

*The Annual snapshot will take the place of the February edition

MULTIMODAL:

Dow Jones Transportation Index	The Dow Jones Transportation index rose 25.4% in 2014. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of January 10th thru February 10th)</i>
NASDAQ Transportation Index	The NASDAQ Transportation Index increased 34.6% in 2014. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of January 10th thru February 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index average for 2014 was 4.2% higher than the average for the previous year. (Source: US DOT)
Cass Freight Index	The 2014 average shipments index rose 2.9% from the average index in 2013. The 2014 average expenditures index rose 6.7% over the previous year. (Source: Cass Information Systems Cassinfo.com) <i>(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)</i>
Import Volumes	In 2014, the U.S. imported \$2.85 trillion of cargo. 2014 U.S. imports rose 3.4% in terms of value year-over-year. (Source: US Census)
Export Volumes	In 2014, the U.S. exported \$2.35 trillion of cargo. 2014 U.S. exports have increased 2.9% in terms of value over the previous year. (Source: US Census)
Import & Export Price Index	The U.S. average import prices fell 1.1% in 2014 from the previous year. The average price index for U.S. exports fell 0.5% in 2014. (Source: Bureau of Labor Statistics)
E-Commerce	E-Commerce revenue in 2014 rose 15.1% year-over-year, with e-commerce orders up 13.2% over the same period. (Source: Custora E-Commerce Pulse)
Logistics Employment	Overall transportation and warehousing employment increased 3.6% in 2014. Rail employment rose 4.6% , trucking employment rose 3.3% , and warehousing employment rose 3.1% . The logistics industry added 164,400 employees in 2014, accounting for 5.6% of the overall net employment gains added last year. (Source: U.S. Bureau of Labor Statistics)
Multimodal News Clips:	<ul style="list-style-type: none"> In 2014, new light vehicle sales were 16.4 million, up 5.8% over the 15.5 million vehicles sold in 2013, the fifth-straight year-over-year increase, and the most for a full year since 2006. Light trucks (SUVs, minivans, and pickups) accounted for 53.2% of sales in 2014, their highest percentage since 2005. Vehicle sales are expected to increase 3% in 2015 to 16.9 million vehicles. (Source: U.S. BEA, HIS Automotive) In 2014, Georgia experienced a record increase in both exports and imports for the fifth consecutive year, with a 4.9% increase in exports and 11.5% increase in imports over 2013. Georgia companies exported nearly \$39.4 billion in goods and services to 227 countries and territories in 2014. State imports totaled nearly \$83.7 billion in goods for the year. (Source: US Census)

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in 2014 increased 3.9% over 2013, to 15.2 million carloads . That's the highest number of carloads since 2008 . (Source: AAR.org) <i>(Report includes rail car-loadings by 20 different major commodity categories)</i>
U.S. Intermodal Rail Traffic	Intermodal rail volume in 2014 was a record 13.5 million containers and trailers, up 5.2% over the previous record set in 2013. For the year, containers accounted for 88.5% of intermodal volume , more than ever before. (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 2014 was 568.2, down 6.8% from the previous year. (Source: AAR.org) <i>(Average monthly price for gallons purchased by freight railroads; Includes federal excise taxes, transportation, and handling expenses)</i>
Class 1 Railroad Employment	Railroad employment through the first 11 months of 2014 increased by 7,559 employees to 169,845 employees. (Source: U.S. STB)
Short Line Rail Traffic	In 2014, short line railroad shipments across North America rose 2.8% over 2013. A sampling of small railroads in the U.S. and Canada loaded 7.5 million railcars and intermodal units during the year. (Source: RailConnect Index GE Transportation)
Railroad News Clips:	<ul style="list-style-type: none"> Intermodal container volume increased 4.8% in 2014, with domestic containers leading growth. Domestic container shipments in 2014 increased 5.7% year-over-year. International shipments almost doubled its growth pace of the last three years, reporting a 4.4% increase in 2014. (Source: IANA)

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- In 2015, the nation’s major freight railroads will invest a **record-setting \$29 billion** into the U.S. freight rail network. Freight railroads typically spend **18% of their revenues** on capital investment, compared to 3% invested by the average U.S. manufacturer. Railroads invested **\$27 billion** in 2014. (Source: AAR.org)
- 2015 is expected to see the freight railroads hire over **15,000 new employees** nationwide. The average compensation for a railroad employee is currently about **\$110K per year**. (Source: AAR.org)
- CSX Transportation has reported its 2014 revenue totaled **\$12.7 billion** with operating income at **\$3.6 billion**. Net earnings were a record **\$1.9 billion** in 2014.
- Norfolk Southern earned a record-setting net income of **\$2 billion**, a **5% increase** over 2013’s net income of \$1.9 billion.

