

# Agility Emerging Markets Logistics Index 2012

Fact Sheet

## **About the Index**

The Agility Emerging Markets Logistics Index is sponsored by Agility, a global logistics provider, and compiled by *Transport Intelligence (Ti)*, the leading provider of expert research and analysis to the global logistics industry.

The Agility Emerging Markets Logistics Index compares 41 major emerging markets and identifies the key attributes that make a market an attractive investment proposition from the point of view of logistics companies, air cargo carriers, shipping lines, freight forwarders and distribution property companies.

As part of the Index, 550 senior logistics executives were surveyed, making this the biggest survey to date in the emerging markets logistics sector. For the first time, the Index offers trade lane analysis from 2005 to 2011.

## **Overview of Metrics used in the Index**

The Agility Emerging Markets Logistics Index examines 41 emerging markets and ranks them for attractiveness based on:

- Market size and growth attractiveness
- Market compatibility
- Market connectedness

**Market size and growth attractiveness** rates a country's economic output, its projected growth rate, financial stability and population size.

**Market compatibility** rates emerging markets according to their market accessibility and business regulation, foreign direct investment (FDI), market risk and security threats as well as the level of demand for logistics services based on the country's economic development.

This metric measures:

- A country's development through the importance of its service sector (indicative of the level of out-sourcing of logistics requirements)
- Urbanization of population (a driver of manufacturers' centralized distribution strategies and the likely consolidation of retailing)
- Distribution of wealth throughout the population (indicative of the widespread need for higher value goods often produced by international manufacturers)
- FDI - an indicator of the penetration of an economy by international companies
- Market accessibility – how easy it is for foreign companies to enter the market, and deal with the bureaucracy and regulation that is in place

- Security – this measures the risk to companies’ operations from threats such as piracy and terrorism.

**Market connectedness** assesses a country’s domestic and international transport infrastructure and how well they connect.

Specifically, this involves:

- The frequency and range of destinations of its liner shipping connections
- The level of airport infrastructure relative to the market’s size
- A rating of its overall transport infrastructure
- A rating of the efficiency of its customs and border controls.

### **Methodology**

The overall Index was built through the three metrics detailed above. These three metrics are then combined to create an overall ranking.

The **market size and growth attractiveness** metric uses data sources such as the IMF, OECD, World Bank and government statistical agencies.

The **market compatibility** metric uses data from UN and governments, GINI index, UNCTAD, World Economic Forum and the International Trade Centre.

The **market connectedness** metric uses sources such as World Bank, UNCTAD and IATA.

### **About Agility**

From its roots in emerging markets, Agility brings efficiency to supply chains in some of the globe’s most challenging environments, offering unmatched personal service, a global footprint and customized capabilities in developed countries and emerging economies alike. A publicly traded company, Agility is one of the world’s leading providers of integrated logistics with close to \$6 billion in annual revenue and more than 22,000 employees in 550 offices across 100 countries.

### **About Transport Intelligence**

Headquartered in the UK, *Transport Intelligence* is one of the world’s leading providers of expert research and analysis dedicated to the global logistics industry. Utilizing the expertise of professionals with many years experience in the mail, express and logistics industry, *Transport Intelligence* has developed a range of market leading web-based products, reports, profiles and services used by all the world’s leading logistics suppliers, consultancies and banks as well as many users of logistics services.