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U.S. Economic Summary

Fiscal Cliff

Eurozone Problems

U.S. Elections

Unemployment

Housing

Monetary Policy

- This was a good election to win.
- Uncertainty will keep a lid on growth through at least the first half of 2013, but a stronger recovery is waiting to be unleashed in 2014 & 2015
- However, there are risks, including external – deeper Eurozone recession and/or hard landing in China – and domestic – walking off the fiscal cliff.
- Already, some U.S. fundamentals look better in 2012, including housing & autos – traditional leaders in a recovery.
- Truck volumes have slowed significantly due to Sandy and lower factory output.



Housing Is Turning the Corner

Millions of Starts
(Single & Multi-family)

	2012	2013
Housing Starts	770,000 (+26%)	980,000 (+27%)

Year-over-Year
Percent Change
(Speed)

2.8
2.3
1.8
1.3
0.8
0.3

60%
40%
20%
0%
-20%
-40%
-60%

2005 2006 2007 2008 2009 2010 2011 2012



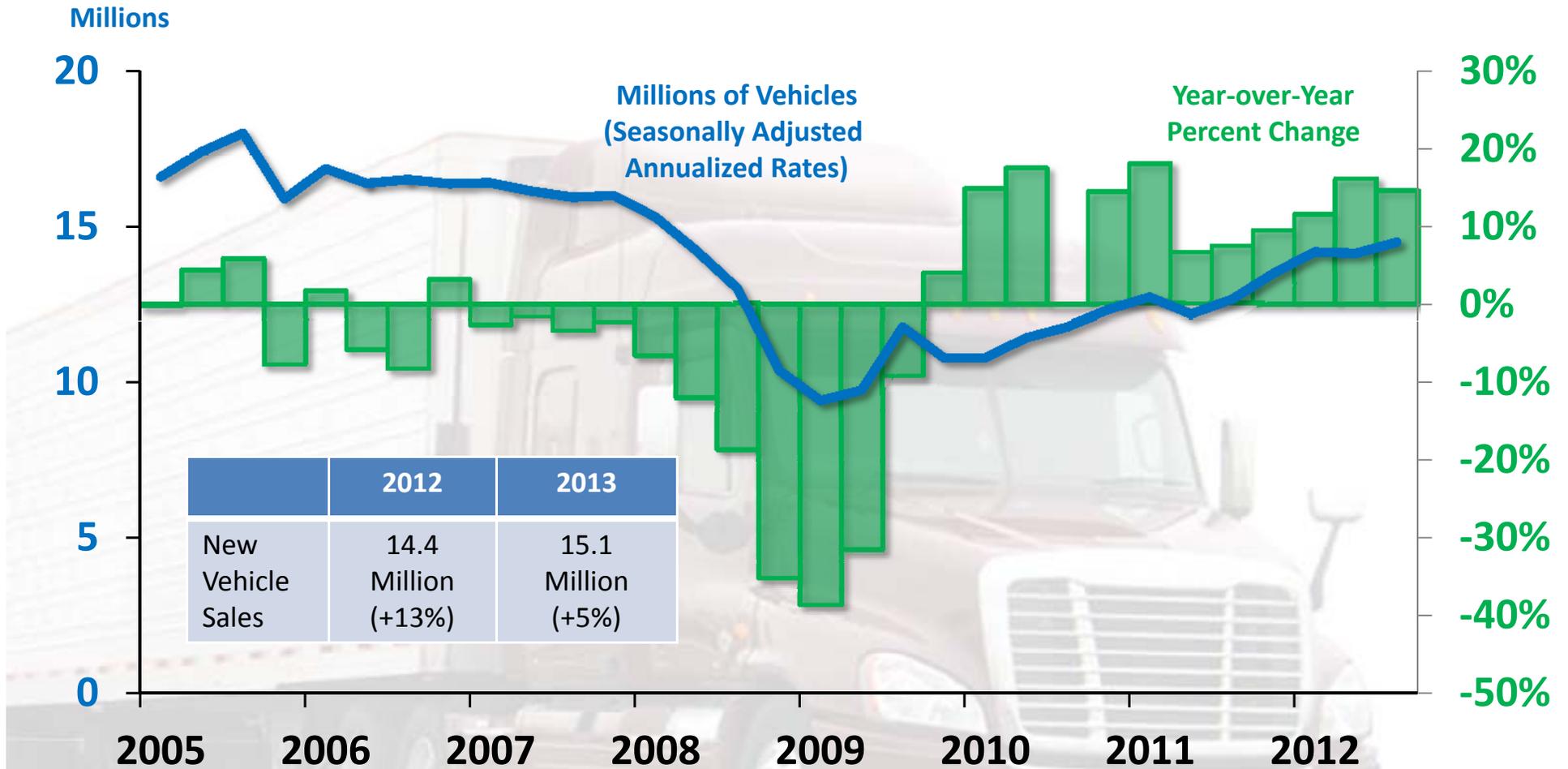
Level (Direction)



