

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index rose 3.9% during the month of February. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of February 10th thru March 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index decreased 1% in February. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of February 10th thru March 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services rose 1.2% in January 2013. The index's reading of 111.3 was up 1.3% from January 2012. (Source: US DOT)
Cass Freight Index	The February shipments index rose 5.6% over the previous month and rose 0.5% year-over-year. The February expenditures index increased 1.8% for the month, and decreased 1% year-over-year. <i>(Source: Cass Information Systems Cassinfo.com) (Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)</i>
Import Volumes	In January, the U.S. imported about \$228.9 billion of cargo. January U.S. imports have increased 1.8% in terms of value from December, and fell 0.9% year-over-year. (Source: US Census)
Export Volumes	In January, the U.S. exported more than \$184.5 billion of cargo. January U.S. exports have decreased 1.2% in terms of value over the previous month and grew 3.3% year-over-year. (Source: US Census)
Import & Export Price Index	U.S. import prices rose 1.1% in February. Import prices fell 0.3% over the past year. The price index for U.S. exports rose 0.8% in February. Export prices increased 1.5% year-over-year. <i>(Source: Bureau of Labor Statistics)</i>
Multimodal News Clips:	<ul style="list-style-type: none"> Georgia's beer distributors have an annual economic impact of about \$1.3 billion. The Peach State is tied with Washington and North Carolina at 10th in the nation for its economic impact of beer distributors. Beer distributors located in Georgia directly employ 3,114 and have an impact on an additional 8,395 jobs. (Source: National Beer Wholesalers Association) U.S. wineries set a record for exports last year with \$1.43 billion in revenues, up 2.6% year-over-year. The volume of wine shipments reached 424.6 million liters or 47.2 million cases. (Source: Wine Institute) At the end of 2012, there were 2,336 operating U.S. breweries, an increase of 387 breweries from the previous year. The U.S. beer business added more than one brewery per day last year, representing a nearly 20% increase. An additional 1,254 breweries are in planning stages. (Source: Brewers Association) The American craft beer industry set a new record for exports in 2012. The craft beer export volume increased by 72% compared to 2011, with an estimated value of \$49.1 million. Canada remained the industry's largest export market, with shipments increasing 140% by volume in 2012. (Source: Brewers Association) As of March 14, the Dow Jones industrial average has increased for the tenth day in a row, its longest streak since 1996. The industrial average broke through its previous all-time high on March 5th and has only continued. The Dow has had only three longer winning streaks in its history.

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in February 2013 rose 2.3% from January 2013. Freight traffic in February fell 1.1% from February 2012. Carloads excluding coal and grain increased 4.5% over the previous year. <i>(Source: AAR.org) (Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)</i>
U.S. Intermodal Rail Traffic	Intermodal rail traffic in February 2013 was 10.5% higher than in February 2012 and 3% higher than January 2013 totals. Intermodal loadings have experienced year-over-year gains for 39 straight months . <i>(Source: AAR.org) (Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)</i>
Railroad Fuel Price Index	The index of average railroad fuel prices in January was 611.4, down 0.2% from the previous month and 0.8% higher year-over-year. (Source: AAR.org) <i>(Average monthly price for gallons purchased by freight railroads; Includes federal excise taxes, transportation, and handling expenses)</i>
Freight Cars in Storage	The number of freight cars in storage has decreased to 311,739 (20.4% of the fleet) on March 1, down 3,775 cars from a month earlier. (Source: AAR.org) <i>(A freight car is "in storage" if it has had a loaded revenue move since 2005, but not in the past 60 days. Decrease here = more demand)</i>
Class 1 Railroad Employment	Railroad employment in January 2013 decreased by 609 employees to 162,043 employees. Total Class 1 rail employment in January was 1.2% higher than it was in January 2012. (Source: U.S. STB)

Short Line Rail Traffic

In February 2013, short line railroad shipments across North America **rose 4.5%** compared to the same month last year. A sampling of about 427 small railroads in the U.S. and Canada **loaded 554,213 railcars** and intermodal units during the month of February. (Source: RMI RailConnect Index | rmiindemand.com)

Railroad News Clips:

