

ASSOCIATION
OF AMERICAN
RAILROADS

John T. Gray
Senior Vice President - Policy & Economics

March 5, 2013

233908

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

ENTERED
Office of Proceedings
March 5, 2013
Part of Public Record

Dear Ms. Brown:

This submission is the AAR forecast of the second quarter 2013 All-Inclusive Index and Rail Cost Adjustment Factor, filed in Ex Parte No. 290 (Sub-No. 5) (2013-2) *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 first quarter 2013 results on the **fourth quarter 2012 base**, and shows the percentage changes from the previous quarter.

	<u>2013Q1</u>	<u>2013Q2</u>	<u>% Change</u>
All-Inclusive Index	99.9	100.3	0.4
Preliminary RCAF	0.999	1.003	0.4
Forecast Error Adjustment	-0.002	0.003	
RCAF (Unadjusted)	0.997	1.006	0.9
Productivity Adjustment Factor	2.2907	2.2957	
RCAF (Adjusted)	0.435	0.438	0.7
PAF-5	2.4279	2.4328	
RCAF-5	0.411	0.414	0.7

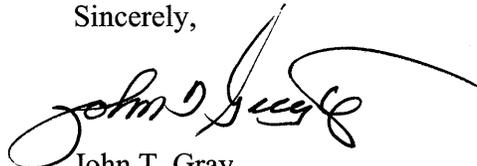
Page 2

March 5, 2013

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.

We have notified Paul Aguiar, in the STB office handling this proceeding, of our plan to e-file the submission and the non-proprietary work papers in accordance with the ICC's order in Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*, served February 8, 1990. 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 workpapers 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 2013
All-Inclusive Index**

Ex Parte No. 290 (Sub-No. 5) (2013-2)

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

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

March 5, 2013

Table of Contents

Subject	Page
Introduction	1
Index Weights	2
All-Inclusive Index - Second Quarter 2013.	3
Forecast vs. Actual All Inclusive Index - Fourth Quarter 2012	4
Productivity	5
Rail Cost Adjustment Factor - Second Quarter 2013	6
Appendices	
A Labor	
B Fuel	
C Materials & Supplies	
D Equipment Rents	
E Depreciation	
F Interest	
G Other Expenses	
H Railroad and Union Abbreviations	

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 2013. The STB's decision served February 11 regarding the change in railroad productivity has been utilized where appropriate.

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.

The 2011 (current) and 2010 (previous) weights are shown below. The 2010 weights were used for the fourth quarter of 2011 through the third quarter of 2012. Beginning with the fourth quarter of 2012, 2011 weights are used. In 2011, expenses increased for every category with the exception of interest expenses. However, fuel expenses increased by the highest percentage and amount, caused by a huge increase in fuel costs and a much smaller increase in traffic. Not surprisingly, Fuel's weight increased from 18.0 percent to 22.5 percent. This is the second-highest weight ever for Fuel. The only other category to have its weight increase was Materials & Supplies, which increased 0.1 percentage points. Labor's weight decreased from 33.3 to 31.3 percent, despite an 8 percent increase in expenses. Weights for the remaining categories decreased by 0.4 to 1.2 percentage points.

RCAF Weights		
	Previous 2010	Current 2011
Labor	33.3 %	31.3 %
Fuel	18.0	22.5
Materials & Supplies	5.0	5.1
Equipment Rents	6.2	5.6
Depreciation	12.8	11.6
Interest	2.9	2.5
Other	21.8	21.4

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 2013

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.

	2011 Weights	Forecast		Percent Change
		Previous 2013Q1	Current 2013Q2	
1. Labor	31.3%	389.7	384.9	-1.2 %
2. Fuel	22.5%	396.5	404.3	2.0
3. M&S	5.1%	263.4	261.0	-0.9
4. Equipment Rents	5.6%	206.7	206.9	0.1
5. Depreciation	11.6%	212.2	219.6	3.5
6. Interest	2.5%	92.9	92.9	0.0
7. Other	21.4%	218.8	220.2	0.6
8. Weighted Average				
a. 1980 = 100		310.0	311.3	
b. 1980 = 100 (linked)		297.3	298.5 ¹	
c. 4Q12 = 100		99.9	100.3 ²	0.4

Note: As required every five years, this index was rebased in the 2013Q1 (previous quarter) filing. The rebase affects line 8c on this page. See page 1A and Attachment A in the 2013Q1 filing for more detail.

¹ To calculate the 1980 = 100 Linked Index:

$$\begin{aligned} \text{Index}_{80} &= (\text{Current Index} / \text{Previous Index}) * \text{the Previous Quarter Linked Index} \\ &= (311.3 / 310.0) \times 297.3 \\ &= 298.5 \end{aligned}$$

² To calculate the 4Q12 = 100 index:

$$\begin{aligned} \text{Index}_{4Q12} &= (\text{Current Linked Index} / 4Q12 Basing Factor) * 100 \\ &= 298.5 \text{ divided by } 297.5 \text{ times } 100 \\ &= 100.3 \end{aligned}$$

Indexes based on other periods:

- 4Q07 based index = 298.5 / 245.9 x 100 = 121.4
- 4Q02 based index = 298.5 / 192.1 x 100 = 155.4
- 4Q97 based index = 298.5 / 173.2 x 100 = 172.3
- 4Q92 based index = 298.5 / 156.9 x 100 = 190.2
- 4Q87 based index = 298.5 / 132.2 x 100 = 225.8

Forecast vs. Actual All-Inclusive Index Fourth Quarter 2012

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 100.8 is 0.3 index points above the forecast value of 100.5. Therefore, the forecast error adjustment for second quarter 2013 is 0.3 index points.

	2011 Weights	Fourth Quarter 2012		Amt Difference
		Forecast	Actual	
1. Labor	31.3%	390.5	390.5	
2. Fuel	22.5%	403.3	410.6	
3. M&S	5.1%	266.1	266.1	
4. Equipment Rents ¹	5.6%	205.7	206.0	
5. Depreciation	11.6%	213.2	214.2	
6. Interest	2.5%	92.9	92.9	
7. Other	21.4%	218.0	217.6	
8. Weighted Average				
a. 1980 = 100		311.8	313.5	
b. 1980 = 100 (linked) ²		299.0	300.0 ³	
c. 4Q12 = 100 ⁴		100.5	100.8	0.3

Forecast error \longrightarrow **0.3 index points**

Note: As required every five years, this index was rebased in the 2013Q1 filing. Thus, line 8c uses a 4Q12 base instead of the 4Q07 base used in the original filing. See page 1A and Attachment A in the 2013Q1 filing for more detail.

1	2011 Weights	Fourth Quarter 2012	
		Forecast	Actual
Car-Hire	48.6%	177.3	178.1
Lease Rentals	51.4%	218.0	217.6
Weighted Average		198.2	198.4
Weighted Average (linked)		205.7	206.0

² 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 (2011) weights.

³ Linked actual index = (actual index / previous actual index) x previous linked actual index.

$$300.0 = 313.5 / 301.8 \times 288.8$$

⁴ The 4Q12 based indexes are 1980 based indexes divided by the 4Q12 basing factor (297.5/100). Other basing factors are: 4Q07 = 245.9; 4Q02 = 192.1; 4Q97 = 173.2; 4Q92 = 156.9; and 4Q87 = 132.2.

Productivity

On February 11, 2013, the Surface Transportation Board (STB) served a decision in Ex Parte 290 (Sub-No. 4) which added the year 2011 to the Productivity Adjustment Factor (PAF) and removed the year 2006. This creates a geometric average annual productivity change, for the five-year period 2007 through 2011, of 0.9 percent per year. The components of this average annual value are shown on the following table in ratio format – therefore, 1.009 is the same as an increase of 0.9 percent. Productivity changes are calculated by multiplying each of the five productivity changes together and taking the result to the one-fifth power. The quarter productivity adjustment factors (PAF) 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			
2007 - 2011			
Year	Output Index (1)	Input Index (2)	Productivity ¹ Changes (3)
2007	1.000	0.996	1.004
2008	0.990	0.970	1.021
2009	0.847	0.861	0.984
2010	1.109	1.070	1.036
2011	1.041	1.041	1.000
Average			1.009
Previous Average (2006-2010)			1.008

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 2007-2011, use fourth root of avg. productivity change = 1.0022			
For 2006-2010, use fourth root of avg. productivity change = 1.0020			
Quarter	Year	PAF	PAF-5
Q1	2013	2.2907	2.4279
Q2	2013	2.2957	2.4328
Q3	2013	2.3008	2.4377
Q4	2013	2.3059	2.4426
Q1	2014	2.3110	2.4480

Rail Cost Adjustment Factor Second Quarter 2013

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.**

	Previous 2013Q1	Current 2013Q2	Percent Change
All-Inclusive Index ¹	99.9	100.3	0.4
Preliminary RCAF ²	0.999	1.003	0.4
Forecast Error Adjustment ³	<u>-0.002</u>	<u>0.003</u>	
RCAF (Unadjusted) ⁴	0.997	1.006	0.9
Productivity Adjustment Factor ⁵	<u>2.2907</u>	<u>2.2957</u>	
RCAF (Adjusted) ⁶	0.435	0.438	0.7
PAF-5 ⁷	2.4279	2.4328	
RCAF-5 ⁸	0.411	0.414	0.7

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 2013

The second quarter 2013 Labor Index is forecast to decrease 1.2 percent from the previous quarter. The decrease was caused mostly by lower costs for back pay and lump sums.

Wage Rate Index

The Wage Rate Index portion of the Labor Index decreased 1.6 percent from the previous quarter. Much of the decrease was caused by the complete amortization and removal of back pay amounts relating to last year's new national agreements with 10 unions. Lump sum amounts also relating to new national agreements from last year were also fully amortized and removed from the index. [See Appendix H for a list of major railroad unions.]

New Labor Agreements: Five independent labor agreements were added to the index. Like many of the recent new contracts, these agreements typically had retroactive wage increases that caused back pay and/or lump sum payments.

Wage Increases: There are no wage increases scheduled for the second quarter.

Lump Sums: The second quarter lump sum rate dropped by more than one third from the previous quarter. Lump sum payments related to 11 new national labor agreements are now fully amortized, so they were removed from the rate. In addition, two annual performance bonus payments from 2012 were fully amortized and removed from the rate. The corresponding 2013 performance bonuses were lesser amounts than the 2012 payments, and therefore the net results were small decreases to the rate.

Back Pay: The second quarter back pay rate is less than half of the previous quarter amount. The major cause of the decrease was the complete amortization and removal of back pay amounts related to last year's new national agreements with 10 unions. Several new back pay amounts were added, but these amounts were for independent labor agreements – and were small compared to the national contracts. In addition, one of the newly-added back pay amounts was negative because the positive elements had already been captured.

Other: In wages, "Other" contains the amortization of incentive payments that a large railroad makes each year to its dispatchers, yardmasters, and engineers. This rate is unchanged.

Supplements Index

The Supplements Index decreased 0.7 percent. Almost all of the decrease was caused by lower Railroad Retirement costs and 401(k) matches.

Health & Welfare: The Health & Welfare rate decreased by \$0.001. New labor agreements increased the employee health & welfare cost sharing amount, causing the cost for employers to decrease slightly. The second quarter is the last quarter in which the index will reflect a credit to health & welfare payments caused by overpayments in the first half of 2012. This credit, which is being amortized over four quarters, is unchanged from the previous quarter. For the next (third) quarter, the credit will be fully amortized and removed from the rate – causing an increase of about 20 cents.

Labor

Second Quarter 2013

Railroad Retirement: The Railroad Retirement rate decreased 9.5 cents. Taxable income was lower for the second quarter, causing the decrease in Railroad Retirement tax contributions.

Unemployment Insurance: The Unemployment Insurance rate was unchanged. The maximum taxable earnings is too low for the lower taxable income to affect Unemployment Insurance contributions.

Other: The "Other" category is a reflection of all other fringe benefits, and currently contain 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 decreased by 2.4 cents. Much of the decrease was caused by perfect attendance awards captured in the previous quarter and not included in the current quarter.

Labor Index Calculation

As shown in Table A-1 on the next page, the 1.6 percent decrease in the Wage Rate Index and the 0.7 percent decrease in the Supplements Index combined to cause a 1.2 percent decrease in the Labor Index. The linked second quarter 2013 index is 384.9. This is the third consecutive decrease in the Labor Index, and it is at its lowest level since the first quarter of 2012.

Labor Second Quarter 2013

Table A-1 Labor Index

	2013Q1	2013Q2	Change	
			Percent	Amount
<u>Base Wage</u> – Straight Time & Pay For Time Not Worked	\$37.611	\$37.609	0.0%	-\$0.002
Adjustments:				
Lump Sum	0.446	0.278	-37.7%	-0.168
Back Pay	0.780	0.324	-58.5%	-0.456
Other	0.121	0.121	0.0%	0.000
Total Wages	<u>38.958</u>	<u>38.332</u>	-1.6%	-0.626
Health & Welfare Benefits	7.765	7.764	0.0%	-0.001
RR Retirement & Medicare	7.988	7.893	-1.2%	-0.095
Unemployment Insurance	0.059	0.059	0.0%	0.000
Other	0.146	0.122	-16.4%	-0.024
Total Supplements	<u>\$15.958</u>	<u>\$15.838</u>	-0.8%	-0.120
Total Labor	\$54.916	\$54.170		
Wage Index¹	333.4	328.0	-1.6%	
Supplements Index²	589.7	585.3	-0.7%	
Total labor Index, 2011 Weights ³	414.1	409.0		
Labor Index (linked)⁴	389.7	384.9	-1.2%	

¹ 1980 wage rate \$11.685

² 1980 supplements rate \$2.706

³ 2011 weights: wages, supplements 68.5% 31.5%

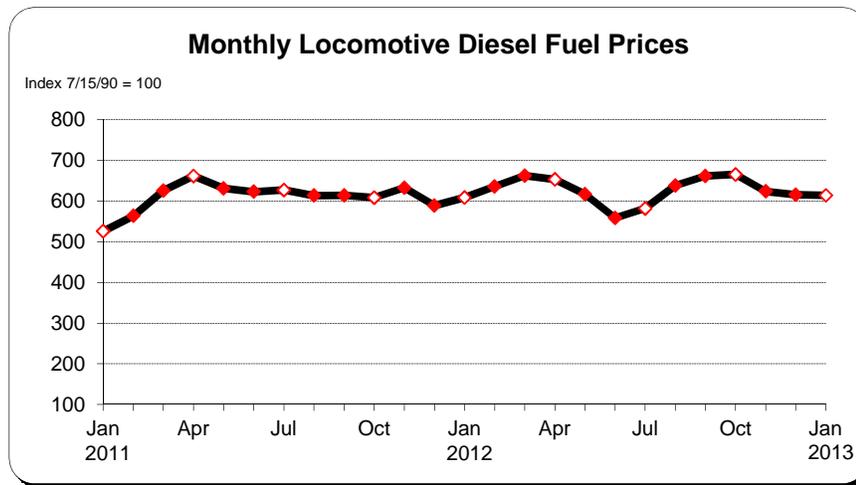
⁴ 2013Q2 linked Index = 2013Q1 linked x (2013Q2 / 2013Q1)
= 389.7 x 409.0 / 414.1

Fuel Second Quarter 2013

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.

While the latest average prices for locomotive diesel fuel are available only through January, the Energy Information Administration (EIA) has weekly data through most of February for related fuel types. Both on-highway diesel fuel prices and residential heating oil prices increased from January to February.*

Locomotive diesel fuel prices have been relatively stable over the last several months. The chart below shows the AAR's Monthly Locomotive Diesel Fuel Price Index from January 2011 through January 2013. In both 2011 and 2012, a seasonal increase in fuel prices occurred between January and April. Reviewing data back to 2000, there are only three years where the seasonal increase did not happen. In expectation of a similar seasonal increase, railroads believe prices for April 2013 (Q2) will be 2.0 percent above the first quarter forecast (represented by January 2013), and 6.7 percent above the average price actually paid for January.



Forecast Fuel Index (1980 = 100)	404.3
Change from previous quarter forecast	2.0%
Change from previous quarter actual	6.7%

* 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 2013

The second quarter 2013 Materials & Supplies Index decreased 0.9 percent from the previous quarter. The change was caused by decreases in prices in the Metal Products and Forest Products categories. This is the third consecutive decrease for this index, and the current value is the lowest Materials & Supplies Index since the third quarter of 2011.

2013Q2 Materials & Supplies Index = 261.0

2013Q1 Materials & Supplies Index = 263.4

Difference -2.4 basis points
or
-0.9 %

Equipment Rents Second Quarter 2013

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

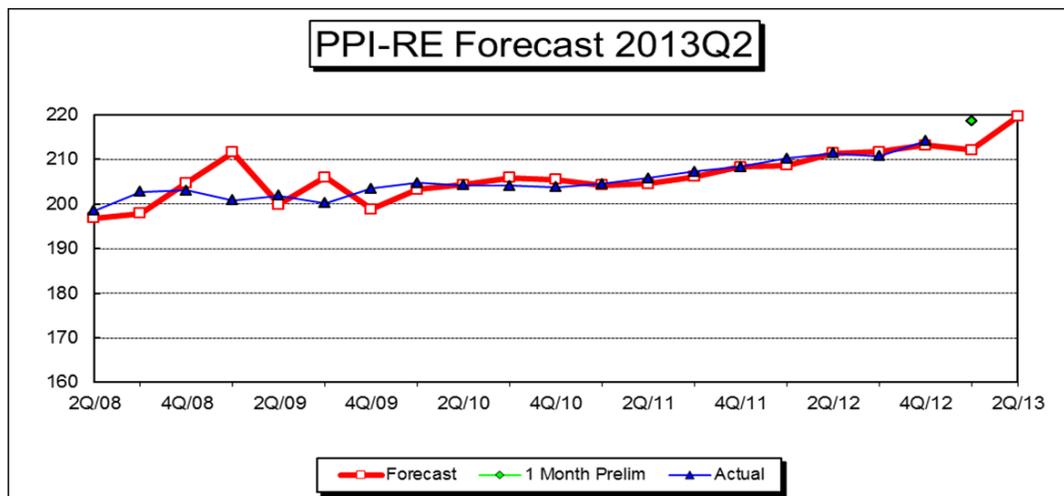
The table below calculates the Equipment Rent Index. The second quarter Car Hire portion of the Index decreased 0.6 percent because of lower rates for tank cars. A 0.6 percent increase for the projected PPI-LF (See Appendix G) used as a proxy for Lease Rentals, combined with the 0.6 percent decrease for Car Hire, caused the Equipment Rent Index to increase 0.1 percent.

