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235639

March 18, 2014

The Honorable Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

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Dear Ms. Brown:

This submission is the AAR forecast of the second quarter 2014 All-Inclusive Index and Rail Cost Adjustment Factor, filed in Ex Parte No. 290 (Sub-No. 5) (2014-2) *Quarterly Rail Cost Adjustment Factor*. The versions of RCAF-related indices covered in this filing are: the All-Inclusive Index (initiated in the second quarter of 1985), the Unadjusted RCAF (produced since October 1982), the Adjusted RCAF (first published in the second quarter of 1989), and the RCAF-5 (created by the STB in its Ex Parte No. 290 (Sub-No. 7) decision served October 3, 1996). The table below summarizes the second quarter 2014 results on the fourth quarter 2012 base, revised in the 2014Q1 filing, and shows the percentage changes from the previous quarter.

	<u>2014Q1r</u>	<u>2014Q2</u>	<u>% Change</u>
All-Inclusive Index	98.5	99.7	1.2
Preliminary RCAF	0.985	0.997	1.2
Forecast Error Adjustment	-0.004	-0.022	
RCAF (Unadjusted)	0.981	0.975	-0.6
Productivity Adjustment Factor	2.3110	2.3168	
RCAF (Adjusted)	0.424	0.421	-0.7
PAF-5	2.4480	2.4534	
RCAF-5	0.401	0.397	-1.0

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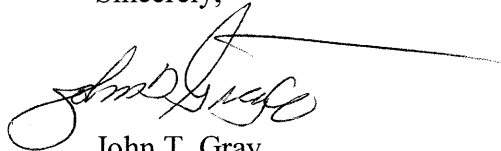
In its October 3, 1996 decision in Ex Parte No. 290 (Sub-No. 7), *Productivity Adjustment - Implementation*, the STB noted its intent to publish, in addition to the RCAF (Unadjusted) and RCAF (Adjusted), an RCAF-5 (i.e., a calculation of the productivity adjusted RCAF values as if the agency had always used a 5-year rolling average to calculate the productivity adjustment). In response to a request by STB staff, the AAR is including a calculation of the RCAF-5 in its quarterly RCAF filing. The AAR and its members, however, do not believe the publication of a third RCAF index is required or permitted by the applicable statute (49 U.S.C. § 10708) and do not endorse its publication.

As directed by the Board in its March 12, 2014, decision, the AAR has resubmitted its 2014Q2 calculation using revised annual report data received February 27 and March 7, 2014. **This filing replaces the entire filing (and work papers) dated March 5, 2014.** Since Federal Offices in the Washington area were closed (because of a snowstorm) on March 17, we are filing on March 18, 2014.

Our recalculations revealed no changes to the Interest Index component for 2011 or 2012, no changes for the internal weights used by the Labor Index component for 2011 or 2012, no changes for the internal weights used by the Equipment Rents Index component for 2011 or 2012, no changes to the Labor benchmarks for 2011 or 2012, no changes to external weights for 2011, and no changes to the 2012Q4=100 basing factor. However, the revised data caused the external weights for 2012 to change. Thus, the only quarters that could be affected by the revised annual report data are 2013Q4, 2014Q1, and 2014Q2. Revised RCAFs are listed in Appendix AA, and the Introduction on page 1 provides more background.

Our quarterly non-proprietary work papers underlying this submission are e-filed herewith, in accordance with the ICC's order in Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*, served February 8, 1990. We have notified Paul Aguiar, in the STB office handling this proceeding, of our plan to e-file the submission and non-proprietary work papers. A second copy of the submission and non-proprietary work papers, plus selected highly confidential work papers, will be hand-delivered to a member of Mr. Aguiar's Data Collection and Auditing Team. All work papers are available for STB inspection. Questions should be directed to me or Clyde Crimmel (202 639-2309) of this office.

Sincerely,



John T. Gray

Attachments

**Second Quarter 2014
All-Inclusive Index**

Ex Parte No. 290 (Sub-No. 5) (2014-2)

**Quarterly Rail Cost Adjustment Factor
Surface Transportation Board**

**Policy and Economics Department
Association of American Railroads**

March 18, 2014

Table of Contents

Subject	Page
Introduction	1
Index Weights	2
All-Inclusive Index - Second Quarter 2014.	3
Forecast vs. Actual All Inclusive Index - Fourth Quarter 2013	4
Productivity	5
Rail Cost Adjustment Factor - Second Quarter 2014	6
Appendices	
A Labor	
B Fuel	
C Materials & Supplies	
D Equipment Rents	
E Depreciation	
F Interest	
G Other Expenses	
H Railroad and Union Abbreviations	
AA Revised All-Inclusive Indexes and RCAFs	

Introduction

On January 2, 1985, the Interstate Commerce Commission (ICC) [now the Surface Transportation Board (STB)] adopted the All-Inclusive Index of Railroad Costs as the basis for the Rail Cost Adjustment Factor (RCAF). The quarterly projection of railroad costs, as documented herein, employs the All-Inclusive Index as required by the regulations. Also presented in this submission is the RCAF, both Adjusted and Unadjusted, as required by the ICC in its decision in Ex Parte No. 290 (Sub-No. 4), *Rail Cost Recovery Procedures - Productivity Adjustment*, served March 24, 1989. In addition, the AAR has included (but does not endorse) the RCAF-5, which was instituted by an STB decision served October 3, 1996 in Ex Parte No. 290 (Sub-No. 7), *Productivity Adjustment - Implementation*. This quarter's projection of railroad costs is for the second quarter 2014.

On March 4, 2014, the Surface Transportation Board served a decision that updates the five-year moving average for changes in railroad productivity. The AAR has utilized this decision in this filing, although the effective date for the decision is March 19, 2014

On February 27, 2014, the AAR received annual report revisions from one railroad for 2011 and 2012. Additional revisions from the same railroad were received on March 7, 2014. The AAR did not use the revisions in its March 5 submission because it did not have enough time to incorporate all of the annual report changes in its database, and recalculate benchmarks, weights, and index components that could be affected. The revisions had the potential to change the All-Inclusive Index (and RCAF) as far back as fourth quarter 2012. The fourth quarter basing factor could also be affected. In a decision served March 12, 2014, the Surface Transportation Board ordered the AAR to re-file its second quarter 2014 (March 5) RCAF submission and use the Annual Report Form R-1 revisions in all calculations. This **March 18 submission replaces the March 5 version**, and utilizes all annual report revisions available at this time.

The revisions to the 2011 annual report had no impact on weights, benchmarks, or component indices. This also meant that the 2012Q4=100 basing factor did not change. Thus, All-Inclusive Indexes and RCAFs for 2012Q4 through 2013Q3 were not affected by revisions. The revisions to the 2012 annual report causes small changes to the 2012 weights, but did not cause any changes to benchmarks or component indices. Although this caused small changes in the All-Inclusive Indexes, only a few versions of the RCAF were affected. A summary of revisions is provided in Appendix AA.

Index Weights

In the Ex Parte No. 290 (Sub-No. 2) final rules, issued in April 1981, the Interstate Commerce Commission mandated that the weights of each major cost component be updated annually. These "external" weights are calculated using data from Schedules 410 and 210 of the R-1 annual report filed with the Surface Transportation Board by the Class I railroads. The weights are typically updated with the fourth quarter projection.

In a decision (Docket No. FD 35506) served July 25, 2013, the Surface Transportation Board ordered BNSF Railway to "refile its R-1 report for 2010, 2011, and 2012...." In addition, Union Pacific Railroad revised its interest expense for years 2010 through 2012 during the same month. The BNSF revisions became available in late October 2013. The revisions caused changes to the weights used by the RCAF's All-Inclusive Index. Weights for all three years were revised in the 2014Q1 filing. The STB approved the revised weights in its December 20, 2013, decision. An additional railroad revised its 2011 and 2012 annual report during February and March 2014. The revisions did not affect the rounded version of 2011 weights, but caused small changes in the 2012 weights (shown below).

Weights for RCAF's All-Inclusive Index		
	Old 2012	Revised 2012
Labor	31.3 %	31.2 %
Fuel	22.4	22.3
Materials & Supplies	4.9	4.9
Equipment Rents	5.6	5.6
Depreciation	11.9	11.9
Interest	2.0	2.0
Other	<u>21.9</u>	<u>22.1</u>
Total	100.0	100.0

Reweightings of the index is accomplished by calculating both the current quarter (normally the fourth) and prior (normally the third) quarter indexes with the new weights. The relative change between the two quarters is then multiplied times the prior quarter (usually the third) *linked* index. Use of this method ensures that the weight change, by itself, does not cause a change in the level of the All-Inclusive Index.

Internal weights in the labor and equipment rents components are updated at the same time as the external weights. When these weights are changed, they are also linked using the procedure described above in order to eliminate the effect of the change in weighting.

All-Inclusive Index Second Quarter 2014

The components and values of the current and previous All-Inclusive Indexes are shown below. Details of the construction of each component of the index are contained in the Appendices.

	2012r Weights	Forecast		Percent Change
		Previous 2014Q1r	Current 2014Q2	
1. Labor	31.2%	386.2	388.1	0.5 %
2. Fuel	22.3%	377.9	386.2	2.2
3. M&S	4.9%	265.9	274.8	3.3
4. Equipment Rents	5.6%	208.7	212.6	1.9
5. Depreciation	11.9%	217.8	216.9	-0.4
6. Interest	2.0%	76.6	76.6	0.0
7. Other	22.1%	220.5	225.2	2.1
8. Weighted Average				
a. 1980 = 100		305.7	309.7	
b. 1980 = 100 (linked)		293.0	296.8 ¹	
c. 4Q12r = 100		98.5	99.7 ²	1.2

r Weights were revised in this 2014Q2 filing. See Introduction on page 1 for more information.

$$\begin{aligned}
 &^1 \text{ Index80} = (\text{Current Index} / \text{Previous Index}) * \text{the Previous Quarter Linked Index} \\
 &= (309.7 / 305.7) \times 293.0 \\
 &= 296.8
 \end{aligned}$$

² To calculate the 4Q12 = 100 index:

$$\begin{aligned}
 &\text{Index4Q12} = (\text{Current Linked Index} / \text{4Q12 Basing Factor}) * 100 \\
 &= 296.8 \text{ divided by } 297.6 \text{ times } 100 \\
 &= 99.7
 \end{aligned}$$

Indexes based on other periods:

- 4Q07 based index = 296.8 / 245.9 x 100 = 120.7
- 4Q02 based index = 296.8 / 192.1 x 100 = 154.5
- 4Q97 based index = 296.8 / 173.2 x 100 = 171.4
- 4Q92 based index = 296.8 / 156.9 x 100 = 189.2
- 4Q87 based index = 296.8 / 132.2 x 100 = 224.5

Forecast vs. Actual All-Inclusive Index Fourth Quarter 2013

Because of data availability, the forecast error adjustment has a two-quarter lag from each filing. As shown below, the fourth quarter actual index of 97.9 is 2.2 index points below the forecast value of 100.1. Therefore, the forecast error adjustment for second quarter 2014 is -2.2 index points.

	2012r Weights	Fourth Quarter 2013		Amt Difference
		Forecast	Actual	
1. Labor	31.2%	387.1	387.1	
2. Fuel	22.3%	399.6	374.3	
3. M&S	4.9%	261.4	261.4	
4. Equipment Rents ¹	5.6%	207.7	208.0	
5. Depreciation	11.9%	221.0	217.4	
6. Interest	2.0%	76.6	76.6	
7. Other	22.1%	220.0	219.4	
8. Weighted Average				
a. 1980 = 100		310.8 r	304.6	
b. 1980 = 100 (linked)		297.9 r	291.3 ²	
c. 4Q12 = 100 ³		100.1	97.9	-2.2

Forecast error —————> **-2.2 index points**

Note:

The standard linking procedure has been used to eliminate any changes to indexes that would be caused by updating weights. The Q3 unlinked weighted averages for the All-Inclusive Indexes (forecast and actual) and for Equipment Rents (forecast and actual) were recalculated using the new (2012r) weights. **Additionally, the Q4 forecast is the revised version found in Appendix AA of this March 17 2014Q2 filing.**

¹	2012r Weights	Fourth Quarter 2013	
		Forecast	Actual
Car-Hire	48.2%	179.1	179.9
Lease Rentals	51.8%	220.0	219.4
Weighted Average		200.3	200.4
Weighted Average (linked)		207.7	208.0

² Linked actual index = (actual index / previous actual index) x previous linked actual index.
 291.3 = 304.6 / 306.5 x 293.1

³ The 4Q12 based indexes are 1980 based indexes divided by the 4Q12 basing factor (297.6/100).
 Other basing factors are: 4Q07 = 245.9; 4Q02 = 192.1; 4Q97 = 173.2; 4Q92 = 156.9; and 4Q87 = 132.2.

Productivity

On March 4, 2014, the Surface Transportation Board (STB) served a decision in Ex Parte 290 (Sub-No. 4) which added the year 2012 to the Productivity Adjustment Factor (PAF) and removed the year 2007. This creates a geometric average annual productivity change, for the five-year period 2008 through 2012, of 1.0 percent per year. The components of this average annual value are shown on the following table in ratio format – therefore, 1.010 is the same as an increase of 1.0 percent.

Productivity changes are calculated by multiplying each of the five productivity changes together and taking the result to the one-fifth power. The productivity adjustment factors (PAF) for each quarter are calculated by increasing the previous quarter's PAF by quarterly versions of the annual rate, which are the fourth root of the geometric average annual growth rate. The difference between the PAF and the PAF-5 is the timing of the five-year productivity trend.

Comparison of Output, Input, & Productivity			
2008 - 2012			
Year	Output Index (1)	Input Index (2)	Productivity ¹ Changes (3)
2008	0.990	0.970	1.021
2009	0.847	0.861	0.984
2010	1.109	1.070	1.037
2011	1.041	1.039	1.001
2012	1.007	0.999	1.008
Average			1.010
Previous Average (2007-2011)			1.009

¹ The values shown in Column 3 are based on full float calculations and may not exactly match numbers calculated using the rounded numbers displayed in Columns 1 and 2.

Calculation of PAF and PAF-5

For 2008-2012, use fourth root of avg. productivity change = 1.0025

For 2007-2011, use fourth root of avg. productivity change = 1.0022

Quarter	Year	PAF	PAF-5	
Q1	2014	2.3110	2.4480	2007-2011
Q2	2014	2.3168	2.4534	
Q3	2014	2.3226	2.4588	2008-2012
Q4	2014	2.3284	2.4642	
Q1	2015	2.3342	2.4704	

Rail Cost Adjustment Factor

Second Quarter 2014

Four RCAF values are presented in this filing. Two are not modified for productivity (Preliminary RCAF and RCAF Unadjusted), and two incorporate a productivity calculation (RCAF Adjusted and RCAF-5). The All-Inclusive Index and all four RCAF values, plus the percent change for each, are shown below. Note that, beginning with 2013Q1, the All-Inclusive Index is on a 2012Q4=100 basis. **In this 2014Q2 filing, revisions were made back to 2013Q4. See Introduction on page 1 for more information. Revisions are listed in Appendix AA.**

	Previous 2014Q1r	Current 2014Q2	Percent Change
All-Inclusive Index ¹	98.5	99.7	1.2
Preliminary RCAF ²	0.985	0.997	1.2
Forecast Error Adjustment ³	<u>-0.004</u>	<u>-0.022</u>	
RCAF (Unadjusted) ⁴	0.981	0.975	-0.6
Productivity Adjustment Factor ⁵	<u>2.3110</u>	<u>2.3168</u>	
RCAF (Adjusted) ⁶	0.424	0.421	-0.7
PAF-5 ⁷	2.4480	2.4534	
RCAF-5 ⁸	0.401	0.397	-1.0

¹ See All-Inclusive Index on page 3.

² All-Inclusive Index divided by the All-Inclusive Index in the base period (100.0).

³ The current figure is from Forecast vs. Actual All-Inclusive Index in this filing (page 4). The previous quarter figure is shown in a similar section of the previous quarter's filing.

⁴ Preliminary RCAF plus the forecast error adjustment.

⁵ See Productivity on page 5.

⁶ RCAF (Unadjusted) divided by the Productivity Adjustment Factor (PAF).

⁷ See Productivity on page 5.

⁸ RCAF (Unadjusted) divided by the PAF-5.

Appendixes

Labor

Second Quarter 2014

The second quarter 2014 Labor Index is forecast to increase 0.5 percent from the previous quarter. The increase was caused by better bonus payments in 2014.

Wage Rate Index

The Wage Rate Index portion of the Labor Index increased 0.5 percent. The major changes were higher profit sharing payments in 2014 (for performance in 2013) and the complete amortization and removal of a negative back pay amount.

Wage Increases: No wage increases are scheduled for the second quarter. Wages increased slightly (0.04 percent) because one independent union exercised an option to end bonuses and update its wage rate to a value equal to the national agreement.

Lump Sums: The second quarter lump sum rate increased 10.1 cents from the previous quarter. Three major lump sums from early 2013 were fully amortized and removed from the index, but the 2014 versions of these bonuses had higher payouts – and were therefore higher amounts than the previous year.

Back Pay: The second quarter back pay rate increased 9.7 cents, caused mostly by the complete amortization and removal of a negative amount related to the second quarter 2013 change where one railroad's conductors were rebenchmarked from national-agreement to independent.

Other: In wages, "Other" contains the amortization of incentive payments that a railroad makes each year to its dispatchers, yardmasters, and engineers. The current amount is for a payment made in early 2013, and it is unchanged. The second quarter 2014 is the last quarter for amortization of the early 2013 payment. The payment made in early 2014 will begin to be amortized with the 2014Q3 submission.

Supplements Index

The Supplements Index increased 0.4 percent, mostly because of higher employer 401(k) matches, and an increase in Railroad Retirement taxes corresponding with the slight increase in taxable wages.

Health & Welfare: The Health & Welfare rate was unchanged from the first quarter.

Railroad Retirement: The Railroad Retirement rate increased 0.4 percent. The increase was caused by higher taxable earnings.

Unemployment Insurance: The Unemployment Insurance rate was unchanged for the second quarter. Despite slightly higher taxable earnings for Q2, taxable earnings in the prior quarter were already beyond the maximum taxable amount.

Labor

Second Quarter 2014

Other: The "Other" category is a reflection of all other fringe benefits, and currently contains known employer contributions to employee 401(k) accounts and employer contributions to employee stock plans that are recorded as fringe benefits. For the second quarter, the rate increased 3.5 cents because of more employer 401(k) contributions.

Labor Index Calculation

As shown in Table A-1 on the next page, the 0.5 percent increase in the Wage Rate Index and the 0.4 percent increase in the Supplements Index combined to cause a 0.5 percent increase in the Labor Index. The linked second quarter 2014 Labor Index is 388.1.

Labor

Second Quarter 2014

Table A-1 Labor Index

	2014Q1	2014Q2	Change	
			Percent	Amount
<u>Base Wage</u> – Straight Time & Pay For Time Not Worked	\$38.724	\$38.739	0.0%	\$0.015
Adjustments:				
Lump Sum	0.214	0.315	47.2%	\$0.101
Back Pay	-0.077	0.020	-126.0%	\$0.097
Other	0.208	0.208	0.0%	\$0.000
Total Wages	<u>39.069</u>	<u>39.282</u>	0.5%	\$0.213
Health & Welfare Benefits	7.623	7.623	0.0%	\$0.000
RR Retirement & Medicare	7.736	7.767	0.4%	\$0.031
Unemployment Insurance	0.059	0.059	0.0%	\$0.000
Other	0.147	0.182	23.8%	\$0.035
Total Supplements	<u>\$15.565</u>	<u>\$15.631</u>	0.4%	\$0.066
Total Labor	\$54.634	\$54.913		
Wage Index¹	334.4	336.2	0.5%	
Supplements Index²	575.2	577.6	0.4%	
Total labor Index, 2012r Weights ³	408.6	410.6		
Labor Index (linked)⁴	386.2	388.1	0.5%	

¹ 1980 wage rate \$11.685

² 1980 supplements rate \$2.706

³ 2012r weights: wages, supplements 69.2% 30.8%

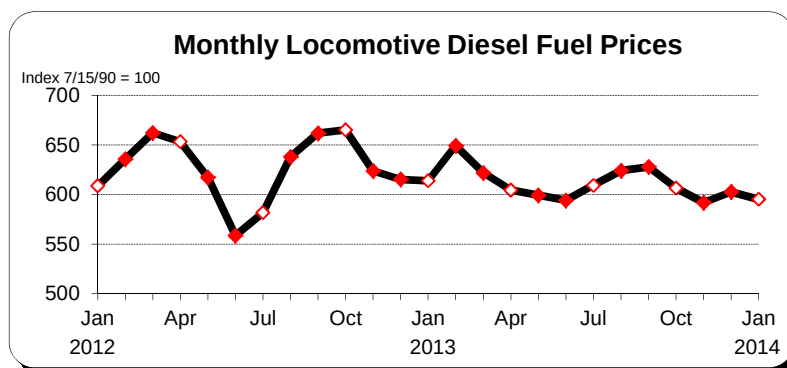
⁴ 2014Q2 linked Index = 2014Q1r linked x (2014Q2 / 2014Q1r)
= 386.2 x 410.6 / 408.6

Fuel

Second Quarter 2014

The forecast for fuel is based on: (1) a survey of railroad fuel purchasing officers concerning current price and volume levels, (2) expectations of railroad purchasing officers based on their own forecast models and discussions with their major suppliers, and (3) a consensus of petroleum industry experts and general business publications. Fuel purchases are assumed to remain in inventory for 30 days before the fuel is consumed (and therefore expensed). Therefore, prices paid in the first month of each quarter are for fuel expensed in the second (or middle) month of the quarter, and the middle month is used to represent each quarter.

Locomotive diesel fuel prices increased in December, but decreased in January. The chart below shows the AAR's Monthly Locomotive Diesel Fuel Price Index from January 2012 through January 2014.



While the latest average prices for locomotive diesel fuel are available only through January 2014, data through most of February are available for related fuel types. Crude oil* futures prices increased about \$10 from early January to late February. Residential heating oil** prices rose from January to February as extra-cold winter temperatures caused increased demand. On-highway diesel fuel prices also increased. According to the U.S. Energy Administration, the "sustained cold weather that overtook much of the United States during January and February increased demand for space heating fuels, disrupted crude oil and natural gas production as well as refinery, rail, and pipeline operations, and challenged the ability of energy infrastructure to deliver fuel." [Another extremely cold weather system moved across the nation during the first days of March.] Not surprisingly, railroads believe prices for April 2014 (Q2) will be 2.2 percent higher than the first quarter forecast (represented by January 2014), and 5.1 percent higher than the average price actually paid in January.

Forecast Fuel Index (1980 = 100)	386.2
Change from previous quarter forecast	2.2%
Change from previous quarter actual	5.1%

* Diesel fuel used by locomotives is made from refined crude oil, and therefore usually has some price correlation.

** Heating oil and locomotive diesel fuel are part of a group of closely related products, commonly labeled as distillates, that differ mostly by their sulfur content. Because of these similarities, these fuels are produced together and have similar pricing trends.

Materials & Supplies

Second Quarter 2014

The second quarter 2014 Materials & Supplies Index increased 3.3 percent from the previous quarter. The change was caused by increases in all three categories (Metal Products, Miscellaneous Products, and Forest Products).

2014Q2 Materials & Supplies Index = 274.8

2014Q1r Materials & Supplies Index = 265.9

Difference	8.9 basis points
	or
	3.3 %

Equipment Rents

Second Quarter 2014

The Equipment Rents Index consists of two components – car hire and lease rentals. The methodology used to create these two components and the final Equipment Rents Index are explained below.

Car Hire

The car hire component is indexed using data from the Car Hire Accounting Rate Master (CHARM) file. Car hire rates for the forecast quarter are estimated based on data for active freight cars using the most recent month available. For the first quarter, December 1 of the previous year is used. For the second, third and fourth quarters; March 1, June 1, and September 1 are used, respectively. Using data retrieved from the latest CHARM file, an average rate per car is developed. Next, those average rates are grouped into car type categories to create an overall summary of car hire rates. The summary rates are then compared from quarter to quarter to determine the Car Hire Index.

Lease Rentals

The lease rentals portion of the Equipment Rents Index uses the Producer Price Index for Industrial Commodities less Fuel and Related Products and Power (PPI-LF). The Commission adopted this surrogate in its decision served March 13, 1987. The AAR uses six years of historical data to derive its forecast for the PPI-LF. The forecast is used not only for lease rentals, but also for the "Other" component of the All-Inclusive Index. Appendix G discusses the forecast in more detail.