- American Railcar Industries reported its net income in the fourth quarter of 2012 was a record \$24.4 million, **jumping 382%** from the fourth quarter of 2011. For the full year of 2012, the manufacturer of hopper and tank railcars had a record profit of \$63.8 million, **rising 1,372%** from the \$4.3 million earned in 2011. The company shipped about **7,880 railcars** during 2012 which was **51% higher** than the previous year.
- Trinity Industries reported its net income in 2012 was \$253.7 million, **up 74.1%** from 2011. Annual revenue **rose 29.7%** to \$3.8 billion in 2012. Trinity's Rail Group received orders for 5,260 new railcars during the fourth quarter, increasing the backlog to **31,990 units** with a value of \$3.7 billion. The unit shipped **19,360 railcars** during the year.

TRUCKING:

Trucking Volume

The ATA's seasonally adjusted cargo index **rose 2.9%** in January after rising 2.4% in December. The for-hire truck tonnage index **rose 6.5%** year-over-year. January's index was the **highest on record**. (Source: American Trucking Association | Trucking.org)

Truckload Freight

The spot market for truckload freight in January **fell 8.1** compared to the previous month, and was **1% lower** year-over-year. Truck capacity **fell 6.3%** for the month, and was **up 16%** year-over-year. (Source: TransCore Freight Index | www.transcorefreightsolutions.com)

Diesel Prices

U.S. average diesel prices fell to **\$4.09 per gallon**, down 4.2¢ since last week. The U.S. average diesel price was **3.5¢ lower** than the same week last year. The average price of diesel in the lower Atlantic states was \$4.06 per gallon. (Source: U.S. DOE) *(Reflects the costs and profits of the entire production and distribution chain.)*

Trucking Employment

The trucking industry **added 5,600 jobs** in February. The trucking workforce **increased 0.4%** over the previous month and **rose 3.2%** over the previous year. (Source: U.S. Bureau of Labor Statistics)

Truck Orders

Orders for heavy-duty Class 8 trucks in North America are expected to total **23,011 units** in February 2013. February orders were **4% higher** than the previous month, and **3.5% higher** year-over-year. (Source: FTR Associates | ftrassociates.com)

NAFTA Trade

Surface transport-related trade between the U.S. and its NAFTA partners, Canada and Mexico, was **down 3.2%** in December compared to the same month in 2011, totaling **\$71.9 billion**. (Source: US DOT)

Trucking News Clips:

- The average annual wage for U.S. heavy truck and tractor trailer drivers rose to \$39,830 in 2011, **up 9.7%** from five years before, according to the most recent data available. Industry analysts project more gains as the economy expands and truckers face new limits on hours of service. The industry is more than **125,000 drivers short** of what it needs to meet demand. The shortfall is expected to **double** by the end of this year to 259,000 drivers, the **biggest deficit in nine years**. (Source: US Department of Labor, FTR Associates)
- The turnover rate for drivers in the truckload sector fell from an annualized rate of 104% in 3Q 2012 to 90% in 4Q 2012. For the full year of 2012, turnover at large carriers averaged 98%, while turnovers at smaller truckload carriers averaged 82%. Both turnovers were the highest averages since 2007. (Source: American Trucking Association)

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in January **increased 5%** from one year ago. North American air freight in January **rose 0.6%** year-over-year. (Source: IATA.org)
(Global air freight covers international and domestic scheduled air traffic. North American traffic includes only domestic freight traffic.)

Atlanta Air Cargo Traffic

In January, Hartsfield-Jackson Atlanta International Airport transported **50,241 metric tons** of cargo, a **7% decrease** from the previous month and a **5.2% increase** year-over-year. (Source: HJIA)

Air Freight Price Index

In January, the average international air cargo rate **fell 10.5 points** from December; the **largest monthly drop** in the index since its inception in May 2012. The average price of air cargo leaving the United States in January stood at **\$3.25 per kilogram**. (Source: Drewry)
(The Drewry Air Freight Price Index is based on the average of rates (\$US per kg) for cargoes of 100+kg to 1,000+kg cargoes from Shanghai to London, Moscow, Prague, New York, and Los Angeles.)