Sources: Census Bureau & ATA



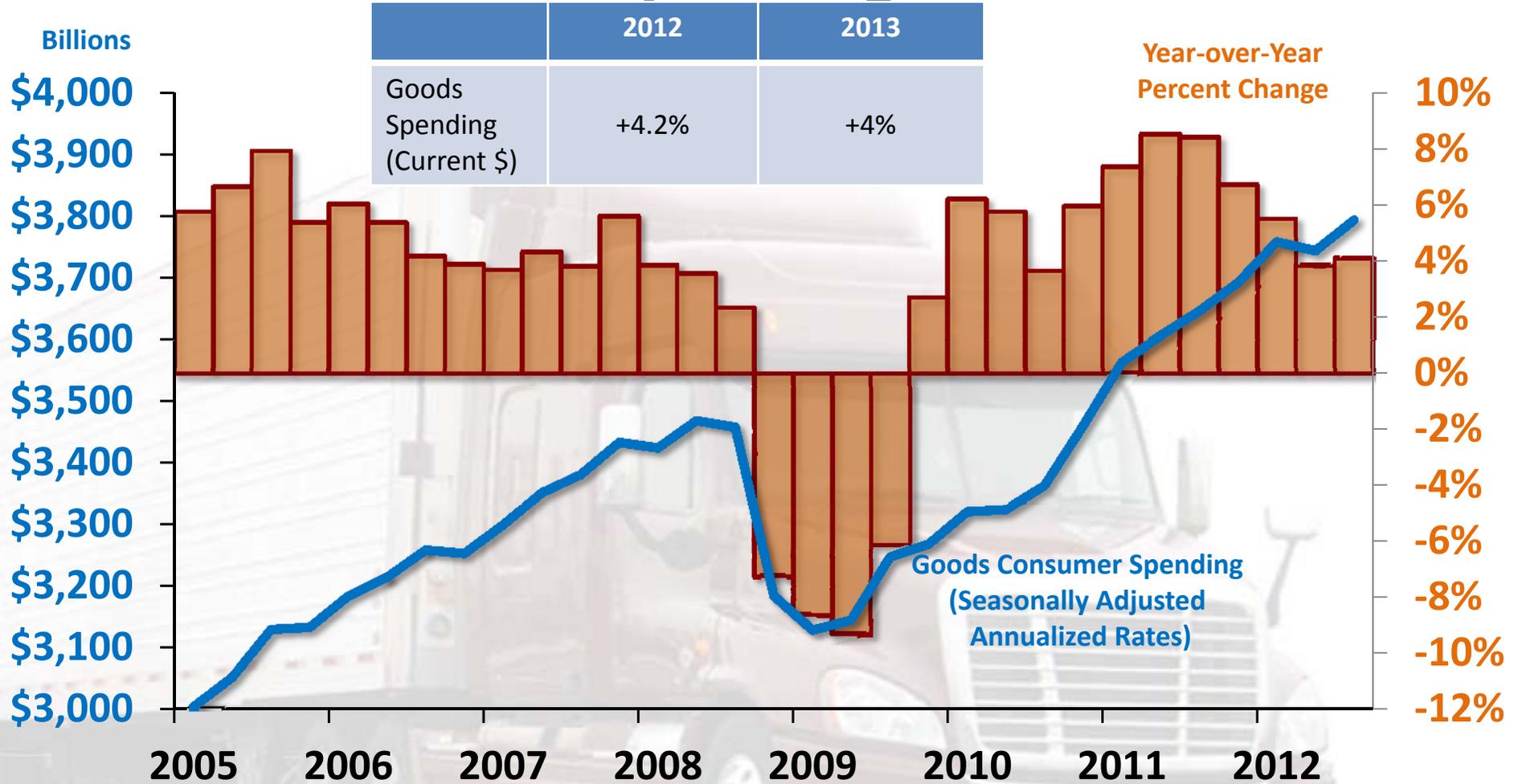
New Light Vehicle Sales



Sources: Bureau of Economic Analysis & ATA



Consumer Spending on Goods



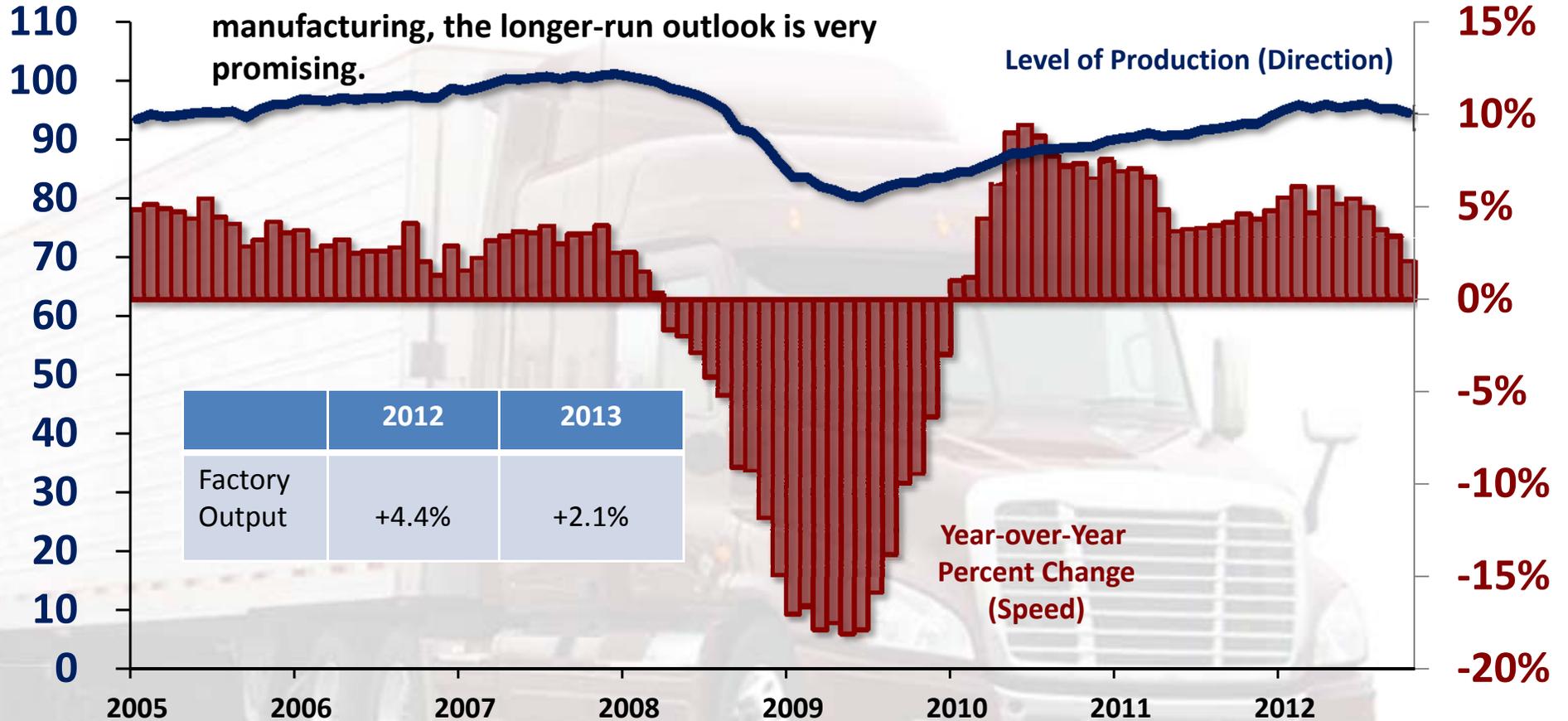
