



UNLOCKING HIDDEN OPPORTUNITIES: THRIVING IN RECESSION-TESTED SECTORS

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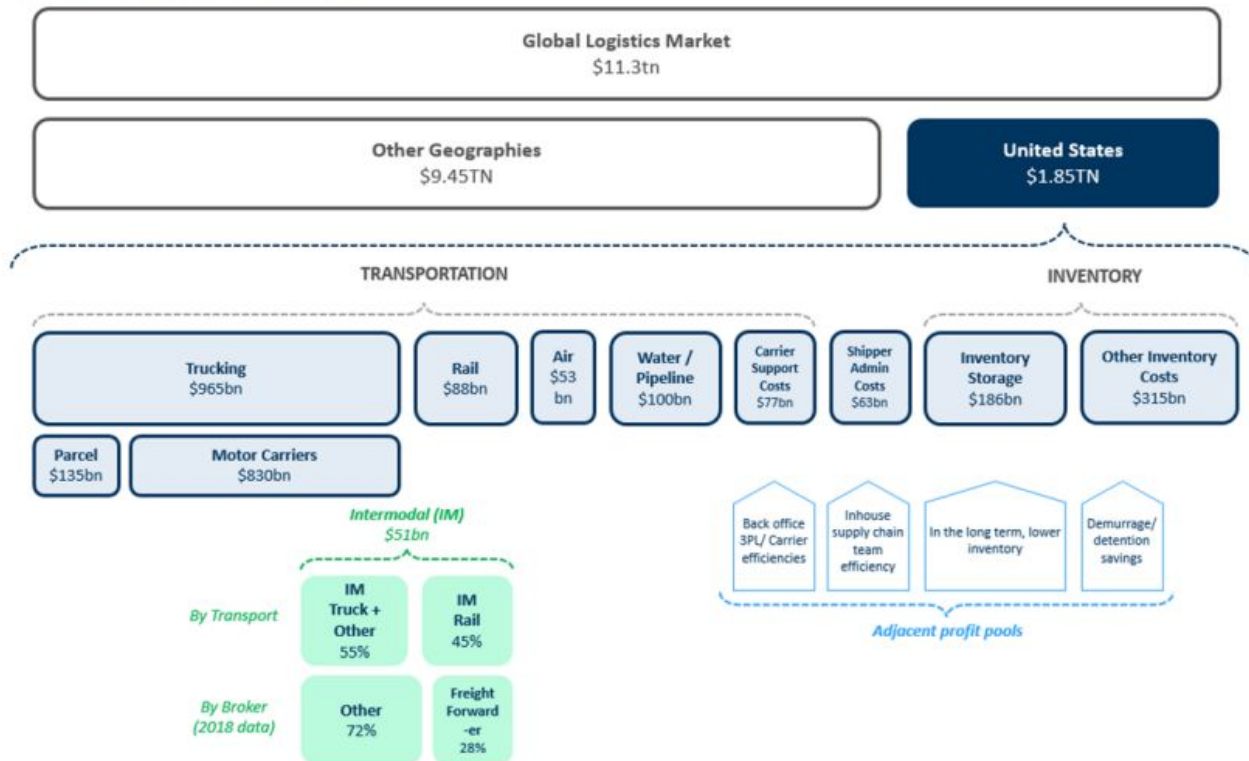
Agenda:

- Market size and segments
- Overall issues
- Shipping
- Trucking
- Air
- Storage
- Technology

