



Trends in Goods Movement in Southern California

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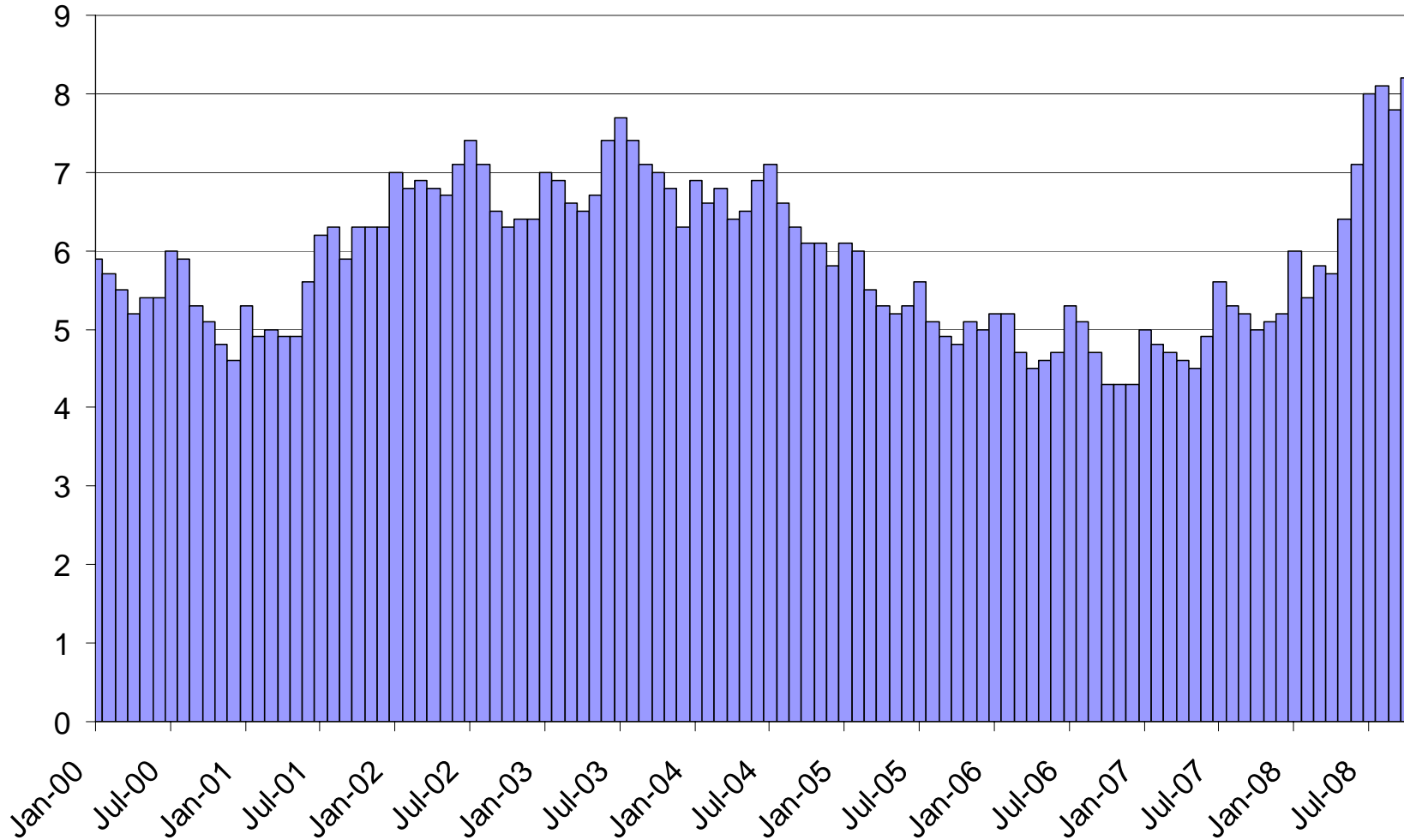


Current Economic Climate

- October Unemployment Numbers
 - LA: 410,500
 - OC: 99,100
 - RV/SB: 175,100
- September Unemployment Numbers
 - LA: 385,000
 - OC: 95,000
 - RV/SB: 167,200

