

Transport Tracker

Issue #1114, week ending Feb. 28, 2024; Rail Equip. Finance Conf kicks off Mar 4th

Industry Overview

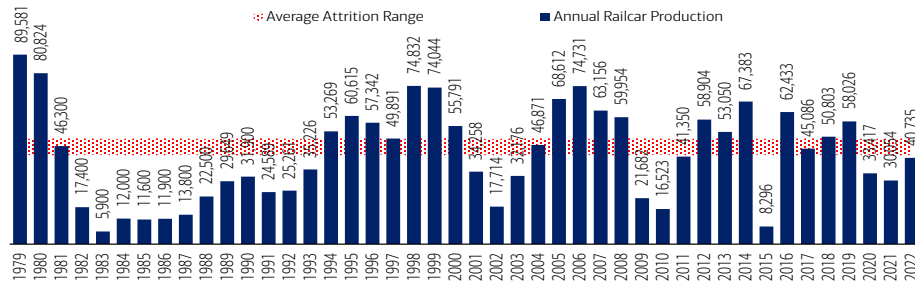
Hoexter's Thought of the Week

Rail Equip. Finance conf preview: Demand still challenged

We are set to attend the Rail Equipment Finance Conference next week in La Quinta, CA on March 4-6. The event will host leading railcar (Greenbrier, Trinity) and rail locomotive (Wabtec, Cummins, Progress Rail) manufacturers, equipment lessors (GATX), Class I rails (Union Pacific, Canadian Pacific) and short line carriers (Genesee Wyoming, Sierra Railroad), and rail shippers, as well as industry experts. US Rail OEMs are increasingly focused on finding new avenues for growth given the muted domestic demand backdrop. North American railcar deliveries remained below annual attrition of 42,000 to 50,000 units a year 2019-2022 and are not expected to inflect higher in 2024. New North American locomotive deliveries have also been constrained, remaining below annual replacement level of 500 units/year since 2020 given rising availability of locomotive modernization programs. The increase in carrier efficiency following rails' adoption of precision-scheduled railroading has led to increased asset turns. Rail capex peaked in 2017, leading rail OEMs to pivot to higher return ops such as aftermarket services and new avenues of recurring revenue growth, such as equipment leasing.

Exhibit 1: North America Annual Railcar Deliveries

North American railcar deliveries have been below replacement (42,000-50,000 per year) for 3 years.



Source: BofA Global Research and UMLER.

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Rail equipment manufacturers aim to increase penetration in global transit and freight markets, as well as service and maintain their installed base. Policy and safety standards could be an additional focus given regulatory scrutiny on rail safety following the Feb '23 East Palestine derailment. A sudden revival of the shelved Rail Safety Act could lead to upside for railcar manufacturers. We also expect railcar and locomotive manufacturers to focus on growth opportunities in refurbishment and modernization projects, which enables a refresh on equipment age, while improving reliability and fuel efficiency. Additionally, progress in alternate propulsion technology (with battery solutions such as FLXDrive by Wabtec or hydrogen propulsion such as H2OEL by CPKC) will be another focal point as we close in on Class I 2030 ESG deadline to achieve ~30% greenhouse gas emission reduction targets. Wabtec highlighted its ability to have alt fuels reverse to diesel loads on the go, enhancing early adoption. We should also hear about development and future deployment of Rail Pulse, a GPS and telematics solution developed by a coalition of railcar owners and manufacturers to geolocate all railcars.

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Key Data This Week:

- **Week 8 Rail Carloads: Up 2.9% Y-Y vs Week 7: +1.8% Y-Y**
(Fourth consecutive uptick)

- **Dry Van spot rates ex-fuel = \$1.36/mile vs \$1.41 last week**, down 3% from \$1.41 on Dec 31, 2023. Spot rates with fuel were \$1.85 vs. \$1.89 last week, and down 3% from \$1.91 on Dec. 31, 2023.

- **DAT Load to Truck Ratio – 0.99 for the week of Feb. 25, down 13% seq. from 1.16 last week.**
(Lowest historic level)

Exhibit 2: Airfreight & Surface Transportation

Rails, Trucks, Airfreight, Other Transports Summary Valuation Table

Rating	Company	Price 02/28/24	Mkt Cap. (\$ bil.)	P/E '24e EPS	1-Wk Perf	Price Perf YTD %
B-2-7	Canadian National Railway (CNI)	129.75	83.1	21.8x	1%	3%
B-1-7	Canadian Pacific Kansas City (CP)	84.92	79.2	26.6x	-1%	7%
B-1-7	CSX Corp. (CSX)	37.68	73.8	18.8x	2%	9%
RSTR	Norfolk Southern Corp. (NSC)	253.55	57.3	--	-2%	7%
B-1-7	Union Pacific Corp. (UNP)	253.99	154.9	22.8x	1%	3%
NR	Grupo México Trans (GMXT*MM)(3)	MXN 38.48	9.8	--	0%	1%
Rail Avg (ex GMXT for P/E)						
Intermodal / Container Lessors:						
B-1-7	J.B. Hunt Transport Svcs (JBHT)	205.20	21.2	25.2x	1%	3%
NR	Hub Group (HUBG)	43.42	2.7	19.5x	-1%	-6%
NR	Textainer (TGH)	50.14	2.1	--	1%	2%
Intermodal Average						
Less-than-Truckload (LTL) Carriers:						
C-3-7	ArcBest Corp. (ARCB)	139.80	3.3	12.9x	1%	16%
B-1-7	Old Dominion Freight Line (ODFL)	432.90	47.1	34.2x	2%	7%
B-1-9	Saia Inc. (SAIA)	562.59	15.0	34.7x	3%	28%
B-2-7	TFI International (TFII)	144.96	12.3	18.8x	0%	7%
C-1-9	XPO, Inc. (XPO)	117.74	13.7	32.3x	-1%	34%
LTL Average						
Truckload (TL) Carriers:						
B-1-7	Knight-Swift Transportation (KNX)	55.89	9.0	22.4x	-3%	-3%
B-2-7	Schneider National (SNDR)	23.27	4.1	21.2x	-2%	-9%
B-3-7	Werner Enterprises (WERN)	39.40	2.5	18.8x	-3%	-7%
NR	Covenant Logistics (CVLG)	49.28	0.6	11.6x	-5%	7%
NR	Heartland Express (HTLD)	12.91	1.0	253.1x	4%	-9%
NR	Marten Transport (MRTN)	18.73	1.5	21.8x	-3%	-11%
NR	P.A.M. Transport (PTSI)	18.20	0.4	16.5x	-2%	-12%
NR	Universal Logistics Holdings (ULH)	33.41	0.9	--	3%	19%
TL Average						
Autonomous trucks						
NR	Aurora Innovation (AUR)	2.61	4.0	--	-6%	-40%
Autonomous trucks Average						
Airfreight Companies:						
B-1-7	FedEx Corp. (FDX)	244.37	61.1	13.8x	1%	-3%
B-2-7	UPS (UPS)	147.77	126.0	17.6x	0%	-6%
NR	Deutsche Post (DHL GY) (2)	€ 43.19	58.0	--	0%	-4%
Airfreight Average						
Freight Forwarders / Logistics:						
B-3-7	C.H. Robinson Worldwide (CHRW)	74.39	8.7	26.6x	3%	-14%
C-2-9	RXO (RXO)	20.44	2.4	90.8x	-4%	-12%
NR	Landstar System (LSTR)	190.96	6.8	28.8x	0%	-1%
NR	Expeditors International (EXPD)	118.77	17.1	25.0x	1%	-7%
B-2-8	Kuehne + Nagel Int'l (KHNGF) (2)	CHF 294.50	38.5	29.8x	2%	2%
B-1-7	DSV Panalpina A/S (DSV DC) (2)	DKK 1,085.5	34.1	2.6x	-4%	-8%
NR	Forward Air Corp. (FWRD)	39.15	1.0	9.1x	-1%	-38%
NR	Ryder System, Inc. (R)	112.78	5.0	9.6x	2%	-2%
NR	Air Transport Services Group (ATSG)	12.19	0.8	14.1x	-12%	-31%
NR	Fortress Transportation (FTAI)	55.92	5.6	25.3x	5%	21%
B-3-7	World Kinect (WKC)	24.74	1.5	14.1x	4%	9%
Freight Forwarder Avg.						
Rail Equipment:						
C-3-7	The Greenbrier Companies (GBX)	49.67	1.5	13.2x	2%	12%
NR	Freightcar America Inc. (RAIL)	3.01	0.1	60.2x	-1%	11%
NR	GATX Corporation (GATX)	125.19	4.4	16.6x	-2%	4%
NR	Koppers Holdings Inc. (KOP)	57.07	1.2	12.4x	11%	11%
NR	Trinity Industries Inc. (TRN)	24.40	2.0	17.4x	-8%	-8%
B-1-7	Wabtec Corp. (WAB)	139.49	24.7	20.7x	3%	10%
Rail Equipment Avg.(ex-RAIL)						
Transport Average						
S&P 500			5,067.49	23.5x	2%	6%

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 3: Marine Matters

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

	Price	Mkt Cap.	P/E '24e EPS	1-Wk Perf	Price Perf
Marine Matters	02/28/24	(\$ bil.)	or Yield	YTD	
Tanker Companies					
C-1-7	Teekay Tankers, Ltd. (TNK)	55.10	1.9	0.0%	-5%
NR	Teekay Shipping Corp. (TK)	7.50	0.7	--	-9%
NR	Euronav (EURN)	€ 16.36	3.9	8.1%	0%
NR	DHT Maritime (DHT)	10.76	1.7	14.7%	-1%
NR	Frontline Ltd. (FRO)	22.74	5.1	12.7%	-1%
NR	Tsakos Energy Navigation (TNP)	23.78	0.7	--	-2%
NR	Nordic American Tanker (NAT)	4.14	0.9	10.9%	0%
NR	Ship Finance Limited (SFL)	13.41	1.7	8.0%	4%
NR	KNOT Offshore Partners (KNOP)	5.55	0.2	--	0%
Tanker Average					
			9.1%	-2%	7%
Product Tankers					
C-2-7	Scorpio Tankers (STNG)	66.80	3.6	2.9%	0%
NR	Capital Products (CPLP)	17.29	1.0	3.5%	-4%
NR	Ardmore Shipping (ASC)	16.02	0.7	6.7%	-1%
Product Tankers Average					
			4.4%	-2%	15%
LNG / LPG					
NR	Golar LNG (GLNG)	21.21	2.2	--	-2%
NR	Dynagas LNG Partners (DLNG)	2.91	0.1	13.7%	-5%
NR	StealthGas (GASS)	6.20	0.2	--	-5%
LNG / LPG Average					
			13.7%	-4%	-3%
Container Ship Lessors					
NR	Costamare (CMRE)	11.52	1.4	4.0%	4%
NR	Danaos (DAC)	72.22	1.4	4.4%	0%
NR	Global Ship Lease (GSL)	20.23	0.7	7.4%	1%
Container Average					
			5.3%	2%	3%
Dry Bulk					
EBITDA					
NR	Navios Maritime LP. (NMM)	34.11	1.1	3.7x	4%
NR	Safe Bulkers, Inc. (SB)	4.60	0.5	6.6x	6%
NR	Diana Shipping (DSX)	3.06	0.3	6.0x	5%
NR	Eagle Bulk Shipping (EGLE)	61.33	0.7	11.2x	6%
NR	Golden Ocean Group (GOGL)	34.11	1.1	--	4%
C-1-7	Pacific Basin Shipping (PCFBF)(1)	12.72	2.6	12.5x	13%
U.S. Dry Bulk Average					
			HKD 2.14	1.4	5.2x
Jones Act Carrier/Other					
B-1-9	Kirby Corp. (KEX)	87.09	5.1	17.8x	2%
NR	Matson Inc. (MATX)	107.88	3.7	12.8x	-6%
NR	Tidewater Inc. (TDW)	70.37	3.7	12.9x	0%
Jones Act Carrier/Other Average					
			14.5x	-1%	2%
Container Shipping / Diversified Companies					
B-2-8	AP Moeller-Maersk (AMKBF) (2)	DKK 10,085	25.4	--	-3%
B-1-8	COSCO Shipping Holding Co (CICOF)(1)	HK\$8.44	7.6	--	-1%
C-3-8	K-Line (KAKKF)(1)	¥6,901.00	10.9	12.3x	-4%
B-3-8	Mitsui O.S.K. Lines (MSLOF)(1)	¥5,090.00	12.2	7.3x	-4%
B-3-8	NYK Line (NYUKF)(1)	¥4,718.00	16.0	9.8x	-3%
NR	Wan Hai Lines (WHILF)	TWD 48.10	4.3	--	-2%
NR	Yang Ming Marine (YMGXF)	TWD 48.55	5.4	--	0%
C-2-8	Evergreen Marine Corp (EVGQF)(2)	TWD 159.50	10.8	1.4x	3%
NR	Hapag Lyond ADR (HLG GY) (2)	€ 133.30	25.4	37.3x	0%
C-3-9	ZIM Integrated Shipping Svcs (ZIM)	12.45	1.5	--	0%
Container & Diversified Average					
			9.8x	-2%	4%
Shipping Mkt Cap / Shipping Avg					
S&P 500			5,067.49	23.5x	2%

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

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

NR: Not Rated.

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Airfreight and Surface Transportation Weekly Movers

Best:	KOP (+11%)	FTAI (+5%)	WKC (+4%)
Worst:	ATSG (-12%)	TRN (-8%)	AUR (-6%)

Marine Transportation Weekly Movers

Best:	GOGL (+13%)	EGLE (+6%)	SB (+6%)
Worst:	TK (-9%)	MATX (-6%)	GASS (-5%)



Upcoming Calendar of Events

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 CNI and WAB), London
Mar 26	UPS Investor & Analyst Day, Louisville
Apr 30-May 2	National Assoc of Rail Shippers (NARS) Ann Mtg, Chicago
May 14-16	BofA's 31st Annual Transport, Airline, & Industrials Conf, NYC

BofA Global Research Reports

Title: Subtitle	Primary Author	Date Published
WAB: Largest pipeline in 5 yrs sets up well; PO \$156	Ken Hoexter	28 February 2024
KNX: Changes in CEO and CFO: Moves aids in rebuilding cred into upturn	Ken Hoexter	27 February 2024
Railroads: 4Q Review in Charts: Volume growth flips positive	Ken Hoexter	27 February 2024
Trucking: Survey Says: Demand view 2nd highest in 80 wks	Ken Hoexter	23 February 2024
WKC: Aviation yields better-than-tgts.; Macro pressures persist; PO \$23	Ken Hoexter	22 February 2024
TNK: Rates fall short of tgts. yet accl. in 1Q: Debt-free by March; PO \$65	Ken Hoexter	22 February 2024
Transport Tracker: Issue #1113, week ending Feb. 21, 2024	Ken Hoexter	21 February 2024

Company News

Knight Swift Transportation named CFO Adam Miller as CEO, replacing prior CEO Dave Jackson. It also named EVP of M&A Andrew Hess as CFO. Dave Jackson had served as CEO since Jan 1, 2015.

World Kinect posted 4Q23 adj. EPS of \$0.54, above our \$0.43 target and Street's \$0.44. The beat was led by Aviation Gross profit at \$131 million in 4Q, up 19% y-y and \$17 mil above our target. Those gains were partially offset by higher-than-expected Operating Expenses (-\$0.06/sh) and Interest Expense (-\$0.06/sh). Gross Revenues were \$12 billion, down 14% y-y, but \$370 million above our target. Adj. Gross Profit was \$280 mil, down 1% y-y, but \$18 mil above our target. Adj. Operating Income was \$74 mil, down 8% y-y, but \$12 mil above our target, for a Net Operating Margin of 26.2%, 290 bps better than our target. Aviation Gross Profit/Gallon was up 20% y-y, above our +1% target. Land Gross Profit was \$105 mil, down 9% y-y and \$4 mil below target. Land was impacted by an erroneous bid in the Finnish power market, leading to a \$49 mil one-time charge (-\$0.61/sh).

Union Pacific plans to invest \$3.4 billion in 2024, with \$1.9 billion for upgrading and replacing infrastructure (rail, ties, and ballasts) and \$0.6 billion toward locomotives and equipment.

Flexport launched The Convoy Platform, a digital global supply chain solutions provider based in San Francisco that offers small carriers access to freight, while offering shippers and brokers real-time competitive rates, shipment visibility and on-time performance. Flexport acquired Convoy's technology and IP in November.

Textainer Group Holdings Ltd's shareholders approved the acquisition of Textainer by Stonepeak, an alternative investment firm specializing in infrastructure and real assets. Upon closing, Textainer's shareholders will receive \$50/common share in cash.

CSX Corp's Board of Directors and the Compensation & Talent Management Committee of the Board reviewed compensation levels for CEO Joseph Hinrichs and determined that increases to the annual base salary, target annual bonus opportunity and target long-term incentive opportunity for Mr. Hinrichs were appropriate.

Koppers Holdings Inc. agreed to acquire the assets of Brown Wood Preserving Company, Inc. for approximately \$100 million in cash. Brown Wood manufactures and sells pressure-treated wood utility poles. The transaction is expected to close in 2Q24.



FedEx Corp. ended its naming rights agreement on the stadium of Washington's NFL franchise (currently FedEx Field). The agreement was set to expire in 2026. The company had struck a \$205 million deal in 1999 to have its name on the stadium.

Autonomous Trucking

Apple cancelled its project to build an autonomous electric car. The car project still had 1400 employees working on it, some of whom will be shifted to Apple's Gen AI projects, while others will have 90 days to find reassignment or be let go. Apple began working on the project, originally called Project Titan, in 2014, and at one point had 5,000 dedicated workers to the effort.

Shipping

Scorpio Tankers signed a non-binding Memorandum of Understanding to install the Fowe Eco Solutions Ltd. fuel emulsion systems across its entire fleet, which will result in an overall reduction of at least 3% in fuel costs and 100,000 tons of carbon emissions annually.

Teekay Tankers posted 4Q23 adj. EPS of \$2.88, below our \$3.90 target and Street's \$3.42. Revenues were \$313 million, down 15% year-year, and \$30 million below our target. Net Vessel Revenues were \$195 million, down 17% year-year and \$32 million below our target. Operating income was \$113 million, down 27% year-year, and \$23 million below our target, resulting in an operating margin of 36.0%, a 600 bps y-y decline. 4Q23 time-charter equivalent (TCE) rates had a spot fleet average of \$41,000/day, below our \$51,000/day target as it pulled forward its bookings earlier in the quarter. 1QTD TCEs have accelerated 25% sequentially to \$50,000/day with 70% of revenue days booked as voyage re-routings due to Red Sea disruptions led a surge in ton-mile demand. Teekay Tankers will repurchase \$137 million in vessel sale leasebacks in 1Q24, lowering its total debt to zero. This effectively completes its capital strategy set in 1Q23 where it highlighted its deleveraging focus. It anticipates lowering its breakeven TCE by approx \$500/day following the completion of its debt repayment, to approximately \$15,500/day/vessel.