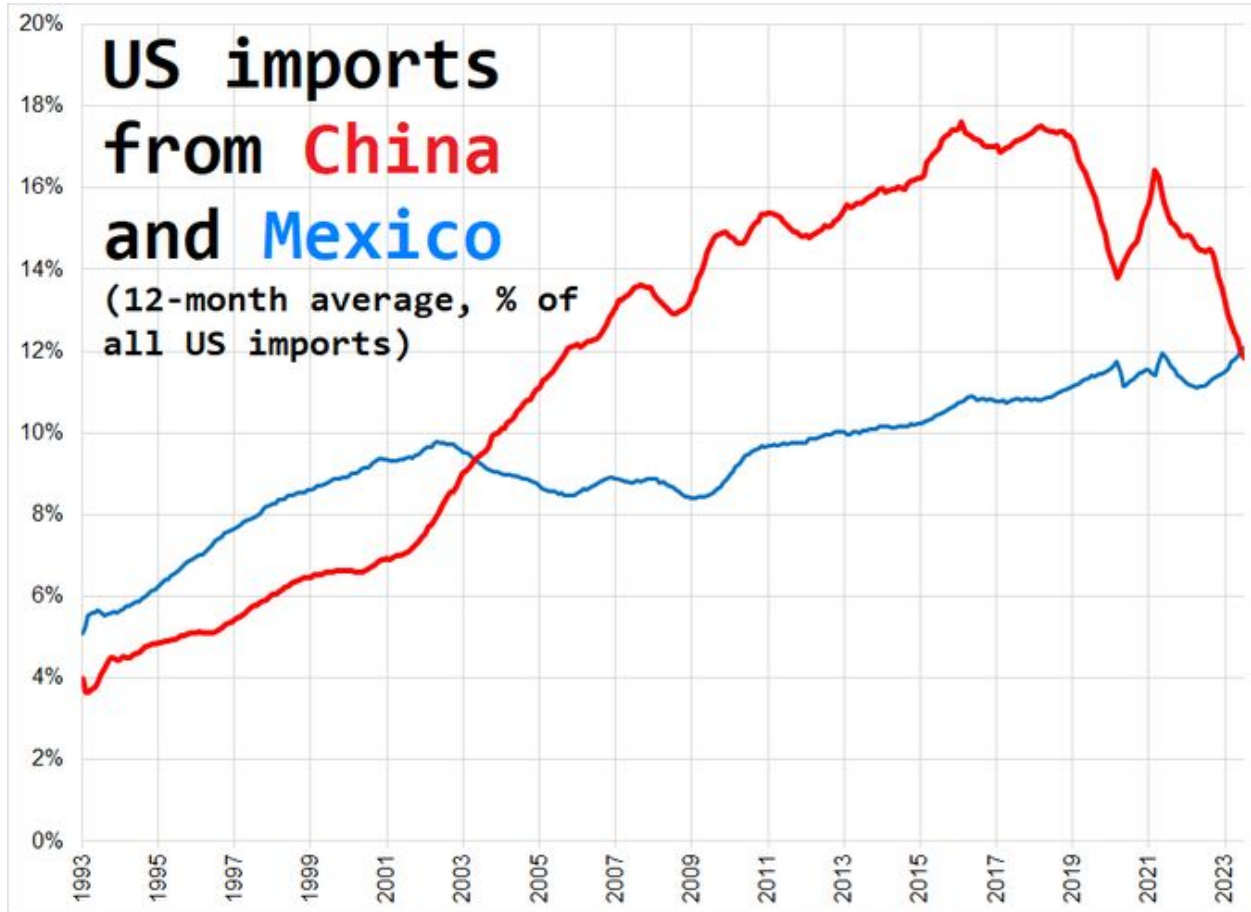
Sector Overview

Exhibit 13: In 2021, the US logistics market was heavily skewed towards trucking functions, with intermodal representing a small portion of spend

US Business Logistics Cost US\$bn, 2021



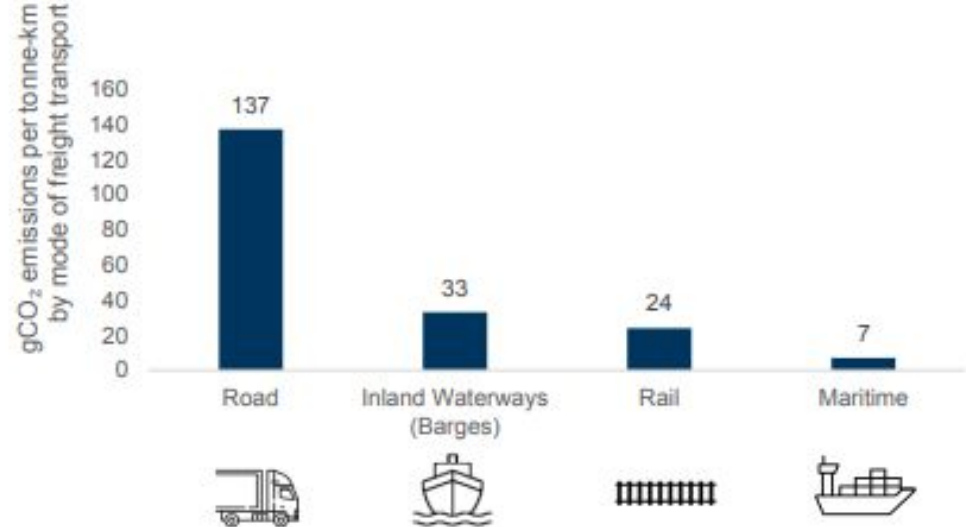
Changing Chains:



ESG is coming

Exhibit 16: There is significantly lower emissions in using intermodal rail/waterway transit