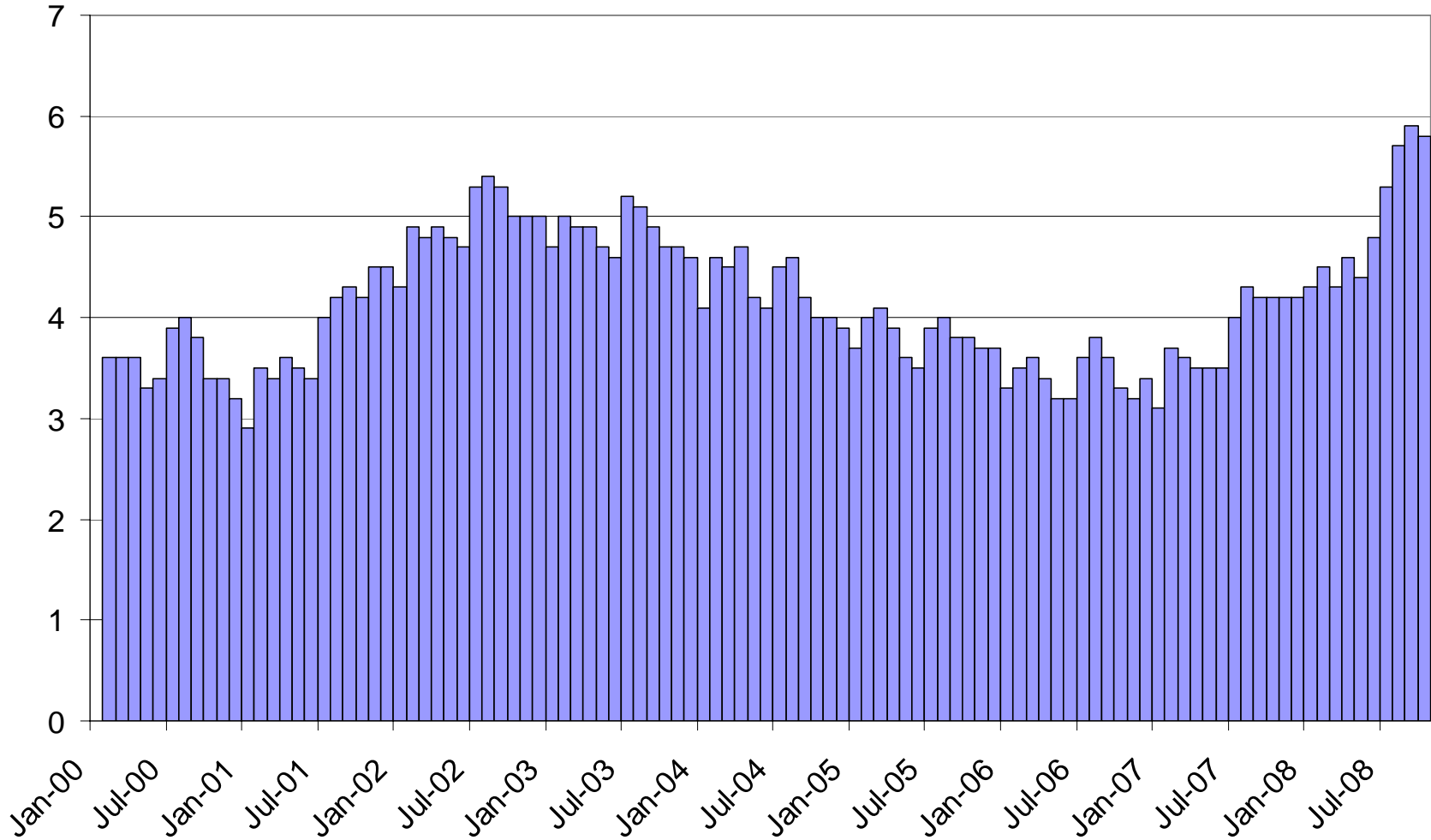


Labor Markets – Unemployment Rate LA County



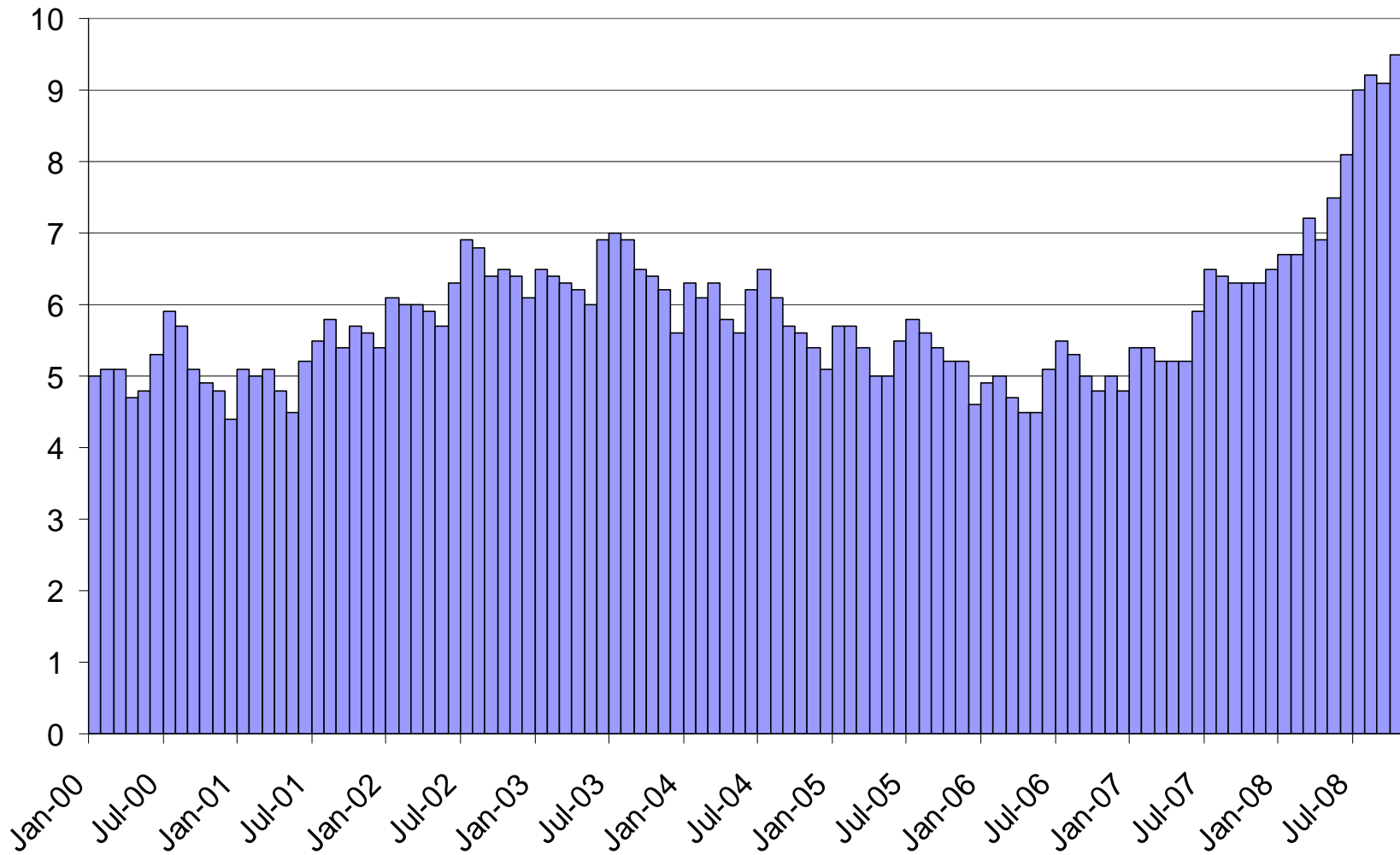


Labor Markets – Unemployment Rate Orange County



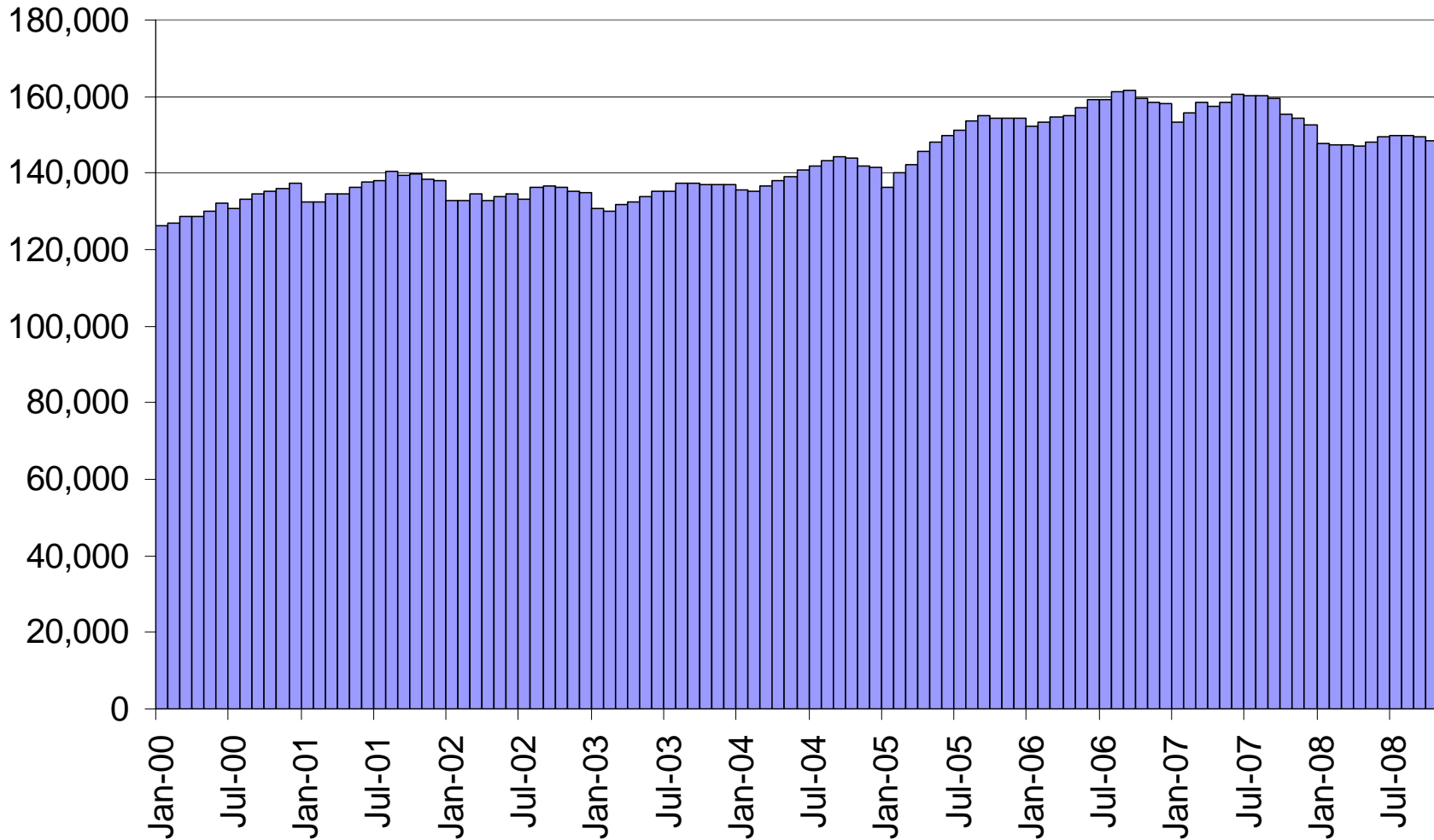


Labor Markets – Unemployment Rate Riverside and San Bernardino



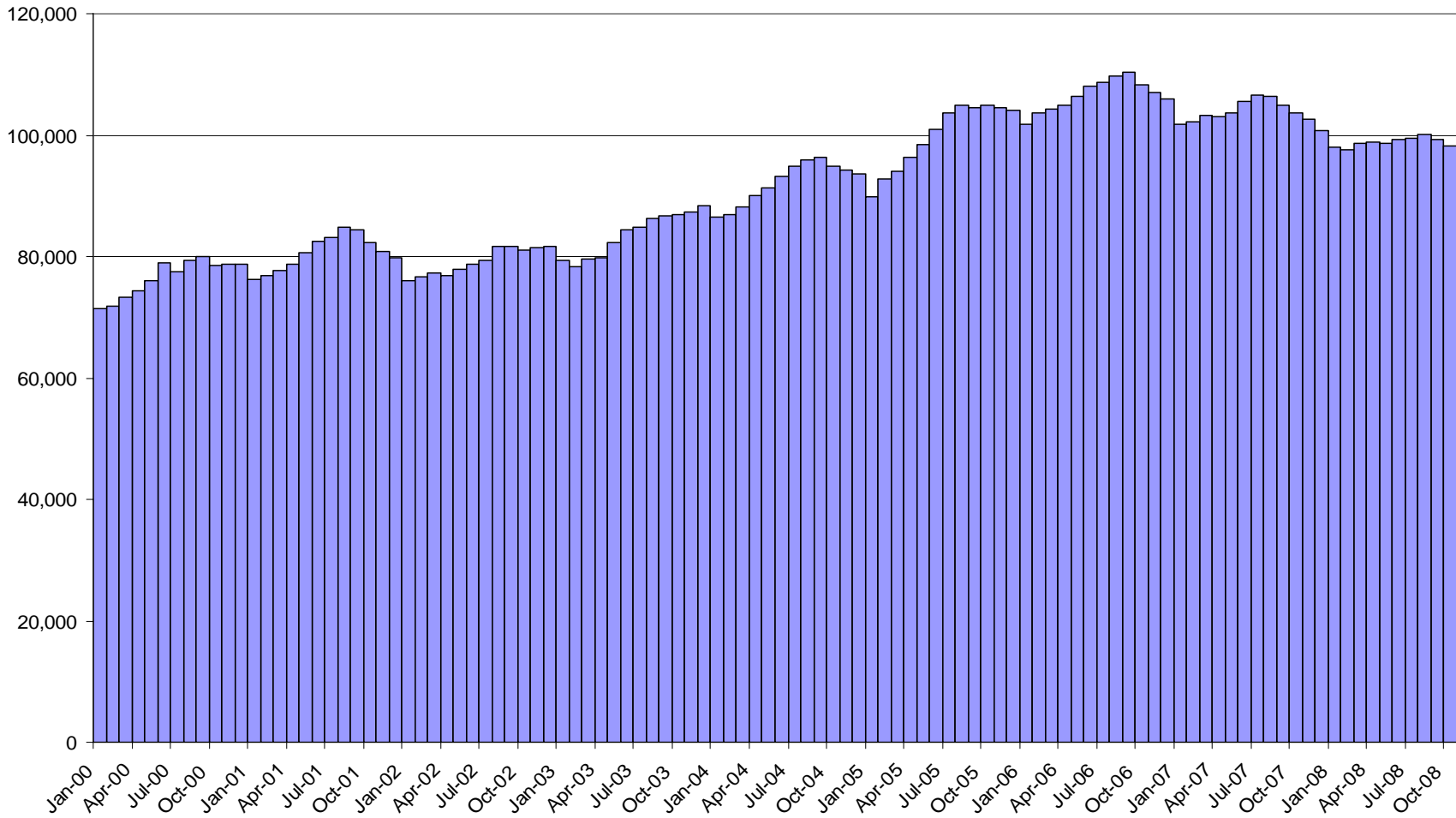


Construction Employment – LA County



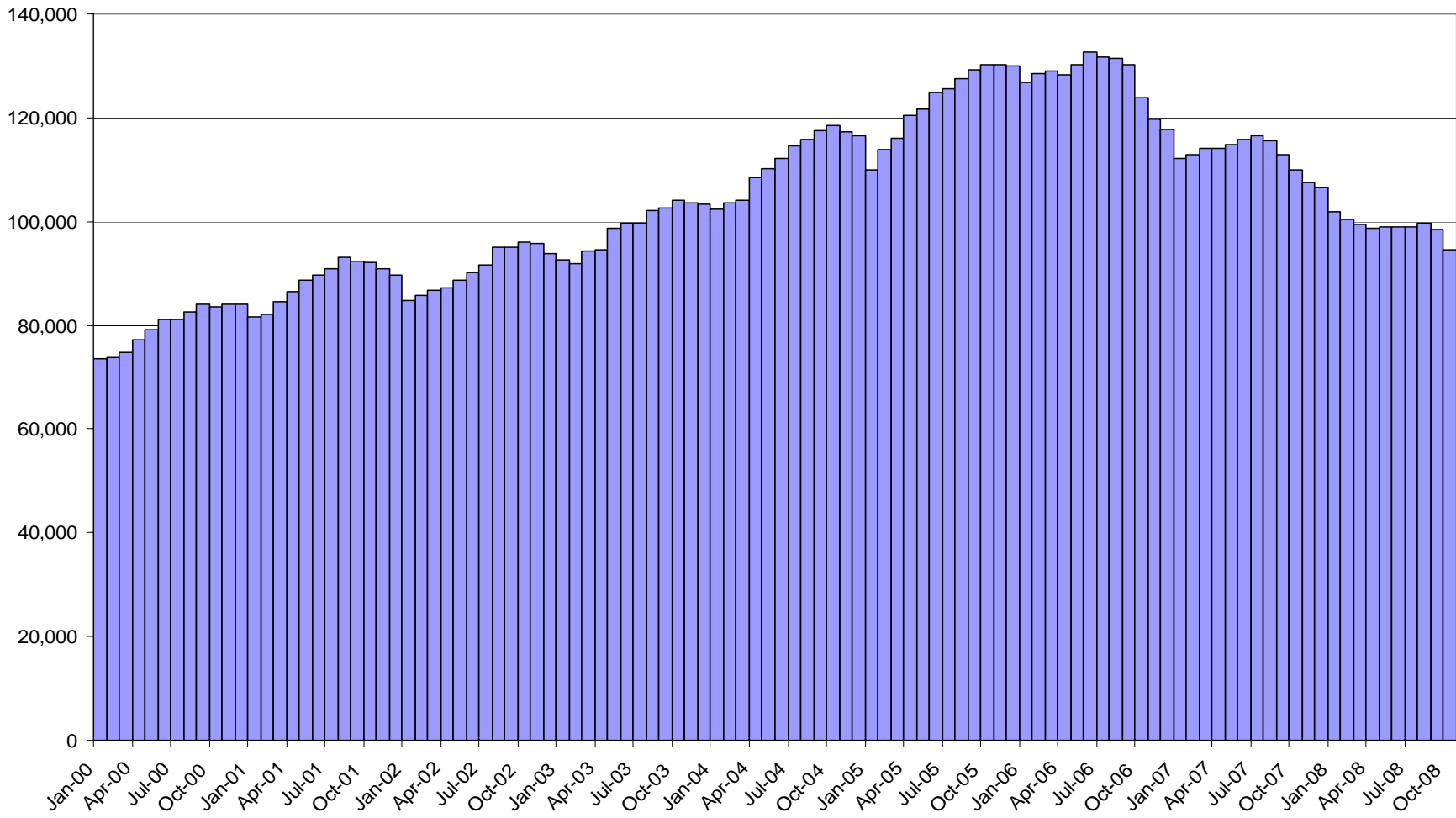