Sources: Department of Commerce & ATA



Manufacturing Output is Slowing Quickly

2007 = 100

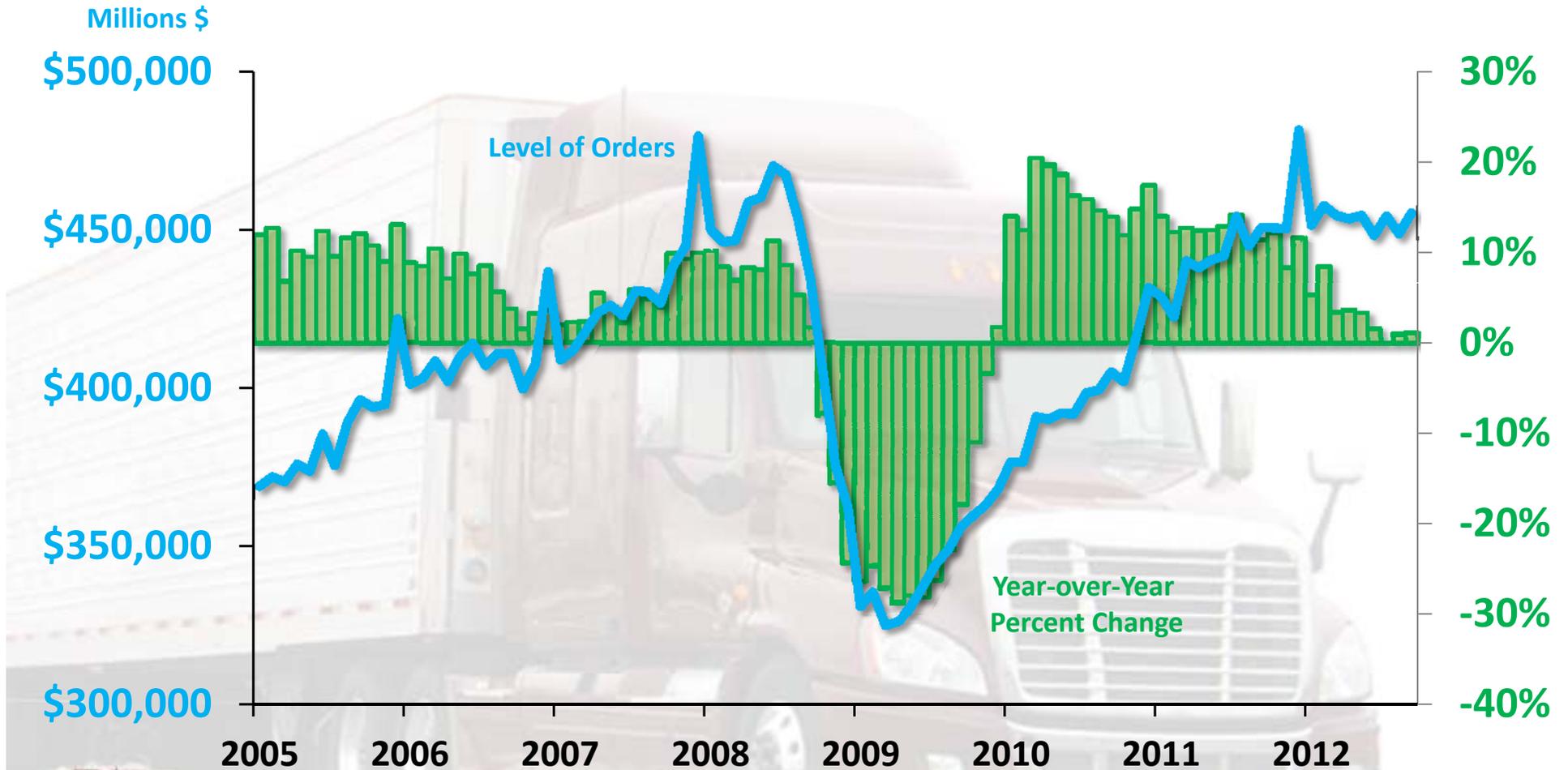
While there are near-term constraints on U.S. manufacturing, the longer-run outlook is very promising.