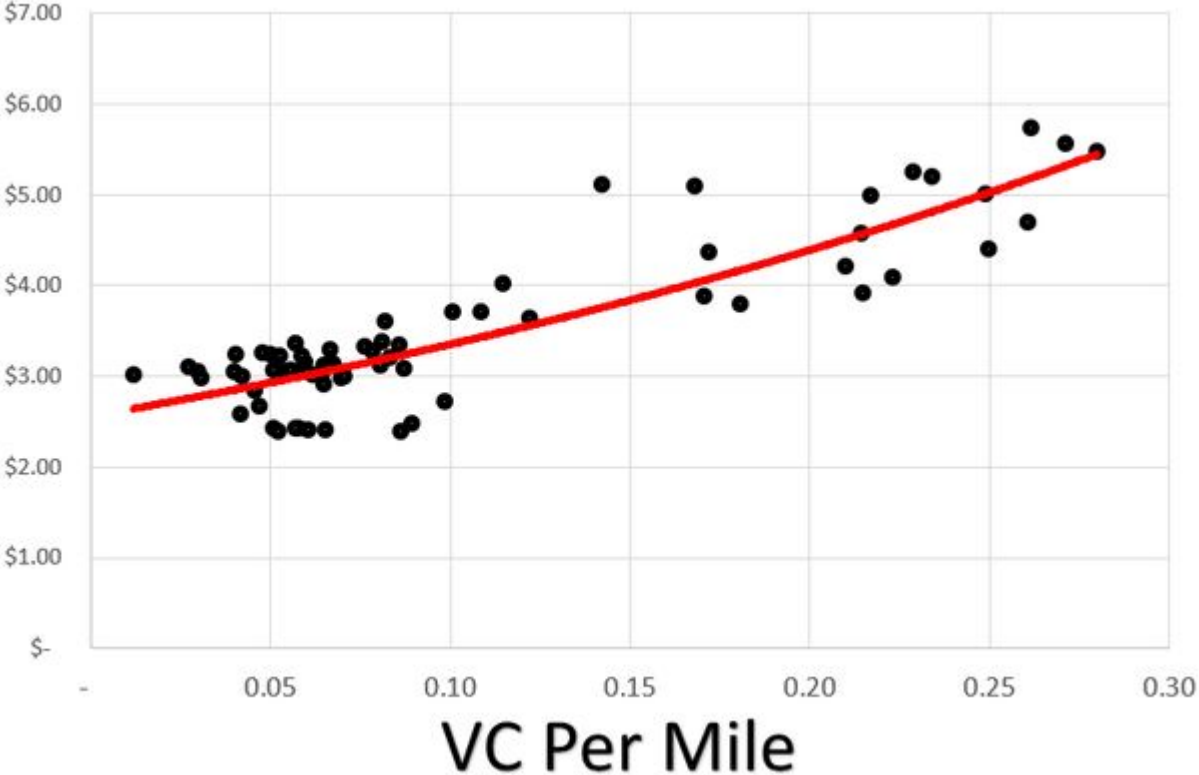
gCO₂ emissions by mode of freight transport (2018)