KNOT Offshore Partners LP reported a net loss in 4Q23 of \$(5) million, compared to net income of \$6 million a year ago. Revenues were \$73 million, up 2% year-year. Operating income was \$18 million, down 7% year-year, driven by higher vessel operating expenses (\$26 mil in 4Q23 vs \$20 mil in 4Q22), resulting in an operating margin of 24.7%, a 260 bps y-y decline.

DHT Holdings, Inc. contracted to build four large VLCCs for \$128.5 million for delivery between April and December 2026. The contracts include options for an additional four vessels that can be delivered during 1H27. The ships will be fitted with Exhaust Gas Cleaning Systems, be Tier III compliant, and hold class ready notations for multiple fuels. The company plans to finance the acquisitions with cash-flows from operations, available liquidity, and new mortgage debt.

Diana Shipping Inc. reported 4Q23 EPS of \$0.06, down 77% year-year. Time charter revenues were \$60 million, down 21% year-year due to decreased average charter rates. The average time charter equivalent (TCE) rate in 4Q23 was \$15,161 compared to \$21,100 in 4Q22. Operating income was \$16 million, down 52% year-year, for an operating margin of 26.4%, down from 44.1% a year ago.

Dividends Declared

	Amount	Record Date	Payable Date
DSX	\$0.07	03/05/24	03/12/24
HUBG	\$0.12	03/08/24	03/27/24

Week 8 Rail Carload Data: Up 2.9% Y-Y

Key Takeaways – Up 2.9% (from +1.8% last week): Total carloads for Week 8 of 2024 were up 2.9% year-year, to 611,628 (BNSF has not reported yet), improving from last week's 1.8% increase (or 603,055 carloads). Carloads were up for the fourth consecutive week. Growth was above the past 10-week average of +1.2%, while the full 1Q24 Carloads compares against a 0.8% decrease in 1Q23 (BNSF not incl.) Coal was down (-7.2% year-year), in line with last week's 7.3% decrease. This was the seventh downtick in eight weeks. Nat Gas prices were up (+2%) to \$1.62/MMBtu from \$1.58/MMBtu last week. Coal's absolute level of carloads were 55k, above the 54k last week, and the 10-week avg of 53k. Chemical volumes were up 4.8% year-year, reversing last week's 1.3% decrease. Chemicals were up for the fifth time over the last six weeks. Grain (+9.9%) was up, improving from last week's 2.3% increase. Grain carloads were up for the fourth consecutive week. Petroleum (+6.2%) was up, moderating from last week's 8.3% increase. This was the 19th uptick over the last 20 weeks for Petroleum. Intermodal (+5.1%) was up, improving from last week's 4.1% increase. Intermodal was up for the 12th time over the last 15 weeks, while absolute volumes were 278k, above 273k last week, and above the 259k past 10-week avg. Auto (+5.5%) was up, moderating from last week's 9.3% increase. It was up for the fourth consecutive week.

Overall Carloads: Week 8 carloads were up 2.9% year-year, as increases at CN (+4.8%), CSX (+4.0%), UP (+3.3%), and NS (+2.3%) more than offset a decrease at CPKC (-0.8%). Quarter-to-date, carloads are down 1.9% year-year, as decreases at CPKC (-5.9%), CN (-3.8%), and UP (-2.4%) more than offset increases at CSX (+0.4%) and NS (+0.6%). The 1Q24 carload trend of -2.7% (NSC not incl.) is below our -0.7% full quarter target for the Class I rails on average. The avg. carrier is trending below our target (-170 bps), with UNP the best at -50 bps vs. our tgt. (-2.4% vs. our -1.9%), vs CPKC the worst at -400 bps (-5.9% vs. our -1.9%).

Revenue Ton Miles: Week 8 RTMs: CN's RTMs are down 2.3% y-y 1QTD. CPKC's RTM are down 2.0% y-y 1QTD.

Specifics: Intermodal carloads (45.6% of total) were up 5.1% year-year, as increases at NS (+7.8%), CSX (+7.2%), UP (+5.0%), and CN (+3.7%) more than offset a decrease at CPKC (-2.2%). **Coal carloads (9.0% of total)** were down 7.2% year-year, as decreases at CN (-25.1%), NS (-13.5%), and UP (-5.6%) more than offset increases at CPKC (+2.7%) and CSX (+4.3%). **Chemical carloads (9.6% of total)** were up 4.8% year-year, as increases at CN (+8.9%), UP (+8.7%), NS (+6.6%), and CSX (+0.5%) more than offset a decrease at CPKC (-3.4%). **Grain carloads (4.4% of total)** were up 9.9% year-year, as increases at CN (+32.8%), CPKC (+29.4%), and UP (+8.4%) more than offset decreases at CSX (-12.4%) and NS (-25.4%). **Petroleum carloads (3.9% of total)** were up 6.2% year-year, as increases at UP (+23.1%), CPKC (+6.4%), CN (+6.3%), and CSX (+4.0%) more than offset a decrease at NS (-20.4%). **Auto carloads (5.3% of total)** were up 5.5% year-year, as increases at CSX (+19.2%), UP (+5.1%), CPKC (+4.4%), and NS (+0.3%) more than offset a decrease at CN (-5.3%).

Exhibit 4: Carloads Week 8 2024 vs. 2023 and 1QTD volumes

Week 8 Rail Carload Data: Up 2.9% Y-Y

	% of total	2024 Wk 8	2023 Wk 8	% Δ	1Q24 QTD	% Δ
Intermodal	45.6%	278,597	265,059	5.1%	2,104,154	0.8%
Coal	9.0%	55,106	59,362	-7.2%	427,287	-10.2%
Chemicals	9.6%	58,967	56,263	4.8%	442,956	1.6%
Auto	5.3%	32,259	30,588	5.5%	224,529	-2.5%
Grain	4.4%	26,706	24,311	9.9%	197,649	-8.7%
Forest Prod.	3.5%	21,262	21,256	0.0%	164,910	-1.6%
Petrol. Prod.	3.9%	<u>23,928</u>	<u>22,524</u>	<u>6.2%</u>	<u>187,498</u>	<u>3.3%</u>
Total Carloads		611,628	594,378	2.9%	4,610,017	-1.9%

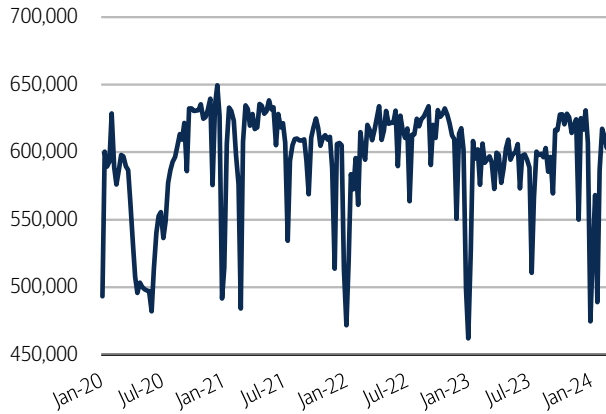
Source: BofA Global Research and AAR.

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Exhibit 5: Total Weekly Carload Volumes

Total volumes were 611,628 for Week 8



Source: BofA Global Research and Association of American Railroads.

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Exhibit 6: Total Weekly Carload Growth Y-o-Y

Total volume growth was +2.9% y-y for Week 8



Source: BofA Global Research and Association of American Railroads.

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Exhibit 7: Total Quarterly Carload Growth Y-o-Y

Total Carloads Forecast Down 0.7% in 1Q24

	4Q19a	1Q20a	2Q20a	3Q20a	4Q20a	1Q21a	2Q21a	3Q21a	4Q21a	1Q22a	2Q22a	3Q22a	4Q22a	1Q23a	2Q23a	3Q23a	4Q23a	1Q24e
BNSF	-2.5%	-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%	3.8%	--
CNI	0.4%	-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%	-1.4%	-1.0%
CPKC						-1.1%	19.6%	-0.5%	-5.7%	-4.0%	0.1%	10.1%	7.5%	5.7%	-2.3%	-4.9%	1.7%	-1.9%
CSX	-5.3%	-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%	1.2%	1.9%
NSC	-5.8%	-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%	7.0%	--
UNP	-8.1%	-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%	3.4%	-1.9%
Total	-4.1%	-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%	2.9%	-0.7%

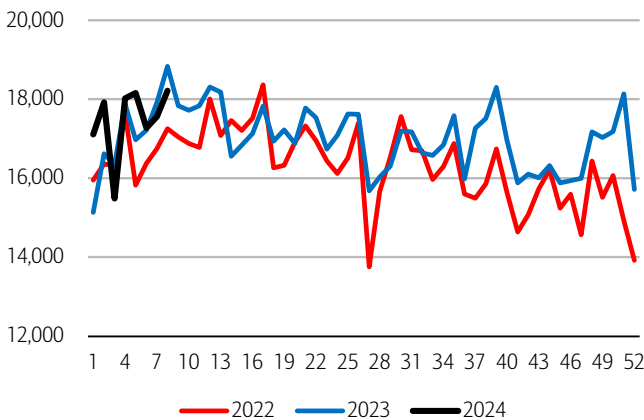
Source: BofA Global Research and Association of American Railroads.

Note: The total for 1Q24 is an average of the estimates; CPKC Reinstated data from 2020

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Selected Segments Weekly Carloads**Exhibit 8: Metal Carloads**

Metal Carloads were 18,211 in Week 8, down 3.3% Y-Y

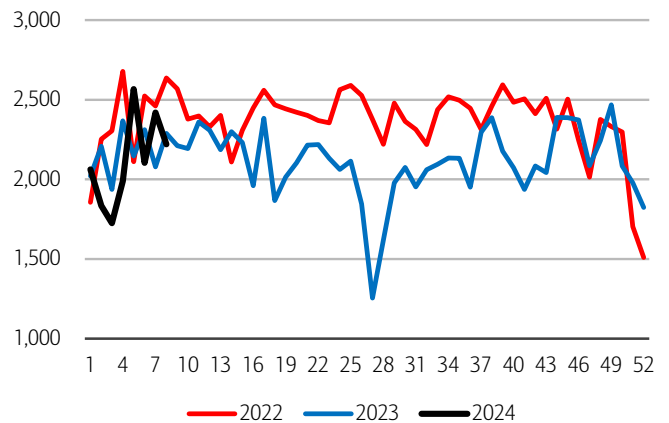


Source: BofA Global Research and Company data.

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Exhibit 9: Forest Product Carloads

Forest Product Carloads were 2,220 in Week 8, down 3.0% Y-Y



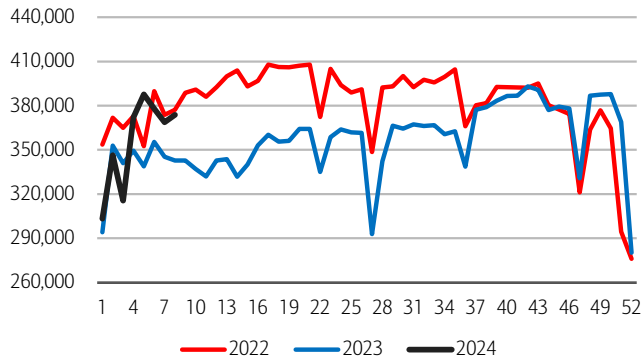
Source: BofA Global Research and Company data.

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Selected Segments Weekly Carloads

Exhibit 10: Intermodal Carloads

Intermodal Carloads were 373,766 in Week 8, up 9.0% Y-Y

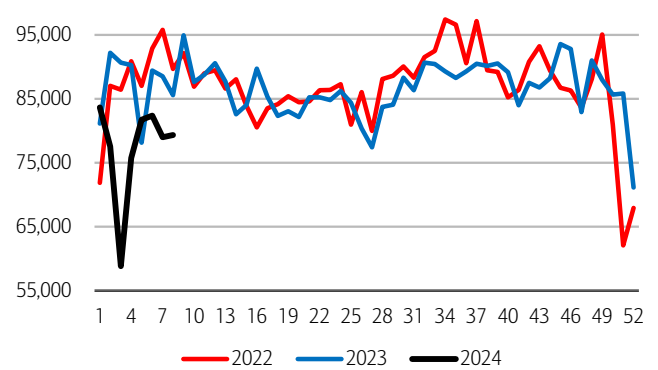


Source: BofA Global Research and Company data.

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Exhibit 11: Coal Carloads

Coal Carloads were 79,344 in Week 8, down 7.3% Y-Y

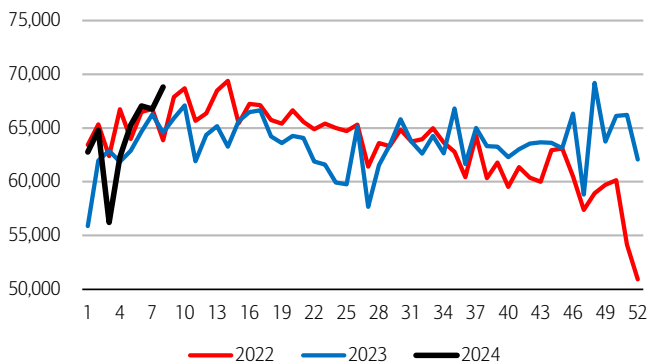


Source: BofA Global Research and Company data.

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Exhibit 12: Chemical Carloads

Chemical Carloads were 68,824 in Week 8, up 6.6% Y-Y

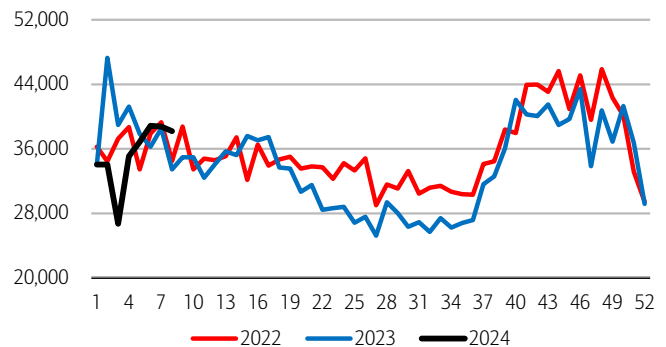


Source: BofA Global Research and Company data.

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Exhibit 13: Grain Carloads

Grain Carloads were 38,207 in Week 8, up 14.2% Y-Y

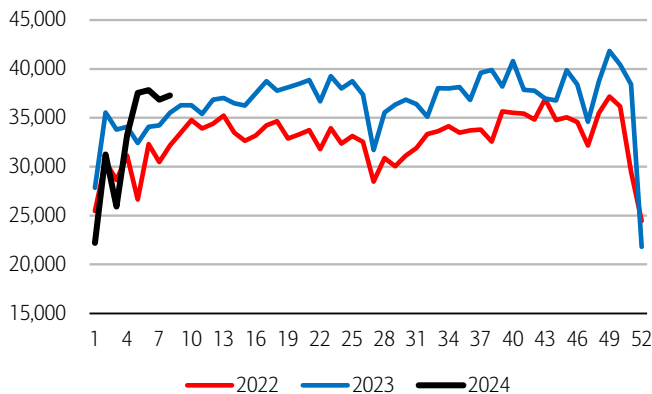


Source: BofA Global Research and Company data.

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Exhibit 14: Auto Carloads

Auto Carloads were 37,284 in Week 8, up 5.0% Y-Y

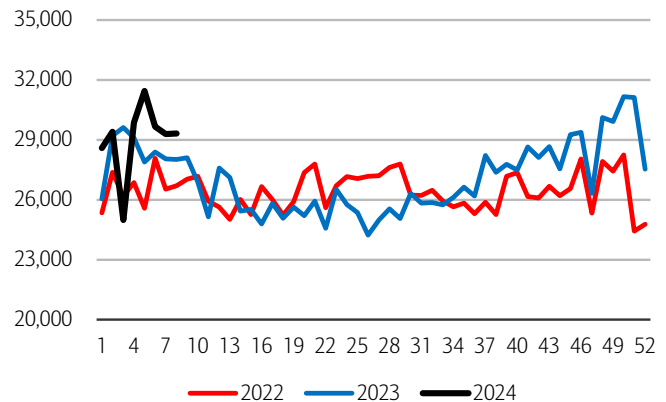


Source: BofA Global Research and Company data.

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Exhibit 15: Petroleum Products Carloads

Petroleum Products Carloads were 29,316 in Week 8, up 4.6% Y-Y



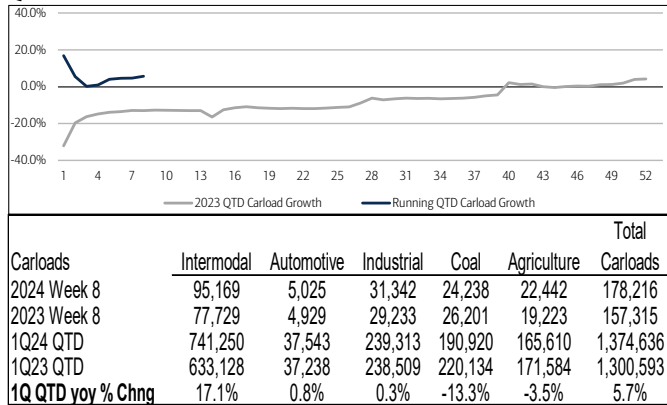
Source: BofA Global Research and Company data.