Construction Employment – Orange County



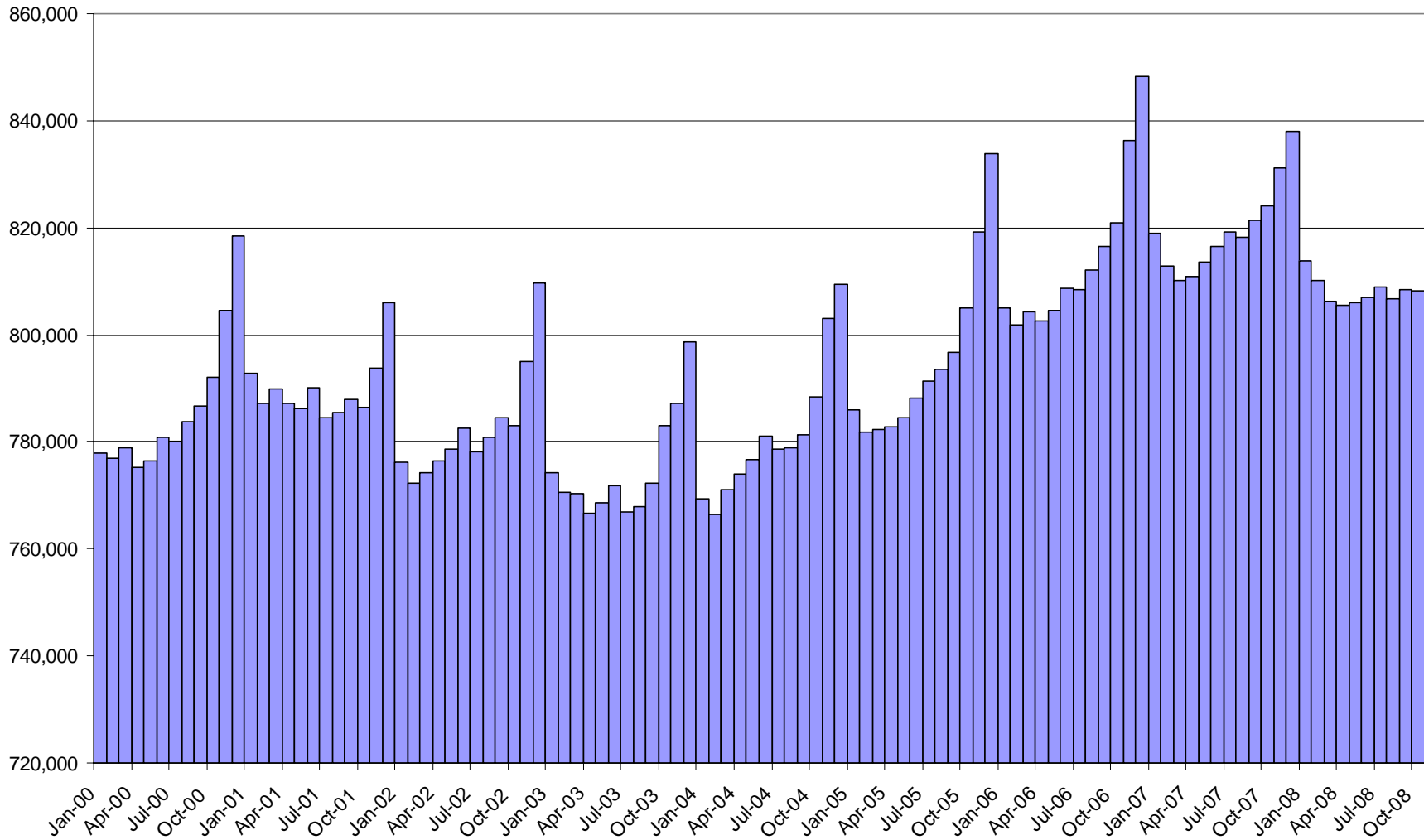


Construction Employment – Riverside and San Bernardino



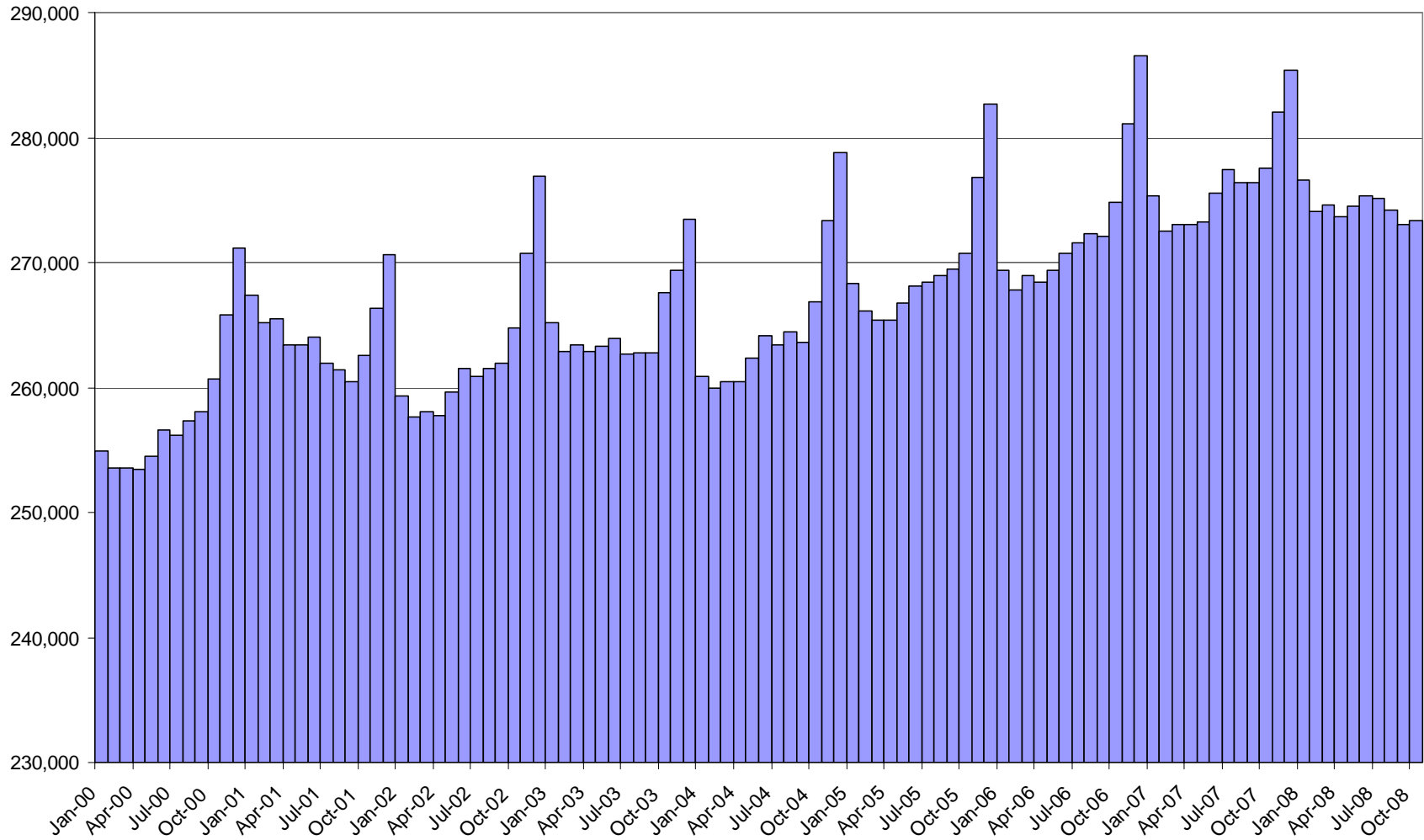


Trade, Trans & Utilities Employment – LA County



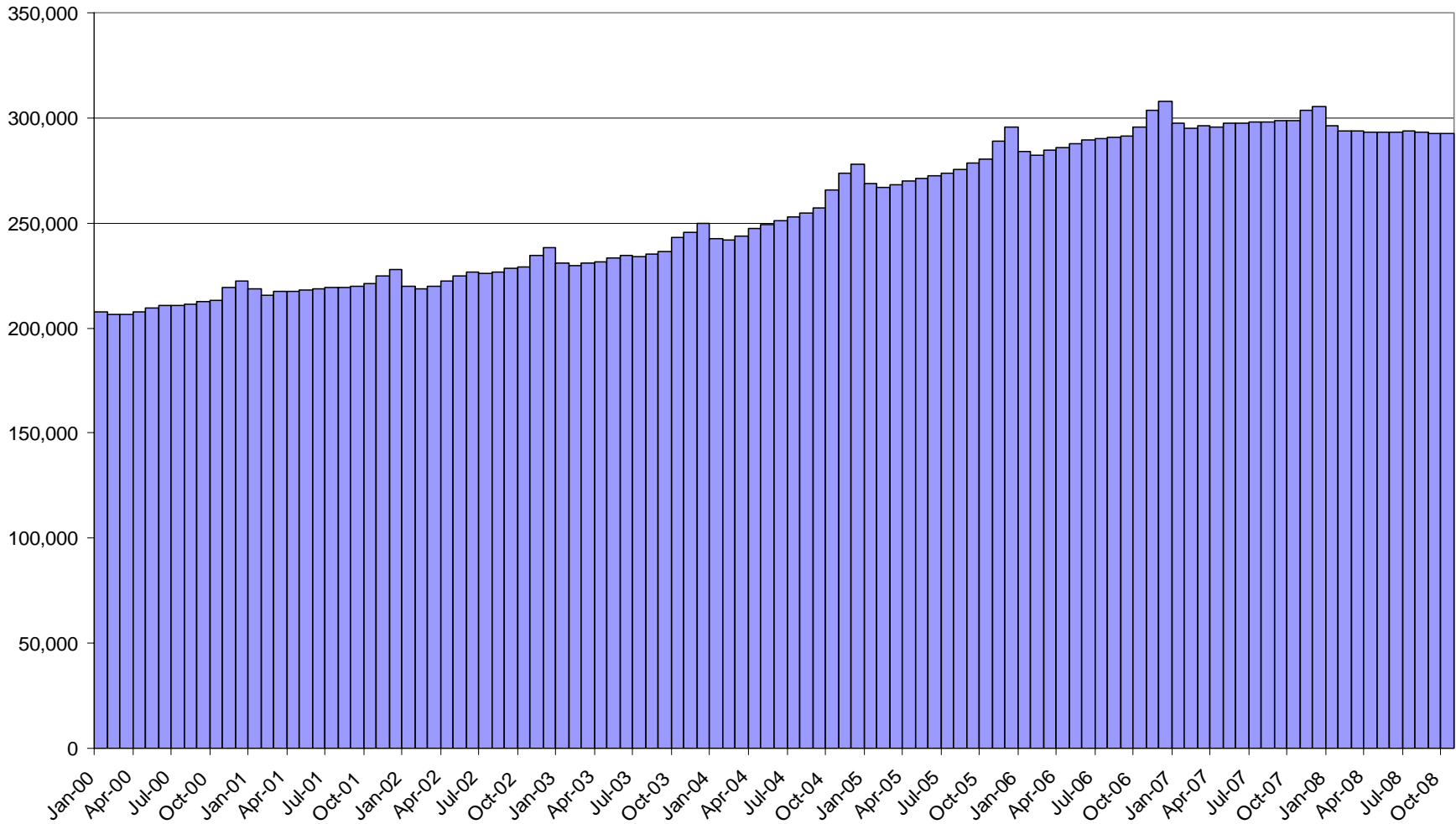


Trade, Trans & Utilities Employment – Orange County





Trade, Trans & Utilities Employment – Riverside and San Bernardino





