

## Transport Tracker

Issue #1110, week ending Jan. 31, 2024;  
NS activist; 5 more 4Q reports next week

Industry Overview

## Hoexter's Thought of the Week

## Norfolk activist drives rail interest in upside potential

Last night, the WSJ reported that an activist investor group has taken a roughly \$1 billion stake (1.9% share) in Norfolk Southern Railway and is launching a proxy battle to nominate members to its Board in hopes of effecting management change, placing CEO Alan Shaw's tenure in its focus. We have a companion note, and detail that we witnessed a similar process in a bid for control in 2012 at Canadian Pacific (via Bill Ackman's Pershing Square), 2017 at CSX (via Paul Hilal's Mantle Ridge), and a speedier process in 2023 at Union Pacific (via Eric Mandelbatt's Soroban). The success at driving significant operating improvement from the current industry's worst performer makes the math quite easy to suggest large potential valuation upside. However, given its East Palestine accident last year and a significantly different Surface Transportation Board oversight of the railroad sector, the pathway to reward may not be as smooth/rapid.

## Five 4Q reports next week (SAIA, ARCB, WERN, XPO, RXO)

Next week, 4Q23 earnings season continues with 5 reports: 3 Less-than-Truckload carriers (LTL; Saia Inc, ArcBest, XPO), 1 Truckload operator (Werner Enterprises), and 1 Truck Broker (RXO). In a set up for 1Q-to-date discussions, our bi-weekly BofA Truck Shipper Survey Demand Indicator continued to inflect, moving to its 2<sup>nd</sup> highest level in 17 months. J.B. Hunt and UPS highlighted a seasonally normal peak (countered by Knight-Swift's view of a demand deceleration in December). At the LTLs, we expect carriers to follow Old Dominion's lead in focusing on pricing given increased tightness after Yellow's bankruptcy. We see secular potential in XPO as it improves efficiency and closes its margin gap to leading peers. In Truckload Brokerage, we believe RXO's will continue to gain share. In Truckload, rate pressure could weigh on Werner's post.

**SAIA** (Fri Feb 2, pre-mkt): We estimate 4Q23 EPS of \$3.18, in line with Street's \$3.20. We expect revenue/hundredweight (cwt) ex-fuel to rise 10% y-y, accelerating from +8% in 3Q23. We target 4Q23 Operating Ratio of 84.4%, a 150 bps improvement year-year and in-line with historical seasonality of 100 bps worse 3Q-4Q as it adds capacity costs.

**ARCB** (Tue Feb 6, pre-mkt): We estimate 4Q23 EPS of \$2.23, in line with Street's \$2.21. Its shift from spot-rated freight should aid pricing and margins. We expect rev/cwt ex fuel +6% y-y and Op Ratio of 88.4%, 40 bps better vs 3Q, above seasonality of -170 bps.

**WERN** (Tue Feb 6, after-mkt): We estimate 4Q23 EPS of \$0.48, above Street's \$0.44. We expect a Truckload Operating Ratio of 91.6%, a 480 bps deterioration year-year as rates remain challenged. We see Dedicated ops fleet shrinkage and flat rev/tractor/wk.

**XPO** (Wed Feb 7, pre-mkt): We estimate 4Q23 EPS of \$0.62, in-line with Street. We target rev/cwt ex-fuel to increase 9% year-year. We expect 4Q23 Operating Ratio of 93%, a 200 bps deterioration from 3Q, better than its seasonality of 250 bps worse.

**RXO** (Thu Feb 8, pre-mkt): We estimate 4Q23 EPS of \$0.04, in-line with Street. We expect Truckload volume growth of 8% and gross revenue/load of -25% (from -32% in 3Q). We see Truck Brokerage margins of 15.3%.

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## Key Data This Week:

- **Week 4 Rail Carloads: Down - 2.5% Y-Y vs Week 3: -17.9% Y-Y**  
(Down for the 7<sup>th</sup> time in 14 weeks)

- **Dry Van spot rates ex-fuel = \$1.48/mile vs \$1.49 last week**, up 5% from \$1.41 on Dec 31, 2023. Spot rates with fuel were \$1.95 vs. \$1.96 last week, and up 2% from \$1.91 on Dec. 31, 2023.

- **DAT Load to Truck Ratio – 2.63 for the week of Jan. 28, down 7% seq.** from 2.83 last week.

- **December Total Truck Loads: - 3.6% Y-Y** vs November's -4.6% Y-Y

**Exhibit 1: Airfreight & Surface Transportation**

Rails, Trucks, Airfreight, Other Transports Summary Valuation Table

Rating	Company	Price	Mkt	P/E	1-Wk	Price
Rails:		01/31/24	Cap. (\$ bil.)	'24e EPS	Perf	Perf YTD %
B-2-7	Canadian National Railway (CNI)	124.04	79.7	20.9x	1%	-1%
B-1-7	Canadian Pacific Kansas City (CP)	80.47	75.0	25.2x	3%	2%
B-1-7	CSX Corp. (CSX)	35.70	70.5	17.9x	4%	3%
B-1-7	Norfolk Southern Corp. (NSC)	235.24	53.1	19.4x	-1%	0%
B-1-7	Union Pacific Corp. (UNP)	243.93	148.7	21.9x	1%	-1%
NR	Grupo México Trans (GMXT*MM)(3)	MXN 39.40	10.0	--	1%	3%
<b>Rail Avg (ex GMXT for P/E)</b>						
<b>Intermodal / Container Lessors:</b>						
B-1-7	J.B. Hunt Transport Svcs (JBHT)	200.98	20.7	24.7x	-1%	1%
NR	Hub Group (HUBG)	45.28	2.9	17.1x	-1%	-2%
NR	Textainer (TGH)	49.65	2.1	10.2x	0%	1%
<b>Intermodal Average</b>						
<b>Less-than-Truckload (LTL) Carriers:</b>						
C-3-7	ArcBest Corp. (ARCB)	119.13	2.8	11.5x	0%	-1%
B-1-7	Old Dominion Freight Line (ODFL)	391.02	42.7	30.9x	0%	-4%
B-1-9	Saia Inc. (SAIA)	450.58	12.0	28.1x	0%	3%
B-2-7	TFI International (TFII)	131.47	11.2	15.9x	-2%	-3%
C-1-9	XPO, Inc. (XPO)	85.44	9.9	25.9x	2%	-2%
<b>LTL Average</b>						
<b>Truckload (TL) Carriers:</b>						
B-1-7	Knight-Swift Transportation (KNX)	57.38	9.3	23.0x	1%	0%
B-2-7	Schneider National (SNDR)	24.52	4.3	15.8x	-1%	-4%
B-3-7	Werner Enterprises (WERN)	39.55	2.5	16.5x	-3%	-7%
NR	Covenant Logistics (CVLG)	48.34	0.6	11.3x	-3%	5%
NR	Heartland Express (HTLD)	12.95	1.0	67.1x	-3%	-9%
NR	Marten Transport (MRTN)	18.50	1.5	21.5x	-9%	-12%
NR	P.A.M. Transport (PTSI)	20.71	0.5	12.2x	-3%	0%
NR	Universal Logistics Holdings (ULH)	30.52	0.8	--	3%	9%
<b>TL Average</b>						
<b>Autonomous trucks</b>						
NR	TuSimple (TSP)	0.23	0.1	--	-31%	-74%
NR	Aurora Innovation (AUR)	2.99	4.5	--	-8%	-32%
<b>Autonomous trucks Average</b>						
<b>Airfreight Companies:</b>						
B-1-7	FedEx Corp. (FDX)	241.29	60.3	13.6x	-3%	-5%
B-2-7	UPS (UPS)	141.90	120.9	16.9x	-9%	-10%
NR	Deutsche Post (DHL GY) (2)	€ 44.52	59.9	--	-1%	-1%
<b>Airfreight Average</b>						
<b>Freight Forwarders / Logistics:</b>						
B-3-7	C.H. Robinson Worldwide (CHRW)	84.09	9.8	20.3x	-2%	-3%
C-1-9	RXO (RXO)	20.80	2.4	46.8x	-6%	-11%
NR	Landstar System (LSTR)	191.72	6.9	25.0x	-3%	-1%
NR	Expeditors International (EXPD)	126.33	18.4	25.9x	-1%	-1%
B-2-8	Kuehne + Nagel Int'l (KHNGF) (2)	CHF 293.80	41.5	32.1x	3%	1%
B-1-7	DSV Panalpina A/S (DSV DC) (2)	DKK 1,237.5	38.9	3.0x	1%	4%
NR	Forward Air Corp. (FWRD)	44.33	1.1	9.7x	-9%	-29%
NR	Ryder System, Inc. (R)	113.57	5.0	9.5x	0%	-1%
NR	Air Transport Services Group (ATSG)	15.49	1.0	9.8x	-6%	-12%
NR	Fortress Transportation (FTAI)	53.95	5.4	20.6x	6%	16%
B-3-7	World Kinect (WKC)	22.57	1.4	9.8x	2%	-1%
<b>Freight Forwarder Avg.</b>						
<b>Rail Equipment:</b>						
C-3-7	The Greenbrier Companies (GBX)	45.46	1.4	12.1x	-1%	3%
NR	Freightcar America Inc. (RAIL)	2.85	0.1	57.0x	8%	6%
NR	GATX Corporation (GATX)	122.65	4.4	16.4x	-2%	2%
NR	Koppers Holdings Inc. (KOP)	51.14	1.1	10.9x	-1%	0%
NR	Trinity Industries Inc. (TRN)	25.14	2.1	12.9x	-1%	-5%
B-1-7	Wabtec Corp. (WAB)	131.57	23.6	19.3x	2%	4%
<b>Rail Equipment Avg.(ex-RAIL)</b>						
<b>Transport Average</b>						
<b>S&amp;P 500</b>						
4,852.97						
22.5x						
0%						
2%						

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	Mkt	P/E	1-Wk	Price
Marine Matters		01/31/24	Cap. (\$ bil.)	'24e EPS or Yield	Perf	Perf YTD
<b>Tanker Companies</b>						
C-1-7	Teekay Tankers, Ltd. (TNK)	62.55	2.1	0.0%	5%	25%
NR	Teekay Shipping Corp. (TK)	8.99	0.8	--	5%	26%
NR	Euronav (EURN)	€ 16.30	3.9	8.1%	0%	2%
NR	DHT Maritime (DHT)	11.12	1.8	15.7%	1%	13%
NR	Frontline Ltd. (FRO)	22.69	5.1	12.9%	4%	13%
NR	Tsakos Energy Navigation (TNP)	24.57	0.7	--	1%	11%
NR	Nordic American Tanker (NAT)	4.45	0.9	10.2%	1%	6%
NR	Ship Finance Limited (SFL)	12.17	1.5	8.5%	0%	8%
NR	KNOT Offshore Partners (KNOP)	5.90	0.2	--	6%	2%
<b>Tanker Average</b>						
9.2%						
<b>Product Tankers</b>						
C-2-7	Scorpio Tankers (STNG)	70.70	3.8	2.5%	2%	16%
NR	Capital Products (CPLP)	18.20	1.0	3.3%	2%	28%
NR	Ardmore Shipping (ASC)	16.57	0.7	5.7%	2%	18%
<b>Product Tankers Average</b>						
3.8%						
<b>LNG / LPG</b>						
NR	Golar LNG (GLNG)	21.81	2.3	--	-2%	-5%
NR	Dynagas LNG Partners (DLNG)	2.74	0.1	14.6%	-3%	-2%
NR	StealthGas (GASS)	7.64	0.3	--	3%	18%
<b>LNG / LPG Average</b>						
14.6%						
<b>Container Ship Lessors</b>						
NR	Costamare (CMRE)	10.71	1.3	4.3%	-3%	3%
NR	Danaos (DAC)	76.28	1.5	4.2%	-1%	3%
NR	Global Ship Lease (GSL)	21.42	0.8	7.0%	-1%	8%
<b>Container Average</b>						
5.2%						
<b>Dry Bulk</b>						
NR	Navios Maritime LP. (NMM)	28.72	0.9	3.6x	-1%	3%
NR	Safe Bulkers, Inc. (SB)	4.04	0.5	5.7x	-3%	3%
NR	Diana Shipping (DSX)	3.01	0.3	6.3x	-1%	1%
NR	Eagle Bulk Shipping (EGLE)	55.13	0.5	10.6x	0%	0%
NR	Navios Maritime (NM)	28.72	0.9	--	-1%	3%
NR	Golden Ocean Group (GOGL)	10.57	2.1	11.1x	-1%	8%
C-1-7	Pacific Basin Shipping (PCFBBF)(1)	HKD 2.17	1.5	5.3x	-6%	-16%
<b>U.S. Dry Bulk Average</b>						
7.1x						
-2%						
0%						
<b>Jones Act Carrier/Other</b>						
B-1-9	Kirby Corp. (KEX)	78.66	4.6	15.6x	1%	0%
NR	Matson Inc. (MATX)	112.03	3.9	13.9x	-4%	2%
NR	Tidewater Inc. (TDW)	67.19	3.6	12.2x	-8%	-7%
<b>Jones Act Carrier/Other Average</b>						
13.9x						
<b>Container Shipping / Diversified Companies</b>						
B-2-8	AP Moeller-Maersk (AMKBF) (2)	DKK 12,725	32.2	--	-2%	5%
B-1-8	COSCO Shipping Holding Co (CICOF)(1)	HK\$8.21	7.6	--	0%	5%
C-3-8	K-Line (KAKKF)(1)	¥7,201.00	11.7	11.5x	-1%	19%
B-3-8	Mitsui O.S.K. Lines (MSLOF)(1)	¥5,310.00	13.1	7.4x	3%	18%
B-3-8	NYK Line (NYUKF)(1)	¥5,098.00	17.8	7.8x	2%	17%
NR	Wan Hai Lines (WHILF)	TWD 48.90	4.4	--	-3%	-11%
NR	Yang Ming Marine (YMGXF)	TWD 47.85	5.3	--	-4%	-7%
C-2-8	Evergreen Marine Corp (EVGQF)(2)	TWD 150.50	10.2	1.4x	-2%	5%
NR	Hapag Llyod ADR (HLA GY) (2)	€ 139.10	26.5	37.7x	-9%	3%
C-3-9	ZIM Integrated Shipping Svcs (ZIM)	15.00	1.8	--	7%	52%
<b>Container &amp; Diversified Average</b>						
8.9x						
-1%						
10%						
<b>Shipping Mkt Cap / Shipping Avg</b>						
S&P 500						
4,852.97						
135.9						
22.5x						
0%						
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**

<b>Best:</b>	RAIL (+8%)	FTAI (+6%)	CSX (+4%)
<b>Worst:</b>	TSP (-31%)	UPS (-9%)	FWRD (-9%)

**Marine Transportation Weekly Movers**

<b>Best:</b>	KNOP (+6%)	TK (+5%)	TNK (+5%)
<b>Worst:</b>	TDW (-8%)	PCFBBF (-6%)	YMGXF (-4%)



## Upcoming Calendar of Events

Feb 27	Wabtec's Facility Tour/Field Trip; Fort Worth, Texas
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 (featuring <b>CNI and WAB</b> ), London
Mar 26	UPS Investor & Analyst 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="#">CPKC: Synergies ahead of tgts; aims for DD growth; PO \$87</a>	Ken Hoexter	30 January 2024
<a href="#">UPS: Resets '24 to 0-1% parcel growth; launches \$1b cost cuts; PO \$156</a>	Ken Hoexter	30 January 2024
<a href="#">NSC: Sets low bar (100-150bps margin gain tgt); PO \$255</a>	Ken Hoexter	26 January 2024
<a href="#">Trucking: Survey Says: Demand (52.8) 2nd highest in 17 months</a>	Ken Hoexter	26 January 2024
<a href="#">UP: Trust Vena's process; Revamping ops constrained by macro; PO \$274</a>	Ken Hoexter	25 January 2024
<a href="#">CSX: Better, stronger, faster... ONE CSX; focus on momentum; PO to \$39</a>	Ken Hoexter	25 January 2024
<a href="#">KNX: Earnings reset is a clearing event; PO to \$64</a>	Ken Hoexter	24 January 2024
<a href="#">Transport Tracker: Issue #1109, week ending Jan. 24, 2024</a>	Ken Hoexter	24 January 2024

## Company News

**Knight-Swift Transportation** posted adjusted 4Q EPS of \$0.09, below our \$0.47/Street's \$0.43 targets, missing its full-year \$2.10-\$2.20 range. Results were impacted by its move to exit the truck insurance business and concurrent revaluation of its accruals. Revenues were \$1.9 billion, up 11% year-year, \$24 million below our target. Adj. operating income was \$47 million, down 80% year-year and \$79 million below our target, for an adj operating ratio of 97.2%, a 1,260 bps deterioration y-y and 450 bps worse than our target. The company targets \$0.37-\$0.41 in 1Q24 adj. EPS and \$0.53-\$0.57 in 2Q24 adj. EPS. It sees the duration and severity of recent weather impacts as a potential additional impact to its near-term targets. Its outlook assumes a slight sequential deterioration in Truckload margins in 1Q24 and an improvement in 2Q24. It expects tractor count to be down modestly in 1H24, yet miles/tractor to be up mid-single-digit percentage, and rate/mile to stay sequentially flat. It expects 1H24 Less than Truckload (LTL) shipments/day to increase mid- to high-single digit percentage year-year and revenue/hundredweight ex-fuel to also increase mid- to high-single digit percentage year-year. It expects 1Q Intermodal volumes to be flat year-year before building to a high-single digit percent growth in 2Q.

**CSX** posted 4Q23 EPS of \$0.45, down 8% year-year, above our \$0.43 and Street's \$0.44. Revenues were \$3.68 billion, down 1% year-year, but \$101 million above our estimate. Operating income was \$1.32 billion, down 10% year-year, but \$33 million above our estimate, for an operating ratio of 64.1%, a 320 bps deterioration year-year, and 10 bps worse than our forecast. The company expects 1Q24 operating ratio to improve sequentially, a shift from normal 1Q deterioration, aided by slightly lower seq. cost/employee after 4Q23 vacation/benefit true-ups. In 2024, the company targets low-to-mid single digit growth in both volumes and revenue as it sees momentum building across its Merchandise, Intermodal and Export Coal franchises. CSX targets profitable growth in 2024 as top-line gains, improving efficiency, and lower cost inflation are balanced by \$50 million of incremental depreciation expense, a slightly higher tax rate, and the cycling of a \$50 million 1Q23 insurance recovery benefit.

**Union Pacific** posted 4Q23 EPS of \$2.71, up 1% year-year, above our \$2.53 target and consensus' \$2.56. Revenues were \$6.2 billion, flat year-year, \$260 million above our target. Volumes were up 3.4% year-year, ahead of our +1.8% target. Yields were down



2.8% year-year, better than our -6.0% target. Operating income was \$2.4 billion, flat year-year, and \$142 million above our target, for an operating ratio of 60.9%, a 10 bps improvement year-year, 70 bps better than our target. The company made gains in its service (car miles/day +14% y-y, locomotive productivity up 14% y-y, Intermodal trip plan compliance at 85%, up 22 pts y-y). Given the challenging weather to start the year, Union Pacific was fairly conservative, signaling an uncertain top line path, while indicating continued improvement in operations, which creates operating leverage potential. UNP is facing additional labor cost inflation from work rest requirements, which can require additional employees near term, yet will be mitigated by improved productivity (longer trains, fewer train starts).