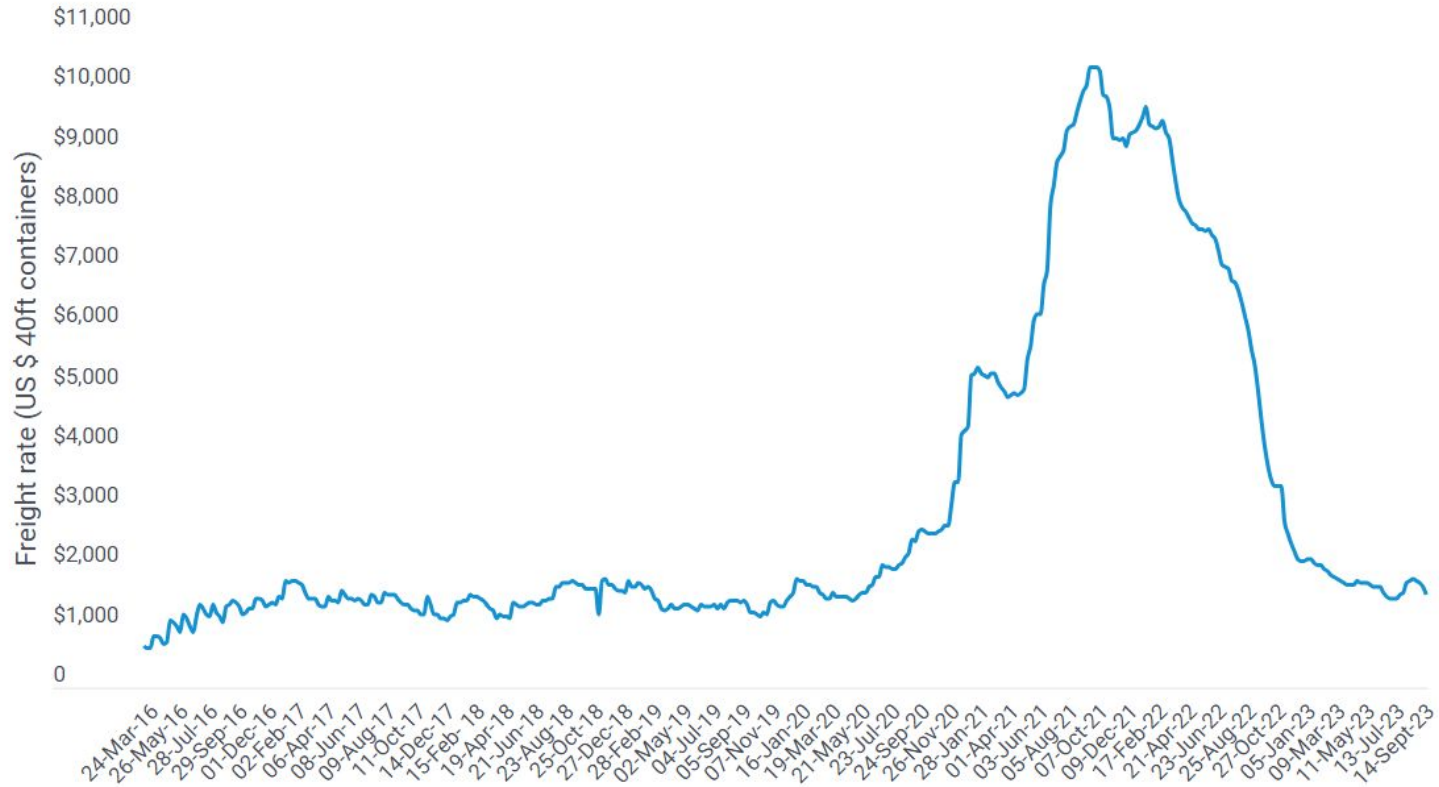
Source: ECA

Oil price falls on the customers

Diesel \$\$/Gal 



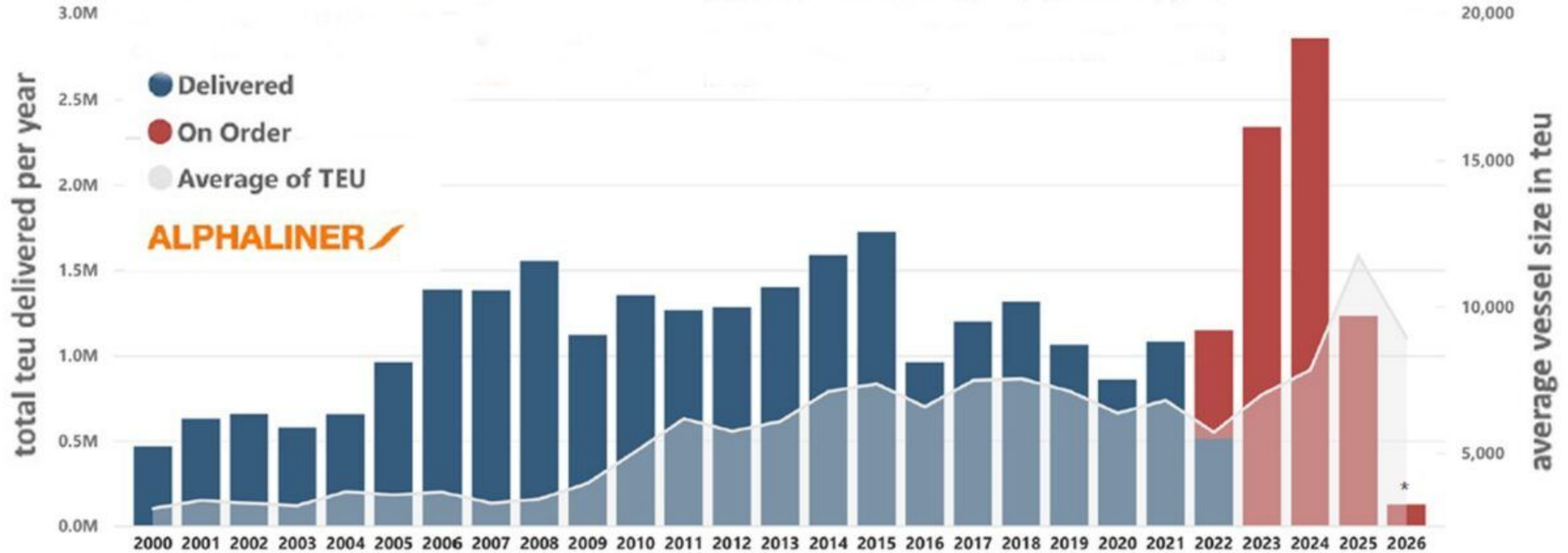
Shipping Rates



Source: Drewry Supply Chain Advisors

Shipping: New vessels

Actual and projected container ship deliveries from 2000 to 2026