	2011 Weight	2013Q1	2013Q2	Percent Change
Car Hire	48.6%	178.4	177.4	-0.6 %
Lease Rentals	51.4%	218.8	220.2	0.6
Weighted Average		199.2	199.4	0.1
Weighted Average (Linked)		206.7	206.9	0.1

Depreciation Second Quarter 2013

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 monthly PPI-RE figures that jumped in November and January. The percentage change for the second quarter forecast may be exaggerated by a forecast for the first quarter that was probably too low.

Forecast of Depreciation Index (1982=100)	198.5
Forecast of Depreciation Index (1980=100)	219.6
Change from previous quarter forecast	3.5%
Change from actual first month of previous quarter	0.4%
Change from same quarter of prior year (actual)	3.9%



Depreciation Second Quarter 2013

PPI RAILROAD EQUIPMENT

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

Component	Smoothing Weight	Final Value
Level	0.80833	197.23
Trend	0.01825	0.31540

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 183.9	Standard deviation 5.25
R-square 0.9574	Adjusted R-square 0.9568
Durbin-Watson 1.97	Ljung-Box(18)=15.99 P=0.4064
Forecast error 1.091	BIC 1.141
MAPE 0.003719	RMSE 1.076
MAD 0.6856	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2012-08	190.400
2012-09	190.900
2012-10	190.800
2012-11	194.900
2012-12	195.100
2013-01	197.700

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-02	195.309	197.546	199.783
2013-03	194.964	197.862	200.759
2013-04	194.744	198.177	201.610
2013-05	194.597	198.492	202.388
2013-06	194.499	198.808	203.117
QTR AVG	194.613	198.492	202.372

Interest Second Quarter 2013

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. Beginning with fourth quarter 2012, the Interest Index is based on data for 2011.

The interest index is the latest year's interest rate divided by 7.85 percent, which was the interest rate in the 1980 base period.

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 Obligatons - Non-Current
44	Debt in Default - Non-Current
45	Accounts Payable: Affiliated Companies - Non-Current
46	Unamortized Debt Premium - Non-Current

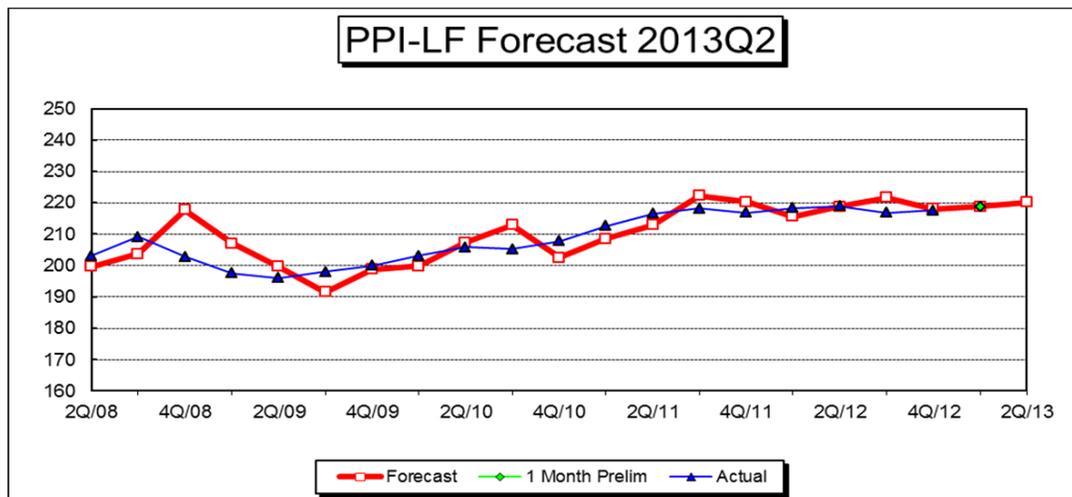
2011	Interest Rate	7.29%
1980	Interest Rate	7.85%
2013Q2	Interest Index	92.9
2013Q1	Interest Index	92.9
	Percent Change	0.0%

Other Expenses Second Quarter 2013

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 monthly PPI-LF figures that have shown small increases in recent months.

Forecast of Other Expense Index (1982=100)	196.4
Forecast of Other Expense Index (1980=100)	220.2
Change from previous quarter forecast	0.6%
Change from actual first month of previous quarter	0.7%
Change from same quarter of prior year (actual)	0.6%



Other Expenses Second Quarter 2013

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	0.99996	195.10
Trend	0.01685	0.32401

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 183.5	Standard deviation 8.595
R-square 0.984	Adjusted R-square 0.9837
Durbin-Watson 0.5605	**Ljung-Box(18)=86.21 P=1
Forecast error 1.096	BIC 1.147
MAPE 0.004281	RMSE 1.081
MAD 0.7845	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2012-08	193.300
2012-09	193.700
2012-10	193.900
2012-11	194.000
2012-12	194.400
2013-01	195.100

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-02	193.175	195.424	197.673
2013-03	192.541	195.748	198.955
2013-04	192.134	196.072	200.010
2013-05	191.842	196.396	200.950
2013-06	191.625	196.720	201.816
QTR AVG	191.867	196.396	200.925

Railroad and Union Abbreviations

Second Quarter 2013

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.)
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.)
DMIR	Duluth, Missabe & Iron Range Company (Part of CN's Grand Trunk Corp.)
DWP	Duluth, Winnipeg & Pacific Railway (Part of CN's Grand Trunk Corp.)
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)

Workpapers Sent to STB for 2013 Q2 RCAF

March 5, 2013

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. 2013/Q1 RCAF Lump Sum Amortization summary, public version (1 page)
7. 2013/Q1 RCAF Back Pay Amortization summary, public version (1 page)
8. Health & Welfare worksheet
9. Railroad Retirement spreadsheet (5 pages)
10. Unemployment Insurance Tax worksheet
11. 2-page SAS run for Q2 Unemployment Insurance Tax
12. 4 pages from the Energy Information Administration's *This Week in Petroleum*
13. Summary of Materials & Supplies (one page)
14. Car Hire Spreadsheet (2 pages) plus source data page for March 2013
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 calculation and workpapers (10 pages: calc, index, fuel, 3 car hire, 2 deprec, 2 other)

RCAF All-Inclusive Index's Labor Index Based on 2011 Benchmarks

	11 Wts.	3Q/12 Original	3Q/12 Rebenched As Info Only	% Chg	4Q/12	% Chg	1Q/13	% Chg	2Q/13	% Chg	3Q/13	% Chg
Straight Time		\$29.794	\$29.881	0.3%	\$29.902	0.4%	\$30.313	1.4%	\$30.317	0.0%		--
PFTNW		\$7.288	\$7.260	-0.4%	\$7.265	-0.3%	\$7.298	0.5%	\$7.292	-0.1%		--
Total		\$37.082	\$37.141	0.2%	\$37.167	0.2%	\$37.611	1.2%	\$37.609	0.0%	\$0.000	--
Adjustments												
Lump Sum		\$0.446	\$0.424		\$0.446		\$0.446		\$0.278			
Back Pay		\$1.092	\$1.038		\$1.060		\$0.780		\$0.324			
Other		\$0.128	\$0.121		\$0.121		\$0.121		\$0.121			
Total Wages		\$38.748	\$38.724	-0.1%	\$38.794	0.1%	\$38.958	0.4%	\$38.332	-1.6%	\$0.000	--
Pre-Tax Reduction		(\$1.179)	(\$1.178)		(\$1.181)		(\$1.187)		(\$1.188)			
Taxable Wages		\$37.569	\$37.546		\$37.613		\$37.771		\$37.144		\$0.000	
H & W		\$7.985	\$7.873	-1.4%	\$7.871	-1.4%	\$7.765	-1.3%	\$7.764	0.0%		--
RR Ret & Medicare		\$7.588	\$7.704	1.5%	\$7.709	1.6%	\$7.988	3.6%	\$7.893	-1.2%		--
Unemp. Insurance		\$0.434	\$0.431	-0.7%	\$0.431	-0.7%	\$0.059	-86.3%	\$0.059	0.0%		--
Other		\$0.219	\$0.209	-4.6%	\$0.107	-51.1%	\$0.146	36.4%	\$0.122	-16.4%		--
Total		\$16.226	\$16.217	-0.1%	\$16.118	-0.7%	\$15.958	-1.0%	\$15.838	-0.8%	\$0.000	--
Adjustments												
Total Supplements		\$16.226	\$16.217	-0.1%	\$16.118	-0.7%	\$15.958	-1.0%	\$15.838	-0.8%	\$0.000	--
Total Labor		\$54.974	\$54.941	-0.1%	\$54.912	-0.1%	\$54.916	0.0%	\$54.170	-1.4%	\$0.000	--
Wage Rate Index	0.6850	331.6	331.4	-0.1%	332.0	0.1%	333.4	0.4%	328.0	-1.6%	0.0	--
Supplements Index	0.3150	599.6	599.3	-0.1%	595.6	-0.7%	589.7	-1.0%	585.3	-0.7%	0.0	--
Total Labor Index '10 Wts.		412.5										
Total Labor Index '11 Wts.		416.0	415.8	0.0%	415.0	-0.2%	414.1	-0.2%	409.0	-1.2%	0.0	--
Labor Index (Linked)		391.4			390.5	-0.2%	389.7	-0.2%	384.9	-1.2%	0.0	#####

All Inclusive Index and RCAF

		3Q/12	3Q/12	% Chg	4Q/12	% Chg	1Q/13	% Chg	2Q/13	% Chg	3Q/13	% Chg
	11 Wts		11 Wts									
Labor	0.313	391.40	391.4	0.0%	390.5	-0.2%	389.7	-0.2%	384.9	-1.2%	0.0	#####
Fuel	0.225	353.40	353.4	0.0%	403.3	14.1%	396.5	-1.7%	404.3	2.0%		--
M&S	0.051	274.80	274.8	0.0%	266.1	-3.2%	263.4	-1.0%	261.0	-0.9%		--
Equip. Rents	0.056	205.80	205.8	0.0%	205.7	0.0%	206.7	0.5%	206.9	0.1%	0.0	#####
Depreciation	0.116	211.70	211.7	0.0%	213.2	0.7%	212.2	-0.5%	219.6	3.5%		--
Interest	0.025	90.60	90.6	0.0%	92.9	2.5%	92.9	0.0%	92.9	0.0%	92.9	0.0%
Other	0.214	221.60	221.6	0.0%	218.0	-1.6%	218.8	0.4%	220.2	0.6%		--
Weighted Avg. Linked	1.000	298.50	301.8	1.1%	311.8	3.3%	310.0	-0.6%	311.3	0.4%	2.3	-99.3%
		289.40			299.0	3.3%	297.3	-0.6%	298.5	0.4%	2.2	-99.3%
	Basing Factor											
10/1/80 basis	102.7	281.80			291.1	3.3%	289.5	-0.5%	290.7	0.4%	2.1	-99.3%
10/1/82	120.9	239.40			247.3	3.3%	245.9	-0.6%	246.9	0.4%	1.8	-99.3%
4Q/87	132.2	218.90			226.2	3.3%	224.9	-0.6%	225.8	0.4%	1.7	-99.2%
4Q/92	156.9	184.40			190.6	3.4%	189.5	-0.6%	190.2	0.4%	1.4	-99.3%
4Q/97	173.2	167.10			172.6	3.3%	171.7	-0.5%	172.3	0.3%	1.3	-99.2%
4Q/02	192.1	150.70			155.6	3.3%	154.8	-0.5%	155.4	0.4%	1.1	-99.3%
4Q/07	245.9	117.70			121.6	3.3%	120.9	-0.6%	121.4	0.4%	0.9	-99.3%
4Q/12 basis	297.5	97.30			100.5	3.3%	99.9	-0.6%	100.3	0.4%	0.7	-99.3%
Car Hire	0.486	173.60	173.6	0.0%	177.3	2.1%	178.4	0.6%	177.4	-0.6%		--
Lease Rents	0.514	221.60	221.6	0.0%	218.0	-1.6%	218.8	0.4%	220.2	0.6%	0.0	--
Wghted Avg Eq Rents		199.60	198.3	-0.7%	198.2	-0.1%	199.2	0.5%	199.4	0.1%	0.0	--
Linked Equipment Rents		205.80			205.7	0.0%	206.7	0.5%	206.9	0.1%	0.0	#####
Preliminary RCAF		0.973			1.005	3.29%	0.999	-0.6%	1.003	0.4%	0.007	-99.3%
Forecast Error Adj. RCAF Unadjusted		(0.005)			(0.005)		(0.002)		0.003			
		0.968			1.000	3.31%	0.997	-0.3%	1.006	0.9%	0.007	-99.3%
PAF RCAF Adjusted		2.2815			2.2861	0.20%	2.2907	0.20%	2.2957	0.22%		--
		0.424			0.437	3.07%	0.435	-0.5%	0.438	0.7%	#DIV/0!	--
PAF-5 RCAF-5		2.4146			2.4231	0.35%	2.4279	0.20%	2.4328	0.20%		--
		0.401			0.413	2.99%	0.411	-0.5%	0.414	0.7%	#DIV/0!	--

Note:
The RCAFs shown here for Q3 and Q4 have been recalculated using an All-Inclusive Index on a 4Q/12=100 base.

Hourly Rate for 2013 Q2

Straight Time and Time Paid For But Not Worked

2013Q2 Straight Time Hourly Rate (from national spreadsheet) \$29.953

Adjusted to remove one railroad from national agreement group. Railroad will be handled as independent.

Adjustments to 2011 base:

Adjustments added 2012 Q1

CN Railroads	DMIR BLET 2% GWI, \$0.18 for most unions, 2.5% GWI for non-unions	0.006
Misc. Independent BLET, Yardmasters, Dispatchers	2.5% GWI for BNSF, CSX BLET, CSX ATDA-East, and UP ATDA (non-union)	0.055
Soo Corp.	3% - 4 DME unions, \$0.18 - DH IAM, 2.5% - non-unions	0.003

Adjustments added 2012 Q2

CN Railroads	No change	0.000
Misc. Independent BLET, Yardmasters, Dispatchers	New national ATDA agreement including CSX ATDA-South with 2 retro GWIs	0.001
Soo Corp.	No change	0.000

Adjustments added 2012 Q3

CN Railroads	\$0.12 COLA for most unions	0.003
Misc. Independent BLET, Yardmasters, Dispatchers	4.3% GWI for CSX ATDA-south, 2% for NS BLET, new contract with retro GWIs for UP BLET	0.149
Soo Corp.	4.3% GWI for 5 DH unions, 3% GWI for DH UTU and UTU-YMD	0.001

Adjustments added 2012 Q4

CN Railroads	9 new contracts with retro GWIs	0.011
Misc. Independent BLET, Yardmasters, Dispatchers	new contract for UP Yardmasters with retro GWIs	0.007
Soo Corp.	7 new DH contracts with retro GWIs	0.003

Adjustments added 2013 Q1

CN Railroads	12 new contracts with retro GWI, \$0.09 COLA for some unions, 4.3% GWI for non-unions	0.017
Misc. Independent BLET, Yardmasters, Dispatchers	2.5% GWI for BNSF BLET; 3% for CSX ATDA-East & BLET; 4.3% for UP ATDA (non-union)	0.064
Soo Corp.	3% GWI for DME BRS & IAM; 2.81% for DME BLET; 2.87% for DME UTU; 4.3% for non-unions	0.003

Adjustments added 2013 Q2

CN Railroads	3 new contracts with retro GWIs	0.003
Misc. Independent ATDA, BLET, UTU, UTU-YMD	1 new contract with retro GWIs for a larger portion of 1 railroad's UTU	0.034
Soo Corp.	1 new contract with retro GWIs	0.004

Adjusted STHR Total **\$30.317**

Pay For Time Not Worked

PFTNW (from national spreadsheet)		\$7.204
Ratio Adj STHR to Nat STHR	30.317 / 29.953 =	1.01215

Adjusted Pay For Time Not Worked **\$7.292**

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/2013

U.S. ST Hours = 305,798,449
 Wage Statistics are for 2011.

Union Group	Employees	Mo. Rate	Annual \$
National BLET (BNSF, CSX, KCS, NS, SOO, UP)	25,344	(\$198.00)	(\$60,217,344.00)
National BMW (BNSF, CSX, KCS, NS, SOO, UP)	23,694	(\$198.00)	(\$56,296,944.00)
National BRS (BNSF, CSX, KCS, NS, SOO, UP)	6,847	(\$198.00)	(\$16,268,472.00)
National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,740	(\$198.00)	(\$16,014,240.00)
National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,316	(\$198.00)	(\$3,126,816.00)
National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,272	(\$198.00)	(\$12,526,272.00)
National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,350	(\$198.00)	(\$5,583,600.00)
National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,000	(\$198.00)	(\$2,376,000.00)
National TCU (BNSF, CSX, KCS, NS, SOO, UP)	6,068	(\$198.00)	(\$14,417,568.00)
National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,313	(\$198.00)	(\$22,127,688.00)
National UTU (BNSF, CSX, KCS, NS, SOO, UP)	39,481	(\$198.00)	(\$93,806,856.00)
Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,935	(\$198.00)	(\$4,597,560.00)
National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,799	(\$198.00)	(\$4,274,424.00)
Independent CNGT (wt avg all union categories)	6,135	(\$162.05)	(\$11,930,121.00)
Independent SLC (wt avg all DH & DME union categories)	1,319	(\$180.27)	(\$2,853,313.56)
Total Union	138,613		(\$326,417,218.56)
All Other @ \$3,065,489.94 total per month			(\$36,785,879.28)
Total			(\$363,203,097.84)

Reduction in Wage Rate Per ST Hour	-\$1.18772054
Deduct this amount from the Wage Rate	-\$1.188

National Contracts U.S.