Jet Fuel Prices

As of March 1, 2013, the global average jet fuel price was \$135.40 per barrel; **up 0.8%** from the previous month, and **2% lower** year-over-year. (Source: IATA.org, platts.com)
(The weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)

Air Freight News Clips:

- UPS has **tripled the coverage area** of its UPS Worldwide Expedited air service for international shipments. The service now provides delivery in two to five business days to more than **220 countries and territories**.

OCEAN FREIGHT:

Import Volumes

Import shipment volume, in TEUs, at U.S. ports **decreased 5%** in February from the previous month but **rose 15.3%** year-over-year, the highest since 2008. Over 1.4 million TEUs were imported in February, and shipments were over 720,000. (Source: Zepol Corporation | zepol.com)

Shanghai Containerized Freight Index

The March 8th SCFI comprehensive reading was **\$1,073 per FEU**; **down 4%** from the previous week, and **7.8% higher** year-over-year. The spot rate for shipments to the U.S. East Coast was **\$3,332 per FEU**, **up 14.3%** over the previous year. (Source: Shanghai Shipping Exchange | www1.chineseshipping.com.cn/en)
(The Shanghai Containerized Freight Index is a weekly reported average export spot rate from Shanghai for 15 different trade lanes.)

Ocean Bulk Freight Rates

The Baltic Dry Index **remained steady** in February, ending at **757**. The BDI has **increased 14.3%** during the first half of March. (Source: www.bloomberg.com/quote/BDIY:IND)
(The Baltic Dry Index is an index that tracks and averages worldwide international shipping prices of various dry bulk cargoes.)

TSA Bunker Surcharges

Between April 1 and June 30, 2013, the bunker fuel surcharge will total **\$536 per FEU** for shipments to the West coast ocean ports and **\$1,015 per FEU** for shipments to the East coast and Gulf ports. (Source: Transpacific Stabilization Agreement) *(The Transpacific Stabilization Agreement is a research and discussion forum of major ocean container shipping lines that carry cargo from Asia to ports in the U.S.)*

Port of Savannah

The Port of Savannah moved **230,372 TEUs** in January 2013, a **5.1% increase** over the previous month. (Source: GPA)

Port of Brunswick

Colonel's Island Terminal at the Port of Brunswick handled a record **612,489 auto and machinery units** in 2012, a **23% increase**. The Port of Brunswick handles approximately **10% of all U.S. roll-on/roll-off trade**, and **12% of U.S. Ro/Ro imports**. The port ranks **third in the nation** for auto and machinery trade. (Source: GPA)

Ocean Freight Business News:

- Import volume through major U.S. container ports is expected to **increase 2.3%** in March. Total U.S. containerized imports are expected to **increase 4.3%** during the first half of 2013. (Source: NRF/Hackett Associates)
- Toyota exported more than **124,000 U.S.-assembled vehicles** to global markets in 2012, an **increase of 45%** over the prior year. The company looks to build upon its own record this year with the announcement that it will begin using the **Port of Brunswick** to export Venza crossover vehicles to Russia and Ukraine. Toyota expects to export approximately 5,000 Venza vehicles per year to Russia and Ukraine.
- The state of Georgia experienced its **fourth consecutive record year** in international trade in 2012. Georgia's exports totaled **\$35.8 billion**, a 3.2% increase. Georgia **led all other U.S. states** in the export of meat & edible poultry, chemical wood pulp, sulfate, cotton, kraft paper & paperboard, carpet, kaolin, and peanuts. The state imported more than **\$72 billion** in goods in 2012, an increase of 8%. (Source: US Census)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. average industrial vacancy rate was **8.7%** during Q4 2012, down from 9% in the previous quarter. Overall vacancy was **9.6%** in the Atlanta and **11.7%** in Savannah during the fourth quarter. (Source: Cushman & Wakefield)

Warehouse Rent Rates

In Q4 2012, warehouse and distribution rental rates in the US averaged **\$4.30 per square foot**. Rental rates for warehouse space averaged **\$3.33/square foot** in the South and **\$3.57/square foot** in Savannah. (Source: Cushman & Wakefield)

Industrial Absorption

Net absorption in the US during Q4 2012 totaled more than **+53.7 million square feet**. Absorption during the 4Q totaled **+1.3 million square feet** in Atlanta and **+390,000 square feet** in Savannah. (Source: Cushman & Wakefield) *(Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)*

Purchasing Managers Index

The National PMI **rose 1.1 points** to 54.2 in February 2013. New orders **rose 4.5 points** to 57.8 and production **increased 4 points** to 57.6. (Source: Institute for Supply Management)
(The PMI combines data on new orders, inventory, production, supplier deliveries, and employment. A reading above 50 indicates that the manufacturing economy is generally expanding.)

