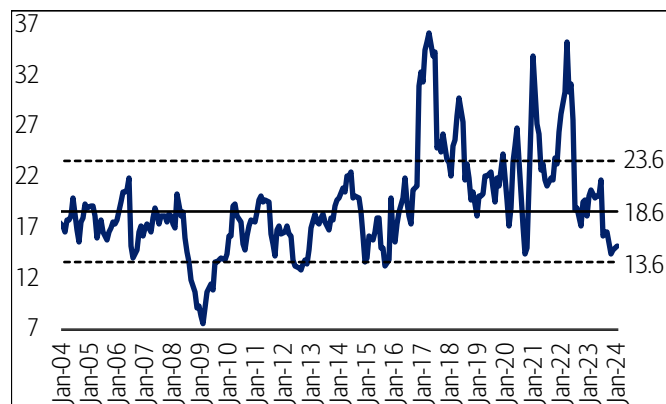
SAIA Forward P/E is 26.0x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 106: KEX forward P/E**

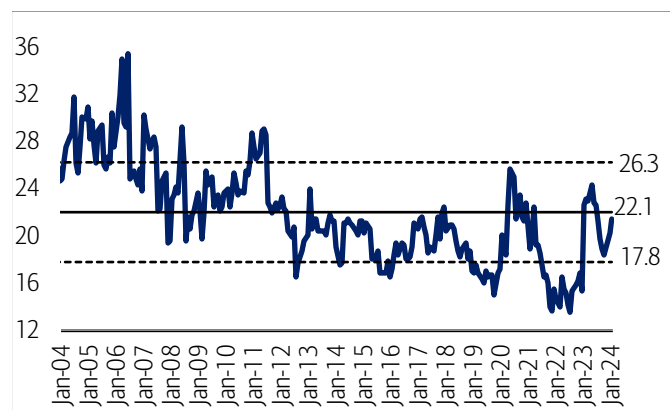
KEX Forward P/E is 15.1x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 107: CHRW forward P/E**

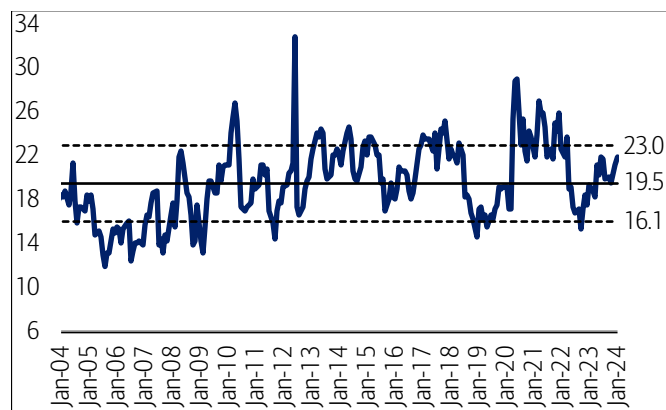
CHRW Forward P/E is 21.6x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 108: JBHT forward P/E**

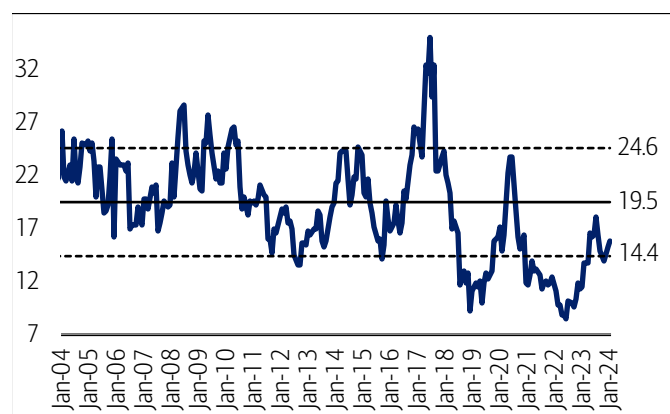
JBHT Forward P/E is 21.9x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 109: KNX forward P/E**

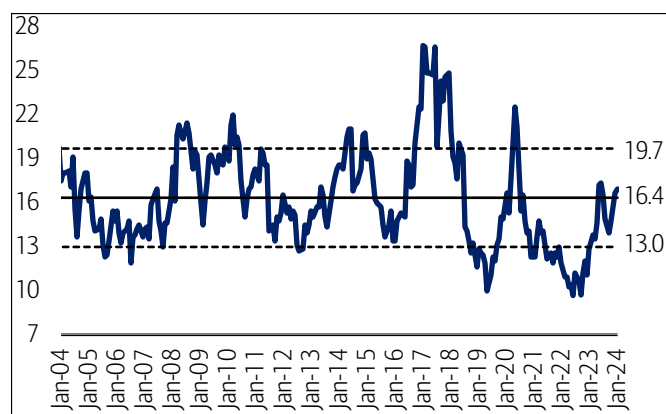
KNX Forward P/E is 15.9x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 110: WERN forward P/E**