Straight Time Hourly Rate															Check
Weight	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Sum
2011 Avg.	24.437	24.909	27.195	24.886	26.588	22.645	25.061	20.672	25.571	22.115	25.628	36.743	37.553	43.530	387.534
12/31/11	24.728	24.921	27.312	24.889	26.593	22.652	25.069	20.675	25.710	22.120	25.633	36.743	37.934	43.530	388.508
1/1/12	24.728	24.921	27.312	24.889	26.593	22.652	25.069	20.675	25.710	22.120	25.633	36.743	37.934	44.618	
4/1/12	24.728	25.930	27.357	26.000	27.740	22.652	26.145	21.588	26.838	23.070	26.747	37.274	37.934	44.618	
7/1/12	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	
10/1/12	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	
1/1/13	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	46.537	
4/1/13	25.285	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	46.537	
7/1/13	25.285	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	46.537	

Weighted Straight Time Hourly Rate															
	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2011 Avg.	5.867	0.937	4.725	0.149	1.169	3.427	1.465	0.289	1.042	0.174	0.825	0.505	0.381	7.408	28.362
12/31/11	5.936	0.937	4.745	0.149	1.169	3.428	1.465	0.289	1.048	0.175	0.825	0.505	0.385	7.408	28.463
1/1/12	5.936	0.937	4.745	0.149	1.169	3.428	1.465	0.289	1.048	0.175	0.825	0.505	0.385	7.593	28.649
4/1/12	5.936	0.975	4.753	0.155	1.219	3.428	1.528	0.301	1.094	0.182	0.861	0.513	0.385	7.593	28.924
7/1/12	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663
10/1/12	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663
1/1/13	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.919	29.990
4/1/13	6.070	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.919	29.953
7/1/13	6.070	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.919	29.953

Note: The 2011 Average and 12/31/11 Straight Time Hourly Rates are the industry rates, and include all Class I railroad employees. The rates for 1/1/12 through 7/1/13 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 2011 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	0.24006	0.03761	0.17374	0.00597	0.04395	0.15135	0.05846	0.01396	0.04076	0.00789	0.03218	0.01375	0.01014	0.17017	1.00000
2011 Avg.	11.155	5.133	11.343	3.813	5.928	4.175	4.139	3.452	4.734	3.139	4.867	7.364	10.328	1.704	81.273
12/31/11	11.287	5.136	11.391	3.813	5.929	4.176	4.140	3.453	4.760	3.139	4.868	7.364	10.433	1.704	
1/1/12	11.287	5.136	11.391	3.813	5.929	4.176	4.140	3.453	4.760	3.139	4.868	7.364	10.433	1.747	
4/1/12	11.287	5.343	11.410	3.983	6.185	4.176	4.318	3.605	4.968	3.274	5.080	7.470	10.433	1.747	
7/1/12	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	
10/1/12	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	
1/1/13	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.822	
4/1/13	11.542	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.822	
7/1/13	11.542	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.822	

Pay For Time Not Worked Hourly Rate															
	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2011 Avg.	2.678	0.193	1.971	0.023	0.261	0.632	0.242	0.048	0.193	0.025	0.157	0.101	0.105	0.290	6.917
12/31/11	2.710	0.193	1.979	0.023	0.261	0.632	0.242	0.048	0.194	0.025	0.157	0.101	0.106	0.290	6.960
1/1/12	2.710	0.193	1.979	0.023	0.261	0.632	0.242	0.048	0.194	0.025	0.157	0.101	0.106	0.297	6.967
4/1/12	2.710	0.201	1.982	0.024	0.272	0.632	0.252	0.050	0.203	0.026	0.163	0.103	0.106	0.297	7.021
7/1/12	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207
10/1/12	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207
1/1/13	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.310	7.220
4/1/13	2.771	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.310	7.204
7/1/13	2.771	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.310	7.204

U.S. National Contract

UTU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				24.43741	11.15476
12/31/11 Industry Rate				24.72775	11.28729
1/1/12			95.341%	24.72775	11.28729
4/1/12			95.341%	24.72775	11.28729
7/1/12	3.00%		95.341%	25.43502	11.61013
10/1/12			95.341%	25.43502	11.61013
1/1/13			95.341%	25.43502	11.61013
4/1/13			79.608%	25.28493	11.54162
7/1/13			79.608%	25.28493	11.54162

Adjusted to remove 1 railroad from national agreement group. Railroad will be handled as independent.

TCU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				24.90884	5.13304
12/31/11 Industry Rate				24.92116	5.13558
1/1/12			89.736%	24.92116	5.13558
4/1/12			89.736%	25.92986	5.34344
7/1/12	4.30%		89.736%	26.93040	5.54963
10/1/12			89.736%	26.93040	5.54963
1/1/13			89.736%	26.93040	5.54963
4/1/13			89.736%	26.93040	5.54963
7/1/13			89.736%	26.93040	5.54963

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

BLET

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				27.19547	11.34276
12/31/11 Industry Rate				27.31208	11.39139
1/1/12			4.052%	27.31208	11.39139
4/1/12			4.052%	27.35746	11.41032
7/1/12	4.30%		4.052%	27.40513	11.43020
10/1/12			4.052%	27.40513	11.43020
1/1/13			4.052%	27.40513	11.43020
4/1/13			4.052%	27.40513	11.43020
7/1/13			4.052%	27.40513	11.43020

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

SMWIA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		24.88613	3.81274
12/31/11 Industry Rate				24.88862	3.81312
1/1/12			98.190%	24.88862	3.81312
4/1/12			98.190%	25.99960	3.98333
7/1/12	4.30%		98.190%	27.09735	4.15152
10/1/12			98.190%	27.09735	4.15152
1/1/13			98.190%	27.09735	4.15152
4/1/13			98.190%	27.09735	4.15152
7/1/13			98.190%	27.09735	4.15152

BRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		26.58784	5.92797
12/31/11 Industry Rate				26.59326	5.92918
1/1/12			94.636%	26.59326	5.92918
4/1/12			94.636%	27.74018	6.18489
7/1/12	4.30%		94.636%	28.86902	6.43658
10/1/12			94.636%	28.86902	6.43658
1/1/13			94.636%	28.86902	6.43658
4/1/13			94.636%	28.86902	6.43658
7/1/13			94.636%	28.86902	6.43658

BMWE

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10, 2.5% GWI on 7/1/11, and 4.3% GWI on 7/1/12.		22.64510	4.17452
12/31/11 Industry Rate				22.65158	4.17571
1/1/12			93.244%	22.65158	4.17571
4/1/12			93.244%	22.65158	4.17571
7/1/12	4.30%		93.244%	24.55718	4.52700
10/1/12			93.244%	24.55718	4.52700
1/1/13			93.244%	24.55718	4.52700
4/1/13			93.244%	24.55718	4.52700
7/1/13			93.244%	24.55718	4.52700

TCU-Carmen

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		25.06149	4.13882
12/31/11 Industry Rate				25.06857	4.13999
1/1/12			94.357%	25.06857	4.13999
4/1/12			94.357%	26.14470	4.31771
7/1/12	4.30%		94.357%	27.20548	4.49289
10/1/12			94.357%	27.20548	4.49289
1/1/13			94.357%	27.20548	4.49289
4/1/13			94.357%	27.20548	4.49289
7/1/13			94.357%	27.20548	4.49289

NCFO

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		20.67190	3.45226
12/31/11 Industry Rate				20.67514	3.45280
1/1/12			97.101%	20.67514	3.45280
4/1/12			97.101%	21.58774	3.60520
7/1/12	4.30%		97.101%	22.48910	3.75573
10/1/12			97.101%	22.48910	3.75573
1/1/13			97.101%	22.48910	3.75573
4/1/13			97.101%	22.48910	3.75573
7/1/13			97.101%	22.48910	3.75573

IAM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10, \$0.03 COLA on 1/1/11 rolled in, and 2.5% GWI on 7/1/11.		25.57094	4.73379
12/31/11 Industry Rate				25.71037	4.75960
1/1/12			96.316%	25.71037	4.75960
4/1/12		IAM 1/1/12 COLA suspended in anticipation of new agreement.		26.83782	4.96832
7/1/12	4.30%		96.316%	27.94932	5.17409
10/1/12			96.316%	27.94932	5.17409
1/1/13			96.316%	27.94932	5.17409
4/1/13			96.316%	27.94932	5.17409
7/1/13			96.316%	27.94932	5.17409

IBBM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				22.11472	3.13858
12/31/11 Industry Rate				22.12001	3.13933
1/1/12			94.739%	22.12001	3.13933
4/1/12			94.739%	23.07000	3.27415
7/1/12	4.30%		94.739%	24.00983	3.40753
10/1/12			94.739%	24.00983	3.40753
1/1/13			94.739%	24.00983	3.40753
4/1/13			94.739%	24.00983	3.40753
7/1/13			94.739%	24.00983	3.40753

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

IBEW

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				25.62757	4.86698
12/31/11 Industry Rate				25.63268	4.86795
1/1/12			95.711%	25.63268	4.86795
4/1/12			95.711%	26.74663	5.07950
7/1/12	4.30%		95.711%	27.84741	5.28855
10/1/12			95.711%	27.84741	5.28855
1/1/13			95.711%	27.84741	5.28855
4/1/13			95.711%	27.84741	5.28855
7/1/13			95.711%	27.84741	5.28855

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

ATDA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				36.74320	7.36406
12/31/11 Industry Rate				36.74320	7.36406
1/1/12			30.923%	36.74320	7.36406
4/1/12			30.923%	37.27373	7.47039
7/1/12	4.30%		30.923%	37.76934	7.56972
10/1/12			30.923%	37.76934	7.56972
1/1/13			30.923%	37.76934	7.56972
4/1/13			30.923%	37.76934	7.56972
7/1/13			30.923%	37.76934	7.56972

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

YDMSTRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				37.55322	10.32832
12/31/11 Industry Rate				37.93376	10.43298
1/1/12			81.616%	37.93376	10.43298
4/1/12			81.616%	37.93376	10.43298
7/1/12	3.00%		81.616%	38.86256	10.68843
10/1/12			81.616%	38.86256	10.68843
1/1/13			81.616%	38.86256	10.68843
4/1/13			81.616%	38.86256	10.68843
7/1/13			81.616%	38.86256	10.68843

OTHER

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				43.52987	1.70430
12/31/11 Industry Rate				43.52987	1.70430
1/1/12	2.50%		100.000%	44.61811	1.74691
4/1/12			100.000%	44.61811	1.74691
7/1/12			100.000%	44.61811	1.74691
10/1/12			100.000%	44.61811	1.74691
1/1/13	4.30%		100.000%	46.53669	1.82203
4/1/13			100.000%	46.53669	1.82203
7/1/13			100.000%	46.53669	1.82203

Check Sums

	Increase	Applicable	ST HR	PFTNW HR
2011 AVG			387.53370	81.27289
12/31/11			388.50804	
		1165.961%		
		ok matches	ok matches	ok matches
			ok matches	

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



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

0.125%

Source: MarketWatch Corporate Bond Index; WSJ Market Data Group

80	2.735	257.4	7.4	240.7
87	5.396	252.8	9.9	341.6
35	2.586	221.7	-4.0	227.0
32	5.021	320.5	3.4	305.1
65	0	-1.61	-2.2	7.4
58	2.600	18.6	4.5	8.9

Source: Tullett Prebon, except * marked countries from ICAP plc

	Contract				Open interest
	Open	High	Low	Settle	
-World (ICE-US) 112,000 lbs.; cents per lb.					
	18.31	18.50	17.94	18.01	-23
	18.30	18.46	18.02	18.09	-06
-Domestic (ICE-US) 112,000 lbs.; cents per lb.					
	23.00	23.00	23.00	23.63	60
1 (ICE-US) 50,000 lbs.; cents per lb.					
	81.24	81.69	80.34	80.22	-1.17
	83.16	83.35	81.68	81.72	-1.42
Orange Juice (ICE-US) 15,000 lbs.; cents per lb.					
	130.00	130.50	129.35	129.35	.65
	130.20	131.25	129.60	129.75	.50

Best Rate Futures

U.S. Treasury Bonds (CBT) \$100,000; pts 32nds of 100%					
144-000 145-290	143-090	145-080	1-08.0	523,207	
U.S. Treasury Notes (CBT) \$100,000; pts 32nds of 100%					
131-275 132-245	131-205	132-160	19.0	1,812,432	
130-230 131-195	130-155	131-110	19.5	431,015	
U.S. Treasury Notes (CBT) \$100,000; pts 32nds of 100%					
124-002 124-117	123-295	124-087	7.7	1,279,956	
123-180 123-297	123-152	123-267	8.2	396,815	
U.S. Treasury Notes (CBT) \$200,000; pts 32nds of 100%					
110-070 110-082	110-067	110-080	.7	807,818	
110-055 110-070	110-050	110-067	1.2	220,516	
U.S. Federal Funds (CBT) \$5,000,000; 100 - daily avg					
99.855 99.855	99.855	99.855	...	44,686	
99.855 99.855	99.850	99.855	...	39,444	
Int. Rate Swaps (CBT) \$100,000; pts 32nds of 100%					
117.375 118.422	117.188	118.094	.641	12,054	
Libor \$3,000,000; pts of 100%					
...	...	99.8000	...	446	
Dollar (CME) \$1,000,000; pts of 100%					
99.7075 99.7125	99.7050	99.7075	...	914,937	
99.6900 99.7000	99.6850	99.6900	...	796,082	
99.6700 99.6800	99.6650	99.6700	...	749,280	
99.6400 99.6500	99.6300	99.6450	...	792,237	

Commodity Futures

Crude Oil (CME) \$1,000,000; \$ per 100%				
1.0622 1.1009	1.0605	1.0793	.0091	211,368
1.0629 1.1014	1.0614	1.0806	.0091	4,552
Canadian Dollar (CME) CAD 100,000; \$ per CAD				
.9776 .9787	.9725	.9738	-.0031	173,615
.9758 .9759	.9707	.9720	-.0030	6,594
Pound (CME) £25,000; \$ per £				
1.5112 1.5239	1.5082	1.5187	-.0052	204,143
1.5108 1.5232	1.5061	1.5179	-.0053	2,291
Franc (CME) CHF 125,000; \$ per CHF				
1.0749 1.0834	1.0708	1.0748	-.0001	48,388
1.0755 1.0832	1.0720	1.0760	-.0001	122
Australian Dollar (CME) AUD 100,000; \$ per AUD				
1.0279 1.0312	1.0235	1.0267	-.0038	154,093
1.0218 1.0237	1.0168	1.0199	-.0037	1,640
1.0118 1.0118	1.0118	1.0136	-.0037	6
Mexican Peso (CME) MXN 500,000; \$ per 100MXN				
.07843 .07888	.07785	.07815	-.00035	165,276
.07783 .07823	.07720	.07750	-.00035	5,707
Dollar (CME) \$125,000; \$ per €				
1.3195 1.3321	1.3050	1.3122	-.0059	223,738
1.3197 1.3325	1.3060	1.3131	-.0059	4,132
Japanese Yen (ICE-US) ¥125,000; ¥ per €				
125.00 125.00	118.81	121.52	-1.59	3,996
British Pound (ICE-US) £125,000; £ per €				
...	...	0.8641	-.0009	3,227
Swiss Franc (ICE-US) ₣125,000; ₣ per €				
1.0749 1.0834	1.0708	1.0748	-.0001	1,178

Futures

Industrial Average (CBT) \$10 x index				
13981 14055	13749	13788	-193	14,988
J Industrial Average (CBT) \$5 x index				
1398 1364	13746	13788	-193	124,276
13923 13993	13681	13721	-189	3,405
DO Index (CME) \$250 x index				
1515.50 1524.30	1482.00	1487.20	-27.40	212,107
1515.80 1516.70	1480.70	1481.40	-27.30	6,461
&P 500 (CME) \$50 x index				
1515.50 1524.50	1481.75	1487.25	-27.25	3,098,934
1508.75 1518.50	1476.25	1481.50	-27.25	72,809
&P Midcap 400 (CME) \$100 x index				
1103.10 1109.00	1078.40	1081.20	-21.80	123,023
1100.00 1103.80	1077.50	1078.40	-21.70	736

Borrowing Benchmarks

Money Rates

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.