Shipping: Maersk Forecasts

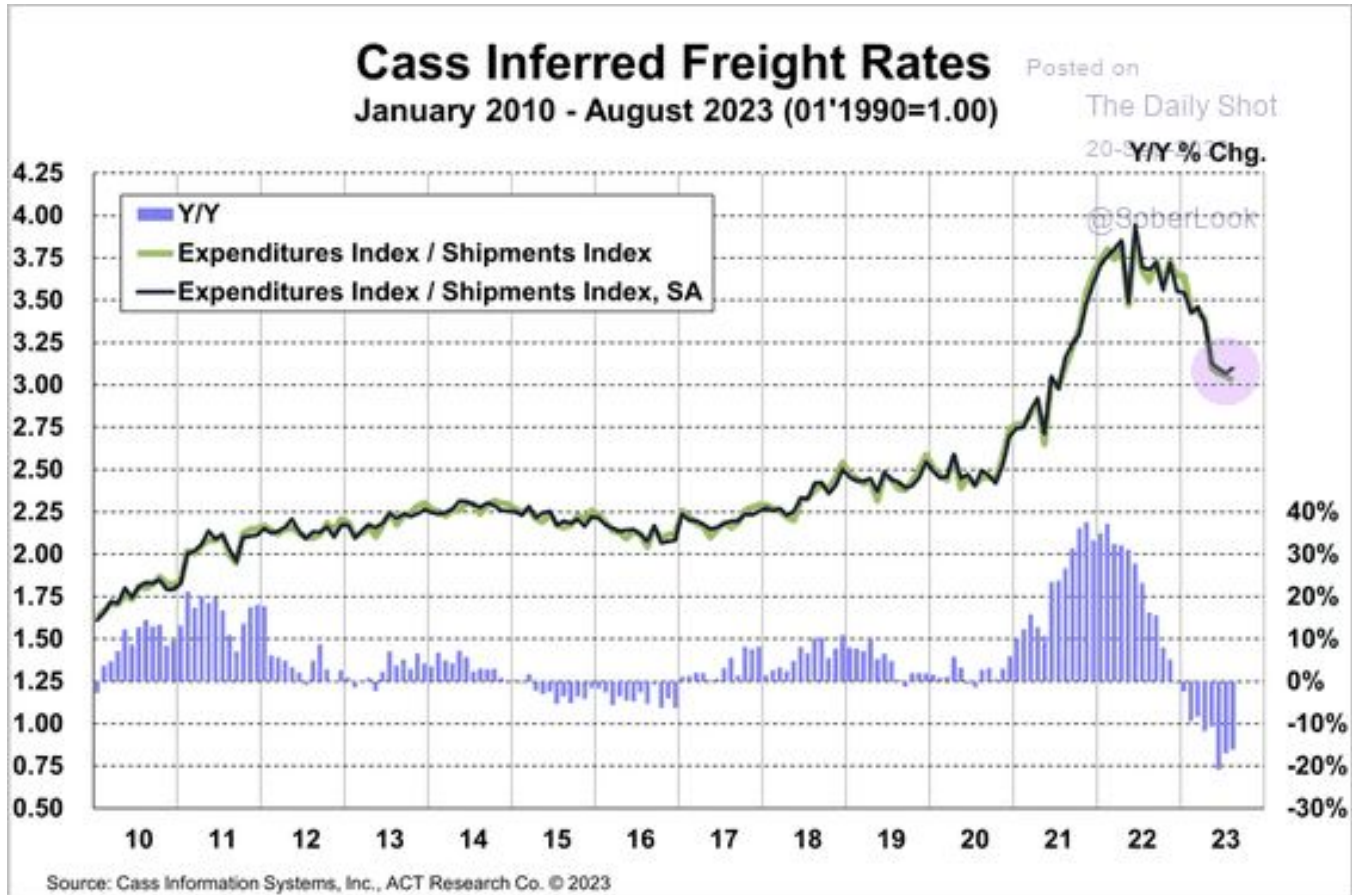
EPS Forecasts history ⓘ



Shipping:

- ESG
- 30% of tonnage
- Lots of money in short periods of time
- Russia / China and oil
- Builders: Mostly conglomerates. Sumitomo Heavy, Mitsubishi Heavy (JP), Hyundai Heavy, Samsung Heavy (KR).
- Panama water