Industry Share of Personal Income – LA

	2001	2002	2003	2004	2005	2006
Construction	3.4%	3.4%	3.3%	3.5%	3.7%	3.7%
Wholesale Trade	4.7%	4.7%	4.7%	4.8%	4.9%	4.9%
Retail Trade	5.4%	5.3%	5.4%	5.3%	5.2%	5.0%
Transport & Warehouse	3.2%	3.2%	3.1%	3.2%	3.1%	3.1%



Industry Share of Personal Income – Orange County

	2001	2002	2003	2004	2005	2006
Construction	5.7%	5.8%	6.1%	6.6%	7.2%	7.3%
Wholesale Trade	5.9%	5.7%	5.9%	5.9%	5.7%	5.8%
Retail Trade	5.8%	5.8%	5.7%	5.4%	5.4%	5.2%
Transport & Warehouse	1.4%	1.4%	1.4%	1.5%	1.4%	1.4%



Industry Share of Personal Income – Riverside

	2001	2002	2003	2004	2005	2006
Construction	7.3%	7.7%	8.1%	8.9%	9.8%	9.7%
Wholesale Trade	2.0%	2.2%	2.2%	2.3%	2.4%	2.7%
Retail Trade	5.4%	5.7%	5.7%	5.9%	6.0%	5.8%
Transport & Warehouse	1.7%	1.6%	1.6%	1.8%	1.8%	1.9%