**Norfolk Southern** posted adj 4Q23 EPS of \$2.83, in-line with our target, yet below Street's \$2.87. Revenues were \$3.1 billion, down 5% year-year and \$105 million above our target. Carloads were up 2.9% year-year, in-line with our +2.6% target. Average Revenues/Carload declined 7.7% year-year, above our -9.2% target. Adj. operating income was \$958 million, \$46 million below our target, for an adj. operating ratio of 68.8%, 190 bps worse than our target. Norfolk Southern expects to grow revenues approximately 3.0% year-year in 2024, at margin accretive levels, as its productivity levels improve. It set a 3-year target of 100-150 bps in annual margin improvement, as it seeks to narrow its gap vs peers. In 2024, it anticipates winter weather to negatively impact 1Q operations and sees margins deteriorating sequentially as it holds onto its \$40 million/quarter in service costs. It sees 2H returns improving as it manages costs through efficiency and expects to achieve 100-150 bps margin gain in 2H24. Separately, Norfolk Southern, the Brotherhood of Locomotive Engineers & Trainmen (BLET), and the International Association of Sheet Metal, Air, Rail & Transportation Workers – Transport Division (SMART-TD), in partnership with the Federal Railroad Administration (FRA), are jointly participating in an FRA Confidential Close Call Reporting System (C3RS) pilot program designed to enhance railroad safety. Under the one-year pilot, NS employees can report safety concerns knowing that it will not result in discipline.

**UPS** posted 4Q23 adj. EPS of \$2.47, down 32% year-year, below our \$2.49 target, but above the Street's \$2.44. Revenues were \$24.9 billion, down 8% year-year, \$556 million below our target. Adj. Operating income was \$2.79 billion, down 27% year-year, \$65 million below our target. Supply Chain led the miss, followed by Domestic on Ground and Forwarding yield and volume pressure. UPS targets 2024 revenues of \$92.0-94.5 billion (BofAe \$93.4 billion) and operating margins of 10.0-10.6% (BofAe 10.5%). It expects earnings to be back-half weighted in 2024, and as such, it plans to reduce headcount by 12,000 (management). It aims to sequentially improve margins through 2024 given the labor cost contract impact in 1H and easier comps in 2H. It sees 2H24 EBIT up 20-30% year-year vs 2023 (we target +30%) and for margins to be the lowest in 1Q24. It also targets 2024 CapEx of \$4.5 billion, down from \$5.2 billion in 2023, representing 5% of revenues.

**Canadian Pacific Kansas City** (CPKC) posted adj 4Q23 EPS of C\$1.18, up 3% year-year, above our C\$1.11/Street C\$1.12 targets. Revenues were C\$3.78 billion, up +4% year-year, C\$138 million above our forecast. Carloads were up 1.8% year-year, above our +0.2% target. Average Revenue/Carload was up 1.9% year-year, above our -0.3% target. CPKC sees further pricing opportunity in 2024 as it aligns the rest of its portfolio to rail inflation. Adj Operating income was C\$1.56 million, up +10% year-year, C\$51 million above our target, for an adj operating ratio of 58.7%, a 220 bps improvement year-year, 20 bps worse than our estimate. CPKC posted accelerated year-year improvements in train miles (+9%), terminal dwell (-11%, better), train speeds (+6%) and locomotive productivity in 4Q23. Cost inflation outpaced pricing in 2023, a headwind it aims to overcome in 2024 as it reprices legacy Kansas City Southern and pre-inflation ramp contracts. CPKC effective tax rate was 22.2%, below our 25% forecast, adding \$0.04/sh benefit to adj EPS. The company targets 2024 double-digit core adj EPS growth from its 2023 base of C\$3.84 (BofAe C\$4.30 or +12%), and operating margin improvement from 62% (BofAe 59.6%).

**Old Dominion Freight Line** (ODFL) posted 4Q23 EPS of \$2.94, up 1% year-year, above our \$2.86 forecast and consensus' \$2.85 estimate. Results were favorably impacted by a \$15 million gain on sale related to the disposal of property and equipment, partly offset by higher Insurance & Claims expense (\$28 mil versus our \$16 mil target; - \$0.08/share impact). LTL operating metrics were in line across the board, with LTL Tons/Day down 2% and revenue/hundredweight ex-fuel +8%. Revenues were \$1.5 billion, flat year-year, \$5 million above our target. Operating income was \$421 million, down 2% year-year, yet \$5 mil above our target, for an operating ratio of 71.8%, a 60 bps deterioration year-year, 30 bps better than our target. 4Q23 earnings were better than expected (given a lower tax rate and benefit from gain on asset sales), yet its view of 1Q24 margins and 2024 pricing were more conservative than anticipated. It sees 1Q operating ratio deteriorating 170-200 bps sequentially versus 4Q as it normalizes from non-recurring gains and has weather-related seasonality impacts. ODFL targets 2024 CapEx of \$750 million, down slightly from \$757 million in 2023.

**Forward Air Corporation** completed the acquisition of Omni Logistics, LLC.

**GATX Corporation** elected John Holmes to its board of directors, who will also serve as a member of the board's Audit Committee.

**J.J. & Sons Logistics**, doing business as JJ Transport, of Clint, Texas, filed for bankruptcy in the U.S. Bankruptcy Court for the Western District of Texas. The company listed its assets as up to \$500,000 and liabilities as between \$100 million and \$500 million.

## Shipping

**TEN Ltd.** acquired five high-spec environmentally friendly vessels consisting of two Dual-Fuel LNG LR2 aframaxs, one super-eco suezmax and two 1A ice-class scrubber-fitted aframaxs. The purchases will be funded with cash on hand and bank financing.

## Dividends Declared

	Amount	Record Date	Payable Date
GATX	\$0.58	03/01/24	03/31/24
MATX	\$0.32	02/08/24	03/07/24
SNDR	\$0.09	03/08/24	04/09/24





## Week 4 Rail Carload Data: Down 2.5% Y-Y

**Key Takeaways – Down 2.5% (from -17.9% last week):** Total carloads for Week 4 of 2024 were down 2.5% year-year, to 586,661 (BNSF has not reported yet), moderating from last week's 17.9% decrease (or 488,972 carloads impacted by severe winter weather in the US). Carloads posted the seventh decline in the past 14 weeks (and fourth consecutive). Growth was below the past 10-week average of +0.8%, while the full 1Q24 Carloads compares against a 0.8% decrease in 1Q23 (BNSF not incl.). Coal was down (-14.8% year-year), moderating from last week's 35.7% decrease. Nat Gas prices were down (-15%) to \$2.08/MMBtu from \$2.45/MMBtu last week. Coal's absolute level of carloads was 52k, above 40k last week, but below the past 10-week avg of 55k. Chemical volumes were up 1.6% year-year, reversing last week's 12.1% decrease. Chemicals were up for the 10<sup>th</sup> week over the last 11. Grain (-15.1%) was down, moderating from last week's 33.2% decrease. Grain was down for the 24<sup>th</sup> time over the last 27 weeks. Petroleum (+3.1%) was up, reversing last week's 14.4% decrease. This was the 15<sup>th</sup> uptick over the last 16 weeks for Petroleum. Intermodal (+3.0%) was up, reversing last week's 11.6% decrease. Intermodal absolute volumes were 275k, well above 231k last week, and the 258k past 10-week avg. Auto (-2.9%) was down, moderating from last week's 21.7% decrease. It was Auto's fifth consecutive downtick.

**Overall Carloads:** Week 4 carloads were down 2.5% year-year, as decreases at CPKC (-8.1%), CN (-6.8%), and UP (-4.1%) more than offset increases at NS (+1.7%) and CSX (+2.8%). Quarter-to-date, carloads are down 7.1% year-year, as all rails are down, led by: CPKC (-11.5%), CN (-9.5%), UP (-7.7%), NS (-4.3%), and CSX (-4.0%). The 1Q24 carload trend of -7.1% is below our +0.6% full quarter target for the Class I rails on average. The avg. carrier is trending below our target (-720 bps), with UNP the best at -580 bps vs. our tgt. (-7.7% vs. our -1.9%), vs CPKC the worst at -1310 bps (-11.5% vs. our -1.9%).

**Revenue Ton Miles:** Week 4 RTMs: CN's RTMs are down 10.2% y-y 1QTD. CPKC's RTM are down 8.6% y-y 1QTD.

**Specifics: Intermodal carloads (46.9% of total)** were up 3.0% year-year, as increases at NS (+8.6%), CSX (+8.5%), and UP (+4.0%) more than offset decreases at CN (-4.4%) and CPKC (-9.6%). **Coal carloads (9.0% of total)** were down 14.8% year-year, as all rails declined, led by: CN (-19.7%), CPKC (-16.1%), UP (-16.0%), NS (-13.3%), and CSX (-10.9%). **Chemical carloads (9.2% of total)** were up 1.6% year-year, as increases at UP (+2.6%), CN (+2.2%), CPKC (+1.7%), and CSX (+0.9%) more than offset a decrease at NS (-0.3%). **Grain carloads (4.0% of total)** were down 15.1% year-year, as decreases at CN (-34.2%), UP (-23.2%), and CPKC (-10.2%) more than offset increases at NS (+4.1%) and CSX (+12.6%). **Petroleum carloads (4.1% of total)** were up 3.1% year-year, as increases at CSX (+18.8%), UP (+12.0%), and CN (+6.5%) more than offset decreases at CPKC (-4.2%) and NS (-15.2%). **Auto carloads (4.8% of total)** were down 2.9% year-year, as decreases at NS (-10.1%), UP (-8.1%), CPKC (-4.1%), and CN (-2.8%) more than offset an increase at CSX (+12.4%).

### Exhibit 3: Carloads Week 4 2024 vs. 2023 and 1QTD volumes

Week 4 Rail Carload Data: Down 2.5% Y-Y

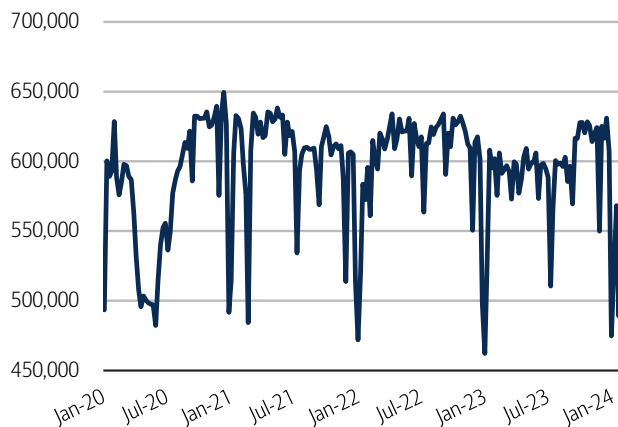
	% of total	2024 Wk 4	2023 Wk 4	% Δ	1Q24 QTD	% Δ
Intermodal	46.9%	275,176	267,084	3.0%	985,343	-4.0%
Coal	9.0%	52,875	62,028	-14.8%	203,901	-16.3%
Chemicals	9.2%	54,214	53,341	1.6%	212,565	0.9%
Auto	4.8%	28,394	29,241	-2.9%	95,547	-15.4%
Grain	4.0%	23,650	27,846	-15.1%	89,935	-20.5%
Forest Prod.	3.5%	20,747	21,749	-4.6%	79,346	-5.1%
Petrol. Prod.	4.1%	24,178	23,441	3.1%	90,646	-1.2%
<b>Total Carloads</b>		<b>586,661</b>	<b>602,008</b>	<b>-2.5%</b>	<b>2,166,564</b>	<b>-7.1%</b>

Source: BofA Global Research and AAR.

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**Exhibit 4: Total Weekly Carload Volumes**

Total volumes were 586,661 for Week 4



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 -2.5% y-y for Week 4



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%

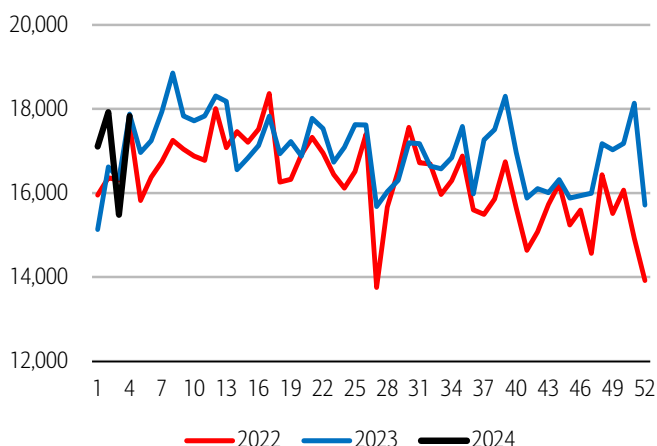
Source: BofA Global Research and Association of American Railroads.

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 17,823 in Week 4, down 0.3% Y-Y

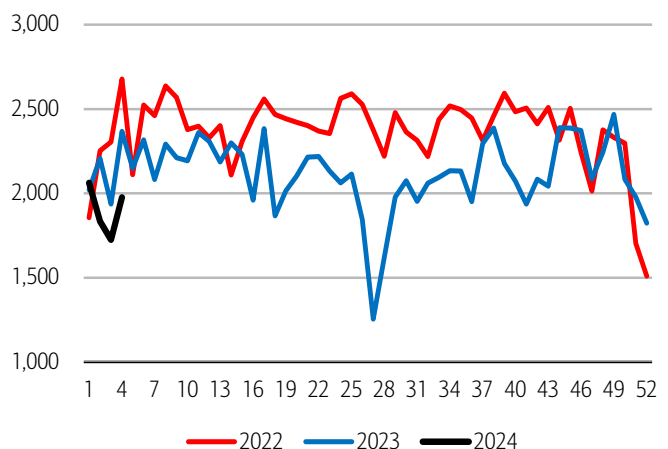


Source: BofA Global Research and Company data.

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**Exhibit 8: Forest Product Carloads**

Forest Product Carloads were 1,976 in Week 4, down 16.6% Y-Y



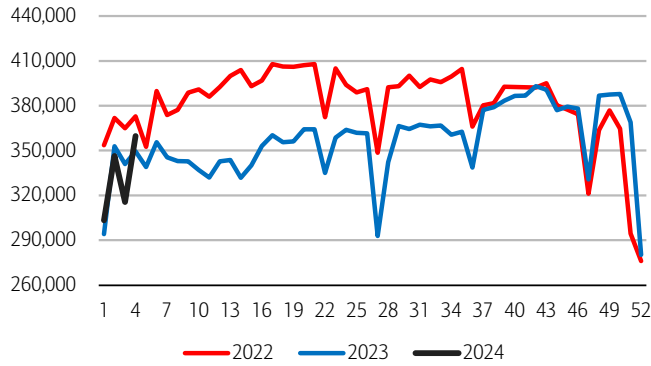
Source: BofA Global Research and Company data.

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## Selected Segments Weekly Carloads

### Exhibit 9: Intermodal Carloads

Intermodal Carloads were 359,716 in Week 4, up 2.9% Y-Y

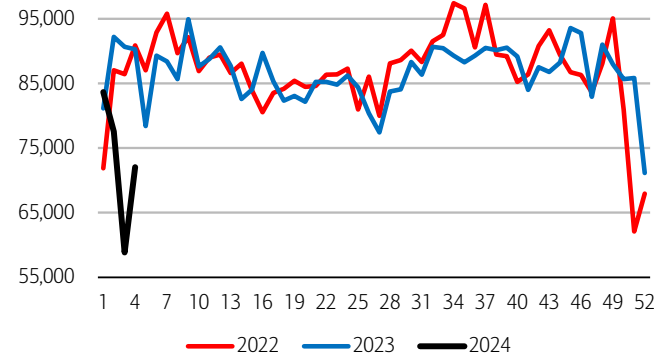


Source: BofA Global Research and Company data.

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### Exhibit 10: Coal Carloads

Coal Carloads were 72,037 in Week 4, down 20.2% Y-Y

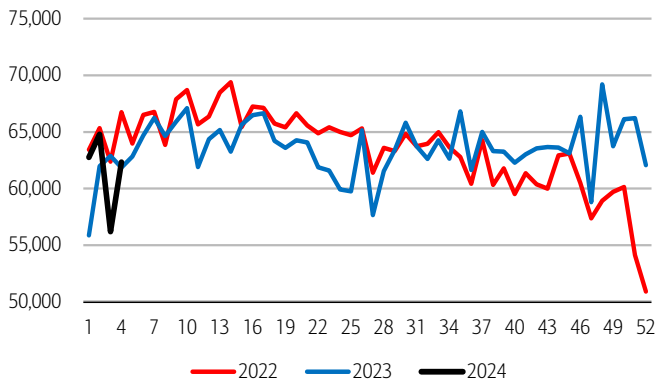


Source: BofA Global Research and Company data.

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### Exhibit 11: Chemical Carloads

Chemical Carloads were 62,330 in Week 4, up 0.8% Y-Y

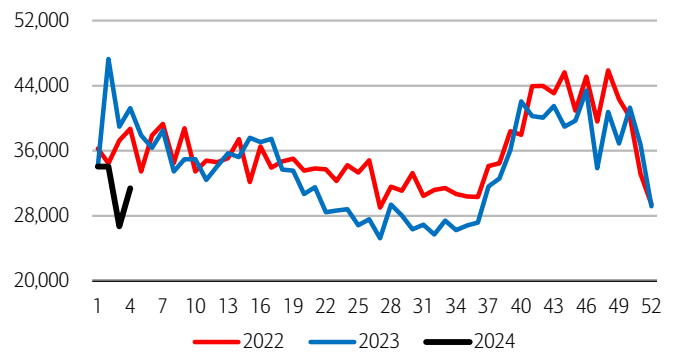


Source: BofA Global Research and Company data.

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### Exhibit 12: Grain Carloads

Grain Carloads were 31,381 in Week 4, down 23.9% Y-Y

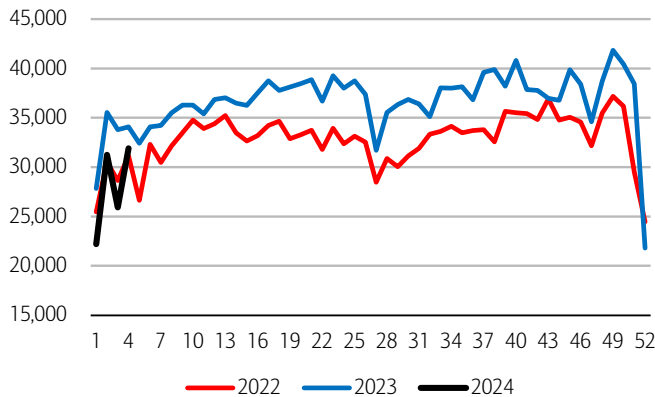


Source: BofA Global Research and Company data.