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Selected Segments Weekly Carloads

Exhibit 16: BNSF Carloads

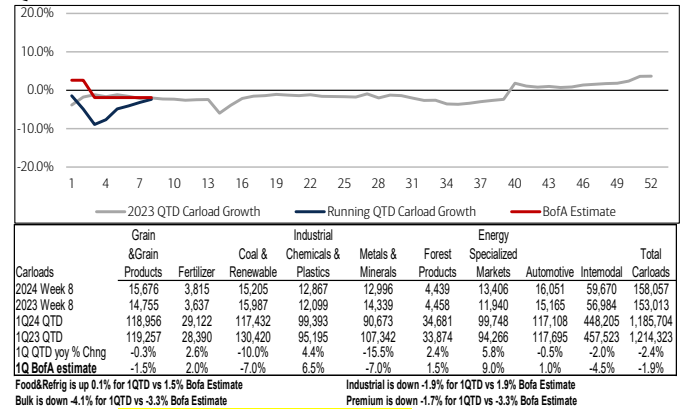
QTD Carloads are +5.7%



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

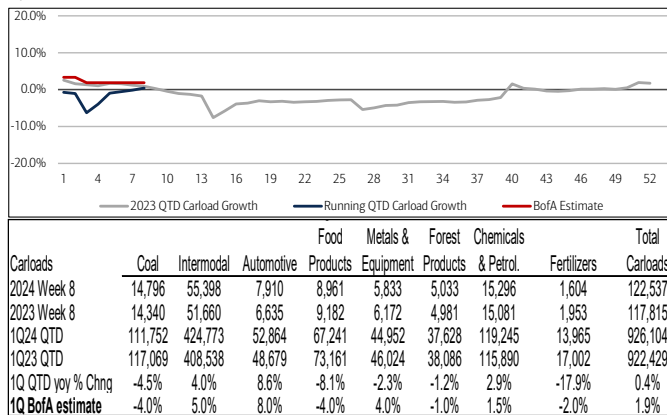
QTD Carloads are -2.4% vs. BofAe -1.9%



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

Exhibit 18: CSX Carloads

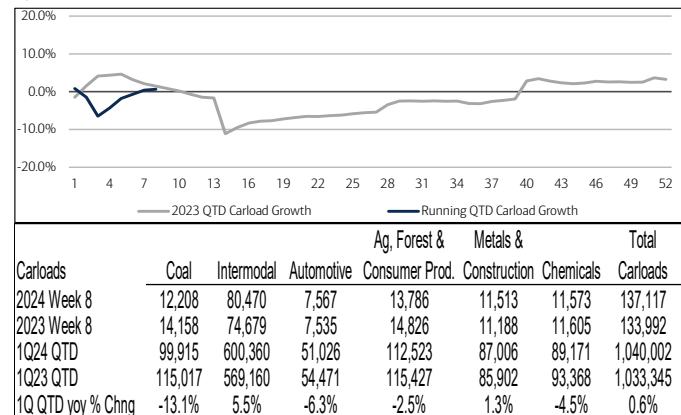
QTD Carloads are +0.4% vs. BofAe +1.9%



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

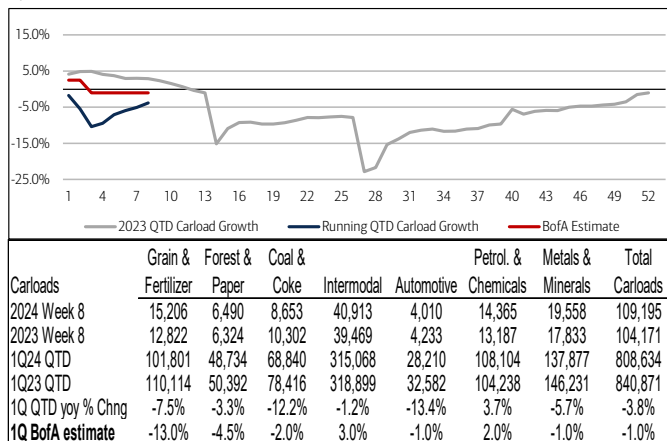
QTD Carloads are +0.6%



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

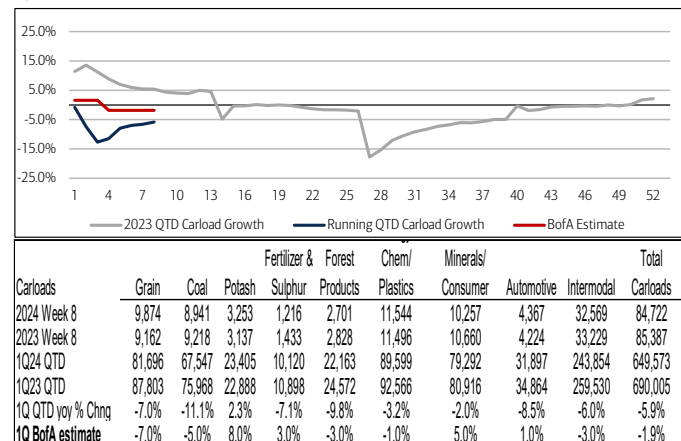
QTD Carloads are -3.8% vs. BofAe -1.0%



Source: BofA Global Research estimates, Association of American Railroads, and Company reports
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Exhibit 21: CPKC Carloads

QTD Carloads are -5.9% vs. BofAe -1.9%



Source: BofA Global Research estimates, Association of American Railroads, and Company reports
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Diesel Fuel Prices: -1.2% Sequentially

Diesel fuel prices declined 1.2% from last week, at \$4.06 for week 8 of 2024. Prices remain above \$4.00 for the third consecutive week after nine weeks below, while posting the first downtick in five weeks. The 1Q24 average for on-highway diesel is \$3.94/gallon, down 11% y-y from \$4.41 in 1Q23, and down 8% sequentially from 4Q23's \$4.26.

WTI crude oil futures closed at \$78.87, up 0.9% from last week's \$78.18. WTI was up for the seventh time over the past 8 weeks. The 1Q24 average is \$75.02, down 1% from 1Q23's \$76.12 average, and down 4% from 4Q23's \$78.44. We target \$77 and \$80 for 1Q24 and 2024.

Brent crude oil futures closed at \$83.65, up 1.6% from last week's \$82.34. The 1Q24 average is \$80.20, down 2% from 1Q23 average of \$82.16, and down 3% from 4Q23's average of \$82.80.

The Brent to WTI gap is \$4.78, up 15% from last week's \$4.16. The current spread is down 21% from the 1Q23 avg. of \$6.04.

Natural Gas futures closed at \$1.62 on February 27th, up 2% from \$1.58 last Tuesday. Nat Gas trends below \$2.00 for the third consecutive week, but this was the first uptick in seven weeks. The 1Q24 average is \$2.23, down 21% from the 1Q23 average of \$2.83.

Exhibit 22: Fuel surcharges

Weekly and Monthly surcharges table

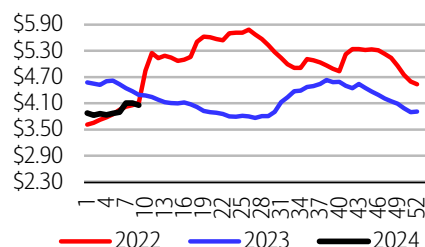
	Week 8 2/14/24	Week 9 2/21/24	Week 10 2/28/24
ARCB - LTL	33.8%	33.8%	33.3%
XPO - LTL	32.8%	35.3%	35.3%
ARCB - TL	67.6%	67.6%	66.6%
XPO - TL	65.6%	70.5%	70.5%
FDX - Express	17.25%	17.50%	17.50%
UPS - Express	20.50%	21.00%	21.00%
FDX - Ground	15.25%	16.00%	16.00%
UPS - Ground	15.50%	16.00%	16.00%
	Dec-23	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 23: National Diesel Fuel Prices

Diesel fuel prices: \$4.06 for week 8 of 2024

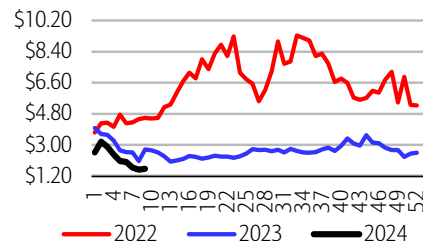


Source: BofA Global Research, DOE, Bloomberg

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Exhibit 24: US Nat Gas Price Per MMBtu.

Futures closed at \$1.62 on February 27th

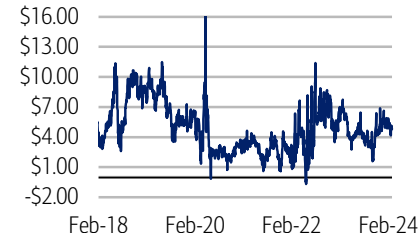


Source: BofA Global Research, DOE, Bloomberg

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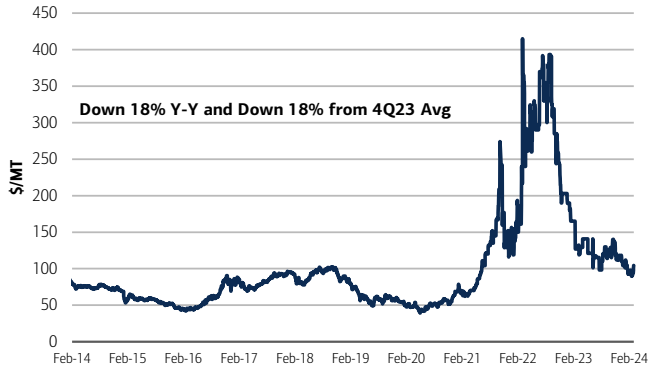
Exhibit 25: Brent to WTI Spread

The Brent to WTI gap is \$4.78



Source: BofA Global Research, DOE, Bloomberg

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Exhibit 26: Thermal Coal, Europe Coal 6000kcal CIF ARA ForwardPrice = \$104.30 on February 28th

Source: BofA Global Research and Bloomberg.

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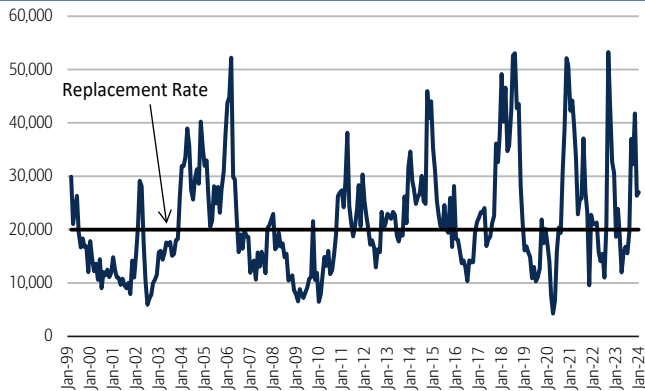
Exhibit 27: Australian Premium Coking Coal FuturesPrice = \$316.25 on February 28th

Source: BofA Global Research and Bloomberg.

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Exhibit 28: Class 8 Truck net orders

Prelim. January Class 8 Net Orders at 27,000 vs 26,352 in December



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

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Prelim. January Class 8 Net Orders at 27,000 (from 26,352 in December)**Exhibit 29: Class 8 Truck net orders**

January's Final Class 8 Net Orders at 27,125 (Preliminary was 27,000)

January Class 8 Final Net Orders 27,125**CLASS 8 NET ORDERS**

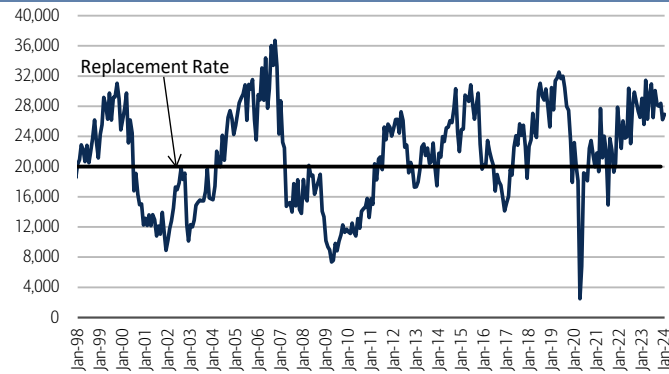
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
JAN	16,105	17,204	42,307	21,041	18,624	27,125
FEB	16,854	14,040	44,190	21,006	23,790	
MAR	15,783	7,632	40,049	21,301	19,010	
APR	14,859	4,251	33,353	15,820	12,016	
MAY	10,886	6,690	23,072	14,081	15,623	
JUN	12,979	16,010	25,824	15,444	16,773	
JUL	10,298	20,359	25,876	11,025	15,573	
AUG	11,119	19,389	37,096	20,892	19,513	
SEP	12,692	30,768	27,323	53,271	36,974	
OCT	21,864	39,089	23,391	42,359	32,287	
NOV	17,483	52,104	9,902	32,630	41,732	
DEC	20,073	50,760	20,651	30,623	26,352	
Year Total	180,995	278,296	353,034	299,493	278,336	27,125

Source: American Commercial Transportation Research (ACT)

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Exhibit 30: Class 8 Truck production

Class 8 Truck Production at 26,926 in January

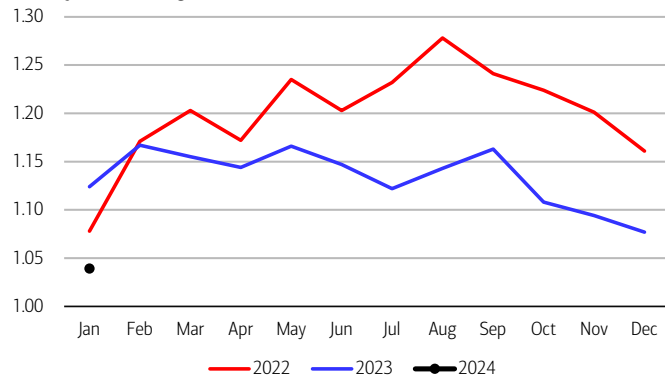


Source: BofA Global Research estimates and American Commercial Transportation Research (ACT)
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Class 8 Truck Production at 26,926 Up 3% Sequentially

Exhibit 31: Cass Freight Shipments Index

January's Cass Freight Index: -7.6% Y-Y, -3.5% M-M



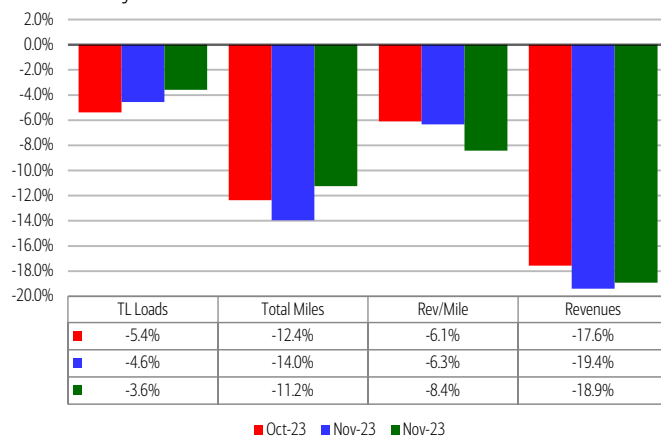
Source: Cass Information Systems, Inc.

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Cass Freight Index: -7.6% Y-Y, -3.5% M-M

Exhibit 32: Truck Activity

Truck Activity: December Loads -3.6% Y-Y



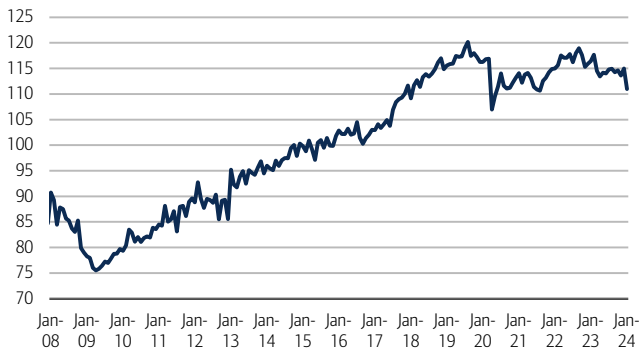
Source: American Trucking Association

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December Total Truck Loads: -3.6% Y-Y

Exhibit 33: Historical ATA Truck Tonnage Index

Preliminary January Truck Tonnage: -4.7% Y-Y, -3.5% M-M



Source: American Trucking Association

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Prelim. January Truck Tonnage: -4.7% Y-Y, -3.5% M-M**Exhibit 34: Historical ATA Truck Tonnage Index**

December Truck Tonnage: -0.8% Y-Y, +1.2% M-M

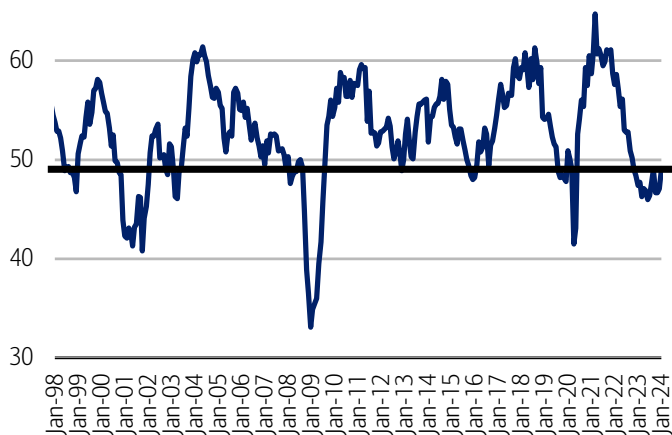
	2017	2018	2019	2020	2021	2022	2023
JAN	103.0	109.1	115.6	116.2	114.1	115.0	116.5
FEB	104.1	111.7	115.9	116.8	112.2	115.6	117.7
MAR	103.4	112.7	115.9	116.9	113.8	117.5	114.5
APR	104.1	111.4	117.5	107.0	114.1	117.1	113.4
MAY	104.9	113.3	117.2	109.5	113.2	117.1	114.2
JUN	103.8	113.9	117.4	111.4	111.4	117.8	114.0
JUL	106.9	113.4	119.0	114.0	110.9	116.2	114.8
AUG	108.4	114.0	120.2	111.6	110.7	118.0	114.9
SEP	109.0	114.8	117.4	111.1	112.6	118.9	114.2
OCT	109.3	116.2	118.0	111.2	113.2	117.6	114.6
NOV	110.1	117.0	117.2	112.2	114.2	115.3	113.6
DEC	111.7	114.9	116.3	113.2	114.9	115.9	115.0
Avg.	106.5	113.5	117.3	112.6	112.9	116.8	114.8

Source: American Trucking Association

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December Truck Tonnage: -0.8% Y-Y, +1.2% M-M**Exhibit 35: ISM Manufacturing Index**

January ISM Manufacturing Index 49.1, +2.0 pts.



Source: BofA Global Research and Bloomberg.

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ISM Manufacturing Index 49.1, +2.0 pts.