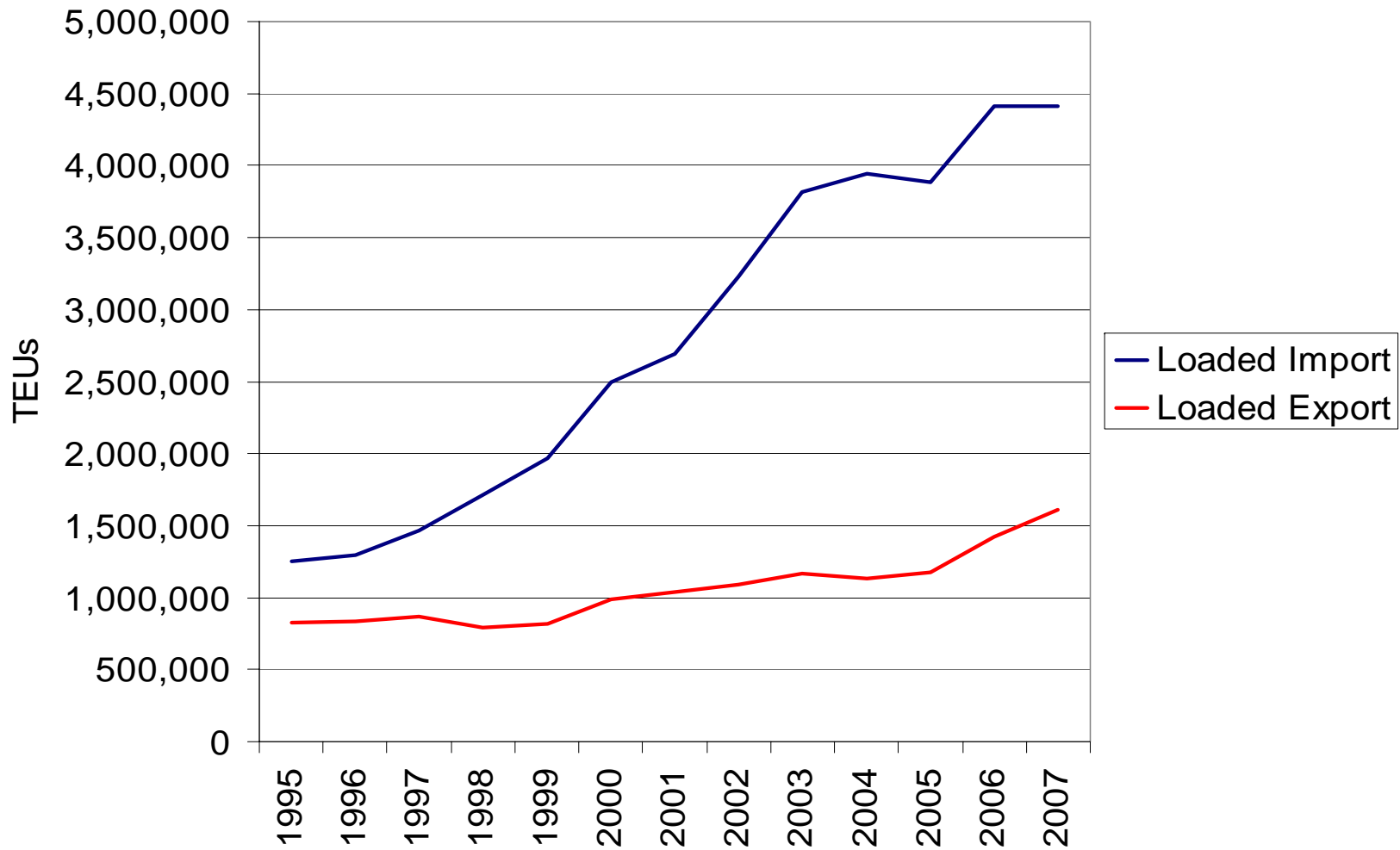


Industry Share of Personal Income – San Bernardino

	2001	2002	2003	2004	2005	2006
Construction	5.0%	5.2%	5.4%	6.0%	6.7%	6.6%
Wholesale Trade	3.3%	3.4%	3.6%	3.5%	3.8%	4.0%
Retail Trade	5.8%	6.0%	6.1%	6.1%	6.2%	6.1%
Transport & Warehouse	4.4%	4.2%	4.2%	5.2%	5.1%	5.1%

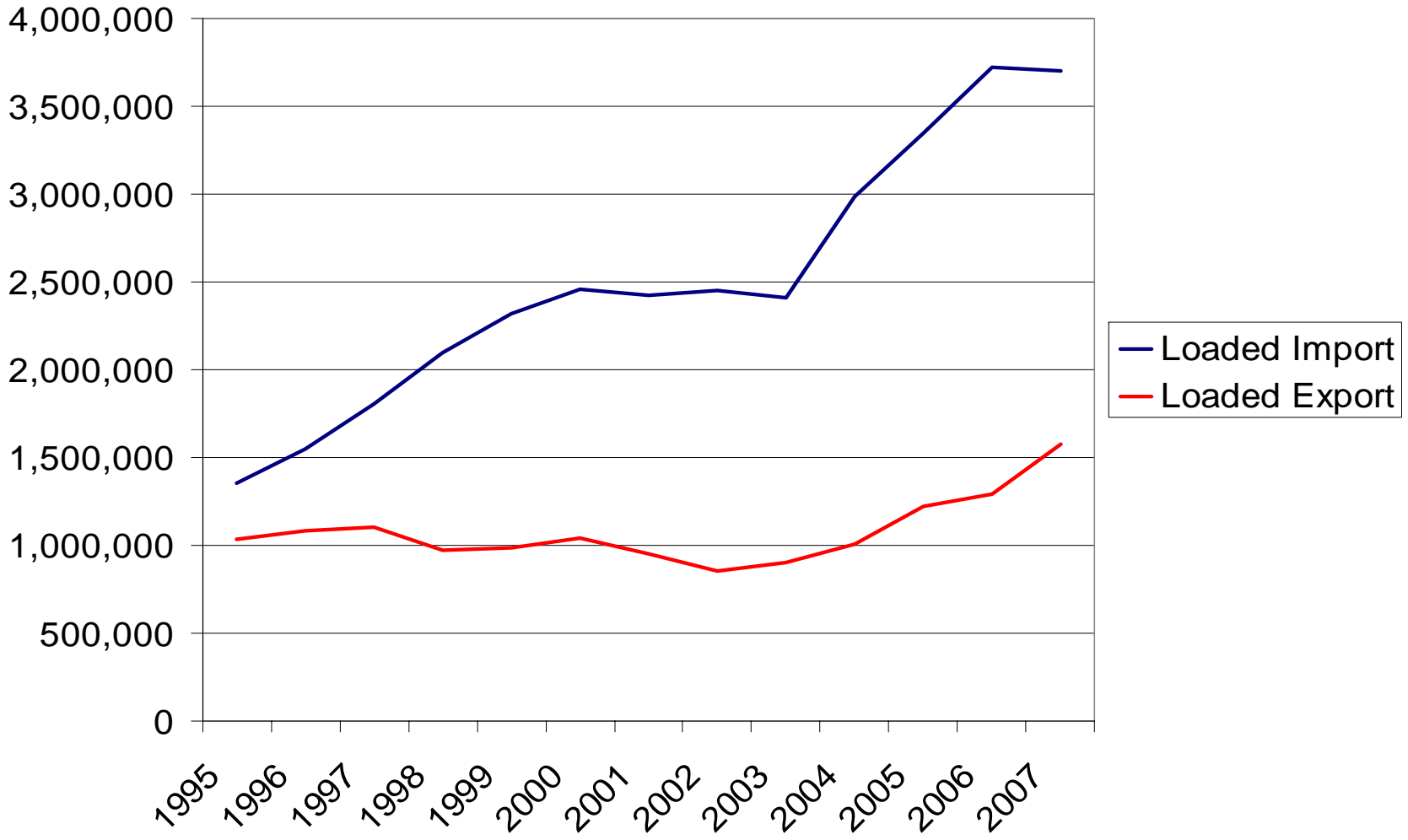


Port Traffic – Los Angeles (through 2007)