February 25, 2013

Inflation

	Jan. Index level	CHG FROM (%)	Dec. '12	Jan. '13
--	------------------	--------------	----------	----------

U.S. consumer price index				
All Items	230.280	0.30	1.1	
Core	231.612	0.25	1.9	

International rates

	Week ago	52-WEEK High	52-WEEK Low
U.S.	3.25	3.25	3.25
Canada	3.00	3.00	3.00
Euro zone	0.75	0.75	1.00
Japan	1.475	1.475	1.475
Switzerland	0.50	0.50	0.50
Britain	0.50	0.50	0.51
Australia	3.00	3.00	4.25

Overnight repurchase

U.S.	0.12	0.22	0.45	0.06
Euro zone	0.02	0.02	0.22	0.01

U.S. government rates

	Week ago	52-WEEK High	52-WEEK Low
Discount	0.75	0.75	0.75

Federal funds

Effective rate	0.1800	0.1600	0.1900	0.1100
High	0.3125	0.2700	0.5160	0.1875
Low	0.1000	0.0900	0.5000	0.0200
Bid	0.1200	0.1000	0.2500	0.0200
Offer	0.1800	0.2800	0.2800	0.1000

Treasury bill auction

4 weeks	0.115	0.080	0.175	0.015
13 weeks	0.125	0.085	0.125	0.040
26 weeks	0.135	0.120	0.160	0.090

Secondary market

Freddie Mac

30-year mortgage yields				
30 days	n.a.	n.a.	3.63	1.59
60 days	n.a.	n.a.	3.69	1.68

Fannie Mae

30-year mortgage yields				
30 days	3.153	3.143	3.680	2.635
60 days	3.189	3.179	3.719	2.680

Bankers acceptance

30 days	0.23	0.23	0.23	0.19
60 days	0.28	0.28	0.28	0.19
90 days	0.28	0.28	0.28	0.25

Syndicated Loans: Past Week's Biggest Movers

Syndicated loans are corporate loans that are bought or traded by a group of banks and/or institutional investors. Investment-grade loans are investment-grade or unrated loans priced at or below the London interbank offered rate (Libor) plus 150 basis points (or 1.5 percentage points). Leveraged loans are speculative-grade or unrated loans priced at or above Libor plus 151 basis points. Below are the biggest gainers and losers among widely-quoted syndicated loans in secondary trading in the week ended Friday among the 224 loans with five or more bids. All loans listed are B-term, or sold to institutional investors.

Name	Loan rating Moody's/S&P	Coupon/interest (Libor + basis pts)	Maturity	Average bid (pct. pts.)	Weekly chg (pct. pts.)
AES Corp	Ba1/BB+	L+325	May 28, '18	100.43	-0.23
American Rock Salt Co	B3/B	L+425	April 25, '17	98.94	-0.40
Ancestry.com Inc	B1/B+	L+550	Dec. 15, '19	99.36	-0.23
Arizona Chemical	Ba3/BB-	L+575	Dec. 20, '17	101.20	-0.27
Armstrong World	B1/BB-	L+300	March 31, '18	100.35	-0.20
Ashland Inc	Baa3/BB+	L+275	July 30, '18	100.47	-0.35
Calpine Corp	B1/BB-	L+325	March 9, '18	100.46	-0.23
Cedar Fair LP	Ba2/BB	L+300	Dec. 15, '17	100.38	-0.55
Cinemark	Ba1/BB+	L+300	Dec. 17, '19	100.31	-0.23
Clear Channel Communications	Caal/CCC+	L+365	Jan. 30, '16	86.30	0.25
Emergency Medical Services Corp	Ba3/B+	L+300	May 25, '18	100.20	0.20
Energy Solutions	N.R./N.R.	L+450	Aug. 10, '16	100.38	0.34
Fairpoint Communications	B2/B	L+625	Feb. 14, '19	99.29	-0.66

	Latest	Week ago	52-WEEK High	52-WEEK Low
120 days	0.33	0.33	0.38	0.33
150 days	0.38	0.38	0.38	0.33
180 days	0.38	0.38	0.53	0.38

Other short-term rates

	Latest	Week ago	52-WEEK High	52-WEEK Low
Call money	2.00	2.00	2.00	2.00

Commercial paper

30 to 59 days	0.05	...	...	...
60 to 89 days	0.10	...	...	...
90 to 104 days	0.11	...	...	...
105 to 119 days	0.12	...	...	...
120 to 149 days	0.19	...	...	...
150 to 179 days	0.20	...	...	...
180 to 270 days	0.24	...	...	...

Commercial paper (AA financial)

90 days	0.18	0.13	0.37	0.06
---------	------	------	------	------

Euro commercial paper

30 day	0.01	0.01	0.24	0.01
Two month	0.01	0.01	0.01	0.01
Three month	0.09	0.11	0.35	0.02
Four month	0.13	0.16	0.46	0.03
Five month	0.15	0.17	0.56	0.06
Six month	0.19	0.20	0.66	0.13

London interbank offered rate, or Libor

One month	0.2070	0.20070	0.24875	0.19820
Three month	0.28660	0.28910	0.48910	0.28660
Six month	0.45990	0.46290	0.75210	0.45990
One year	0.75450	0.75000	1.07120	0.75450

Libor Swaps (USD)

Two year	0.393	0.419	0.666	0.354
Three year	0.508	0.561	0.860	0.422
Five year	0.938	1.018	1.455	0.736
Ten year	1.978	2.073	2.454	1.542
20 year	2.770	2.854	3.057	

**RCAF Lump Sum Amortization
2013/Q2**

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hour	U.S. ST Hours	
Nat'l - BLET	2012Q1	2012Q3	\$686,234	0.00224	0.00898	305,798,449	2011
Nat'l - BMWED	2012Q2	2012Q3	\$9,727,255	0.03181	0.12724	305,798,449	2011
UP - BLET&Yardmaster	2012Q3	2012Q4				305,798,449	2011
CNGT - 8 unions ²	2012Q4	2012Q4				305,798,449	2011
DH - 7 unions ³	2012Q4	2012Q4				305,798,449	2011
CNGT - 18 unions ⁴	2012Q4	2013Q1				305,798,449	2011
CSX - ATDA-East	2012Q1	2013Q1				305,798,449	2011
CSX - BLET	2013Q1	2013Q2				305,798,449	2011
CSX - UTU-CSRA	2010Q2	2013Q2				305,798,449	2011
NS - BLET & ATDA	2012Q1	2013Q2				305,798,449	2011
CNGT - 6 unions ⁵	various	2013Q2				305,798,449	2011
Total						\$84,996,612	0.27795

Should be slightly less than amortized amount.

Fell out

Nat'l - UTU&UTU-YMD	2011Q4	2012Q2	\$24,266,164	0.07935	0.31741	305,798,449	2011
Nat'l - 9 unions ¹	2012Q1	2012Q2	\$17,931,840	0.05864	0.23456	305,798,449	2011
NS - BLET & ATDA	2012Q1	2012Q2				305,798,449	2011
SX - BLET	2012Q1	2012Q2				305,798,449	2011

Interest Rate

2011/Q1	0.175
2011/Q2	0.145
2011/Q3	0.060
2011/Q4	0.015
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	
2013/Q4	

Lump Sum Adjustment for 2013/Q2 → **0.278162**
or
0.278

¹ National ATDA, BRC, BRS, IAM, IBBM, IBEW, NCFO, SMW, TCU

² CNGT IAM; BLE NCFO; GTW BLET & NCFO; IC IBBM & NCFO & SMW; WC BRS

³ DH BLET, BMWED, BRS, IAM, NCFO, TCU, TCU-CAR

⁴ 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

⁵ BLE UTU&BLET; GTW TCU-CAR; WC-GTW-IC ATDA

**RCAF Back Pay Amortization
2013/Q2**

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hr.	U.S. ST Hours	
National - IAM (ECS)	2012Q1	2012Q3	\$1,157,159	0.00378406	0.01514	305,798,449	2011
National - BMW	2012Q2	2012Q3	\$74,232,926	0.24275115	0.97100	305,798,449	2011
UP - BLET	2012Q3	2012Q3				305,798,449	2011
DME - All	2012Q3	2012Q3				305,798,449	2011
CNGT - 18 unions ²	2012Q3	2012Q4				305,798,449	2011
DH - 7 unions ³	2012Q3	2012Q4				305,798,449	2011
UP - Yardmasters	2012Q4	2012Q4				305,798,449	2011
CNGT - 18 unions ⁴	2012Q4	2013Q1				305,798,449	2011
CSX - UTU-CSRA	2010Q2	2013Q2				305,798,449	2011
CNGT - 3 unions ⁵	various	2013Q2				305,798,449	2011
DME - BMW	2013Q1	2013Q2				305,798,449	2011
Total						\$98,937,353	0.32353778

Should be slightly less than amortized amount.

Fell out

National - 10 unions ¹	2012Q1	2012Q2	\$114,213,459	0.37349260	1.49397	305,798,449	2011
DH - IAM	2012Q1	2012Q2				305,798,449	2011

Interest Rate

2011/Q1	0.175
2011/Q2	0.145
2011/Q3	0.060
2011/Q4	0.015
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	
2013/Q4	

Back Pay Adjustment for 2013/Q2 → **0.32375**
or
0.324

¹ National ATDA, BLET, BRS, IAM, IBBM, IBEW, NCFO, SMW, TCU, TCU-CAR

² CNGT IAM (6 unions); BLE NCFO; DMIR BLET, UTU; DWP BLET, UTU; GTW BLET, NCFO; IC IBBM, NCFO, SMW; WC BRS, UTU

³ DH BLET, BMW, BRS, IAM, NCFO, TCU, TCU-CAR

⁴ 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

⁵ BLE UTU&BLET; GTW TCU-CAR

Health and Welfare

	Employees Receiving			Total 2011 Avg.	Total 2013
	Pay 2011	Monthly Contribution			
		2011 Avg.	2013		
1. All Employees					
a. Group health	165,098	\$1,401.06	\$1,350.36	\$231,312,203.88	\$222,941,735.28
b. Group dental	165,098	59.47	55.90	9,818,378.06	9,228,978.20
c. Early retirement major medical	165,098	164.41	139.04	27,143,762.18	22,955,225.92
d. Group vision	165,098	10.46	8.37	1,726,925.08	1,381,870.26
2. Supplemental Sickness					
a. Signalmen	7,226	25.62	30.74	185,130.12	222,127.24
b. Shopcrafts	24,752	48.28	48.28	1,195,026.56	1,195,026.56
c. MOW	25,419	36.52	32.87	928,301.88	835,522.53
d. Yardmasters	2,062	33.48	34.95	69,035.76	72,066.90
3. Short-Term Disability					
a. Engineers (CSX, KCS, SOO, UP)	13,665	40.00	40.00	546,600.00	546,600.00
4. Monthly Total Premiums				272,925,363.52	259,379,152.89
5. Monthly Employee Contributions To H&W					
a. National BLET (BNSF, CSX, KCS, NS, SOO, UP)	25,344	(\$200.00)	(\$198.00)	(\$5,068,800.00)	(\$5,018,112.00)
b. National BMW (BNSF, CSX, KCS, NS, SOO, UP)	23,694	(\$200.00)	(\$198.00)	(\$4,738,800.00)	(4,691,412.00)
c. National BRS (BNSF, CSX, KCS, NS, SOO, UP)	6,847	(\$200.00)	(\$198.00)	(\$1,369,400.00)	(1,355,706.00)
d. National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,740	(\$216.08)	(\$198.00)	(\$1,456,379.20)	(1,334,520.00)
e. National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,316	(\$200.00)	(\$198.00)	(\$263,200.00)	(260,568.00)
f. National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,272	(\$200.00)	(\$198.00)	(\$1,054,400.00)	(1,043,856.00)
g. National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,350	(\$200.00)	(\$198.00)	(\$470,000.00)	(465,300.00)
h. National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,000	(\$200.00)	(\$198.00)	(\$200,000.00)	(198,000.00)
i. National TCU (BNSF, CSX, KCS, NS, SOO, UP)	6,068	(\$200.00)	(\$198.00)	(\$1,213,600.00)	(1,201,464.00)
j. National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,313	(\$200.00)	(\$198.00)	(\$1,862,600.00)	(1,843,974.00)
k. National UTU (BNSF, CSX, KCS, NS, SOO, UP)	39,481	(\$202.90)	(\$198.00)	(\$8,010,694.90)	(7,817,238.00)
l. Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,935	(\$202.12)	(\$198.00)	(\$391,102.20)	(383,130.00)
m. National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,799	(\$200.00)	(\$198.00)	(\$359,800.00)	(356,202.00)
n. Independent CNGT (wt avg all union categories)	6,135	(\$122.05)	(\$162.05)	(\$748,776.75)	(994,176.75)
o. Independent SLC (wt avg all DH & DME union categories)	1,319	(\$156.22)	(\$180.27)	(\$206,054.18)	(237,776.13)
p.					
Total Major Union	138,613			(\$27,413,607.23)	(\$27,201,434.88)
All Other Employee Contributions**				(\$3,065,489.94)	(\$3,065,489.94)
6. Net Employer Monthly Payments				\$242,446,266.35	\$229,112,228.07
7. Ratio Projected Year to Base Year, Based on Net Monthly Payments					0.94500
8. H&W hourly rate for base year 2011				\$8.428	
9. H&W hourly rate for projected quarter					\$7.964
9a. Adjustment for overpayment during 2012Q1 & Q2*					(\$0.200)
9b. Adjusted H&W hourly rate for projected quarter					\$7.764

* 2012 employer contribution rates become available in 2012Q3, while 2011 rates were used for 2012Q1&Q2 (see 11/15/2012 memo). An adjustment for overpayment is applied accordingly.

** Non-union employee contributions net of opt-outs. The \$27,413,607.23 in major union contributions, plus \$3,065,489.94 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	2010	Tier I Maximum Taxable Earnings for 2013	113,700
Wage Statistics Year	2011	Tier II Maximum Taxable Earnings for 2013	84,300
Current Year	2013	Medicare Maximum Taxable Earnings for 2013	no limit
Employees Receiving Pay*	165,098	Tier I Employer Tax Rate for 2013	6.20%
* from 2011 wage statistics		Tier II Employer Tax Rate for 2013	12.60%
		Medicare Employer Tax Rate for 2013	1.45%

Note: The 2010 wage rate shown below is from the 2010 wage statistics that were revised November 2011.

USA RCAF	Wage Rate	Update Factor	Railroad Retirement Tax	Hourly Rate	
2010	\$33.913				
2011	\$34.752	1.02474	\$555,926,521	\$7.216	hourly rate from SUPPL2011.xlsx
1Q/2013	\$37.771	1.11376	\$615,382,007	\$7.988	Rate = Taxable Rate
2Q/2013	\$37.144	1.09527	\$608,115,452	\$7.893	
3Q/2013		0.00000	--	\$0.000	
4Q/2013		0.00000	--	\$0.000	

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			1Q/2013 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 Qly Earnings	Tier I	Tier II	Medicare	Total Taxable Earnings (Taxable x Employees)			
						Taxable	Taxable	Taxable	Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$36,525	\$9,131	\$9,131	\$9,131	\$9,131	\$63,889,493	\$63,889,493	\$63,889,493	
41,700 - 43,699	\$42,800	1.310	2,163	47,669	11,917	11,917	11,917	11,917	25,774,435	25,774,435	25,774,435	
43,700 - 45,699	\$44,737	1.462	2,414	49,826	12,457	12,457	12,457	12,457	30,066,877	30,066,877	30,066,877	
45,700 - 47,699	\$46,787	2.117	3,495	52,110	13,027	13,027	13,027	13,027	45,532,359	45,532,359	45,532,359	
47,700 - 49,699	\$48,731	3.377	5,575	54,275	13,569	13,569	13,569	13,569	75,650,269	75,650,269	75,650,269	
49,700 - 51,699	\$50,781	5.847	9,653	56,558	14,139	14,139	14,139	14,139	136,492,390	136,492,390	136,492,390	
51,700 - 53,699	\$52,707	5.141	8,488	58,703	14,676	14,676	14,676	14,676	124,563,269	124,563,269	124,563,269	
53,700 - 55,699	\$54,705	5.040	8,321	60,928	15,232	15,232	15,232	15,232	126,745,238	126,745,238	126,745,238	
55,700 - 57,699	\$56,741	4.788	7,905	63,196	15,799	15,799	15,799	15,799	124,889,297	124,889,297	124,889,297	
57,700 - 59,699	\$58,792	4.133	6,824	65,480	16,370	16,370	16,370	16,370	111,701,173	111,701,173	111,701,173	
59,700 - 61,699	\$60,712	3.931	6,490	67,619	16,905	16,905	16,905	16,905	109,711,380	109,711,380	109,711,380	
61,700 - 63,699	\$62,715	4.032	6,657	69,850	17,462	17,462	17,462	17,462	116,242,795	116,242,795	116,242,795	
63,700 - 65,699	\$64,545	3.730	6,158	71,888	17,972	17,972	17,972	17,972	110,673,981	110,673,981	110,673,981	
65,700 - 67,699	\$66,535	2.671	4,410	74,104	18,526	18,526	18,526	18,526	81,695,502	81,695,502	81,695,502	
67,700 - 69,699	\$68,839	3.831	6,325	76,670	19,168	19,168	19,168	19,168	121,232,985	121,232,985	121,232,985	
69,700 - 71,699	\$70,621	3.175	5,242	78,655	19,664	19,664	19,664	19,664	103,074,607	103,074,607	103,074,607	
71,700 - 73,699	\$72,580	2.671	4,410	80,837	20,209	20,209	20,209	20,209	89,117,900	89,117,900	89,117,900	
73,700 - 75,699	\$74,566	3.982	6,574	83,049	20,762	20,762	20,762	20,762	136,494,828	136,494,828	136,494,828	
75,700 - 77,699	\$76,710	2.369	3,911	85,437	21,359	21,359	21,075	21,359	83,539,359	82,427,942	83,539,359	
77,700 - 79,699	\$78,473	2.268	3,744	87,400	21,850	21,850	21,075	21,850	81,815,841	78,913,707	81,815,841	
79,700 - 81,699	\$80,613	2.873	4,743	89,784	22,446	22,446	21,075	22,446	106,466,948	99,964,321	106,466,948	
81,700 - 83,699	\$82,701	2.671	4,410	92,109	23,027	23,027	21,075	23,027	101,545,047	92,935,852	101,545,047	
83,700 - 85,699	\$84,701	2.520	4,160	94,337	23,584	23,584	21,075	23,584	98,121,273	87,681,897	98,121,273	
85,700 - 87,699	\$86,591	2.369	3,911	96,442	24,110	24,110	21,075	24,110	94,300,047	82,427,942	94,300,047	
87,700 - 89,699	\$88,509	1.764	2,912	98,578	24,644	24,644	21,075	24,644	71,772,836	61,377,328	71,772,836	
89,700 - 91,699	\$90,575	2.167	3,578	100,879	25,220	25,220	21,075	25,220	90,228,004	75,399,472	90,228,004	
91,700 - 93,699	\$92,632	1.613	2,663	103,170	25,792	25,792	21,075	25,792	68,686,202	56,123,373	68,686,202	
93,700 - 95,699	\$94,761	1.008	1,664	105,541	26,385	26,385	21,075	26,385	43,910,083	35,072,759	43,910,083	
95,700 - 97,699	\$96,625	1.310	2,163	107,617	26,904	26,904	21,075	26,904	58,188,196	45,580,669	58,188,196	
97,700 - 99,699	\$98,617	1.109	1,831	109,836	27,459	27,459	21,075	27,459	50,275,619	38,586,993	50,275,619	
99,700 - 101,699	\$100,607	1.210	1,998	112,052	28,013	28,013	21,075	28,013	55,961,283	42,101,228	55,961,283	
101,700 - 103,699	\$102,747	1.058	1,747	114,436	28,609	28,425	21,075	28,609	49,650,995	36,812,479	49,972,251	
103,700 - 105,699	\$104,705	0.706	1,166	116,616	29,154	28,425	21,075	29,154	33,131,949	24,564,849	33,981,787	
105,700 - 107,699	\$106,587	0.806	1,331	118,713	29,678	28,425	21,075	29,678	37,824,860	28,044,289	39,492,386	
107,700 - 109,699	\$108,670	0.554	915	121,032	30,258	28,425	21,075	30,258	25,998,725	19,276,100	27,675,376	
109,700 - 111,699	\$110,636	0.504	832	123,222	30,806	28,425	21,075	30,806	23,652,270	17,536,379	25,633,098	
111,700 - 113,699	\$112,713	0.403	665	125,535	31,384	28,425	21,075	31,384	18,912,430	14,022,145	20,881,089	
113,700 - 115,699	\$114,669	0.202	333	127,714	31,928	28,425	21,075	31,928	9,479,680	7,028,470	10,648,084	
\$115,700 - over	\$181,962	5.040	8,321	202,662	50,666	28,425	21,075	50,666	<u>236,522,697</u>	<u>175,363,794</u>	<u>421,585,177</u>	
TOTAL	\$73,270	100.000	165,098						Total Taxable Earnings	3,173,533,120	2,934,790,764	3,368,228,764
									Employer Tax Rate	6.20%	12.60%	1.45%
									Quarterly Payment	\$196,759,053	\$369,783,636	\$48,839,317
									Total Tier I, Tier II, and Medicare Paid this Quarter			\$615,382,007