Equipment Rents Index Calculation

Equipment Rents weights were recalculated in the 2014Q1 filing because two railroads revised their annual reports for 2010, 2011, and 2012. See Appendix AA of the 2014Q1 filing for more detail. The table below calculates the Equipment Rent Index. The second quarter Car Hire portion of the Index increased 1.6 percent, as most freight car categories had small increases in March 1 average rates compared to the December rates used to forecast the first quarter. A 2.1 percent increase for the projected PPI-LF (see Appendix G) used as a proxy for Lease Rentals, combined with the 1.6 percent increase for Car Hire, caused the Equipment Rent Index to increase 1.9 percent.

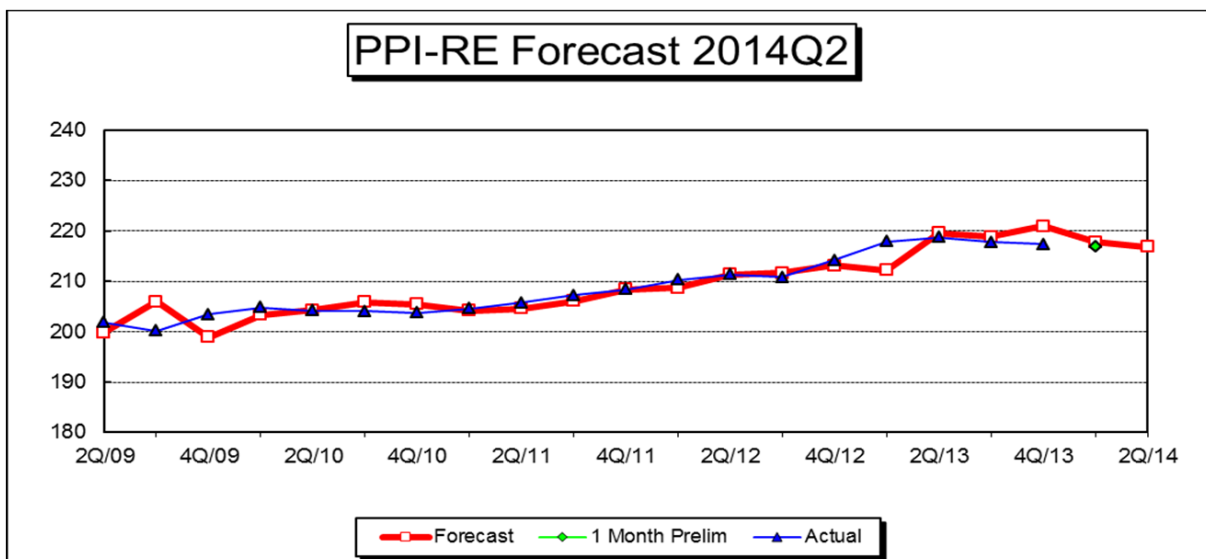
	2012r Weight	2014Q1r	2014Q2	Percent Change
Car Hire	48.2%	180.6	183.5	1.6 %
Lease Rentals	51.8%	220.5	225.2	2.1
Weighted Average		201.3	205.1	1.9
Weighted Average (Linked)		208.7	212.6	1.9

Depreciation

Second Quarter 2014

The Producer Price Index for Railroad Equipment (PPI-RE) is used to index depreciation expense. The PPI-RE is forecast using an ARIMA (Auto-Regressive Integrated Moving Average) process where a statistical package picks the model that best fits the historical data set (see next page), and that model is then used for the forecast. The historical data set contains 6 years of monthly data (a sample size of 72), where the most recent available data point is the first month of the quarter prior to the forecast quarter. For a first quarter forecast, the most recent month of data available would be for October of the prior year. For a second quarter forecast, January would normally be the most recent period available. April and July would be the most recent months available for third and fourth quarter forecasts, respectively. The output from the forecast model is shown on page 2 of this appendix on a 1982=100 basis. The figure forecast by the model reflects a PPI-RE figure for January that was a decrease from the prior month, and close to its value from one year ago. The decrease from the previous quarter forecast is amplified by a previous quarter forecast that may have been slightly high.

Forecast of Depreciation Index (1982=100)	196.1
Forecast of Depreciation Index (1980=100)	216.9
Change from previous quarter forecast	-0.4%
Change from actual first month of previous quarter	0.0%
Change from same quarter of prior year (actual)	-0.9%



Depreciation

Second Quarter 2014

PPI RAILROAD EQUIPMENT

Recommended model: Box-Jenkins

Forecast Model for PPIRE

ARIMA(0,1,0)

Within-Sample Statistics

Sample size 72	Number of parameters 0
Mean 187.1	Standard deviation 5.709
R-square 0.9572	Adjusted R-square 0.9578
Durbin-Watson 2.389	Ljung-Box(18)=20.43 P=0.6911
Forecast error 1.173	BIC 1.173
MAPE 0.003917	RMSE 1.173
MAD 0.7375	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2013-08	194.500
2013-09	194.600
2013-10	195.800
2013-11	196.500
2013-12	197.300
2014-01	196.100

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2014-02	193.785	196.100	198.415
2014-03	192.826	196.100	199.374
2014-04	192.090	196.100	200.110
2014-05	191.470	196.100	200.730
2014-06	190.923	196.100	201.277
QTR AVG	191.494	196.100	200.706

Interest

Second Quarter 2014

The Interstate Commerce Commission, in its decision served February 28, 1989, revised the All-Inclusive Index methodology to include a specific interest component, which is to track changes in the average interest rate from year to year. The interest rate is essentially the embedded cost of debt, i.e., total interest expense divided by average total long term debt. The interest rate is calculated for the most recent year and used until the next year's figures are available. Typically in the fourth quarter filing, the interest rate is updated to the new level. The source for interest expense is Schedule 210, column b, from the R-1 annual report. The lines used from current R-1 annual reports are listed below. The source for average total debt is Schedule 200 from the R-1 annual report. The sums of data from columns b and c (ending and beginning balances) are combined and divided by 2 to compute an average balance. The line numbers are listed below.

The current Interest Index is based on revised 2012 annual report data submitted by 2 railroads during the Summer and Fall of 2013. Annual report revisions received from a third railroad in February and March 2014 had no impact on this calculation.

Interest Expense (Schedule 210)

Line	
42	Total Fixed Charges
44	Contingent Interest
less	
22	Release of Premium on Funded Debt

Average Total Debt (Schedule 200)

Line	
30	Current Loans and Notes Payable
39	Equipment Obligations and Other Long Term Debt Due Within One Year
41	Funded Debt Unmatured - Non-Current
42	Equipment Obligations - Non-Current
43	Capitalized Lease Obligations - Non-Current
44	Debt in Default - Non-Current
45	Accounts Payable: Affiliated Companies - Non-Current
46	Unamortized Debt Premium - Non-Current

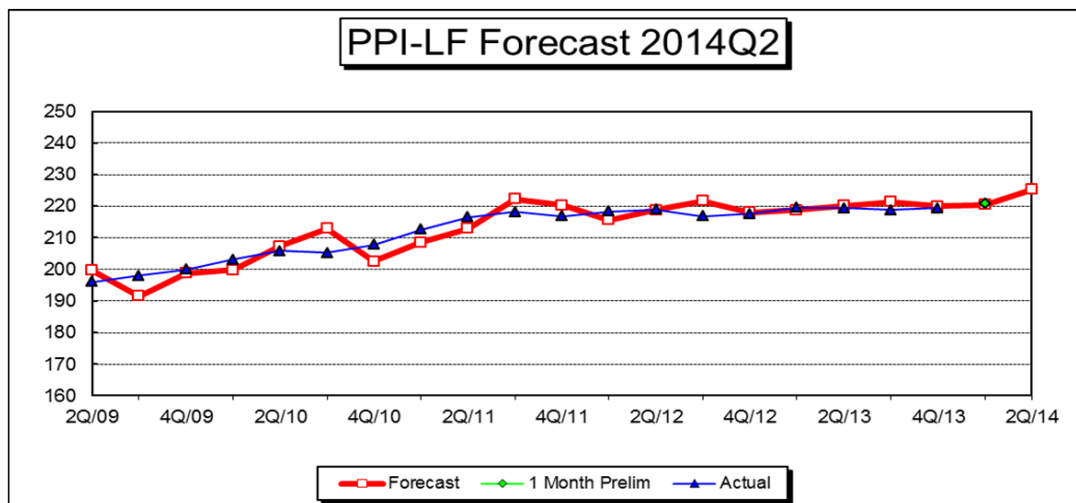
2012	Interest Rate	6.01%
1980	Interest Rate	7.85%
2014Q2	Interest Index	76.6
2014Q1r	Interest Index	76.6
	Percent Change	0.0%

Other Expenses Second Quarter 2014

The Producer Price Index for Industrial Commodities less Fuels and Related Products and Power (PPI-LF) is used to index purchased services, casualties and insurance, loss and damage, taxes (other than income and payroll), general and administrative expenses, and lease rentals. These expenses, when grouped together, are usually called "Other" expenses.

Like the PPI-RE, the PPI-LF is forecast using an ARIMA process on 6 years of monthly data (a sample size of 72) with the most recent available monthly data being the first month of the quarter prior to the forecast quarter. For a first quarter forecast, the most recent month of data available would be for October of the prior year. For a second quarter forecast, January would normally be the most recent month available. April and July would be the most recent months available for third and fourth quarter forecasts respectively. The output from the forecast model is shown on page 2 of this appendix for 1982=100. The figure forecast by the model for the second quarter reflects a monthly PPI-LF figure for January that increased at a 6.3 percent annual rate.

Forecast of Other Expense Index (1982=100)	200.9
Forecast of Other Expense Index (1980=100)	225.2
Change from previous quarter forecast	2.1%
Change from actual first month of previous quarter	2.0%
Change from same quarter of prior year (actual)	2.6%



Other Expenses

Second Quarter 2014

PPI INDUSTRIAL COMMODITIES LESS FUELS AND RELATED PRODUCTS AND POWER

Recommended model: Exponential Smoothing

Forecast Model for PPILF

Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing Weight	Final Value
Level	1.00000	196.90
Trend	1.00000	1.0000

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 187.6	Standard deviation 7.559
R-square 0.9882	Adjusted R-square 0.988
Durbin-Watson 1.919	Ljung-Box(18)=17.25 P=0.4941
Forecast error 0.8285	BIC 0.8669
MAPE 0.003419	RMSE 0.8169
MAD 0.6375	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2013-08	195.300
2013-09	195.100
2013-10	195.600
2013-11	195.500
2013-12	195.900
2014-01	196.900

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2014-02	196.201	197.900	199.599
2014-03	195.101	198.900	202.699
2014-04	194.803	199.900	204.997
2014-05	194.774	200.900	207.026
2014-06	194.894	201.900	208.906
QTR AVG	194.824	200.900	206.976

Railroad and Union Abbreviations

Second Quarter 2014

Railroads

BLE	Bessemer & Lake Erie Railroad (Part of CN's Grand Trunk Corp.)
BNSF	BNSF Railway Company
CC	Chicago, Central & Pacific (Part of CN's Grand Trunk Corp. Sometimes noted as CC&P.)
CN	Canadian National Railway (Commonly known as CN, owns Grand Trunk Corporation.)
CNGT	AAR's abbreviation for Grand Trunk Corporation (Almost all of CN's U.S. operations.)
CP	Canadian Pacific (Also noted as CPR. Owns the U.S. Class I railroad Soo Line.)
CPSL	AAR's abbreviation for Soo Line Corporation (CP's U.S. operations including SOO, D&H, and DME.)
CSX	CSX Transportation
D&H	Delaware & Hudson (Canadian Pacific's U.S. operations, included beginning 2011Q4.)
DME	Dakota, Minnesota & Eastern (Canadian Pacific's U.S. operations, included beginning 2011Q4.)
EJE	Elgin, Joliet & Eastern Railway (Part of CN's Grand Trunk Corp.)
GTW	Grand Trunk Western Railroad (Part of CN's Grand Trunk Corp.)
IC	Illinois Central Railroad (Part of CN's Grand Trunk Corp.)
KCS	Kansas City Southern Railway
NS	Norfolk Southern Combined Railroad Subsidiaries (a.k.a. Norfolk Southern Railway or NS Rail)
SOO	Soo Line Railroad (the largest of Canadian Pacific's U.S. operations.)
UP	Union Pacific Railroad
WC	Wisconsin Central and subsidiaries (Part of CN's Grand Trunk Corp.)

Major Unions Involved with Railroads

ATDA	American Train Dispatchers Association
BLET	Brotherhood of Locomotive Engineers and Trainmen Div. of the International Brotherhood of Teamsters
BMWED	Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters
BRS	Brotherhood of Railroad Signalmen
IAM	International Association of Machinists and Aerospace Workers
IBBM	International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers
IBEW	International Brotherhood of Electrical Workers
NCFO	National Conference of Firemen and Oilers
SMW	Sheet Metal Workers' International Association
TCU	Transportation Communication International Union
TCU-Carmen	Brotherhood of Railway Carmen Division of the Transportation Communications International Union
UTU	United Transportation Union
UTU-Yard	United Transportation Union Yardmaster Department (also noted as UTU-YMD)

Predecessor Unions (Some AAR databases use these old abbreviations.)

BLE	Brotherhood of Locomotive Engineers (predecessor to BLET)
BMWE	Brotherhood of Maintenance of Way Employees (predecessor to BMWED)
BRC	Brotherhood of Railway Carmen (predecessor to TCU-Carmen)
IBFO	International Brotherhood of Firemen and Oilers (predecessor to NCFO)

Revised All-Inclusive Indexes and RCAFs

Second Quarter 2014

The AAR received annual report revisions for 2011 and 2012 from one railroad on February 27 and March 7, 2014. This did not provide enough time for the AAR to process the revised reports and determine the impact on up to 7 RCAFs by the March 5 filing. The Surface Transportation, in a decision served March 12, 2014, directed the AAR to update its calculations based on all annual report revisions by March 17, 2014. (The filing is dated March 18 because a snowstorm caused Federal government offices in the Washington area to be closed on March 17.) The AAR has complied and recalculated all RCAFs that used 2011 or 2012 Annual Report Form R-1 data. In many cases, recalculated numbers rounded to the same number as found in the 2014Q1 filing (Appendix AC). None of the RCAFs that used 2011 annual report data for weights, benchmarks, and index components were affected by the revisions. The 2012 weights changed slightly. None of the All-Inclusive Index components for any quarter are changed.

Beginning with the 2013Q4 index, weights based on 2012 annual report data are used. Calculations for 2013Q4 and 2014Q1 had small changes, but their forecast error calculations (which use 2011 weights) were not affected. The March 5 version of 2014Q2 was also affected slightly, but this is not considered a revision since this March 18 filing replaces the March 5 version. The 2014Q2 index is shown in its normal place (page 3) in this March 18 filing. Thus, the only RCAF revisions involve 2014Q1.

	Revised 2013Q4	Revised 2014Q1	From 2014Q1 filing		Changes	
			2013Q4	2014Q1	Q4	Q1
All-Inclusive Index						
Weighted Avg. 1980=100	310.8	305.7	311.1	306.0	(0.3)	(0.3)
Linked 1980=100	297.9	293.0	297.8	292.9	0.1	0.1
4Q/12=100 basis	100.1	98.5	100.1	98.4	-	0.1
RCAF						
Preliminary RCAF	1.001	0.985	1.001	0.984	-	0.001
Forecast Error Adjustment	-0.026	-0.004	-0.026	-0.004	-	-
RCAF Unadjusted (for Productivity)	0.975	0.981	0.975	0.980	-	0.001
Productivity Adjustment Factor	2.3059	2.311	2.3059	2.3110		
RCAF Adjusted	0.423	0.424	0.423	0.424	-	-
PAF-5	2.4426	2.448	2.4426	2.448		
RCAF-5	0.399	0.401	0.399	0.400	-	0.001

Workpapers Sent to STB for 2014 Q2 RCAF Re-file

March 17, 2014

1. Index Calculation Spreadsheet (index_calc.xls, 2 pages)
2. Summary of ST and PFTNW Hourly Rates (Summary.xls)
3. RCAF Taxable Wages adjustment calculation (TaxableRate.xls)
4. National Contracts spreadsheet, 2 sections (2 and 5 pages)
5. Wall Street Journal - 13 week Treasury Bill Rate from latest auction (a.k.a. 3-Mo. T-Bill)
6. 2014/Q2 RCAF Lump Sum Amortization summary, public version (1 page)
7. 2014/Q2 RCAF Back Pay Amortization summary, public version (1 page)
8. Health & Welfare worksheet (1 page)
9. Railroad Retirement spreadsheet (5 pages)
10. Unemployment Insurance worksheet (1 page)
11. 2-page SAS run for Q2 Unemployment Insurance
12. Energy Information Administration's This Week in Petroleum, total of 8 pages.
13. Summary of Materials & Supplies (one page)
14. Car Hire Spreadsheet (2 pages) plus source data page for March 2014
15. 4 pages of PPI-RE for Depreciation including graph, input/output, and BLS source data
16. 4 pages of PPI-LF for Other (and Lease Rentals) incl. graph, input/output, BLS source data
17. Forecast Error calc. and workpapers (10 pages: calc, index actual, fuel, 3 car hire, 2 deprec, 2 other)
18. Interest Index calculation for 2012 (no change)
19. Interest Index calculation for 2011 (no change)
20. Internal weights recalculation for 2012 (no change)
21. External weights recalculation for 2012
22. External weights recalculation for 2011
23. Internal weights recalculation for 2011 (no change)

RCAF All-Inclusive Index's Labor Index Based on 2012 Benchmarks Including Data Revised & Restated in 2014Q1 filing

	12 Wts.	3Q/13 Rev 12/5	3Q/13 Rev 12/5 As Info Only	% Chg	4Q/13 Rev 12/5	% Chg	1Q/14	% Chg	2Q/14	% Chg	3Q/14	% Chg
Straight Time		\$30.866	\$31.499	2.1%	\$31.500	2.1%	\$31.853	1.1%	\$31.865	0.0%		--
PFTNW		\$7.440	\$6.844	-8.0%	\$6.844	-8.0%	\$6.871	0.4%	\$6.874	0.0%		--
Total		\$38.306	\$38.343	0.1%	\$38.344	0.1%	\$38.724	1.0%	\$38.739	0.0%	\$0.000	--
Adjustments												
Lump Sum		\$0.244	\$0.239		\$0.217		\$0.214		\$0.315			
Back Pay		(\$0.044)	(\$0.043)		(\$0.063)		(\$0.077)		\$0.020			
Other		\$0.213	\$0.208		\$0.208		\$0.208		\$0.208			
Total Wages		\$38.719	\$38.747	0.1%	\$38.706	0.0%	\$39.069	0.9%	\$39.282	0.5%	\$0.000	--
Pre-Tax Reduction		(\$1.187)	(\$1.160)		(\$1.161)		(\$1.161)		(\$1.161)			
Taxable Wages		\$37.532	\$37.587		\$37.545		\$37.908		\$38.121		\$0.000	
H & W		\$8.062	\$8.080	0.2%	\$8.080	0.2%	\$7.623	-5.7%	\$7.623	0.0%		--
RR Ret & Medicare		\$7.952	\$7.619	-4.2%	\$7.613	-4.3%	\$7.736	1.6%	\$7.767	0.4%		--
Unemp. Insurance		\$0.059	\$0.057	-3.4%	\$0.057	-3.4%	\$0.059	3.5%	\$0.059	0.0%		--
Other		\$0.155	\$0.152	-1.9%	\$0.103	-33.5%	\$0.147	42.7%	\$0.182	23.8%		--
Total		\$16.228	\$15.908	-2.0%	\$15.853	-2.3%	\$15.565	-1.8%	\$15.631	0.4%	\$0.000	--
Adjustments												
Total Supplements		\$16.228	\$15.908	-2.0%	\$15.853	-2.3%	\$15.565	-1.8%	\$15.631	0.4%	\$0.000	--
Total Labor		\$54.947	\$54.655	-0.5%	\$54.559	-0.7%	\$54.634	0.1%	\$54.913	0.5%	\$0.000	--
Wage Rate Index	0.6920	331.4	331.6	0.1%	331.2	-0.1%	334.4	1.0%	336.2	0.5%	0.0	--
Supplements Index	0.3080	599.7	587.9	-2.0%	585.8	-2.3%	575.2	-1.8%	577.6	0.4%	0.0	--
Total Labor Index '11 Wts.		416.5										
Total Labor Index '12 Wts.		414.0	410.5	-0.8%	409.6	-1.1%	408.6	-0.2%	410.6	0.5%	0.0	--
Labor Index (Linked)		391.3			387.1	-1.1%	386.2	-0.2%	388.1	0.5%	0.0	-100.0%

All Inclusive Index and RCAF with New Weights Based on Annual Report Revisions Received 2/26/2014 and 3/7/2014

	Rev 3/17 12 Wts	Rev 12/5 3Q/13	3Q/13 12 Wts	% Chg	Rev 3/17 4Q/13	% Chg	Rev 3/17 1Q/14	% Chg	2Q/14	% Chg	3Q/14	% Chg
Labor	0.312	391.30	391.3	0.0%	387.1	-1.1%	386.2	-0.2%	388.1	0.5%	0.0	-100.0%
Fuel	0.223	375.60	375.6	0.0%	399.6	6.4%	377.9	-5.4%	386.2	2.2%		--
M&S	0.049	264.20	264.2	0.0%	261.4	-1.1%	265.9	1.7%	274.8	3.3%		--
Equip. Rents	0.056	208.00	208.0	0.0%	207.7	-0.1%	208.7	0.5%	212.6	1.9%	0.0	-100.0%
Depreciation	0.119	218.90	218.9	0.0%	221.0	1.0%	217.8	-1.4%	216.9	-0.4%		--
Interest	0.020	87.30	87.3	0.0%	76.6	-12.3%	76.6	0.0%	76.6	0.0%	76.6	0.0%
Other	0.221	221.40	221.4	0.0%	220.0	-0.6%	220.5	0.2%	225.2	2.1%		--
Weighted Avg. Linked	1.000	307.70	307.2	-0.2%	310.8	1.2%	305.7	-1.6%	309.7	1.3%	1.5	-99.5%
		294.40			297.9	1.2%	293.0	-1.6%	296.8	1.3%	1.4	-99.5%
	Basing Factor											
10/1/80 basis	102.7	286.7			290.1	1.2%	285.3	-1.7%	289.0	1.3%	1.4	-99.5%
10/1/82	120.9	243.5			246.4	1.2%	242.3	-1.7%	245.5	1.3%	1.2	-99.5%
4Q/87	132.2	222.7			225.3	1.2%	221.6	-1.6%	224.5	1.3%	1.1	-99.5%
4Q/92	156.9	187.6			189.9	1.2%	186.7	-1.7%	189.2	1.3%	0.9	-99.5%
4Q/97	173.2	170.0			172.0	1.2%	169.2	-1.6%	171.4	1.3%	0.8	-99.5%
4Q/02	192.1	153.3			155.1	1.2%	152.5	-1.7%	154.5	1.3%	0.7	-99.5%
4Q/07	245.9	119.7			121.1	1.2%	119.2	-1.6%	120.7	1.3%	0.6	-99.5%
4Q/12 basis	297.6	98.9			100.1	1.2%	98.5	-1.6%	99.7	1.2%	0.5	-99.5%
Car Hire	0.482	178.30	178.3	0.0%	179.1	0.4%	180.6	0.8%	183.5	1.6%		--
Lease Rents	0.518	221.40	221.4	0.0%	220.0	-0.6%	220.5	0.2%	225.2	2.1%	0.0	--
Wghted Avg Eq Rents		200.50	200.6	0.0%	200.3	-0.1%	201.3	0.5%	205.1	1.9%	0.0	--
Linked Equipment Rents		208.00			207.7	-0.1%	208.7	0.5%	212.6	1.9%	0.0	-100.0%
Preliminary RCAF		0.989			1.001	1.21%	0.985	-1.6%	0.997	1.2%	0.005	-99.5%
Forecast Error Adj.		(0.012)			(0.026)		(0.004)		(0.022)			
RCAF Unadjusted		0.977			0.975	-0.20%	0.981	0.6%	0.975	-0.6%	0.005	-99.5%
PAF		2.3008			2.3059	0.22%	2.3110	0.22%	2.3168	0.25%		--
RCAF Adjusted		0.425			0.423	-0.47%	0.424	0.2%	0.421	-0.7%	#DIV/0!	--
PAF-5		2.4377			2.4426	0.20%	2.4480	0.22%	2.4534	0.22%		--
RCAF-5		0.401			0.399	-0.50%	0.401	0.5%	0.397	-1.0%	#DIV/0!	--

Hourly Rate for 2014 Q2

Straight Time and Time Paid For But Not Worked

2014Q2 Straight Time Hourly Rate (from national spreadsheet)

\$31.578 ✓

No change

Adjustments to 2012 base:

Adjustments added 2013 Q1

CN Railroads	WC BRS 3% GWI; some unions \$0.09 COLA; WC & EJE UTU 2.97%; non-unions 4.3%	0.005
Misc. Indep ATDA, BLET, UTU, UTU-YMD	BNSF BLET 2.5% GWI; CSX ATDA-East & BLET 3%, UTU-CSRA 2%; UP ATDA (non-union) 4.3%	0.079
Soo Corp.	DME BLET 2.81% GWI; DME UTU 2.87%; some unions 3%; non-unions 4.3%	0.003

Adjustments added 2013 Q2

CN Railroads	No change	0.000
Misc. Indep ATDA, BLET, UTU, UTU-YMD	No change	0.000
Soo Corp.	1 major union new contract with retro GWIs	0.005

Adjustments added 2013 Q3

CN Railroads	3% GWI for most unions; \$0.05 COLA for some other unions	0.010
Misc. Indep ATDA, BLET, UTU, UTU-YMD	2% GWI for NS BLET; 3% GWI for some other unions	0.076
Soo Corp.	3% GWI for most DH unions	0.002

Adjustments added 2013 Q4

CN Railroads	2 new contracts with retro GWIs	0.001
Misc. Indep ATDA, BLET, UTU, UTU-YMD	No change	0.000
Soo Corp.	No change	0.000

Adjustments added 2014 Q1

CN Railroads	\$0.06 COLA for some unions; WC BRS 3.8%; WC&EJE UTU 3%; non-union 3%	0.005
Misc. Indep ATDA, BLET, UTU, UTU-YMD	3% for BNSF BLET, CSX ATDA-East & BLET, UP ATDA(non-union); 2% for CSX-CSRA UTU	0.087
Soo Corp.	2% for most DME unions; 0.99% for DME BLET & UTU	0.002

Adjustments added 2014 Q2

CN Railroads	No change	0.000 ✓
Misc. Indep ATDA, BLET, UTU, UTU-YMD	One agreement with 4 wage increases.	0.012 ✓
Soo Corp.	No change	0.000 ✓

Adjusted STHR Total

\$31.865

Pay For Time Not Worked

PFTNW (from national spreadsheet)

\$6.812 ✓

Ratio Adj STHR to Nat STHR

31.865 / 31.578 =

1.00909

Adjusted Pay For Time Not Worked

\$6.874

Notes:

1. CN Railroads includes B&LE, CC&P, DMIR, DW&P, EJE, GTW, IC, and WC. Although DMIR and DW&P were consolidated effective January 1, 2012, some of the employees of those former railroads still have separate labor agreements.
2. The Miscellaneous group consists of independent (for wages) BLET, dispatchers, UTU and yardmasters.
3. Soo Corp. includes DH and DME only, since Soo Line participates in national agreements.