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### Exhibit 13: Auto Carloads

Auto Carloads were 31,899 in Week 4, down 6.4% Y-Y

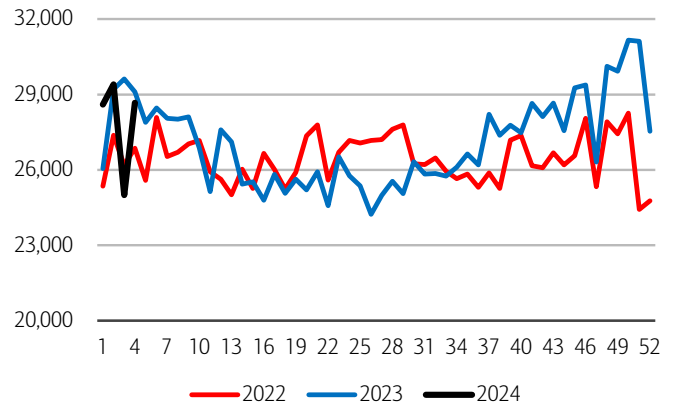


Source: BofA Global Research and Company data.

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### Exhibit 14: Petroleum Products Carloads

Petroleum Products Carloads were 28,673 in Week 4, down 1.5% Y-Y



Source: BofA Global Research and Company data.

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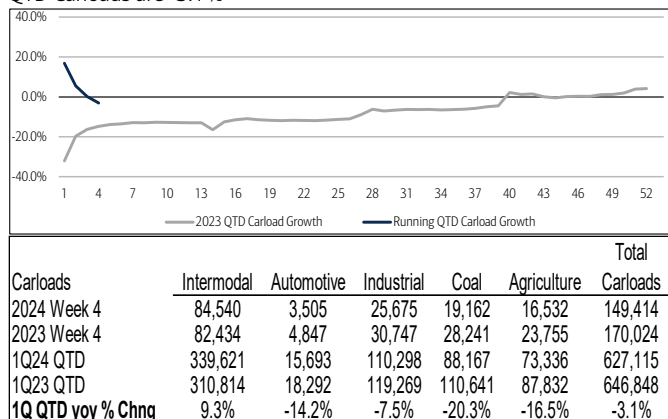




## Selected Segments Weekly Carloads

### Exhibit 15: BNSF Carloads

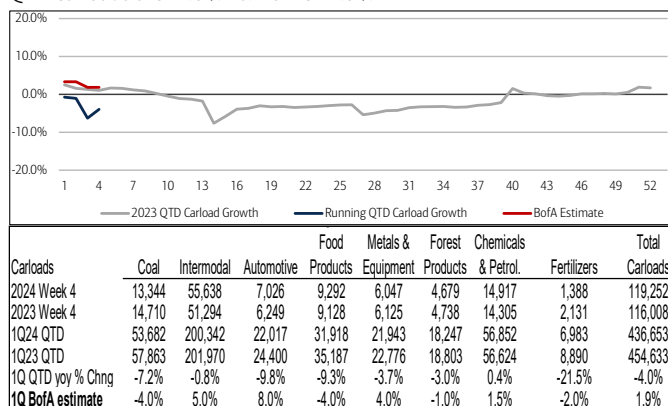
QTD Carloads are -3.1%



Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
BofA GLOBAL RESEARCH

### Exhibit 17: CSX Carloads

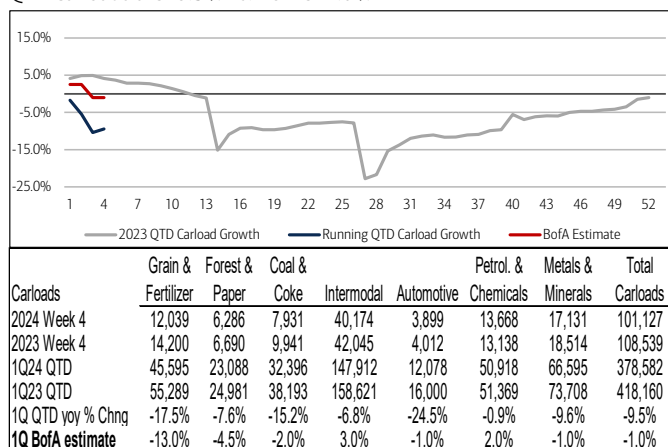
QTD Carloads are -4.0% vs. BofAe +1.9%



Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
BofA GLOBAL RESEARCH

### Exhibit 19: CNi Carloads

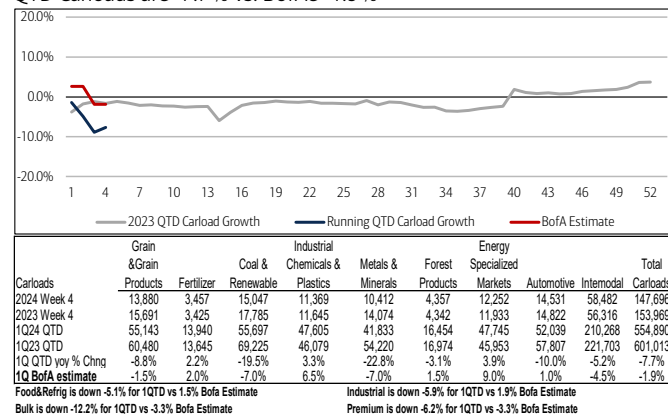
QTD Carloads are -9.5% vs. BofAe -1.0%



Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
BofA GLOBAL RESEARCH

### Exhibit 16: Union Pacific Carloads

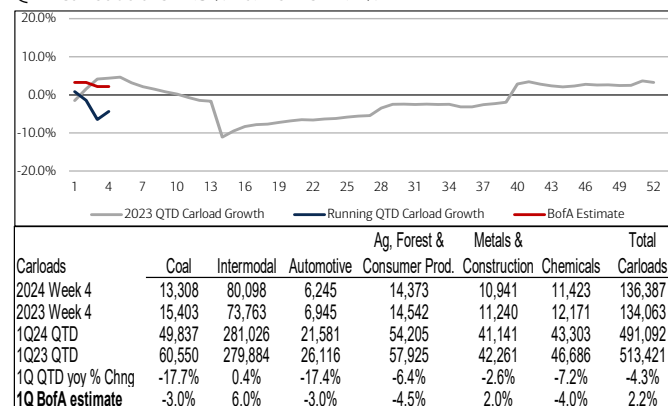
QTD Carloads are -7.7% vs. BofAe -1.9%



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

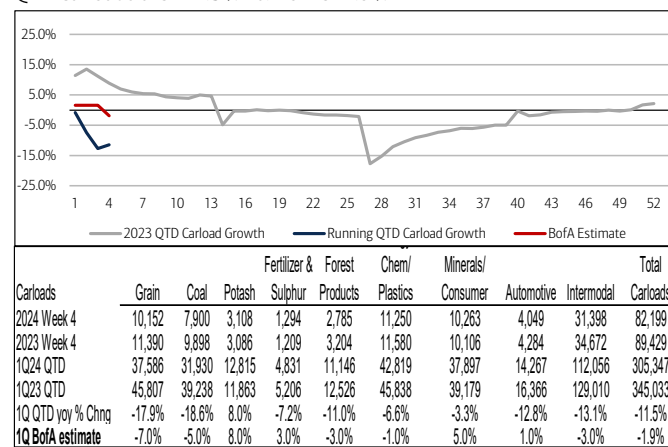
QTD Carloads are -4.3% vs. BofAe +2.2%



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

QTD Carloads are -11.5% vs. BofAe -1.9%



Source: BofA Global Research estimates, Association of American Railroads, and Company reports  
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## Diesel Fuel Prices: +0.8% sequentially

Diesel fuel prices were up 0.8% from last week, to \$3.87 for week 4 of 2024. Prices remain below \$4.00 for the eighth consecutive week, yet this was the third uptick in six weeks. The 1Q24 average for on-highway diesel is \$3.87/gallon, down 13% y-y from \$4.41 in 1Q23, and down 10% sequentially from 4Q23's \$4.26.

**WTI crude oil** futures closed at \$77.82, up 4.6% from last week's \$74.37. This was the sixth weekly uptick in seven weeks. The 1Q24 average is \$73.66, down 3% from 1Q23's \$76.12 average, and down 6% from 4Q23's \$78.44. We target \$77 and \$80 for 1Q24 and 2024.

**Brent crude oil** futures closed at \$82.87, up 4.2% from last week's \$79.55. The 1Q24 average is \$79.00, down 4% from 1Q23 average of \$82.16, and down 5% from 4Q23's average of \$82.80.

**The Brent to WTI gap** is \$5.05, down from last week's \$5.18. The current spread is down 16% from the 1Q23 avg. of \$6.04.

**Natural Gas** futures closed at \$2.08 on January 30<sup>th</sup>, down 15% from \$2.45 last Tuesday. Nat Gas trends below \$3.00 for the tenth week over the last eleven, and posted the third consecutive decline. The 1Q24 average is \$2.64, down 7% from the 1Q23 average of \$2.83.

### Exhibit 21: Fuel surcharges

Weekly and Monthly surcharges table

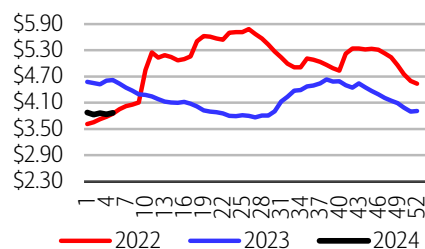
	Week 3 1/10/24	Week 4 1/17/24	Week 5 1/24/24
ARCB - LTL	30.9%	31.3%	30.9%
XPO - LTL	32.8%	32.3%	32.8%
ARCB - TL	61.8%	62.6%	61.8%
XPO - TL	65.5%	64.5%	65.5%
FDX - Express	16.00%	16.00%	16.75%
UPS - Express	19.50%	18.75%	18.75%
FDX - Ground	15.25%	15.25%	15.25%
UPS - Ground	15.50%	15.25%	15.50%
	Dec-23	Jan-24	Feb-24
UP (standard)	\$0.49	\$0.44	\$0.38
y-y % change	-22%	-31%	-28%
UP (coal)	\$0.49	\$0.44	\$0.38
y-y % change	-22%	-31%	-28%
CSX	\$0.63	\$0.57	\$0.50
y-y % change	-22%	-30%	-26%
CPKC	\$0.60	\$0.53	\$0.46
y-y % change	-22%	-32%	-29%

Source: BofA Global Research and company reports.

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### Exhibit 22: National Diesel Fuel Prices

Diesel fuel prices: \$3.87 for week 4 of 2024

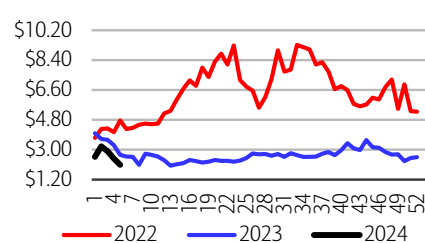


Source: BofA Global Research, DOE, Bloomberg

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

Futures closed at \$2.08 on January 30<sup>th</sup>

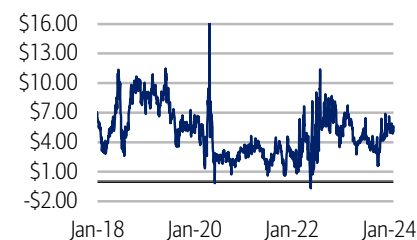


Source: BofA Global Research, DOE, Bloomberg

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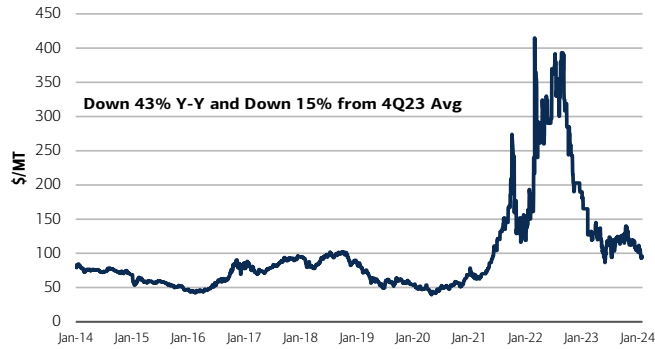
### Exhibit 24: Brent to WTI Spread

The Brent to WTI gap is \$5.05



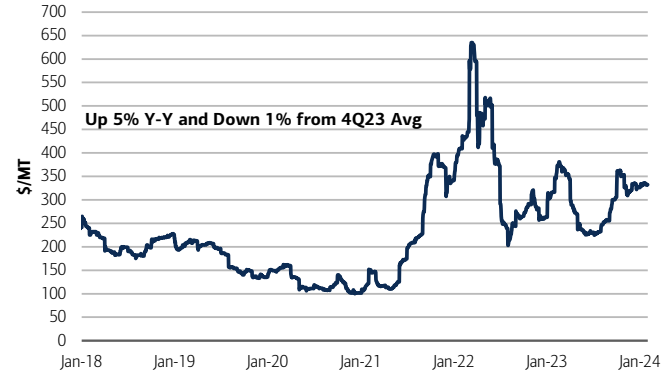
Source: BofA Global Research, DOE, Bloomberg

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**Exhibit 25: Thermal Coal, Europe Coal 6000kcal CIF ARA Forward**Price = \$94.76 on January 31<sup>st</sup>

Source: BofA Global Research and Bloomberg.

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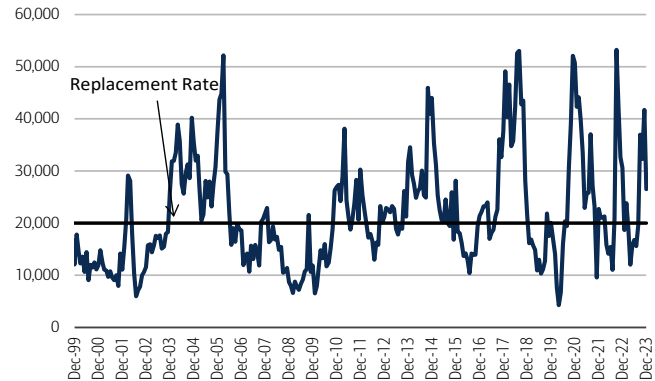
**Exhibit 26: Australian Premium Coking Coal Futures**Price = \$332.10 on January 31<sup>st</sup>

Source: BofA Global Research and Bloomberg.

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

Prelim. December Class 8 Net Orders at 26,500 vs 41,732 in November



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

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**Prelim. December Class 8 Net Orders at 26,500 (from 41,732 in November)****Exhibit 28: Class 8 Truck net orders**

Final Class 8 Net Orders at 26,352 (Preliminary was 26,500)

**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	26,352
Year Total	490,129	180,995	278,296	353,034	299,493	278,336

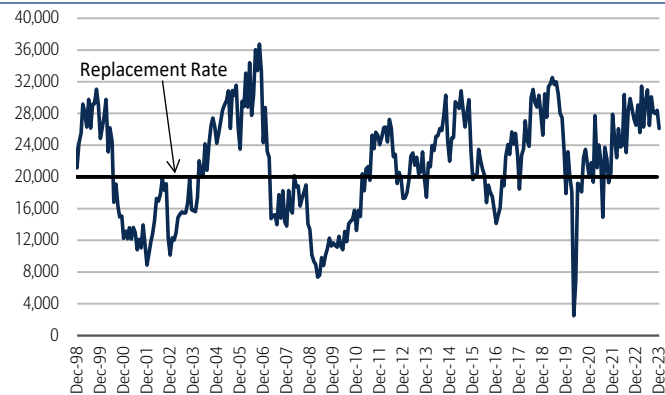
Source: American Commercial Transportation Research (ACT)

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**December Class 8 Final Orders at 26,352**

**Exhibit 29: Class 8 Truck production**

Class 8 Truck Production at 26,110 in December

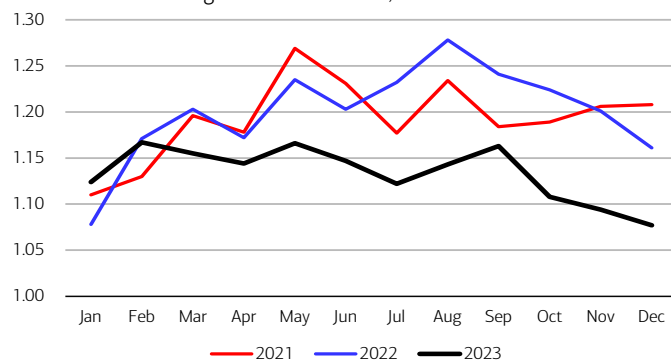


Source: BofA Global Research estimates and American Commercial Transportation Research (ACT)  
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## Class 8 Truck Production at 26,110 Down 8% Sequentially

**Exhibit 30: Cass Freight Shipments Index**

December's Cass Freight Index: -7.2% Y-Y, -1.6% M-M



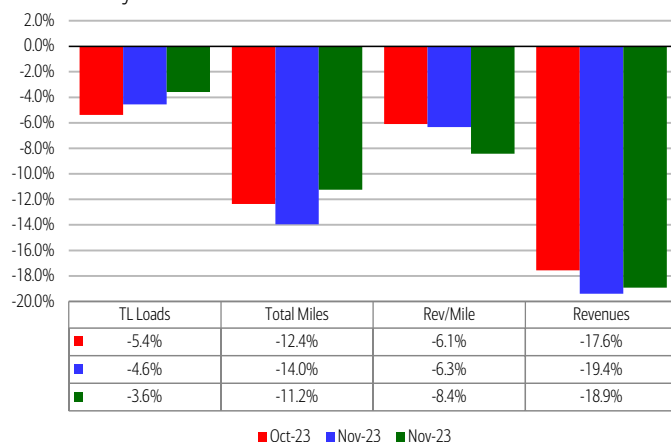
Source: Cass Information Systems, Inc.

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## Cass Freight Index: -7.2% Y-Y, -1.6% M-M

**Exhibit 31: Truck Activity**

Truck Activity: December Loads -3.6% Y-Y



Source: American Trucking Association

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## December Total Truck Loads: -3.6% Y-Y

Total truck loads declined 3.6% year-over-year in December, to a 102.3 index, moderating from November's 4.6% decline, according to the American Trucking Association (ATA). On a y-y basis, the loads index was down for the tenth consecutive month, yet it was up sequentially following four downticks. Total revenues were down 18.9% year-year, in line with November's 19.4% decrease, and Revenue per mile was down 8.4%, deteriorating from the 6.3% decline in November. Total Revenues were down for the tenth consecutive month, while Rev/Mile for the eleventh consecutive. Total miles were down 11.2% year-year, moderating from last month's 14.0% decline. During the month, DAT's seasonally adjusted Spot loads index declined significantly on a sequential basis (-33%), to 143.5 from 217.2, and was down 57% year-year. Within Less-Than-Truckload (LTL), tonnage was down 6.4% year-year, moderating from November's 8.5% decrease, while the overall LTL Revenue was down 8.5%, moderating from last month's 10.4% decrease. This was the 13<sup>th</sup> consecutive decline for this index. At the same time, Revenue per ton was down slightly in December (-0.1%), moderating from November's 2.0% decrease, and it was the fifth downtick in the year.