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			2Q/2013 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 Qly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$35,918	\$8,980	\$8,980	\$8,980	\$8,980	\$62,828,925	\$62,828,925	\$62,828,925	
41,700 - 43,699	\$42,800	1.310	2,163	46,878	11,719	11,719	11,719	11,719	25,346,579	25,346,579	25,346,579	
43,700 - 45,699	\$44,737	1.462	2,414	48,999	12,250	12,250	12,250	12,250	29,567,766	29,567,766	29,567,766	
45,700 - 47,699	\$46,787	2.117	3,495	51,245	12,811	12,811	12,811	12,811	44,776,520	44,776,520	44,776,520	
47,700 - 49,699	\$48,731	3.377	5,575	53,374	13,343	13,343	13,343	13,343	74,394,472	74,394,472	74,394,472	
49,700 - 51,699	\$50,781	5.847	9,653	55,619	13,905	13,905	13,905	13,905	134,226,611	134,226,611	134,226,611	
51,700 - 53,699	\$52,707	5.141	8,488	57,729	14,432	14,432	14,432	14,432	122,495,514	122,495,514	122,495,514	
53,700 - 55,699	\$54,705	5.040	8,321	59,917	14,979	14,979	14,979	14,979	124,641,263	124,641,263	124,641,263	
55,700 - 57,699	\$56,741	4.788	7,905	62,147	15,537	15,537	15,537	15,537	122,816,130	122,816,130	122,816,130	
57,700 - 59,699	\$58,792	4.133	6,824	64,393	16,098	16,098	16,098	16,098	109,846,929	109,846,929	109,846,929	
59,700 - 61,699	\$60,712	3.931	6,490	66,496	16,624	16,624	16,624	16,624	107,890,167	107,890,167	107,890,167	
61,700 - 63,699	\$62,715	4.032	6,657	68,690	17,173	17,173	17,173	17,173	114,313,160	114,313,160	114,313,160	
63,700 - 65,699	\$64,545	3.730	6,158	70,694	17,674	17,674	17,674	17,674	108,836,789	108,836,789	108,836,789	
65,700 - 67,699	\$66,535	2.671	4,410	72,874	18,219	18,219	18,219	18,219	80,339,353	80,339,353	80,339,353	
67,700 - 69,699	\$68,839	3.831	6,325	75,398	18,849	18,849	18,849	18,849	119,220,513	119,220,513	119,220,513	
69,700 - 71,699	\$70,621	3.175	5,242	77,349	19,337	19,337	19,337	19,337	101,363,564	101,363,564	101,363,564	
71,700 - 73,699	\$72,580	2.671	4,410	79,495	19,874	19,874	19,874	19,874	87,638,540	87,638,540	87,638,540	
73,700 - 75,699	\$74,566	3.982	6,574	81,670	20,418	20,418	20,418	20,418	134,229,009	134,229,009	134,229,009	
75,700 - 77,699	\$76,710	2.369	3,911	84,018	21,005	21,005	21,075	21,005	82,152,602	82,427,942	82,152,602	
77,700 - 79,699	\$78,473	2.268	3,744	85,949	21,487	21,487	21,075	21,487	80,457,695	78,913,707	80,457,695	
79,700 - 81,699	\$80,613	2.873	4,743	88,293	22,073	22,073	21,075	22,073	104,699,592	99,964,321	104,699,592	
81,700 - 83,699	\$82,701	2.671	4,410	90,580	22,645	22,645	21,075	22,645	99,859,395	92,935,852	99,859,395	
83,700 - 85,699	\$84,701	2.520	4,160	92,771	23,193	23,193	21,075	23,193	96,492,456	87,681,897	96,492,456	
85,700 - 87,699	\$86,591	2.369	3,911	94,841	23,710	23,710	21,075	23,710	92,734,663	82,427,942	92,734,663	
87,700 - 89,699	\$88,509	1.764	2,912	96,942	24,235	24,235	21,075	24,235	70,581,405	61,377,328	70,581,405	
89,700 - 91,699	\$90,575	2.167	3,578	99,204	24,801	24,801	21,075	24,801	88,730,215	75,399,472	88,730,215	
91,700 - 93,699	\$92,632	1.613	2,663	101,457	25,364	25,364	21,075	25,364	67,546,008	56,123,373	67,546,008	
93,700 - 95,699	\$94,761	1.008	1,664	103,789	25,947	25,947	21,075	25,947	43,181,174	35,072,759	43,181,174	
95,700 - 97,699	\$96,625	1.310	2,163	105,831	26,458	26,458	21,075	26,458	57,222,270	45,580,669	57,222,270	
97,700 - 99,699	\$98,617	1.109	1,831	108,013	27,003	27,003	21,075	27,003	49,441,042	38,586,993	49,441,042	
99,700 - 101,699	\$100,607	1.210	1,998	110,192	27,548	27,548	21,075	27,548	55,032,324	42,101,228	55,032,324	
101,700 - 103,699	\$102,747	1.058	1,747	112,536	28,134	28,134	21,075	28,134	49,463,966	36,812,479	49,142,710	
103,700 - 105,699	\$104,705	0.706	1,166	114,681	28,670	28,425	21,075	28,670	33,131,949	24,564,849	33,417,688	
105,700 - 107,699	\$106,587	0.806	1,331	116,742	29,185	28,425	21,075	29,185	37,824,860	28,044,289	38,836,811	
107,700 - 109,699	\$108,670	0.554	915	119,023	29,756	28,425	21,075	29,756	25,998,725	19,276,100	27,215,963	
109,700 - 111,699	\$110,636	0.504	832	121,177	30,294	28,425	21,075	30,294	23,652,270	17,536,379	25,207,588	
111,700 - 113,699	\$112,713	0.403	665	123,452	30,863	28,425	21,075	30,863	18,912,430	14,022,145	20,534,462	
113,700 - 115,699	\$114,669	0.202	333	125,594	31,398	28,425	21,075	31,398	9,479,680	7,028,470	10,471,326	
\$115,700 - over	\$181,962	5.040	8,321	199,298	49,825	28,425	21,075	49,825	<u>236,522,697</u>	<u>175,363,794</u>	<u>414,586,847</u>	
TOTAL		100.000	165,098						Total Taxable Earnings	3,127,889,222	2,906,013,790	3,312,316,042
									Employer Tax Rate	6.20%	12.60%	1.45%
									Quarterly Payment	\$193,929,132	\$366,157,738	\$48,028,583
									Total Tier I, Tier II, and Medicare Paid this Quarter			\$608,115,452

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			3Q/2013 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	\$32,794	4.238 %	6,997	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
41,700 - 43,699	\$42,800	1.310	2,163	0	0	0	0	0	0	0	0	0	
43,700 - 45,699	\$44,737	1.462	2,414	0	0	0	0	0	0	0	0	0	
45,700 - 47,699	\$46,787	2.117	3,495	0	0	0	0	0	0	0	0	0	
47,700 - 49,699	\$48,731	3.377	5,575	0	0	0	0	0	0	0	0	0	
49,700 - 51,699	\$50,781	5.847	9,653	0	0	0	0	0	0	0	0	0	
51,700 - 53,699	\$52,707	5.141	8,488	0	0	0	0	0	0	0	0	0	
53,700 - 55,699	\$54,705	5.040	8,321	0	0	0	0	0	0	0	0	0	
55,700 - 57,699	\$56,741	4.788	7,905	0	0	0	0	0	0	0	0	0	
57,700 - 59,699	\$58,792	4.133	6,824	0	0	0	0	0	0	0	0	0	
59,700 - 61,699	\$60,712	3.931	6,490	0	0	0	0	0	0	0	0	0	
61,700 - 63,699	\$62,715	4.032	6,657	0	0	0	0	0	0	0	0	0	
63,700 - 65,699	\$64,545	3.730	6,158	0	0	0	0	0	0	0	0	0	
65,700 - 67,699	\$66,535	2.671	4,410	0	0	0	0	0	0	0	0	0	
67,700 - 69,699	\$68,839	3.831	6,325	0	0	0	0	0	0	0	0	0	
69,700 - 71,699	\$70,621	3.175	5,242	0	0	0	0	0	0	0	0	0	
71,700 - 73,699	\$72,580	2.671	4,410	0	0	0	0	0	0	0	0	0	
73,700 - 75,699	\$74,566	3.982	6,574	0	0	0	0	0	0	0	0	0	
75,700 - 77,699	\$76,710	2.369	3,911	0	0	0	214	0	0	836,077	0	0	
77,700 - 79,699	\$78,473	2.268	3,744	0	0	0	1,187	0	0	4,446,122	0	0	
79,700 - 81,699	\$80,613	2.873	4,743	0	0	0	2,369	0	0	11,237,898	0	0	
81,700 - 83,699	\$82,701	2.671	4,410	0	0	0	3,522	0	0	15,532,738	0	0	
83,700 - 85,699	\$84,701	2.520	4,160	0	0	0	4,627	0	0	19,249,935	0	0	
85,700 - 87,699	\$86,591	2.369	3,911	0	0	0	5,671	0	0	22,178,826	0	0	
87,700 - 89,699	\$88,509	1.764	2,912	0	0	0	6,730	0	0	19,599,585	0	0	
89,700 - 91,699	\$90,575	2.167	3,578	0	0	0	7,871	0	0	28,159,274	0	0	
91,700 - 93,699	\$92,632	1.613	2,663	0	0	0	9,007	0	0	23,985,465	0	0	
93,700 - 95,699	\$94,761	1.008	1,664	0	0	0	10,183	0	0	16,945,740	0	0	
95,700 - 97,699	\$96,625	1.310	2,163	0	0	0	11,212	0	0	24,249,130	0	0	
97,700 - 99,699	\$98,617	1.109	1,831	0	0	0	12,312	0	0	22,542,674	0	0	
99,700 - 101,699	\$100,607	1.210	1,998	0	0	0	13,411	0	0	26,791,150	0	0	
101,700 - 103,699	\$102,747	1.058	1,747	0	0	0	14,593	0	0	25,490,003	0	0	
103,700 - 105,699	\$104,705	0.706	1,166	0	0	974	15,674	0	1,135,577	18,269,778	0	0	
105,700 - 107,699	\$106,587	0.806	1,331	0	0	2,014	16,714	0	2,679,478	22,240,619	0	0	
107,700 - 109,699	\$108,670	0.554	915	0	0	3,164	17,864	0	2,893,889	16,339,140	0	0	
109,700 - 111,699	\$110,636	0.504	832	0	0	4,250	18,950	0	3,536,146	15,767,927	0	0	
111,700 - 113,699	\$112,713	0.403	665	0	0	5,397	20,097	0	3,590,692	13,371,262	0	0	
113,700 - 115,699	\$114,669	0.202	333	0	0	6,477	21,075	0	2,160,051	7,028,470	0	0	
\$115,700 - over	\$181,962	5.040	8,321	0	0	28,425	21,075	0	<u>236,522,697</u>	<u>175,363,794</u>	0	0	
TOTAL		100.000	165,098							252,518,530	529,625,607	0	
										Employer Tax Rate	6.20%	12.60%	1.45%
										Quarterly Payment	\$15,656,149	\$66,732,826	\$0

Total Tier I, Tier II, and Medicare Paid this Quarter **\$82,388,975**

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			4Q/2013 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	Tier II	Medicare	Total Taxable Earnings (Taxable x Employees)			
						Taxable	Taxable	Taxable	Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41,700 - 43,699	\$42,800	1.310	2,163	0	0	0	0	0	0	0	0	0
43,700 - 45,699	\$44,737	1.462	2,414	0	0	0	0	0	0	0	0	0
45,700 - 47,699	\$46,787	2.117	3,495	0	0	0	0	0	0	0	0	0
47,700 - 49,699	\$48,731	3.377	5,575	0	0	0	0	0	0	0	0	0
49,700 - 51,699	\$50,781	5.847	9,653	0	0	0	0	0	0	0	0	0
51,700 - 53,699	\$52,707	5.141	8,488	0	0	0	0	0	0	0	0	0
53,700 - 55,699	\$54,705	5.040	8,321	0	0	0	0	0	0	0	0	0
55,700 - 57,699	\$56,741	4.788	7,905	0	0	0	0	0	0	0	0	0
57,700 - 59,699	\$58,792	4.133	6,824	0	0	0	0	0	0	0	0	0
59,700 - 61,699	\$60,712	3.931	6,490	0	0	0	0	0	0	0	0	0
61,700 - 63,699	\$62,715	4.032	6,657	0	0	0	0	0	0	0	0	0
63,700 - 65,699	\$64,545	3.730	6,158	0	0	0	0	0	0	0	0	0
65,700 - 67,699	\$66,535	2.671	4,410	0	0	0	0	0	0	0	0	0
67,700 - 69,699	\$68,839	3.831	6,325	0	0	0	0	0	0	0	0	0
69,700 - 71,699	\$70,621	3.175	5,242	0	0	0	0	0	0	0	0	0
71,700 - 73,699	\$72,580	2.671	4,410	0	0	0	0	0	0	0	0	0
73,700 - 75,699	\$74,566	3.982	6,574	0	0	0	0	0	0	0	0	0
75,700 - 77,699	\$76,710	2.369	3,911	0	0	0	0	0	0	0	0	0
77,700 - 79,699	\$78,473	2.268	3,744	0	0	0	0	0	0	0	0	0
79,700 - 81,699	\$80,613	2.873	4,743	0	0	0	0	0	0	0	0	0
81,700 - 83,699	\$82,701	2.671	4,410	0	0	0	0	0	0	0	0	0
83,700 - 85,699	\$84,701	2.520	4,160	0	0	0	0	0	0	0	0	0
85,700 - 87,699	\$86,591	2.369	3,911	0	0	0	0	0	0	0	0	0
87,700 - 89,699	\$88,509	1.764	2,912	0	0	0	0	0	0	0	0	0
89,700 - 91,699	\$90,575	2.167	3,578	0	0	0	0	0	0	0	0	0
91,700 - 93,699	\$92,632	1.613	2,663	0	0	0	0	0	0	0	0	0
93,700 - 95,699	\$94,761	1.008	1,664	0	0	0	0	0	0	0	0	0
95,700 - 97,699	\$96,625	1.310	2,163	0	0	0	0	0	0	0	0	0
97,700 - 99,699	\$98,617	1.109	1,831	0	0	0	0	0	0	0	0	0
99,700 - 101,699	\$100,607	1.210	1,998	0	0	0	0	0	0	0	0	0
101,700 - 103,699	\$102,747	1.058	1,747	0	0	0	0	0	0	0	0	0
103,700 - 105,699	\$104,705	0.706	1,166	0	0	0	0	0	0	0	0	0
105,700 - 107,699	\$106,587	0.806	1,331	0	0	0	0	0	0	0	0	0
107,700 - 109,699	\$108,670	0.554	915	0	0	0	0	0	0	0	0	0
109,700 - 111,699	\$110,636	0.504	832	0	0	0	0	0	0	0	0	0
111,700 - 113,699	\$112,713	0.403	665	0	0	0	0	0	0	0	0	0
113,700 - 115,699	\$114,669	0.202	333	0	0	0	102	0	0	34,002	0	0
\$115,700 - over	\$181,962	5.040	8,321	0	0	15,215	21,075	0	126,603,933	175,363,794	0	0
TOTAL		100.000	165,098						Total Taxable Earnings	126,603,933	175,397,796	0
									Employer Tax Rate	6.20%	12.60%	1.45%
									Quarterly Payment	\$7,849,444	\$22,100,122	\$0
									Total Tier I, Tier II, and Medicare Paid this Quarter			\$29,949,566

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
			\$30.806	(2007)			
2008 Avg.	2.48%	\$15,360	\$32.537		1.056190	\$14,329.53	\$0.201
3Q/09 reb	2.47%	\$15,960	\$35.600		1.155619	\$14,914.18	\$0.208
4Q/09	2.47%	\$15,960	\$34.822		1.130364	\$14,903.49	\$0.208
1Q/10	3.26%	\$15,960	\$34.810		1.129975	\$14,903.32	\$0.275
2Q/10	3.26%	\$15,960	\$34.787		1.129228	\$14,903.00	\$0.275
3Q/10	3.26%	\$15,960	\$34.676		1.125625	\$14,901.45	\$0.275
			\$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	\$0.606
2Q/11	7.09%	\$15,960	\$35.143		1.080093	\$14,954.33	\$0.606
3Q/11	7.09%	\$15,960	\$35.422		1.088668	\$14,957.95	\$0.606
			\$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					0.000000		\$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.

