

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index rose 3.9% during the month of April. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of April 10th thru May 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index increased 3.8% in April. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of April 10th thru May 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index rose 1.6% in March 2014. The index's reading of 116.7 was up 3% from March 2013. (Source: US DOT)
Cass Freight Index	The April shipments index rose 1.5% over the previous month and rose 5.5% year-over-year. The April expenditures index rose 2.8% for the month, and increased 10% year-over-year. <i>(Source: Cass Information Systems Cassinfo.com)</i> <i>(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)</i>
Import Volumes	In March, the U.S. imported about \$234.3 billion of cargo. March U.S. imports rose 1.1% in terms of value from February, and rose 5.9% year-over-year. (Source: US Census)
Export Volumes	In March, the U.S. exported more than \$193.9 billion of cargo. March U.S. exports have increased 2.1% in terms of value over the previous month and rose 5.0% year-over-year. (Source: US Census)
Import & Export Price Index	U.S. import prices fell 0.4% in April. Import prices fell 0.3% over the past year. The price index for U.S. exports fell 1% in April. Export prices increased 0.1% year-over-year. (Source: Bureau of Labor Statistics)
Multimodal News Clips:	<ul style="list-style-type: none"> Georgia has been named the most competitive state in the nation by Site Selection magazine. The Top 10 Competitive States ranking is based on an index of 10 criteria, most of which are tied to new projects and expansions. The magazine cited Georgia's capital investments in new and expanded facilities, new jobs, tax climate, and workforce readiness in earning the top spot. E-commerce sales are expected to reach \$414 billion by 2018, up from a projected \$294 billion in 2014. Of the \$294 billion this year, \$87 billion of online transactions will come from mobile devices. In-store purchases are expected to grow by \$300 billion by 2018. (Source: Forrester Research) Amazon's shipping costs for the first quarter of 2014 totaled nearly \$1 billion, an increase of 28% year-over-year and an all-time high for a non-holiday period. This helps explain the company's earlier decision to increase the price of Amazon Prime from \$79 a year to \$99 a year.

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in April 2014 rose 1.0% from March 2014. Freight traffic in April rose 6.4% from April 2013. Carloads excluding coal increased 6.3% over the previous year. (Source: AAR.org) <i>(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 April 2014 was 9.0% higher than in April 2013, and rose 1.1% from March 2014. Intermodal loadings have experienced year-over-year gains for 53 straight months . (Source: AAR.org) <i>(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 March was 601.7, down 1.5% from the previous month and 2.8% lower 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 223,791 (14.4% of the fleet) on May 1, down 15,763 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 March 2014 increased by 652 employees to 162,968 employees. Total Class 1 rail employment in March remained the same, year-over-year. (Source: U.S. STB)
Short Line Rail Traffic	In April 2014, short line railroad shipments across North America rose 6% compared to the same month last year. A sampling of about 427 small railroads in the U.S. and Canada loaded 745,037 railcars and intermodal units during the month of April. (Source: RMI RailConnect Index rmiondemand.com)
Railroad News Clips:	<ul style="list-style-type: none"> U.S. railroads originated 570,722 carloads of coal in April 2014, up 6.4% over April 2013 and the best year-over-year gain for coal since January 2011. Also in April 2014, U.S. railroads originated 104,946 carloads of grain, up 27.6% over the previous year and the largest year-over-year gain on record. (Source: AAR.org)

TRUCKING:

Trucking Volume	The ATA's seasonally adjusted cargo index rose 0.6% in March. The for-hire truck tonnage index rose 3.1% from March 2013. (Source: American Trucking Association Trucking.org)
Truckload Freight	The spot market for truckload freight in April fell 8.6% compared to the previous month, and was 58% higher year-over-year. Truck capacity rose 30% for the month, and was down 5.8% year-over-year. (Source: DAT Trendlines www.dat.com)
Diesel Prices	U.S. average diesel prices fell 1.6¢ to \$3.95 per gallon last week. The U.S. average diesel price was 8.2¢ higher than the same week last year. The average price of diesel in the lower Atlantic states was \$3.93 per gallon. (Source: U.S. DOE) <i>(Reflects the costs and profits of the entire production and distribution chain.)</i>
Trucking Employment	The trucking industry workforce added 6,800 employees in April. The trucking workforce increased 1.5% 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 24,115 units in April 2014. April orders were 11% lower than the previous month and 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, increased 1.4% in February 2014 year-over-year, totaling nearly \$72.6 billion . (Source: US DOT)
Trucking News Clips:	<ul style="list-style-type: none"> In 2013, trucks moved 69.1% of all domestic freight tonnage, up from 68.5% the previous year. The industry collected 81.2% of all freight revenue, up from 80.7% in 2012. (Source: American Trucking Association Trucking.org) FedEx Ground has announced a pricing change that will apply dimensional weight pricing to all shipments at the start of next year. The new pricing standard will set the transportation price based on a package's volume in relation to its weight. Density-based pricing is expected to increase profitability for FedEx since the number of parcels delivered to residential addresses that weigh less than 5 pounds have increased from 58% to 75% of all deliveries in 2013.