TRUCKING:

Trucking Volume

The ATA’s seasonally adjusted cargo index **increased 3.5%** in 2014. (Source: American Trucking Association | Trucking.org)

Diesel Prices

In 2014, on-highway diesel fuel prices averaged **\$3.82 per gallon**, \$0.10 lower than the average diesel price in 2013. Diesel prices are expected to average **\$2.83 per gallon** in 2015 and **\$3.24 per gallon** in 2016. (Source: U.S. DOE) *(Reflects the costs and profits of the entire production and distribution chain.)*

Trucking Employment

The trucking industry **added 45,900 jobs** in 2014, **222% more** than the 20,700 trucking jobs added in 2013. (Source: U.S. Bureau of Labor Statistics)

Truck Orders

Orders for heavy-duty Class 8 trucks in North America totaled **375,000 units** in 2014, the **second-highest order year in history** (vs. 2004). (Source: FTR Associates | ftrassociates.com)

Trailer Orders

Orders for trailers in North America totaled **360,000 units** in 2014, the best order year ever. (Source: FTR Associates | ftrassociates.com)

NAFTA Trade

Surface transport-related trade between the U.S. and its NAFTA partners, Canada and Mexico, **increased 4.5%** in 2014 through the month of November compared to the same period in 2013, reaching **\$1.1 trillion**. (Source: US DOT)

Trucking News Clips:

- The for-hire trucking industry **nearly doubled its hiring rate** in 2014, expanding payroll by **46,000 jobs**, compared with 24,900 in 2013. The average monthly increase in trucking employment rose from 2,075 workers in 2013 to 3,833 employees in 2014, an **85% increase** that likely reflects strong recruiting efforts and higher pay. The ATA estimates trucking is short **30,000 to 35,000 truck drivers**. (Source: U.S. Bureau of Labor Statistics, American Trucking Association)
- Swift, the largest U.S. truckload carrier, reported that its **net profit increased 3.7%** in 2014 to **\$161.2 million**. The company expects TL rates to **increase 4-5%** on average in 2015. Swift **increased driver pay 12.7%** in 2014 year-over-year, and expects to **raise driver pay in 2015** as well.
- Saia’s net profit **rose 19.2%** to **\$52 million** in 2014. The company **increased revenue 11.7%** for the year, posting **\$1.27 billion** in 2014.

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in 2014 **increased 4.5%** from 2013 traffic totals. North American air freight **rose 2.4%** in 2014 year-over-year. (Source: IATA.org) *(Global air freight covers international and domestic scheduled air traffic.)*

Atlanta Air Cargo Traffic

In 2014, Hartsfield-Jackson Atlanta International Airport transported **601,270 metric tons** of cargo, a **2.45% decrease** from the previous year. (Source: HJIA)

Airline Earnings

Airline cargo revenue **increased 1.6%** in 2014. Total airline expenses **increased by 3%** last year with fuel now accounting for **29%** of those expenses, down from 30% in 2013. Airlines are expected to report profits of **\$19.9 billion** in 2014. In 2015, cargo revenues are expected to **increase 4.2%** and total expenses are expected to **rise 3.3%**. Net profits in 2015 are forecast at **\$25 billion**. (Source: IATA.org)

Jet Fuel Prices

During 2014, the global average jet fuel price **fell 42.5%**, from \$124.7 per barrel to \$71.7 per barrel. Jet fuel is expected to cost **\$67.9 per barrel** in 2015. (Source: IATA.org, platts.com) *(The weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)*

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Air Freight News Clips:

- Worldwide sales of semiconductors reached a record **\$335.8 billion** in 2014, a **9.9% increase** over 2013. (Source: Semiconductor Industry Association)
- Global air freight traffic is expected to **increase 4.5%** in 2015, outpacing a projected 4% increase in overall global trade. (Source: IATA.org)

OCEAN FREIGHT:

Import Volumes

U.S. container ports imported 17.3 million TEUs in 2014, a **6.6% increase** over the previous year. Total U.S. containerized imports for the first half of 2015 are expected to total **8.8 million TEUs, an increase of 5.8%** over the same period last year. (Source: NRF/Hackett Associates)

Shanghai Containerized Freight Index

The SCFI comprehensive reading ended the year at **\$919 per FEU, down 21.9%** over the course of the year. The spot rate for shipments to the U.S. East Coast ended at **\$4,020 per FEU, up 28.1%** during 2014. (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 51%** in 2014, ending with a cost of **\$771**. The BDI peaked in January 2014 with a cost of **\$1,512**. (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.)