Exhibit 36: BofA Truckload Diffusion IndicatorDemand Indicator at 54.1 from 50.5 (bi-weekly Issue #303 on Feb 22nd)

Source: BofA Global Research estimates

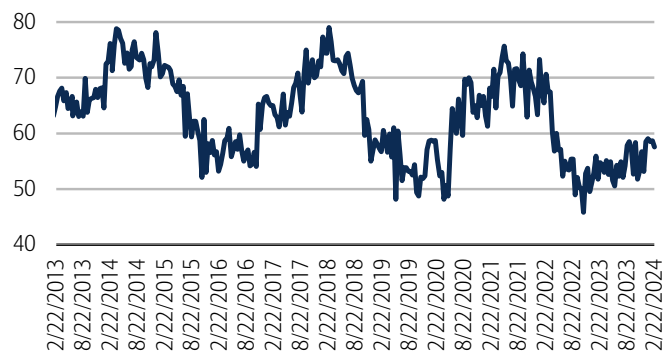
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**BofA TRUCK SHIPPER SURVEY
Survey Says: Demand (54.1)**

This week, our proprietary bi-weekly **BofA Truckload Demand Indicator** for shippers' 0- to 3-month freight demand outlook increased to 54.1 from 50.5 last survey, its 2nd highest level in 80 weeks (40 surveys). The Demand Indicator has been at- or above- 50 for 5 consec. issues and 8x over the past 13. This positive stretch follows a period at or below 50 for 21 of the prior 25 issues (since Feb 2023). The Indicator matches the 54.2 avg during the '12, '15, '19 Freight Recession periods, after 13 issues below, highlighting a somewhat improving backdrop. The Demand Indicator was up 13% year-year, its 12th yr-yr uptick in the past 13 issues. Rail carloads rose 2% year-year this week, its 3rd week of upticks. Dry van spot rates ex-fuel were \$1.41/mile, down from \$1.46/mile last week. Of the respondents, 26% had a positive short-term demand outlook, in line with 27% last survey; neutral outlooks were 60%, up from 47% last survey, and negative outlooks were 14%, down from 27% last survey. In the week of February 22nd, we surveyed 43 shippers for views on truckload demand, supply, pricing, and inventory.

Exhibit 37: Shippers' 6-12 months outlook for freight demand

L-T Demand Indicator at 57.6, down 2% sequentially

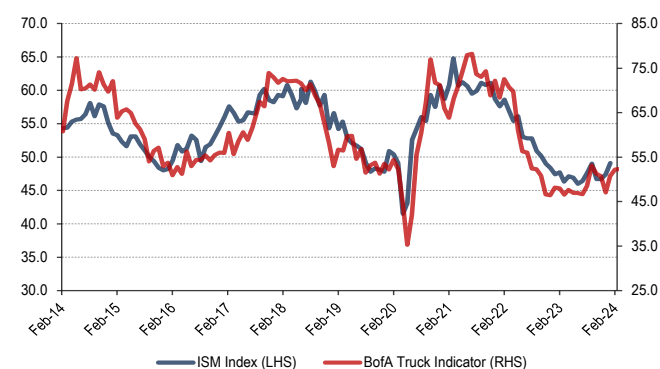


Source: BofA Global Research estimates

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Exhibit 38: BofA Truck Shipper Demand Indicator vs ISM Manuf.

Demand Indicator has a 0.81 leading correlation to ISM PMI.



Source: BofA Global Research estimates, ISM.

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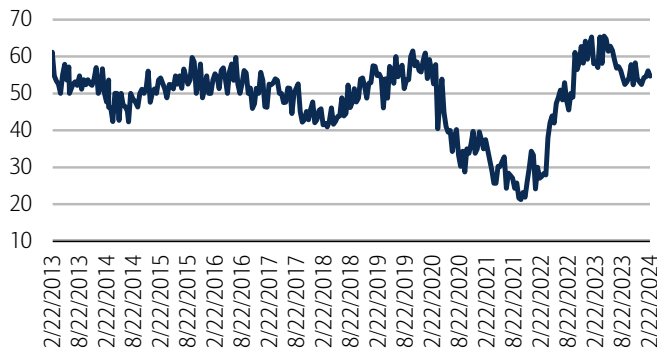
Capacity ticks lower; Inventory view down

The Rate Indicator, or shippers' view on truck rates, increased to 50.0 from 49.0 last issue, up 2% sequentially. **The Inventory Indicator** decreased to 54.7 from 56.1 last issue, down 3% sequentially, as inventories move closer to the 49 historical average. **Truck Capacity Indicator**, which gauges shippers' views of available truck capacity, decreased to 58.1 from 59.2 last survey, its lowest level in 12 surveys as capacity continues to tighten.

Our Demand Indicator has a 0.8 leading correlation to ISM Manufacturing PMI.

Exhibit 39: Shippers' view of inventory levels

Inventory Indicator at 54.7, down 3% from last issue.



Source: BofA Global Research estimates

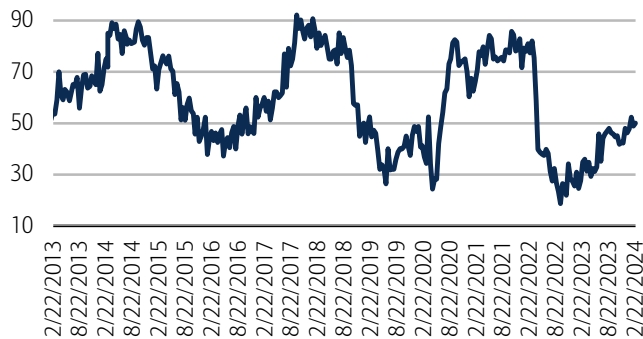
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Rates view up

With respect to rates, 12% of shippers expect rates to fall, down from 22% last issue, 77% expect pricing to be flat, up from 57% last issue, and 12% expect rates to rise, from 20% last issue. On capacity, 28% expect capacity to rise, vs 31% last issue, 60% expect capacity to stay flat, from 57% last issue, 12% expect capacity to be lower, flat with last issue. **SHIPPER COMMENTS:** An Industrial Shipper noted that truck capacity is tightening regionally due to a lack of back haul opportunities. A Logistics Shipper highlights everything it is hearing and seeing suggest we have hit a bottom rates-wise yet have not seen the exodus of trucking companies it normally sees this time in the cycle. (See survey for additional commentary).

Exhibit 40: Shippers' view of Trucking rates over the next 3 months

Rate Indicator at 50.0, +2% sequentially

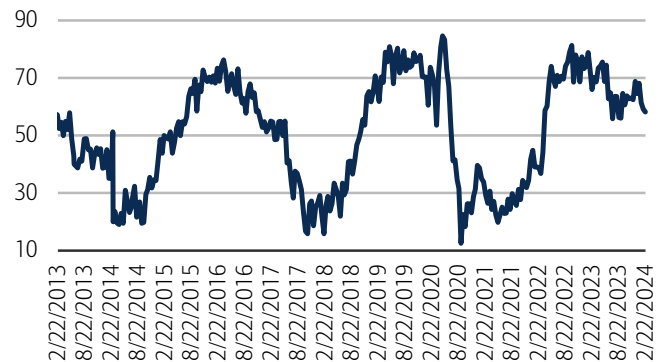


Source: BofA Global Research estimates.

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Exhibit 41: Shippers' view of Capacity over the next 3 months

Capacity Indicator at 58.1, down 2% sequentially



Source: BofA Global Research estimates.

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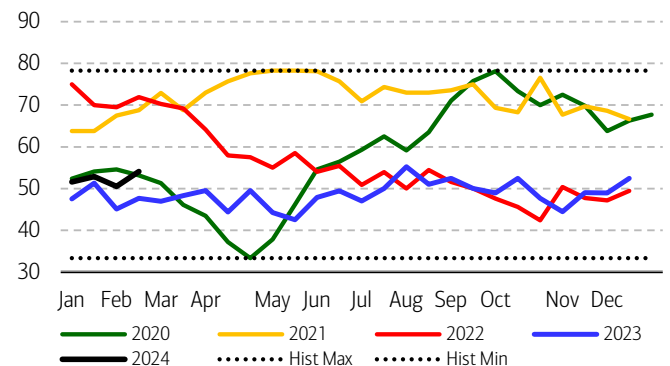
Exhibit 42: BofA Truckload 0-3 month Demand (Diffusion) Indicator

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	50.5
	2/13	53.1	2/25	68.8	2/24	71.9	2/23	47.6	2/22	54.1
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	
Nov	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	
Dec	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	
	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 43: Demand (Diffusion) Indicator for 0-3-month demand outlook on stack basis (2020-2024)Demand Indicator to 54.1 (bi-weekly Issue #303 on February 22nd)

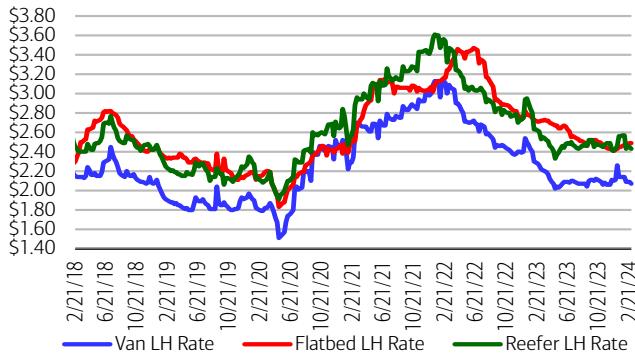
Source: BofA Global Research estimates

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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 44: Month-to-Date Run Rate

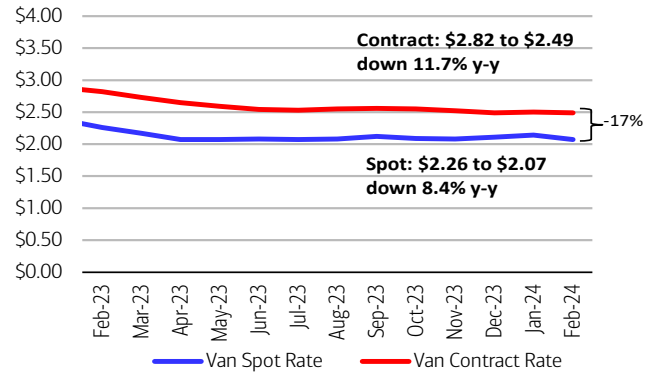
Van Rate = \$2.07 Flatbed Rate = \$2.49 & Reefer Rate = \$2.43



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Exhibit 45: Monthly Van Spot Rate vs. Contract Rate

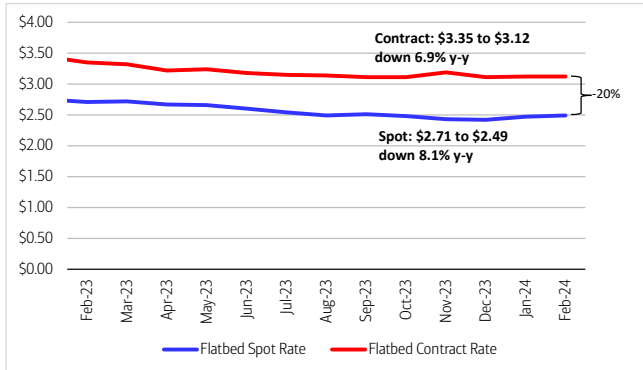
Van Spot Rate = \$2.07 & Contract Rate = \$2.47



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Exhibit 46: Monthly Flatbed Spot Rate vs. Contract Rate

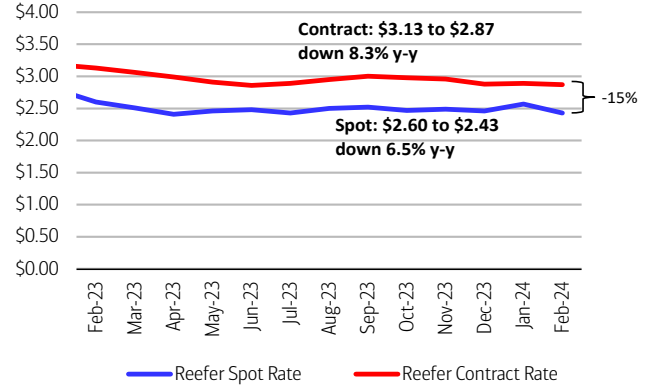
Flatbed Spot Rate = \$2.49 & Contract Rate = \$3.12



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Exhibit 47: Monthly Reefer Spot Rate vs. Contract Rate

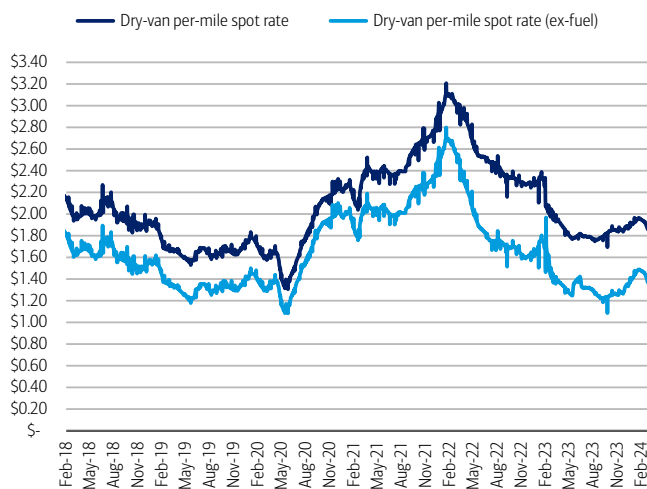
Reefer Spot Rate = \$2.43 & Contract Rate = \$2.87



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Exhibit 48: Truckstop.com Spot Rates

Dry-Van Spot = \$1.85 Dry-Van (ex-fuel) = \$1.36



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TruckStop Spot Rates: Dry-Van Spot = \$1.85, Dry-Van (ex-fuel) = \$1.36

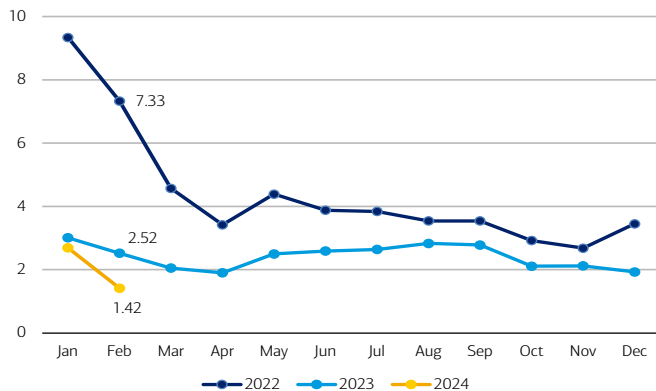
Truckstop.com's Dry van spot rates ex-fuel were \$1.36/mi for the week ending February 28, from \$1.41/mi the prior week (February 21) and are down 3% YTD (from \$1.41/mi on Dec 31).

Truckstop.com's Dry van spot rates (fuel included) were \$1.85/mi for the week ending February 28, from \$1.89/mi the prior week (February 21) and are down 3% YTD (from \$1.91/mi on Dec 31).

Fuel represented \$0.49/mi, up from last week's \$0.48/mi and down from \$0.50 on Dec 31.

Exhibit 49: Van Load to Truck Ratio

February Load-to-Truck Ratio at 1.42, down 47% M-M



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

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Exhibit 50: Top 10 US Ports Loaded Volumes

Top 10 Ports in December: +11% Y-Y, LA/LB +15% Y-Y

Top 10 U.S. Ports	2023 TEU's	2023 YTD Chg.	Nov-23 Y-Y %	Dec-23 Y-Y %	Nov-23 TEU's	Dec-23 TEU's
Los Angeles (18%)	5,733,326	-7%	25%	8%	496,374	486,236
Long Beach (16%)	5,086,796	-12%	21%	22%	464,137	437,017
Total LA/LB (35% of total US)	10,820,122	-9%	23%	15%	960,511	923,253
New York (17%)	5,275,292	-14%	-5%	6%	436,302	430,690
Savannah (13%)	3,738,450	-11%	-3%	-1%	318,679	321,579
Houston (11%)	3,175,543	0%	-10%	11%	254,027	270,618
Norfolk (9%)	2,627,523	-6%	6%	-1%	230,047	213,388
Seaport Alliance (6%)	1,667,451	-8%	2%	19%	138,832	156,423
Charleston (7%)	1,923,450	-6%	1%	-3%	157,512	162,100
Oakland (5%)	1,575,077	-10%	1%	15%	132,648	142,148
Maryland (1%)	793,060	2%	0%	5%	61,962	67,655
Total Top 10 (91.5% of US)	31,595,968	-6.7%	5.4%	11%	2,690,52	2,687,854
Vancouver	2,355,940	-7%	4%	42%	213,457	215,153
Prince Rupert	494,713	-26%	-10%	-20%	41,679	44,340

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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DAT Spot Dry-Van Load/Truck Ratio = 0.99

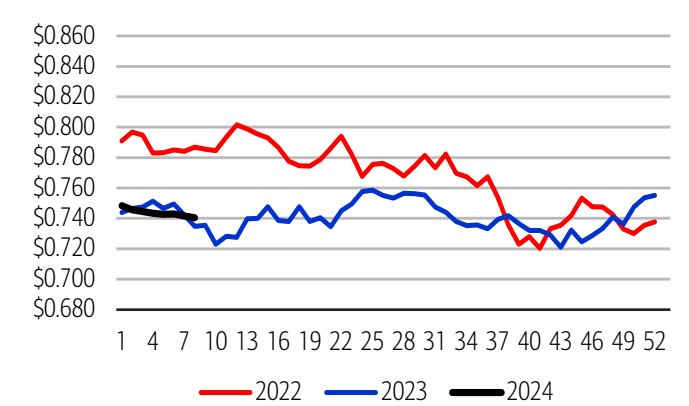
Weekly Update: DAT's (Dial-a-Truck) dry-van spot load-to-truck ratio was 0.99 for the week ended February 25th, down from 1.16 (-15%) the prior week (February 18), and down from 2.29 (-57%) a year prior. The Ratio posted three consecutive historic lows.

Monthly Update: DAT's (Dial-a-Truck) dry-van spot load-to-truck ratio is at 1.42 for the month of February, down from 2.69 in January, and down from 2.52 (-44%) a year prior. In January, the Ratio was down year-year for the 24th consecutive month.