Sources: Federal Reserve & ATA



Factory Orders (x aircraft) Say Production Will Slow Significantly Next Year



Sources: Census Bureau & ATA



Inventories Are A Near-Term Concern For Trucking

Inventory-to-Sales Ratio

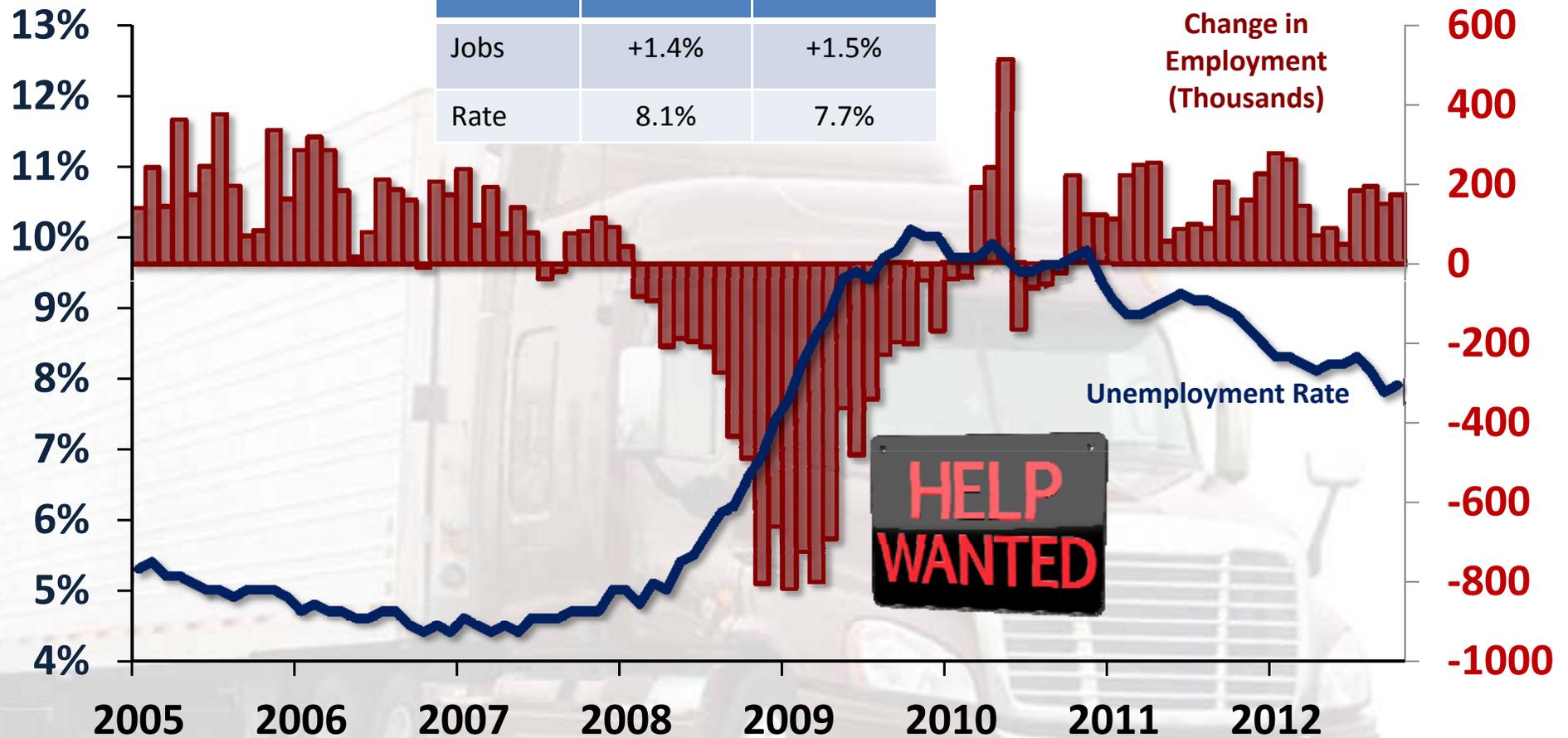


