

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index increased 3.8% during the month of July 2016. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of July 1st thru July 31st)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index increased 6.1% in July 2016. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of July 1st thru July 31st)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index increased 0.6% in June, rising for the third consecutive month. The index's reading of 122.3 was 29.1% above the April 2009 low during the most recent recession, and was 1.1% below the all-time high level of 123.6 in December 2014. (Source: US DOT)
Cass Freight Index	The July shipments index remained unchanged from the previous month to 1.11 and decreased 2.6% year-over-year. The July expenditures index decreased 0.6% for the month to 2.35, and decreased 5.1% year-over-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 June, the U.S. imported \$186.4 billion of cargo, increasing 2.4% from May. The June imports of goods and services (\$227.7 billion) were the highest since September 2015 . (Source: US Census)
Export Volumes	In June, the U.S. exported \$120.4 billion of cargo, increasing 0.5% from May. The June exports of goods and services (\$183.2 billion) were the highest since November 2015 . (Source: US Census)
Import & Export Price Index	U.S. import prices increased 0.1% in July. Prices for imports have not recorded a monthly decrease over the past 5 months. In July, nonfuel prices led the advance and fuel prices recorded a decrease. U.S. export prices increased 0.2% in July. Higher nonagricultural prices more than offset a decrease in agricultural prices. (Source: Bureau of Labor Statistics)
Shippers Conditions Index	The Shippers Conditions Index was -2.8 in May , following five months of positive (favorable to shippers) readings. Market signals remain very mixed with some seasonal increase in spot freight rates negatively affecting the SCI. (Source: FTR Transportation Intelligence ftrintel.com) <i>(Figures below zero indicate a less-than-ideal environment for shippers)</i>
E-Commerce	E-Commerce revenue was up 7% in July compared to July 2015. Mobile shopping (phones and tablets) accounted for 31% of online shopping, up from 28% in July 2015. (Source: Custora E-Commerce Pulse)
Multimodal News Clips:	<ul style="list-style-type: none"> U.S. light vehicle sales were a seasonally adjusted and annualized 17.8 million in July 2016, an unexpectedly large increase from June's 16.7 million. It's the largest monthly increase since March 2014 and was driven by an 8% increase in sales of light trucks in July over June, double the 4% increase for passenger cars for the month. (Source: AAR) Wal-Mart Stores, Inc. and Jet.com announced they have entered into a definitive agreement for Walmart to acquire Jet for approximately \$3 billion in cash. The acquisition will build on and complement the significant foundation already in place to serve customers across the Walmart app, website, and stores as well as position the company for even faster e-commerce growth in the future by expanding customer reach and adding new capabilities. (Source: Supply Chain 24/7)

RAIL:

U.S. Freight Rail Traffic	Originations of carloads in July 2016 totaled 1,025,367, a decrease of 8.8% from July 2015 and the 18th straight year-over-year monthly decline . Weekly average total carloads in July 2016 were 256,342, the lowest weekly average for July since 1988 , when AAR's data began. (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 totaled 1,002,401 units in July 2016, a decrease of 6.9% from July 2015 . This is the fifth straight year-over-year percentage decline for intermodal and the eighth in the past ten months. (Source: AAR.org) <i>(Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)</i>
Intermodal Competitive Index	The Intermodal Competitive Index fell to a level of 3.5 in May. The May reading reflects that the domestic intermodal sector is still experiencing somewhat difficult competitive conditions, but that the overall situation remains mildly favorable from an intermodal standpoint. (Source: FTR Transportation Intelligence ftrintel.com) <i>(Index includes factors like relative rates vs. truck, industry capacity vs. demand, fuel prices, and intermodal service levels. Figures above 0 indicate favorable conditions for intermodal to compete with truck)</i>
Railroad Fuel Price Index	The index of average railroad fuel prices in June was 313.3, up 7.8% from the previous month and 18.4% 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>
Class 1 Railroad Employment	Railroad employment in June decreased 0.19% from the previous month , to 152,426 employees total. Since April 2015, Class I rail employment has fallen each month, and this is the lowest level it's been since June 2010 . (Source: U.S. STB)

AUGUST LOGISTICS 2016 MARKET SNAPSHOT

Short Line Rail Traffic

In July 2016, short line railroad shipments across North America **decreased 5.8%** compared to the same month last year. A sampling of about 431 small railroads in the U.S. and Canada **loaded 513,189 railcars** and intermodal units during the month of July. (Source: RailConnect Index | GE Transportation)

Railroad News Clips:

- Cordele Intermodal Services (CIS), Georgia's first inland terminal, will partner with Kia Motors Manufacturing Georgia (KMMG) to handle up to 30,000 TEU containers per year to supply the Kia manufacturing plant in West Point. This partnership will save more than 6 million truck miles each year. With this new partnership, KMMG will move auto parts via rail from the Port of Savannah to the inland terminal in Cordele and then to West Point via motor carrier. (Source: GPA)