Top 10 Ports in December: +11% Y-Y, LA/LB +15% Y-Y**Canadian Dollar and Mexican Peso FX Rates**

Exhibit 51: Price of 1 Canadian Dollar in US\$

1 CAD = 0.741 US\$

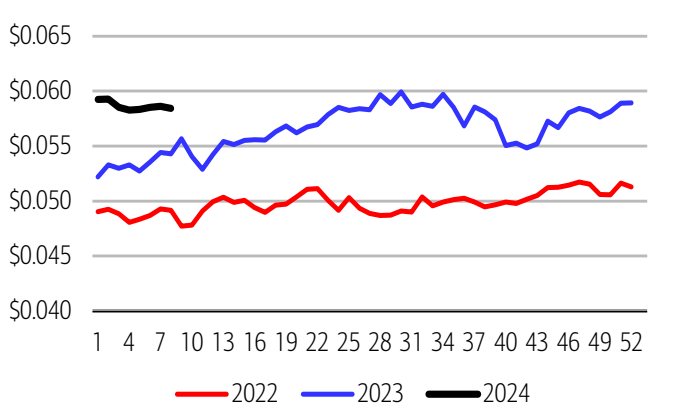


Source: Bloomberg

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Exhibit 52: Price of 1 Mexican Peso in US\$

1 MXN = 0.058 US\$



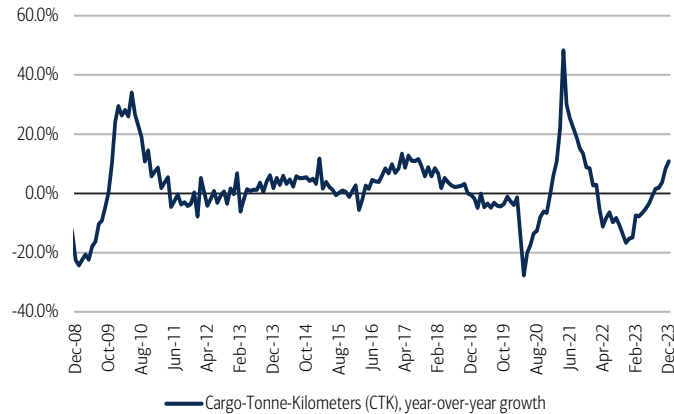
Source: Bloomberg

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Exhibit 53: IATA Volume year-over-year growth

IATA Freight Vols: +10.8% Y-Y in December, North America +2.0%



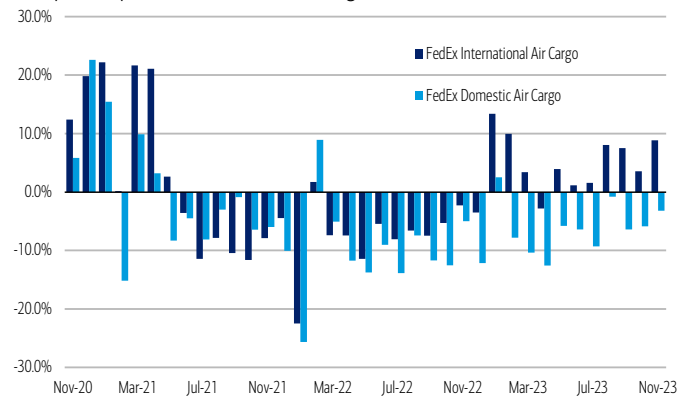
Source: International Air Transport Association

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IATA Freight Vols: +10.8% Y-Y in December, North America +2.0%

Exhibit 54: FedEx Air Cargo Volumes at Memphis International Airport

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



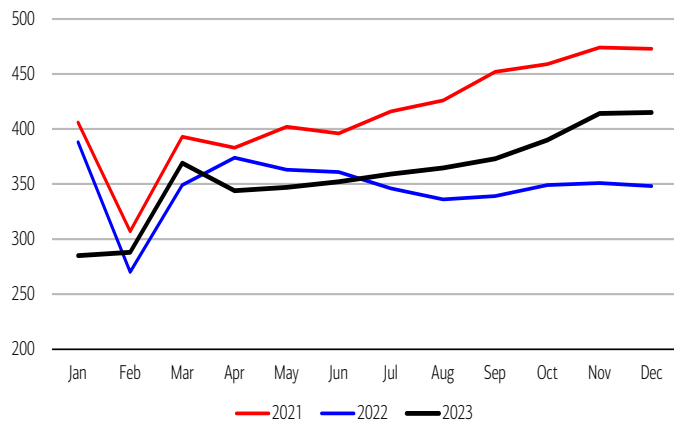
Source: BofA Global Research and Memphis International Airport Statistics

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

Exhibit 55: 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 had a mixed performance on a sequential basis this week, as Velocity and Dwell Time deteriorated, while Cars-On-Line slightly improved. At the same time, all 3 metrics posted upticks on a year-over-year basis for the fourth consecutive week, as Velocity, Cars-On-Line and Dwell Time improved. CNI (+2.1%) led the group in velocity this week, reversing last week's 2.1% decline. CPKC (-4.6%) trailed the group this week, reversing last week's 1.0% increase. BNSF has not reported yet.

Velocity (avg. speed of rail network, faster is better): Deteriorated sequentially (-1.0%) and Improved year-over-year (+0.4%).

Cars-on-Line (fewer cars-on-line is better): Improved sequentially (-0.1%) and improved year-over-year (-1.3%).

Terminal Dwell (lower is better): Deteriorated sequentially (+0.3%) and Improved year-over-year (-5.3%).

Exhibit 56: Rail Performance Metrics

Service levels improved year-over-year, but were mixed sequentially

Rail Performance Measures

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

	2024	2024	2023			% Seq Chg	% y-y Chg
(miles per hour)	Week 8	Week 7	Week 8	% Seq Chg	% y-y Chg		
CNI	19.4	19.0	19.6	2.1%	-1.0%		
CPKC	18.5	19.4	16.7	-4.6%	10.8%		
CSX	17.9	18.2	18.7	-1.6%	-4.3%		
NSC	20.7	20.9	20.7	-1.0%	0.0%		
UNP	23.8	23.8	24.2	0.0%	-1.7%		
BNSF (1)	25.4	25.4	26.0	0.0%	-2.3%	Slower -1.0%	Faster +0.4%
Average	20.1	20.3	20.0	-1.0%	0.4%		

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

	2024	2023	2023				
(no. of cars)	Week 8	Week 7	Week 8	% Seq Chg	% y-y Chg		
CNI	84,390	85,140	86,294	-0.9%	-2.2%		
CPKC	89,558	89,272	100,200	0.3%	-10.6%		
CSX	126,310	125,671	126,025	0.5%	0.2%		
NSC	169,749	169,267	169,539	0.3%	0.1%		
UNP	309,806	311,549	308,167	-0.6%	0.5%		
BNSF (1)	260,471	261,258	252,313	-0.3%	3.2%	Better -0.1%	Better -1.3%
Average	155,963	156,180	158,045	-0.1%	-1.3%		

Terminal Dwell Time (lower is better)

	2023	2023	2023				
(time in hours)	Week 8	Week 7	Week 8	% Seq Chg	% y-y Chg		
CNI	6.9	7.0	7.5	-1.4%	-8.0%		
CPKC	9.6	9.2	11.9	4.3%	-19.3%		
CSX	9.9	9.9	8.9	0.0%	11.2%		
NSC	24.4	24.3	25.8	0.4%	-5.4%		
UNP	23.1	23.3	23.9	-0.9%	-3.3%		
BNSF (1)	26.9	27.5	27.4	-2.2%	-1.8%	Worse +0.3%	Better 5.3%
Average	14.8	14.7	15.6	0.3%	-5.3%		

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

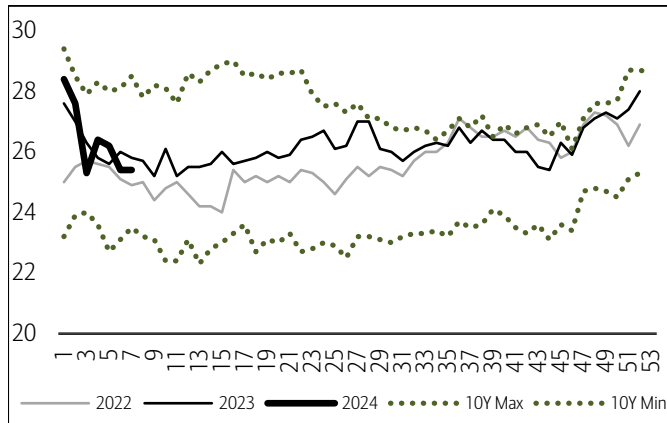
Source: BofA Global Research, company reports



Weekly Rail Velocity Monitor

Exhibit 57: BNSF Velocity

BNSF velocity was 25.4 mph for week 7

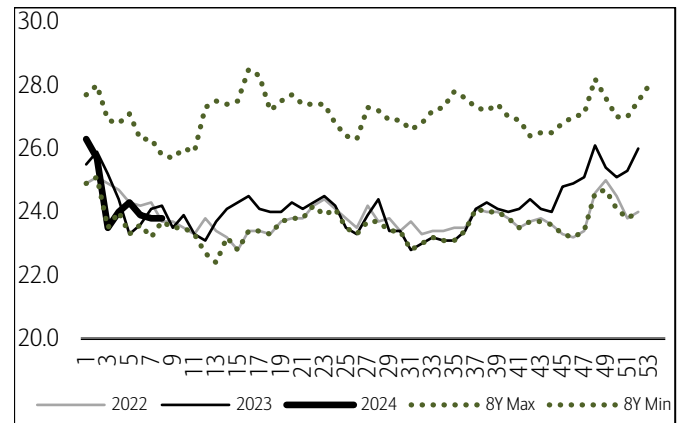


Source: Company reports, and Association of American Railroads.

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Exhibit 58: Union Pacific Velocity

UNP velocity was 23.8 mph for week 8



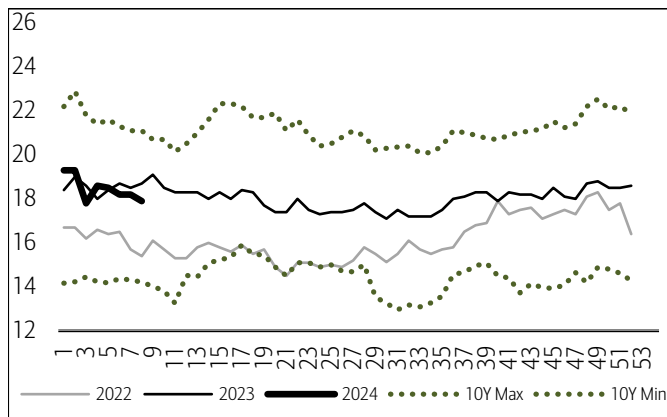
Source: Company reports, and Association of American Railroads.

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

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Exhibit 59: CSX Velocity

CSX velocity was 17.9 mph for week 8

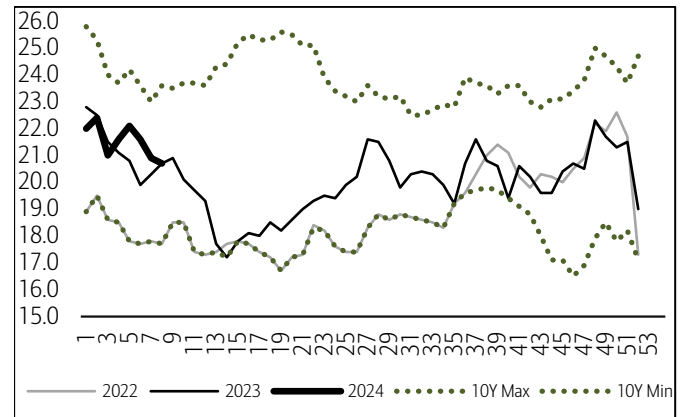


Source: Company reports, and Association of American Railroads.

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Exhibit 60: Norfolk Southern Velocity

NSC velocity was 20.7 mph for week 8

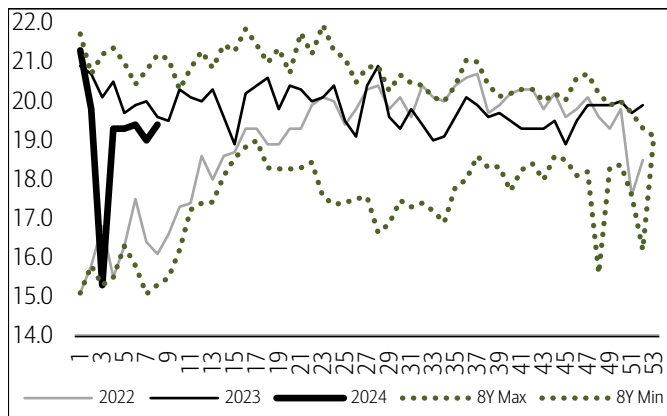


Source: Company reports, and Association of American Railroads.

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Exhibit 61: Canadian National Velocity

CNI velocity was 19.4 mph for week 8



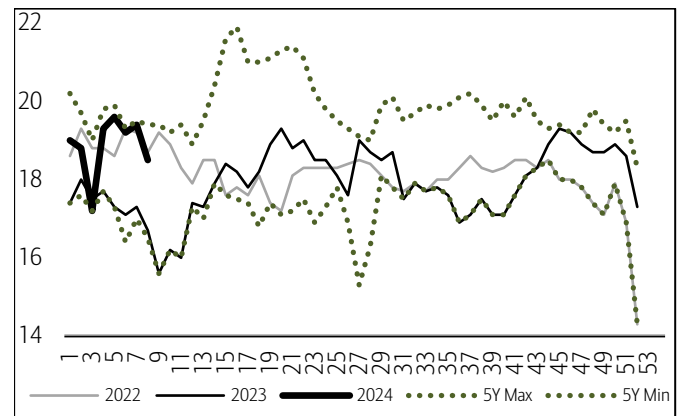
Source: Company reports, and Association of American Railroads.

CNI restated performance metrics, historical data available from 2017

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Exhibit 62: Canadian Pacific Kansas City Velocity

CPKC velocity was 18.5 mph for week 8



Source: Company reports, and Association of American Railroads.

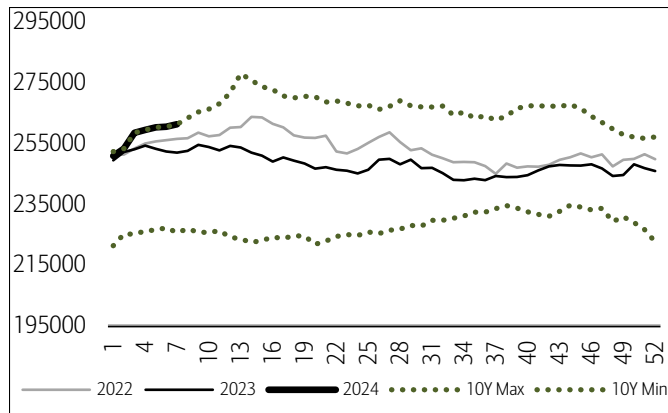
CPKC restated performance metrics, historical data available from 2020

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Weekly Cars On-Line Monitor

Exhibit 63: BNSF Cars-On-Line

BNSF cars on line were 260,471 for week 7

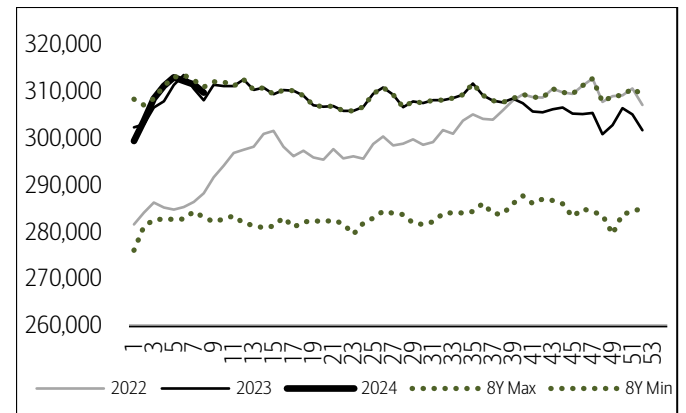


Source: Company reports, and Association of American Railroads.

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Exhibit 64: Union Pacific Cars-On-Line

UNP cars on line were 309,806 for week 8



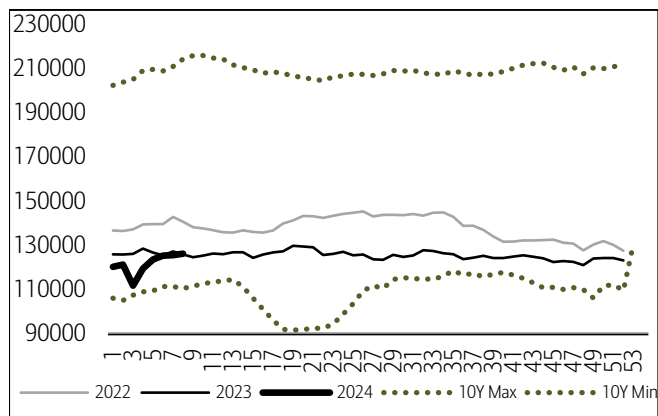
Source: Company reports, and Association of American Railroads.

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

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Exhibit 65: CSX Cars-On-Line

CSX cars on line were 126,310 for week 8

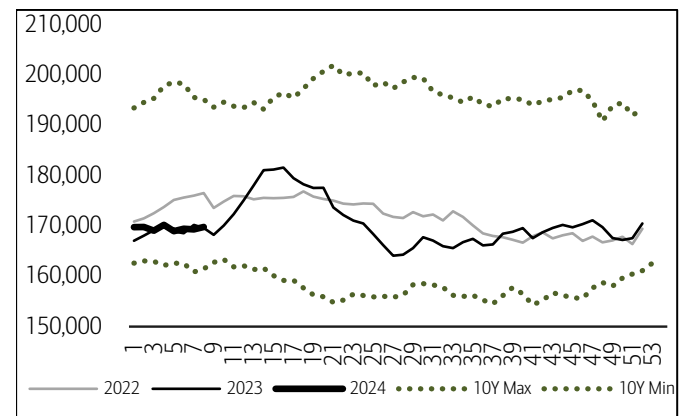


Source: Company reports, and Association of American Railroads.

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Exhibit 66: Norfolk Southern Cars-On-Line

NSC cars on line were 169,749 for week 8

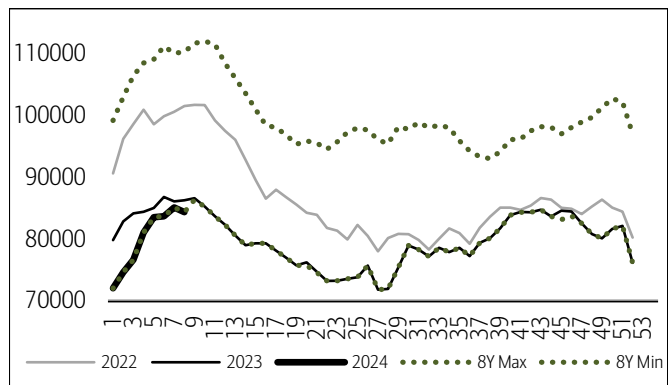


Source: Company reports, and Association of American Railroads.