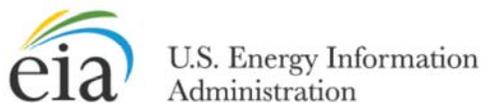
The MEANS Procedure

Variable	N	Sum	Mean
FactorA	2553	2616.16	1.0247400
FactorQ	2553	2796.23	1.0952730
Capa	2553	40745880.00	15960.00
Capq	2553	43043580.00	16860.00

TOTAL GROSS EARNINGS AND AVERAGE GROSS EARNINGS-2010 RRB File

The MEANS Procedure

Variable	N	Sum	Mean
ANUAL_US	2553	38577560.13	15110.68
QTRLY_US	2553	40769150.68	15969.12



PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

This Week In Petroleum

[Complete History XLS](#)
[PADD Definitions](#)

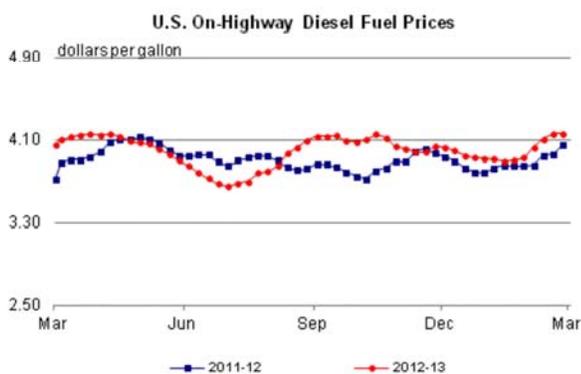
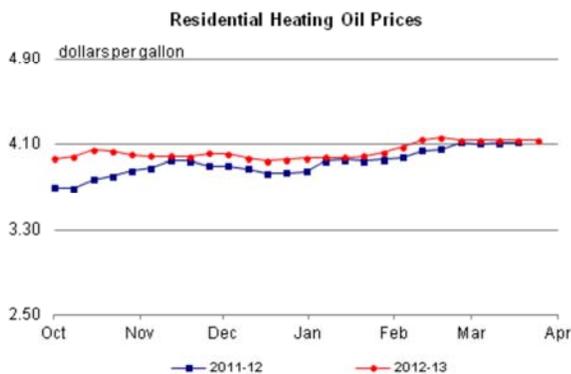
Summary Crude Oil Gasoline Distillate Propane
Prices Stocks Production Imports Demand

Residential Heating Oil Prices (Dollars per Gallon)

	Residential Heating Oil Prices								more data	
	Most Recent									Year Ago
	01/14/13	01/21/13	01/28/13	02/04/13	02/11/13	02/18/13	02/25/13	02/27/12		
Average	3.973	3.985	4.014	4.063	4.135	4.153	4.131	4.108		
East Coast (PADD 1)	4.008	4.018	4.047	4.090	4.160	4.176	4.155	4.144		
New England (PADD 1A)	3.992	4.002	4.032	4.068	4.155	4.171	4.150	4.175		
Central Atlantic (PADD 1B)	4.064	4.075	4.107	4.159	4.216	4.228	4.202	4.160		
Lower Atlantic (PADD 1C)	3.742	3.747	3.751	3.780	3.823	3.874	3.875	3.836		
Midwest (PADD 2)	3.519	3.538	3.580	3.703	3.807	3.840	3.813	3.638		

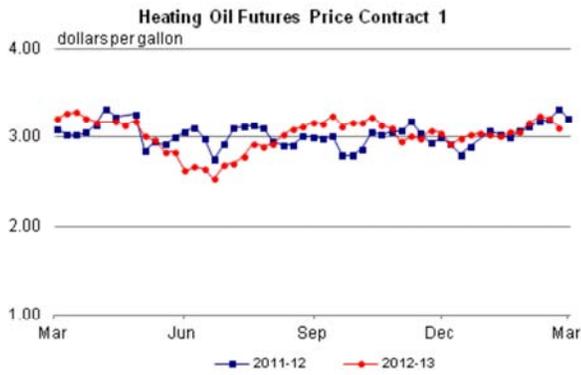
On-Highway Diesel Fuel Prices (Dollars per Gallon)

	On-Highway Diesel Fuel Prices								more data	
	Most Recent									Year Ago
	01/14/13	01/21/13	01/28/13	02/04/13	02/11/13	02/18/13	02/25/13	02/27/12		
U.S.	3.894	3.902	3.927	4.022	4.104	4.157	4.159	4.051		
East Coast (PADD 1)	4.002	4.000	4.023	4.088	4.152	4.199	4.201	4.134		
New England (PADD 1A)	4.168	4.158	4.181	4.237	4.266	4.334	4.344	4.221		
Central Atlantic (PADD 1B)	4.094	4.089	4.106	4.165	4.216	4.254	4.262	4.208		
Lower Atlantic (PADD 1C)	3.901	3.904	3.931	4.001	4.083	4.133	4.129	4.063		
Midwest (PADD 2)	3.834	3.845	3.866	3.978	4.080	4.132	4.121	3.914		
Gulf Coast (PADD 3)	3.824	3.831	3.845	3.941	3.997	4.068	4.089	3.992		
Rocky Mountain (PADD 4)	3.661	3.678	3.736	3.844	3.964	4.032	4.057	3.919		
West Coast (PADD 5)	3.988	4.004	4.049	4.166	4.265	4.303	4.299	4.326		
California	4.063	4.082	4.137	4.242	4.331	4.361	4.365	4.410		



Heating Oil Futures Prices (Dollars per Gallon)

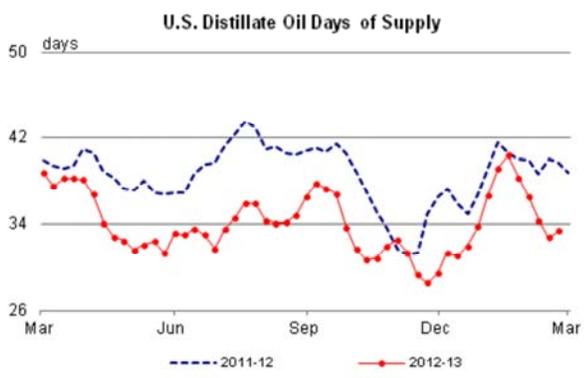
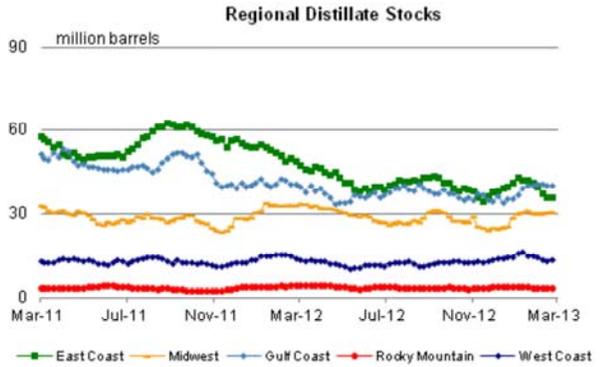
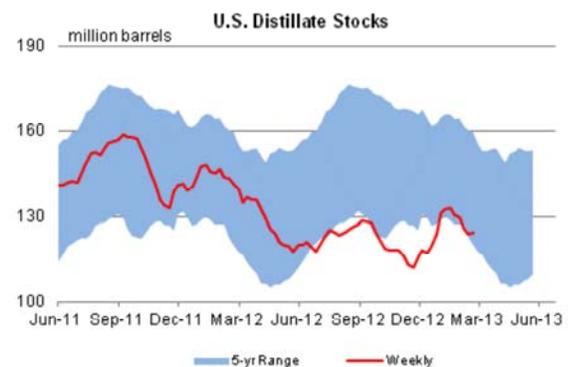
	Heating Oil Futures Prices								more data	
	Most Recent									Year Ago
	01/11/13	01/18/13	01/25/13	02/01/13	02/08/13	02/15/13	02/22/13	02/24/12		
Contract 1	3.009	3.053	3.057	3.161	3.238	3.210	3.104	3.316		
Contract 2	3.002	3.042	3.049	3.145	3.216	3.202	3.102	3.313		
Contract 3	2.990	3.024	3.036	3.187	3.253	3.259	3.176	3.301		
Contract 4	3.021	3.056	3.072	3.162	3.221	3.229	3.147	3.293		



Distillate Stocks (Million Barrels) and Days of Supply

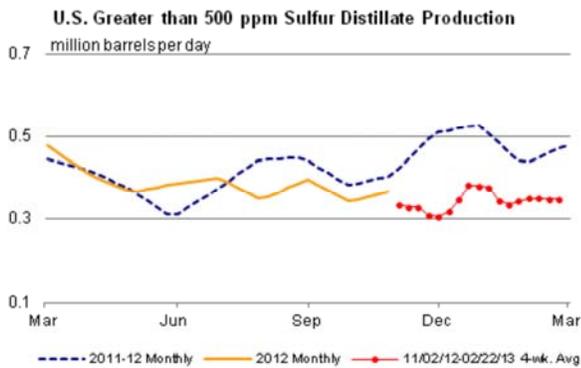
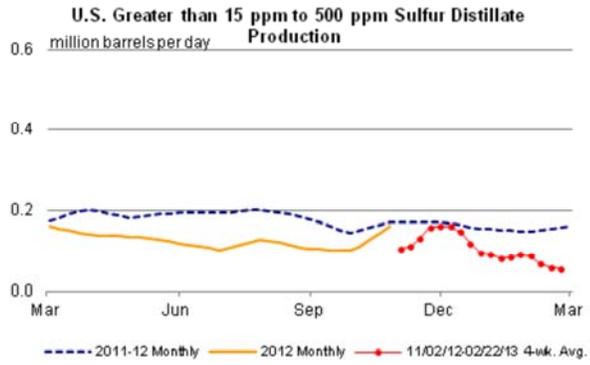
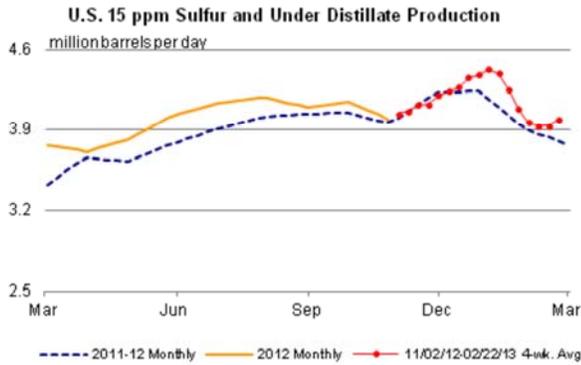
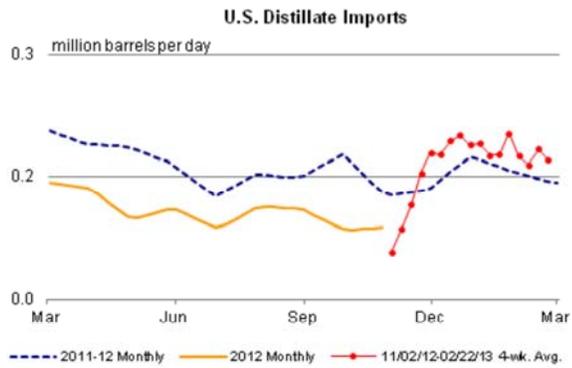
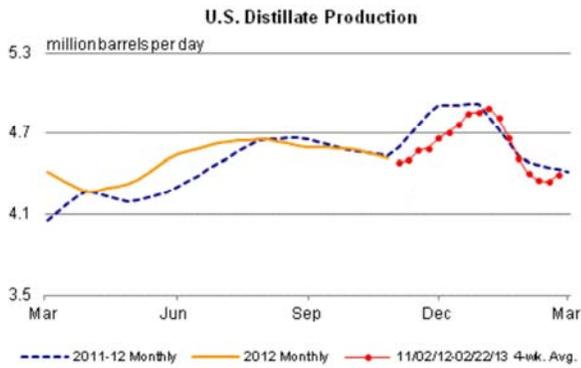
Total Distillate Stocks more data									
	Most Recent							Year Ago	
	01/11/13	01/18/13	01/25/13	02/01/13	02/08/13	02/15/13	02/22/13	02/24/12	
U.S.	132.4	132.9	130.6	129.6	125.9	123.6	124.2	141.4	
East Coast (PADD 1)	42.5	42.3	41.3	40.1	37.5	36.2	35.9	49.3	
New England (PADD 1A)	5.7	5.6	5.6	5.2	5.1	4.8	4.9	8.4	
Central Atlantic (PADD 1B)	24.4	24.2	23.8	23.5	22.1	21.6	20.4	27.0	
Lower Atlantic (PADD 1C)	12.4	12.5	11.8	11.4	10.3	9.8	10.6	13.8	
Midwest (PADD 2)	30.4	31.4	30.3	30.3	30.3	30.5	30.7	32.9	
Gulf Coast (PADD 3)	39.3	40.5	40.3	41.1	40.9	40.4	40.3	40.8	
Rocky Mountain (PADD 4)	3.8	3.7	3.5	3.5	3.5	3.3	3.5	4.3	
West Coast (PADD 5)	16.4	15.1	15.1	14.6	13.7	13.2	13.8	14.2	
15 ppm sulfur and Under Stocks more data									
	Most Recent							Year Ago	
	01/11/13	01/18/13	01/25/13	02/01/13	02/08/13	02/15/13	02/22/13	02/24/12	
U.S.	102.9	103.7	102.1	101.2	99.6	98.2	98.2	102.0	
East Coast (PADD 1)	26.2	25.9	25.5	24.4	21.8	21.0	20.6	23.3	
New England (PADD 1A)	1.7	1.7	1.9	1.8	1.7	1.5	1.4	1.8	
Central Atlantic (PADD 1B)	13.8	13.6	13.8	13.0	11.3	11.2	9.8	11.0	
Lower Atlantic (PADD 1C)	10.6	10.6	9.8	9.7	8.8	8.4	9.4	10.5	
Midwest (PADD 2)	28.5	29.6	28.5	28.7	28.9	29.1	29.2	30.8	
Gulf Coast (PADD 3)	31.0	32.1	32.3	32.4	34.1	33.8	33.4	32.1	
Rocky Mountain (PADD 4)	3.5	3.4	3.2	3.2	3.2	3.0	3.2	3.8	
West Coast (PADD 5)	13.7	12.6	12.5	12.4	11.6	11.3	11.8	12.1	
Greater than 15 ppm to 500 ppm sulfur Stocks more data									
	Most Recent							Year Ago	
	01/11/13	01/18/13	01/25/13	02/01/13	02/08/13	02/15/13	02/22/13	02/24/12	
U.S.	5.8	5.9	5.7	5.7	4.6	4.4	5.0	8.2	
East Coast (PADD 1)	1.0	1.0	1.1	1.2	0.8	0.7	0.8	2.0	
New England (PADD 1A)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Central Atlantic (PADD 1B)	0.5	0.6	0.7	0.8	0.5	0.3	0.4	1.3	
Lower Atlantic (PADD 1C)	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.6	
Midwest (PADD 2)	1.3	1.2	1.1	1.1	0.8	0.8	0.9	1.5	
Gulf Coast (PADD 3)	2.4	2.3	2.3	2.4	2.0	2.0	2.4	3.5	
Rocky Mountain (PADD 4)	0.1	0.2	0.2	0.1	0.2	0.2	0.2	0.2	
West Coast (PADD 5)	1.0	1.2	1.1	0.8	0.6	0.7	0.8	1.0	
Greater than 500 ppm sulfur Stocks more data									
	Most Recent							Year Ago	
	01/11/13	01/18/13	01/25/13	02/01/13	02/08/13	02/15/13	02/22/13	02/24/12	
U.S.	23.8	23.4	22.8	22.7	21.7	21.0	20.9	31.3	
East Coast (PADD 1)	15.4	15.4	14.7	14.4	14.9	14.5	14.5	24.0	
New England (PADD 1A)	3.9	3.9	3.7	3.5	3.4	3.3	3.4	6.6	
Central Atlantic (PADD 1B)	10.0	10.0	9.3	9.6	10.3	10.1	10.2	14.7	
Lower Atlantic (PADD 1C)	1.4	1.6	1.6	1.4	1.2	1.1	0.9	2.7	
Midwest (PADD 2)	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.6	
Gulf Coast (PADD 3)	6.0	6.0	5.8	6.2	4.8	4.5	4.6	5.2	
Rocky Mountain (PADD 4)	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	
West Coast (PADD 5)	1.6	1.3	1.5	1.4	1.4	1.2	1.1	1.2	
Days of Supply (number of days) more data									
	Most Recent							Year Ago	
	01/11/13	01/18/13	01/25/13	02/01/13	02/08/13	02/15/13	02/22/13	02/24/12	
U.S.	39.2	40.4	38.4	36.6	34.4	32.8	33.4	39.7	