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

Preliminary December Truck Tonnage: -0.5% Y-Y, +2.1% M-M



Source: American Trucking Association

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**Prelim. December Truck Tonnage: -0.5% Y-Y, +2.1% M-M**

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

November Truck Tonnage: -1.5% Y-Y, -1.4% 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	113.3
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	114.8

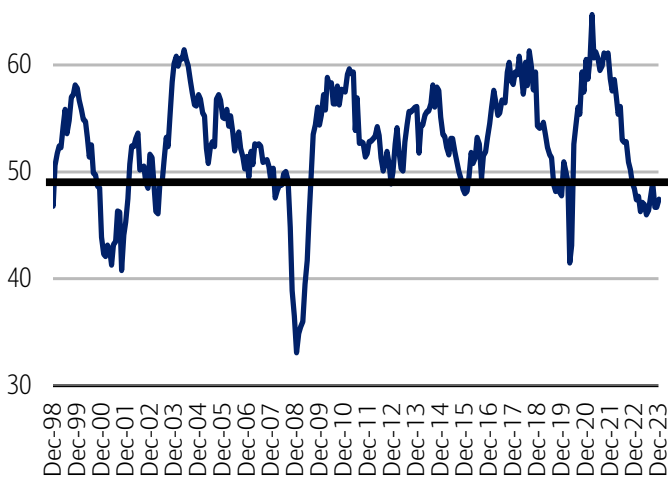
Source: American Trucking Association

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**November Truck Tonnage: -1.5% Y-Y, -1.4% M-M**

**Exhibit 34: ISM Manufacturing Index**

December ISM Manufacturing Index 47.4, +0.7 pts.



Source: BofA Global Research and Bloomberg.

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

**Exhibit 35: BofA Truckload Diffusion Indicator**Demand Indicator at 52.8 from 51.6 (bi-weekly Issue #301 on Jan 25<sup>th</sup>)

Source: BofA Global Research estimates

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**BofA TRUCK SHIPPER SURVEY  
Survey Says: Demand (52.8)**

This week, our proprietary bi-weekly **BofA Truckload Demand Indicator** for shippers' 0- to 3-month freight demand outlook **increased to 52.8 from 51.6 last survey. This is the highest level for the Demand Indicator since August 2022 (17 months), aside from one issue on August 10, 2023.** The Demand Indicator has now been at- or above-50 for 3 consecutive issues and 6x in the past 11. This positive stretch follows a period at- or below-50 for 21 of the prior 25 issues (since February 2023). The Indicator remains just below the 54.2 average in the '12, '15, '19 Freight Recession periods, highlighting a still soft backdrop, but a notable improvement from its 2023 trough (42.6). The Demand Indicator was up 3% year-year, its 10th yr-yr uptick in the past 11 issues. Rail carloads fell 18% year-year this week, the 6th downtick in 13 weeks mainly due to weather-related shutdowns. Dry van spot rates ex-fuel was \$1.49/mile, up from \$1.47/mile last week, remaining well above the \$1.21-\$1.26 band it was at between Aug-Oct. Of the respondents, 25% had a positive short-term demand outlook, up from 23% last survey; Neutral outlooks were 55%, flat with last survey, and Negative outlooks were 20%, down from 21% last survey. In the week of January 25th, we surveyed 44 shippers for views on truckload demand, supply, pricing, and inventory.

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

L-T Demand Indicator at 58.5, up 1% sequentially



Source: BofA Global Research estimates

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

Inventory Indicator at 54.5, flat sequentially from last issue



Source: BofA Global Research estimates

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**Rates Indicator above 50 for the first time in 92 weeks**

**The Rate Indicator**, or shippers' view on truck rates, increased to 52.3 from 47.9, as more shippers expect rates to rise over the next 3 months. This is the Rate Indicator's first move above 50 after 46 consecutive surveys (92 weeks). **The Inventory Indicator** was flat at 54.5 from 54.3 last issue. **The Truck Capacity Indicator**, which gauges shippers' views of available truck capacity, decreased to 61.4 from 68.1 last survey as capacity relatively tightens.

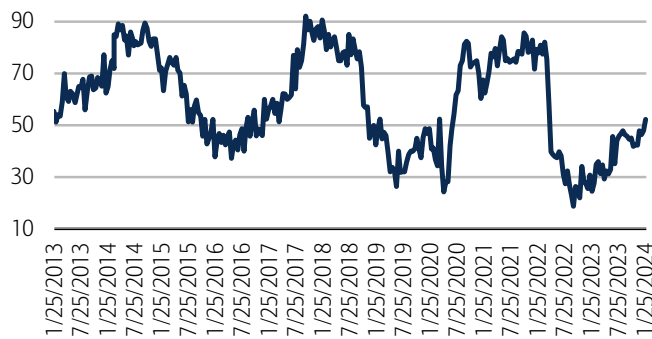
**Rates views are flat**

With respect to rates, 11% of shippers expect rates to fall, from 15% last issue, 73% expect pricing to be flat, from 74% last issue, and 16% expect rates to rise, from 11% last issue. On capacity, 27% expect capacity to rise, vs 38% last issue, 68% expect capacity to stay flat, from 60% last issue, 5% expect capacity to be lower, from 2% last issue. **SHIPPER COMMENTS:** A Manufacturing Shipper had long haul truck brokers approaching it with rate hikes, claiming rates are going up as they are not making money on lane rates set in November '23. An Industrial Shipper finished its 1Q-2Q bids with rates up 5-7% vs last quarter. It believes the consensus among its carriers is that capacity is starting to get tighter due to bankruptcies and carriers are parking trucks given depressed rates. (See survey for additional commentary).



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

Rate Indicator at 52.3, +9% sequentially

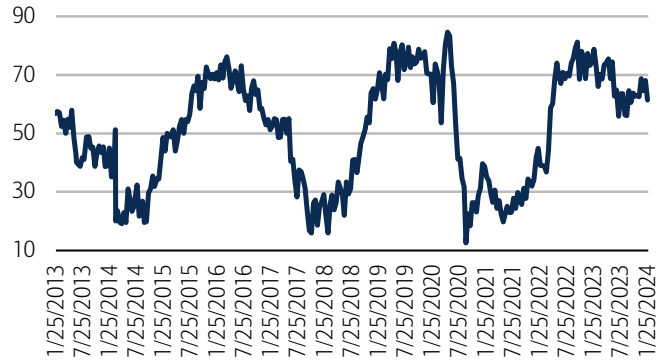


Source: BofA Global Research estimates.

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

Capacity Indicator slightly higher at 61.4, down 10% 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

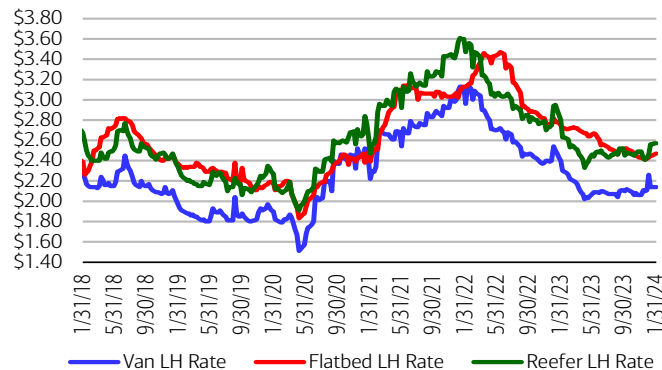
	2020		2021		2022		2023		2024	
Jan	1/2	52.3	1/14	63.8	1/13	75.0	1/12	47.9	1/11	51.6
	1/16	54.1	1/28	63.8	1/27	70.0	1/26	51.3	1/25	52.8
Feb	1/30	54.6	2/11	67.5	2/10	69.5	2/9	45.1	2/8	
	2/13	53.1	2/25	68.8	2/24	71.9	2/23	47.6	2/22	
Mar	2/27	51.3	3/11	72.9	3/10	70.3	3/9	46.9	3/8	
	3/12	46.1	3/25	68.8	3/24	69.2	3/23	48.3	3/22	
Apr	3/26	43.5	4/8	73.0	4/7	64.1	4/6	49.5	4/5	
	4/9	37.2	4/22	75.7	4/21	58.0	4/20	44.4	4/19	
May	4/23	33.3	5/6	77.6	5/5	57.5	5/4	49.5	5/3	
	5/7	37.8	5/20	78.3	5/19	55.0	5/18	44.3	5/17	
Jun	5/21	46.2	6/3	78.3	6/2	58.5	6/1	42.6	5/31	
	6/4	54.6	6/17	78.1	6/16	54.0	6/15	47.9	6/14	
Jul	6/18	56.4	7/1	75.7	6/30	55.5	6/29	49.4	6/28	
	7/2	59.3	7/15	70.9	7/14	50.9	7/13	47.1	7/12	
Aug	7/16	62.5	7/29	74.3	7/28	53.9	7/27	50.0	7/26	
	7/30	59.1	8/12	73.0	8/11	50.0	8/10	55.2	8/9	
Sep	8/13	63.5	8/26	73.0	8/25	54.5	8/24	51.0	8/23	
	8/27	71.1	9/9	73.6	9/8	51.6	9/7	52.4	9/6	
Oct	9/10	75.8	9/23	75.0	9/22	50.0	9/21	50.0	9/20	
	9/24	78.1	10/7	69.4	10/6	47.6	10/5	48.9	10/4	
	10/8	73.3	10/21	68.3	10/20	45.6	10/19	52.5	10/18	
	10/22	70.0	11/4	76.6	11/3	42.4	11/2	47.7	11/1	
Nov	11/5	72.5	11/18	67.7	11/17	50.4	11/16	44.4	11/15	
	11/19	69.9	12/2	69.7	12/1	47.8	11/30	49.0	11/29	
Dec	12/3	63.8	12/16	68.6	12/15	47.2	12/14	49.0	12/13	
	12/17	66.3	12/30	66.7	12/29	49.4	12/28	52.4	12/27	
	12/31	67.7								

Source: BofA Global Research estimates

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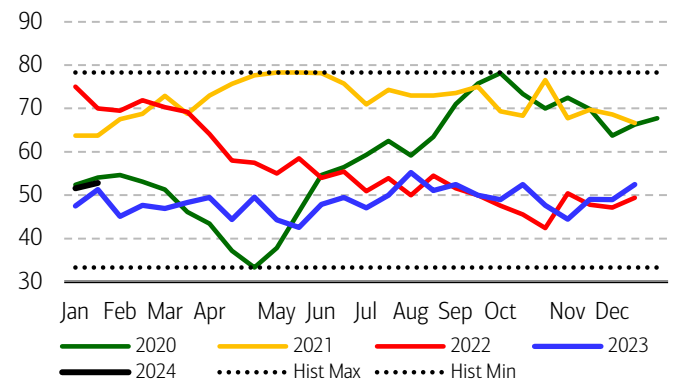
**Exhibit 42: Month-to-Date Run Rate**

Van Rate = \$2.14 Flatbed Rate = \$2.47 &amp; Reefer Rate = \$2.57



Source: DAT (Dial-A-Truck)

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**Exhibit 41: Demand (Diffusion) Indicator for 0-3-month demand outlook on stack basis (2020-2024)**Demand Indicator to 52.8 (bi-weekly Issue #301 on January 25<sup>th</sup>)

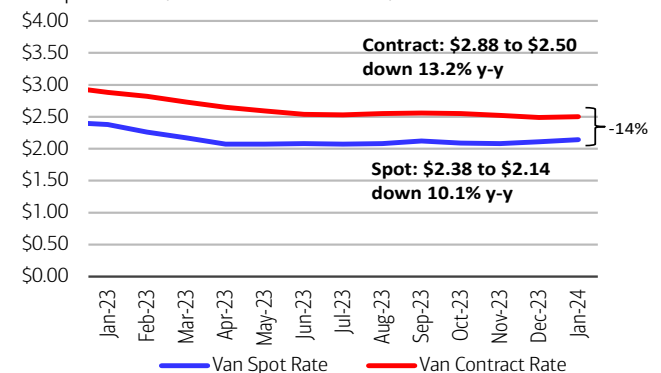
Source: BofA Global Research estimates

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

Van Spot Rate = \$2.14 &amp; Contract Rate = \$2.50

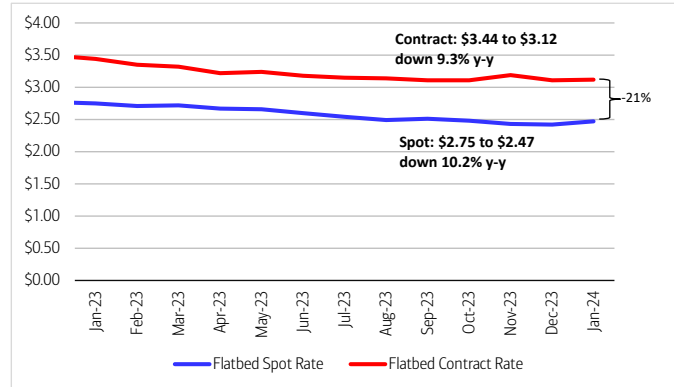


Source: DAT (Dial-A-Truck)

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

Flatbed Spot Rate = \$2.47 &amp; Contract Rate = \$3.12

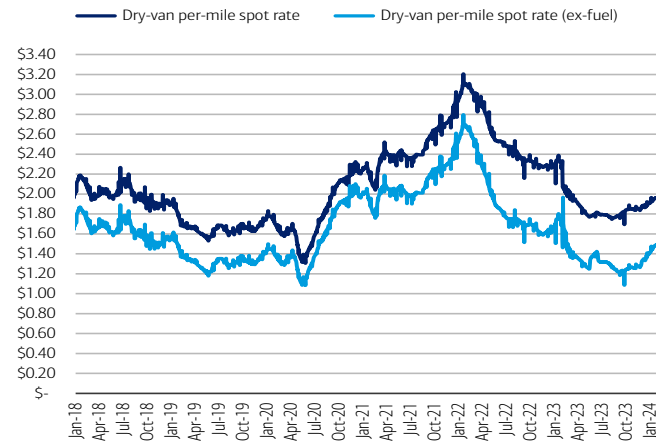


Source: DAT (Dial-A-Truck)

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

Dry-Van Spot = \$1.95 Dry-Van (ex-fuel) = \$1.48

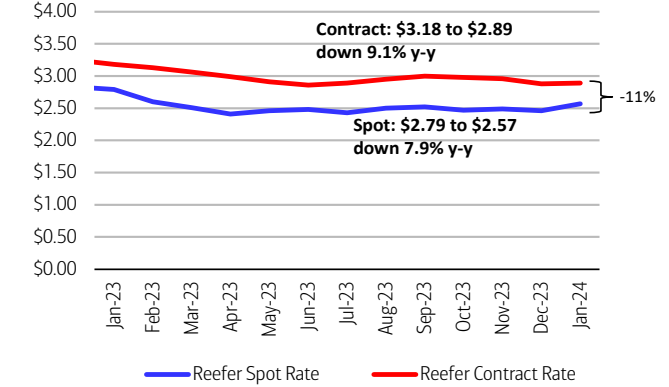


Source: Truckstop.com, Bloomberg

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

Reefer Spot Rate = \$2.57 &amp; Contract Rate = \$2.89



Source: DAT (Dial-A-Truck)

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**TruckStop Spot Rates: Dry-Van Spot = \$1.95, Dry-Van (ex-fuel) = \$1.48**

Truckstop.com's Dry van spot rates ex-fuel were \$1.48/mi for the week ending January 31, from \$1.49/mi the prior week (January 24) and are up 5% YTD (from \$1.41/mi on Dec 31).

Truckstop.com's Dry van spot rates (fuel included) were \$1.95/mi for the week ending January 31, from \$1.96/mi the prior week (January 24) and are up 2% YTD (from \$1.91/mi on Dec 31).

Fuel represented \$0.47/mi, flat with last week's \$0.47/mi and down from \$0.50 on Dec 31.

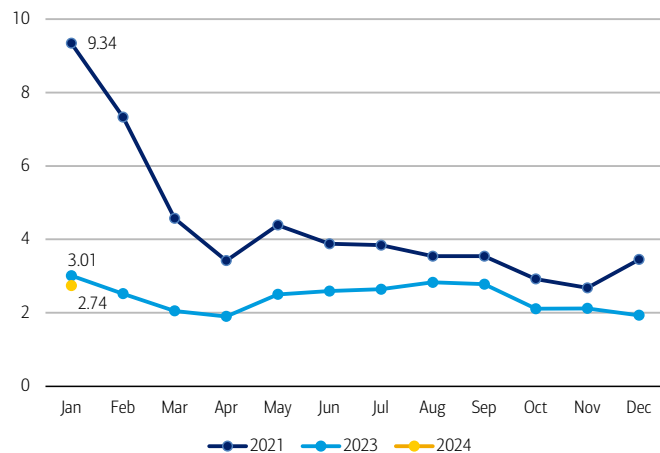
**DAT Spot Dry-Van Load/Truck Ratio = 2.63**

**Weekly Update:** DAT's (Dial-a-Truck) dry-van spot load-to-truck ratio was 2.63 for the week ended January 28, down from 2.83 (-7%) the prior week (January 21), and up from 2.20 (+20%) a year prior.

**Monthly Update:** DAT's (Dial-a-Truck) dry-van spot load-to-truck ratio is at 2.74 on average for the month of January, up from 1.93 in December, and down from 3.01 (-9%) a year prior. In December, the Ratio was down year-year for the 23<sup>rd</sup> consecutive month.

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

January Load-to-Truck Ratio on average at 2.74, up 42% M-M



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

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

Top 10 Ports in November: +5.5% Y-Y, LA/LB +23.0% Y-Y

Top 10 U.S. Ports	2023 TEU's	2023 YTD Chg.	Oct-23 Y-Y %	Nov-23 Y-Y %	Oct-23 TEU's	Nov-23 TEU's
Los Angeles (18%)	5,247,091	-8%	16%	25%	493,731	496,374
Long Beach (16%)	4,649,779	-14%	10%	21%	453,373	464,137
<b>Total LA/LB (35% of total US)</b>	<b>9,896,870</b>	<b>-11%</b>	<b>13%</b>	<b>23%</b>	<b>947,104</b>	<b>960,511</b>
New York (17%)	4,844,602	-15%	0%	-5%	492,780	436,302
Savannah (13%)	3,416,871	-12%	-13%	-3%	332,072	318,679
Houston (11%)	2,904,925	-1%	0%	-10%	300,940	254,027
Norfolk (9%)	2,414,135	-7%	2%	6%	238,788	230,047
Seaport Alliance (6%)	1,511,028	-10%	13%	2%	155,388	138,832
Charleston (7%)	1,761,350	-6%	-1%	1%	181,674	157,512
Oakland (5%)	1,432,929	-12%	-2%	1%	142,255	132,648
Maryland (1%)	663,443	2%	4%	n/a	74,764	-
<b>Total Top 10 (91.5% of US)</b>	<b>28,846,153</b>	<b>-8.4%</b>	<b>2.8%</b>	<b>5.5%</b>	<b>2,865,76</b>	<b>2,628,558</b>
Vancouver	2,140,771	-2%	-4%	0%	203,535	205,516
Prince Rupert	450,373	-27%	-25%	-27%	41,589	33,894

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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**Top 10 Ports in November: +5.5% Y-Y, LA/LB +23.0% Y-Y****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 10.4 on 01/31/24 (vs 10.6 on 01/24/24). On day-of basis: 8 vs 11 (includes 8 vs 11 vessels at dock), or 0 vs 0 in queue alone.