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Exhibit 67: Canadian National Cars-On-Line

CNI cars on line were 84,390 for week 8



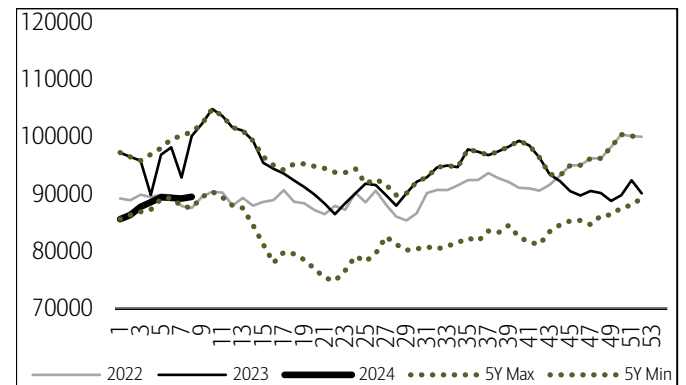
Source: Company reports, and Association of American Railroads.

CNI restated performance metrics, historical data available from 2017

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Exhibit 68: Canadian Pacific Kansas City Cars-On-Line

CPKC cars on line were 89,558 for week 8



Source: Company reports, and Association of American Railroads.

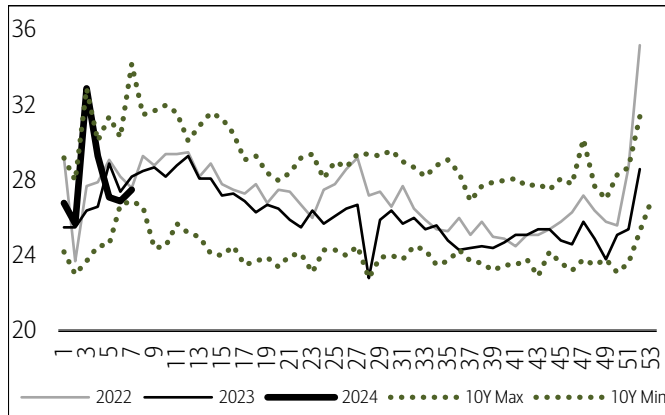
CPKC restated performance metrics, historical data available from 2020

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Weekly Dwell Time Monitor

Exhibit 69: BNSF Dwell Time

BNSF dwell time was 26.9 hrs for week 7

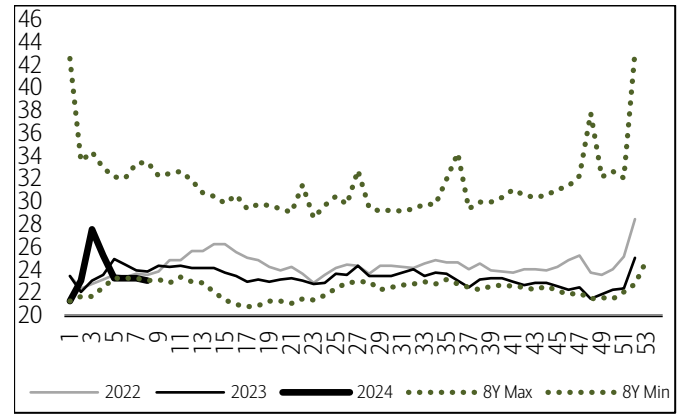


Source: Company reports, and Association of American Railroads.

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Exhibit 70: Union Pacific Dwell Time

UNP dwell time was 23.1 hrs for week 8



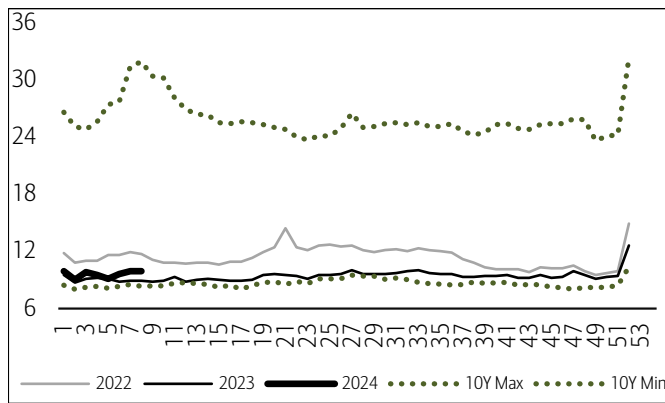
Source: Company reports, and Association of American Railroads.

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

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Exhibit 71: CSX Dwell Time

CSX dwell time was 9.9 hrs for week 8

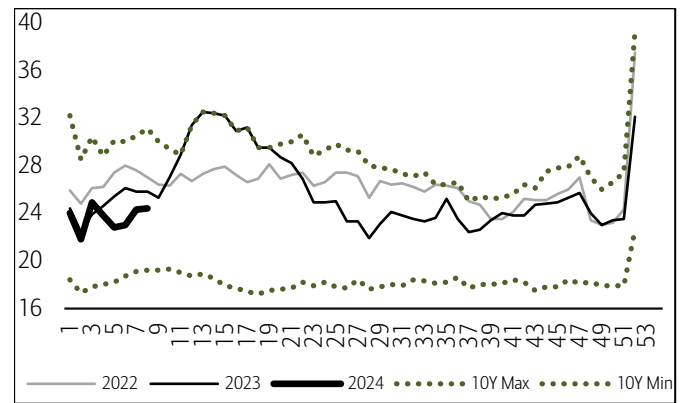


Source: Company reports, and Association of American Railroads.

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Exhibit 72: Norfolk Southern Dwell Time

NSC dwell time was 24.4 hrs for week 8

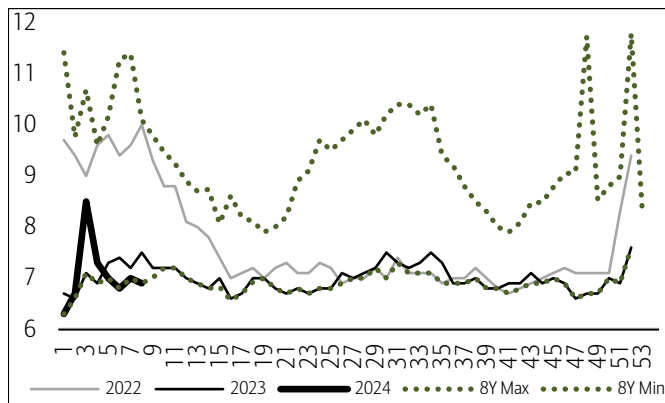


Source: Company reports, and Association of American Railroads.

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Exhibit 73: Canadian National Dwell Time

CNI dwell time was 6.9 hrs for week 8



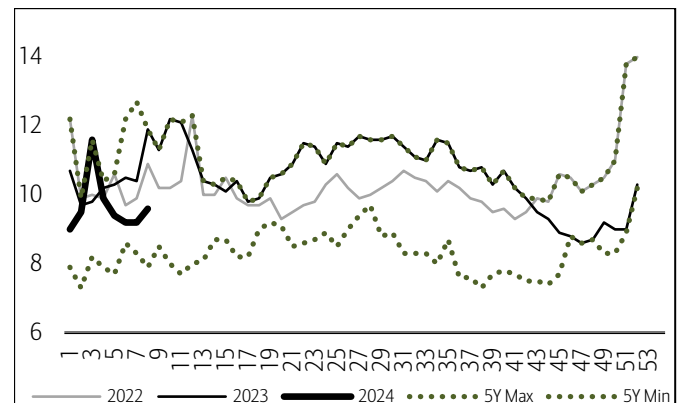
Source: Company reports, and Association of American Railroads.

CNI restated performance metrics, historical data available from 2017

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Exhibit 74: Canadian Pacific Kansas City Dwell Time

CPKC dwell time was 9.6 hrs for week 8



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

LTL Tons/Day is down 5.2% on avg y-y in Jan. (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%	-0.5%
Dec-23	-2.3%		-8.3%	6.8%	3.6%
Jan-24	-5.0%		-18.0%	3.3%	-1.1%

No data provided (BofA quarterly average)

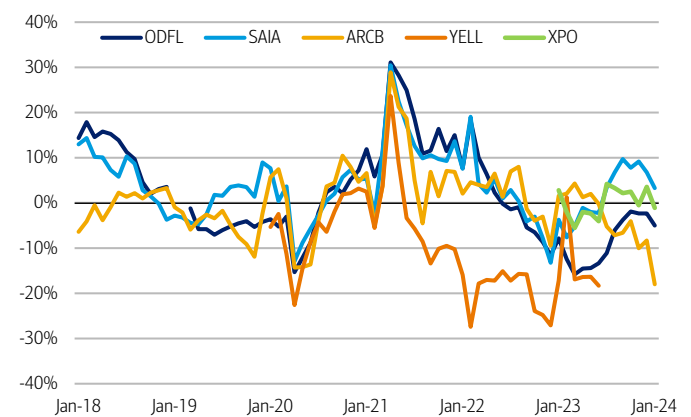
Source: BofA Global Research estimates and company reports

Note: ODFL's January Tons are preliminary

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Exhibit 76: Less-than-Truckload Tons/Day Y-Y%

LTL Tons/Day is down 5.2% on avg y-y in Jan. (among peers that disclose)



Source: BofA Global Research estimates and company reports

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Exhibit 77: Less-than-Truckload Shipments/Day Y-Y%

Shipments/Day is up 0.5% on avg y-y in Jan. (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%	3.7%	-4.0%
Dec-23	1.0%		-1.9%	16.5%	6.6%	
Jan-24	-2.3%		-9.0%	11.8%	1.4%	

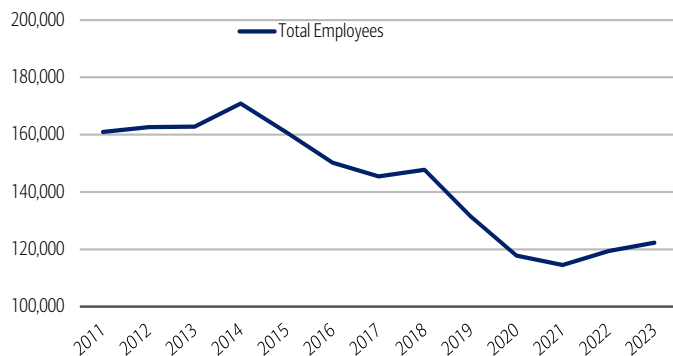
No data provided (BofA quarterly average)

Source: BofA Global Research estimates and company reports

BofA GLOBAL RESEARCH

Exhibit 78: STB employment data

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



Source: STB

BofA GLOBAL RESEARCH

Exhibit 79: 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%	3.4%
CSX	19,216	6.0%	3.3%	2.7%	1.2%
NSC	20,759	7.1%	--	--	7.0%
CN	6,561	3.2%	4.6%	-1.4%	-1.4%
CP	2,912	1.1%	1.0%	0.1%	1.7%
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

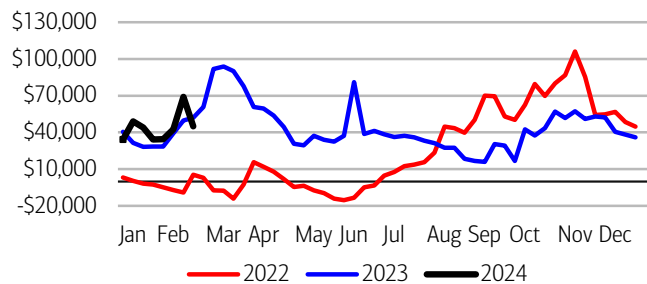
Source: STB, BofA Global Research estimates

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Weekly Shipping Rates

Exhibit 80: VLCC Spot Rates

VLCC Spot Rates at \$45,070 as of 02/23/2024

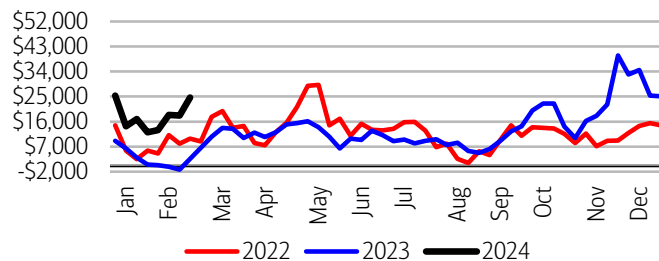


Source: BofA Global Research and Clarksons

BofA GLOBAL RESEARCH

Exhibit 81: Capesize spot Rates

Capesize Spot rates at \$24,597 as of 02/23/2024

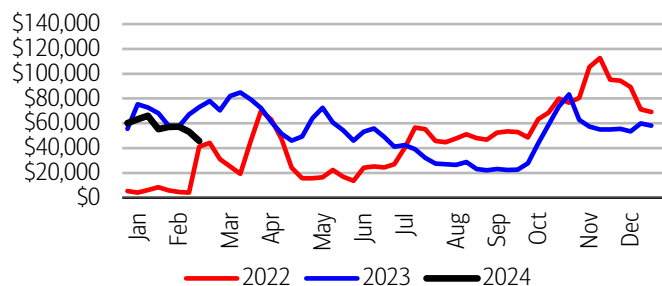


Source: BofA Global Research and Clarksons

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Exhibit 82: Suezmax Spot Rates

Suezmax Spot Rates at \$45,794 as of 02/23/2024

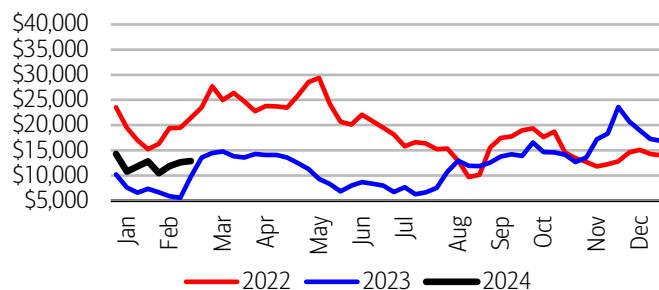


Source: BofA Global Research and Clarksons

BofA GLOBAL RESEARCH

Exhibit 83: Panamax Spot Rates

Panamax Spot Rates at \$12,872 as of 02/23/2024

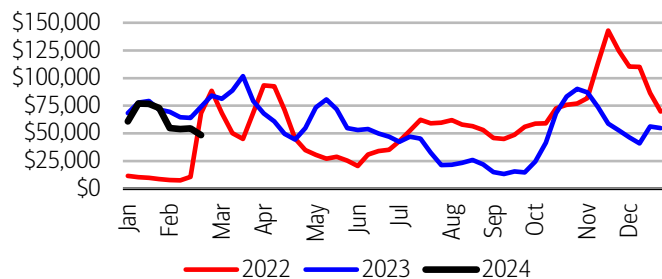


Source: BofA Global Research and Clarksons

BofA GLOBAL RESEARCH

Exhibit 84: Aframax Spot Rates

Aframax Spot Rates \$48,428 as of 02/23/2024

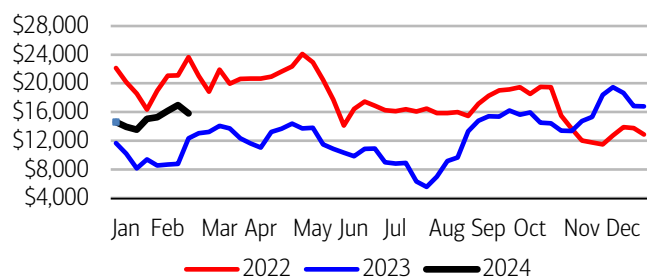


Source: BofA Global Research and Clarksons

BofA GLOBAL RESEARCH

Exhibit 85: Supramax Spot Rates

Supramax Spot Rates at \$15,829 as of 02/23/2024

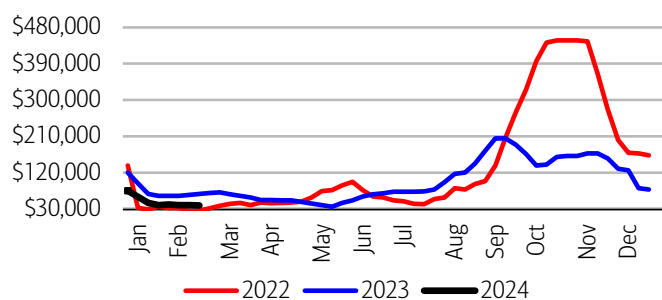


Source: BofA Global Research and Clarksons

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Exhibit 86: LNG TFDE Spot Rates

LNG TFDE Spot Rates at \$39,000 as of 02/23/2024



Source: BofA Global Research and Clarksons

BofA GLOBAL RESEARCH

Exhibit 87: Yearly and Quarterly Gas Carrier Rate Data

LNG Carrier Rate is down 1QTD and YTD

Gas Carrier	1QTD Average	2024 YTD Avg.	Orderbook % of Fleet
LNG TFDE	\$47,500	\$47,500	76%
% chg. Y-Y	-34%	-51%	

Source: Clarkson

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Exhibit 88: Yearly and Quarterly Tanker Rate Data

Tanker Rates are down 1QTD, but up YTD

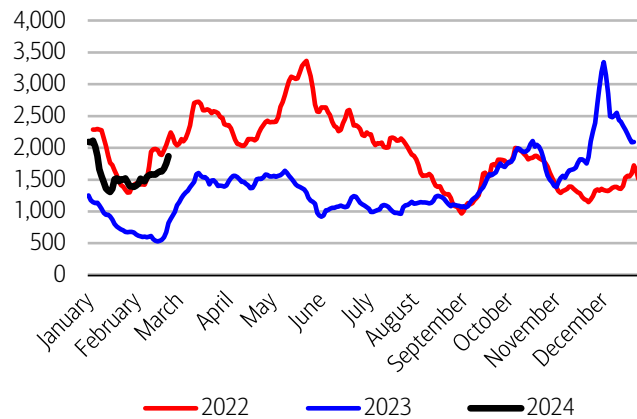
Tanker	1QTD Average	2024 YTD Avg.	Orderbook % of Fleet
VLCC	\$44,062	\$44,062	2%
% chg. Y-Y	-20%	2%	
Suezmax	\$57,280	\$57,280	5%
% chg. Y-Y	-19%	7%	
Aframax	\$62,384	\$62,384	11%
% chg. Y-Y	-19%	12%	

Source: Clarkson

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Exhibit 90: Baltic Dry Index

Baltic Dry Index is at 1,866 as of 02/23/2024

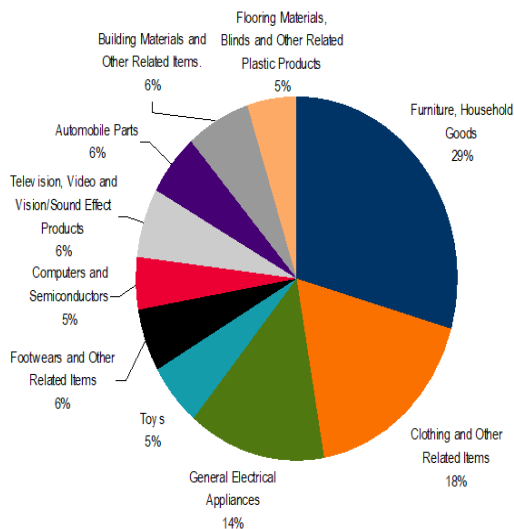


Source: Bloomberg

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Exhibit 92: Container Breakdown by Commodity