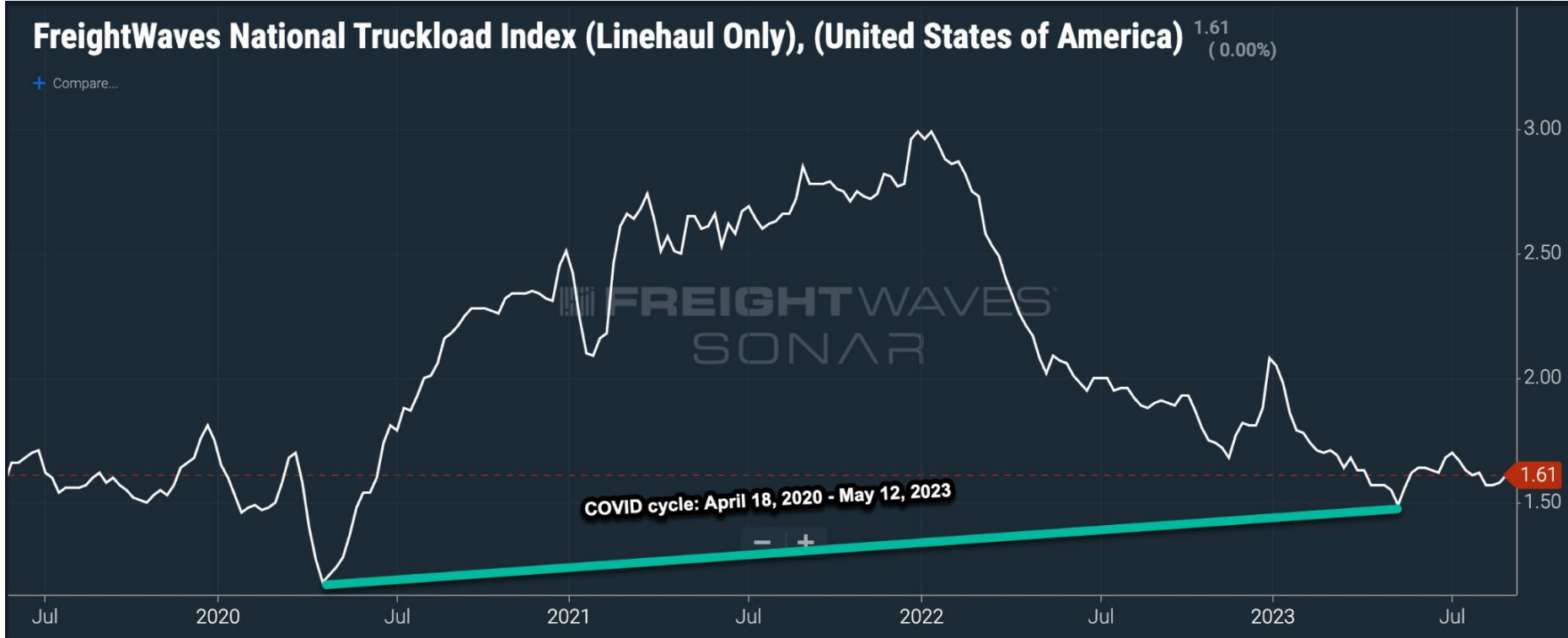
Trucking



Trucking

FreightWaves National Truckload Index (Linehaul Only), (United States of America) ^{1.61} (0.00%)

+ Compare...

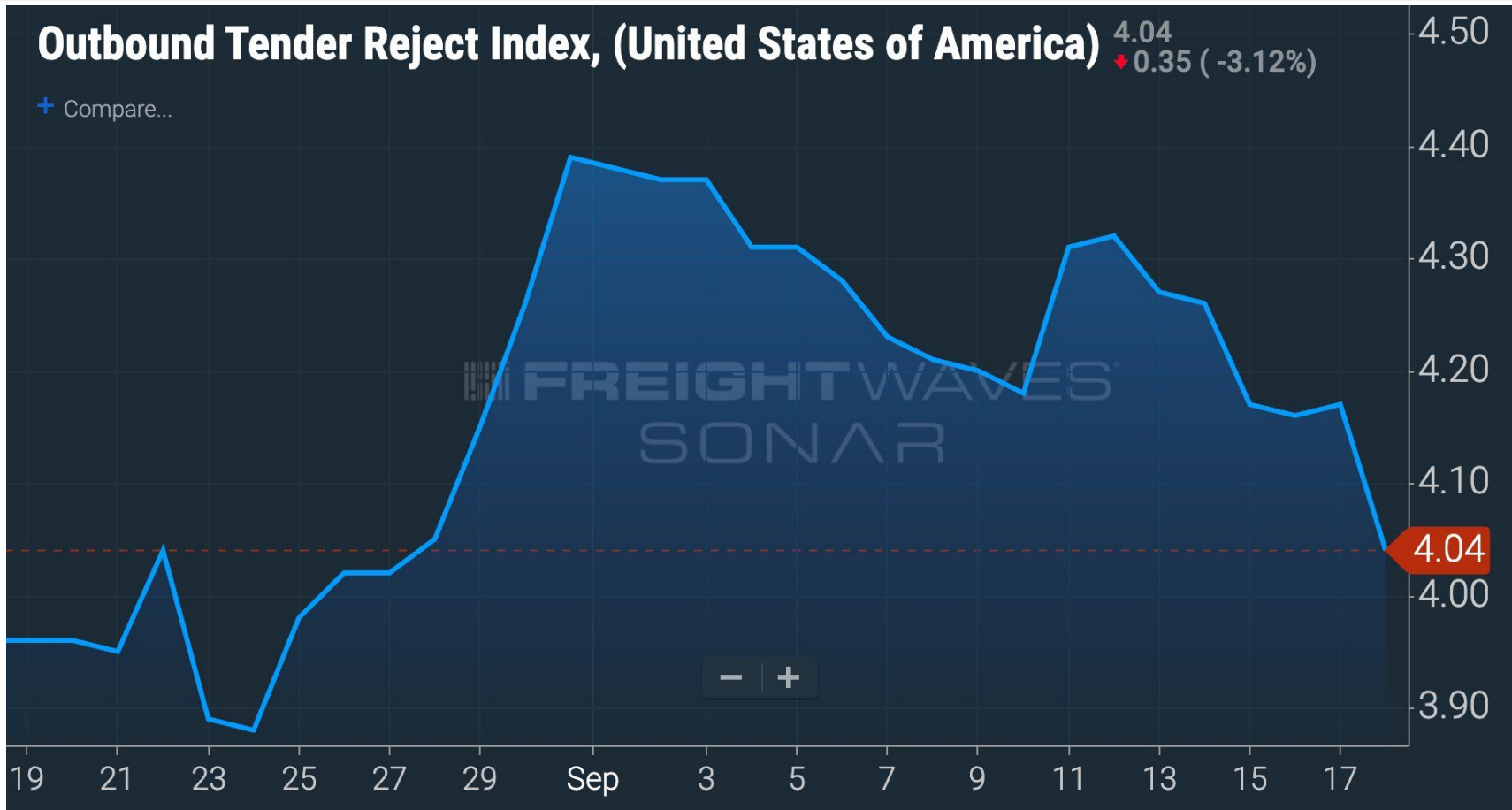


Trucking

Outbound Tender Reject Index, (United States of America)

4.04
↓ 0.35 (-3.12%)

+ Compare...