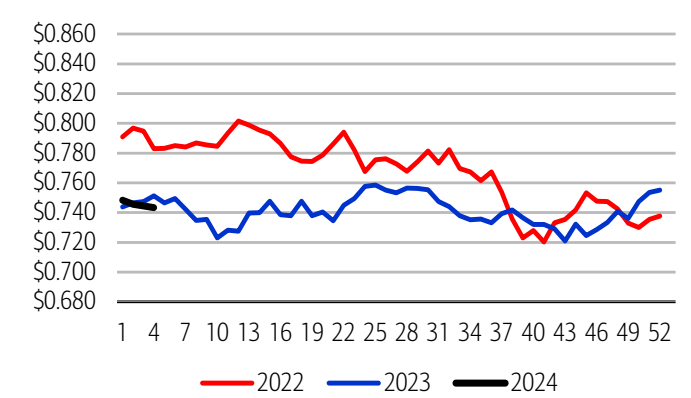


Source: BofA Global Research and Port of LA/Long Beach

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**Port of LA/Long Beach – Ships in queue – 0 on 01/31/24 (from 0 a week prior)****Canadian Dollar and Mexican Peso FX Rates**

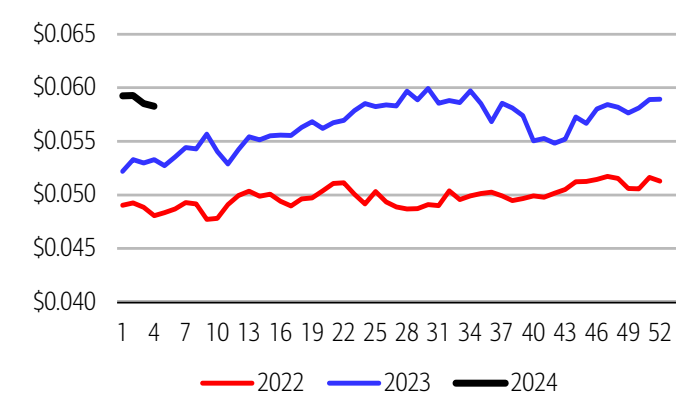
**Exhibit 50: Price of 1 Canadian Dollar in US\$**  
1 CAD = 0.743 US\$



Source: Bloomberg

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**Exhibit 51: Price of 1 Mexican Peso in US\$**  
1 MXN = 0.058 US\$



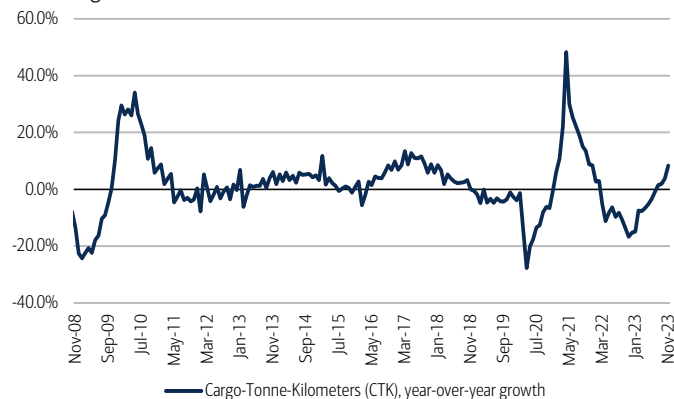
Source: Bloomberg

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

IATA Freight Vols: +8.3% Y-Y in November, North America +1.8%

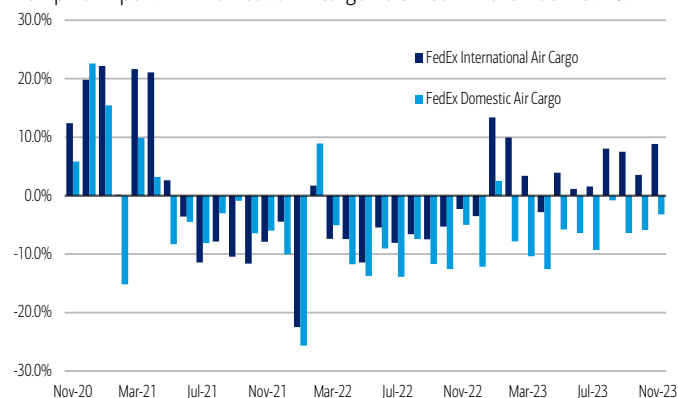


Source: International Air Transport Association

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**IATA Freight Vols: +8.3% Y-Y in November, 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

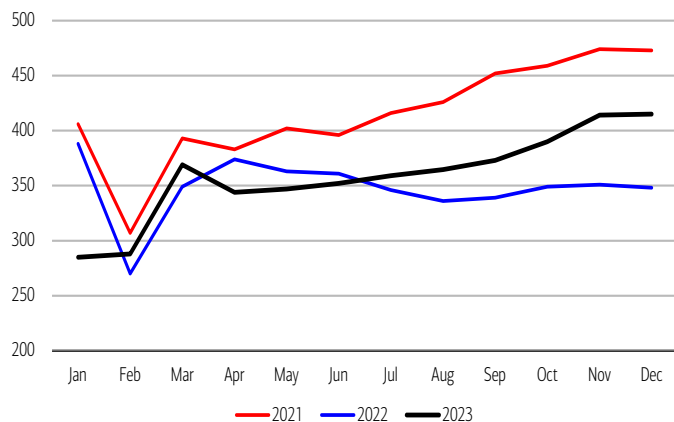


Source: BofA Global Research and Memphis International Airport Statistics

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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 December: +19.3% Y-Y, +0.2% M-M



Source: Hong Kong International Airport

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**Hong Kong Airport (HKIA): +19.3% Y-Y, +0.2% M-M**

## Rail Performance Measures

**Overall Takeaway:** The 3 main service level metrics for Class I Rails were mixed on a sequential basis this week, as Velocity and Dwell Time posted upticks, while Cars-On-Line deteriorated. Meanwhile, metrics improved on a year-over-year basis, as Velocity, Cars-On-Line and Dwell Time improved. CNI (+26.1%) led the group in velocity this week, reversing last week's 22.7% decrease. NSC (+2.9%) had the lowest upside this week, reversing last week's 6.2% decrease. BNSF and UNP have not reported yet.

**Velocity** (avg. speed of rail network, faster is better): Improved sequentially (+10.5%) and Improved year-over-year (+1.9%).

**Cars-on-Line** (fewer cars-on-line is better): Deteriorated sequentially (+3.2%) and improved year-over-year (-2.8%).

**Terminal Dwell** (lower is better): Improved sequentially (-7.8%) and Improved year-over-year (-0.8%).

### Exhibit 55: Rail Performance Metrics

Service levels performance was mixed sequentially while improving year-over-year

#### Rail Performance Measures

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

	2024	2024	2023		
	Week 4	Week 3	Week 4	% Seq Chg	% y-y Chg
(miles per hour)					
CNI	19.3	15.3	20.5	26.1%	-5.9%
CPKC	19.3	17.2	17.7	12.2%	9.0%
CSX	18.6	17.8	18.0	4.5%	3.3%
NSC	21.6	21.0	21.1	2.9%	2.4%
UNP	23.5	23.5	24.4	0.0%	-3.7%
BNSF (1)	25.3	25.3	26.3	0.0%	-3.8%
Average	19.7	17.8	19.3	10.5%	1.9%

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

Faster  
+10.5%

Faster  
+1.9%

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

	2024	2023	2023		
	Week 4	Week 4	Week 4	% Seq Chg	% y-y Chg
(no. of cars)					
CNI	81,075	76,674	84,455	5.7%	-4.0%
CPKC	88,627	87,807	89,889	0.9%	-1.4%
CSX	119,596	111,868	128,587	6.9%	-7.0%
NSC	170,165	168,998	169,734	0.7%	0.3%
UNP	308,555	308,555	307,978	0.0%	0.2%
BNSF (1)	258,470	258,470	253,036	0.0%	2.1%
Average	114,866	111,337	118,166	3.2%	-2.8%

Worse  
+3.2%

Better  
-2.8%

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

	2023	2023	2023		
	Week 4	Week 4	Week 4	% Seq Chg	% y-y Chg
(time in hours)					
CNI	7.3	8.5	6.9	-14.1%	5.8%
CPKC	9.9	11.6	10.2	-14.7%	-2.9%
CSX	9.5	9.8	9.2	-3.1%	3.3%
NSC	23.8	24.9	24.6	-4.4%	-3.3%
UNP	27.6	27.6	23.6	0.0%	16.9%
BNSF (1)	32.9	32.9	26.4	0.0%	24.6%
Average	12.6	13.7	12.7	-7.8%	-0.8%

Better  
-7.8%

Better  
-0.8%

(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

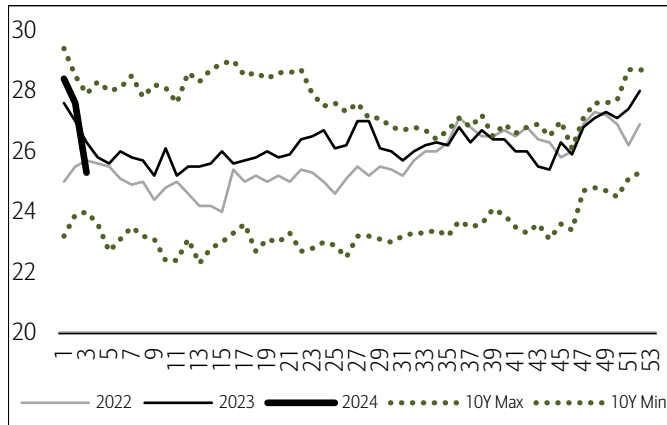
**Note:** UNP's Week 4 numbers replicate Week 3 due to no new released data as of 01/31/2024. Numbers are not included on averages.



## Weekly Rail Velocity Monitor

### Exhibit 56: BNSF Velocity

BNSF velocity was 25.3 mph for week 3

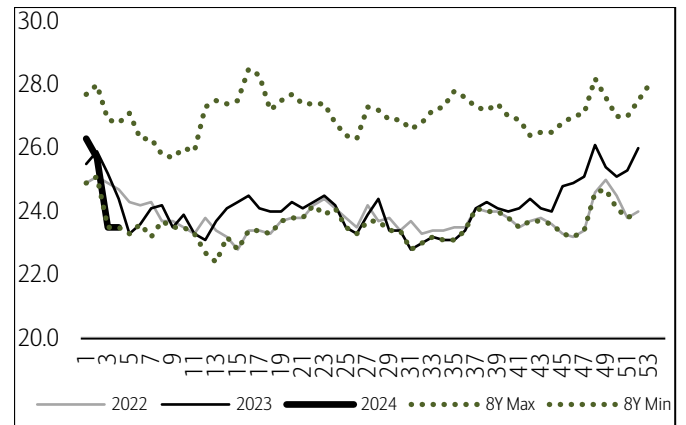


Source: Company reports, and Association of American Railroads.

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### Exhibit 57: Union Pacific Velocity

UNP velocity was 23.5 mph for week 4



Source: Company reports, and Association of American Railroads.

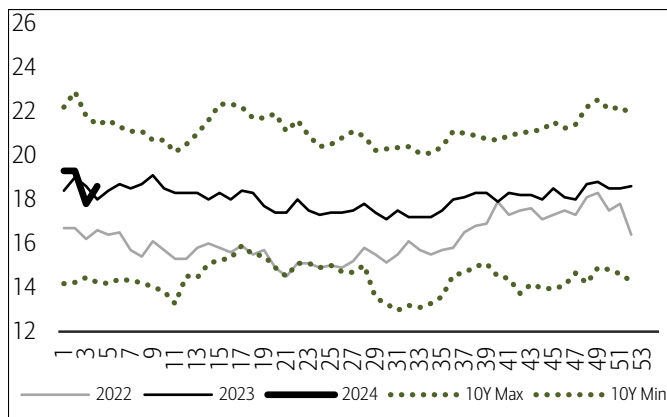
UNP restated performance metrics, historical data available from 03/24/17

Note: UNP's Week 4 numbers replicate Week 3 due to no new released data as of 01/31/2024.

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### Exhibit 58: CSX Velocity

CSX velocity was 18.6 mph for week 4

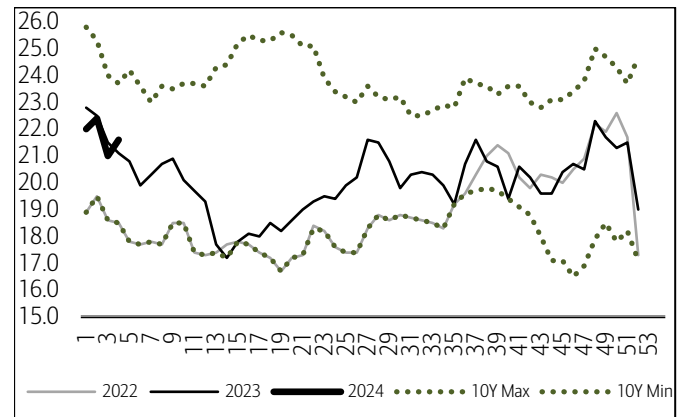


Source: Company reports, and Association of American Railroads.

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### Exhibit 59: Norfolk Southern Velocity

NSC velocity was 21.6 mph for week 4

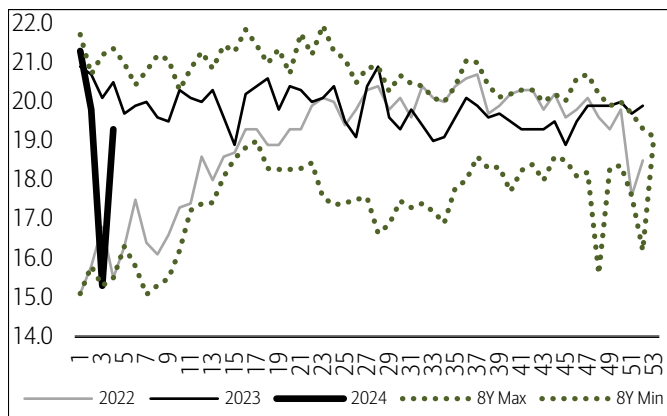


Source: Company reports, and Association of American Railroads.

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### Exhibit 60: Canadian National Velocity

CNI velocity was 19.3 mph for week 4



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 19.3 mph for week 4



Source: Company reports, and Association of American Railroads.

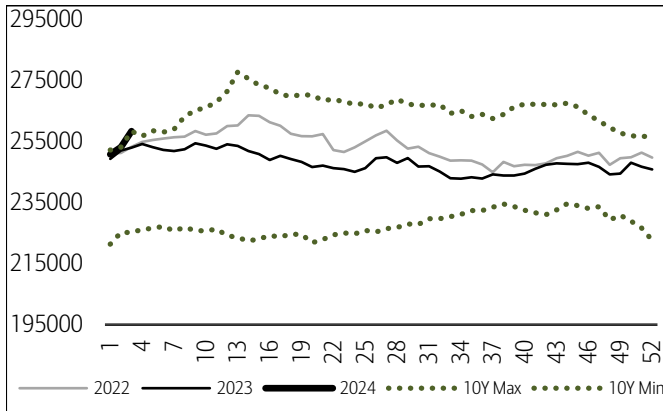
CPKC restated performance metrics, historical data available from 2020

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## Weekly Cars On-Line Monitor

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

BNSF cars on line were 258,470 for week 3

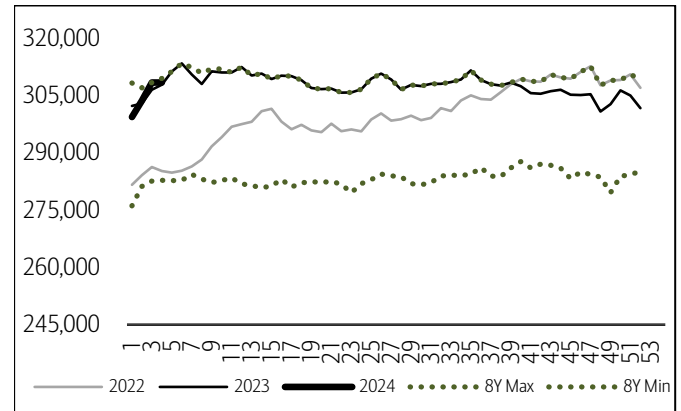


Source: Company reports, and Association of American Railroads.

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

UNP cars on line were 308,555 for week 4



Source: Company reports, and Association of American Railroads.

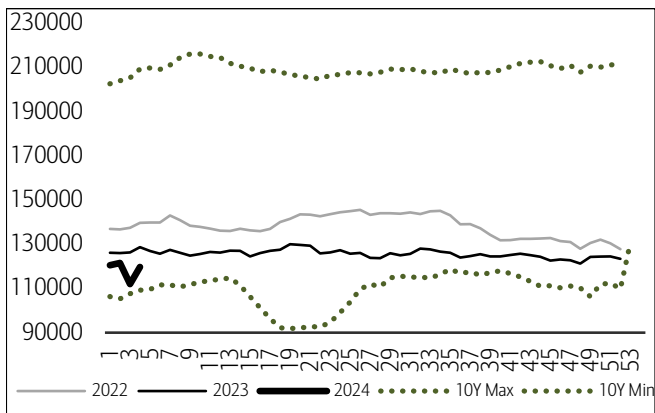
UNP restated performance metrics, historical data available from 03/24/17

Note: UNP's Week 4 numbers replicate Week 3 due to no new released data as of 01/31/2024.

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

CSX cars on line were 119,596 for week 4

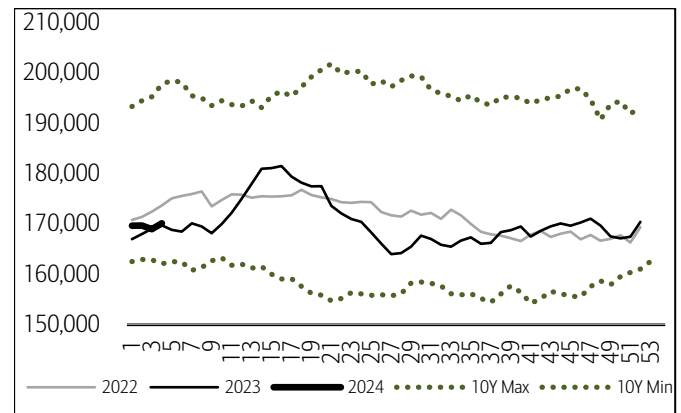


Source: Company reports, and Association of American Railroads.