AIR FREIGHT:

Air Cargo Traffic	Global air freight traffic in March increased 5.9% from one year ago, and rose 4.0% from the previous month. North American air freight in March rose 1.9% year-over-year. (Source: IATA.org) <i>(Global air freight covers international and domestic scheduled air traffic.)</i>
Atlanta Air Cargo Traffic	In March, Hartsfield-Jackson Atlanta International Airport transported 52,882 metric tons of cargo, a 23% increase from the previous month and a 5% decrease year-over-year. (Source: HJIA)
Air Freight Price Index	In March, the index of East-West air cargo rates rose 6.8% from the previous month, and was 6.1% higher year-over-year. The average price of air cargo leaving the United States in March stood at \$3.34 per kilogram . (Source: Drewry) <i>(The Drewry East-West Air Freight Price Index is based on the average of rates (\$US per kg) for air freight services on 21 major East-West routes.)</i>
Jet Fuel Prices	As of April 25, 2014, the global average jet fuel price was \$123.7 per barrel; up 2.7% from the previous month, and 6% higher year-over-year. (Source: IATA.org, platts.com) <i>(The weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)</i>
Air Freight News Clips:	<ul style="list-style-type: none"> Worldwide sales of semiconductors reached \$78.47 billion during Q1 2014, the industry's highest-ever first quarter sales. Global semiconductor sales totaled \$26.16 billion for March 2014, an increase of 11.4% from the same month last year. This marks the industry's largest year-over-year increase in more than three years. (Source: WSTS.org) American Airlines finished the 1Q 2014 with cargo operating revenues of \$206 million, a 32.2% increase year-over-year. Cargo ton miles rose 11.9% to 560 million. Overall, American Airlines achieved a record net profit of \$480 million.

OCEAN FREIGHT:

Import Volumes	U.S. vessel imports in January 2014 totaled nearly 1.6 million TEUs , up 5.7% from the previous year. The number of shipments in January totaled 802,948 units , a 6.9% increase year-over-year. (Source: Zepol Corporation zepol.com)
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Shanghai Containerized Freight Index

The May 9th SCFI comprehensive reading was **\$1,163 per FEU**; up **15.3%** year-over-year. The spot rate for shipments to the U.S. East Coast was **\$3,316 per FEU**, up **5.2%** from 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 **fell 30.8%** in April, ending at **943**. The BDI has **risen 5.7%** during the first half of May. (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, 2014, the bunker fuel surcharge will total **\$527 per FEU** for shipments to the West coast ocean ports and **\$985 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 Georgia Ports Authority achieved its highest month on record in March, moving 2.61 million tons of cargo, a 15.5% increase year-over-year. The Port of Savannah moved **260,539 TEUs** in March 2014, a **12% increase** over the same month last year. (Source: GPA)

Port of Brunswick

The Port of Brunswick experienced a **21% increase** in roll-on/roll-off units as more than **64,000** cars, trucks and tractors crossed GPA docks in March. (Source: GPA)

Ocean Freight Business News:

- Import volume through major U.S. container ports is expected to **increase 3.5%** in May from the same month last year. In March, the latest month for which numbers are available, U.S. container ports handled 1.3 million TEUs, a **5.1% increase** from the previous month and a **14.5% increase** from the same month last year. Total U.S. containerized imports are expected to **increase 5.1%** in the first half of 2014. (Source: NRF/Hackett Associates)
- Honda will begin importing the 2015 Honda Fit from its new plant in Celaya, Mexico through the **Port of Brunswick** to serve dealers in markets across the Southeast. While Honda has already been exporting U.S.-made vehicles through the port, this is the first time Honda imports will move through the Georgia Ports Authority.
- The Transpacific Stabilization Agreement is recommending a freight rate increase of **\$700 per FEU** on July 1 for protein shipments to Asia. Protein shipments, including refrigerated meats such as **beef, pork, and chicken**, have been in demand as the urban middle class in Asia grows. The rate increase is to ensure an adequate supply of refrigerated and temperature-controlled container equipment during the peak shipping season.
- Exports of U.S. containerized logs and lumber to China **rose for 10 straight months** on a year-over-year basis through January. U.S. export volume of containerized logs and lumber in 2013 is expected to have **risen by 13%** year-over-year to 456,212 TEUs. China accounts for a little **more than half** of U.S. containerized lumber and log exports. (Source: PIERIS)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. average industrial vacancy rate was **8.3%** during Q1 2014, equal to the vacancy rate in the previous quarter. Overall vacancy was **12.0%** in Atlanta and **9.6%** in the South during the first quarter. (Source: Cassidy Turley)