RCAF Taxable Wages

(To Use for Railroad Retirement and Unemployment Insurance Payroll Tax Calculations)

In the RCAF calculation, Total Wages are the wages paid, while Taxable Wages are the wages on which to base payroll tax calculations. The difference is caused by pre-tax employee contributions to help pay Health & Welfare costs. This page calculates that wage rate difference.

The national agreements feature employee Health & Welfare cost sharing. Some of the independent agreements adopt the dollar amount contributed under the national agreement, and some have their own employee contribution rate such as the CN Management H&W Plan. This Cost Sharing is a pre-tax employee contribution to Health & Welfare insurance premiums paid by the employer. The employee contribution reduces employer Health & Welfare costs, while the Health & Welfare insurance premiums paid to the provider are unchanged. In the RCAF calculation, the reduction to the employer's Health & Welfare costs affect the Supplements portion of the Labor component of the index. The Taxable Wage Rate is used for Railroad Retirement and Unemployment Insurance calculations.

Reduction Calculation for 2Q/2014

U.S. ST Hours =

312,795,753

Wage Statistics are for 2012.

Union Group	Employees	Mo. Rate	Annual \$
National BLET (BNSF, CSX, KCS, NS, SOO, UP)	26,136	(\$198.00)	(\$62,099,136.00)
National BMWF (BNSF, CSX, KCS, NS, SOO, UP)	24,199	(\$198.00)	(\$57,496,824.00)
National BRS (BNSF, CSX, KCS, NS, SOO, UP)	7,213	(\$198.00)	(\$17,138,088.00)
National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,831	(\$198.00)	(\$16,230,456.00)
National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,166	(\$198.00)	(\$2,770,416.00)
National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,520	(\$198.00)	(\$13,115,520.00)
National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,379	(\$198.00)	(\$5,652,504.00)
National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,010	(\$198.00)	(\$2,399,760.00)
National TCU (BNSF, CSX, KCS, NS, SOO, UP)	5,939	(\$198.00)	(\$14,111,064.00)
National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,444	(\$198.00)	(\$22,438,944.00)
National UTU (BNSF, CSX, KCS, NS, SOO, UP)	40,207	(\$198.00)	(\$95,531,832.00)
Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,878	(\$198.00)	(\$4,462,128.00)
National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,881	(\$198.00)	(\$4,469,256.00)
Independent CNGT (wt. avg. all union categories)	6,069	(\$162.65)	(\$11,845,474.20)
Independent SLC (wt. avg. all DH & DME union categories)	1,387	(\$174.25)	(\$2,900,217.00)
Total Union	141,259		(\$332,661,619.20)
All Other @ \$2,540,103.13 total per month			(\$30,481,237.56)
Total			(\$363,142,856.76)

Reduction in Wage Rate Per ST Hour	-\$1.16095840
Deduct this amount from the Wage Rate	-\$1.161

National Contracts U.S.

Straight Time Hourly Rate															Check Sum
Weight	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	
	0.23472	0.03638	0.17236	0.0059	0.04558	0.14670	0.05816	0.0141	0.04072	0.00689	0.03297	0.01484	0.00929	0.18138	1.00000
2012 Avg.	25.369	25.897	29.146	26.460	28.052	24.543	26.553	22.006	27.038	24.250	27.180	36.220	42.690	45.559	410.963
12/31/12	25.689	26.437	29.408	27.017	28.631	25.031	27.110	22.468	27.604	24.759	27.749	36.590	43.300	45.559	417.351
1/1/13	25.689	26.437	29.408	27.017	28.631	25.031	27.110	22.468	27.604	24.759	27.749	36.590	43.300	47.518	
4/1/13	25.689	26.437	29.408	27.017	28.631	25.031	27.110	22.468	27.604	24.759	27.749	36.590	43.300	47.518	
7/1/13	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	47.518	
10/1/13	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	47.518	
1/1/14	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	48.943	
4/1/14	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	48.943	
7/1/14	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	48.943	

Weighted Straight Time Hourly Rate															
	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2012 Avg.	5.955	0.942	5.024	0.156	1.279	3.601	1.544	0.310	1.101	0.167	0.896	0.537	0.396	8.263	30.172
12/31/12	6.030	0.962	5.069	0.159	1.305	3.672	1.577	0.317	1.124	0.171	0.915	0.543	0.402	8.263	30.508
1/1/13	6.030	0.962	5.069	0.159	1.305	3.672	1.577	0.317	1.124	0.171	0.915	0.543	0.402	8.619	30.864
4/1/13	6.030	0.962	5.069	0.159	1.305	3.672	1.577	0.317	1.124	0.171	0.915	0.543	0.402	8.619	30.864
7/1/13	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.619	31.319
10/1/13	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.619	31.319
1/1/14	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.877	31.578
4/1/14	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.877	31.578
7/1/14	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.877	31.578

Note: The 2012 Average and 12/31/12 Straight Time Hourly Rates are the industry rates, and include all Class I railroad employees. The rates for 1/1/13 through 7/1/14 are based on the industry year-end rates updated by NATIONAL UNION wage increases using contract information. These national increases are diluted using "percent national" ratios to account for non-national union contracts. The impacts of non-national (or independent contract) increases after 2012 are not shown on this page and are handled separately.

National Contracts U.S.

Pay For Time Not Worked Hourly Rate															Check Sum
	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	
Weight	0.23472	0.03638	0.17236	0.0059	0.04558	0.14670	0.05816	0.0141	0.04072	0.00689	0.03297	0.01484	0.00929	0.18138	1.00000
2012 Avg.	10.487	4.473	10.825	3.943	6.503	4.735	4.019	3.031	4.508	3.311	4.806	6.938	9.733	1.374	78.687
12/31/12	10.619	4.567	10.922	4.026	6.637	4.829	4.103	3.095	4.603	3.381	4.907	7.009	9.872	1.374	
1/1/13	10.619	4.567	10.922	4.026	6.637	4.829	4.103	3.095	4.603	3.381	4.907	7.009	9.872	1.433	
4/1/13	10.619	4.567	10.922	4.026	6.637	4.829	4.103	3.095	4.603	3.381	4.907	7.009	9.872	1.433	
7/1/13	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.433	
10/1/13	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.433	
1/1/14	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.476	
4/1/14	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.476	
7/1/14	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.476	

	Pay For Time Not Worked Hourly Rate														
	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2012 Avg.	2.462	0.163	1.866	0.023	0.296	0.695	0.234	0.043	0.184	0.023	0.158	0.103	0.090	0.249	6.588
12/31/12	2.493	0.166	1.883	0.024	0.303	0.708	0.239	0.044	0.187	0.023	0.162	0.104	0.092	0.249	6.676
1/1/13	2.493	0.166	1.883	0.024	0.303	0.708	0.239	0.044	0.187	0.023	0.162	0.104	0.092	0.260	6.686
4/1/13	2.493	0.166	1.883	0.024	0.303	0.708	0.239	0.044	0.187	0.023	0.162	0.104	0.092	0.260	6.686
7/1/13	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.260	6.805
10/1/13	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.260	6.805
1/1/14	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.268	6.812
4/1/14	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.268	6.812
7/1/14	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.268	6.812

U.S. National Contract

Page 1 of 5

UTU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				25.36938	10.48708
12/31/12 Industry Rate				25.68872	10.61908
1/1/13			80.316%	25.68872	10.61908
4/1/13			80.316%	25.68872	10.61908
7/1/13	3.00%		80.316%	26.30769	10.87495
10/1/13			80.316%	26.30769	10.87495
1/1/14			80.316%	26.30769	10.87495
4/1/14			80.316%	26.30769	10.87495
7/1/14			80.316%	26.30769	10.87495

TCU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				25.89660	4.47341
12/31/12 Industry Rate				26.43724	4.56680
1/1/13			90.331%	26.43724	4.56680
4/1/13			90.331%	26.43724	4.56680
7/1/13	3.00%		90.331%	27.15367	4.69056
10/1/13			90.331%	27.15367	4.69056
1/1/14			90.331%	27.15367	4.69056
4/1/14			90.331%	27.15367	4.69056
7/1/14			90.331%	27.15367	4.69056

BLET

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				29.14585	10.82496
12/31/12 Industry Rate				29.40780	10.92225
1/1/13			4.173%	29.40780	10.92225
4/1/13			4.173%	29.40780	10.92225
7/1/13	3.00%		4.173%	29.44462	10.93593
10/1/13			4.173%	29.44462	10.93593
1/1/14			4.173%	29.44462	10.93593
4/1/14			4.173%	29.44462	10.93593
7/1/14			4.173%	29.44462	10.93593

U.S. National Contract

Page 2 of 5

SMWIA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				26.46037	3.94323
12/31/12 Industry Rate				27.01729	4.02623
1/1/13			98.381%	27.01729	4.02623
4/1/13			98.381%	27.01729	4.02623
7/1/13	3.00%		98.381%	27.81469	4.14506
10/1/13			98.381%	27.81469	4.14506
1/1/14			98.381%	27.81469	4.14506
4/1/14			98.381%	27.81469	4.14506
7/1/14			98.381%	27.81469	4.14506

BRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				28.05236	6.50298
12/31/12 Industry Rate				28.63062	6.63703
1/1/13			95.070%	28.63062	6.63703
4/1/13			95.070%	28.63062	6.63703
7/1/13	3.00%		95.070%	29.44720	6.82633
10/1/13			95.070%	29.44720	6.82633
1/1/14			95.070%	29.44720	6.82633
4/1/14			95.070%	29.44720	6.82633
7/1/14			95.070%	29.44720	6.82633

BMWE

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				24.54267	4.73507
12/31/12 Industry Rate				25.03071	4.82923
1/1/13			93.229%	25.03071	4.82923
4/1/13			93.229%	25.03071	4.82923
7/1/13	3.00%		93.229%	25.73079	4.96429
10/1/13			93.229%	25.73079	4.96429
1/1/14			93.229%	25.73079	4.96429
4/1/14			93.229%	25.73079	4.96429
7/1/14			93.229%	25.73079	4.96429

U.S. National Contract

Page 3 of 5

TCU-Carmen

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				26.55256	4.01887
12/31/12 Industry Rate				27.10956	4.10317
1/1/13			94.656%	27.10956	4.10317
4/1/13			94.656%	27.10956	4.10317
7/1/13	3.00%		94.656%	27.87939	4.21969
10/1/13			94.656%	27.87939	4.21969
1/1/14			94.656%	27.87939	4.21969
4/1/14			94.656%	27.87939	4.21969
7/1/14			94.656%	27.87939	4.21969

NCFO

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				22.00623	3.03093
12/31/12 Industry Rate				22.46779	3.09450
1/1/13			97.102%	22.46779	3.09450
4/1/13			97.102%	22.46779	3.09450
7/1/13	3.00%		97.102%	23.12229	3.18465
10/1/13			97.102%	23.12229	3.18465
1/1/14			97.102%	23.12229	3.18465
4/1/14			97.102%	23.12229	3.18465
7/1/14			97.102%	23.12229	3.18465

IAM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				27.03849	4.50822
12/31/12 Industry Rate				27.60432	4.60257
1/1/13			96.451%	27.60432	4.60257
4/1/13			96.451%	27.60432	4.60257
7/1/13	3.00%		96.451%	28.40306	4.73574
10/1/13			96.451%	28.40306	4.73574
1/1/14			96.451%	28.40306	4.73574
4/1/14			96.451%	28.40306	4.73574
7/1/14			96.451%	28.40306	4.73574

U.S. National Contract

Page 4 of 5

IBBM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				24.24951	3.31150
12/31/12 Industry Rate				24.75925	3.38111
1/1/13			96.438%	24.75925	3.38111
4/1/13			96.438%	24.75925	3.38111
7/1/13	3.00%		96.438%	25.47558	3.47893
10/1/13			96.438%	25.47558	3.47893
1/1/14			96.438%	25.47558	3.47893
4/1/14			96.438%	25.47558	3.47893
7/1/14			96.438%	25.47558	3.47893

IBEW

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				27.17995	4.80630
12/31/12 Industry Rate				27.74915	4.90695
1/1/13			96.429%	27.74915	4.90695
4/1/13			96.429%	27.74915	4.90695
7/1/13	3.00%		96.429%	28.55189	5.04890
10/1/13			96.429%	28.55189	5.04890
1/1/14			96.429%	28.55189	5.04890
4/1/14			96.429%	28.55189	5.04890
7/1/14			96.429%	28.55189	5.04890

ATDA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				36.21964	6.93784
12/31/12 Industry Rate				36.59012	7.00880
1/1/13			30.955%	36.59012	7.00880
4/1/13			30.955%	36.59012	7.00880
7/1/13	3.00%		30.955%	36.92991	7.07389
10/1/13			30.955%	36.92991	7.07389
1/1/14			30.955%	36.92991	7.07389
4/1/14			30.955%	36.92991	7.07389
7/1/14			30.955%	36.92991	7.07389

U.S. National Contract

Page 5 of 5

YDMSTRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				42.69019	9.73260
12/31/12 Industry Rate				43.29963	9.87154
1/1/13			86.102%	43.29963	9.87154
4/1/13			86.102%	43.29963	9.87154
7/1/13	3.00%		86.102%	44.41809	10.12653
10/1/13			86.102%	44.41809	10.12653
1/1/14			86.102%	44.41809	10.12653
4/1/14			86.102%	44.41809	10.12653
7/1/14			86.102%	44.41809	10.12653

OTHER

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				45.55873	1.37422
12/31/12 Industry Rate				45.55873	1.37422
1/1/13	4.30%		100.000%	47.51776	1.43331
4/1/13			100.000%	47.51776	1.43331
7/1/13			100.000%	47.51776	1.43331
10/1/13			100.000%	47.51776	1.43331
1/1/14	3.00%		100.000%	48.94329	1.47631
4/1/14			100.000%	48.94329	1.47631
7/1/14			100.000%	48.94329	1.47631

Check Sums

	Increase	Applicable	ST HR	PFTNW HR
2012 AVG			410.96254	78.68719
12/31/12			417.35094	

Should match check sum on National Increase Applicability for U.S. Total page.

1159.634%

ok matches

ok matches
ok matches

All three should match check sums on U.S. Benchmark page.

0.045%

Tuesday, February 25, 2014 | C7

FUND FUNDS

Net Chg	YTD %Ret	Fund	NAV	Net Chg	YTD %Ret	Fund	NAV	Net Chg	YTD %Ret	Fund	NAV	Net Chg	YTD %Ret
-0.01	1.4	PrncpAdm r	100.03	+0.44	4.5	Prncp r	96.46	+0.43	4.5	TotInH	16.76	+0.11	0.1
...	1.5	REITAdm r	99.06	+0.24	8.2	SelValu r	28.31	+0.18	0.4	TotSt	47.04	+0.30	0.8
...	...	SmCapAdm	53.80	+0.38	2.0	STAR	24.25	+0.11	1.5	VANGUARD INSTL FDS			
+0.18	-0.7	STIGradeAdm	10.74	...	0.7	STIGrade	10.74	...	0.7	ExtndInst	64.45	+0.47	2.7
...	...	TotBdAdm	10.68	-0.01	1.5	TgtRe2015	14.92	+0.04	1.0	GrwthInst	48.71	+0.35	1.8
+0.17	-0.7	TotInHAdm	128.04	+0.19	0.1	TgtRe2020	27.37	+0.10	1.0	InPrSeln	10.55	...	1.7
...	...	TotStAdm	47.06	+0.30	0.8	TgtRe2025	15.89	+0.07	0.9	Instdix	169.74	+1.04	0.3
+0.13	0.8	WdsrAdm	65.37	+0.48	0.2	TgtRe2030	27.87	+0.14	0.8	InstPlus	169.75	+1.04	0.3
+0.13	0.8	WellstAdm	60.83	+0.09	1.1	TgtRe2035	17.11	+0.09	0.8	InstStPlus	42.66	+0.27	0.8
...	...	WdsrAdm	69.58	+0.58	1.4	TgtRe2040	28.51	+0.16	0.7	MidCplnst	30.95	+0.18	2.9
+0.16	-0.2	VANGUARD FDS				TgtRe2045	17.88	+0.10	0.7	MidCplstPI	152.63	+0.89	2.9
+0.40	0.1	DivdGro	21.23	+0.14	-0.6	TgtRetInc	12.63	+0.02	1.0	SmCapInst	53.80	+0.38	2.1
+0.13	1.5	GNMA	10.57	-0.01	1.9	TotInHdixlnv	10.05	...	1.6	TotBdInst	10.68	-0.01	1.5
...	...	HlthCore r	206.78	+1.98	10.5	Wellst	25.11	+0.04	1.0	TotInHdix	112.13	+0.75	0.1
+0.10	-4.4	IntlGr	23.05	+0.17	-1.2	WdsrIn	38.21	+0.12	0.7	TotInHdix	112.15	+0.75	0.1
+0.71	1.5	IntVal	37.32	+0.26	-0.2	WdsrIn	36.83	+0.27	0.2	TotStInst	47.07	+0.30	0.8
...	...	LifeCon	18.27	+0.05	1.2	VANGUARD INDEX FDS				500Sgl	141.11	+0.87	0.3
+0.10	-4.4	LifeGro	27.84	+0.14	0.8	ExtndstPI	159.05	+1.16	2.7	TotBdSgl	10.68	-0.01	1.5
...	...	LifeMod	23.34	+0.09	1.0	TotBd	10.68	-0.01	1.5	TotStSgl	45.42	+0.29	0.8

Exchange-Traded Portfolios | WSJ.com/ETFResearch

Largest 100 exchange-traded funds, latest session

Monday, February 24, 2014

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
Alerian MLP ETF	AMLX	17.40	-0.46	-2.2
Guggenheim SP500 Etf	RSP	72.30	0.53	1.5
iShares Credit Bond	CSJ	109.08	0.04	1.1
iShares 3Y Credit Bond	CIU	105.65	0.05	0.2
iShares TIP Bond ETF	TIP	111.69	...	1.6
iShares S&P 500 ETF	IVV	185.86	0.42	0.1
iShares S&P Mid-Cap	IJH	135.90	0.28	1.6
iShares S&P Small-Cap	IJR	108.55	0.83	-0.5
iShares Total Return	AGG	107.70	-0.09	1.2
iShares Select Dividend	DIVY	71.51	0.28	0.2
iShares U.S. Real Estate	IYR	67.75	0.16	7.4
iShares Floating Rate	FLOT	50.67	-0.02	-0.1
iShares Gold	IAU	12.97	1.01	11.0
iShares Boxx \$Hv Gr CpBd	LQD	116.36	0.05	1.9
iShares Boxx \$HYCpBd	HYG	94.38	0.22	1.6
iShares BSEF	MBB	106.14	-0.06	1.5
iShares ACWI	ACWI	57.61	0.70	-0.0
iShares Brazil	EWZ	40.75	-0.02	-8.8
iShares MSCI EAFE	EFA	67.55	0.87	0.7
iShares MSCI Emerging	EEM	39.43	...	-5.7
iShares MSCI Europe	EZU	42.02	0.77	1.5
iShares MSCI Germany	EWG	31.74	0.51	-0.1
iShares MSCI Japan	EWJ	11.64	1.13	-4.1
iShares MSCI South Korea	EWY	60.23	0.58	-6.9
iShares MSCI UK	EWU	21.36	0.61	2.3
iShares Nasdaq Biotech	IBB	272.08	1.25	19.8
iShares Russell 1000 Growth	IWF	86.95	0.43	1.2
iShares Russell 1000 Etf	IWB	103.81	0.55	0.6
iShares Russell 1000 Val	IWD	94.23	0.68	0.1
iShares Russell 2000 Growth	IWO	139.11	0.75	2.7
iShares Russell 2000 Etf	IWM	116.51	0.73	1.0
iShares Russell 2000 Val	IWS	98.92	0.92	-0.6

Lipper Indexes

PERCENT CHANGE FROM

Stock-Fund Indexes	PRELIM CLOSE	PREV CLOSE	WK AGO	DEC 31
Large-Cap Growth	6061.40	+0.78	+1.29	+2.70
Large-Cap Core	4192.89	+0.52	+0.65	+0.33
Large-Cap Value	18176.38	+0.50	+0.56	-0.19
Multi-Cap Growth	5820.35	+0.91	+1.64	+4.12
Multi-Cap Core	14343.00	+0.64	+0.99	+0.83
Multi-Cap Value	7782.03	+0.64	+0.80	+0.02
Mid-Cap Growth	1580.64	+0.57	+1.69	+2.83
Mid-Cap Core	1526.08	+0.58	+1.53	+2.08
Mid-Cap Value	2316.38	+0.65	+1.40	+1.12
Small-Cap Growth	1172.24	+0.79	+2.23	+1.84
Small-Cap Core	908.26	+0.66	+1.39	-0.26
Small-Cap Value	1435.78	+0.76	+1.46	-0.63
Equity Income Fd	8065.84	+0.51	+0.52	-0.44
Science and Tech Fd	1397.93	+0.65	+1.38	+4.81
International Fund	1581.06	+0.59	+1.28	+0.48
Balanced Fund	9041.74	+0.39	+0.61	+1.04
Bond-Fund Indexes				
Short Inv Grade	336.44	+0.01	+0.05	+0.53
US Government	589.18	-0.06	-0.09	+1.42
GNMA	668.90	-0.02	-0.01	+1.60
Corp A-Rated Debt	1687.19	-0.02	+0.10	+2.57
Corp Yield Fd	1866.01	-0.02	+0.10	+2.47

BORROWING BENCHMARKS

Money Rates

February 24, 2014

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	Jan. Index level	CHG FROM (%)	Dec. '13	Jan. '14
U.S. consumer price index				
All items	233.916	0.37	1.6	
Core	235.367	0.16	1.6	

International rates

	Latest	Week ago	52-WEEK High	Low
Prime rates				
U.S.	3.25	3.25	3.25	3.25
Canada	3.00	3.00	3.00	3.00
Euro zone	0.25	0.25	0.75	0.25
Japan	1.475	1.475	1.475	1.475
Switzerland	0.50	0.50	0.51	0.50
Britain	0.50	0.50	0.50	0.50
Australia	2.50	2.50	3.00	2.50

Overnight repurchase

	U.S.	0.04	0.03	0.27	-0.03
Euro zone	0.15	0.14	0.36	0.02	

U.S. government rates

	Discount	0.75	0.75	0.75	0.75
Federal funds					
Effective rate	0.1100	0.1000	0.1900	0.0600	
High	0.3125	0.3125	0.5160	0.2500	
Low	0.0400	0.0400	0.3000	0.0100	
Bid	0.0500	0.0400	0.5000	0.0000	
Offer	0.0800	0.2800	0.2800	0.0500	

Treasury bill auction

	4 weeks	0.035	0.030	0.350	0.000
12 weeks	0.045	0.095	0.130	0.010	
26 weeks	0.075	0.110	0.150	0.030	

Secondary market

Freddie Mac

	30-year mortgage yields	30 days	n.a.	n.a.	n.a.	n.a.
60 days	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Fannie Mae

	30-year mortgage yields	30 days	3.969	3.935	4.350	2.914
60 days	4.015	3.975	4.396	2.941		

Bankers acceptance

	30 days	0.15	0.15	0.23	0.15
60 days	0.19	0.19	0.28	0.19	
90 days	0.23	0.23	0.28	0.23	
120 days	0.25	0.25	0.33	0.25	
150 days	0.28	0.28	0.38	0.28	
180 days	0.38	0.38	0.38	0.38	

Other short-term rates

	Latest	Week ago	52-WEEK High	Low
Call money				
30 to 35 days	0.05	...	...	...
36 to 89 days	n.q.	...	...	...