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

NSC cars on line were 170,165 for week 4

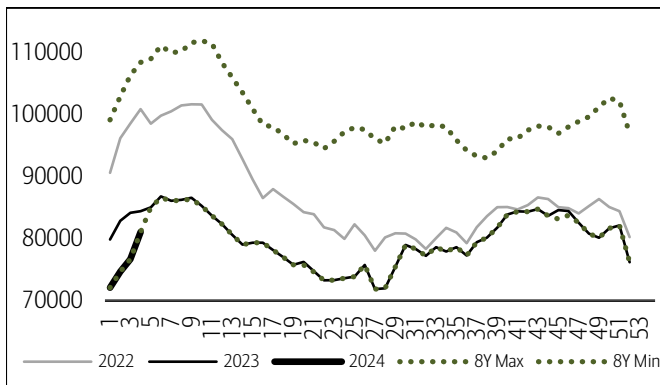


Source: Company reports, and Association of American Railroads.

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

CNI cars on line were 81,075 for week 4



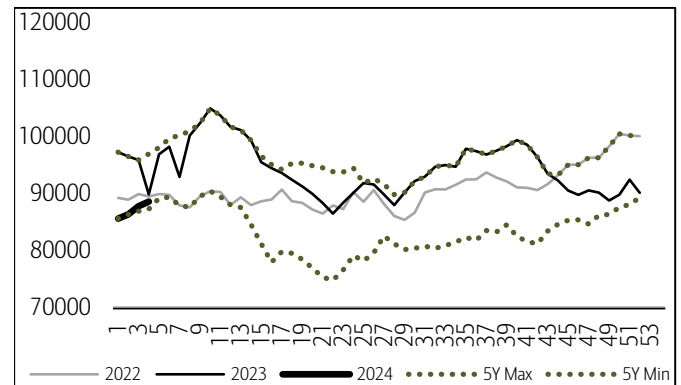
Source: Company reports, and Association of American Railroads.

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 88,627 for week 4



Source: Company reports, and Association of American Railroads.

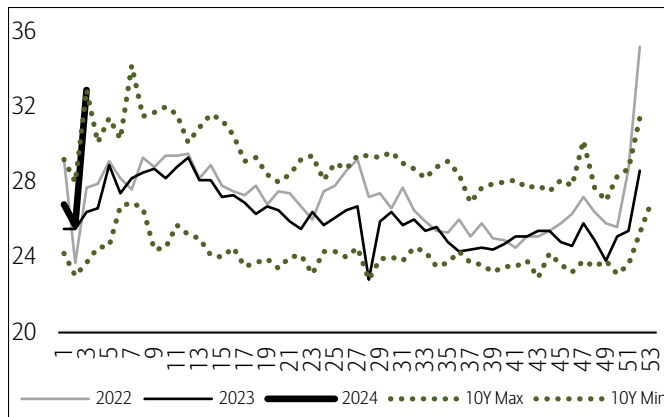
CPKC restated performance metrics, historical data available from 2020

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## Weekly Dwell Time Monitor

### Exhibit 68: BNSF Dwell Time

BNSF dwell time was 32.9 hrs for week 3

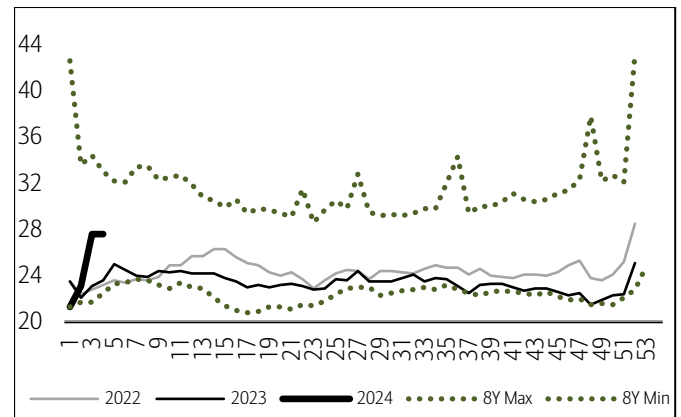


Source: Company reports, and Association of American Railroads.

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### Exhibit 69: Union Pacific Dwell Time

UNP dwell time was 27.6 hrs for week 4



Source: Company reports, and Association of American Railroads.

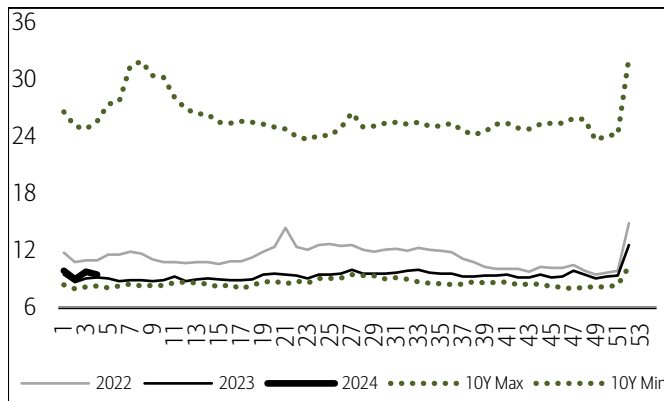
UNP restated performance metrics, historical data available from 03/24/17

Note: UNP's Week 4 numbers replicate Week 3 due to no new released data as of 01/31/2024.

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### Exhibit 70: CSX Dwell Time

CSX dwell time was 9.5 hrs for week 4

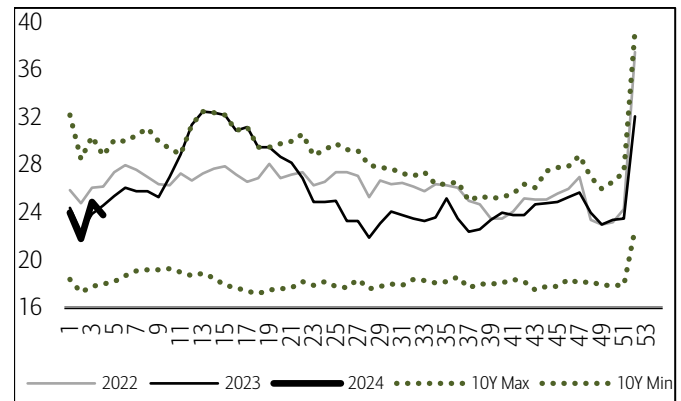


Source: Company reports, and Association of American Railroads.

BofA GLOBAL RESEARCH

### Exhibit 71: Norfolk Southern Dwell Time

NSC dwell time was 23.8 hrs for week 4

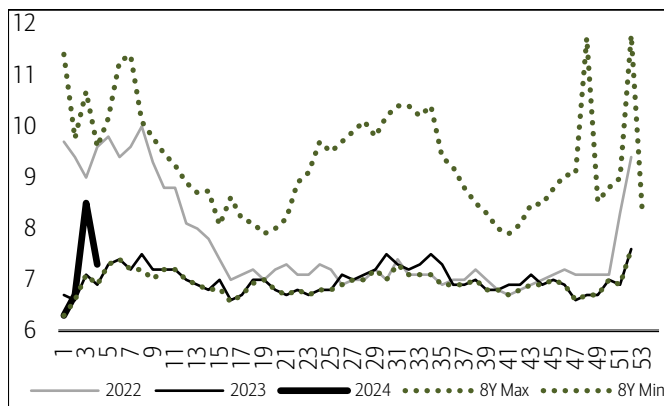


Source: Company reports, and Association of American Railroads.

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### Exhibit 72: Canadian National Dwell Time

CNI dwell time was 7.3 hrs for week 4



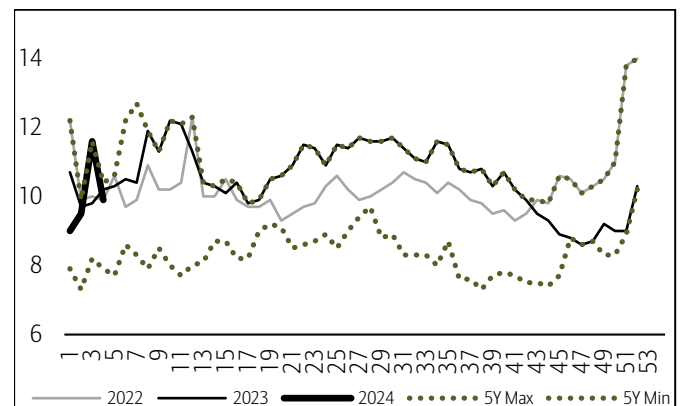
Source: Company reports, and Association of American Railroads.

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 9.9 hrs for week 4



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 was down 0.9% on avg y-y in Nov. (among peers that disclose)

	ODFL	YELL	ARCB	SAIA	XPO
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%
Dec-23	-2.5%				
Jan-24	-5.1%				

No data provided (BofA quarterly average)

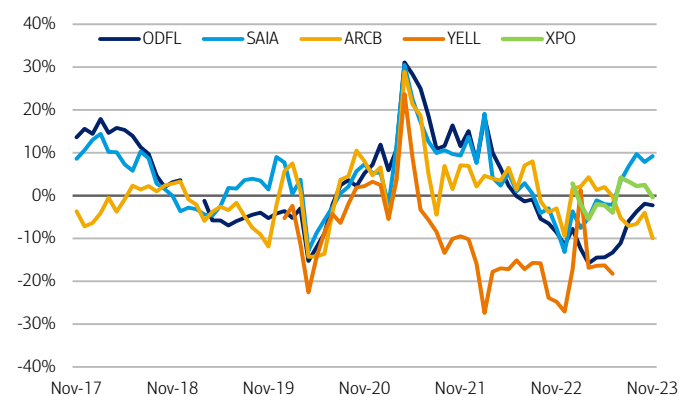
Source: BofA Global Research estimates and company reports

Note: ODFL's January Tons are preliminary

BofA GLOBAL RESEARCH

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

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



Source: BofA Global Research estimates and company reports

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

Shipments/Day was up 2.5% on avg y-y in Nov. (among peers that disclose)

	ODFL	YELL	ARCB	SAIA	XPO	FDX
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	-8.5%		3.7%	18.0%	6.2%	-5.0%
Nov-23	-1.2%		-5.0%	18.9%	3.8%	-4.0%
Dec-23	1.0%					
Jan-24	n/a					

No data provided (BofA quarterly average)

Source: BofA Global Research estimates and company reports

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### Exhibit 77: STB employment data

December STB employment: 122,343, up 2.5% Y-Y



Source: STB

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

Data as of December 2023

	2023 4Q Avg #	4Q Avg. chg. %	BofAe	Diff	4Q Vols
UNP	33,020	0.2%	1.5%	-1.3%	1.8%
CSX	19,216	6.0%	3.3%	2.7%	0.1%
NSC	20,759	7.1%	7.0%	0.1%	2.6%
CN	6,561	3.2%	4.6%	-1.4%	-3.8%
CP	2,912	1.1%	1.0%	0.1%	0.2%
KSU	2,927	-0.6%	-	-	-
BNSF	36,968	2.2%	-	-	-
Total	122,364	3.0%	-	-	-

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

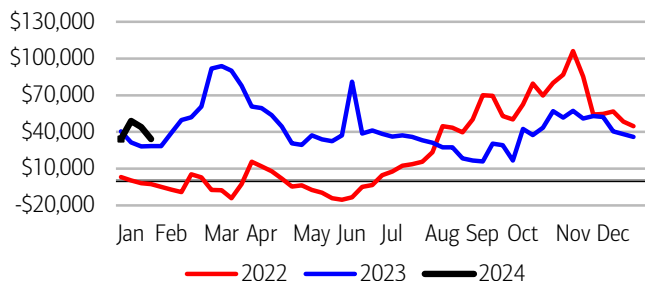
Source: STB, BofA Global Research estimates

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## Weekly Shipping Rates

### Exhibit 79: VLCC Spot Rates

VLCC Spot Rates at \$34,152 as of 01/26/2024

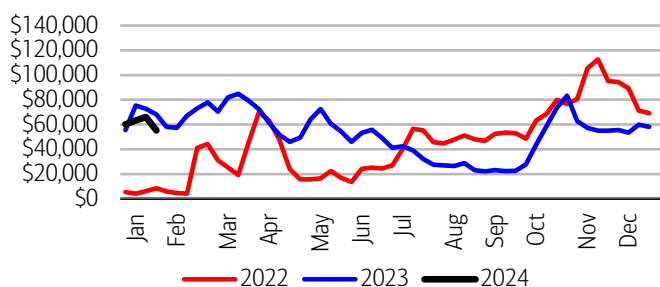


Source: BofA Global Research and Clarksons

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### Exhibit 81: Suezmax Spot Rates

Suezmax Spot Rates at \$55,380 as of 01/26/2024

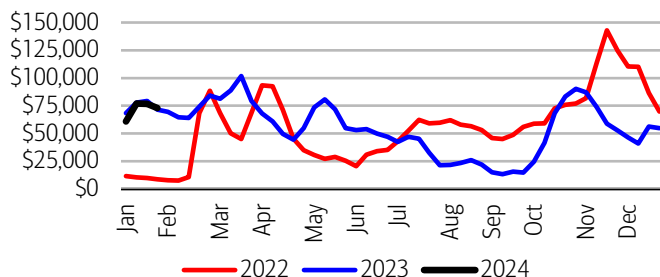


Source: BofA Global Research and Clarksons

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### Exhibit 83: Aframax Spot Rates

Aframax Spot Rates \$72,976 as of 01/26/2024

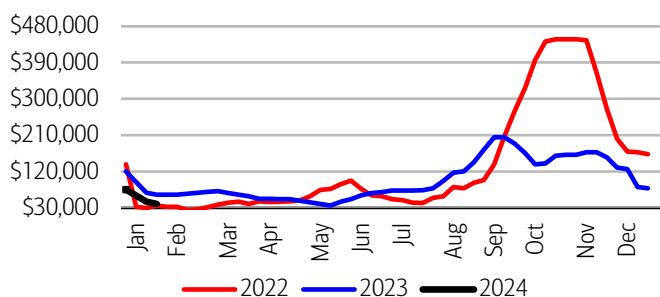


Source: BofA Global Research and Clarksons

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### Exhibit 85: LNG TFDE Spot Rates

LNG TFDE Spot Rates at \$40,000 as of 01/26/2024

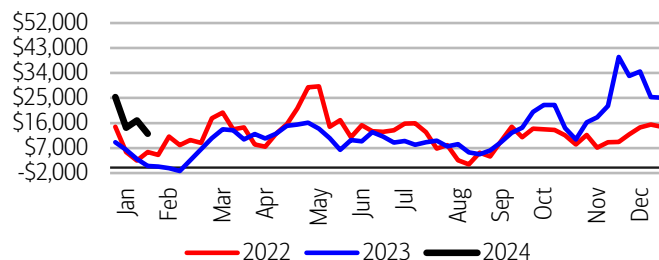


Source: BofA Global Research and Clarksons

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### Exhibit 80: Capesize spot Rates

Capesize Spot rates at \$12,084 as of 01/26/2024

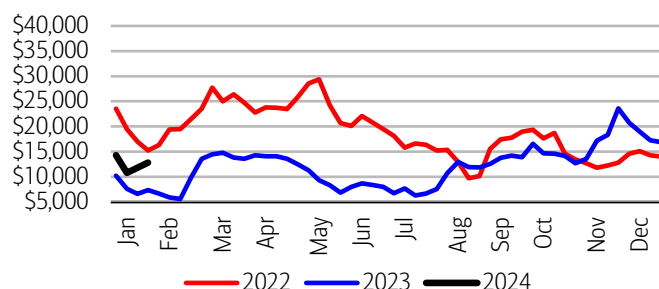


Source: BofA Global Research and Clarksons

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### Exhibit 82: Panamax Spot Rates

Panamax Spot Rates at \$12,816 as of 01/26/2024

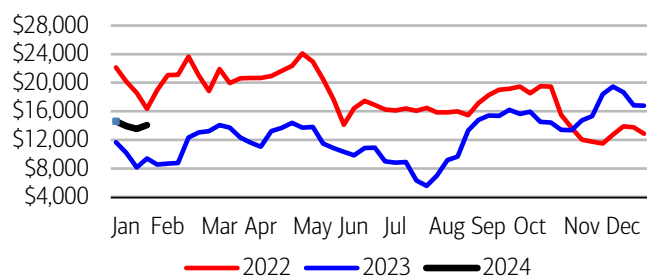


Source: BofA Global Research and Clarksons

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### Exhibit 84: Supramax Spot Rates

Supramax Spot Rates at \$14,065 as of 01/26/2024



Source: BofA Global Research and Clarksons

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

LNG Carrier Rate is down 1QTD and down YTD

Gas Carrier	1QTD Average	2024 YTD Avg.	Orderbook % of Fleet
LNG TFDE	\$55,000	\$55,000	76%
% chg. Y-Y	-23%	-43%	

Source: Clarkson

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

Tanker Rates are down 1QTD, but mixed YTD

Tanker	1QTD Average	2024 YTD Avg.	Orderbook % of Fleet
VLCC	\$40,365	\$40,365	2%
% chg. Y-Y	-26%	-7%	
Suezmax	\$61,212	\$61,212	5%
% chg. Y-Y	-14%	14%	
Aframax	\$71,866	\$71,866	11%
% chg. Y-Y	-7%	30%	

Source: Clarkson

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

Dry Bulk Rates are up 1QTD and YTD

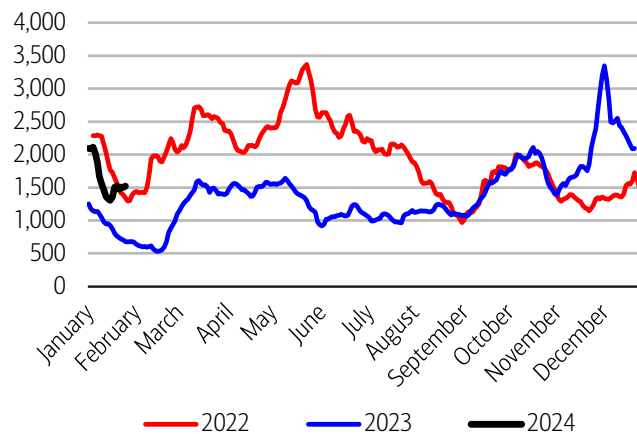
Dry Bulk	1QTD Average	2024 YTD Avg.	Orderbook % of Fleet
Capesize	\$17,171	\$17,171	5%
% chg. Y-Y	199%	38%	
Panamax	\$12,438	\$12,438	9%
% chg. Y-Y	24%	4%	
Supramax	\$14,043	\$14,043	8%
% chg. Y-Y	27%	13%	

Source: Clarkson

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**Exhibit 89: Baltic Dry Index**