Port of Savannah

Georgia Ports ended 2014 with growth in all cargo sectors. The Port of Savannah moved 3.34 million TEUs during the year, a 10.3% increase over 2013. Breakbulk cargo, such as forest products, iron, and steel increased 12% to reach 2.74 million tons in 2014. (Source: GPA)

Port of Brunswick

The Port of Brunswick moved 688,575 auto and machinery units in 2014. Combined with roll-on/roll-off trade through Savannah, Georgia Ports moved 716,055 units in 2014, an 8.6% increase year-over-year. Bulk cargo such as gypsum, wood pellets, and agricultural products saw an increase of 5.7% for a total of 2.81 million tons. (Source: GPA)

Ocean Freight Business News:

- U.S. ocean imports increased 6% in 2014. Total TEUs reached 19.4 million, the highest volume ever. The Port of Savannah, the fourth-largest port in the U.S. in 2014, increased imports by 17% to 1.36 million TEUs, the largest gain out of the top 10 ports. (Source: Zepol)
- In 2014, the Port of Brunswick's auto processors moved **674,327 vehicles, an 8.3% improvement** year-over-year. The port now ranks as the **busiest in the nation** for the import of new vehicles and the **No. 2 U.S. port** in total import-export trade. (Source: GPA)
- Maersk Line, the world's largest and most profitable container ship line, is in early talks with shipbuilders for an order of up to **10 container ships** with capacities of up to **20,000 TEUs**. Currently, the world's largest container ship has a capacity just over 19,000 TEUs. Maersk will be looking to place new orders of large ships during the first half of 2015.
- U.S. agricultural exports reached a **record \$152.5 billion** in 2014. Agricultural exports accounted for **20%** of American agricultural income. (Source: USDA)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. average industrial vacancy rate ended the year at **7.8%**, down from 8.5% average vacancy rate in 2013. Overall vacancy was **10.9%** in Atlanta at the end of the year. (Source: Cassidy Turley)

Warehouse Rent Rates

In 2014, warehouse and distribution rental rates in the US averaged **\$5.21 per square foot**, up from \$5.07 per square foot in 2013. Rental rates for warehouse space averaged **\$3.64 per square foot** in Atlanta during the year. (Source: Cassidy Turley)

Industrial Absorption

Net absorption in the US during 2014 totaled more than **+150.6 million square feet, a 9.2% increase** over the +138 million square feet absorbed in 2013. Overall absorption totaled **+15.8 million square feet** in Atlanta, the highest since 1998. (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 average National PMI was 55.8 in 2014, and never fell below 50, indicating expansion in the manufacturing sector for all 12 months. (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.)

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W&D Business News:

- Industrial construction activity totaled **134.4 million square feet** at the end of 2014, **up 34.5%** over the end of 2013. Atlanta is currently **second in the nation** in construction activity. (Source: Newmark Grubb Knight Frank, Cassidy Turley)
- Sellers on Amazon.com sold a record-breaking **2 billion items** worldwide in 2014. There are currently more than **2 million sellers** on Amazon worldwide that account for over **40%** of the total units sold on the site. On Cyber Monday alone, more than **16 million units** were ordered worldwide from sellers on Amazon.

U.S. MARKET:

Gross Domestic Product

The U.S. GDP **increased 2.4%** in 2014 according to the first estimate released by the Bureau of Economic Analysis. U.S. GDP increased 2.2% in 2013. (Source: US BEA)

U.S. Trade Deficit

The U.S. trade deficit **increased by 6.0%** in 2014 to \$505 billion. Exports **rose 2.9%** to \$2.35 trillion and imports **rose 3.4%** to \$2.85 trillion. (Source: US DOC & Census Bureau)

Consumer Confidence

The Consumer Confidence Index **increased 18.6%** in 2014, ending at 92.6. (Source: The Conference Board)
(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.)

Unemployment Rate

The unemployment rate in America **fell from 6.6% to 5.6%** in 2014. Approximately **2.95 million jobs** were created during the year, **35% higher** than the 2.18 million jobs created in 2013. (Source: US DOL)

Housing Starts

In 2014, there were 1,005,800 housing units started, an **increase of 8.8%** over 2013 housing starts. The total number of building permits (an indicator of future housing starts) **increased 4.2%** to an annual rate of 1,032,900. (Source: U.S. DOC)

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