Sources: Census Bureau & ATA



The Schizophrenic Job Market

	2012	2013
Jobs	+1.4%	+1.5%
Rate	8.1%	7.7%



**HELP
WANTED**

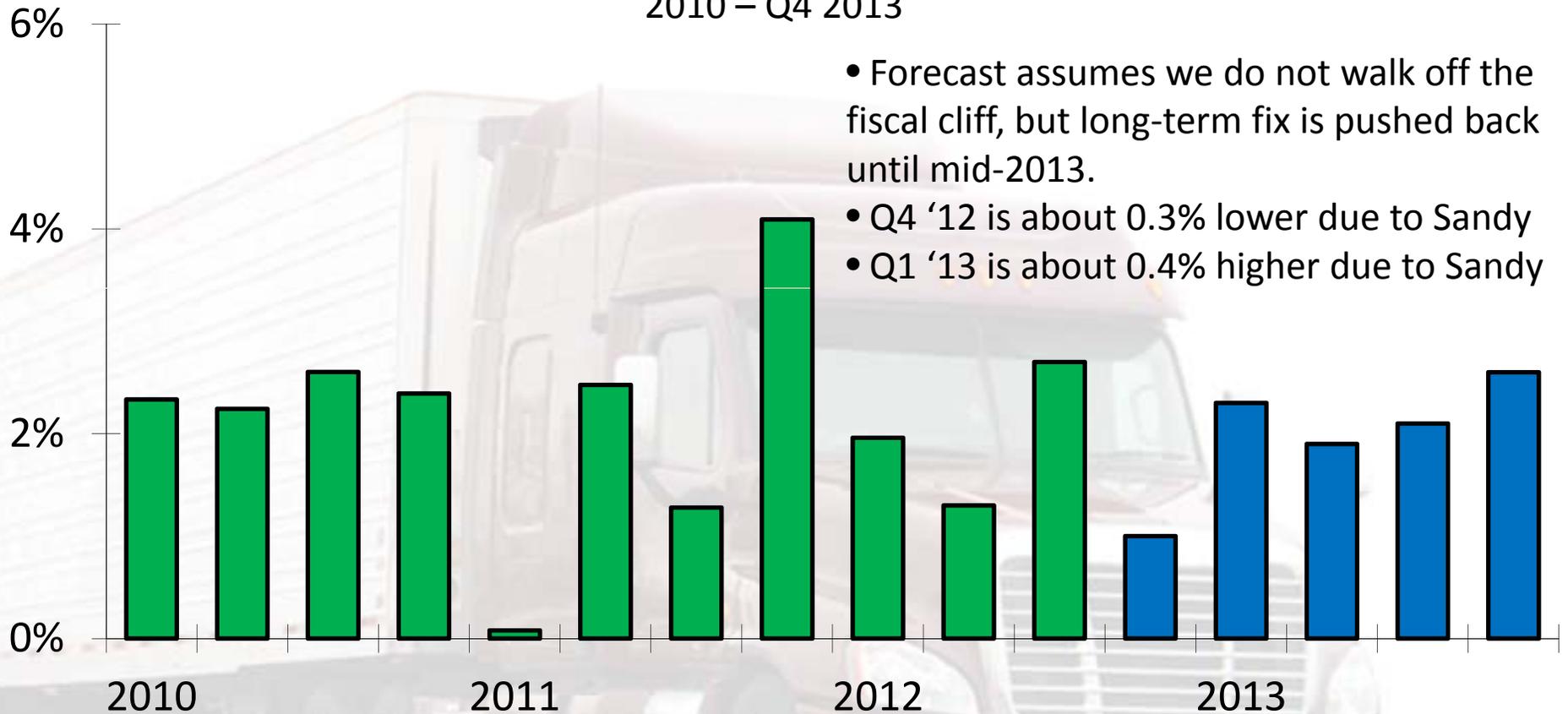
Sources: Department of Labor & ATA



Real Gross Domestic Product

(quarterly, annualized rate percent change, 2005 dollars)