Baltic Dry Index is at 1,518 as of 01/26/2024



Source: Bloomberg

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**Exhibit 90: Shipping Rates**

Shipping Rates are mixed year-over-year

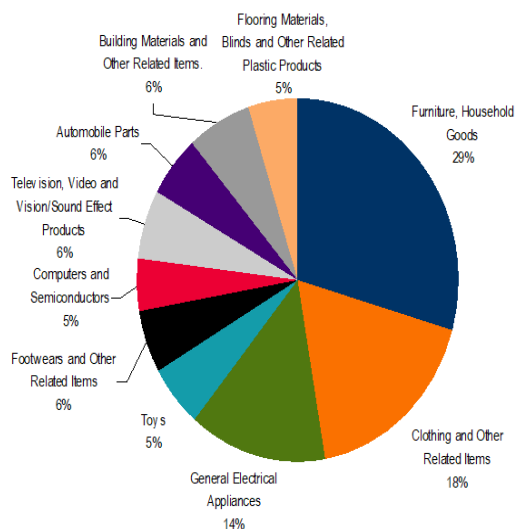
Vessel Type	Current Wk 01/26/24	Prior Wk 01/19/24	YOY Wk 01/27/23	Seq % Change	YOY % Change
VLCC	\$34,152	\$43,976	\$28,556	-22.3%	19.6%
Suezmax	\$55,380	\$66,017	\$68,066	-16.1%	-18.6%
Aframax	\$72,976	\$76,683	\$71,445	-4.8%	2.1%
LNG TFDE	\$40,000	\$45,000	\$62,500	-11.1%	-36.0%
Baltic Dry Index	1,518	1,503	676	1.0%	124.6%

Source: Bloomberg and Clarkson

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**Exhibit 91: Container Breakdown by Commodity**

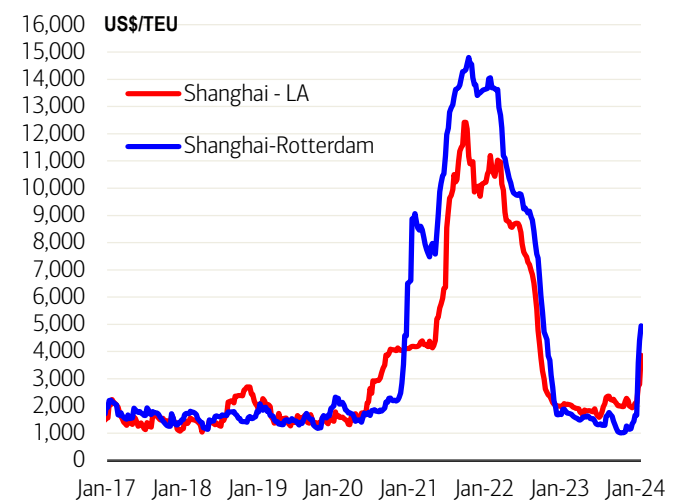
Furniture, Household &amp; Goods represents almost 30%



Source: OOCL, BofA Global Research estimates

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

Shanghai – LA and Shanghai – Rotterdam are up significantly year-over-year



Source: Chinese Shipping, and BofA Global Research



**Exhibit 93: Railroads Comp Sheet**

Data as of 01/31/2024

												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	\$124.04	643	\$79.7	\$13.4	\$93.1	\$5.75	\$5.43	\$5.94	\$5.95	21.6x	22.9x	20.9x	\$6.61	\$6.27	\$6.76	14.1x	14.8x	13.8x				
Canadian Pacific	CP	B-1-7	\$80.47	932	\$75.0	\$17.6	\$92.6	\$2.89	\$2.86	\$3.20	\$3.25	27.8x	28.1x	25.2x	\$4.92	\$5.03	\$5.50	18.8x	18.4x	16.8x				
CSX Corporation	CSX	B-1-7	\$35.70	1,976	\$70.5	\$17.0	\$87.6	\$1.91	\$1.84	\$2.00	\$1.98	18.7x	19.4x	17.9x	\$7.42	\$7.13	\$7.43	11.8x	12.3x	11.8x				
Norfolk Southern	NSC	B-1-7	\$235.24	226	\$53.1	\$15.1	\$68.2	\$13.60	\$11.75	\$12.10	\$12.02	17.3x	20.0x	19.4x	\$6.12	\$5.27	\$5.58	11.1x	12.9x	12.2x				
Union Pacific	UNP	B-1-7	\$243.93	610	\$148.7	\$32.1	\$180.8	\$11.23	\$10.29	\$11.15	\$11.19	21.7x	23.7x	21.9x	\$12.26	\$11.47	\$12.23	14.8x	15.8x	14.8x				
												21.4x	22.8x	21.0x				14.1x	14.9x	13.9x				
2024Q1EPS												Revenue		2023Q3	Net									
		est.	Δ to	EPS Growth			YoY	Growth	Op.	Debt/	ROIC			Total Return (w/reinvested dividends)					Dividend					
Company		BofA	Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio	EBITDA	1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield				
Canadian National		\$1.20	\$1.29	-7%	-2%	20%	19%	-2%	-2%	4%	62%	2.2x		9.6%	1%	-1%	6%	9%	10%	\$3.37	2.0%			
Canadian Pacific		\$0.69	\$0.72	-4%	-5%	6%	15%	-5%	-4%	17%	61%	3.5x		12.1%	3%	2%	3%	7%	15%	\$0.76	0.7%			
CSX Corporation		\$0.46	\$0.45	2%	-1%	110%	44%	-1%	-1%	4%	64%	2.4x		9.3%	4%	3%	17%	9%	12%	\$0.44	1.2%			
Norfolk Southern		\$2.55	\$2.59	-1%	-43%	9%	0%	-5%	-5%	2%	69%	3.8x		7.6%	-1%	0%	-2%	2%	9%	\$5.40	2.3%			
Union Pacific		\$2.45	\$2.51	-2%	-7%	11%	6%	-3%	-3%	2%	63%	2.9x		10.5%	1%	-1%	22%	10%	11%	\$5.20	2.1%			
												64%	2.9x	10%	2%	0%	9%	7%	12%					

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 01/31/2024

		Share	Shares	Mkt Cap	Net Debt	EV	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA				
	QRQ		Out.				BofA	BofA	BofA	Cons											
Company	Ticker	Price	(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	\$200.98	103	\$20.7	\$1.4	\$22.1	\$9.79	\$7.20	\$8.15	\$7.80	20.5x	27.9x	24.7x	\$2.06	\$1.78	\$1.99	10.7x	12.4x	11.1x	
Textainer Group	TGH	n/a	\$49.65	41	\$2.1	\$4.9	\$7.0	n/a	\$4.55	n/a	\$4.87	8.1x	10.9x	10.2x	\$0.75	\$0.65	\$0.65	9.3x	10.6x	10.6x	
Hub Group Inc	HUBG	n/a	\$45.28	62	\$2.9	\$0.2	\$3.0	n/a	\$2.68	n/a	\$2.64	8.6x	16.9x	17.1x	\$0.62	\$0.40	\$0.40	4.8x	7.5x	7.5x	
											12.4x	18.6x	17.3x				8.3x	10.2x	9.7x		
2024Q1EPS										2023Q3	Net	ROIC					Dividend				
	est.	Δ to	EPS Growth			YoY	Revenue Growth		Op.	Debt/		Total Return (w/reinvested dividends)					Dividend				
Company	BofA	Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio	EBITDA	1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield		
J.B. Hunt Transp.	\$1.59	\$1.61	-1%	-23%	18%	19%	-13%	-13%	8%	92%	0.9x	12%	-1%	1%	7%	15%	14%	\$1.72	0.9%		
Textainer Group	n/a	\$1.14	-1%	118%	176%	7%	7%	-2%	8%	54%	7.1x	6%	0%	1%	51%	43%	33%	\$1.20	2.4%		
Hub Group Inc	n/a	\$0.50	-36%	70%	6%	26%	26%	-15%	3%	96%	0.3x	18%	-1%	-2%	6%	20%	15%	--	--		
											81%	2.8x	12%	-1%	0%	22%	26%	21%			

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 01/31/2024

			Share	Shares	Mkt Cap	Net Debt	EV	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA			
QRQ				Out.				BofA	BofA	BofA	Cons.										
Company	Ticker	Price		(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)	2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	
Arcbest Corp	ARCB	C-3-7	\$119.13	24	\$2.8	\$0.0	\$2.8	\$13.63	\$7.65	\$10.40	\$10.20	8.7x	15.6x	11.5x	\$0.58	\$0.36	\$0.45	4.9x	7.8x	6.2x	
Old Dominion	ODFL	B-1-7	\$391.02	109	\$42.7	(\$0.1)	\$42.5	\$12.18	\$11.26	\$12.65	\$13.12	32.1x	34.7x	30.9x	\$2.10	\$1.97	\$2.17	20.2x	21.6x	19.6x	
Saia Inc	SAIA	B-1-9	\$450.58	27	\$12.0	(\$0.1)	\$11.9	\$13.40	\$13.11	\$16.05	\$16.03	33.6x	34.4x	28.1x	\$0.63	\$0.64	\$0.77	18.9x	18.5x	15.5x	
TFI Int'l	TFII	B-2-7	\$131.47	85	\$11.2	\$1.8	\$13.0	\$1.72	\$1.70	\$2.25	\$7.67	76.6x	77.2x	58.5x	\$1.13	\$0.91	\$1.14	11.5x	14.3x	11.5x	
XPO, Inc.	XPO	C-1-9	\$85.44	116	\$9.9	\$2.9	\$12.8	\$3.53	\$2.77	\$3.30	\$3.37	24.2x	30.8x	25.9x	\$0.66	\$0.64	\$0.79	19.3x	19.9x	16.2x	
												35.0x	38.5x	31.0x				15.0x	16.5x	13.8x	
2024Q1EPS est.								2023Q3				ROIC		Total Return (w/reinvested dividends)					Dividend		
Company		BofA	Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Op. Ratio	Net Debt/ EBITDA	1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield	
Arcbest Corp		\$2.28	\$1.69	35%	-42%	108%	24%	34%	-11%	8%	93%	0.3x	7.2%	0%	-1%	43%	38%	27%	\$0.48	0.4%	
Old Dominion		\$2.74	\$2.78	-2%	-8%	29%	20%	-6%	-6%	8%	71%	-0.2x	18.7%	0%	-4%	18%	27%	34%	\$2.08	0.5%	
Saia Inc		\$3.33	\$3.42	-2%	-7%	48%	31%	22%	1%	13%	83%	-0.2x	11.9%	0%	3%	65%	37%	50%	--	--	
TFI Int'l		\$1.81	\$1.56	16%	-16%	62%	26%	22%	-17%	22%	90%	1.6x	10.9%	-2%	-3%	20%	27%	--	\$1.60	1.2%	
XPO, Inc.		\$0.61	\$0.61	0%	-22%	86%	n/a	7%	0%	-9%	91%	3.8x	--	2%	-2%	114%	31%	32%	--	--	
												86%	1.1x	--	0%	-1%	52%	32%	36%		

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

BoFA GLOBAL RESEARCH



**Exhibit 96: Airfreight Comp Sheet**

Data as of 01/31/2024

										EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA				
		Share	Share	Mkt Cap	Net Debt	EV					BoFA	BoFA	BoFA	Cons.										
Company	Ticker	QRQ	Price	Out. (mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)					2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e			
Fedex Corp	FDX	B-1-7	\$241.29	250	\$60.3	\$13.8	\$74.1					\$14.96	\$17.70	\$20.85	\$17.65	16.1x	13.6x	11.6x	\$9.55	\$11.60	\$11.60			
United Parcel-B	UPS	B-2-7	\$141.90	723	\$120.9	\$16.8	\$137.7					\$12.95	\$8.78	\$8.40	\$8.39	11.0x	16.2x	16.9x	\$16.97	\$12.88	\$12.88			
															13.5x	14.9x	14.2x				7.9x	8.8x	8.5x	
		2024Q1EPS est.		EPS Growth		YoY		Revenue Growth		2023Q3 Op.		Net Debt/EBITDA		ROIC		Total Return (w/reinvested dividends)					Dividend			
Company		BoFA	Cons.	Street	1yr	3yr	5yr	3Q2023	1yr	5yr	Ratio			1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield			
Fedex Corp		\$3.13	\$3.59	-13%	-7%	94%	11%	-4%	-7%	5%	94%	3.3x		5%	-3%	-5%	27%	3%	8%	\$5.04	2.1%			
UPS		\$1.61	\$1.58	2%	-35%	267%	n/a	-9%	-9%	5%	92%	1.6x		15%	-9%	-10%	-20%	0%	10%	\$6.52	4.6%			
															93%	2.4x	10%	-6%	-7%	3%	1%	9%		

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.

BoFA GLOBAL RESEARCH

**Exhibit 97: Truckload Carriers Comp Sheet**

Data as of 01/31/2024

								EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA			
		QRQ	Share	Shares Out.	Mkt Cap	Net Debt	EV	BofA	BofA	BofA	Cons.										
Company	Ticker		Price	(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)	2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	
Knight Transportation	KNX	B-1-7	\$57.38	161	\$9.3	\$2.7	\$11.9	\$5.10	\$1.72	\$2.50	\$2.52	11.3x	33.4x	23.0x	\$1.77	\$1.10	\$1.39	6.7x	10.8x	8.6x	
Schneider National	SNDR	B-2-7	\$24.52	93	\$4.3	\$0.2	\$4.6	\$2.63	\$1.41	\$1.55	\$1.37	9.3x	17.4x	15.8x	\$0.97	\$0.70	\$0.77	4.7x	6.5x	5.9x	
Werner Enterprises	WERN	B-3-7	\$39.55	63	\$2.5	\$0.6	\$3.2	\$3.71	\$2.02	\$2.40	\$2.31	10.7x	19.6x	16.5x	\$0.61	\$0.49	\$0.53	5.2x	6.5x	6.0x	
Covenant Transport	CVLG	n/a	\$48.34	11	\$0.6	\$0.2	\$0.9	n/a	n/a	n/a	\$4.27	8.2x	11.7x	11.3x	\$0.15	\$0.12	\$0.12	5.7x	7.1x	7.1x	
Heartland Express	HTLD	n/a	\$12.95	79	\$1.0	\$0.3	\$1.3	n/a	n/a	n/a	\$0.19	9.2x	33.2x	67.1x	\$0.25	\$0.23	\$0.23	5.2x	5.8x	5.8x	
Marten Transport	MRTN	n/a	\$18.50	81	\$1.5	(\$0.1)	\$1.5	n/a	n/a	n/a	\$0.86	13.9x	20.7x	21.5x	\$0.25	\$0.21	\$0.21	5.8x	6.9x	6.9x	
Pam Transport	PTSI	n/a	\$20.71	22	\$0.5	\$0.1	\$0.5	n/a	n/a	n/a	\$1.70	4.8x	14.2x	12.2x	\$0.20	\$0.11	\$0.11	2.8x	4.8x	4.8x	
Universal Logistics	ULH	n/a	\$30.52	26	\$0.8	\$0.5	\$1.3	n/a	n/a	n/a	n/a	4.7x	--	--	\$0.32	--	--	3.9x	--	--	
												9.0x	64.1x	23.9x				5.0x	6.9x	6.4x	
2024Q1EPS								2023Q3		ROIC			Total Return (w/reinvested dividends)					Dividend			
Company		est.	Δ to Street	EPS Growth			YoY	Revenue Growth		Op. Ratio	Net Debt/ EBITDA	1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield		
Knight Transportation		\$0.39	\$0.38	2%	-66%	7%	--	-4%	-4%	8%	95%	2.2x	6.1%	1%	0%	-2%	14%	14%	\$0.56	1.0%	
Schneider National		\$0.29	\$0.22	31%	-33%	49%	29%	18%	-14%	2%	96%	0.2x	7.0%	-1%	-4%	-6%	7%	6%	\$0.38	1.5%	
Werner Enterprises		\$0.44	\$0.38	15%	-28%	19%	-4%	20%	4%	6%	95%	1.3x	9.6%	-3%	-7%	-15%	1%	7%	\$0.56	1.4%	
Covenant Transport		n/a	\$0.78	-44%	--	--	--	-9%	-9%	1%	95%	0.0x	15.6%	-3%	5%	47%	48%	16%	\$0.44	0.9%	
Heartland Express		n/a	(\$0.08)	-84%	-2%	-16%	25%	25%	24%	96%	1.2x	2.2%	-3%	-9%	-23%	-10%	-7%		\$0.08	0.6%	
Marten Transport		n/a	\$0.16	-40%	6%	0%	-10%	-10%	7%	94%	-0.3x	8.4%	-9%	-12%	-15%	8%	11%		\$0.24	1.3%	
Pam Transport		n/a	\$0.31	-58%	162%	37%	34%	-6%	11%	96%	0.7x	15.6%	-3%	0%	-28%	17%	11%		--	--	
Universal Logistics		n/a	n/a	-32%	73%	--	15%	-15%	3%	91%	1.6x	18.6%	3%	9%	-14%	15%	10%		\$0.42	1.4%	
												95%	0.9x	10%	-2%	-2%	-7%	12%	8%		