Furniture, Household & Goods represents almost 30%



Source: OOCL, BofA Global Research estimates

Exhibit 89: 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	\$17,855	\$17,855	5%
% chg. Y-Y	211%	44%	
Panamax	\$12,204	\$12,204	9%
% chg. Y-Y	22%	2%	
Supramax	\$15,182	\$15,182	8%
% chg. Y-Y	37%	22%	

Source: Clarkson

BofA GLOBAL RESEARCH

Exhibit 91: Shipping Rates

Shipping Rates are mixed year-over-year

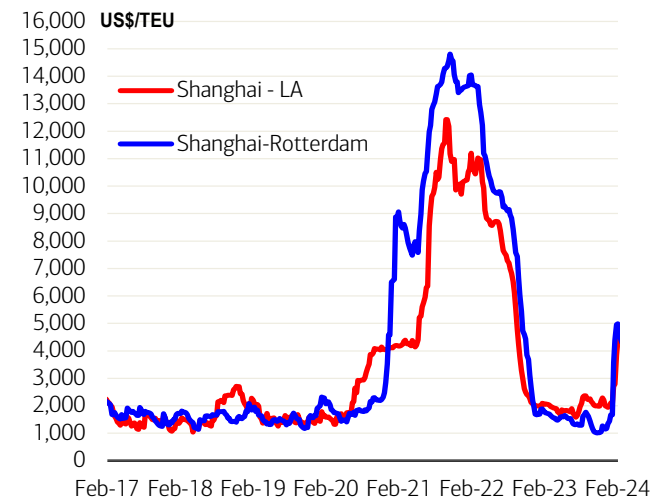
	Current Wk 02/23/24	Prior Wk 02/16/24	YOY Wk 02/24/23	Seq % Change	YOY % Change
Vessel Type					
VLCC	\$45,070	\$69,077	\$51,903	-34.8%	-13.2%
Suezmax	\$45,794	\$53,222	\$72,917	-14.0%	-37.2%
Aframax	\$48,428	\$54,475	\$74,123	-11.1%	-34.7%
LNG TFDE	\$39,000	\$40,000	\$67,500	-2.5%	-42.2%
Baltic Dry Index	1,866	1,610	883	15.9%	111.3%

Source: Bloomberg and Clarkson

BofA GLOBAL RESEARCH

Exhibit 93: 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 94: Railroads Comp Sheet

Data as of 02/28/2024

Company	Ticker	QRQ	Share Price	Shares Out. (mil.)	Mkt Cap (\$ bil.)	Net Debt (\$ bil.)	EV (\$ bil.)	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA		
								BofA	BofA	BofA	Cons.	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e
Canadian National	CNI	B-2-7	\$129.75	641	\$83.1	\$13.4	\$96.6	\$5.75	\$5.43	\$5.94	\$5.92	22.6x	23.9x	21.8x	\$6.61	\$6.27	\$6.76	14.6x	15.4x	14.3x
Canadian Pacific	CP	B-1-7	\$84.92	932	\$79.2	\$16.9	\$96.1	\$2.89	\$2.86	\$3.20	\$3.22	29.4x	29.7x	26.6x	\$4.92	\$5.03	\$5.50	19.5x	19.1x	17.5x
CSX Corporation	CSX	B-1-7	\$37.68	1,959	\$73.8	\$17.1	\$90.9	\$1.91	\$1.84	\$2.00	\$1.98	19.7x	20.5x	18.8x	\$7.42	\$7.13	\$7.43	12.3x	12.8x	12.2x
Union Pacific	UNP	B-1-7	\$253.99	610	\$154.9	\$31.5	\$186.4	\$11.23	\$10.29	\$11.15	\$11.15	22.6x	24.7x	22.8x	\$12.26	\$11.47	\$12.23	15.2x	16.3x	15.2x
												23.6x	24.7x	22.5x				14.7x	15.5x	14.8x
Company		2024Q1EPS est.		EPS Growth			YoY Growth		Revenue Growth		2023Q4 Op. Ratio	Net Debt/EBITDA	ROIC	Total Return (w/reinvested dividends)					Dividend	
		BofA	Cons.	Street	1yr	3yr	5yr	1Q2024	1yr	5yr			1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield
Canadian National		\$1.20	\$1.28	-7%	-3%	20%	19%	-2%	-2%	4%	59%	2.2x	10.4%	1%	3%	16%	8%	11%	\$3.39	1.9%
Canadian Pacific		\$0.69	\$0.71	-2%	-5%	6%	15%	-5%	4%	17%	58%	3.5x	5.6%	-1%	7%	13%	7%	17%	\$0.76	0.7%
CSX Corporation		\$0.46	\$0.45	2%	-1%	110%	44%	-1%	-1%	4%	64%	2.5x	10.8%	2%	9%	25%	9%	11%	\$0.48	1.3%
Union Pacific		\$2.45	\$2.51	-3%	-7%	11%	6%	-3%	-3%	2%	61%	2.9x	11.4%	2%	4%	25%	10%	11%	\$5.20	2.0%
											62%	3.0x	9.3%	0%	6%	19%	7%	12%		

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

BofA GLOBAL RESEARCH

Exhibit 95: Intermodal/Container Lessors Comp Sheet

Data as of 02/28/2024

Company	Ticker	QRQ	Share Price	Shares Out. (mil.)	Mkt Cap (\$ bil.)	Net Debt (\$ bil.)	EV (\$ bil.)	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA		
								BofA	BofA	BofA	Cons.	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e
J.B. Hunt								\$9.79	\$7.20	\$8.15	\$7.79	21.0x	28.5x	25.2x	\$2.06	\$1.78	\$1.99	11.0x	12.7x	11.4x
Transp.	JBHT	B-1-7	\$205.20	103	\$21.2	\$1.5	\$22.7	n/a	\$4.55	n/a	\$4.91	8.2x	11.0x	10.2x	\$0.75	\$0.65	\$0.65	9.1x	10.4x	10.4x
Textainer Group	TGH	n/a	\$50.14	41	\$2.1	\$4.7	\$6.8	n/a	\$2.68	n/a	\$2.22	8.2x	16.2x	19.5x	\$0.62	\$0.40	\$0.40	5.0x	7.8x	7.8x
Hub Group Inc	HUBG	n/a	\$43.42	62	\$2.7	\$0.4	\$3.1					12.5x	18.6x	18.3x				8.4x	10.3x	9.9x
Company		2024Q1EPS est.		EPS Growth			YoY Growth		Revenue Growth		2023Q4 Op. Ratio	Net Debt/EBITDA	ROIC	Total Return (w/reinvested dividends)					Dividend	
		BofA	Cons.	Street	1yr	3yr	5yr	1Q2024	1yr	5yr			1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield
J.B. Hunt		\$1.59	\$1.61	-1%	-22%	18%	19%	-13%	-13%	8%	92%	1.1x	12.9%	1%	3%	15%	13%	15%	\$1.72	0.8%
Transp.		n/a	\$1.12		-25%	95%	48%	-11%	-5%	4%	59%	7.2x	5.0%	1%	2%	57%	27%	38%	\$1.20	2.4%
Textainer Group		n/a	\$0.41		-49%	63%	30%	-21%	-21%	1%	97%	1.0x	7.4%	-1%	-6%	-5%	15%	15%	\$0.50	1.2%
Hub Group Inc											83%	3.1x	8.4%	0%	0%	22%	18%	22%		

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

BofA GLOBAL RESEARCH

Exhibit 96: Less-than-Truckload (LTL) Comp Sheet

Data as of 02/28/2024

Company	Ticker	QRQ	Share Price	Shares Out. (mil.)	Mkt Cap (\$ bil.)	Net Debt (\$ bil.)	EV (\$ bil.)	EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA		
								BofA	BofA	BofA	Cons.	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e
Arcbest Corp	ARCB	C-3-7	\$139.80	24	\$3.3	\$0.0	\$3.3	\$13.63	\$7.88	\$10.85	\$10.21	10.3x	17.7x	12.9x	\$0.58	\$0.37	\$0.47	5.6x	8.8x	6.9x
Old Dominion	ODFL	B-1-7	\$432.90	109	\$47.1	(\$0.4)	\$46.8	\$12.18	\$11.26	\$12.65	\$12.94	35.5x	38.4x	34.2x	\$2.10	\$1.97	\$2.17	22.3x	23.8x	21.6x
Saia Inc	SAIA	B-1-9	\$562.59	27	\$15.0	(\$0.2)	\$14.8	\$13.40	\$13.27	\$16.20	\$16.20	42.0x	42.4x	34.7x	\$0.63	\$0.64	\$0.78	23.6x	23.1x	18.9x
TFI Int'l	TFII	B-2-7	\$144.96	84	\$12.3	\$1.9	\$14.1	\$1.74	\$1.71	\$2.20	\$7.49	83.2x	84.8x	65.9x	\$1.14	\$0.91	\$1.09	12.5x	15.5x	13.0x
XPO, Inc.	XPO	C-1-9	\$117.74	116	\$13.7	\$3.7	\$17.4	\$3.53	\$2.93	\$3.65	\$3.47	33.4x	40.2x	32.3x	\$0.66	\$0.66	\$0.87	26.3x	26.2x	20.0x
												40.9x	44.7x	36.0x				18.0x	19.5x	16.1x
Company		2024Q1EPS est.		EPS Growth			YoY Growth		Revenue Growth		2023Q4 Op. Ratio	Net Debt/EBITDA	ROIC	Total Return (w/reinvested dividends)					Dividend	
		BofA	Cons.	Street	1yr	3yr	5yr	1Q2024	1yr	5yr			1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield
Arcbest Corp		\$1.91	\$1.58	21%	-39%	70%	n/a	-17%	-15%	9%	93%	0.3x	10.5%	1%	16%	46%	34%	33%	\$0.48	0.3%
Old Dominion		\$2.74	\$2.72	1%	-9%	29%	20%	-6%	-6%	8%	72%	-0.1x	28.7%	2%	7%	28%	27%	34%	\$2.08	0.5%
Saia Inc		\$3.39	\$3.40	0%	-1%	40%	35%	3%	3%	13%	85%	-0.2x	18.3%	3%	28%	108%	41%	53%	--	--
TFI Int'l		\$1.57	\$1.47	7%	-17%	47%	130%	-15%	-15%	20%	90%	1.7x	12.8%	0%	7%	20%	29%	--	\$1.60	1.1%
XPO, Inc.		\$0.71	\$0.67	7%	-7%	89%	n/a	0%	0%	-10%	92%	4.3x	9.6%	-1%	34%	253%	43%	47%	--	--
											86%	1.2x	16.0%	1%	19%	91%	35%	42%		

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

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Exhibit 97: Airfreight Comp Sheet

Data as of 02/28/2024

		Share		Share		Mkt Cap		Net Debt		EV		EPS				Forward P/E			EBITDA (\$ bil)			Forward EV/EBITDA		
				Out.								BofA	BofA	BofA	Cons.									
Company	Ticker	QRQ	Price	(mil.)	(\$ bil.)	(\$ bil.)	(\$ bil.)					2022a	2023e	2024e	2024e	2022a	2023e	2024e	2022a	2023e	2024e	2022a	2023e	2024e
Fedex Corp	FDX	B-1-7	\$244.37	250	\$61.1	\$13.8	\$74.9					\$14.96	\$17.70	\$20.85	\$17.61	16.3x	13.8x	11.7x	\$9.55	\$11.60	\$11.60	7.8x	7.1x	6.5x
United Parcel-B	UPS	B-2-7	\$147.77	727	\$126.0	\$19.1	\$145.1					\$12.95	\$8.78	\$8.40	\$8.28	11.4x	16.8x	17.6x	\$16.97	\$12.88	\$12.88	8.6x	11.1x	11.3x
																13.9x	15.3x	14.7x				8.2x	9.1x	8.9x
		2024Q1EPS est.		EPS Growth		YoY 1Q2024		Revenue Growth		2023Q4 Op.		Net Debt/EBITDA		ROIC		Total Return (w/reinvested dividends)					Dividend			
Company		BofA	Cons.	Δ to Street	1yr	3yr	5yr	1Q2024	1yr	5yr	Ratio			1yr		1 week	YTD	1yr	3yr	5yr	Annual	Yield		
Fedex Corp		\$3.13	\$3.55	-12%	-7%	94%	11%	-4%	-7%	5%	94%	3.3x	5.6%	1%	-3%	23%	0%	8%			\$5.04	2.1%		
UPS		\$1.61	\$1.58	2%	-35%	267%	n/a	-9%	-9%	5%	89%	1.5x	14.4%	0%	-5%	-16%	1%	10%			\$6.52	4.4%		
												91%	2.4x	10.0%	0%	-4%	4%	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.

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Exhibit 98: Truckload Carriers Comp Sheet

Data as of 02/28/2024

								EPS								EBITDA (\$ bil)			Forward EV/EBITDA			
		QRQ	Share	Shares Out.	Mkt Cap	Net Debt	EV	BofA	BofA	BofA	Cons.	Forward P/E										
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	\$55.89	161	\$9.0	\$2.8	\$11.8	\$5.10	\$1.72	\$2.50	\$2.49	11.0x	32.5x	22.4x	\$1.77	\$1.10	\$1.39	6.7x	10.8x	8.5x		
Schneider National	SNDR	B-2-7	\$23.27	93	\$4.1	\$0.3	\$4.4	\$2.63	\$1.36	\$1.10	\$1.14	8.8x	17.1x	21.2x	\$0.97	\$0.68	\$0.67	4.5x	6.4x	6.5x		
Werner Enterprises	WERN	B-3-7	\$39.40	63	\$2.5	\$0.6	\$3.1	\$3.71	\$1.93	\$2.10	\$1.98	10.6x	20.4x	18.8x	\$0.61	\$0.48	\$0.50	5.1x	6.4x	6.1x		
Covenant Transport	CVLG	n/a	\$49.28	11	\$0.6	\$0.2	\$0.9	n/a	n/a	n/a	\$4.27	8.4x	11.9x	11.6x	\$0.15	\$0.12	\$0.12	5.9x	7.3x	7.3x		
Heartland Express	HTLD	n/a	\$12.91	79	\$1.0	\$0.3	\$1.3	n/a	n/a	n/a	\$0.05	9.1x	331.0x	253.1x	\$0.25	\$0.23	\$0.23	5.2x	5.8x	5.8x		
Marten Transport	MRTN	n/a	\$18.73	81	\$1.5	(\$0.1)	\$1.5	n/a	n/a	n/a	\$0.86	14.1x	20.9x	21.8x	\$0.25	\$0.21	\$0.21	5.8x	7.0x	7.0x		
Pam Transport	PTSI	n/a	\$18.20	22	\$0.4	\$0.1	\$0.5	n/a	n/a	n/a	\$1.10	4.2x	12.5x	16.5x	\$0.20	\$0.11	\$0.11	2.6x	4.6x	4.6x		
Universal Logistics	ULH	n/a	\$33.41	26	\$0.9	\$0.4	\$1.2	n/a	n/a	n/a	n/a	5.2x	--	--	\$0.32	--	--	3.8x	--	--		
												8.9x	63.8x	52.2x				5.0x	6.9x	6.6x		
2024Q1EPS								2023Q4				ROIC		Total Return (w/reinvested dividends)					Dividend			
Company		est.	Δ to Street	EPS Growth			YoY 1Q2024		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%	98%	2.6x	3.4%	-3%	-3%	-1%	10%	12%	\$0.64	1.1%		
Schneider National		\$0.19	\$0.16	19%	-50%	19%	-3%	-17%	-17%	2%	98%	0.3x	6.8%	-2%	-9%	-16%	1%	4%	\$0.38	1.6%		
Werner Enterprises		\$0.26	\$0.31	-16%	-52%	1%	-6%	0%	0%	5%	95%	1.3x	5.3%	-3%	-7%	-14%	-2%	6%	\$0.56	1.4%		
Covenant Transport		n/a	\$0.78	-44%	--	--	--	-9%	-9%	1%	95%	0.0x	15.6%	-5%	7%	44%	40%	17%	\$0.44	0.9%		
Heartland Express		n/a	(\$0.09)	-84%	-2%	-16%	25%	25%	24%	96%	1.2x	2.2%	2.2%	4%	-9%	-20%	-9%	-7%	\$0.08	0.6%		
Marten Transport		n/a	\$0.16	-40%	6%	0%	-10%	-10%	7%	94%	-0.3x	8.4%	8.4%	-3%	-11%	-14%	7%	12%	\$0.24	1.3%		
Pam Transport		n/a	\$0.10	-74%	92%	37%	-14%	-14%	8%	100%	1.2x	3.1%	3.1%	-2%	-12%	-37%	8%	8%	--	--		
Universal Logistics		n/a	n/a	-45%	47%	33%	-18%	-18%	1%	91%	1.3x	11.2%	11.2%	3%	19%	14%	14%	11%	\$0.42	1.3%		
												96%	1.0x	7.0%	-1%	-3%	-5%	9%	8%			

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

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Exhibit 99: Freight Forwarding Comp Sheet

