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<http://seekingalpha.com/article/176577-why-transportation-etfs-matter-now?source=yahoo>

Why Transportation ETFs Matter Now

The transportation sector is an indicator of our economic health. This means that as the United States and others rebuild, this sector's ETFs could have a nice boost in store.

Industries that make up the transportation sector include airlines, railways, package carriers, even oil and gas pipelines. Transportation is actually the most important sector we have, [says David Fessler for Investment U](#). Why? Growth or contraction here serves as a proxy for both U.S. and global economic growth. Transportation accounts for 3% of national GDP.

Warren Buffett seems to agree: the rail sector is one on which he's bullish. The industry is highly correlated to consumers: as they buy more, there's a need to transport more. Changes are taking place, though:

Intermodal shipping, which combines highways and rails, has become popular because it reduces fuel costs. Intermodal volumes have been flat, to slightly up, since June.

Domestic container volumes are up slightly, by 1.3% in the third quarter.

iShares Dow Jones Transportation Sector (NYSEArca: [IYT](#)):
up 16.7% year-to-date

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Claymore/NYSEArca Airline (NYSEArca: [FAA](#)): up 21% in
the last three months

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Claymore Delta Global Shipping (NYSEArca: [SEA](#)): up 32% year-to-date

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PowerShares Global Progressive Transport (NASDAQ: [PTRP](#)): up 48.9% year-to-date