2010 – Q4 2013



- Forecast assumes we do not walk off the fiscal cliff, but long-term fix is pushed back until mid-2013.
- Q4 '12 is about 0.3% lower due to Sandy
- Q1 '13 is about 0.4% higher due to Sandy

Sources: BEA and ATA



The Fiscal Cliff is Already Lowering Output

Year-over-Year
Percent Change

35%
30%
25%
20%
15%
10%
5%
0%
-5%
-10%
-15%
-20%
-25%
-30%
-35%

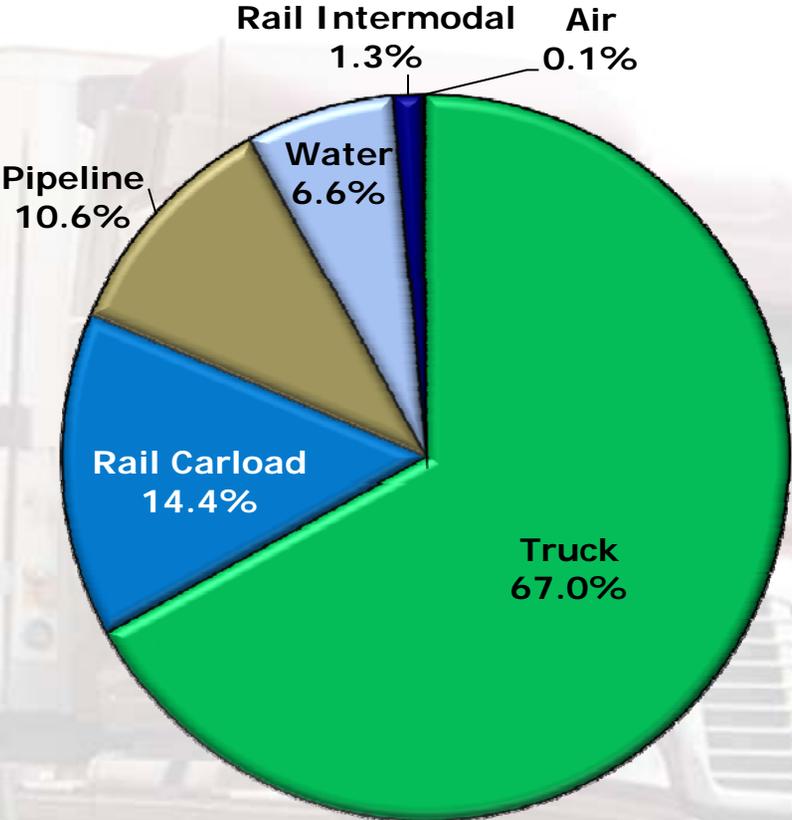
Factory Orders for Non-Defense Capital Goods excluding Aircraft

2005 2006 2007 2008 2009 2010 2011 2012

Sources: Census Bureau & ATA



Distribution of Tonnage by Mode: 2011



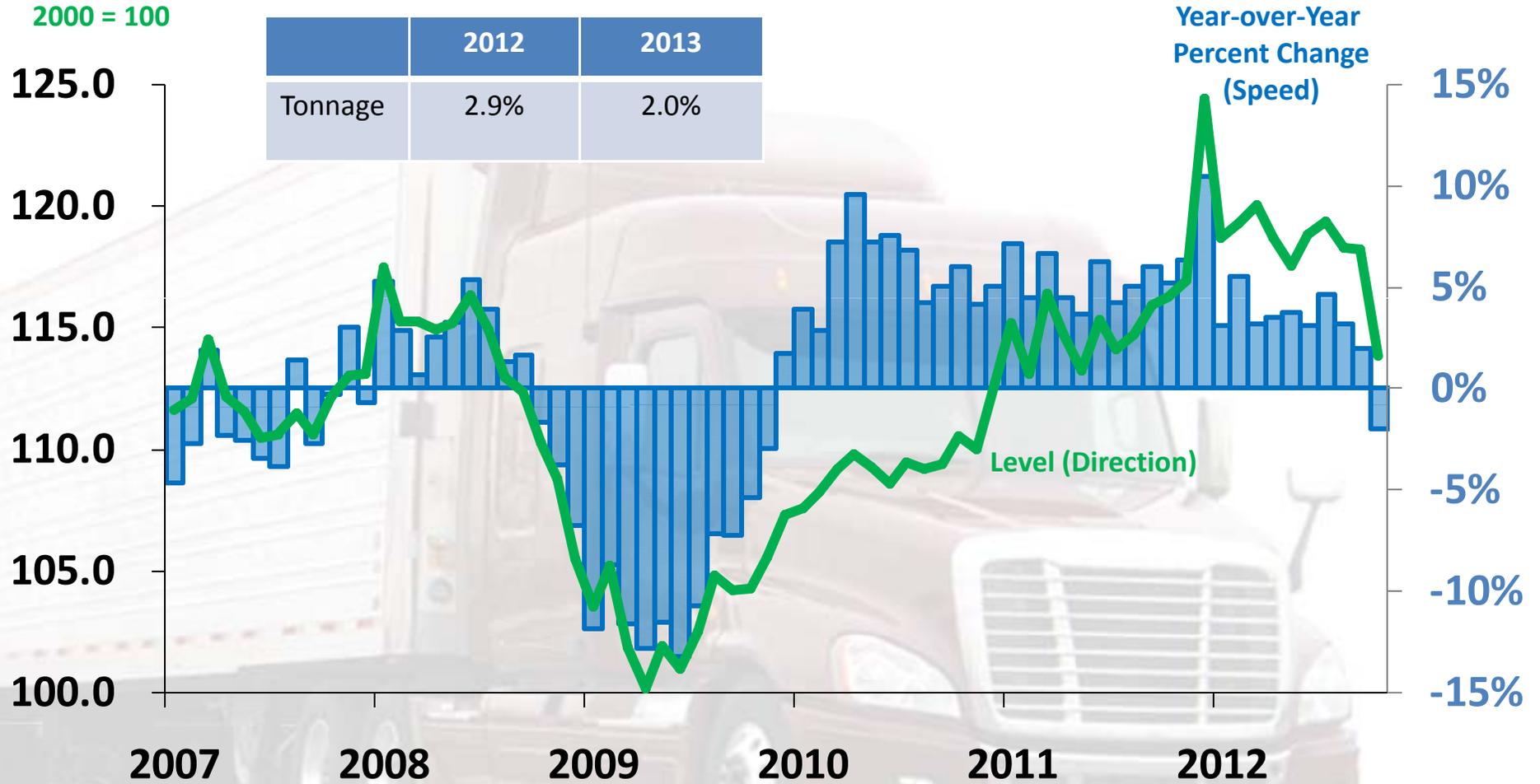
Source: U.S. Freight Transportation Forecast to 2023