Purchasing Managers Index in Georgia

Georgia's PMI **rose 0.2 points** to 55.2 in February. New orders in Georgia **fell 4.9 points** to 54.8 and production **rose 3.8 points** to 59.5. Georgia's PMI is 1 point higher than the national PMI. (Source: Kennesaw State University) *(The PMI combines data on new orders, inventory, production, supplier deliveries, and employment. A reading above 50 indicates that the manufacturing economy is generally expanding.)*

W&D Business News:

- Dukal Corporation, a leading supplier of disposable medical products, has chosen the Port of Savannah as its major port of entry. The company has also contracted for **140,000 square feet** of distribution center space in Savannah. The Savannah operation will serve everything east of Texas and up to Montana.
- Matson Logistics has opened a new distribution center in Savannah, Georgia. The company has contracted for **65,000 square feet** with the ability to increase to **125,000 square feet**. This move follows a September expansion to its operation in Bryan County, Georgia, which added **237,000 square feet** to its previous 135,000 square foot facility.

U.S. MARKET:

Gross Domestic Product

The U.S. GDP **increase 0.1%** in the fourth quarter of 2012 according to the second preliminary estimate released by the Bureau of Economic Analysis. (Source: US BEA)

U.S. Trade Deficit

The U.S. trade deficit **increased by 16.5%** in January to \$44.4 billion, the largest deficit increase since January 2011. **Exports fell 1.2%** to \$184.5 billion and **imports rose 1.8%** to \$228.9 billion. (Source: US DOC & Census Bureau)

Consumer Confidence

The Consumer Confidence Index **increased to 69.6** in February 2013 from 58.4 in January 2013. (Source: The Conference Board) *(The consumer confidence index is based on a monthly survey of 5,000 U.S. households. It is designed to gauge the financial health, spending power, and confidence of the average U.S. consumer.)*

Unemployment Rate

The unemployment rate in America **decreased to 7.7%** in February 2013 as there were **236,000 net new jobs**. (Source: US DOL)

Leading Economic Index

The Leading Economic Index for the U.S. **increased 0.2%** in January to 94.1 (2004=100), following a 0.5% increase in December and no change in November. (Source: Conference Board) *(The LEI is a composite of 10 economic indicators that together create an analytic system designed to signal peaks and troughs in the business cycle. The LEI reveals patterns in economic data in a clearer and more convincing manner than any individual component alone.)*

Retail Sales

Retail and food service sales rose in February to **\$421.4 billion, up 1.1%** from the previous month, and **up 4.6%** above February 2012. Non-store retailer sales were **up 15.7%** from last year. (Source: US Census)

Manufacturing & Trade Sales

Total combined sales and manufacturing shipments totaled **\$1.27 Trillion** in January 2013, **down 0.3%** from December and **up 2.9%** from the previous year. (Source: US Census)

Manufacturing & Trade Inventory

Total value of inventory on hand is estimated at **\$1.64 Trillion** in January 2012, **up 1%** from December and **up 5.6%** from January 2011. (Source: US Census)

Housing Starts

In January, housing starts **fell 8.5%** to an annual rate of 890,000 units. Building permits (an indicator of future housing starts) **rose 1.8%** to an annual rate of 909,000. (Source: U.S. DOC)

Consumer & Producer Price Index

The consumer price index for all urban consumers **remained the same** in December from the previous month. Over the last 12 months, the all items index **increased 1.6%**. The producer price index for finished goods **increased 0.2%** in January from the previous month. Prices for finished goods **fell 0.3%** over the previous year. (Source: US Bureau of Labor Statistics)

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