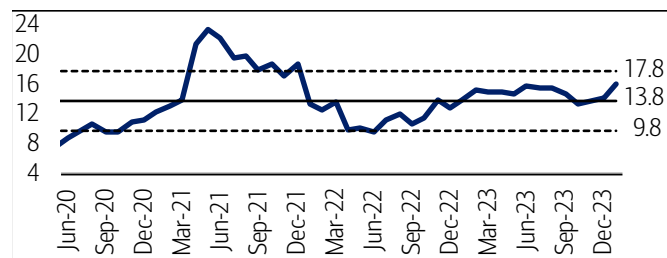
WERN Forward P/E is 17.0x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 111: TFII forward P/E**

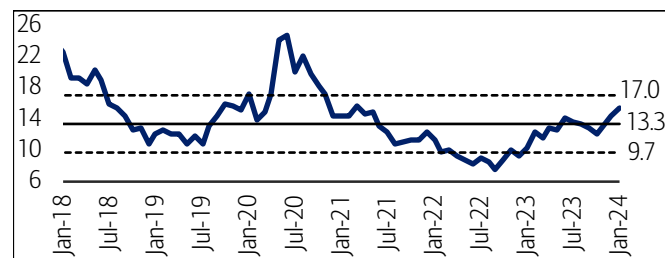
TFII Forward P/E is 16.0x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 112: SNDR forward P/E**

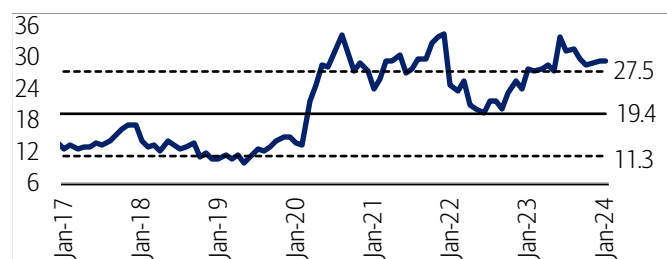
SNDR Forward P/E is 15.3x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 113: ODFL forward P/E**

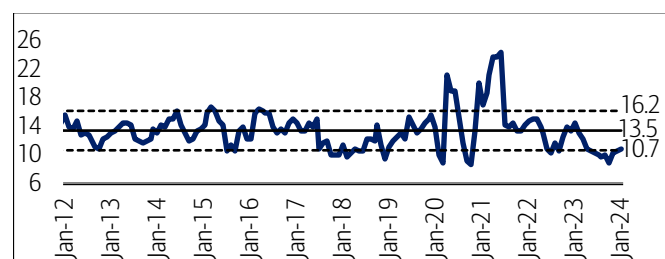
ODFL Forward P/E is 29.3x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 114: WKC forward P/E**

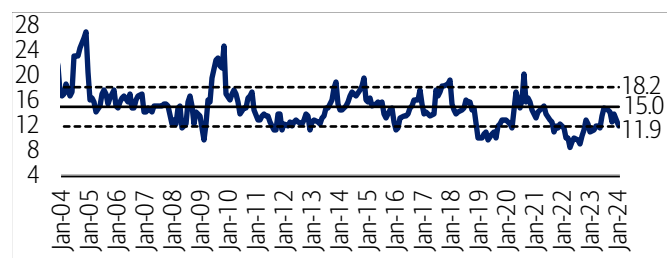
WKC Forward P/E is 11.0x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 115: FDX forward P/E**

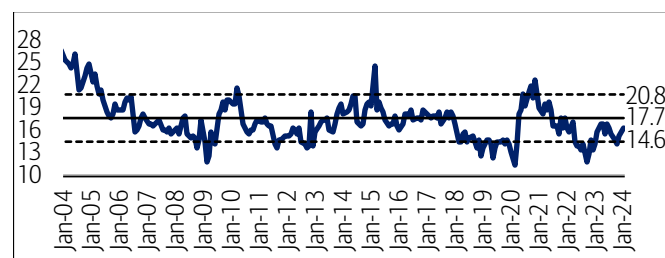
FDX Forward P/E is 11.9x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 116: UPS forward P/E**

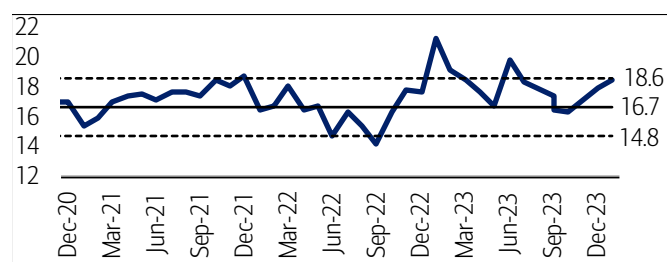
UPS Forward P/E is 16.3x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
BofA GLOBAL RESEARCH

**Exhibit 117: WAB forward P/E**

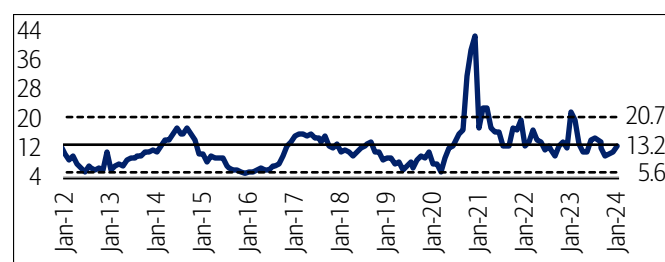
WAB Forward P/E is 18.5x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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**Exhibit 118: GBX forward P/E**

GBX Forward P/E is 12.9x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.  
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# Disclosures

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