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



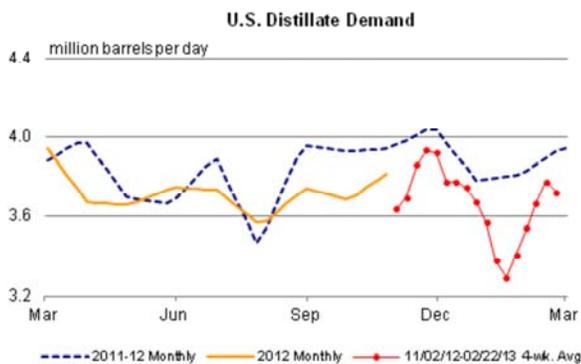
Distillate Production and Imports (Million Barrels per Day)

Total Distillate Production more data									
	Four-Week Averages				Year Ago	Week Ending			
	02/08/13	02/15/13	02/22/13	02/24/12		02/08/13	02/15/13	02/22/13	02/24/12
U.S.	4.351	4.341	4.396	4.366	4.357	4.272	4.484	4.284	
East Coast (PADD 1)	0.374	0.358	0.340	0.314	0.334	0.323	0.320	0.376	
Midwest (PADD 2)	0.997	0.992	0.998	1.037	0.945	1.016	1.010	1.038	
Gulf Coast (PADD 3)	2.272	2.290	2.352	2.342	2.366	2.277	2.391	2.314	
Rocky Mountain (PADD 4)	0.196	0.196	0.193	0.199	0.186	0.200	0.193	0.184	
West Coast (PADD 5)	0.512	0.505	0.513	0.473	0.525	0.457	0.570	0.372	
15 ppm sulfur and Under Production more data									
	Four-Week Averages				Year Ago	Week Ending			
	02/08/13	02/15/13	02/22/13	02/24/12		02/08/13	02/15/13	02/22/13	02/24/12
U.S.	3.935	3.935	3.993	3.739	4.019	3.910	4.026	3.588	
East Coast (PADD 1)	0.242	0.229	0.220	0.172	0.210	0.226	0.211	0.140	
Midwest (PADD 2)	1.008	0.999	1.003	0.971	0.950	1.017	0.999	0.977	
Gulf Coast (PADD 3)	2.010	2.035	2.088	1.991	2.180	2.030	2.099	1.962	
Rocky Mountain (PADD 4)	0.193	0.193	0.190	0.185	0.182	0.197	0.188	0.170	
West Coast (PADD 5)	0.483	0.479	0.492	0.420	0.496	0.440	0.530	0.340	
Greater than 15 ppm to 500 ppm sulfur Production more data									
	Four-Week Averages				Year Ago	Week Ending			
	02/08/13	02/15/13	02/22/13	02/24/12		02/08/13	02/15/13	02/22/13	02/24/12
U.S.	0.066	0.057	0.055	0.208	0.000	0.025	0.090	0.172	
East Coast (PADD 1)	0.019	0.015	0.014	-0.010	0.007	-0.011	0.022	-0.053	
Midwest (PADD 2)	-0.001	0.002	0.001	0.068	-0.005	0.010	0.004	0.063	
Gulf Coast (PADD 3)	0.028	0.023	0.020	0.118	-0.024	0.006	0.032	0.138	
Rocky Mountain (PADD 4)	0.005	0.003	0.003	0.012	0.007	0.002	0.004	0.013	
West Coast (PADD 5)	0.015	0.014	0.017	0.020	0.016	0.019	0.028	0.010	
Greater than 500 ppm sulfur Production more data									
	Four-Week Averages				Year Ago	Week Ending			
	02/08/13	02/15/13	02/22/13	02/24/12		02/08/13	02/15/13	02/22/13	02/24/12
U.S.	0.350	0.348	0.349	0.419	0.338	0.337	0.368	0.524	
East Coast (PADD 1)	0.113	0.114	0.106	0.152	0.117	0.108	0.087	0.289	
Midwest (PADD 2)	-0.010	-0.009	-0.005	-0.002	0.000	-0.012	0.008	-0.002	
Gulf Coast (PADD 3)	0.234	0.232	0.244	0.234	0.210	0.241	0.260	0.215	
Rocky Mountain (PADD 4)	-0.001	-0.001	-0.001	0.001	-0.003	0.001	0.001	0.001	
West Coast (PADD 5)	0.014	0.012	0.005	0.034	0.013	-0.002	0.012	0.022	
Distillate Imports more data									
	Four-Week Averages				Year Ago	Week Ending			
	02/08/13	02/15/13	02/22/13	02/24/12		02/08/13	02/15/13	02/22/13	02/24/12
Total Distillate	0.164	0.183	0.170	0.145	0.143	0.294	0.156	0.217	
15 ppm sulfur and Under	0.081	0.086	0.069	0.067	0.061	0.084	0.065	0.123	
Greater than 15 ppm to 500 ppm sulfur	0.005	0.030	0.030	0.008	0.000	0.121	0.000	0.032	
Greater than 500 ppm to 2000 ppm sulfur	0.072	0.060	0.071	0.071	0.083	0.090	0.092	0.063	
Greater than 2000 ppm sulfur	0.007	0.007	0.000	0.000	0.000	0.000	0.000	0.000	



Distillate Demand (Million Barrels per Day)

	Distillate Demand more data							
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	02/08/13	02/15/13	02/22/13	02/24/12	02/08/13	02/15/13	02/22/13	02/24/12
Distillate Fuel Oil	3.665	3.774	3.719	3.561	3.942	3.808	3.502	3.673



NA = Not Available.
W = Data Withheld.

AAR MATERIALS AND SUPPLIES INDEX
 Region By Composition
 First Quarter 2013
 February 28, 2013

United States by Composition Category - Summary

Composition Category -----	Weight -----	Previous Quarter Index -----	Current Quarter Index -----	Relative Of Change -----
Forest Products	.0977	265.08	256.07	.9660
Metal Products	.6230	201.78	195.22	.9675
Miscellaneous Products	.2792	342.19	352.18	1.0292
U.S. By Composition	--	247.15	244.97	.9912
U.S. By Composition (Linked)	--	248.21	246.03	.9912
United States (1977=100) Linking Factor: 1.423	--	353.20	350.10	.9912
United States (1980=100) Linking Factor: 1.061	--	263.35	261.04	.9912

Car Hire for RCAF

RCAF (Forecast)

	1980	June 3Q/12	Sept. 4Q/12	Dec. 1Q/13	Mar. 2Q/13	June 3Q/13
RATE						
RR-OWNED TIME	31.00	63.00	63.00	63.00	63.00	--
RR-OWNED MILEAGE	4.69	6.80	6.80	6.80	6.70	--
PRIVATELY-OWNED CARS	25.47	43.88	45.15	45.52	45.25	--
AUTORACKS	47.00	38.32	40.33	41.15	42.86	--
INDEX						
RR-OWNED TIME	100.0	203.2	203.2	203.2	203.2	--
RR-OWNED MILEAGE	100.0	145.0	145.0	145.0	142.9	--
PRIVATELY-OWNED CARS	100.0	172.3	177.3	178.7	177.6	--
AUTORACKS	100.0	81.5	85.8	87.5	91.2	--
CAR HIRE INDEX (old wts) 2010	100.0	174.5	--	--	--	--
CAR HIRE INDEX (new wts) 2011	100.0	174.2	177.9	179.0	178.0	--
CAR HIRE INDEX (LINKED)	100.0	173.6	177.3	178.4	177.4	--

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

	2012 (first day of month)						2013 (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)	7,351	7,363	7,381	7,402	7,428	7,570	7,607	7,635	7,668					
Rate (in cents)														
Superstructures #3 - Auto Rack	29.0	30.0	30.0	32.0	34.0	36.0	36.0	37.0	36.0					
All other #1 - Time	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0					
All other #2 - Mileage	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.7					
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	45,301	45,389	45,500	45,550	45,561	45,612	45,809	46,018	46,228					
Covered Hoppers	320,604	321,677	322,901	323,792	324,427	325,043	325,885	326,132	326,576					
Tank Cars	300,576	301,647	302,836	304,207	305,434	306,842	308,618	309,221	310,801					
Others	286,271	286,670	286,866	286,743	287,176	286,634	285,618	285,054	285,259					
Rate (in cents)														
Superstructures #1 - Time	78.0	78.0	78.0	78.0	78.0	78.0	80.0	80.0	80.0					
Superstructures #2 - Mileage	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4					
Superstructures #3 - Auto Rack	40.0	41.0	42.0	42.0	42.0	42.0	41.0	43.0	44.0					
Covered Hoppers #2 - Mileage	43.7	43.7	43.8	43.9	43.9	43.9	43.9	44.0	44.1					
Tank Cars #2 - Mileage	68.4	68.5	71.5	71.6	71.8	71.9	71.7	72.0	70.2					
Others #1 - Time	72.0	72.0	72.0	72.0	73.0	73.0	74.0	74.0	74.0					
Others #2 - Mileage	6.9	6.9	6.9	7.0	7.0	7.0	7.0	7.0	7.0					
AVERAGE RATES														
Private Superstructures	19.73	19.73	19.73	19.73	19.73	19.73	20.20	20.20	20.20	0.00	0.00	0.00	0.00	0.00
Private Others	22.88	22.88	22.88	22.98	23.21	23.21	23.43	23.43	23.43	0.00	0.00	0.00	0.00	0.00
Private Total	44.10	44.15	45.15	45.28	45.43	45.52	45.60	45.76	45.25	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Autoracks	38.46	39.46	40.33	40.60	40.88	41.15	40.29	42.15	42.86	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2010	2011
For RCAF & RCR		
RR-owned Time	0.174	0.170
RR-owned Mileage	0.084	0.078
Privately-owned Cars	0.732	0.738
Autoracks	0.010	0.014
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2010	2011
Car Hire - U.S.	0.458	0.486
Lease Rentals - U.S.	0.542	0.514
----- 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 03/2013

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	7,668	118	0.079	36
Railroad	Number of Zero-Rated Vehicular Flats	56	.	.	.
Railroad	All Other Cars	490,922	63	0.067	.
Railroad	Number of Zero-Rated Other Cars	22,682	.	.	.
Railroad	Total Railroad Equipment	521,328	.	.	.
	
Private	Vehicular Flats	46,228	80	0.014	44
Private	Number of Zero-Rated Vehicular Flats	10	.	.	.
Private	Covered Hoppers	326,576	0	0.441	.
Private	Number of Zero-Rated Covered Hoppers	9,943	.	.	.
Private	Tanks	310,801	0	0.702	.
Private	Number of Zero-Rated Tanks	8,436	.	.	.
Private	All Other Cars	285,259	74	0.070	.
Private	Number of Zero-Rated Other Cars	30,432	.	.	.
Private	Total Private Equipment	1,017,685	.	.	.

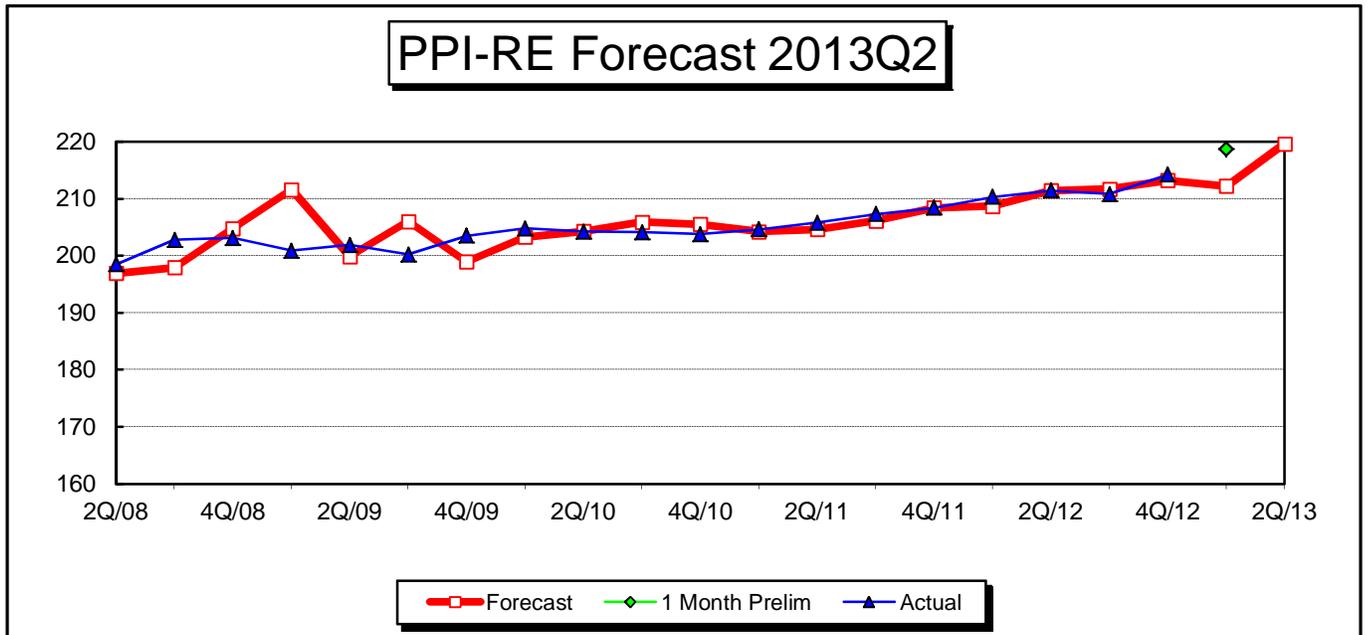
Notes
This report excludes these car types: D (Locomotives), M (MoW, EOTs, etc.), U (Containers), Z (Trailers).
All TTX equipment (including ABOX, RBOX, GONX) is contained in the Private section of report.
Equipment can be zero rated due to owners supplying incorrect or insufficient information to the 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/08	196.9	198.5	
3Q/08	197.9	202.8	
4Q/08	204.8	203.1	
1Q/09	211.6	200.9	
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		218.7
2Q/13	219.6		

1980 Base

	PPI-RE Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2013Q2						
Low	194.6	215.3	1.8%			
Midpoint	198.5	219.6	3.9%	0.4%	2.5%	3.5%
High	202.4	223.9	5.9%			



Databases, Tables & Calculators by Subject

FONT SIZE: 

Change Output Options: From: To:

include graphs

[More Formatting Options](#) 

Data extracted on: February 20, 2013 (12:20:40 PM)

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	190.8(P)	194.9(P)	195.1(P)	191.6(P)
2013	197.7(P)												

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

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO.

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2013Q2\SDeprec\FPre_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPIRE

 Length 72 Minimum 174.200 Maximum 197.700
 Mean 183.940 Standard deviation 5.250

Classical decomposition (multiplicative)
 Trend-cycle: 93.39% Seasonal: 0.78% Irregular: 5.82%

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

Exponential smoothing outperforms Box-Jenkins by 1.961 to 2.449 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 PPIRE
 Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing weight	Final Value
Level	0.80833	197.23
Trend	0.01825	0.31540

 Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 183.9	Standard deviation 5.25
R-square 0.9574	Adjusted R-square 0.9568
Durbin-watson 1.97	Ljung-Box(18)=15.99 P=0.4064
Forecast error 1.091	BIC 1.141
MAPE 0.003719	RMSE 1.076
MAD 0.6856	

Forecast Report
 Thu Feb 21 16:09:04 2013
 Exponential Smoothing model for PPIRE
 Analysis of Historic Fit Set

Date	Historic
2007-02	175.600
2007-03	176.100
2007-04	174.200
2007-05	175.600
2007-06	176.400
2007-07	177.400
2007-08	177.400
2007-09	177.900
2007-10	177.500
2007-11	177.700
2007-12	177.500
2008-01	178.400
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

re_ppi.txt

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
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	190.800
2012-11	194.900
2012-12	195.100
2013-01	197.700