Commercial paper

30 to 35 days	0.05	...	...	...
36 to 89 days	n.q.	...	...	...

Notes on data:

U.S. prime rate is effective December 16, 2008. Discount rate is effective February 19, 2010. U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks; Other prime rates aren't directly comparable; lending practices vary widely by location; Discount rate is the charge on loans to depository institutions by the New York Federal Reserve Bank; Federal funds rate is on reserves traded among commercial banks for overnight use in amounts of \$1 million or more; Call money rate is the charge on loans to brokers on stock-exchange collateral; Commercial Paper (AA financial) is from the Federal Reserve and is presented with a one-day lag. Libor is the British Bankers' Association average of interbank offered rates for dollar deposits in the London market. Libor Swaps quoted are mid-

	Latest	Week ago	52-WEEK High	Low
90 to 119 days	0.12	...	...	...
120 to 126 days	0.15	...	...	...
127 to 127 days	n.q.	...	...	...
128 to 149 days	0.15	...	...	...
150 to 179 days	n.q.	...	...	...
180 to 239 days	0.19	...	...	...
240 to 270 days	0.20	...	...	...

Commercial paper (AA financial)

	90 days <td>0.14</td> <td>0.12</td> <td>0.26</td> <td>0.06</td>	0.14	0.12	0.26	0.06
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Euro commercial paper

	30 day	n.a.	n.a.	0.01	0.01
Two month	n.a.	n.a.	0.01	0.01	
Three month	0.12	0.12	0.12	0.05	
Four month	0.15	0.15	0.15	0.09	
Five month	0.19	0.19	0.19	0.11	
Six month	0.24	0.24	0.24	0.14	

London interbank offered rate, or Libor

One month	0.15450	0.15350	0.20520	0.15350
Three month	0.23435	0.23510	0.28710	0.23360
Six month	0.33050	0.33000	0.45990	0.32900
One year	0.55330	0.55230	0.75450	0.55080

Libor Swaps (USD)

Two year	0.459	0.443	0.665	0.338
Three year	0.832	0.818	1.113	0.431
Five year	1.650	1.641	1.994	0.813
Ten year	2.840	2.855	3.165	1.814
20 year	3.533	3.547	3.801	2.586
30 year	3.671	3.681	3.939	2.767

Euro Libor

One month	0.197	0.197	0.224	0.056
Three month	0.261	0.259	0.284	0.114
Six month	0.341	0.341	0.376	0.195
One year	0.509	0.508	0.545	0.371

Euro interbank offered rate (Euribor)

One month	0.221	0.224	0.245	0.112
Three month	0.288	0.287	0.302	0.198
Six month	0.384	0.386	0.409	0.293
One year	0.549	0.547	0.572	0.224

Hibor

One month	0.209	0.209	0.250	0.206
Three month	0.374	0.377	0.386	0.324
Six month	0.548	0.550	0.551	0.384
One year	0.869	0.869	0.875	0.412

DTCC GCF Repo Index

	Latest	Trade	High	Low
DTCC GCF Repo Index				
Treasury	0.040	127.286	0.268	0.010
MBS	0.043	67.486	0.484	0.019

	Settle	Change	Interest	Rate
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DTCC GCF Repo Index Futures

Treasury Feb	99.960	unch.	14027	0.040
Treasury Mar	99.935	unch.	12402	0.065
Treasury Apr	99.925	unch.	8061	0.075

	Latest	Week ago	52-WEEK High	Low
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Eurodollars (mid rates)

	One month <td>0.10</td> <td>0.20</td> <td>0.</td>	0.10	0.20	0.
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RCAF Lump Sum Amortization 2014/Q2

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hour	U.S. ST Hours	
DH - IBEW	2012Q2	2013Q3				312,795,753	2012
GTW - BRS	2013Q3	2013Q4				312,795,753	2012
CSX - ATDA-East	2013Q1	2014Q1				312,795,753	2012
CSX - Huntington Shop	2013Q4	2014Q1				312,795,753	2012
CSX - BLET 2014	2014Q1	2014Q2				312,795,753	2012
CSX - UTU-CSRA 2014	2014Q1	2014Q2				312,795,753	2012
NS - BLET 2014	2014Q1	2014Q2				312,795,753	2012
Total			\$98,377,291	0.31451			

Should be slightly less
than amortized amount.

Fell out

CSX - BLET 2013	2013Q1	2013Q2				312,795,753	2012
CSX - UTU-CSRA	2010Q2	2013Q2				312,795,753	2012
NS - BLET & ATDA	2012Q1	2013Q2				312,795,753	2012
CNGT - 6 unions ¹	various	2013Q2				312,795,753	2012

Interest Rate

2013/Q1	0.100
2013/Q2	0.125
2013/Q3	0.045
2013/Q4	0.040
2014/Q1	0.080
2014/Q2	0.045
2014/Q3	
2014/Q4	
2015/Q1	
2015/Q2	
2015/Q3	
2015/Q4	

Lump Sum Adjustment for 2014/Q2 → 0.314598
or
0.315

¹ BLE UTU&BLET; GTW TCU-CAR; WC-GTW-IC ATDA

² BLE IBEW, TCU-CAR; CCP TCU-CAR; DMIR IBEW, TCU-CAR; DWP IBEW; GTW IBEW, TCU; IC/CCP BRS, IBEW, TCU; IC TCU-CAR; and WC IBEW, TCU, TCU-CAR

RCAF Back Pay Amortization 2014/Q2

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hr.	U.S. ST Hours	
DME - all unions 2013	2013Q3	2013Q3				312,795,753	2012
CNGT - 4 unions ²	various	2013Q3				312,795,753	2012
SLC - 4 unions ³	various	2013Q3				312,795,753	2012
EJE - UTU-YMD	2012Q4	2013Q4				312,795,753	2012
GTW - BRS	2013Q3	2013Q4				312,795,753	2012
DME - all unions 2014	2014Q1	2014Q2				312,795,753	2012
NS - ATDA	2014Q1	2014Q2				312,795,753	2012
Total			\$6,225,412	0.01990248			

Should be slightly less
than amortized amount.

Fell out

CSX - UTU-CSRA	2010Q2	2013Q2				312,795,753	2012
CNGT - 3 unions ¹	various	2013Q2				312,795,753	2012
DME - BMW	2013Q1	2013Q2				312,795,753	2012

Interest Rate

2012/Q1	0.030
2012/Q2	0.115
2012/Q3	0.085
2012/Q4	0.105
2013/Q1	0.100
2013/Q2	0.125
2013/Q3	0.045
2013/Q4	0.040
2014/Q1	0.080
2014/Q2	0.045
2014/Q3	
2014/Q4	

Back Pay Adjustment for 2014/Q2

0.01991
or
0.020

¹ BLE UTU&BLET; GTW TCU-CAR

² EJE UTU; GTW ATDA; IC ATDA; WC BRS

³ DH IBEW; DME IBEW, NCFO, TCU-CAR

Health and Welfare

	Employees Receiving				
	Pay 2012	Monthly Contribution		Total 2012 Avg.	Total 2014
		2012 Avg.	2014		
1. All Employees					
a. Group health	168,738	\$1,349.77	\$1,285.74	\$227,757,490.26	\$216,953,196.12
b. Group dental	168,738	55.90	53.00	9,432,454.20	8,943,114.00
c. Early retirement major medical	168,738	154.49	127.92	26,068,333.62	21,584,964.96
d. Group vision	168,738	10.71	8.39	1,807,183.98	1,415,711.82
2. Supplemental Sickness					
a. Signalmen	7,595	25.62	30.74	194,583.90	233,470.30
b. Shopcrafts	25,012	48.28	48.28	1,207,579.36	1,207,579.36
c. MOW	25,936	36.52	32.87	947,182.72	852,516.32
d. Yardmasters	2,021	34.95	34.96	70,633.95	70,654.16
3. Short-Term Disability					
a. Engineers (CSX, KCS, SOO, UP)	13,895	40.00	40.00	555,800.00	555,800.00
4. Monthly Total Premiums				268,041,241.99	251,817,007.04
5. Monthly Employee Contributions To H&W					
a. National BLET (BNSF, CSX, KCS, NS, SOO, UP)	26,136	(\$199.00)	(\$198.00)	(\$5,201,064.00)	(\$5,174,928.00)
b. National BMW (BNSF, CSX, KCS, NS, SOO, UP)	24,199	(\$199.00)	(\$198.00)	(\$4,815,601.00)	(\$4,791,402.00)
c. National BRS (BNSF, CSX, KCS, NS, SOO, UP)	7,213	(\$199.00)	(\$198.00)	(\$1,435,387.00)	(\$1,428,174.00)
d. National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,831	(\$199.00)	(\$198.00)	(\$1,359,369.00)	(\$1,352,538.00)
e. National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,166	(\$199.00)	(\$198.00)	(\$232,034.00)	(\$230,868.00)
f. National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,520	(\$199.00)	(\$198.00)	(\$1,098,480.00)	(\$1,092,960.00)
g. National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,379	(\$199.00)	(\$198.00)	(\$473,421.00)	(\$471,042.00)
h. National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,010	(\$199.00)	(\$198.00)	(\$200,990.00)	(\$199,980.00)
i. National TCU (BNSF, CSX, KCS, NS, SOO, UP)	5,939	(\$199.00)	(\$198.00)	(\$1,181,861.00)	(\$1,175,922.00)
j. National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,444	(\$199.00)	(\$198.00)	(\$1,879,356.00)	(\$1,869,912.00)
k. National UTU (BNSF, CSX, KCS, NS, SOO, UP)	40,207	(\$199.00)	(\$198.00)	(\$8,001,193.00)	(\$7,960,986.00)
l. Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,878	(\$199.00)	(\$198.00)	(\$373,722.00)	(\$371,844.00)
m. National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,881	(\$199.00)	(\$198.00)	(\$374,319.00)	(\$372,438.00)
n. Independent CNGT (wt avg all union categories)	6,069	(\$141.03)	(\$162.65)	(\$855,911.07)	(\$987,122.85)
o. Independent SLC (wt avg all DH & DME union categories)	1,387	(\$170.74)	(\$174.25)	(\$236,816.38)	(\$241,684.75)
p.					
Total Major Union	141,259			(\$27,719,524.45)	(\$27,721,801.60)
All Other Employee Contributions*				(\$2,540,103.13)	(\$2,540,103.13)
6. Net Employer Monthly Payments				\$237,781,614.41	\$221,555,102.31
7. Ratio Projected Year to Base Year, Based on Net Monthly Payments					0.93176
8. H&W hourly rate for base year 2012 (see Note)				\$8.181	
9. H&W hourly rate for projected quarter					\$7.623

Note: Following STB's direction served September 20, 2013, H&W hourly rate for base year 2012 was revised to reflect 2 railroads' revisions to their R-1.

* Non-union employee contributions net of opt-outs. The \$27,719,524.45 in major union contributions, plus \$2,540,103.13 in all other employee contributions, totals to the 12-month average of the total employee contributions reported to the AAR in its WF survey.

Railroad Retirement and Medicare for RCAF

Inputs:

RRB Earnings Distribution Year	2011	Tier I Maximum Taxable Earnings for 2014	117,000
Wage Statistics Year	2012	Tier II Maximum Taxable Earnings for 2014	87,000
Current Year	2014	Medicare Maximum Taxable Earnings for 2014	no limit
Employees Receiving Pay*	168,738	Tier I Employer Tax Rate for 2014	6.20%
* from 2012 wage statistics		Tier II Employer Tax Rate for 2014	12.60%
		Medicare Employer Tax Rate for 2014	1.45%

USA RCAF	Wage Rate	Update Factor	Railroad Retirement Tax	Hourly Rate	
2011	\$34.752				
2012	\$36.269	1.04365	\$597,921,143	\$7.191	hourly rate from SUPPL2012.xlsx
1Q/2014	\$37.908	1.09081	\$643,271,525	\$7.736	Rate = Taxable Rate
2Q/2014	\$38.121	1.09694	\$645,836,314	\$7.767	
3Q/2014		0.00000	--	\$0.000	
4Q/2014		0.00000	--	\$0.000	

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			1Q/2014 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$33,375	3.646 %	6,152	\$36,406	\$9,101	\$9,101	\$9,101	\$9,101	\$55,994,054	\$55,994,054	\$55,994,054	
41,700 - 43,699	\$42,514	0.999	1,686	46,375	11,594	11,594	11,594	11,594	19,543,459	19,543,459	19,543,459	
43,700 - 45,699	\$44,810	1.399	2,361	48,879	12,220	12,220	12,220	12,220	28,846,733	28,846,733	28,846,733	
45,700 - 47,699	\$46,792	1.698	2,865	51,041	12,760	12,760	12,760	12,760	36,560,596	36,560,596	36,560,596	
47,700 - 49,699	\$48,727	2.448	4,131	53,152	13,288	13,288	13,288	13,288	54,888,968	54,888,968	54,888,968	
49,700 - 51,699	\$50,786	4.745	8,007	55,398	13,850	13,850	13,850	13,850	110,887,910	110,887,910	110,887,910	
51,700 - 53,699	\$52,645	4.745	8,007	57,426	14,356	14,356	14,356	14,356	114,946,915	114,946,915	114,946,915	
53,700 - 55,699	\$54,730	4.595	7,754	59,700	14,925	14,925	14,925	14,925	115,721,735	115,721,735	115,721,735	
55,700 - 57,699	\$56,656	4.645	7,838	61,801	15,450	15,450	15,450	15,450	121,097,618	121,097,618	121,097,618	
57,700 - 59,699	\$58,651	3.447	5,816	63,977	15,994	15,994	15,994	15,994	93,029,498	93,029,498	93,029,498	
59,700 - 61,699	\$60,693	4.695	7,922	66,205	16,551	16,551	16,551	16,551	131,122,788	131,122,788	131,122,788	
61,700 - 63,699	\$62,782	3.447	5,816	68,484	17,121	17,121	17,121	17,121	99,581,899	99,581,899	99,581,899	
63,700 - 65,699	\$64,658	4.146	6,996	70,530	17,632	17,632	17,632	17,632	123,354,654	123,354,654	123,354,654	
65,700 - 67,699	\$66,749	3.447	5,816	72,811	18,203	18,203	18,203	18,203	105,874,171	105,874,171	105,874,171	
67,700 - 69,699	\$68,665	3.097	5,226	74,901	18,725	18,725	18,725	18,725	97,854,455	97,854,455	97,854,455	
69,700 - 71,699	\$70,790	3.197	5,395	77,219	19,305	19,305	19,305	19,305	104,140,228	104,140,228	104,140,228	
71,700 - 73,699	\$72,701	3.097	5,226	79,303	19,826	19,826	19,826	19,826	103,606,157	103,606,157	103,606,157	
73,700 - 75,699	\$74,838	2.547	4,298	81,634	20,409	20,409	20,409	20,409	87,711,208	87,711,208	87,711,208	
75,700 - 77,699	\$76,812	2.947	4,973	83,788	20,947	20,947	20,947	20,947	104,162,929	104,162,929	104,162,929	
77,700 - 79,699	\$78,753	2.697	4,551	85,905	21,476	21,476	21,476	21,476	97,735,430	97,735,430	97,735,430	
79,700 - 81,699	\$80,646	3.197	5,395	87,970	21,992	21,992	21,750	21,992	118,639,537	117,331,546	118,639,537	
81,700 - 83,699	\$82,834	2.547	4,298	90,357	22,589	22,589	21,750	22,589	97,082,634	93,476,212	97,082,634	
83,700 - 85,699	\$84,875	2.747	4,635	92,583	23,146	23,146	21,750	23,146	107,285,844	100,816,315	107,285,844	
85,700 - 87,699	\$86,750	2.498	4,215	94,628	23,657	23,657	21,750	23,657	99,716,239	91,677,886	99,716,239	
87,700 - 89,699	\$88,679	2.198	3,709	96,732	24,183	24,183	21,750	24,183	89,691,740	80,667,732	89,691,740	
89,700 - 91,699	\$90,740	1.948	3,287	98,981	24,745	24,745	21,750	24,745	81,337,665	71,492,603	81,337,665	
91,700 - 93,699	\$92,712	1.648	2,781	101,132	25,283	25,283	21,750	25,283	70,306,768	60,482,449	70,306,768	
93,700 - 95,699	\$94,599	1.499	2,529	103,190	25,798	25,798	21,750	25,798	65,251,748	55,014,072	65,251,748	
95,700 - 97,699	\$96,752	1.548	2,612	105,539	26,385	26,385	21,750	26,385	68,918,352	56,812,397	68,918,352	
97,700 - 99,699	\$98,551	1.249	2,108	107,501	26,875	26,875	21,750	26,875	56,640,548	45,838,943	56,640,548	
99,700 - 101,699	\$100,739	1.099	1,854	109,888	27,472	27,472	21,750	27,472	50,944,734	40,333,866	50,944,734	
101,700 - 103,699	\$102,678	1.049	1,770	112,003	28,001	28,001	21,750	28,001	49,562,918	38,498,840	49,562,918	
103,700 - 105,699	\$104,824	0.649	1,095	114,344	28,586	28,586	21,750	28,586	31,304,689	23,818,634	31,304,689	
105,700 - 107,699	\$106,759	1.249	2,108	116,454	29,114	29,114	21,750	29,114	61,357,960	45,838,943	61,357,960	
107,700 - 109,699	\$108,567	0.849	1,433	118,427	29,607	29,250	21,750	29,607	41,903,129	31,158,737	42,414,026	
109,700 - 111,699	\$110,850	0.999	1,686	120,917	30,229	29,250	21,750	30,229	49,306,509	36,663,814	50,957,153	
111,700 - 113,699	\$112,999	0.599	1,011	123,261	30,815	29,250	21,750	30,815	29,564,163	21,983,608	31,146,224	
113,700 - 115,699	\$114,334	0.450	759	124,717	31,179	29,250	21,750	31,179	22,210,139	16,515,232	23,675,103	
\$115,700 - over	\$197,340	6.294	10,620	215,261	53,815	29,250	21,750	53,815	310,645,814	230,993,041	571,538,955	
TOTAL	\$77,679	100.000	168,738						3,308,332,538	3,066,076,279	3,574,434,245	
Total Taxable Earnings									3,308,332,538	3,066,076,279	3,574,434,245	
Employer Tax Rate									6.20%	12.60%	1.45%	
Quarterly Payment									\$205,116,617	\$386,325,611	\$51,829,297	
Total Tier I, Tier II, and Medicare Paid this Quarter											\$643,271,525	

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			2Q/2014 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$33,375	3.646	6,152	\$36,611	\$9,153	\$9,153	\$9,153	\$9,153	\$56,308,677	\$56,308,677	\$56,308,677	
41,700 - 43,699	\$42,514	0.999	1,686	46,635	11,659	11,659	11,659	11,659	19,653,271	19,653,271	19,653,271	
43,700 - 45,699	\$44,810	1.399	2,361	49,154	12,289	12,289	12,289	12,289	29,008,819	29,008,819	29,008,819	
45,700 - 47,699	\$46,792	1.698	2,865	51,328	12,832	12,832	12,832	12,832	36,766,025	36,766,025	36,766,025	
47,700 - 49,699	\$48,727	2.448	4,131	53,451	13,363	13,363	13,363	13,363	55,197,381	55,197,381	55,197,381	
49,700 - 51,699	\$50,786	4.745	8,007	55,709	13,927	13,927	13,927	13,927	111,510,975	111,510,975	111,510,975	
51,700 - 53,699	\$52,645	4.745	8,007	57,749	14,437	14,437	14,437	14,437	115,592,787	115,592,787	115,592,787	
53,700 - 55,699	\$54,730	4.595	7,754	60,036	15,009	15,009	15,009	15,009	116,371,960	116,371,960	116,371,960	
55,700 - 57,699	\$56,656	4.645	7,838	62,148	15,537	15,537	15,537	15,537	121,778,050	121,778,050	121,778,050	
57,700 - 59,699	\$58,651	3.447	5,816	64,337	16,084	16,084	16,084	16,084	93,552,219	93,552,219	93,552,219	
59,700 - 61,699	\$60,693	4.695	7,922	66,577	16,644	16,644	16,644	16,644	131,859,550	131,859,550	131,859,550	
61,700 - 63,699	\$62,782	3.447	5,816	68,868	17,217	17,217	17,217	17,217	100,141,437	100,141,437	100,141,437	
63,700 - 65,699	\$64,658	4.146	6,996	70,926	17,732	17,732	17,732	17,732	124,047,767	124,047,767	124,047,767	
65,700 - 67,699	\$66,749	3.447	5,816	73,220	18,305	18,305	18,305	18,305	106,469,064	106,469,064	106,469,064	
67,700 - 69,699	\$68,665	3.097	5,226	75,322	18,830	18,830	18,830	18,830	98,404,286	98,404,286	98,404,286	
69,700 - 71,699	\$70,790	3.197	5,395	77,653	19,413	19,413	19,413	19,413	104,725,378	104,725,378	104,725,378	
71,700 - 73,699	\$72,701	3.097	5,226	79,749	19,937	19,937	19,937	19,937	104,188,306	104,188,306	104,188,306	
73,700 - 75,699	\$74,838	2.547	4,298	82,093	20,523	20,523	20,523	20,523	88,204,046	88,204,046	88,204,046	
75,700 - 77,699	\$76,812	2.947	4,973	84,258	21,065	21,065	21,065	21,065	104,748,207	104,748,207	104,748,207	
77,700 - 79,699	\$78,753	2.697	4,551	86,388	21,597	21,597	21,597	21,597	98,284,592	98,284,592	98,284,592	
79,700 - 81,699	\$80,646	3.197	5,395	88,464	22,116	22,116	21,750	22,116	119,306,156	117,331,546	119,306,156	
81,700 - 83,699	\$82,834	2.547	4,298	90,864	22,716	22,716	21,750	22,716	97,628,129	93,476,212	97,628,129	
83,700 - 85,699	\$84,875	2.747	4,635	93,103	23,276	23,276	21,750	23,276	107,888,669	100,816,315	107,888,669	
85,700 - 87,699	\$86,750	2.498	4,215	95,160	23,790	23,790	21,750	23,790	100,276,532	91,677,886	100,276,532	
87,700 - 89,699	\$88,679	2.198	3,709	97,276	24,319	24,319	21,750	24,319	90,195,706	80,667,732	90,195,706	
89,700 - 91,699	\$90,740	1.948	3,287	99,537	24,884	24,884	21,750	24,884	81,794,691	71,492,603	81,794,691	
91,700 - 93,699	\$92,712	1.648	2,781	101,700	25,425	25,425	21,750	25,425	70,701,812	60,482,449	70,701,812	
93,700 - 95,699	\$94,599	1.499	2,529	103,770	25,942	25,942	21,750	25,942	65,618,389	55,014,072	65,618,389	
95,700 - 97,699	\$96,752	1.548	2,612	106,132	26,533	26,533	21,750	26,533	69,305,595	56,812,397	69,305,595	
97,700 - 99,699	\$98,551	1.249	2,108	108,105	27,026	27,026	21,750	27,026	56,958,804	45,838,943	56,958,804	
99,700 - 101,699	\$100,739	1.099	1,854	110,505	27,626	27,626	21,750	27,626	51,230,986	40,333,866	51,230,986	
101,700 - 103,699	\$102,678	1.049	1,770	112,632	28,158	28,158	21,750	28,158	49,841,405	38,498,840	49,841,405	
103,700 - 105,699	\$104,824	0.649	1,095	114,986	28,747	28,747	21,750	28,747	31,480,586	23,818,634	31,480,586	
105,700 - 107,699	\$106,759	1.249	2,108	117,109	29,277	29,277	21,750	29,277	61,702,722	45,838,943	61,702,722	
107,700 - 109,699	\$108,567	0.849	1,433	119,092	29,773	29,250	21,750	29,773	41,903,129	31,158,737	42,652,345	
109,700 - 111,699	\$110,850	0.999	1,686	121,596	30,399	29,250	21,750	30,399	49,306,509	36,663,814	51,243,475	
111,700 - 113,699	\$112,999	0.599	1,011	123,954	30,988	29,250	21,750	30,988	29,564,163	21,983,608	31,321,230	
113,700 - 115,699	\$114,334	0.450	759	125,418	31,355	29,250	21,750	31,355	22,210,139	16,515,232	23,808,131	
\$115,700 - over	\$197,340	6.294	10,620	216,471	54,118	29,250	21,750	54,118	310,645,814	230,993,041	574,750,357	
TOTAL		100.000	168,738						Total Taxable Earnings	3,324,372,732	3,076,227,668	3,594,518,514
									Employer Tax Rate	6.20%	12.60%	1.45%
									Quarterly Payment	\$206,111,109	\$387,604,686	\$52,120,518