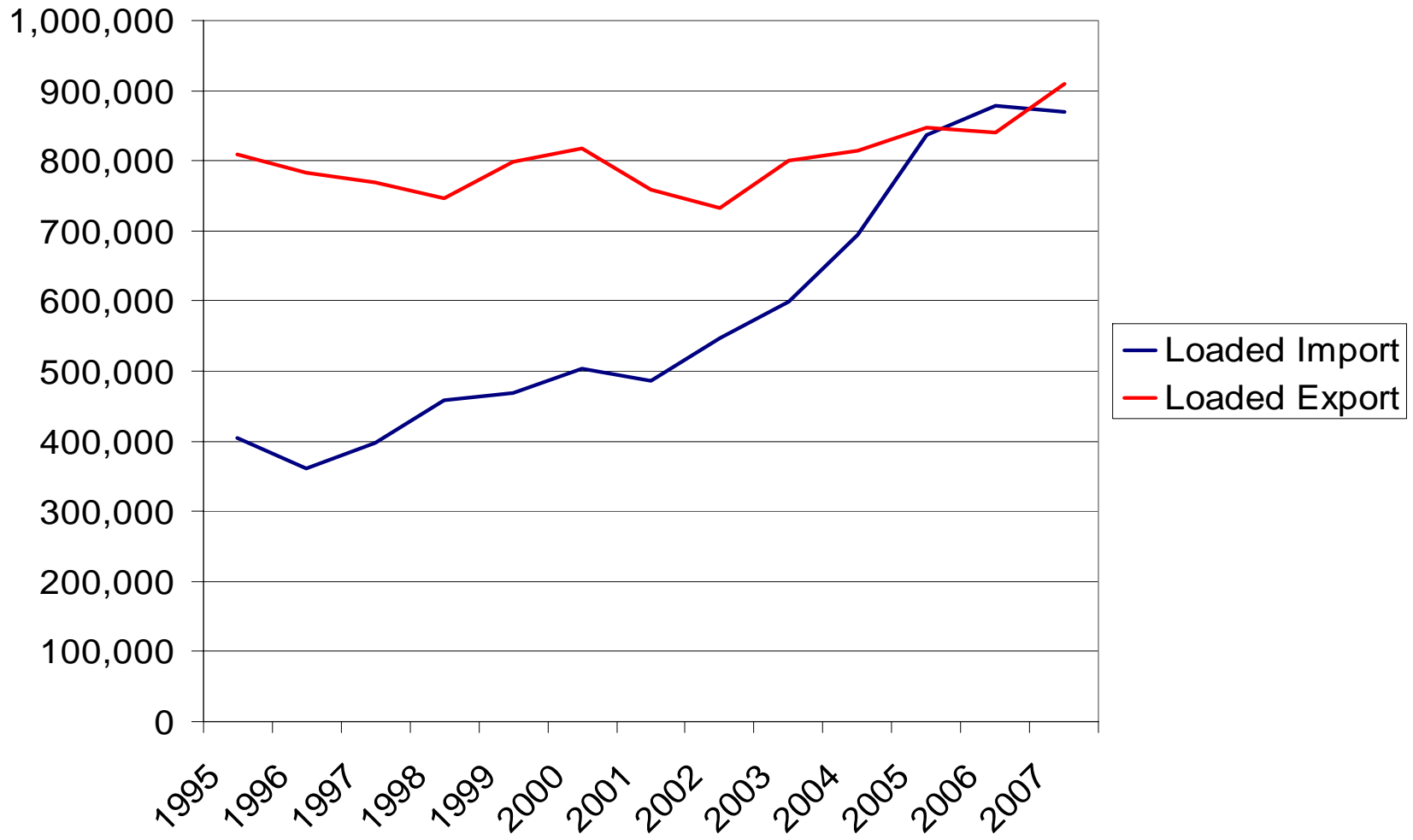


Port Traffic – Long Beach (through 2007)



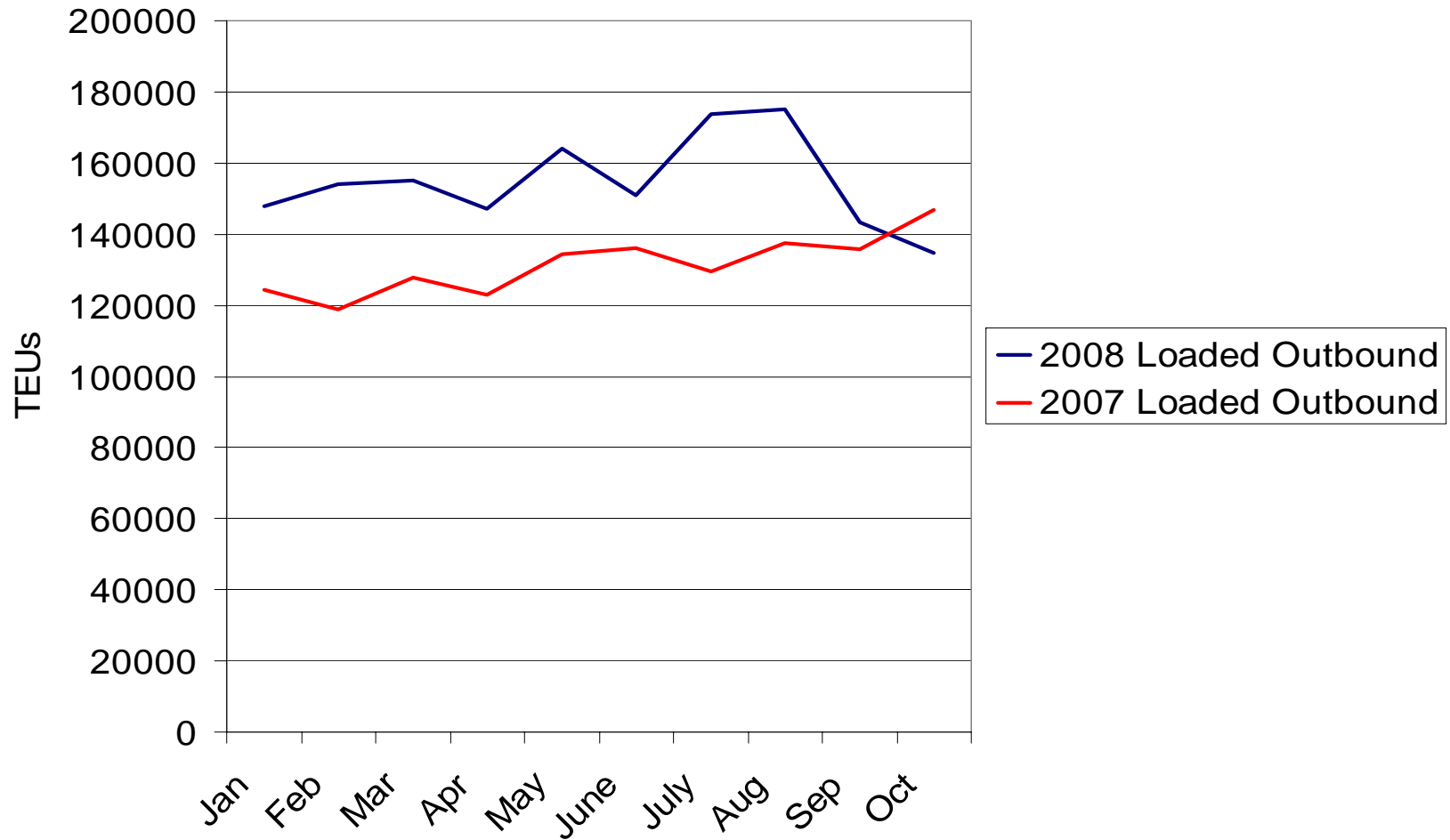


Port Traffic – Oakland (through 2007)