Data as of 02/28/2024

			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		
CH Robinson	CHRW	B-3-7	\$74.39	117	\$8.7	\$1.4	\$10.1		\$6.29	\$7.50	\$3.22	\$3.22	9.9x	23.1x	26.6x	\$1.38	\$0.7	\$0.59	7.3x	15.5x	17.1x		
RXO Inc	RXO	C-2-9	\$20.44	117	\$2.4	\$0.4	\$2.7		\$1.43	\$1.59	\$0.30	\$0.23	12.9x	68.1x	204.4x	\$0.31	\$0.1	\$0.11	8.9x	20.4x	24.5x		
World Kinect	WKC	B-3-7	\$24.74	60	\$1.5	\$0.6	\$2.1		\$1.36	\$2.04	\$1.95	\$2.22	12.1x	12.7x	10.5x	\$0.38	\$0.4	\$0.42	5.4x	5.3x	5.0x		
Landstar System	LSTR	n/a	\$190.96	36	\$6.8	(\$0.4)	\$6.4		n/a	n/a	\$11.76	\$6.64	16.2x	25.9x	28.8x	\$0.63	\$0.4	\$0.40	10.2x	15.9x	15.9x		
Expeditors Intl	EXPD	n/a	\$118.77	144	\$17.1	(\$1.0)	\$16.1		n/a	n/a	\$8.83	\$4.75	13.4x	23.1x	25.0x	\$1.98	\$1.0	\$1.03	8.2x	15.6x	15.6x		
Forward Air Corp	FWRD	n/a	\$39.15	26	\$1.0	\$0.3	\$1.3		n/a	n/a	\$14.24	\$4.29	2.7x	--	--	\$0.32	\$0.2	\$0.22	4.1x	6.0x	6.0x		
													11.2x	30.6x	59.1x				7.3x	13.1x	14.0x		
2024Q1EPS													2023Q4		ROIC		Total Return (w/reinvested dividends)					Dividend	
Company		est.	Δ to	EPS Growth			Revenue Growth		Op.	Net Debt/		1yr	1 week	YTD	1yr	3yr	5yr	Annual	Yield				
		BofA	Street	1yr	3yr	5yr	1Q2024	1yr	5yr	Ratio	EBITDA												
CH Robinson		\$0.55	\$0.65	-16%	-61%	8%	-11%	-29%	-29%	3%	98%	2.5x	12.8%	3%	-14%	-24%	-4%	-2%	\$2.44	3.3%			
RXO Inc		(\$0.04)	(\$0.03)	60%	--	--	--	-18%	--	--	98%	--	5.4%	-4%	-12%	--	--	--	--	--			
World Kinect		\$0.58	\$0.49	19%	-34%	-10%	--	-19%	-19%	16%	99%	2.6x	6.3%	4%	9%	-8%	-5%	-1%	\$0.56	2.3%			
Landstar System		n/a	\$1.30	-38%	27%	7%	-29%	-29%	5%	94%	-1.0x	22.9%	0%	0%	7%	8%	14%		\$1.32	0.7%			
Expeditors Intl		n/a	\$1.07	-39%	21%	16%	-46%	-46%	10%	91%	-1.0x	21.3%	1%	-7%	15%	10%	11%		\$1.38	1.2%			
Forward Air Corp		n/a	\$0.78	-32%	124%	13%	19%	-12%	6%	96%	0.9x	19.7%	-1%	-38%	-62%	-22%	-9%		\$0.96	2.5%			
													96%	0.8x	14.7%	0%	-10%	-14%	-3%	3%			

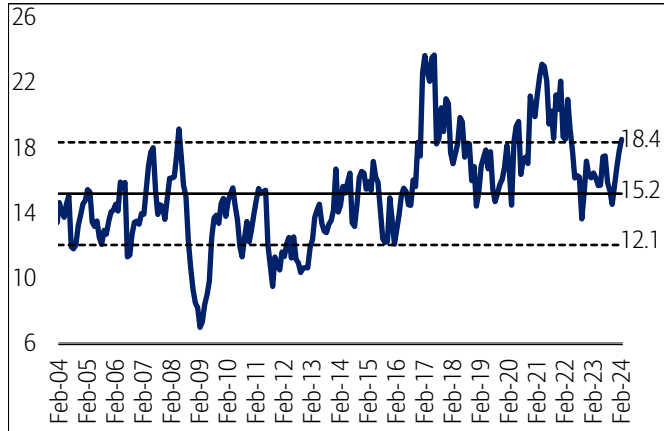
Source: BofA Global Research estimates, Company reports, Bloomberg (for stocks not covered by BofA Research)

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Exhibit 100: CSX forward P/E

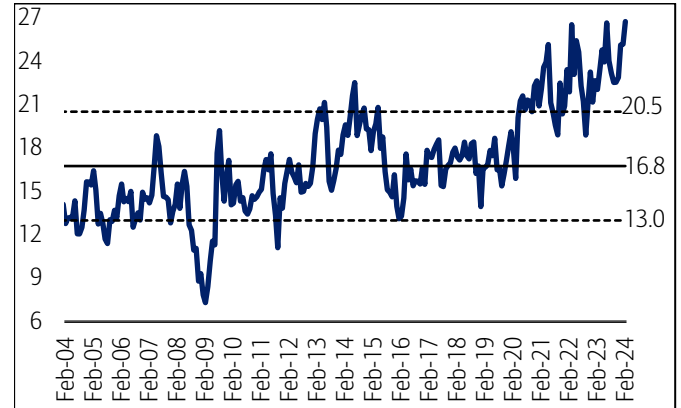
CSX Forward P/E is 18.8x



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

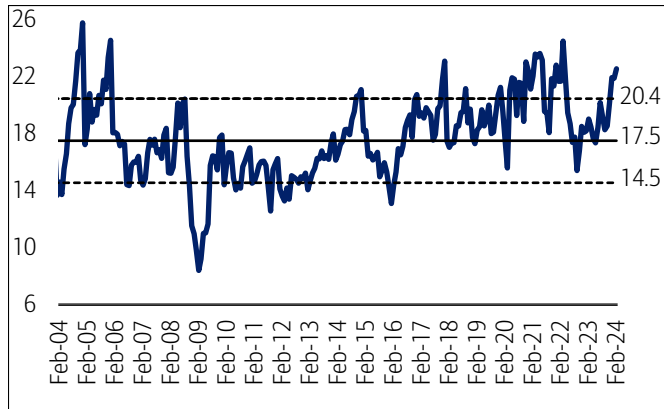
CP Forward P/E is 26.6x



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

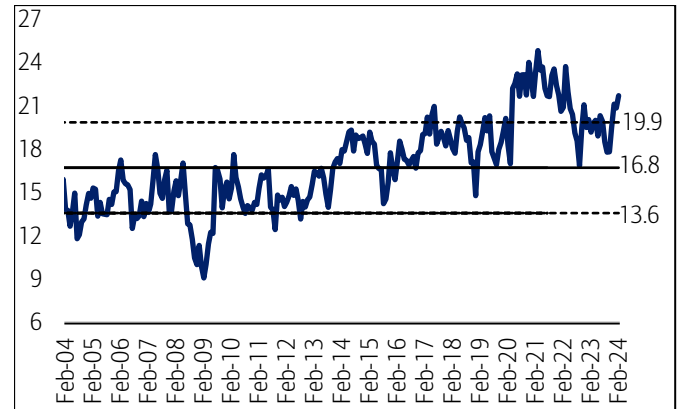
UNP Forward P/E is 22.8x



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

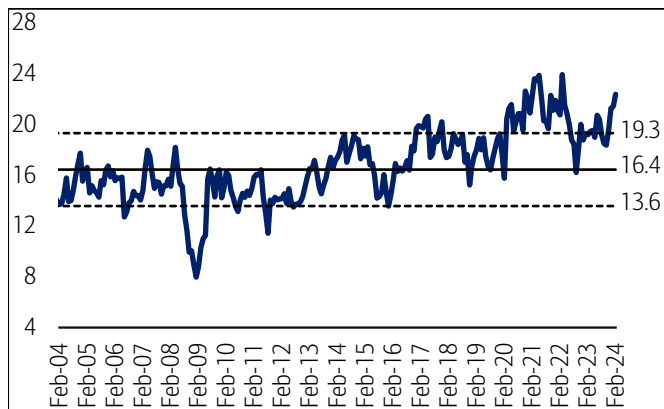
CNI Forward P/E is 21.8x



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

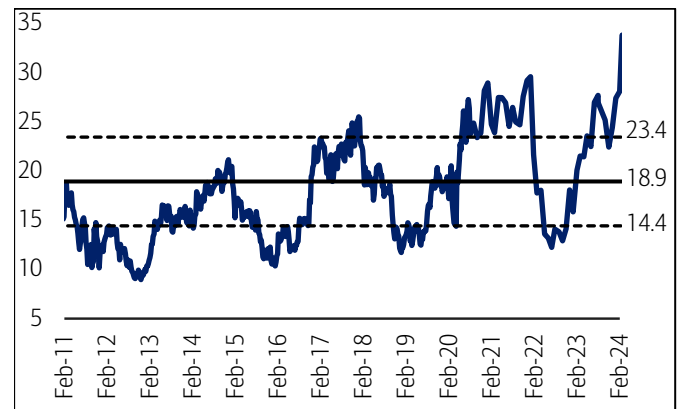
Rails Average Forward P/E is 22.5x



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

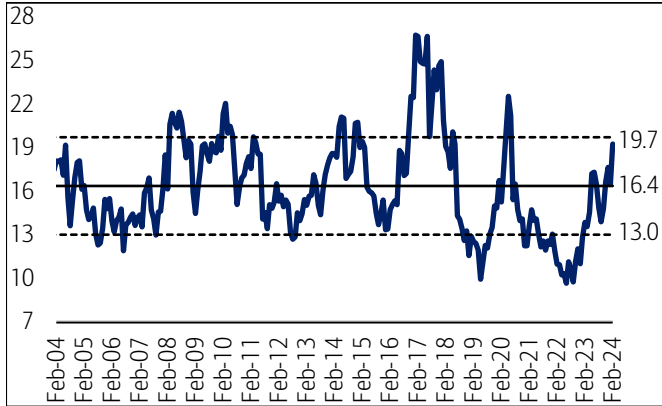
SAIA Forward P/E is 34.7x



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

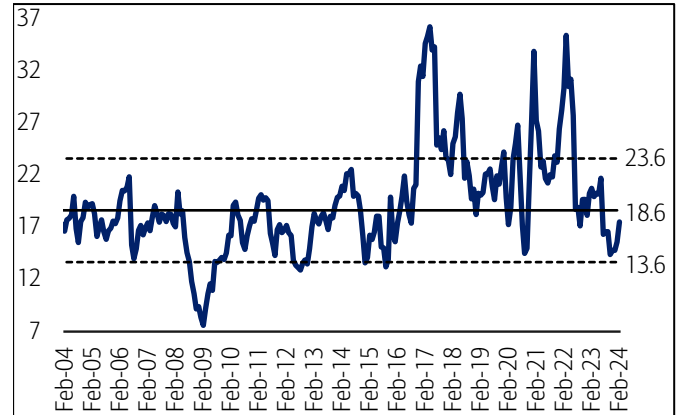
WERN Forward P/E is 18.8x



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

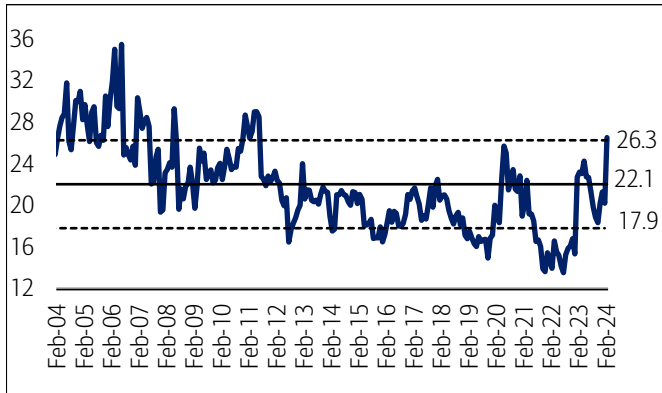
KEX Forward P/E is 17.8x



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

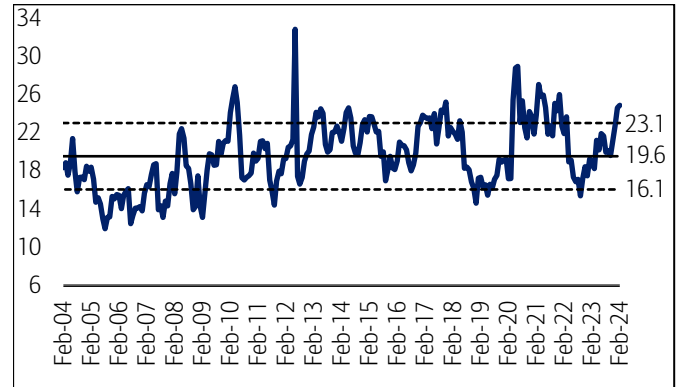
CHRW Forward P/E is 26.6x



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

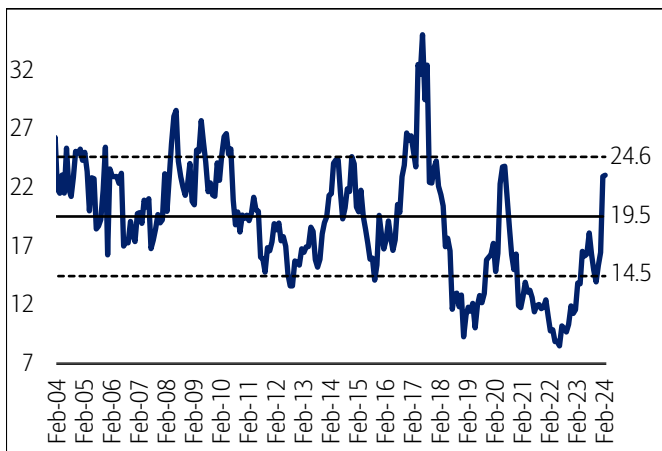
JBHT Forward P/E is 25.2x



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

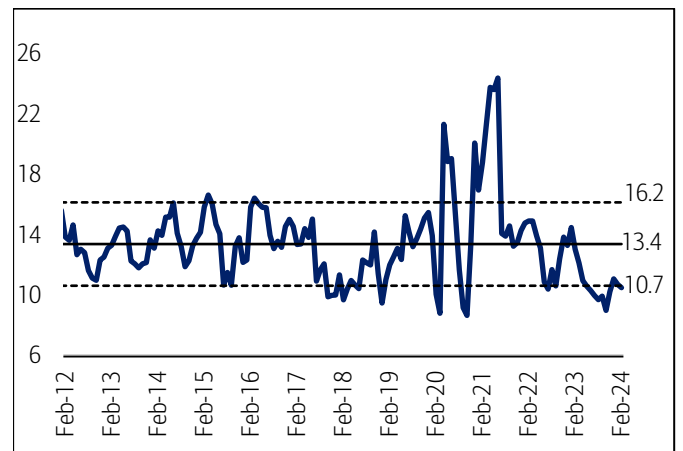
KNX Forward P/E is 22.4x



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

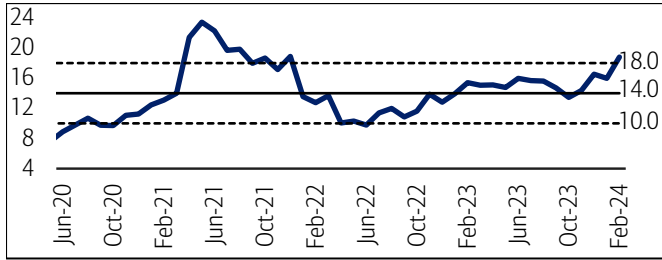
WKC Forward P/E is 10.5x



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

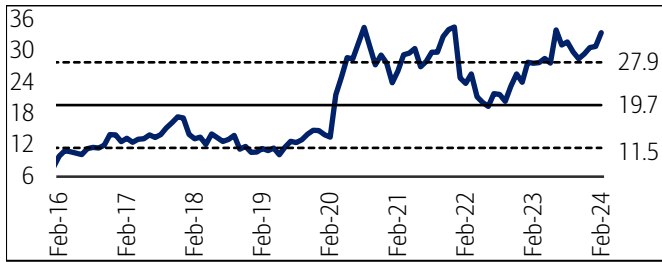
TFI Forward P/E is 18.8x



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

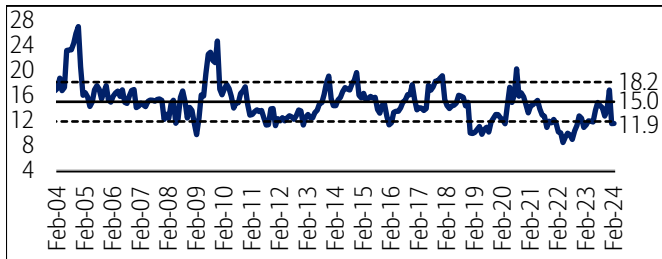
ODFL Forward P/E is 34.2x



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

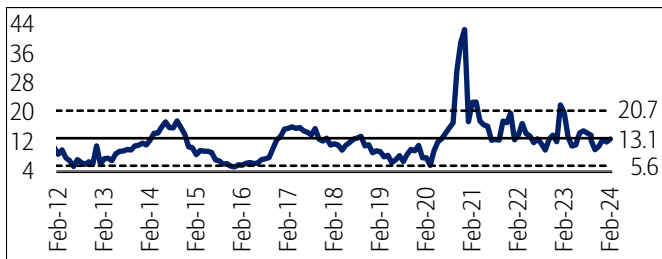
FDX Forward P/E is 11.7x



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

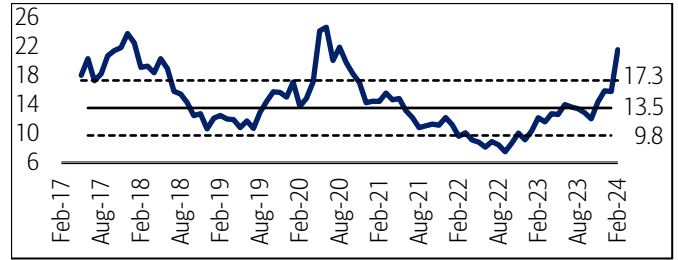
GBX Forward P/E is 13.2x



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

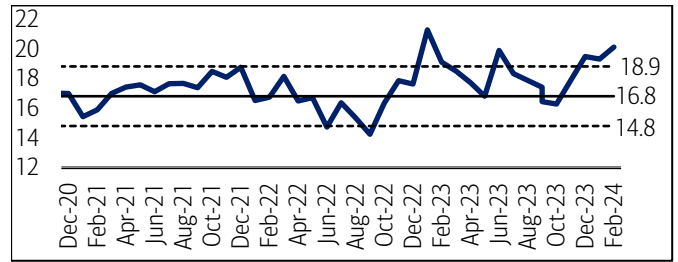
SNDR Forward P/E is 21.2x



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

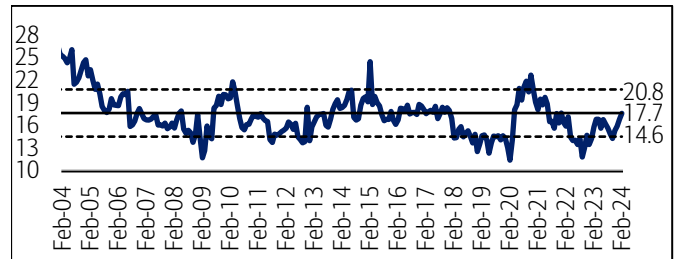
WAB Forward P/E is 20.7x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.
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Exhibit 117: UPS forward P/E

UPS Forward P/E is 17.6x



Source: BofA Global Research estimates, company reports, Bloomberg, Reuters, First Call, Factset.
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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R1}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R1} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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