Total Tier I, Tier II, and Medicare Paid this Quarter

\$645,836,314

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			3Q/2014 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$33,375	3.646 %	6,152	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41,700 - 43,699	\$42,514	0.999	1,686	0	0	0	0	0	0	0	0	0
43,700 - 45,699	\$44,810	1.399	2,361	0	0	0	0	0	0	0	0	0
45,700 - 47,699	\$46,792	1.698	2,865	0	0	0	0	0	0	0	0	0
47,700 - 49,699	\$48,727	2.448	4,131	0	0	0	0	0	0	0	0	0
49,700 - 51,699	\$50,786	4.745	8,007	0	0	0	0	0	0	0	0	0
51,700 - 53,699	\$52,645	4.745	8,007	0	0	0	0	0	0	0	0	0
53,700 - 55,699	\$54,730	4.595	7,754	0	0	0	0	0	0	0	0	0
55,700 - 57,699	\$56,656	4.645	7,838	0	0	0	0	0	0	0	0	0
57,700 - 59,699	\$58,651	3.447	5,816	0	0	0	0	0	0	0	0	0
59,700 - 61,699	\$60,693	4.695	7,922	0	0	0	0	0	0	0	0	0
61,700 - 63,699	\$62,782	3.447	5,816	0	0	0	0	0	0	0	0	0
63,700 - 65,699	\$64,658	4.146	6,996	0	0	0	0	0	0	0	0	0
65,700 - 67,699	\$66,749	3.447	5,816	0	0	0	0	0	0	0	0	0
67,700 - 69,699	\$68,665	3.097	5,226	0	0	0	0	0	0	0	0	0
69,700 - 71,699	\$70,790	3.197	5,395	0	0	0	0	0	0	0	0	0
71,700 - 73,699	\$72,701	3.097	5,226	0	0	0	0	0	0	0	0	0
73,700 - 75,699	\$74,838	2.547	4,298	0	0	0	0	0	0	0	0	0
75,700 - 77,699	\$76,812	2.947	4,973	0	0	0	0	0	0	0	0	0
77,700 - 79,699	\$78,753	2.697	4,551	0	0	0	0	0	0	0	0	0
79,700 - 81,699	\$80,646	3.197	5,395	0	0	0	609	0	0	3,282,600	0	0
81,700 - 83,699	\$82,834	2.547	4,298	0	0	0	1,805	0	0	7,758,340	0	0
83,700 - 85,699	\$84,875	2.747	4,635	0	0	0	2,922	0	0	13,541,883	0	0
85,700 - 87,699	\$86,750	2.498	4,215	0	0	0	3,947	0	0	16,636,998	0	0
87,700 - 89,699	\$88,679	2.198	3,709	0	0	0	5,002	0	0	18,551,982	0	0
89,700 - 91,699	\$90,740	1.948	3,287	0	0	0	6,129	0	0	20,147,149	0	0
91,700 - 93,699	\$92,712	1.648	2,781	0	0	0	7,208	0	0	20,043,682	0	0
93,700 - 95,699	\$94,599	1.499	2,529	0	0	0	8,240	0	0	20,841,994	0	0
95,700 - 97,699	\$96,752	1.548	2,612	0	0	0	9,418	0	0	24,599,152	0	0
97,700 - 99,699	\$98,551	1.249	2,108	0	0	0	10,401	0	0	21,921,466	0	0
99,700 - 101,699	\$100,739	1.099	1,854	0	0	0	11,598	0	0	21,507,988	0	0
101,700 - 103,699	\$102,678	1.049	1,770	0	0	0	12,659	0	0	22,406,642	0	0
103,700 - 105,699	\$104,824	0.649	1,095	0	0	0	13,832	0	0	15,148,007	0	0
105,700 - 107,699	\$106,759	1.249	2,108	0	0	0	14,891	0	0	31,382,795	0	0
107,700 - 109,699	\$108,567	0.849	1,433	0	0	880	15,880	0	1,260,113	22,748,897	0	0
109,700 - 111,699	\$110,850	0.999	1,686	0	0	2,128	17,128	0	3,587,610	28,872,999	0	0
111,700 - 113,699	\$112,999	0.599	1,011	0	0	3,304	18,304	0	3,339,127	18,500,237	0	0
113,700 - 115,699	\$114,334	0.450	759	0	0	4,034	19,034	0	3,062,956	14,452,771	0	0
\$115,700 - over	\$197,340	6.294	10,620	0	0	29,250	21,750	0	310,645,814	230,993,041	0	0
TOTAL		100.000	168,738									
Total Taxable Earnings									321,895,620	573,338,624	0	0
Employer Tax Rate									6.20%	12.60%	1.45%	
Quarterly Payment									\$19,957,528	\$72,240,667	\$0	

Total Tier I, Tier II, and Medicare Paid this Quarter

\$92,198,195

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			4Q/2014 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$33,375	3.646 %	6,152	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41,700 - 43,699	\$42,514	0.999	1,686	0	0	0	0	0	0	0	0	0
43,700 - 45,699	\$44,810	1.399	2,361	0	0	0	0	0	0	0	0	0
45,700 - 47,699	\$46,792	1.698	2,865	0	0	0	0	0	0	0	0	0
47,700 - 49,699	\$48,727	2.448	4,131	0	0	0	0	0	0	0	0	0
49,700 - 51,699	\$50,786	4.745	8,007	0	0	0	0	0	0	0	0	0
51,700 - 53,699	\$52,645	4.745	8,007	0	0	0	0	0	0	0	0	0
53,700 - 55,699	\$54,730	4.595	7,754	0	0	0	0	0	0	0	0	0
55,700 - 57,699	\$56,656	4.645	7,838	0	0	0	0	0	0	0	0	0
57,700 - 59,699	\$58,651	3.447	5,816	0	0	0	0	0	0	0	0	0
59,700 - 61,699	\$60,693	4.695	7,922	0	0	0	0	0	0	0	0	0
61,700 - 63,699	\$62,782	3.447	5,816	0	0	0	0	0	0	0	0	0
63,700 - 65,699	\$64,658	4.146	6,996	0	0	0	0	0	0	0	0	0
65,700 - 67,699	\$66,749	3.447	5,816	0	0	0	0	0	0	0	0	0
67,700 - 69,699	\$68,665	3.097	5,226	0	0	0	0	0	0	0	0	0
69,700 - 71,699	\$70,790	3.197	5,395	0	0	0	0	0	0	0	0	0
71,700 - 73,699	\$72,701	3.097	5,226	0	0	0	0	0	0	0	0	0
73,700 - 75,699	\$74,838	2.547	4,298	0	0	0	0	0	0	0	0	0
75,700 - 77,699	\$76,812	2.947	4,973	0	0	0	0	0	0	0	0	0
77,700 - 79,699	\$78,753	2.697	4,551	0	0	0	0	0	0	0	0	0
79,700 - 81,699	\$80,646	3.197	5,395	0	0	0	0	0	0	0	0	0
81,700 - 83,699	\$82,834	2.547	4,298	0	0	0	0	0	0	0	0	0
83,700 - 85,699	\$84,875	2.747	4,635	0	0	0	0	0	0	0	0	0
85,700 - 87,699	\$86,750	2.498	4,215	0	0	0	0	0	0	0	0	0
87,700 - 89,699	\$88,679	2.198	3,709	0	0	0	0	0	0	0	0	0
89,700 - 91,699	\$90,740	1.948	3,287	0	0	0	0	0	0	0	0	0
91,700 - 93,699	\$92,712	1.648	2,781	0	0	0	0	0	0	0	0	0
93,700 - 95,699	\$94,599	1.499	2,529	0	0	0	0	0	0	0	0	0
95,700 - 97,699	\$96,752	1.548	2,612	0	0	0	0	0	0	0	0	0
97,700 - 99,699	\$98,551	1.249	2,108	0	0	0	0	0	0	0	0	0
99,700 - 101,699	\$100,739	1.099	1,854	0	0	0	0	0	0	0	0	0
101,700 - 103,699	\$102,678	1.049	1,770	0	0	0	0	0	0	0	0	0
103,700 - 105,699	\$104,824	0.649	1,095	0	0	0	0	0	0	0	0	0
105,700 - 107,699	\$106,759	1.249	2,108	0	0	0	0	0	0	0	0	0
107,700 - 109,699	\$108,567	0.849	1,433	0	0	0	0	0	0	0	0	0
109,700 - 111,699	\$110,850	0.999	1,686	0	0	0	0	0	0	0	0	0
111,700 - 113,699	\$112,999	0.599	1,011	0	0	0	0	0	0	0	0	0
113,700 - 115,699	\$114,334	0.450	759	0	0	0	0	0	0	0	0	0
\$115,700 - over	\$197,340	6.294	10,620	0	0	20,183	21,750	0	214,351,869	230,993,041	0	0
TOTAL		100.000	168,738						214,351,869	230,993,041		0
									Total Taxable Earnings			
									Employer Tax Rate			
									6.20%			
									12.60%			
									1.45%			
									Quarterly Payment			
									\$13,289,816			
									\$29,105,123			
									\$0			

Total Tier I, Tier II, and Medicare Paid this Quarter

\$42,394,939

RCAF Unemployment Insurance Tax

	Unemployment Ins.			RRB	Factor	Avg. Ann.	Un. Ins.
	Tax	Earnings	Hourly	Sample	To Update	Taxable	Hourly
	Rate	Base	Earnings	Year	RRB Sample	Earnings	Rate
			\$32.537	(2008)			
2009 Avg.	2.47%	\$15,960	\$34.444		1.058610	\$14,944.60	\$0.211
3Q/10 reb	3.26%	\$15,960	\$35.003		1.075791	\$14,952.41	\$0.279
4Q/10	3.26%	\$15,960	\$35.003		1.075791	\$14,952.41	\$0.279
1Q/11	7.09%	\$15,960	\$35.058		1.077481	\$14,953.17	\$0.607
2Q/11	7.09%	\$15,960	\$35.143		1.080093	\$14,954.33	\$0.607
3Q/11	7.09%	\$15,960	\$35.422		1.088668	\$14,957.95	\$0.607
			\$34.444	(2009)			
2010 Avg.	3.26%	\$15,960	\$33.913		0.984584	\$15,048.19	\$0.273
3Q/11 reb	7.10%	\$15,960	\$34.350		0.997271	\$15,055.23	\$0.595
4Q/11	7.10%	\$15,960	\$34.347		0.997184	\$15,055.18	\$0.595
1Q/12	5.00%	\$16,380	\$35.205		1.022094	\$15,450.63	\$0.430
2Q/12	5.00%	\$16,380	\$36.076		1.047381	\$15,464.39	\$0.430
3Q/12	5.00%	\$16,380	\$37.569		1.090727	\$15,487.33	\$0.431
			\$33.913	(2010)			
2011 Avg.	7.10%	\$15,960	\$34.752		1.024740	\$15,110.68	\$0.595
3Q/12 reb	5.00%	\$16,380	\$37.546		1.107127	\$15,534.63	\$0.431
4Q/12	5.00%	\$16,380	\$37.613		1.109103	\$15,535.53	\$0.431
1Q/13	0.67%	\$16,860	\$37.771		1.113762	\$15,978.07	\$0.059
2Q/13	0.67%	\$16,860	\$37.144		1.095273	\$15,969.12	\$0.059
3Q/13	0.67%	\$16,860	\$37.532		1.106714	\$15,974.73	\$0.059
			\$34.752	(2011)			
2012 Avg.	5.00%	\$16,380	\$36.269		1.043652	\$15,446.41	\$0.411
3Q/13 reb.	0.67%	\$16,860	\$37.587		1.081578	\$15,902.69	\$0.057
4Q/13	0.67%	\$16,860	\$37.545		1.080369	\$15,902.09	\$0.057
1Q/14	0.68%	\$17,280	\$37.908		1.090815	\$16,289.96	\$0.059
2Q/14	0.68%	\$17,280	\$38.121 ✓		1.096944	\$16,293.07	\$0.059
3Q/14					0.000000		\$0.000

Note: Average Annual Taxable Earnings is calculated from the RRB 1% sample data, by multiplying the average annual earnings in the file times the "Factor", and limiting the amount to the earnings base. Thus, the annual hourly earnings used for the calculation of the Factor is for the RRB sample year, and the Factor brings the earnings in the RRB 1% sample file to the current quarter's level.

TOTAL GROSS EARNINGS AND AVERAGE GROSS EARNINGS-2011 RRB File

The MEANS Procedure

Variable	N	Sum	Mean
ANUAL_US	2665	41164687.60	15446.41
QTRLY_US	2665	43421043.62	16293.07

The MEANS Procedure

Variable	N	Sum	Mean
FactorA	2665	2781.33	1.0436520
FactorQ	2665	2923.36	1.0969440
Capa	2665	43652700.00	16380.00
Capq	2665	46051200.00	17280.00

PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY: FAQs:

This Week In Petroleum

Summary

Crude Oil

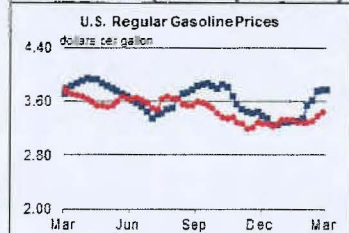
Gasoline

Distillate

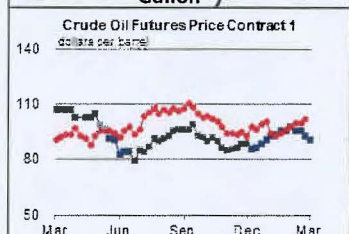
Propane

V fur ccc y hultde horte hor z #ur #v h #g lliuh q w #k duw

Retail Prices (Dollars per Gallon)

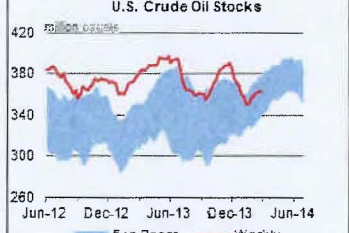


Retail Prices		Change From Last	
02/24/14		Week	Year
Gasoline	617.77	↑ 313.97	↓ 0316.73
Diesel Fuel	713.4	↑ 313.5	↓ 0314.75
Heating Oil	715.75	↑ 313.49	↑ 313. <
Propane	617. .	↑ 0314.8	↑ 414.8

[illegible]

Futures Prices		Change From Last	
02/21/14	Week	Year	
Crude Oil	43.53	↑ 4.13	↑ < 13
Gasoline	51.66	↑ 3.13	↓ 03.15
Heating Oil	61.3	↑ 3.13	↓ 03.13

Stocks (Million Barrels)



Stocks		Change From Last	
02/21/14		Week	Year
Crude Oil	695.17	↑ 3.14	↓ 04.84
Gasoline	563.19	↓ 05.17	↑ 5.34
Distillate	446.34	↑ 3.16	↓ 04.14
Propane	599.9	↑ 03.16	↓ 05.44

Refineries in the Northeast also faced secondary effects from the cold weather, including those associated with significant increases in the cost of natural gas. On January 22, natural gas spot prices in the [Transco Zone 6](#) - non-New York Northeast region reached \$124 per million British thermal units (MMBtu), up from \$11/MMBtu one day earlier. Prices had been \$4/MMBtu only one week earlier. As natural gas prices increased, refineries switched fuels or reduced operating rates. Natural gas prices have declined and as of February 21 were \$8.66/MMBtu.

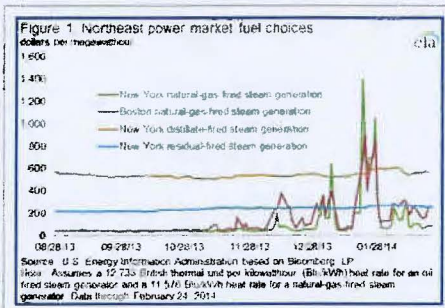
The extreme weather also has impeded transportation networks. In the upper Midwest, the cold and snow caused significant operational challenges for railroads, and in New York Harbor, the snow, ice and cold delayed vessel unloading. Snow and ice also disrupted tanker truck traffic, slowing propane and petroleum product deliveries. In the Midwest, where temperatures were well below zero, ethanol pipelines froze. Weather-related power outages disrupted both crude and product pipelines in the Midwest and East Coast. Along the U.S. Gulf Coast, winter storms and fog temporarily closed the 52-mile Houston Ship Channel, which connects many Houston area refineries and petroleum product terminals to the Gulf of Mexico.

Released: February 26, 2014
Next Release: March 5, 2014

Winter weather has broad effects on petroleum markets

The sustained cold weather that overtook much of the United States during January and February increased demand for space heating fuels, disrupted crude oil and natural gas production as well as refinery, rail, and pipeline operations, and challenged the ability of energy infrastructure to deliver fuel.

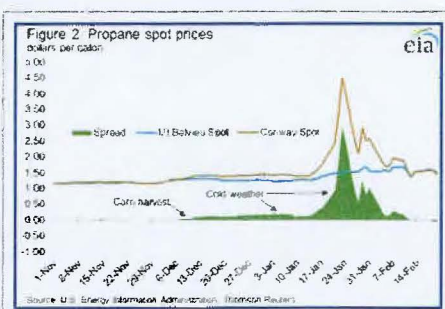
Cold temperatures caused space heating demand for distillate, propane, and natural gas to increase significantly. Limited gas supplies and pipeline capacity available to serve parts of the Northeast, particularly New England, were used to meet space heating needs for which no alternative fuel options were available. As natural gas supply to power plants was curtailed and as prices for natural gas spiked higher (Figure 1), electricity generators increased their use of residual fuel and distillate fuel to replace natural gas for power generation. U.S. residual fuel consumption, which averaged 220,000 barrels per day (bbl/d) during December and early January, more than doubled to 471,000 bbl/d for the week ending January 17. U.S. distillate consumption also rose sharply, to 4.5 million bbl/d for the week ending January 24, an increase of 22% from the same week last year and a 50% increase from the week ending January 3. Since January 24, as temperatures moderated, consumption declined and averaged 3.7 million bbl/d over the three-week period ending February 14, slightly below the same period in 2013.



Since the start of the year, distillate inventories in the Northeast (PADDs 1A and 1B) have fallen 6.4 million barrels, leaving stocks at 18.8 million barrels on February 14, 7.6 million barrels below inventory levels for the same week in 2013. However, imports of distillate fuel into the Northeast have been noticeably higher in recent weeks. Trade press reports had estimated that 6.6 million barrels of distillate from Russia, India, and Europe would reach New York Harbor by the end of February.

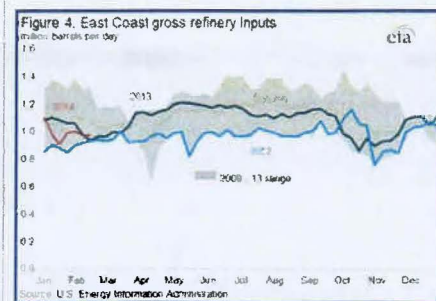
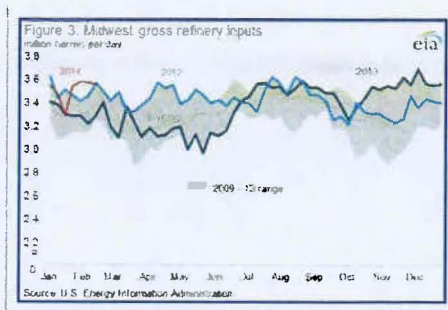
In the Midwest, where propane inventories were already low at the start of the heating season following a large, wet corn harvest, the frigid weather depleted inventories and caused extreme tightness in propane supplies. EIA has written in depth about the propane markets, and links to previous EIA publications can be found on EIA's website at [Energy Market Alerts: Winter 2013-14 Propane Updates](#). With the easing of winter cold this past week and emergency measures to move additional propane supply into the Midwest, spiking propane hub for propane, have declined. Conway prices returned to a more major propane storage and distribution hub in the U.S. Gulf Coast

prices at Conway, Kansas, the Midwest storage and distribution hub for propane, have declined. Conway prices returned to a more typical relationship to propane prices at Mont Belvieu, Texas, the major propane storage and distribution hub in the U.S. Gulf Coast (Figure 2).



The extreme and sustained cold weather also disrupted crude oil and natural gas production, refinery, rail, and pipeline operations, and gasoline and distillate production and supply. The cold weather in January resulted in a slowdown in crude oil and natural gas exploration and production activity. EIA's February [Short-Term Energy Outlook](#) (STEO) expects that the reduced well-completion activity because of harsh weather conditions caused oil production to slow. Very cold temperatures require the use of additional heating equipment at drilling sites, which can slow the pace of drilling and completing new wells. In particular, large volumes of water used for hydraulic fracturing must be heated to prevent freezing. Heavy snow has an even greater effect on well-completion activity because poor road conditions restrict the movement of equipment. According to a report issued by the North Dakota Department of Mineral Resources on February 14, the state's oil production fell by 53,000 bbl/d in December, the largest monthly decline ever.

Winter weather caused refineries to reduce runs and in some cases suspend operations because of power outages and the effect of extremely low temperatures on unit operations. In the Midwest, where refinery utilization rates had been running above 94%, rates dipped to 87% for the week ending January 17, but returned to 94% the following week (Figure 3). East Coast weekly refinery utilization rates declined from 85% at the start of January to a low of 70%, also for the week ending January 17, a decline that is also partially the result of planned refinery maintenance, before recovering to 77% by the end of the month (Figure 4). While the Gulf Coast was also affected by unusually cold winter conditions, the effect on refinery operations was less significant compared to PADDs 1 and 2.



Although temperatures throughout much of the United States moderated last week, the National Oceanic and Atmospheric Administration (NOAA) outlook for heating degree days for the current week shows a return to much colder than normal conditions in the Upper Midwest. NOAA is projecting cold weather over a broad portion of the eastern United States during the first week of March. As a result, the possibility remains that cold temperatures could continue to negatively affect petroleum markets in the coming weeks.

Gasoline price rises for a 3rd week; diesel fuel for a 5th

The U.S. average retail price of regular gasoline increased six cents to \$3.44 per gallon as of February 24, 2014, 34 cents lower than last year at this time. Prices increased in all regions of the nation, with the West Coast price rising two cents, to \$3.65 per gallon, and \$3.65 per gallon, respectively. The East Coast

nation, with the Midwest, Rocky Mountain, and West Coast prices all increasing eight cents, to \$3.44 per gallon, \$3.32 per gallon, and \$3.65 per gallon, respectively. The East Coast price gained five cents to \$3.46 per gallon, and the Gulf Coast price was \$3.21 per gallon, three cents higher than last week.