Trends in Exports – Los Angeles



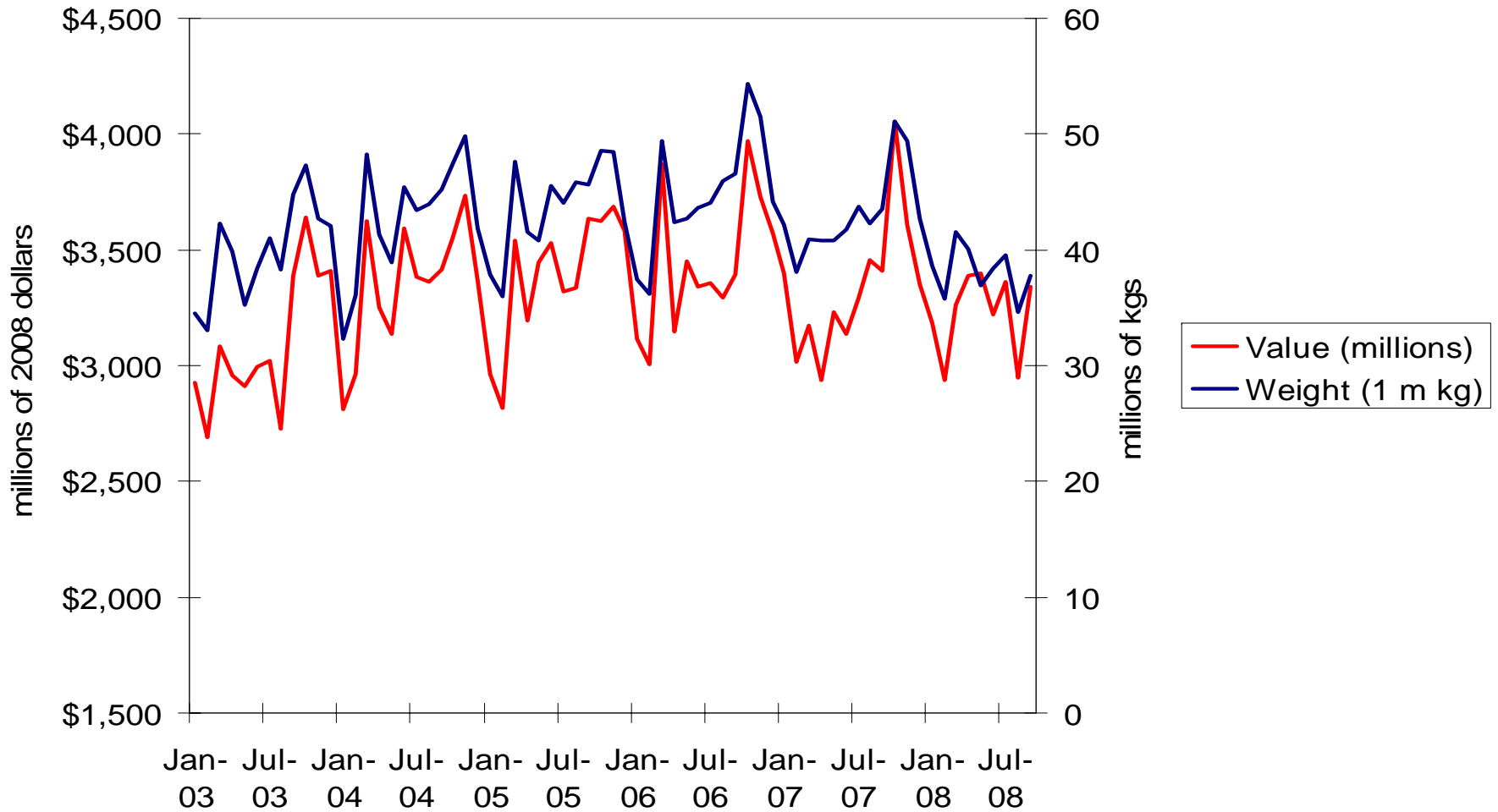


Year to Date Change (in TEUs)

- YTD
 - Oakland: -4.7%
 - Los Angeles: -4.72%
 - Long Beach: -10.2%
- October 2008 vs. Oct 2007
 - Oakland: -10.7%
 - Los Angeles: -3.98%
 - Long Beach: -7.7%

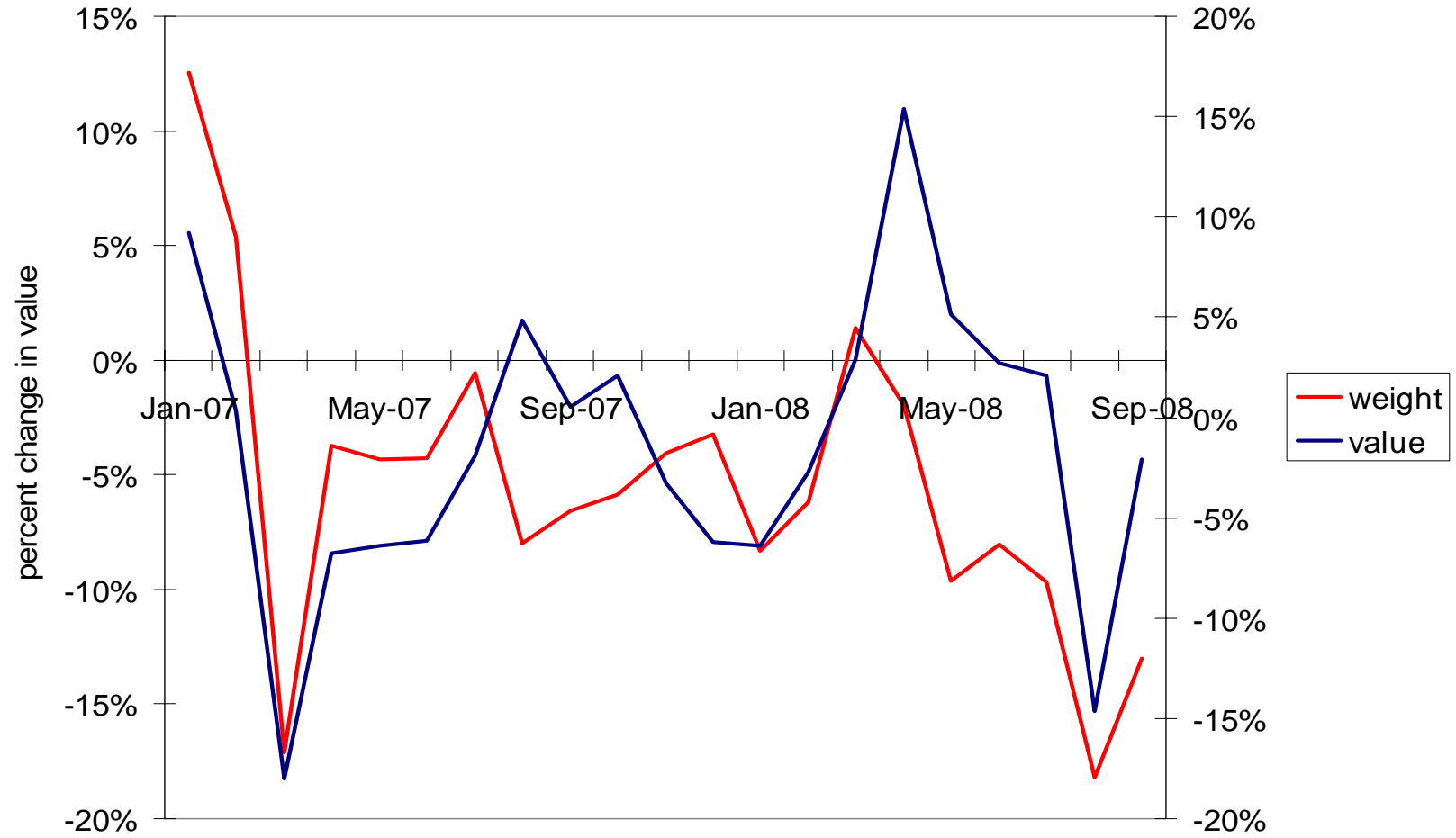


Air Freight - LAX





Year Over Year - LAX





What's Ahead?

- Decreased Port Calls
 - Major liners removing ships from service
 - Larger issue for Oakland, Pacific Northwest, and East Coast
- Exports decrease
 - Declining dollar and global economic slowdown
- More slowdown in imports
 - PIERS estimates positive growth in 2010



What's Ahead?

- Declines in trucking volumes
 - ATA tonnage index: down 6.3% in last 4 months
- Further Declines in Construction
 - Second wave of foreclosures
- Declines in employment in trade, transport, and warehousing



Other Issues Facing the Ports

- TWIC
 - April 2009?
- CTP
 - FMC, ATA objections
 - Fees uncollected to date
- Infrastructure Cargo Fee
 - Reduced from \$15 to \$6
 - Moved from Jan to July 2009 start date