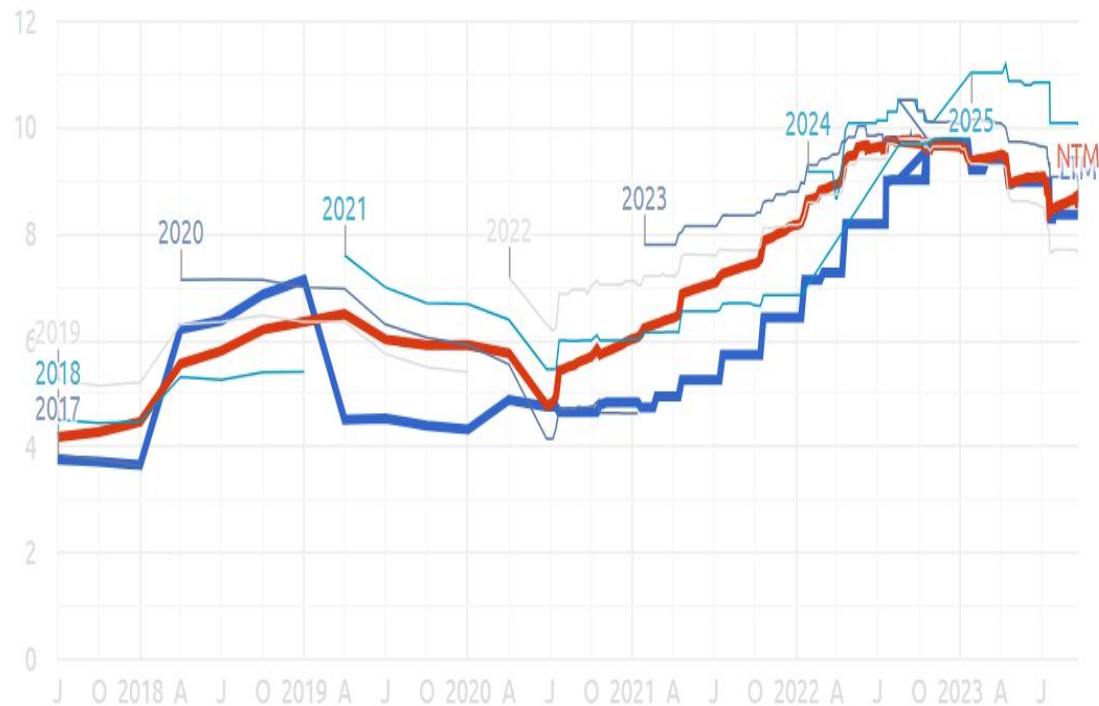


Trucking:

- Yellow collapse
- Market structure
- Oil prices
- Goods demand
- Driverless. Probably some time away

Trucking: JB Hunt:

EPS Forecasts history ⓘ



Trucking: Old Dominion

EPS Forecasts history ⓘ



Valuation x	Av5	LTM	NTM	STM
P/E	58.8	35.7	32.3	27.0
Yield%	0.2	0.3	0.4	0.4
P/Book	16.7	12.5	8.3	6.7
EV/Sales	10.4	7.6	7.1	6.5
EV/EBITDA	35.7	22.7	20.8	18.9
EV/EBIT	43.5	26.3	25.0	22.2
P/FCFE	76.9	66.7	47.6	43.5

Choose themes to screen from your portfolio away from (i.e. remove stocks)

Climate Change

War

Human Rights

Health

Vices

Animal Rights

Religion

Asset Class

Thematic

Climate Change

- No Fossil Fuels (Worst Offenders) 
- No Fossil Fuels (Any) 
- No Coal Seam Gas or Fracking 
- No Nuclear Power 
- No Old Growth Forest Logging 

Air

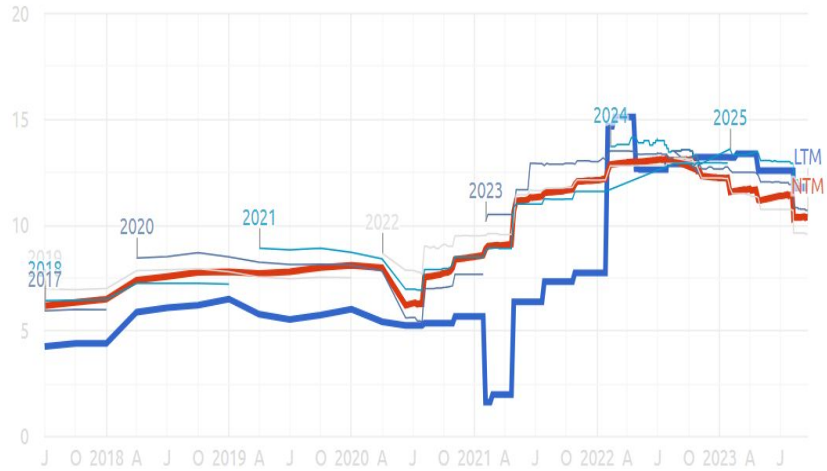


Delivery:

- Fedex, UPS, DHL, Amazon
- Fedex great microcosm. Revenue down 7%, Op.Income up 29%. Ground up 61%, freight down 26%. Downgrades to forecasts.
- Oil prices
- Goods demand
- Technology
- Driverless. Probably some time away
- Unions

UPS

EPS Forecasts history ⓘ

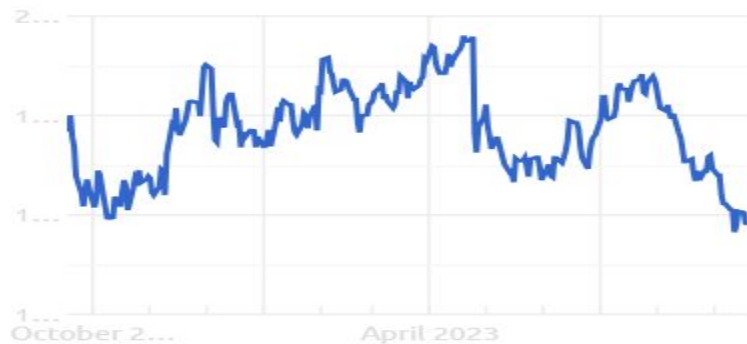


Fedex

EPS Forecasts history ⓘ

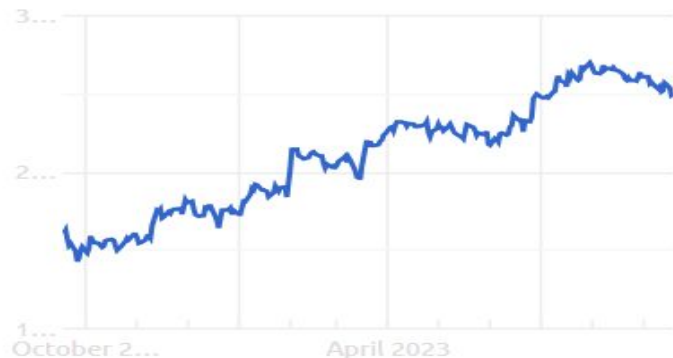


UPS



Valuation x	Av5	LTM	NTM	STM
P/E	19.6	13.3	15.2	13.7
Yield%	2.8	3.0	4.2	4.3
P/Book	20.0	7.1	5.6	4.8
EV/Sales	1.8	1.6	1.6	1.5
EV/EBITDA	10.9	8.4	10.1	9.4
EV/EBIT	15.9	11.1	13.0	11.8
P/FCFE	22.7	22.2	22.2	19.2

Fedex



Valuation x	Av5	LTM	NTM	STM
P/E	20.4	14.9	13.2	10.8
Yield%	1.2	1.9	2.1	2.2
P/Book	3.0	2.6	2.5	2.1
EV/Sales	1.0	0.9	1.1	1.0
EV/EBITDA	6.5	5.3	8.8	8.1
EV/EBIT	17.2	12.0	14.7	12.7
P/FCFE	40.0	18.9	27.8	21.7

Personalise Your Portfolio

Screens

You can exclude the below to customise your portfolio

Climate Change	War	Human Rights	Health	Vices
Animal Rights	Religion	Asset Class	Thematic	

- No Fossil Fuels (Worst Offenders) ?
- No Fossil Fuels (Any) ?
- No Coal Seam Gas or Fracking ?
- No Nuclear Power ?
- No Old Growth Forest Logging ?

Tilts

You can add the below to customise your portfolio

Investment Style Factors	Climate Change	Technology	
Consumption	Commodities	Military	GICS Sectors

- Quality Stocks ?
- Value Stocks ?
- Growth Stocks ?
- Defensives ?



Personalise your portfolio now >



Build Your Portfolio

Need help with this page? Video Tutorial

- Account Selection
- Investment Choice
- Risk Profile
- Build Your Portfolio**
- Ethical Overlay
- Review
- Applicants
- Bank Details
- Compliance
- Final Review

Portfolio Tilts



Quality Stocks

Value Stocks

Growth Stocks

Oil & Gas Stocks

Gold Stocks

Agribusiness

Large Technology Stocks

Cloud Computing Stocks

Robotics/AI

Video Gaming

Cybersecurity

Clean Energy

Defensives

Battery Supply Chain

Nuclear Power

Defense Contractors

Travel

Luxury Goods

Logistics

Global Communication Services

Global Consumer Discretionary

Global Consumer Staples

Global Energy

Global Financials

Global Health Care

Global Industrials

Global Information Technology

Kuehne + Nagel

EPS Forecasts history ⓘ



Valuation x	Av5	LTM	NTM	STM
P/E	30.3	16.1	24.4	24.4
Yield%	0.3	0.0	3.3	3.2
P/Book	16.7	9.1	11.1	10.0
EV/Sales	1.5	1.0	1.2	1.1
EV/EBITDA	16.9	9.2	11.6	11.5
EV/EBIT	20.4	10.8	16.4	16.4
P/FCFE	21.3	11.9	20.4	17.5

Other services:

- Wisetech
- Kuehne + Nagel
- DHL

Viewer question of the week:

How far are we off a bottom in the transport sector?

Drop your answers in the comments

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