The national average diesel fuel price was up three cents to \$4.02 per gallon, 14 cents lower than last year at this time. Prices increased in all regions of the nation, with the Rocky Mountain price increasing the most, five cents from last week, to \$3.95 per gallon. The West Coast price was \$4.04 per gallon, four cents higher, while the Midwest price increased three cents to \$4.03 per gallon, above the \$4-per-gallon mark for the first time since March 18, 2013. The Gulf and East Coast prices both rose two cents, to \$3.81 per gallon and \$4.15 per gallon, respectively.

Propane inventories unchanged

U.S. propane stocks as of February 21, 2014 were unchanged from the prior week at 26.7 million barrels, 21.2 million barrels (44.3%) lower than a year ago. Inventories in the Gulf Coast and Rocky Mountain/West Coast regions both fell by 0.1 million barrels, while Midwest and East Coast regional inventories each rose by 0.1 million barrels. Propylene non-fuel-use inventories represented 12.4% of total propane inventories.

Residential heating oil price rises while propane price falls

Residential heating oil prices increased almost 2 cents per gallon to \$4.24 per gallon during the period ending February 24, 2014. This is nearly 9 cents per gallon higher than last year's price at this time. Wholesale heating oil prices fell by less than 1 cent per gallon last week to \$3.39 per gallon.

The average residential propane price decreased by almost 16 cents per gallon last week to nearly \$3.48 per gallon, \$1.16 per gallon higher than the same period last year. Wholesale propane prices decreased less than 34 cents per gallon to \$1.84 per gallon as of February 24, 2014.

Text from the [previous editions](#) of *This Week In Petroleum* is accessible through a link at the top right-hand corner of this page.



U.S. Energy Information
Administration

PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

This Week In Petroleum

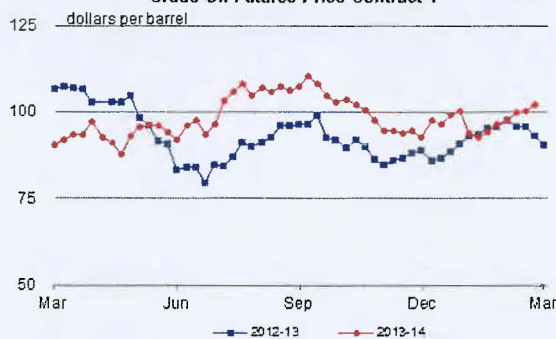
Complete History XLS
PADD Definitions

Summary Crude Oil Gasoline Distillate Propane
Prices Stocks Production Imports Refinery Inputs

Crude Oil Futures and Estimated Contract Prices (Dollars per Barrel)

	Crude Oil Futures Prices							more data
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
Contract 1	92.72	94.37	96.64	97.49	99.88	100.30	102.20	93.13
Contract 2	92.95	94.59	96.22	96.71	99.35	100.13	101.37	93.57
Contract 3	92.92	94.44	95.56	95.80	98.62	99.47	100.48	93.96
Contract 4	92.68	94.03	94.76	94.85	97.84	98.73	99.53	94.27

Crude Oil Futures Price Contract 1



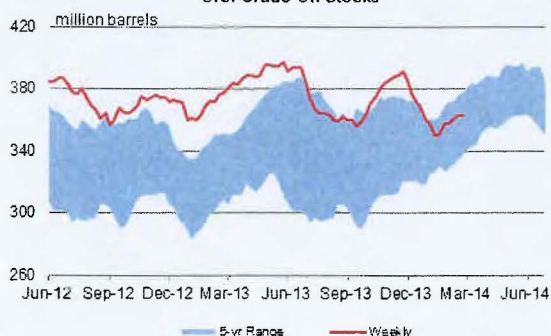
Crude Oil Stocks (Million Barrels) and Days of Supply

	Crude Oil Stocks							more data
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	350.2	351.2	357.6	358.1	361.4	362.3	362.4	377.5
East Coast (PADD 1)	10.3	11.0	11.0	10.5	10.2	10.2	9.9	11.8
Midwest (PADD 2)	111.0	108.6	110.1	108.5	105.4	102.8	100.9	116.2
Cushing, Oklahoma	40.9	41.6	41.8	40.3	37.6	35.9	34.8	50.6
Gulf Coast (PADD 3)	161.0	161.9	166.3	169.8	173.6	176.1	177.7	174.6
Rocky Mountain (PADD 4)	19.2	19.3	19.6	19.6	20.0	20.6	21.1	19.2
West Coast (PADD 5)	48.7	50.5	50.6	49.6	52.2	52.5	52.8	55.7

	Days of Supply (number of days)							more data
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	21.8	22.2	22.9	23.3	23.7	23.8	23.9	26.3

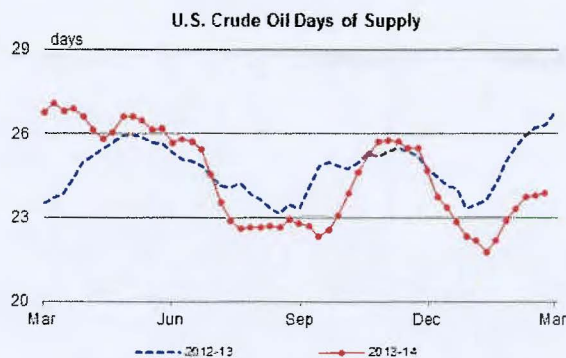
Note: Days of Supply calculated as: U.S. Crude Oil Stocks / Four-Week Average U.S. Crude Oil Refinery Inputs

U.S. Crude Oil Stocks

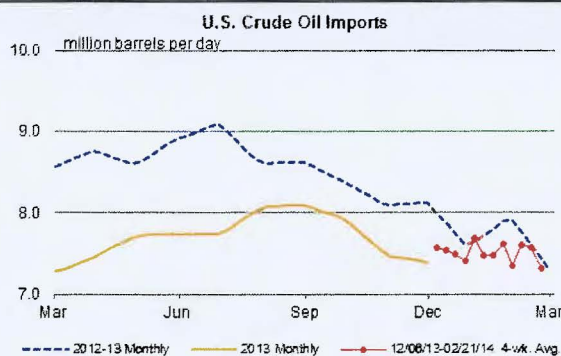
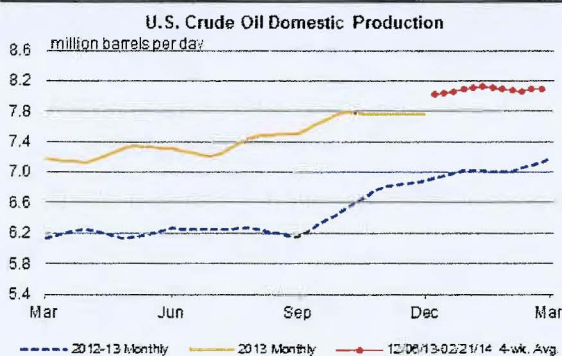


Regional Crude Oil Stocks

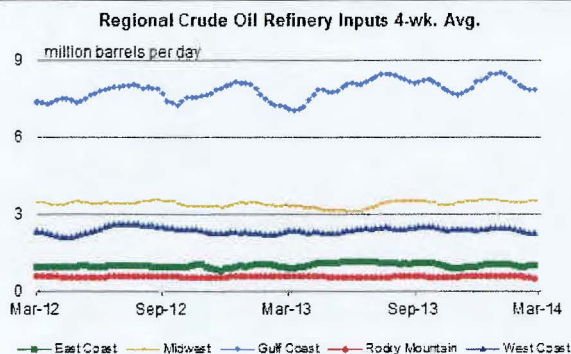
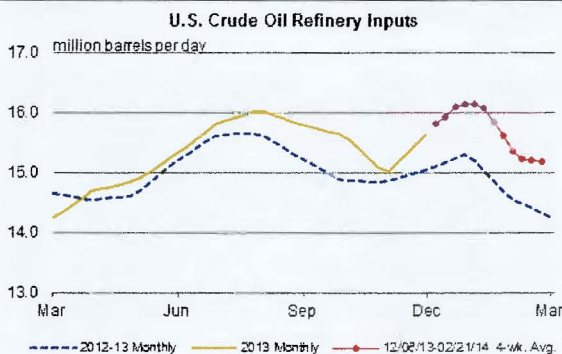


**Crude Oil Production and Imports (Million Barrels per Day)**

Crude Oil Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
U.S. Production	8.068	8.092	8.096	7.069	8.132	8.148	8.059	7.096
Crude Oil Imports more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
Crude Oil, Excluding SPR	7.602	7.571	7.319	7.682	7.929	7.421	7.037	7.958

**Crude Oil Refinery Inputs (Million Barrels per Day)**

Crude Oil Refinery Inputs more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	15.224	15.215	15.185	14.357	15.215	15.178	15.299	14.511
East Coast (PADD 1)	0.965	0.982	0.986	0.929	0.971	0.972	1.002	0.886
Midwest (PADD 2)	3.493	3.559	3.558	3.371	3.567	3.551	3.536	3.475
Gulf Coast (PADD 3)	7.912	7.879	7.865	7.195	7.949	7.881	7.876	7.171
Rocky Mountain (PADD 4)	0.541	0.513	0.498	0.573	0.493	0.466	0.521	0.572
West Coast (PADD 5)	2.314	2.281	2.278	2.290	2.235	2.308	2.364	2.407



NA = Not Available.
W = Data Withheld.



U.S. Energy Information
Administration

PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

This Week In Petroleum

Complete History XLS
PADD Definitions

Summary
Prices

Crude Oil
Stocks

Gasoline
Production

Distillate
Imports

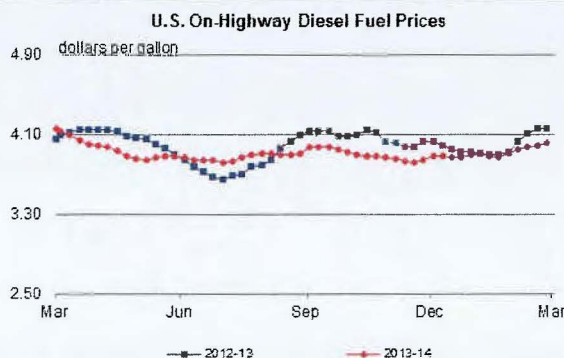
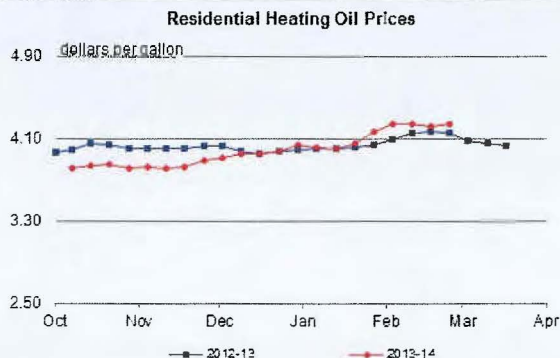
Propane
Demand

Residential Heating Oil Prices (Dollars per Gallon)

Residential Heating Oil Prices more data								
Note: Due to updated weighting methodology, national and regional residential heating oil and propane prices from October 2009 to March 2013 have been revised since they were first published. We have created an excel file that shows the differences between the original and revised published data for your convenience.								
	Most Recent							Year Ago
	01/13/14	01/20/14	01/27/14	02/03/14	02/10/14	02/17/14	02/24/14	02/25/13
Average	4.011	4.055	4.176	4.241	4.245	4.226	4.242	4.153
East Coast (PADD 1)	4.015	4.060	4.180	4.246	4.249	4.229	4.245	4.160
New England (PADD 1A)	4.008	4.033	4.131	4.172	4.159	4.151	4.157	4.118
Central Atlantic (PADD 1B)	4.026	4.085	4.225	4.310	4.325	4.296	4.319	4.197
Lower Atlantic (PADD 1C)	3.678	3.677	3.705	3.741	3.760	3.792	3.835	3.875
Midwest (PADD 2)	3.483	3.499	3.565	3.646	3.701	3.744	3.785	3.816

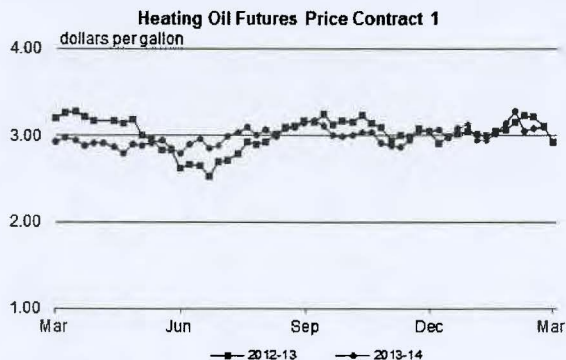
On-Highway Diesel Fuel Prices (Dollars per Gallon)

On-Highway Diesel Fuel Prices more data								
Note: Due to updated weighting methodology, national and regional on-highway diesel fuel prices from October 2009 to March 2013 have been revised since they were first published. We have created an excel file that shows the differences between the original and revised published data for your convenience.								
	Most Recent							Year Ago
	01/13/14	01/20/14	01/27/14	02/03/14	02/10/14	02/17/14	02/24/14	02/25/13
U.S.	3.886	3.873	3.904	3.951	3.977	3.989	4.017	4.159
East Coast (PADD 1)	3.940	3.946	3.996	4.070	4.116	4.129	4.148	4.201
New England (PADD 1A)	4.107	4.118	4.171	4.305	4.369	4.373	4.386	4.344
Central Atlantic (PADD 1B)	4.045	4.060	4.144	4.281	4.363	4.357	4.358	4.262
Lower Atlantic (PADD 1C)	3.831	3.829	3.852	3.868	3.884	3.913	3.947	4.129
Midwest (PADD 2)	3.854	3.830	3.874	3.942	3.969	3.993	4.025	4.121
Gulf Coast (PADD 3)	3.780	3.771	3.772	3.775	3.788	3.783	3.806	4.089
Rocky Mountain (PADD 4)	3.886	3.860	3.863	3.860	3.868	3.905	3.950	4.057
West Coast (PADD 5)	3.996	3.966	3.979	3.994	3.998	4.000	4.035	4.299
California	4.085	4.056	4.068	4.072	4.080	4.075	4.109	4.365



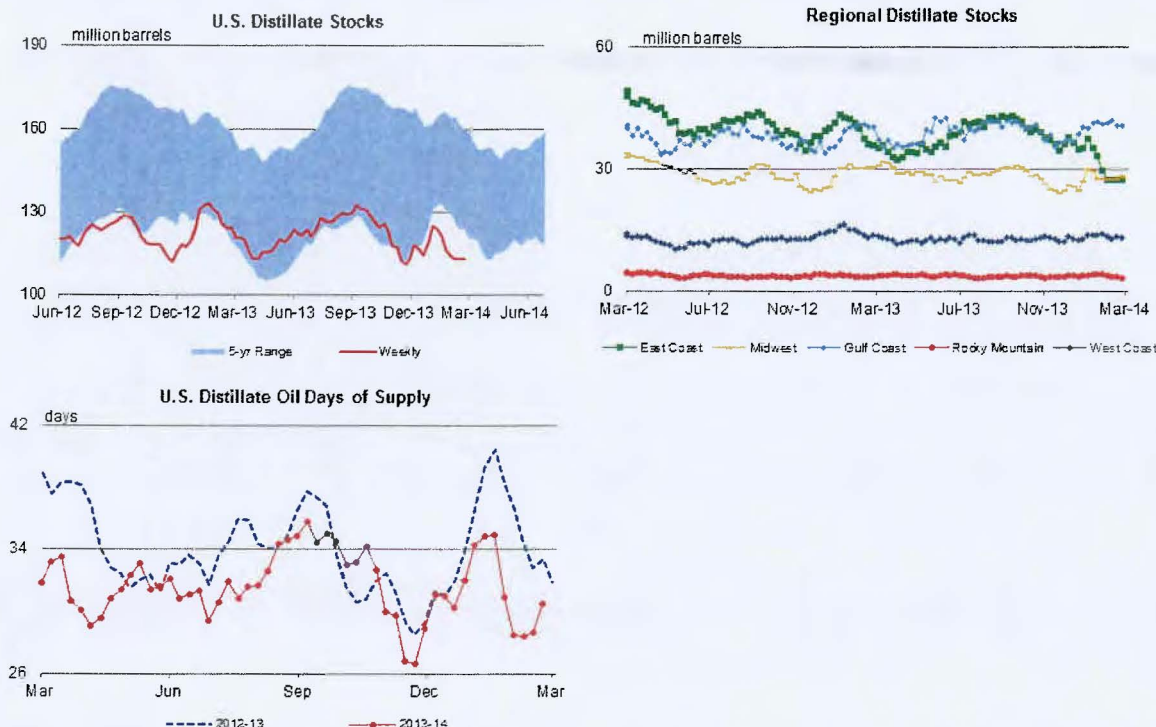
Heating Oil Futures Prices (Dollars per Gallon)

Heating Oil Futures Prices more data								
Note: Due to updated weighting methodology, national and regional heating oil futures prices from October 2009 to March 2013 have been revised since they were first published. We have created an excel file that shows the differences between the original and revised published data for your convenience.								
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
Contract 1	2.941	3.024	3.137	3.279	3.050	3.078	3.099	3.104
Contract 2	2.923	2.954	3.016	2.997	3.002	3.017	3.039	3.102
Contract 3	2.910	2.921	2.964	2.936	2.984	2.997	3.015	3.176
Contract 4	2.902	2.905	2.939	2.914	2.974	2.988	3.002	3.147

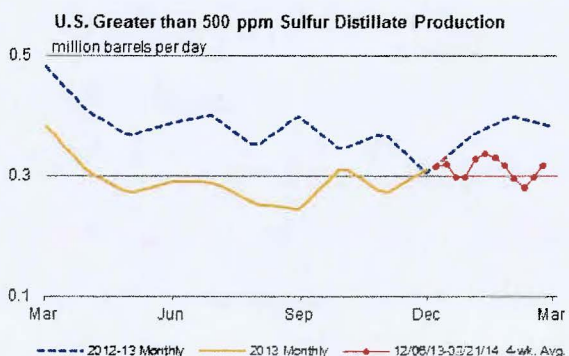
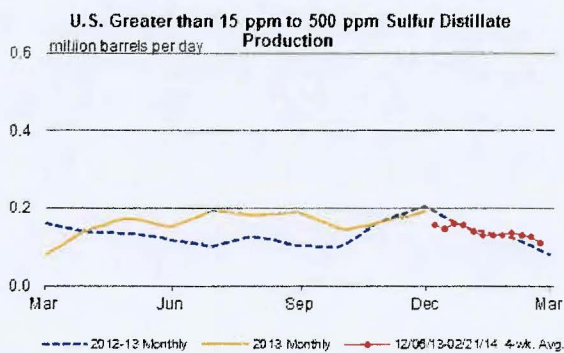
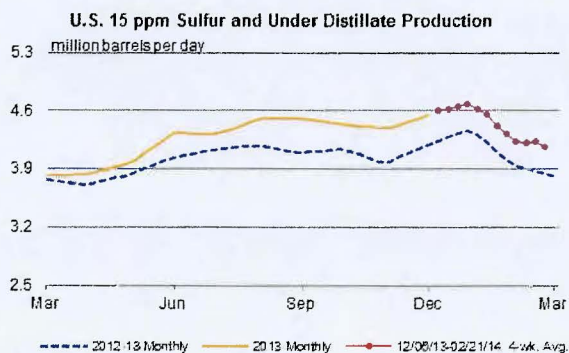
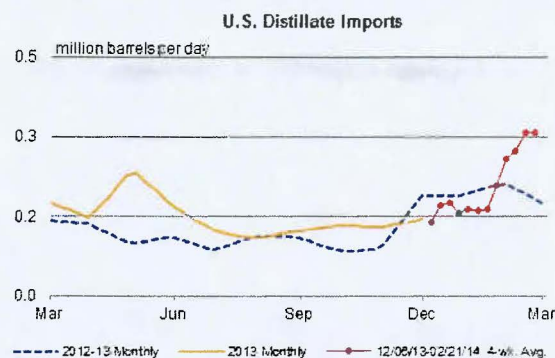
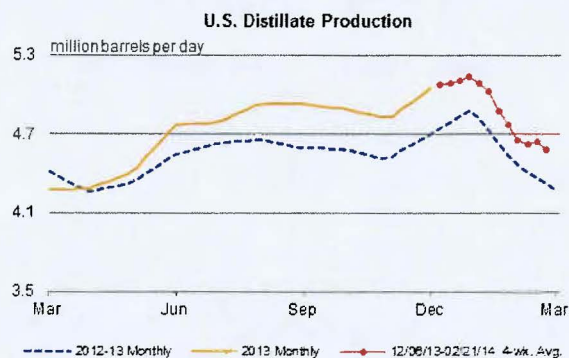
**Distillate Stocks (Million Barrels) and Days of Supply**

Total Distillate Stocks more data								
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	124.0	120.7	116.2	113.8	113.1	112.7	113.1	124.2
East Coast (PADD 1)	35.1	33.4	29.5	27.5	27.4	27.5	27.5	35.9
New England (PADD 1A)	4.9	5.1	4.7	4.7	5.2	5.2	4.7	4.9
Central Atlantic (PADD 1B)	18.2	17.0	15.7	13.6	13.0	13.6	13.6	20.4
Lower Atlantic (PADD 1C)	12.1	11.3	9.1	9.2	9.3	8.7	9.2	10.6
Midwest (PADD 2)	29.6	27.9	27.6	27.6	27.6	27.8	28.4	30.7
Gulf Coast (PADD 3)	41.2	41.6	41.0	41.4	41.8	40.6	40.8	40.3
Rocky Mountain (PADD 4)	4.2	4.2	4.0	3.8	3.4	3.2	3.1	3.5
West Coast (PADD 5)	13.9	13.7	14.0	13.5	12.8	13.5	13.2	13.8
15 ppm sulfur and Under Stocks more data								
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	102.6	98.9	95.8	94.2	92.9	93.3	93.6	98.2
East Coast (PADD 1)	24.2	22.1	19.3	17.6	16.6	17.6	18.1	20.6
New England (PADD 1A)	1.7	1.6	1.5	1.6	1.6	1.8	1.7	1.4
Central Atlantic (PADD 1B)	12.0	10.7	9.9	8.2	7.8	8.5	8.7	9.8
Lower Atlantic (PADD 1C)	10.5	9.8	8.0	7.9	7.2	7.3	7.6	9.4
Midwest (PADD 2)	28.4	26.7	26.5	26.5	26.4	26.6	27.2	29.2
Gulf Coast (PADD 3)	33.6	34.0	33.5	34.4	35.0	33.9	33.5	33.4
Rocky Mountain (PADD 4)	3.8	3.8	3.7	3.4	3.2	2.9	2.8	3.2
West Coast (PADD 5)	12.5	12.3	12.6	12.3	11.7	12.3	12.1	11.8
Greater than 15 ppm to 500 ppm sulfur Stocks more data								
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	3.0	3.4	3.1	2.9	3.1	3.0	3.2	5.0
East Coast (PADD 1)	0.8	0.9	0.8	0.7	0.6	0.8	0.6	0.8
New England (PADD 1A)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central Atlantic (PADD 1B)	0.4	0.6	0.6	0.4	0.4	0.5	0.4	0.4
Lower Atlantic (PADD 1C)	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.4
Midwest (PADD 2)	0.5	0.5	0.4	0.4	0.5	0.5	0.4	0.9
Gulf Coast (PADD 3)	1.3	1.6	1.5	1.4	1.6	1.3	1.8	2.4
Rocky Mountain (PADD 4)	0.2	0.1	0.1	0.1	0.1	0.2	0.1	0.2
West Coast (PADD 5)	0.2	0.2	0.3	0.3	0.2	0.3	0.2	0.8
Greater than 500 ppm sulfur Stocks more data								
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	18.3	18.5	17.3	16.7	17.1	16.4	16.3	20.9
East Coast (PADD 1)	10.1	10.3	9.4	9.2	10.2	9.2	8.8	14.5
New England (PADD 1A)	3.1	3.5	3.2	3.1	3.6	3.3	3.0	3.4
Central Atlantic (PADD 1B)	5.8	5.7	5.3	5.0	4.7	4.6	4.5	10.2
Lower Atlantic (PADD 1C)	1.2	1.1	0.9	1.1	1.9	1.3	1.3	0.9
Midwest (PADD 2)	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.6
Gulf Coast (PADD 3)	6.3	6.1	6.0	5.6	5.2	5.5	5.6	4.6
Rocky Mountain (PADD 4)	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.2
West Coast (PADD 5)	1.1	1.1	1.1	1.0	0.9	0.9	0.9	1.1
Days of Supply (number of days) more data								
	Most Recent							Year Ago
	01/10/14	01/17/14	01/24/14	01/31/14	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	34.8	34.9	30.9	28.5	28.4	28.6	30.4	33.4