Warehouse Rent Rates

In Q1 2014, warehouse and distribution rental rates in the US averaged **\$5.11 per square foot**, up from \$5.06/SF in the previous quarter. Rental rates for warehouse space averaged **\$3.57 per square foot** in Atlanta and **\$4.72** in the South. (Source: Cassidy Turley)

Industrial Absorption

Net absorption in the US during Q1 2014 totaled more than **+26.1 million square feet**. Atlanta's overall absorption during the 1Q was **114,000 square feet**. Absorption during the 1Q totaled **+114,000 square feet** in Atlanta and **+6.8 million square feet** in the South. (Source: Cassidy Turley)
(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 1.2 points** to 54.9 in April 2014. New orders remained at 55.1 and production **decreased 0.2 points** to 55.7. (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 62.7 in April. New orders in Georgia **rose 8.9 points** to 75 and production **fell 1.9 points** to 65.9. Georgia's PMI is now **7.8 points** above 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:

- Freedom Trailers, a cargo trailer manufacturer will expand its existing operations in Atkinson County, Georgia. The **44,000 square-foot expansion** represents a **\$1.5 million investment** and will create **75 new jobs**. The project is expected to be completed in June 2014.
- Jinsung T.E.C, Inc., a Korean-based automotive manufacturer will establish a **new manufacturing facility** in Hall County, Georgia. The company will **create 30 new jobs** and **invest \$10 million** over the next five years.
- Coyote MFG Co. will open a **109,000 square-foot facility** in Berrien County, Georgia to house its manufacturing operations. The company will **create 100 new jobs** over the next two years and **invest \$2.5 million** into its new manufacturing facility.
- Aalto Scientific, a leading manufacturer in the medical diagnostics industry, will **create 80 jobs** and **invest \$9 million** into a new manufacturing facility in Eatonton, Georgia. The company will construct a **76,000 square-foot** production and warehouse facility as well as a **15,000 square-foot** manufacturing facility.

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased 0.1% in the first quarter of 2014 according to the first preliminary estimate released by the Bureau of Economic Analysis. (Source: US BEA)
U.S. Trade Deficit	The U.S. trade deficit decreased by 3.6% in March to \$40.4 billion. Exports rose 2.1% to \$193.9 billion and imports rose 1.1% to \$234.3 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	The Consumer Confidence Index increased to 84.1 in April 2014, up 4.1 points from the previous month. (Source: The Conference Board) <i>(The consumer confidence index is based on a monthly survey of 5,000 U.S. household. It is designed to gauge the financial health, spending power, and confidence of the average U.S. consumer.)</i>
Unemployment Rate	The unemployment rate in America fell to 6.3% in April 2014 as there were 288,000 net new jobs . The Participation rate however fell from a 6-month high of 63.2% back to 62.8%. (Source: US DOL)
Leading Economic Index	The Leading Economic Index for the U.S. increased 0.8% in March to 100.9 (2004=100), following at 0.5% increase in February and a 0.2% decrease in January. (Source: Conference Board) <i>(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.)</i>
Retail Sales	Retail and food service sales rose in April to \$434.6 billion, up 0.1% from the previous month, and up 4.0% above April 2013. Non-store retailer sales were up 6.5% from last year. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled more than \$1.3 Trillion in March 2014, up 1% from February and up 4.3% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.72 Trillion in March 2014, up 0.4% from February and up 4.7% from March 2013. (Source: US Census)
Housing Starts	In March, housing starts rose 2.8% to an annual rate of 946,000 units. Building permits (an indicator of future housing starts) fell 2.4% to an annual rate of 990,000. Year-over-year, housing starts and building permits in March decreased 5.9% and increased 11.2% , respectively. (Source: U.S. DOC)
Consumer & Producer Price Index	The consumer price index for all urban consumers increased 0.2% in March from the previous month. Over the last 12 months, the all items index increased 1.5% . The producer price index for finished goods rose 0.6% in April from the previous month. Prices for finished goods rose 2.1% over the previous year. (Source: US Bureau of Labor Statistics)

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