Forecasted Values

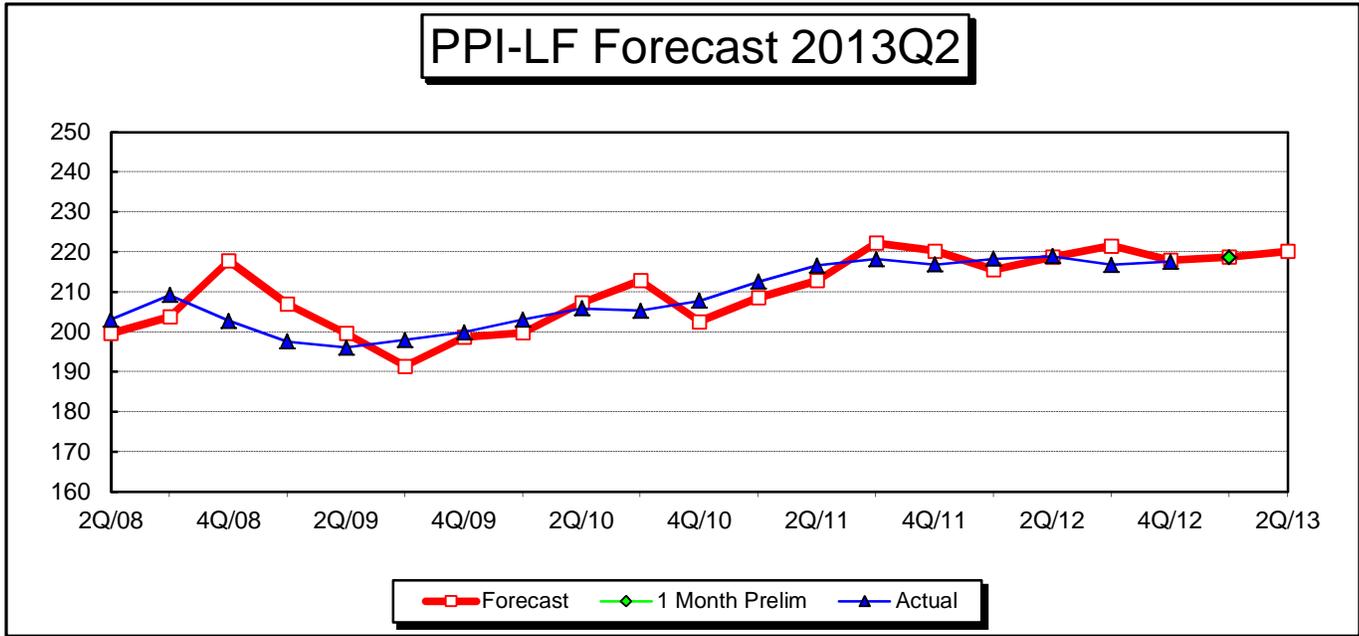
Date	2.5 Lower	Forecast	97.5 Upper
2013-02	195.309	197.546	199.783
2013-03	194.964	197.862	200.759
2013-04	194.744	198.177	201.610
2013-05	194.597	198.492	202.388
2013-06	194.499	198.808	203.117
2013-07	194.437	199.123	203.809
2013-08	194.404	199.439	204.473
2013-09	194.393	199.754	205.115
2013-10	194.401	200.069	205.738
2013-11	194.425	200.385	206.344
2013-12	194.463	200.700	206.938
2014-01	194.512	201.016	207.519

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

	Forecast	Actual	1 Month Prelim
2Q/08	199.7	203.1	
3Q/08	203.8	209.2	
4Q/08	217.8	202.8	
1Q/09	207.0	197.6	
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		218.7
2Q/13	220.2		

1980 Base

	PPI-LF Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2013Q2						
Low	191.9	215.1	-1.7%			
Midpoint	196.4	220.2	0.6%	0.7%	1.2%	0.6%
High	200.9	225.2	2.9%			



Databases, Tables & Calculators by Subject

FONT SIZE:

Change Output Options: From: To:

Include graphs

[More Formatting Options](#)

Data extracted on: February 20, 2013 (12:54:55 PM)

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(P)	194.0(P)	194.4(P)	194.3(P)
2013	195.1(P)												

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

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2013Q2\7Other\FPIf_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPILF

 Length 72 Minimum 168.600 Maximum 195.800
 Mean 183.522 Standard deviation 8.595

Classical decomposition (multiplicative)
 Trend-cycle: 95.80% Seasonal: 0.56% Irregular: 3.64%

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

Exponential smoothing outperforms Box-Jenkins by 2.297 to 4.003 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	0.99996	195.10
Trend	0.01685	0.32401

 Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 183.5	Standard deviation 8.595
R-square 0.984	Adjusted R-square 0.9837
Durbin-watson 0.5605	** Ljung-Box(18)=86.21 P=1
Forecast error 1.096	BIC 1.147
MAPE 0.004281	RMSE 1.081
MAD 0.7845	

Forecast Report
 Fri Feb 22 08:44:49 2013
 Exponential Smoothing model for PPILF
 Analysis of Historic Fit Set

Date	Historic
2007-02	168.600
2007-03	169.400
2007-04	170.300
2007-05	170.800
2007-06	171.000
2007-07	171.400
2007-08	171.100
2007-09	171.200
2007-10	172.200
2007-11	173.100
2007-12	173.100
2008-01	174.700
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

1f_ppi.txt

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
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	194.400
2013-01	195.100

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-02	193.175	195.424	197.673
2013-03	192.541	195.748	198.955
2013-04	192.134	196.072	200.010
2013-05	191.842	196.396	200.950
2013-06	191.625	196.720	201.816
2013-07	191.459	197.044	202.629
2013-08	191.333	197.368	203.403
2013-09	191.239	197.692	204.145
2013-10	191.170	198.016	204.862
2013-11	191.122	198.340	205.558
2013-12	191.093	198.664	206.236
2014-01	191.079	198.988	206.897

Forecast Error Calculation

	2011 Weight	Fourth Quarter 2012		Pct. Diff.	Notes			
		2012Q4 Forecast	2012Q4 Actual					
Labor	31.3%	390.5	390.5	0.0	* actual=forecast			
Fuel	22.5%	403.3	410.6	7.3	from 1st month of quarter			
M&S	5.1%	266.1	266.1	0.0	* actual=forecast			
Equip Rents	5.6%	205.7	206.0	0.3	from Equipment Rents below			
Depreciation	11.6%	213.2	214.2	1.0	PPI-RE <table border="1" style="display: inline-table;"><tr><td>190.80</td><td>194.90</td><td>195.10</td></tr></table> 0.9040	190.80	194.90	195.10
190.80	194.90	195.10						
Interest	2.5%	92.9	92.9	0.0	* actual=forecast			
Other	21.4%	218.0	217.6	-0.4	PPI-LF <table border="1" style="display: inline-table;"><tr><td>193.90</td><td>194.00</td><td>194.40</td></tr></table> 0.8920	193.90	194.00	194.40
193.90	194.00	194.40						
Weighted Avg	100.0%							
1980 = 100		311.8	313.5		calculated			
1980 = 100 (linked)		299.0	300.0		calculated			
4Q12 = 100	2.975	100.5	100.8		calculated			
4Q07 = 100	2.459	121.6	122.0		calculated			
4Q02 = 100	1.921	155.6	156.2		calculated			
4Q97 = 100	1.732	172.6	173.2		calculated			
4Q92 = 100	1.569	190.6	191.2		calculated			
Forecast Error →		0.3			calculated 0.003 = RCAF adj.			
Prior Quarter								
1980 = 100		301.8	301.8 **		Re-calculated using new weights			
1980 = 100 (linked)		289.4	288.8					
4Q12 = 100		97.3	97.1		calculated			
4Q07 = 100		117.7	117.4		calculated			
4Q02 = 100		150.7	150.3		calculated			
4Q97 = 100		167.1	166.7		calculated			
4Q92 = 100		184.4	184.1		calculated			
Equipment Rents								
Car Hire	48.6%	177.3	178.1		from Equipment Rents/CHARM			
Lease Rentals	51.4%	218.0	217.6		(equals PPI-LF from above)			
Weighted Average		198.2	198.4		calculated			
Linked		205.7	206.0		calculated			
Prior Quarter								
Weighted Average		198.3	196.1 **		Re-calculated using new weights			
Linked		205.8	203.6					
Sum of Weights	ok				** if fourth quarter, weighted avg for prior needs to use new weights, linked is ok			
Sum of ER Wt.	ok							

All-Inclusive Index (Actual)

	11 Wts	3Q/12 10 Wts	3Q/12 11 Wts	% Chg.	4Q/12 11 Wts	% Chg.	1Q/13 11 Wts	% Chg.	2Q/13 11 Wts	% Chg.	3Q/13 11 Wts	% Chg.
Labor	31.3%	391.4	391.4	0.0%	390.5	-0.2%		NA		NA		NA
Fuel	22.5%	359.0	359.0	0.0%	410.6	14.4%		NA		NA		NA
M&S	5.1%	274.8	274.8	0.0%	266.1	-3.2%		NA		NA		NA
Equipment Rents	5.6%	203.6	203.6	0.0%	206.0	1.2%		NA		NA		NA
Depreciation	11.6%	210.8	210.8	0.0%	214.2	1.6%		NA		NA		NA
Interest	2.5%	90.6	90.6	0.0%	92.9	2.5%	92.9	0.0%	92.9	0.0%	92.9	0.0%
Other	21.4%	216.8	216.8	0.0%	217.6	0.4%		NA		NA		NA
	<u>1.0000</u>											
Weighted Avg.		298.2	301.8	1.2%	313.5	3.9%	2.3	NA	2.3	NA	2.3	NA
Linked		288.8			300.0	3.9%	2.2	NA	2.2	NA	2.2	NA
10/1/80	1.027	281.2			292.1	3.9%	2.1	NA	2.1	NA	2.1	NA
10/1/82	1.209	238.9			248.1	3.9%	1.8	NA	1.8	NA	1.8	NA
4Q/87	1.322	218.5			226.9	3.8%	1.7	NA	1.7	NA	1.7	NA
4Q/92	1.569	184.1			191.2	3.9%	1.4	NA	1.4	NA	1.4	NA
4Q/97	1.732	166.7			173.2	3.9%	1.3	NA	1.3	NA	1.3	NA
4Q/02	1.921	150.3			156.2	3.9%	1.1	NA	1.1	NA	1.1	NA
4Q/07	2.459	117.4			122.0	3.9%	0.9	NA	0.9	NA	0.9	NA
4Q/12	2.975				100.8		0.7	NA	0.7	NA	0.7	NA
Equipment Rents												
Car Hire	48.6%	174.3	174.3	0.0%	178.1	2.2%		NA		NA		NA
Lease Rentals	51.4%	216.8	216.8	0.0%	217.6	0.4%	0.0	NA	0.0	NA	0.0	NA
	1.0000											
ER Weighted Avg		197.3	196.1	-0.6%	198.4	1.2%	0.0	NA	0.0	NA	0.0	NA
ER Linked		203.6			206.0	1.2%	0.0	NA	#DIV/0!	NA	#DIV/0!	NA

<i>Impact/Check of weight change</i>	<u>10 Wts</u>	<u>11 Wts</u>
Labor	130.336	122.508
Fuel	64.620	80.775
Material & Supplies	13.740	14.015
Equipment Rents	12.623	11.402
Depreciation	26.982	24.453
Interest	2.627	2.265
Other	47.262	46.395
Weighted Avg.	298.192	301.813
ER Weighted Avg.	197.335	196.145

RCAF Fuel (Actual All-Inclusive Index)

October 2012

Monthly Report

	October 2012 Price (cents) (1)	1/1/81 Price (cents) (2)	1/91 New Method Linking Factors (3)	October 2012 Index 1/1/81=100 (4)	Linking Factor 1980=100 (5)	October 2012 1980=100 Current Index (6)
U.S.	336.00	89.34	99.415	373.89	1.096	409.78

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

(6) = (4) x (5)

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

	October 2012 1980=100 Current Index	Adjustment Factor	October 2012 1980=100 Linked Index
U.S.	409.78	1.00192	410.57 ←

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

Car Hire for RCAF

RCAF (Actual)		1980	Aug 3Q/12	Nov 4Q/12	Feb 1Q/13	May 2Q/13	Aug 3Q/13
RATE							
	RR-OWNED TIME	31.00	63.00	63.00	63.00	--	--
	RR-OWNED MILEAGE	4.69	6.80	6.80	6.80	--	--
	PRIVATELY-OWNED CARS	25.47	44.15	45.43	45.76	--	--
	AUTORACKS	47.00	39.46	40.88	42.15	--	--
INDEX							
	RR-OWNED TIME	100.0	203.2	203.2	203.2	--	--
	RR-OWNED MILEAGE	100.0	145.0	145.0	145.0	--	--
	PRIVATELY-OWNED CARS	100.0	173.3	178.4	179.7	--	--
	AUTORACKS	100.0	84.0	87.0	89.7	--	--
	CAR HIRE INDEX (old wts)	2010	100.0	175.2	--	--	--
	CAR HIRE INDEX (new wts)	2011	100.0	174.9	178.7	179.7	--
	CAR HIRE INDEX (LINKED)		100.0	174.3	178.1	179.1	--

Note: Indexes are rounded, rates are full float.

Equipment Rents Data From CHARM

	2012 (first day of month)						2013 (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)	7,351	7,363	7,381	7,402	7,428	7,570	7,607	7,635	7,668					
Rate (in cents)														
Superstructures #3 - Auto Rack	29.0	30.0	30.0	32.0	34.0	36.0	36.0	37.0	36.0					
All other #1 - Time	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0					
All other #2 - Mileage	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.7					
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	45,301	45,389	45,500	45,550	45,561	45,612	45,809	46,018	46,228					
Covered Hoppers	320,604	321,677	322,901	323,792	324,427	325,043	325,885	326,132	326,576					
Tank Cars	300,576	301,647	302,836	304,207	305,434	306,842	308,618	309,221	310,801					
Others	286,271	286,670	286,866	286,743	287,176	286,634	285,618	285,054	285,259					
Rate (in cents)														
Superstructures #1 - Time	78.0	78.0	78.0	78.0	78.0	78.0	80.0	80.0	80.0					
Superstructures #2 - Mileage	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4					
Superstructures #3 - Auto Rack	40.0	41.0	42.0	42.0	42.0	42.0	41.0	43.0	44.0					
Covered Hoppers #2 - Mileage	43.7	43.7	43.8	43.9	43.9	43.9	43.9	44.0	44.1					
Tank Cars #2 - Mileage	68.4	68.5	71.5	71.6	71.8	71.9	71.7	72.0	70.2					
Others #1 - Time	72.0	72.0	72.0	72.0	73.0	73.0	74.0	74.0	74.0					
Others #2 - Mileage	6.9	6.9	6.9	7.0	7.0	7.0	7.0	7.0	7.0					
AVERAGE RATES														
Private Superstructures	19.73	19.73	19.73	19.73	19.73	19.73	20.20	20.20	20.20	0.00	0.00	0.00	0.00	0.00
Private Others	22.88	22.88	22.88	22.98	23.21	23.21	23.43	23.43	23.43	0.00	0.00	0.00	0.00	0.00
Private Total	44.10	44.15	45.15	45.28	45.43	45.52	45.60	45.76	45.25	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Autoracks	38.46	39.46	40.33	40.60	40.88	41.15	40.29	42.15	42.86	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2010	2011
For RCAF & RCR		
RR-owned Time	0.174	0.170
RR-owned Mileage	0.084	0.078
Privately-owned Cars	0.732	0.738
Autoracks	0.010	0.014
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2010	2011
Car Hire - U.S.	0.458	0.486
Lease Rentals - U.S.	0.542	0.514
----- 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 11/2012

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	7,428	116	0.079	34
Railroad	Number of Zero-Rated Vehicular Flats	83	.	.	.
Railroad	All Other Cars	500,035	63	0.068	.
Railroad	Number of Zero-Rated Other Cars	20,665	.	.	.
Railroad	Total Railroad Equipment	528,211	.	.	.
	
Private	Vehicular Flats	45,561	78	0.014	42
Private	Number of Zero-Rated Vehicular Flats	3	.	.	.
Private	Covered Hoppers	324,427	0	0.439	.
Private	Number of Zero-Rated Covered Hoppers	9,717	.	.	.
Private	Tanks	305,434	0	0.718	.
Private	Number of Zero-Rated Tanks	8,077	.	.	.
Private	All Other Cars	287,176	73	0.070	.
Private	Number of Zero-Rated Other Cars	30,276	.	.	.
Private	Total Private Equipment	1,010,671	.	.	.

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 2013 As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast	→	13Q1	13Q2	13Q3	13Q4
For Actual	→	12Q3	12Q4	13Q1	13Q2
January	2012	190.1	190.1	190.1	190.1
February	2012	190.1	190.1	190.1	190.1
March	2012	190.6	190.6	190.6	190.6
April	2012	191.8	191.8	191.8	191.8
May	2012	191.6	191.6	191.6	191.6
June	2012	191.5	191.5	191.5	191.5
July	2012	191.7	192.0	192.0	192.0
August	2012	189.6	190.4	190.4	190.4
September	2012	190.6	190.9	190.9	190.9
October	2012	190.8	190.8		
November	2012		194.9		
December	2012		195.1		
January	2013		197.7		
February	2013				
March	2013				
April	2013				
May	2013				
June	2013				
July	2013				
Actual Qtr.		190.6	193.6	NA	NA

1980=100

Actual Qtr.	210.8	214.2	NA	NA
First Mo. next qtr.	211.1	218.7	NA	NA

0.904 =1980

Databases, Tables & Calculators by Subject

FONT SIZE:

Change Output Options: From: To:

include graphs

[More Formatting Options](#)

Data extracted on: February 20, 2013 (12:20:40 PM)

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	190.8(P)	194.9(P)	195.1(P)	191.6(P)
2013	197.7(P)												

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

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

[Freedom of Information Act](#) | [Privacy & Security Statement](#) | [Disclaimers](#) | [Customer Survey](#) | [Important Web Site Notices](#)

U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001
www.bls.gov | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)

RCAF - Other

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

Forecast Year 2013 As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast	→	13Q1	13Q2	13Q3	13Q4
For Actual	→	12Q3	12Q4	13Q1	13Q2
January	2012	193.8	193.8	193.8	193.8
February	2012	194.7	194.7	194.7	194.7
March	2012	195.7	195.7	195.7	195.7
April	2012	195.8	195.8	195.8	195.8
May	2012	195.4	195.4	195.4	195.4
June	2012	193.7	193.7	193.7	193.7
July	2012	193.2	193.3	193.3	193.3
August	2012	193.2	193.3	193.3	193.3
September	2012	193.7	193.7	193.7	193.7
October	2012	193.9	193.9		
November	2012		194.0		
December	2012		194.4		
January	2013		195.1		
February	2013				
March	2013				
April	2013				
May	2013				
June	2013				
July	2013				
Actual Qtr.		193.4	194.1	NA	NA

1980=100

Actual Qtr.	216.8	217.6	NA	NA
First Mo. next qtr.	217.4	218.7	NA	NA

0.892 =1980

Databases, Tables & Calculators by Subject

FONT SIZE:

Change Output Options: From: To:

include graphs

[More Formatting Options](#)

Data extracted on: February 20, 2013 (12:54:55 PM)

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(P)	194.0(P)	194.4(P)	194.3(P)
2013	195.1(P)												

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

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)