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

BoFA GLOBAL RESEARCH

**Exhibit 98: Freight Forwarding Comp Sheet**

Data as of 01/31/2024

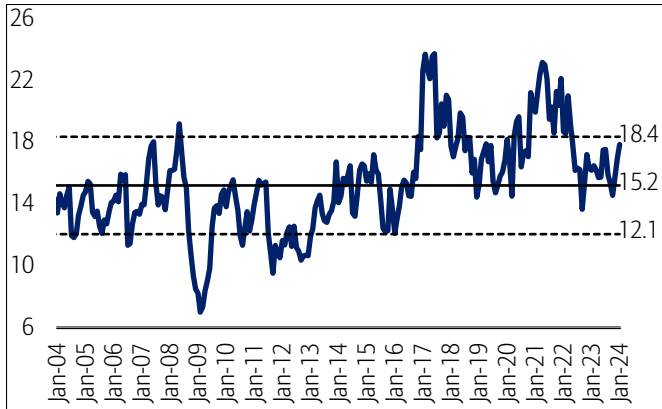
									EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA							
		QRQ	Share	Shares Out.	Mkt Cap	Net Debt	EV	BofA	BofA	BofA	Cons.															
Company	Ticker	Price		(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)	2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e						
CH Robinson	CHRW	B-3-7	\$84.09	117	\$9.8	\$1.4	\$11.2	\$6.29	\$7.50	\$3.55	\$3.85	11.2x	23.7x	20.3x	\$1.38	\$0.7	\$0.78	8.1x	16.3x	14.4x						
RXO Inc	RXO	C-1-9	\$20.80	117	\$2.4	\$0.4	\$2.8	\$1.43	\$1.59	\$0.29	\$0.44	13.1x	71.7x	37.8x	\$0.31	\$0.1	\$0.17	9.1x	20.7x	16.1x						
World Kinect	WKC	B-3-7	\$22.57	60	\$1.4	\$0.5	\$1.9	\$1.36	\$2.04	\$1.85	\$2.31	11.1x	12.2x	10.7x	\$0.38	\$0.4	\$0.40	4.9x	5.0x	4.8x						
Landstar System	LSTR	n/a	\$191.72	36	\$6.9	(\$0.4)	\$6.5	n/a	n/a	\$11.76	\$7.66	16.3x	26.0x	25.0x	\$0.63	\$0.4	\$0.40	10.4x	16.1x	16.1x						
Expeditors Intl	EXPD	n/a	\$126.33	145	\$18.4	(\$1.1)	\$17.2	n/a	n/a	\$8.83	\$4.88	14.3x	24.6x	25.9x	\$1.98	\$1.0	\$1.03	8.7x	16.8x	16.8x						
Forward Air Corp	FWRD	n/a	\$44.33	26	\$1.1	\$0.3	\$1.4	n/a	n/a	\$14.24	\$4.55	3.1x	--	--	\$0.32	\$0.2	\$0.22	4.4x	6.5x	6.5x						
												11.5x	31.6x	24.0x				7.6x	13.6x	12.4x						
		2024Q1EPS est.			EPS Growth			Revenue Growth		2023Q3 Op. Ratio		Net Debt/EBITDA		ROIC		Total Return (w/reinvested dividends)					Dividend					
Company		BofA	Cons.	Δ to Street	1yr	3yr	5yr	YoY 3Q2023	1yr	5yr	Op. Ratio	Net Debt/EBITDA	1yr		1 week	YTD	1yr	3yr	5yr	Annual	Yield					
CH Robinson		\$0.95	\$0.82	17%	-56%	26%	0%	7%	-29%	3%	97%	2.2x	23%		-2%	-3%	-14%	2%	2%	\$2.44	2.9%					
RXO Inc		\$0.05	\$0.04	39%	--	--	--	2%	--	--	99%	--	--		-6%	-11%	--	--	--	--	--					
World Kinect		\$0.35	\$0.46	-24%	12%	-4%	24%	88%	-10%	18%	99%	1.4x	7%		2%	-1%	-18%	-8%	0%	\$0.56	2.5%					
Landstar System		n/a	\$1.62	-32%	35%	6%	14%	-25%	5%	94%	-0.8x	38%		-3%	0%	13%	13%	16%		\$1.32	0.7%					
Expeditors Intl		n/a	\$1.16	-45%	41%	15%	3%	-45%	10%	90%	-1.0x	35%		-1%	-1%	18%	13%	14%		\$1.38	1.1%					
Forward Air Corp		n/a	\$0.85	-32%	124%	13%	19%	-12%	6%	96%	0.9x	20%		-9%	-29%	-58%	-14%	-4%		\$0.96	2.2%					
												96%	0.5x	25%						-3%	-7%	-12%	1%	5%		

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

BoFA GLOBAL RESEARCH

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

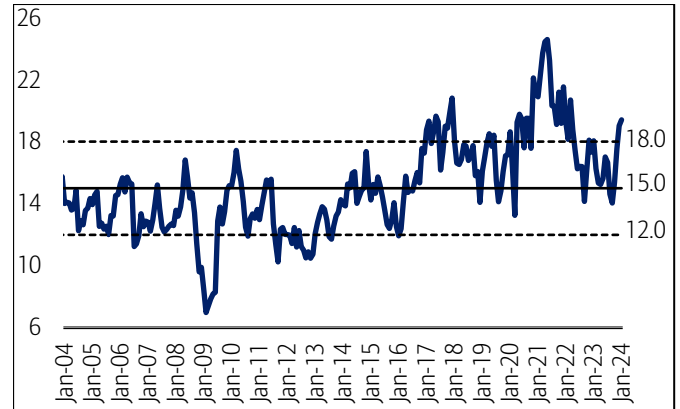
CSX Forward P/E is 17.9x



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

**Exhibit 100: NSC forward P/E**

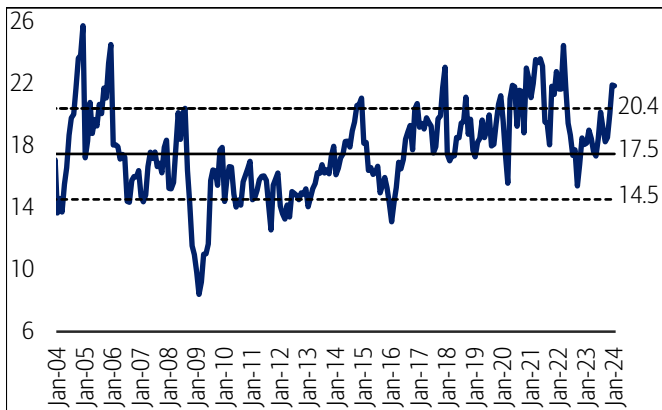
NSC Forward P/E is 19.4x



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

**Exhibit 101: UNP forward P/E**

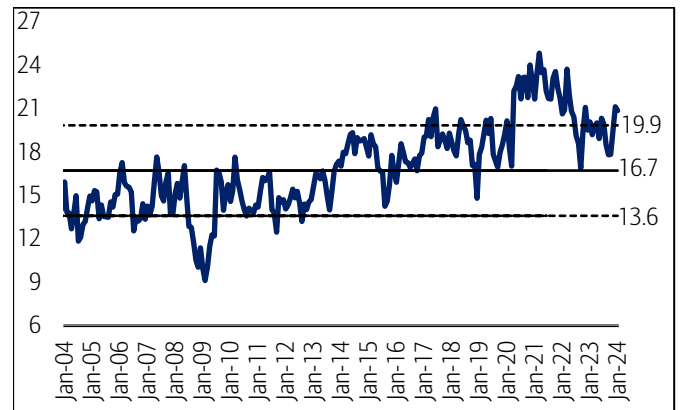
UNP Forward P/E is 21.9x



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

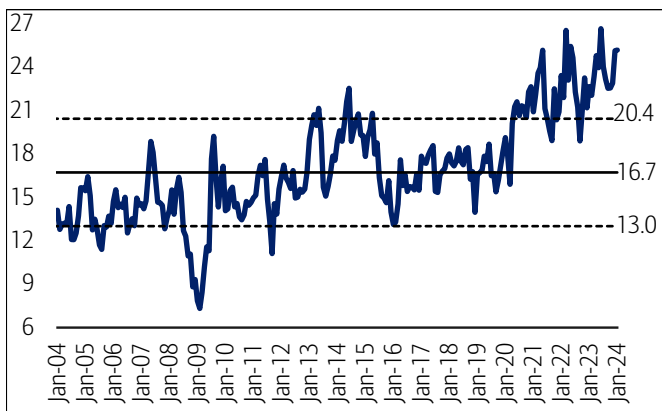
CNI Forward P/E is 20.9x



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

**Exhibit 103: CP forward P/E**

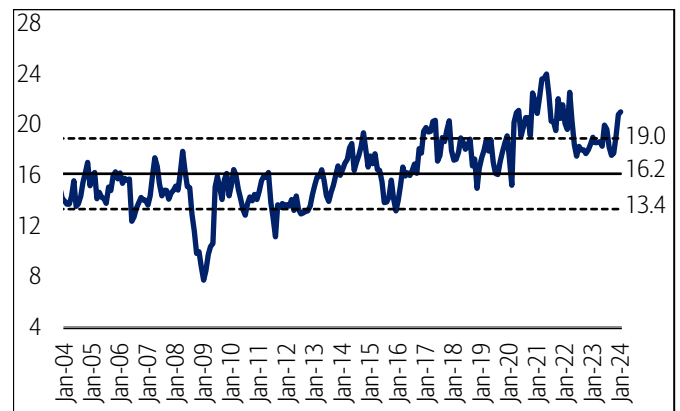
CP Forward P/E is 25.2x



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

**Exhibit 104: Rails Average forward P/E**

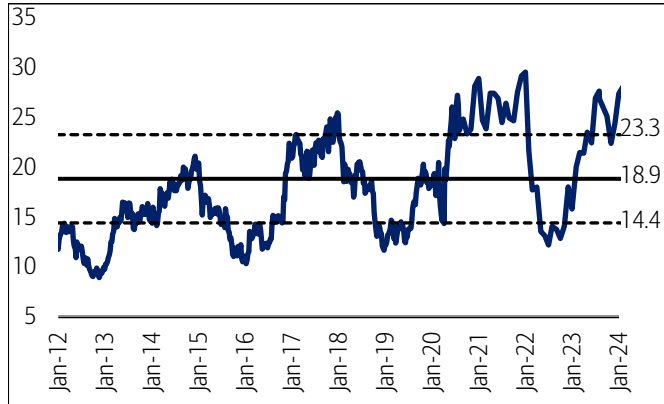
Rails Average Forward P/E is 21.0x



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

**Exhibit 105: SAIA forward P/E**

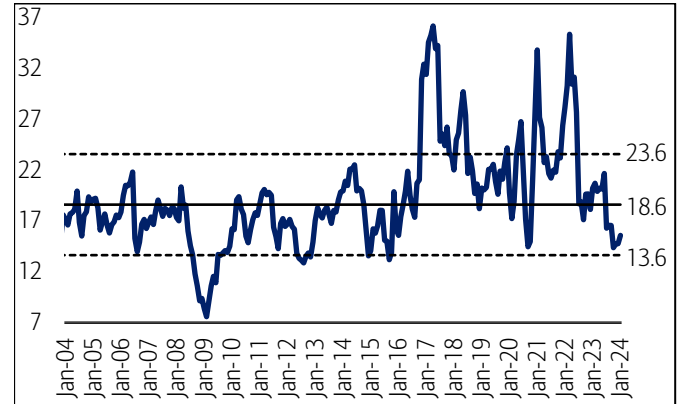
SAIA Forward P/E is 28.1x



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

**Exhibit 106: KEX forward P/E**

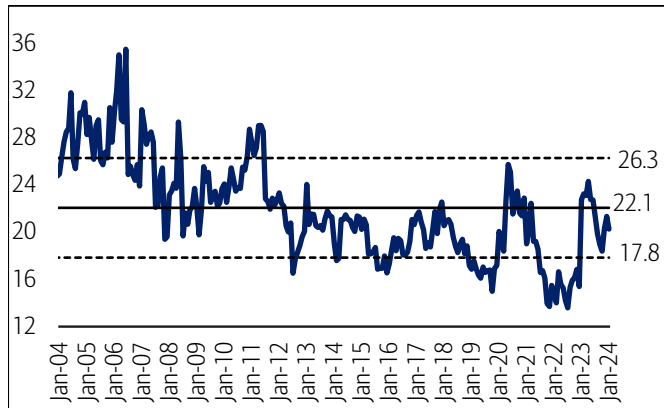
KEX Forward P/E is 15.6x



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

**Exhibit 107: CHRW forward P/E**

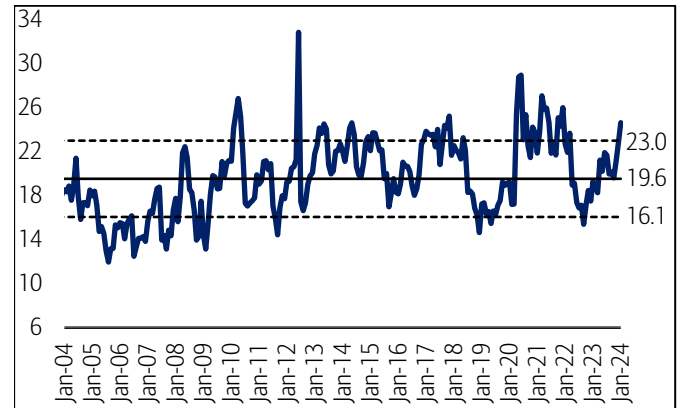
CHRW Forward P/E is 20.3x



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

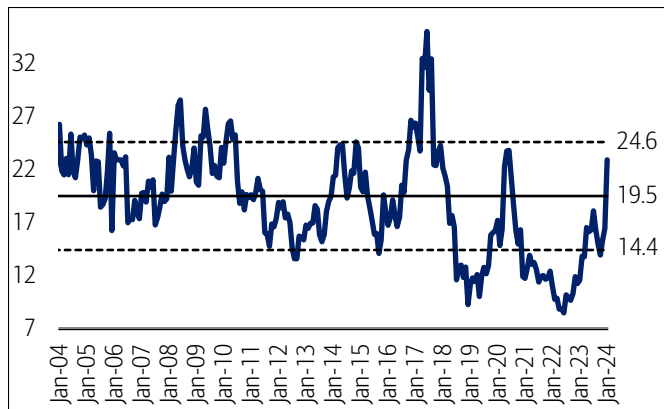
JBHT Forward P/E is 24.7x



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

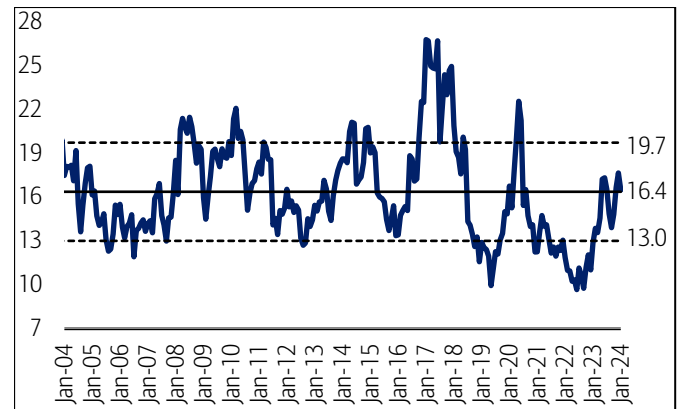
KNX Forward P/E is 23.0x



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

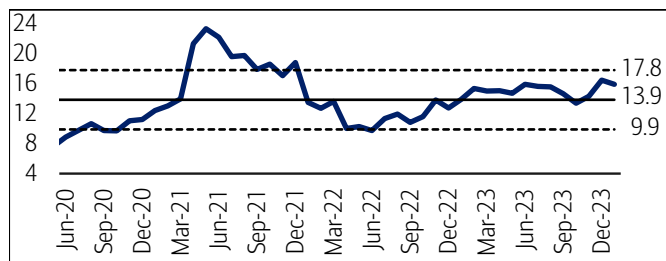
WERN Forward P/E is 16.5x



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

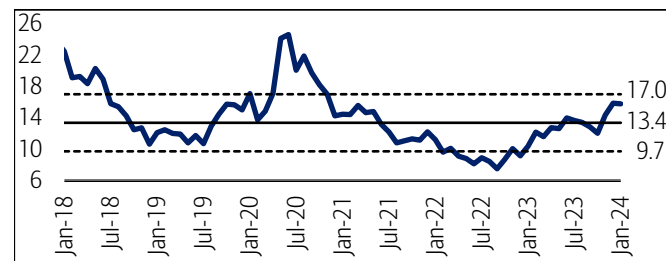
TFII Forward P/E is 15.9x



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

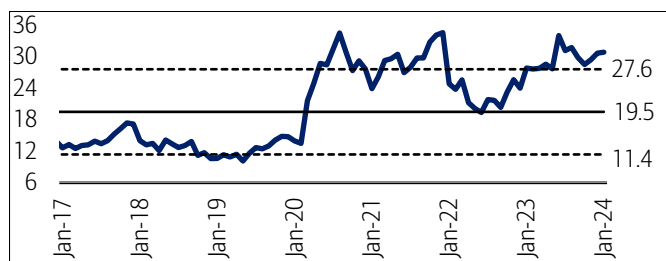
SNDR Forward P/E is 15.8x



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

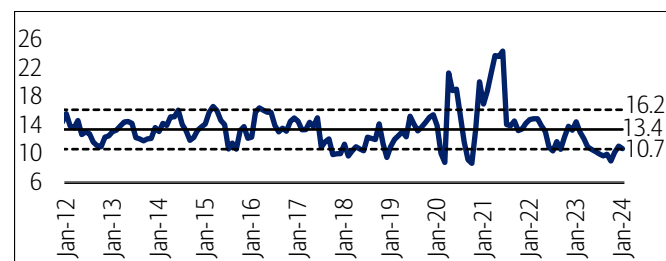
ODFL Forward P/E is 30.9x



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

**Exhibit 114: WKC forward P/E**

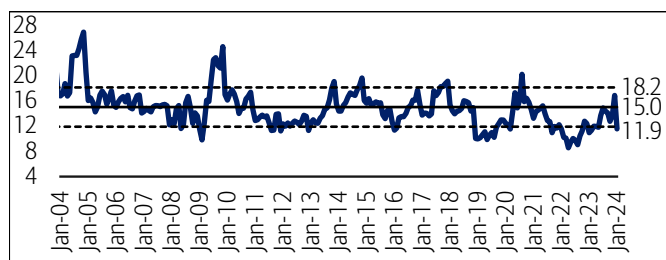
WKC Forward P/E is 10.7x



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

**Exhibit 115: FDX forward P/E**

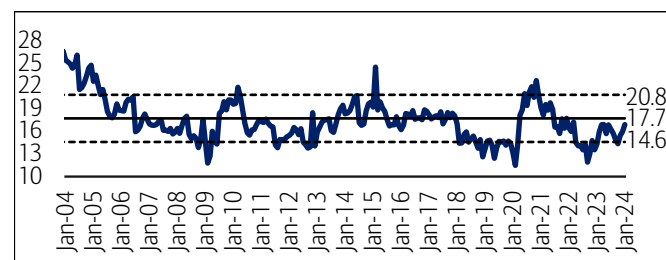
FDX Forward P/E is 11.6x



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

**Exhibit 116: UPS forward P/E**

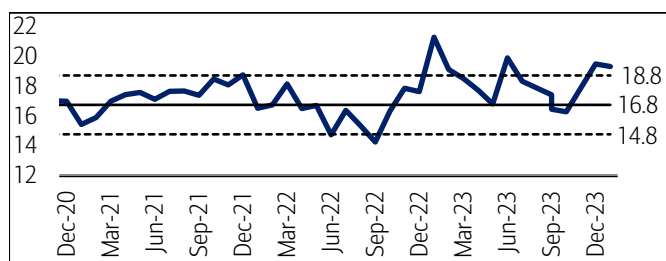
UPS Forward P/E is 16.9x



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

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

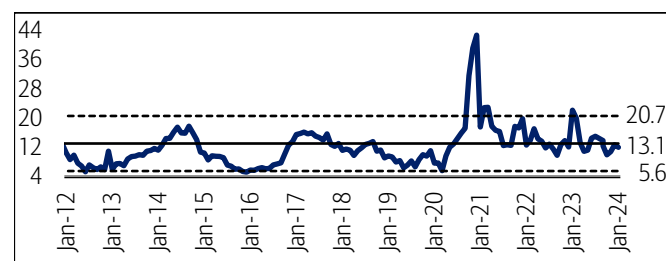
WAB Forward P/E is 19.3x



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

**Exhibit 118: GBX forward P/E**

GBX Forward P/E is 12.1x



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

# Disclosures

## Important Disclosures

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster <sup>R1</sup>
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

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