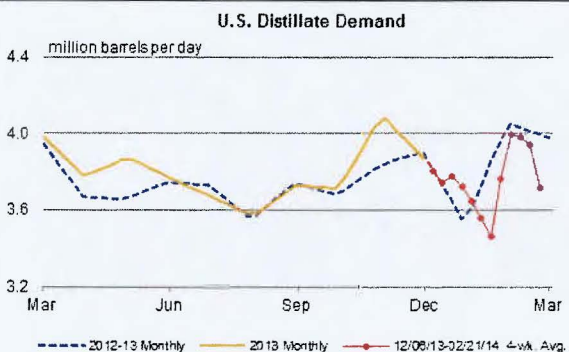
Note: Days of Supply calculated as: U.S. Total Distillate Stocks / Four-Week Average U.S. Distillate Fuel Oil Demand

**Distillate Production and Imports (Million Barrels per Day)**

Total Distillate Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	4.625	4.644	4.585	4.396	4.598	4.542	4.613	4.484
East Coast (PADD 1)	0.313	0.319	0.312	0.340	0.305	0.306	0.299	0.320
Midwest (PADD 2)	1.025	1.066	1.059	0.998	1.030	1.054	1.087	1.010
Gulf Coast (PADD 3)	2.561	2.552	2.521	2.352	2.532	2.493	2.532	2.391
Rocky Mountain (PADD 4)	0.176	0.168	0.158	0.193	0.159	0.148	0.151	0.193
West Coast (PADD 5)	0.550	0.538	0.535	0.513	0.572	0.540	0.543	0.570
15 ppm sulfur and Under Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	4.218	4.222	4.161	3.993	4.213	4.086	4.180	4.026
East Coast (PADD 1)	0.222	0.235	0.237	0.220	0.244	0.244	0.217	0.211
Midwest (PADD 2)	1.019	1.063	1.054	1.003	1.034	1.053	1.077	0.999
Gulf Coast (PADD 3)	2.275	2.248	2.203	2.088	2.207	2.155	2.216	2.099
Rocky Mountain (PADD 4)	0.176	0.163	0.152	0.190	0.163	0.127	0.145	0.188
West Coast (PADD 5)	0.526	0.512	0.515	0.492	0.565	0.506	0.525	0.530
Greater than 15 ppm to 500 ppm sulfur Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	0.129	0.126	0.108	0.055	0.088	0.126	0.093	0.090
East Coast (PADD 1)	0.007	0.004	0.002	0.014	0.002	0.005	-0.001	0.022
Midwest (PADD 2)	0.011	0.011	0.010	0.001	0.010	0.008	0.006	0.004
Gulf Coast (PADD 3)	0.101	0.098	0.085	0.020	0.076	0.086	0.081	0.032
Rocky Mountain (PADD 4)	0.002	0.005	0.006	0.003	0.002	0.017	0.004	0.004
West Coast (PADD 5)	0.008	0.008	0.005	0.017	-0.002	0.009	0.004	0.028
Greater than 500 ppm sulfur Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
U.S.	0.278	0.296	0.316	0.349	0.298	0.331	0.339	0.368
East Coast (PADD 1)	0.085	0.080	0.073	0.106	0.060	0.057	0.083	0.087
Midwest (PADD 2)	-0.005	-0.007	-0.005	-0.005	-0.013	-0.007	0.004	0.008
Gulf Coast (PADD 3)	0.185	0.207	0.232	0.244	0.248	0.252	0.235	0.260
Rocky Mountain (PADD 4)	-0.001	0.000	0.000	-0.001	-0.007	0.004	0.002	0.001
West Coast (PADD 5)	0.015	0.017	0.015	0.005	0.009	0.025	0.014	0.012
Distillate Imports more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13
Total Distillate	0.272	0.307	0.307	0.170	0.269	0.329	0.315	0.156
15 ppm sulfur and Under	0.144	0.180	0.161	0.069	0.151	0.249	0.082	0.065
Greater than 15 ppm to 500 ppm sulfur	0.028	0.028	0.025	0.030	0.032	0.000	0.037	0.000
Greater than 500 ppm to 2000 ppm sulfur	0.072	0.074	0.078	0.071	0.015	0.070	0.125	0.092
Greater than 2000 ppm sulfur	0.029	0.025	0.043	0.000	0.071	0.011	0.072	0.000

**Distillate Demand (Million Barrels per Day)**

	Distillate Demand								more data
	Four-Week Averages			Year Ago	Week Ending			Year Ago	
	02/07/14	02/14/14	02/21/14	02/22/13	02/07/14	02/14/14	02/21/14	02/22/13	
Distillate Fuel Oil	3.980	3.941	3.714	3.719	3.675	3.623	3.617	3.502	



NA = Not Available.
W = Data Withheld.

AAR MATERIALS AND SUPPLIES INDEX
Region By Composition
First Quarter 2014
February 25, 2014

United States by Composition Category - Summary

Composition Category	Weight	Previous Quarter Index	Current Quarter Index	Relative Of Change
Forest Products	.1089	268.18	277.91	1.0363
Metal Products	.6173	196.59	201.25	1.0237
Miscellaneous Products	.2738	360.92	377.16	1.0450
U.S. By Composition	--	249.38	257.76	1.0336
U.S. By Composition (Linked)	--	250.59	259.01	1.0336
United States (1977=100) Linking Factor: 1.423	--	356.59	368.57	1.0336
United States (1980=100) Linking Factor: 1.061	--	265.88	274.81	1.0336

Car Hire for RCAF

RCAF (Forecast)

	1980	June 3Q/13	Sept. 4Q/13	Dec. 1Q/14	Mar. 2Q/14	June 3Q/14
RATE						
RR-OWNED TIME	31.00	63.00	64.00	63.00	64.00	--
RR-OWNED MILEAGE	4.69	6.70	6.70	6.80	6.80	--
PRIVATELY-OWNED CARS	25.47	45.49	45.53	46.09	46.88	--
AUTORACKS	47.00	46.61	51.28	56.00	57.60	--
INDEX						
RR-OWNED TIME	100.0	203.2	206.5	203.2	206.5	--
RR-OWNED MILEAGE	100.0	142.9	142.9	145.0	145.0	--
PRIVATELY-OWNED CARS	100.0	178.6	178.8	181.0	184.1	--
AUTORACKS	100.0	99.2	109.1	119.1	122.5	--
CAR HIRE INDEX (old wts) 2011	100.0	178.9	--	--	--	--
CAR HIRE INDEX (new wts) 2012	100.0	178.4	179.2	180.7	183.6	--
CAR HIRE INDEX (LINKED)	100.0	178.3	179.1	180.6	183.5	--

Note: The Car Hire Index for third quarter using *old weights* and *linked* should match that quarter's filing. The third quarter *new weights* version is used in the fourth quarter linked index calculation to ensure that the transition from old weights to new weights does not impact the linked index.

Note: Indexes are rounded, rates are full float.

Equipment Rents Data From CHARM

	2013 (first day of month)						2014 (first day of month)							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Railroad Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	7,972	8,031	8,052	8,104	8,105	8,096	8,082	8,047	8,047	✓				
Rate (in cents)														
Superstructures #3 - Auto Rack	46.0	45.0	47.0	50.0	50.0	50.0	49.0	49.0	49.0	✓				
All other #1 - Time	63.0	64.0	64.0	63.0	63.0	63.0	64.0	64.0	64.0	✓				
All other #2 - Mileage	6.7	6.7	6.7	6.7	6.7	6.8	6.8	6.8	6.8	✓				
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	47,135	47,454	47,836	48,042	48,308	48,580	48,826	49,026	49,329	✓				
Covered Hoppers	328,551	329,350	330,108	330,617	331,558	332,747	333,965	333,966	335,508	✓				
Tank Cars	319,558	321,555	324,039	326,402	328,854	331,419	333,488	334,362	337,243	✓				
Others	286,245	287,176	287,547	288,000	287,910	288,030	288,335	288,193	288,078	✓				
Rate (in cents)														
Superstructures #1 - Time	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	✓				
Superstructures #2 - Mileage	1.4	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	✓				
Superstructures #3 - Auto Rack	50.0	51.0	52.0	53.0	55.0	57.0	57.0	58.0	59.0	✓				
Covered Hoppers #2 - Mileage	44.3	44.4	44.4	44.5	44.5	44.6	44.1	44.3	44.2	✓				
Tank Cars #2 - Mileage	70.9	71.0	70.2	70.4	70.6	70.8	70.7	71.0	73.2	✓				
Others #1 - Time	74.0	73.0	73.0	73.0	74.0	74.0	74.0	74.0	74.0	✓				
Others #2 - Mileage	7.0	7.0	7.0	7.0	7.1	7.3	7.3	7.3	7.3	✓				
AVERAGE RATES														
Private Superstructures	20.20	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40	0.00	0.00	0.00	0.00	0.00
Private Others	23.43	23.21	23.21	23.21	23.53	23.73	23.73	23.73	23.73	0.00	0.00	0.00	0.00	0.00
Private Total	45.72	45.75	45.53	45.67	45.89	46.09	45.93	46.12	46.88	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Authoracks	49.42	50.13	51.28	52.57	54.28	56.00	55.86	56.73	57.60	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2011	2012
For RCAF & RCR		
RR-owned Time	0.170	0.148
RR-owned Mileage	0.078	0.071
Privately-owned Cars	0.738	0.764
Authoracks	0.014	0.017
----- Check sum	1.000	1.000

Note: The 4 bold lines are used for the Car Hire Rate. Private Total uses a weighted average of the Covered Hoppers, Tank Cars, Combined Private Superstructures, and Combined Private Others rates.

CHARM Process - Car Hire Rate Report

Average Car Rental Rates for 03/2014

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	8,047	118	0.079	49
Railroad	Number of Zero-Rated Vehicular Flats	42	.	.	.
Railroad	All Other Cars	468,221	64	0.068	.
Railroad	Number of Zero-Rated Other Cars	21,261	.	.	.
Railroad	Total Railroad Equipment	497,571	.	.	.
		.	.	.	.
Private	Vehicular Flats	49,329	80	0.016	59
Private	Number of Zero-Rated Vehicular Flats	18	.	.	.
Private	Covered Hoppers	335,508	0	0.442	.
Private	Number of Zero-Rated Covered Hoppers	10,565	.	.	.
Private	Tanks	337,243	0	0.732	.
Private	Number of Zero-Rated Tanks	8,450	.	.	.
Private	All Other Cars	288,078	74	0.073	.
Private	Number of Zero-Rated Other Cars	29,173	.	.	.
Private	Total Private Equipment	1,058,364	.	.	.

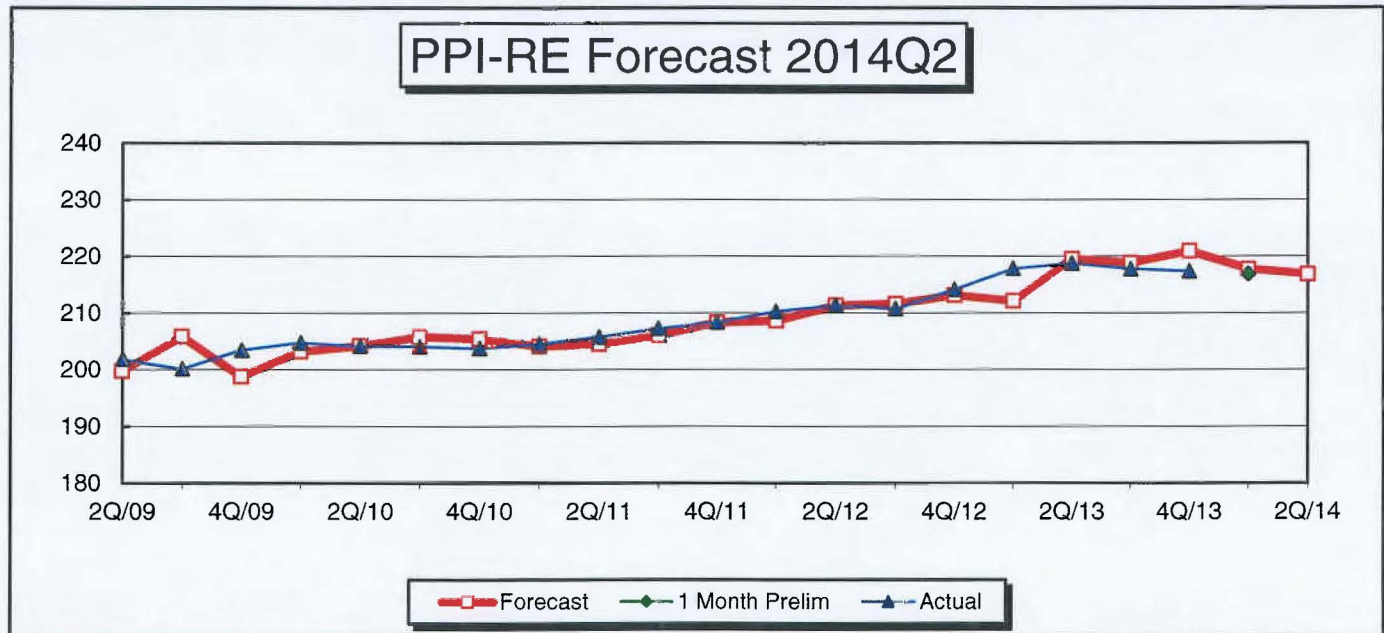
Notes
This report excludes these car types: D (Locomotives), M (MoW, EOTs, etc.), U (Containers), Z (Trailers).
All TTX equipment (including ABOX, RBOX, GONX) is contained in the Private section of report.
Equipment can be zero rated due to owners supplying incorrect or insufficient information to the car accounting process.
Zero-rated equipment includes those with Umler Rate_Indicator of 6 and 0 (zero).
Zero-rated equipment is excluded from the averages shown in this report.
Equipment must be Active in Umler to be included in this report; Pre-registered and Inactive cars are excluded.

PPI-RE Forecast (for Depreciation Component)

	Forecast	Actual	1 Month Prelim
2Q/09	199.9	201.9	
3Q/09	206.0	200.2	
4Q/09	198.9	203.5	
1Q/10	203.3	204.8	
2Q/10	204.3	204.2	
3Q/10	205.9	204.1	
4Q/10	205.5	203.8	
1Q/11	204.2	204.6	
2Q/11	204.6	205.8	
3Q/11	206.1	207.3	
4Q/11	208.4	208.4	
1Q/12	208.7	210.3	
2Q/12	211.4	211.4	
3Q/12	211.7	210.8	
4Q/12	213.2	214.2	
1Q/13	212.2	217.9	
2Q/13	219.6	218.8	
3Q/13	218.9	217.8	
4Q/13	221.0	217.4	
1Q/14	217.8		216.9
2Q/14	216.9		

1980 Base

	PPI-RE Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2014Q2						
Low	191.5	211.8	-3.2%			
Midpoint	196.1	216.9	-0.9%	0.0%	-0.2%	-0.4%
High	200.7	222.0	1.5%			



re_ppi.txt
Forecast Pro Version 4.3 Standard Edition
Database I:\Indexes2\RCAF\2014Q2\5Deprec\FPre_ppi.xls is open and ready for use.
Expert data exploration of dependent variable PPIRE

Length 72 Minimum 177.600 Maximum 198.100
Mean 187.128 Standard deviation 5.709

Classical decomposition (multiplicative)
Trend-cycle: 95.66% Seasonal: 0.34% Irregular: 3.99%

Choice is narrowed down to Box-Jenkins or exponential smoothing.

Box-Jenkins outperforms exponential smoothing by 1.159 to 1.589 out-of-sample Mean Absolute Deviation. I tried 78 forecasts up to a maximum horizon 12.

Series is nonstationary and nonseasonal.

Recommended model: Box-Jenkins
Forecast Model for PPIRE
ARIMA(0,1,0)

within-Sample Statistics

Sample size 72	Number of parameters 0
Mean 187.1	Standard deviation 5.709
R-square 0.9572	Adjusted R-square 0.9578
Durbin-watson 2.389	Ljung-Box(18)=20.43 P=0.6911
Forecast error 1.173	BIC 1.173
MAPE 0.003917	RMSE 1.173
MAD 0.7375	

Forecast Report
wed Feb 19 10:16:44 2014
Box-Jenkins model for PPIRE
Analysis of Historic Fit Set

Date	Historic
2008-02	178.200 ✓
2008-03	177.600 ✓
2008-04	178.700 ✓
2008-05	178.000
2008-06	181.200
2008-07	180.800
2008-08	181.700
2008-09	182.900
2008-10	181.900
2008-11	181.600
2008-12	180.700
2009-01	181.600
2009-02	181.800
2009-03	181.600
2009-04	183.100
2009-05	180.000
2009-06	180.000
2009-07	179.900
2009-08	179.900
2009-09	183.800
2009-10	183.600
2009-11	183.600
2009-12	184.400
2010-01	184.500
2010-02	184.700
2010-03	184.500
2010-04	184.500
2010-05	184.600
2010-06	184.600
2010-07	184.500
2010-08	184.500
2010-09	184.500
2010-10	184.200
2010-11	184.200

re_ppi.txt

2010-12	184.200
2011-01	184.900
2011-02	185.100
2011-03	187.000
2011-04	186.600
2011-05	186.700
2011-06	186.800
2011-07	187.300
2011-08	187.400
2011-09	187.500
2011-10	187.500
2011-11	187.700
2011-12	189.900
2012-01	190.100 ✓
2012-02	190.100
2012-03	190.600
2012-04	191.800
2012-05	191.600
2012-06	191.500
2012-07	192.000
2012-08	190.400
2012-09	190.900
2012-10	194.900
2012-11	193.900
2012-12	194.100
2013-01	196.000 ✓
2013-02	195.200
2013-03	195.800
2013-04	195.200
2013-05	198.100 ✓
2013-06	196.300 ✓
2013-07	195.400 ✓
2013-08	194.500 ✓
2013-09	194.600 ✓
2013-10	195.800 ✓
2013-11	196.500 ✓
2013-12	197.300 ✓
2014-01	196.100 ✓

Forecasted values

Date	2.5 Lower	Forecast	97.5 Upper
2014-02	193.785	196.100	198.415
2014-03	192.826	196.100	199.374
2014-04	192.090	196.100	200.110
2014-05	191.470	196.100	200.730
2014-06	190.923	196.100	201.277
2014-07	190.429	196.100	201.771
2014-08	189.975	196.100	202.225
2014-09	189.552	196.100	202.648
2014-10	189.154	196.100	203.046
2014-11	188.779	196.100	203.421
2014-12	188.421	196.100	203.779
2015-01	188.080	196.100	204.120

Databases, Tables & Calculators by Subject

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Producer Price Index-Commodities

Series Id: WPU144

Not Seasonally Adjusted

Group: Transportation equipment

Item: Railroad equipment

Base Date: 198200

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	190.1	190.1	190.6	191.8	191.6	191.5	192.0	190.4	190.9	194.9	193.9	194.1	191.8
2013	196.0	195.2	195.8	195.2	198.1	196.3	195.4	194.5	194.6	195.8(P)	196.5(P)	197.3(P)	195.9(P)
2014	196.1(P)												

Preliminary. All indexes are subject to revision four months after original publication.

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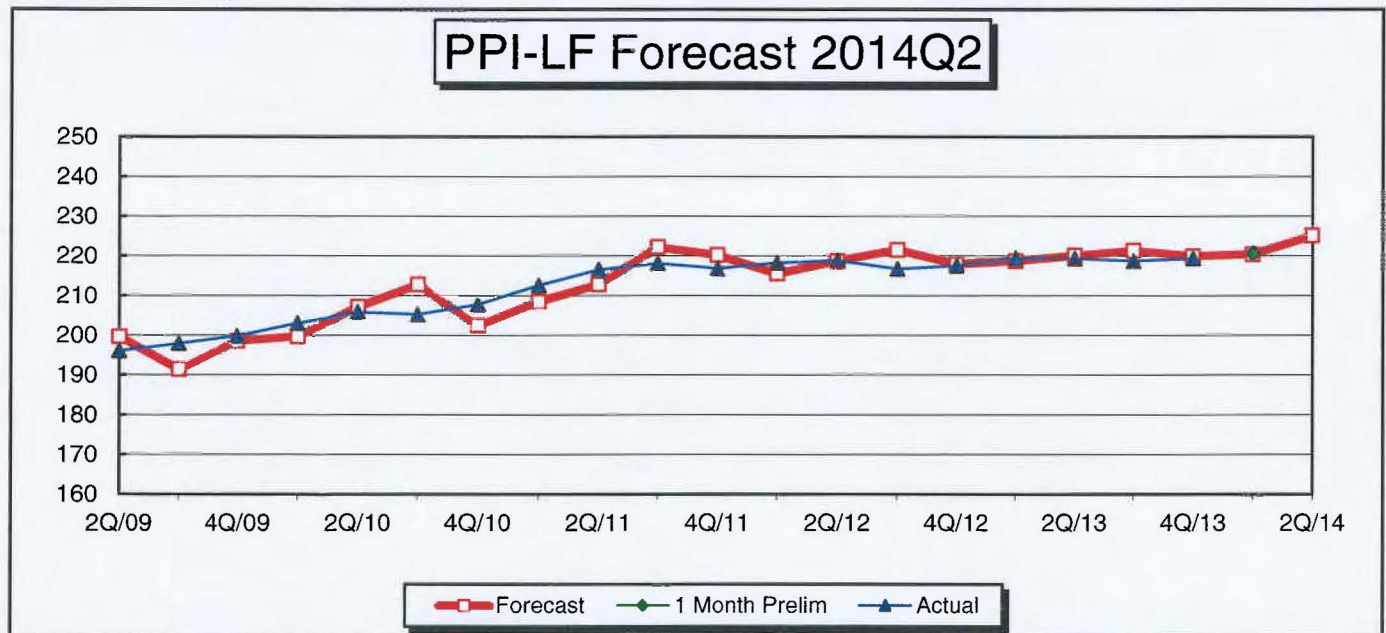
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PPI-LF Forecast (for Other and Lease Rentals Components)

	Forecast	Actual	1 Month Prelim
2Q/09	199.7	196.1	
3Q/09	191.5	198.0	
4Q/09	198.7	199.9	
1Q/10	199.8	203.1	
2Q/10	207.3	205.9	
3Q/10	212.9	205.3	
4Q/10	202.6	207.8	
1Q/11	208.6	212.6	
2Q/11	212.9	216.6	
3Q/11	222.3	218.2	
4Q/11	220.3	216.9	
1Q/12	215.6	218.3	
2Q/12	218.8	218.9	
3Q/12	221.6	216.8	
4Q/12	218.0	217.6	
1Q/13	218.8	219.5	
2Q/13	220.2	219.4	
3Q/13	221.4	218.8	
4Q/13	220.0	219.4	
1Q/14	220.5		220.7
2Q/14	225.2		

1980 Base

	PPI-LF Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2014Q1						
Low	194.8	218.4	-0.5%			
Midpoint	200.9	225.2	2.6%	2.0%	2.6%	2.1%
High	207.0	232.0	5.7%			



lf_ppi.txt
Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2014Q2\70ther\FPIlf_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPILF

Length 72 Minimum 174.900 Maximum 196.900
Mean 187.572 Standard deviation 7.559

Classical decomposition (multiplicative)
Trend-cycle: 94.20% Seasonal: 0.58% Irregular: 5.22%

Choice is narrowed down to Box-Jenkins or exponential smoothing.

Exponential smoothing outperforms Box-Jenkins by 2.444 to 2.444 out-of-sample Mean Absolute Deviation. I tried 78 forecasts up to a maximum horizon 12.

Series is trended and nonseasonal.