For-Hire Truck Tonnage

2000 = 100

	2012	2013
Tonnage	2.9%	2.0%

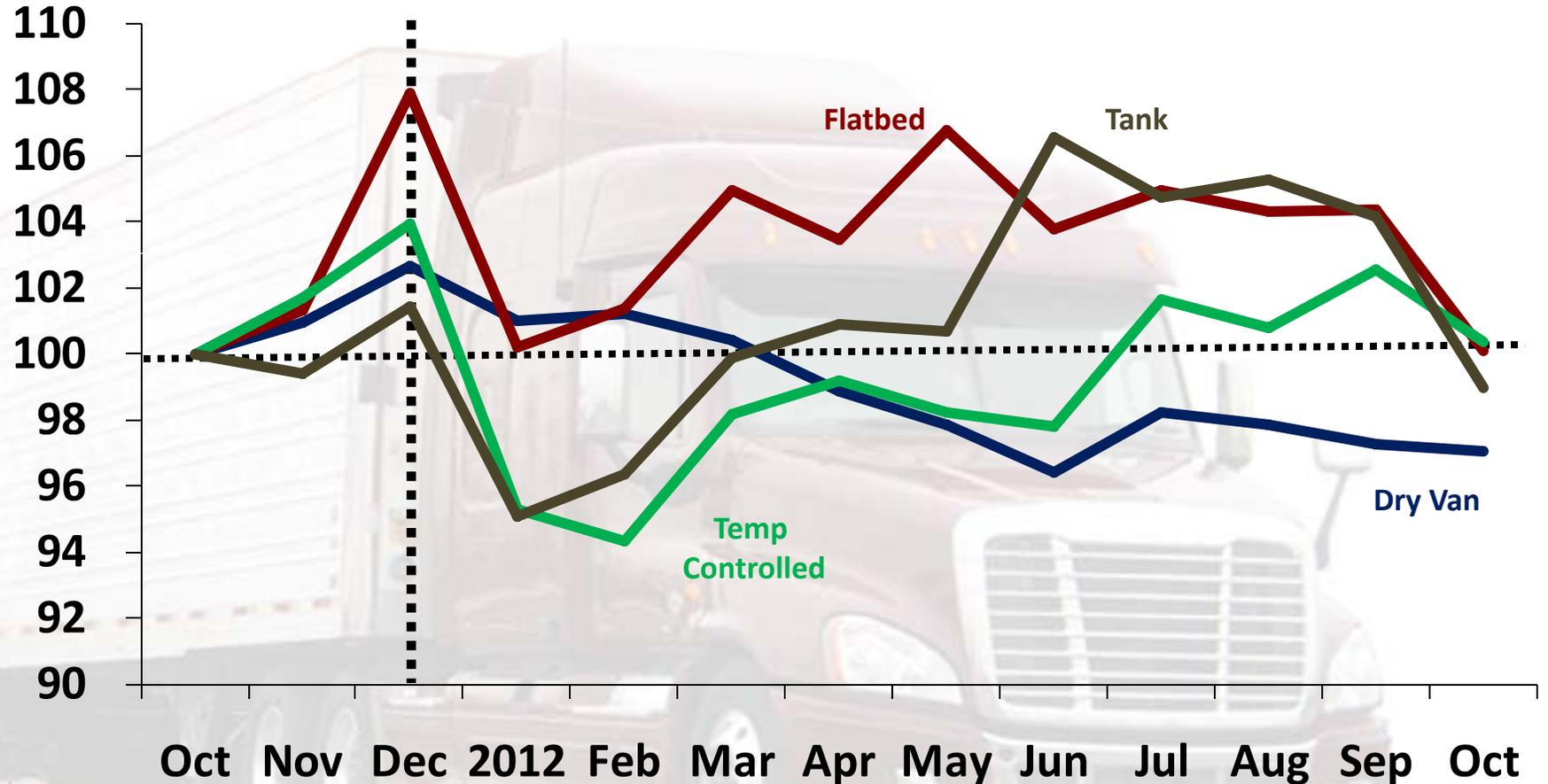


Sources: Census Bureau & ATA



Truckload Volume Trends

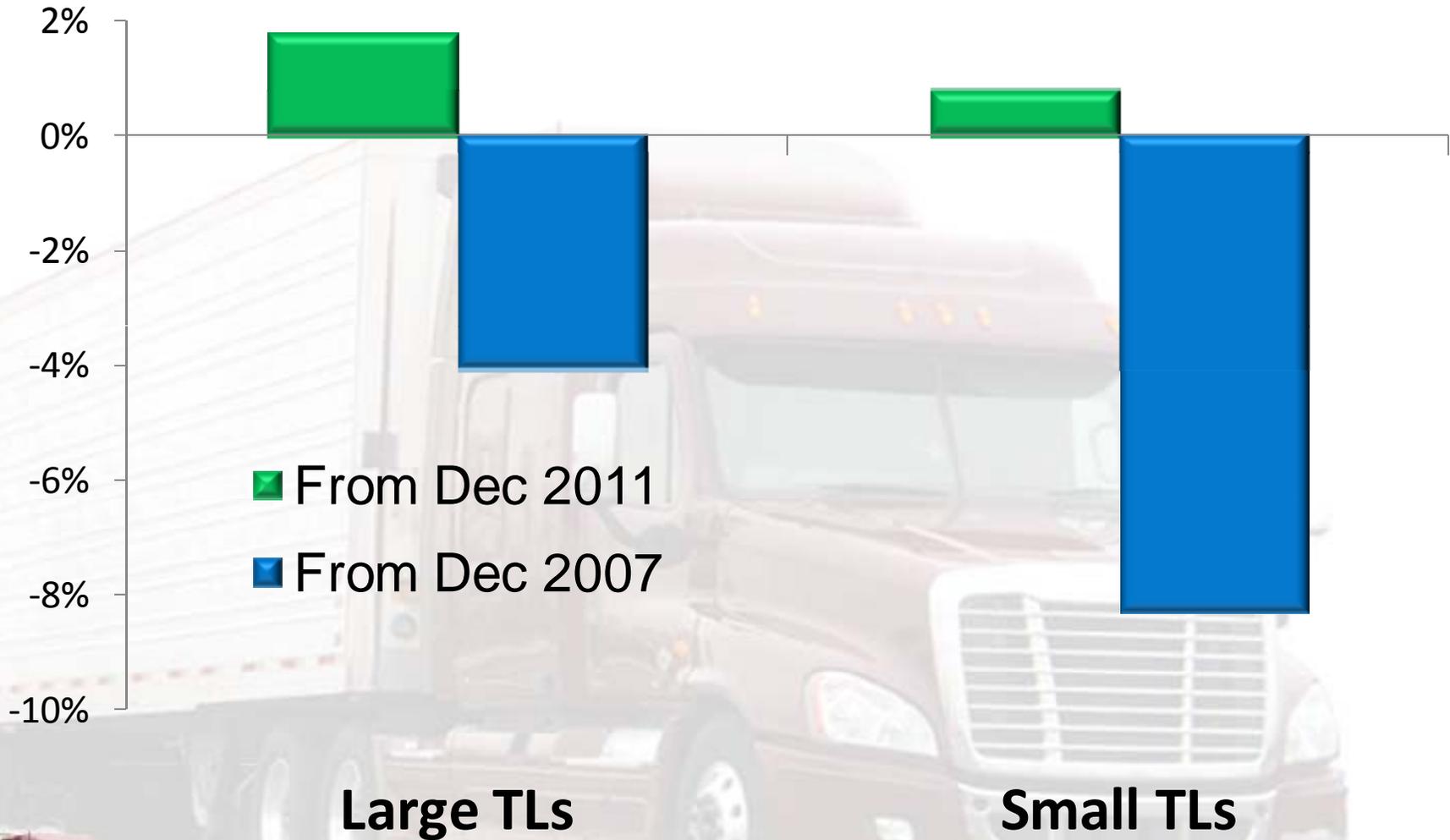
Oct 2011 = 100
Seasonally Adjusted



Source: ATA



Capacity Changes Through October 2012 (Percent Change in the Number of Tractors Operated)



Source: ATA



Thanks!

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