Recommended model: Exponential Smoothing
Forecast Model for PPILF
Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing weight	Final Value
Level	1.00000	196.90
Trend	1.00000	1.0000

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 187.6	Standard deviation 7.559
R-square 0.9882	Adjusted R-square 0.988
Durbin-Watson 1.919	Ljung-Box(18)=17.25 P=0.4941
Forecast error 0.8285	BIC 0.8669
MAPE 0.003419	RMSE 0.8169
MAD 0.6375	

Forecast Report
Wed Feb 19 12:26:48 2014
Exponential Smoothing model for PPILF
Analysis of Historic Fit Set

Date	Historic
2008-02	175.900✓
2008-03	177.400✓
2008-04	179.800✓
2008-05	181.800
2008-06	183.200
2008-07	185.900
2008-08	186.600
2008-09	186.200
2008-10	183.700
2008-11	179.900
2008-12	177.400
2009-01	176.900
2009-02	176.100
2009-03	175.600
2009-04	175.000
2009-05	174.900
2009-06	175.200
2009-07	175.500
2009-08	176.600
2009-09	177.200
2009-10	177.700
2009-11	178.100
2009-12	178.900
2010-01	180.200
2010-02	181.200
2010-03	182.400
2010-04	183.800
2010-05	184.000

lf_ppi.txt

2010-06	183.100
2010-07	182.700
2010-08	183.100
2010-09	183.500
2010-10	184.600
2010-11	185.400
2010-12	186.300
2011-01	188.600
2011-02	190.200
2011-03	191.200
2011-04	193.000
2011-05	193.700
2011-06	193.900
2011-07	194.600
2011-08	194.500
2011-09	194.600
2011-10	193.900
2011-11	193.200
2011-12	192.700
2012-01	193.800
2012-02	194.700
2012-03	195.700
2012-04	195.800
2012-05	195.400
2012-06	193.700
2012-07	193.300
2012-08	193.300
2012-09	193.700
2012-10	193.900
2012-11	194.000
2012-12	194.200
2013-01	195.300 ✓
2013-02	196.100 ✓
2013-03	196.100 ✓
2013-04	195.900 ✓
2013-05	195.500 ✓
2013-06	195.400 ✓
2013-07	195.200 ✓
2013-08	195.300 ✓
2013-09	195.100 ✓
2013-10	195.600 ✓
2013-11	195.500 ✓
2013-12	195.900 ✓
2014-01	196.900 ✓

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2014-02	196.201	197.900	199.599
2014-03	195.101	198.900	202.699
2014-04	194.803	199.900	204.997
2014-05	194.774	200.900	207.026
2014-06	194.894	201.900	208.906
2014-07	195.114	202.900	210.686
2014-08	195.404	203.900	212.396
2014-09	195.750	204.900	214.050
2014-10	196.139	205.900	215.661
2014-11	196.565	206.900	217.235
2014-12	197.020	207.900	218.780
2015-01	197.502	208.900	220.298



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Producer Price Index-Commodities

Series Id: WPU03T15M05

Not Seasonally Adjusted

Group: Industrial Commodities less fuels

Item: Industrial commodities less fuels

Base Date: 198200

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	193.8	194.7	195.7	195.8	195.4	193.7	193.3	193.3	193.7	193.9	194.0	194.2	194.3
2013	195.3	196.1	196.1	195.9	195.5	195.4	195.2	195.3	195.1	195.6(P)	195.5(P)	195.9(P)	195.6(P)
2014	196.9(P)												

Preliminary. All indexes are subject to revision four months after original publication.

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Forecast Error Calculation

		Fourth Quarter 2013		Pct.
	2012r	2013Q4r	2013Q4	Diff.
	Weight	Forecast	Actual	
Labor	31.2%	387.1	387.1	0.0
Fuel	22.3%	399.6	374.3	-25.3
M&S	4.9%	261.4	261.4	0.0
Equip Rents	5.6%	207.7	208.0	0.3
Depreciation	11.9%	221.0	217.4	-3.6
Interest	2.0%	76.6	76.6	0.0
Other	22.1%	220.0	219.4	-0.6
Weighted Avg	100.0%			
1980 = 100		310.8	304.6	
1980 = 100 (linked)		297.9	291.3	
4Q12r = 100	2.976	100.1	97.9	
4Q07 = 100	2.459	121.1	118.5	
4Q02 = 100	1.921	155.1	151.6	
4Q97 = 100	1.732	172.0	168.2	
4Q92 = 100	1.569	189.9	185.7	
Forecast Error		-2.2		

<u>Prior Quarter</u>			
1980 = 100		307.2	306.5 **
1980 = 100 (linked)		294.4	293.1
4Q12r = 100		98.9	98.5
4Q07 = 100		119.7	119.2
4Q02 = 100		153.3	152.6
4Q97 = 100		170.0	169.2
4Q92 = 100		187.6	186.8

<u>Equipment Rents</u>			
Car Hire	48.2%	179.1	179.9
Lease Rentals	51.8%	220.0	219.4
Weighted Average		200.3	200.4
Linked		207.7	208.0

<u>Prior Quarter</u>			
Weighted Average		200.6	200.0 **
Linked		208.0	207.6

Sum of Weights ok
Sum of ER Wt. ok

The forecast in this case is the **corrected version recalculated in this 2014Q2 filing in Appendix AA**. Although the 1980=100 versions are different from the 2014Q1 Appendix AC, the 4Q12=100 version rounds to the same number (100.1). Weights used herein are the weights recalculated using R-1 revisions received through 3/7/2014.

* actual=forecast
from 1st month of quarter

* actual=forecast
from Equipment Rents below

PPI-RE	195.80	196.50	197.30	0.9040
--------	--------	--------	--------	--------

* actual=forecast PPI-LF	195.60	195.50	195.90	0.8920
-----------------------------	--------	--------	--------	--------

calculated
calculated
calculated

calculated
calculated
calculated
calculated

calculated -0.022 = RCAF adj.

Re-calculated using new weights

calculated
calculated
calculated
calculated
calculated

from Equipment Rents/CHARM
(equals PPI-LF from above)

calculated
calculated

Re-calculated using new weights

** if fourth quarter, weighted avg for prior needs to use new weights, linked is ok

All-Inclusive Index (Actual)

Includes All Annual Report Revisions Received Through March 7, 2014

	12 Wts	3Q/13 11 Wts	3Q/13 12 Wts	% Chg.	4Q/13 12 Wts	% Chg.	1Q/14 12 Wts	% Chg.	2Q/14 12 Wts	% Chg.	3Q/14 12 Wts	% Chg.
Labor	31.2%	391.3	391.3	0.0%	387.1	-1.1%		NA		NA		NA
Fuel	22.3%	376.0	376.0	0.0%	374.3	-0.5%		NA		NA		NA
M&S	4.9%	264.2	264.2	0.0%	261.4	-1.1%		NA		NA		NA
Equipment Rents	5.6%	207.6	207.6	0.0%	208.0	0.2%	0.0	NA	#DIV/0!	NA		NA
Depreciation	11.9%	217.8	217.8	0.0%	217.4	-0.2%		NA		NA		NA
Interest	2.0%	87.3	87.3	0.0%	76.6	-12.3%	76.6	0.0%	76.6	0.0%	76.6	0.0%
Other	22.1%	218.8	218.8	0.0%	219.4	0.3%		NA		NA		NA
	1.0000											
Weighted Avg.		307.0	306.5	-0.2%	304.6	-0.6%	1.5	NA	#DIV/0!	NA	1.5	NA
Linked		293.1			291.3	-0.6%	1.4	NA	#DIV/0!	NA	#DIV/0!	NA
10/1/80	1.027	285.4			283.6	-0.6%	1.4	NA	#DIV/0!	NA	#DIV/0!	NA
10/1/82	1.209	242.4			240.9	-0.6%	1.2	NA	#DIV/0!	NA	#DIV/0!	NA
4Q/87	1.322	221.7			220.3	-0.6%	1.1	NA	#DIV/0!	NA	#DIV/0!	NA
4Q/92	1.569	186.8			185.7	-0.6%	0.9	NA	#DIV/0!	NA	#DIV/0!	NA
4Q/97	1.732	169.2			168.2	-0.6%	0.8	NA	#DIV/0!	NA	#DIV/0!	NA
4Q/02	1.921	152.6			151.6	-0.7%	0.7	NA	#DIV/0!	NA	#DIV/0!	NA
4Q/07	2.459	119.2			118.5	-0.6%	0.6	NA	#DIV/0!	NA	#DIV/0!	NA
4Q/12	2.976	98.5			97.9		0.5	NA	#DIV/0!	NA	#DIV/0!	NA
Equipment Rents												
Car Hire	48.2%	179.7	179.7	0.0%	179.9	0.1%		NA		NA		NA
Lease Rentals	51.8%	218.8	218.8	0.0%	219.4	0.3%	0.0	NA	0.0	NA	0.0	NA
	1.0000											
ER Weighted Avg		199.8	200.0	0.1%	200.4	0.2%	0.0	NA	0.0	NA	0.0	NA
ER Linked		207.6			208.0	0.2%	0.0	NA	#DIV/0!	NA	#DIV/0!	NA
Impact/Check of weight change												
		11 Wts	12 Wts									
Labor		122.868	122.086									
Fuel		84.976	83.848									
Material & Supplies		13.474	12.946									
Equipment Rents		11.626	11.626									
Depreciation		25.047	25.918									
Interest		2.008	1.746									
Other		47.042	48.355									
Weighted Avg.		307.041	306.524									
ER Weighted Avg.		199.7583	199.9538									

RCAF Fuel (Actual All-Inclusive Index)

October 2013

Monthly Report

	October 2013 Price (cents) (1)	1/1/81 Price (cents) (2)	1/91 New Method Linking Factors (3)	October 2013 Index 1/1/81=100 (4)	Linking Factor 1980=100 (5)	October 2013 1980=100 Current Index (6)
U.S.	306.31	89.34	99.415	340.85	1.096	373.57

(4) = (1) / (2) x (3)

(6) = (4) x (5)

Final Actual All-inclusive Index Used for RCAF's Forecast Error Adjustment

	October 2013 1980=100 Current Index	Adjustment Factor	October 2013 1980=100 Linked Index
U.S.	373.57	1.00192	374.29 ←

January	=	Q1
April	=	Q2
July	=	Q3
October	=	Q4

Car Hire for RCAF

RCAF (Actual)

		1980	Aug 3Q/13	Nov 4Q/13	Feb 1Q/14	May 2Q/14	Aug 3Q/14
RATE							
RR-OWNED TIME		31.00	64.00	63.00	64.00	--	--
RR-OWNED MILEAGE		4.69	6.70	6.70	6.80	--	--
PRIVATELY-OWNED CARS		25.47	45.75	45.89	46.12	--	--
AUTORACKS		47.00	50.13	54.28	56.73	--	--
INDEX							
RR-OWNED TIME		100.0	206.5	203.2	206.5	--	--
RR-OWNED MILEAGE		100.0	142.9	142.9	145.0	--	--
PRIVATELY-OWNED CARS		100.0	179.6	180.2	181.1	--	--
AUTORACKS		100.0	106.7	115.5	120.7	--	--
CAR HIRE INDEX (old wts)	2011	100.0	180.3	--	--	--	--
CAR HIRE INDEX (new wts)	2012	100.0	179.7	179.9	181.3	--	--
CAR HIRE INDEX (LINKED)		100.0	179.7	179.9	181.3	--	--

Note: Indexes are rounded, rates are full float.

Equipment Rents Data From CHARM

	2013 (first day of month)						2014 (first day of month)							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Railroad Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	7,972	8,031	8,052	8,104	8,105 ✓	8,096	8,082	8,047						
Rate (in cents)														
Superstructures #3 - Auto Rack	46.0	45.0	47.0	50.0	50.0 ✓	50.0	49.0	49.0						
All other #1 - Time	63.0	64.0	64.0	63.0	63.0 ✓	63.0	64.0	64.0						
All other #2 - Mileage	6.7	6.7	6.7	6.7	6.7 ✓	6.8	6.8	6.8						
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	47,135	47,454	47,836	48,042	48,308 ✓	48,580	48,826	49,026						
Covered Hoppers	328,551	329,350	330,108	330,617	331,558 ✓	332,747	333,965	333,966						
Tank Cars	319,558	321,555	324,039	326,402	328,854 ✓	331,419	333,488	334,362						
Others	286,245	287,176	287,547	288,000	287,910 ✓	288,030	288,335	288,193						
Rate (in cents)														
Superstructures #1 - Time	80.0	80.0	80.0	80.0	80.0 ✓	80.0	80.0	80.0						
Superstructures #2 - Mileage	1.4	1.6	1.6	1.6	1.6 ✓	1.6	1.6	1.6						
Superstructures #3 - Auto Rack	50.0	51.0	52.0	53.0	55.0 ✓	57.0	57.0	58.0						
Covered Hoppers #2 - Mileage	44.3	44.4	44.4	44.5	44.5 ✓	44.6	44.1	44.3						
Tank Cars #2 - Mileage	70.9	71.0	70.2	70.4	70.6 ✓	70.8	70.7	71.0						
Others #1 - Time	74.0	73.0	73.0	73.0	74.0 ✓	74.0	74.0	74.0						
Others #2 - Mileage	7.0	7.0	7.0	7.0	7.1 ✓	7.3	7.3	7.3						
AVERAGE RATES														
Private Superstructures	20.20	20.40	20.40	20.40	20.40	20.40	20.40	20.40	0.00	0.00	0.00	0.00	0.00	0.00
Private Others	23.43	23.21	23.21	23.21	23.53	23.73	23.73	23.73	0.00	0.00	0.00	0.00	0.00	0.00
Private Total	45.72	45.75	45.53	45.67	45.89	46.09	45.93	46.12	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Autoracks	49.42	50.13	51.28	52.57	54.28	56.00	55.86	56.73	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2011	2012
For RCAF & RCR		
RR-owned Time	0.170	0.148
RR-owned Mileage	0.078	0.071
Privately-owned Cars	0.738	0.764
Autoracks	0.014	0.017
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2011	2012
Car Hire - U.S.	0.496	0.463
Lease Rentals - U.S.	0.514	0.518
----- Check sum	1.000	1.000

Note: The 4 bold lines are used for the Car Hire Rate. Private Total uses a weighted average of the Covered Hoppers, Tank Cars, Combined Private Superstructures, and Combined Private Others rates.

CHARM Process - Car Hire Rate Report

Average Car Rental Rates for 11/2013

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	8,105	119	0.081	50
Railroad	Number of Zero-Rated Vehicular Flats	20	.	.	.
Railroad	All Other Cars	478,911	63	0.067	.
Railroad	Number of Zero-Rated Other Cars	19,687	.	.	.
Railroad	Total Railroad Equipment	506,723	.	.	.
		.	.	.	.
Private	Vehicular Flats	48,308	80	0.016	55
Private	Number of Zero-Rated Vehicular Flats	16	.	.	.
Private	Covered Hoppers	331,558	0	0.445	.
Private	Number of Zero-Rated Covered Hoppers	9,386	.	.	.
Private	Tanks	328,854	0	0.706	.
Private	Number of Zero-Rated Tanks	7,593	.	.	.
Private	All Other Cars	287,910	74	0.071	.
Private	Number of Zero-Rated Other Cars	29,621	.	.	.
Private	Total Private Equipment	1,043,246	.	.	.

Notes
This report excludes these car types: D (Locomotives), M (MoW, EOTs, etc.), U (Containers), Z (Trailers).
All TTX equipment (including ABOX, RBOX, GONX) is contained in the Private section of report.
Equipment can be zero rated due to owners supplying incorrect or insufficient information to the car accounting process.
Zero-rated equipment includes those with Umler Rate_Indicator of 6 and 0 (zero).
Zero-rated equipment is excluded from the averages shown in this report.
Equipment must be Active in Umler to be included in this report; Pre-registered and Inactive cars are excluded.

RCAF - Depreciation

Series ID : wpu144

Not Seasonally Adjusted

Group : Transportation equipment

Item : Railroad equipment

		Forecast Year 2014			
		As reported at end of month 82=100			
		Nov.	Feb.✓	May	Aug.
For Forecast	→	14Q1	14Q2	14Q3	14Q4
For Actual	→	13Q3	13Q4	14Q1	14Q2
January	2013	196.0	196.0	196.0	196.0
February	2013	195.2	195.2	195.2	195.2
March	2013	195.8	195.8	195.8	195.8
April	2013	195.2	195.2	195.2	195.2
May	2013	198.1	198.1	198.1	198.1
June	2013	196.3	196.3	196.3	196.3
July	2013	198.4	195.4		
August	2013	197.2	194.5		
September	2013	195.1	194.6		
October	2013	195.8	195.8 ✓		
November	2013		196.5 ✓		
December	2013		197.3 ✓		
January	2014		196.1 ✓		
February	2014				
March	2014				
April	2014				
May	2014				
June	2014				
July	2014				
Actual Qtr.		196.9	196.5	NA	NA

1980=100

Actual Qtr.	217.8	217.4	NA	NA
First Mo. next qtr.	216.6	216.9	NA	NA

0.904 =1980

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Producer Price Index-Commodities

Series Id: WPU144
Not Seasonally Adjusted
Group: Transportation equipment
Item: Railroad equipment
Base Date: 198200

Download:  [.xls](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	190.1	190.1	190.6	191.8	191.6	191.5	192.0	190.4	190.9	194.9	193.9	194.1	191.8
2013	196.0	195.2	195.8	195.2	198.1	196.3	195.4	194.5	194.6	195.8(P)	196.5(P)	197.3(P)	195.9(P)
2014	196.1(P)												

Preliminary. All indexes are subject to revision four months after original publication.

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RCAF - Other

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

		Forecast Year 2014			
		As reported at end of month 82=100			
		Nov.	Feb.	May	Aug.
For Forecast	→	14Q1	14Q2	14Q3	14Q4
For Actual	→	13Q3	13Q4	14Q1	14Q2
January	2013	195.3	195.3✓	195.3	195.3
February	2013	196.1	196.1✓	196.1	196.1
March	2013	196.1	196.1✓	196.1	196.1
April	2013	195.9	195.9✓	195.9	195.9
May	2013	195.5	195.5✓	195.5	195.5
June	2013	195.4	195.4✓	195.4	195.4
July	2013	195.1	195.2✓		
August	2013	195.3	195.3✓		
September	2013	195.2	195.1✓		
October	2013	195.6	195.6 ✓		
November	2013		195.5 ✓		
December	2013		195.9 ✓		
January	2014		196.9✓		
February	2014				
March	2014				
April	2014				
May	2014				
June	2014				
July	2014				
Actual Qtr.		195.2	195.7	NA	NA

1980=100

Actual Qtr.	218.8	219.4	NA	NA
First Mo. next qtr.	219.3	220.7	NA	NA

0.892 =1980



Databases, Tables & Calculators by Subject

FONT SIZE:

Change Output Options:

From: 2012

To: 2014

☐ Include graphs[More Formatting Options](#) ➔

Data extracted on: February 19, 2014 (9:54:05 AM)

Producer Price Index-Commodities

Series Id: WPU03T15M05

Not Seasonally Adjusted

Group: Industrial Commodities less fuels

Item: Industrial commodities less fuels

Base Date: 198200

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	193.8	194.7	195.7	195.8	195.4	193.7	193.3	193.3	193.7	193.9	194.0	194.2	194.3
2013	195.3	196.1	196.1	195.9	195.5	195.4	195.2	195.3	195.1	195.6(P)	195.5(P)	195.9(P)	195.6(P)
2014	196.9(P)												

Preliminary. All indexes are subject to revision four months after original publication.

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Calculation of Interest Rate for RCAF

Access: Line Summary RCAF Debt

Year	Sched	Line	Sum Of ColB	Sum Of ColC			
2012	210	22	7283	3353	210	22	ok
2012	200	30	200000	104901	200	30	ok
2012	200	39	603268	633826	200	39	ok
2012	200	41	2582458	2619557	200	41	ok
2012	200	42	940431	1071419	200	42	ok
2012	210	42	1007973	1144870	210	42	ok
2012	200	43	2616647	2805633	200	43	ok
2012	200	44	0	0	200	44	ok
2012	210	44	7731	7598	210	44	ok
2012	200	45	10251067	9045321	200	45	ok
2012	200	46	26415	46280	200	46	ok

Interest 1,008,421
Debt 16,773,612

2012 Interest Rate → 6.01%

1980 Interest Rate 7.85%

2012 Interest Index 76.6 *no change*

Calculation of Interest Rate for RCAF

Access: Line Summary RCAF Debt

Year	Sched	Line	Sum Of ColB	Sum Of ColC			
2011	210	22	3353	4123	210	22	ok
2011	200	30	104901	110606	200	30	ok
2011	200	39	633826	751259	200	39	ok
2011	200	41	2619557	2768679	200	41	ok
2011	200	42	1071419	1230221	200	42	ok
2011	210	42	1144870	1255292	210	42	ok
2011	200	43	2805633	3009866	200	43	ok
2011	200	44	0	0	200	44	ok
2011	210	44	7598	7625	210	44	ok
2011	200	45	8965888	9365141	200	45	ok
2011	200	46	46280	59313	200	46	ok

Interest 1,149,115
Debt 16,771,295

2011 Interest Rate → **6.85%**

1980 Interest Rate **7.85%**

2011 Interest Index **87.3**

no change from revised

RCAF Internal Weights (with all R-1 changes received through 3/7/2014)

	U.S.	U.S. 2012	
Labor			
Wages	11,125,896	69.2%	No change from 2014Q1 Appendix AC
Wage Supplem	4,944,887	30.8%	
Total	16,070,783	100.0%	
	ok		

Equip. Rents			
Car Hire	1,398,523	48.2%	No change from 2014Q1 Appendix AC
Lease Rents	1,501,706	51.8%	
Total	2,900,229	100.0%	
Check	ok		

Car Hire			
RR Time excl Autork	205,862	14.8%	
RR Mileage excl Auto	99,197	7.1%	
Private excl Autorack	1,062,376	76.4%	
Autorack	23,611	1.7%	
Total	1,391,046	100.0%	
from Sch. 414	ok		

Car Hire, Adjusted to eliminate negative numbers

RR Time excl Autork	205,862	14.8%	No change
RR Mileage excl Auto	99,197	7.1%	
Private excl Autorack	1,062,376	76.4%	
Autorack	23,611	1.7%	
Total	1,391,046	100.0%	

Note: These numbers are all rounded to 3 digits after the decimal or 1 digit after the decimal for a percentage. In the event that the rounded percentages do not sum to 100.0%, the number that is closest to rounding in the other direction will be changed to force a 100.0% total. The number is identified by a **bold font**.

RCAF Weights (with all R-1 changes through 3/7/2014)

	U.S.	2012
Labor	\$16,070,783	31.2%
Fuel	11,477,236	22.3%
Mat & Sup.	2,508,163	4.9%
Equip. Rents	2,900,229	5.6%
Depreciation	6,128,615	11.9%
Interest	1,005,611	2.0%
Other	11,363,782	22.1%
Total	\$51,454,419	100.0%

Check

410 620f	50,448,808
Interest	1,005,611
Total	51,454,419
	ok

Bolded number was adjusted to force rounded numbers to add to 100.0%.

Yellow cells reflect change from the original.

RCAF Weights (with all R-1 revisions received through 3/7/2014)

	U.S.	2011
Labor	\$15,796,305	31.4%
Fuel	11,362,525	22.6%
Mat & Sup.	2,554,746	5.1%
Equip. Rents	2,795,535	5.6%
Depreciation	5,769,830	11.5%
Interest	1,145,221	2.3%
Other	10,812,085	21.5%
Total	\$50,236,247	100.0%

**Weights round to the same as those used in the
2014Q1 revisions in Appendix AC**

Check	
410 620f	49,091,026
Interest	1,145,221
Total	50,236,247
	ok

Bolded number was adjusted to force rounded numbers to add to 100.0%.

Yellow cells reflect change from the revised version in 12/5/2013 submission.

RCAF Internal Weights (with all R-1 revisions received through 3/7/2014)

	U.S.	U.S. 2011	
Labor			
Wages	10,793,221	68.3%	No change from 2014Q1 Appendix AC.
Wage Supplem	5,003,084	31.7%	
Total	15,796,305	100.0%	
	ok		

Equip. Rents			
Car Hire	1,360,891	48.7%	No change from 2014Q1 Appendix AC.
Lease Rents	1,434,644	51.3%	
Total	2,795,535	100.0%	
Check	ok		

Car Hire		
RR Time excl Autork	231,384	17.0%
RR Mileage excl Auto	105,819	7.8%
Private excl Autorack	1,002,399	73.8%
Autorack	18,473	1.4%
Total	1,358,075	100.0%
from Sch. 414	ok	

Car Hire, Adjusted to eliminate negative numbers			
RR Time excl Autork	231,384	17.0%	No change.
RR Mileage excl Auto	105,819	7.8%	
Private excl Autorack	1,002,399	73.8%	
Autorack	18,473	1.4%	
Total	1,358,075	100.0%	

Note: These numbers are all rounded to 3 digits after the decimal or 1 digit after the decimal for a percentage. In the event that the rounded percentages do not sum to 100.0%, the number that is closest to rounding in the other direction will be changed to force a 100.0% total. The number is identified by a **bold font**.