TRUCKING:

Truck Tonnage Index

The ATA's seasonally adjusted For-Hire Truck Tonnage index **decreased by 1.5% to 137.2** in June, and was **up by 2.1% YoY** (June 2015). (Source: American Trucking Association | Trucking.org)

Truckload Freight

The spot market for truckload-freight available for pick-up in July **decreased 15%** compared to the previous month, and was **19% higher** year-over-year. Truck capacity **decreased 64%** for the month, and **decreased 9.6%** year-over-year. (Source: DAT Trendlines | www.dat.com)

Trucking Conditions Index

The Trucking Conditions Index was **2.92** in June, a slight increase from May but still in a low trough due to slow freight and a lull in new regulations. Even with negatives affecting the trucking sector, the reading remains above zero which is the breakeven point between good and bad conditions. (Source: FTR Transportation Intelligence | ftrintel.com) *(Figures below zero indicate a less-than-ideal environment for trucking)*

Diesel Prices

U.S. average diesel prices fell to **\$2.31 per gallon** last week. The U.S. average diesel price was **\$0.30 lower** than the same week last year. The average price of diesel in the Southeastern Atlantic states was **\$2.24 per gallon, 3% less than the national average price**. (Source: U.S. DOE) *(Reflects the costs and profits of the entire production and distribution chain.)*

Trucking Employment

The trucking industry workforce **increased by 1,700 employees to 1,455,800 employees total** in July. The trucking industry workforce **increased 0.11%** over the previous month and **decreased 0.38%** over July 2015. (Source: U.S. Bureau of Labor Statistics)

Trucking Earnings and Hours

The average earnings of truck transportation employees were \$22.74/hour in June, **up 0.11%** from the previous month. The average weekly hours totaled 42.3 in June, **up 0.95%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

U.S. Truck Trailer Orders (Class 8)

Preliminary data for heavy-duty Class 8 trucks net orders in North America decreased to **10,400 units** in July 2016, the **lowest monthly total since February 2010**. July orders were **19% lower** than the previous month and **56% lower** than a year ago. (Source: FTR Transportation Intelligence | ftrintel.com)

NAFTA Trade

Surface transport-related trade between the U.S. and its NAFTA partners, Canada and Mexico totaled \$89.8 billion in May 2016, **decreasing 3.1%** year-over-year. May was the 17th consecutive month that the total value of U.S.-NAFTA freight declined from the same month of the previous year. (Source: US DOT)

Trucking News Clip

- The mandate requiring electronic logging devices (ELD) in U.S. trucks by the end of next year will reappear before a federal court next month, potentially jeopardizing the fate of the rule itself. The Owner Operator Independent Drivers Association (OOIDA) has brought an injunction, claiming the new regulation is unconstitutional. (Source: JOC)

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in June **increased 4.3%** from one year ago, and **increased 0.5% year-to-date**. (Source: IATA.org) *(Global air freight covers international and domestic scheduled air traffic.)*

Atlanta Air Cargo Traffic

In March, Hartsfield-Jackson Atlanta International Airport transported **52,791 metric tons** of cargo, an **11.0% increase** from the previous month and a **7.6% decrease** year-over-year. (Source: HJIA)

Air Freight Price Index

The latest Drewry East-West Airfreight Price Index **increased 5.7 points to 84.8 in June**. (Source: Drewry) *(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.)*

Jet Fuel Prices

As of August 5, 2016, the global average jet fuel price was \$50.60 per barrel; **down 11.5%** from the previous month, and **16.7% 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:

- Amazon has unveiled “Amazon One” its first ever branded freighter, a Boeing 767. Amazon One is one of 40 aircraft that Amazon has agreed to lease through air cargo partners Atlas Air and ATSG. There are currently 11 dedicated airplanes flying for Amazon, with additional airplanes rolling out over time. (Source: Air Cargo News)

OCEAN FREIGHT:

Import Volumes

In June, the latest month for which after-the-fact numbers are available, U.S. container ports handled 1.58 million TEUs, a **2.8% decrease** from the previous month, and a **0.5% decrease** from June 2015. Source: NRF/Hackett Associates)

Shanghai Containerized Freight Index

The August 12th SCFI comprehensive reading was **\$634.54 per FEU**; **down 5.37%** from last month. The spot rate for shipments to the U.S. East Coast was **\$1,768 per FEU**, **up 2.37%** from the previous month. (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.)

Baltic Dry Index

The Baltic Dry Index **decreased 3.1%** in July, ending at 656. The BDI has **increased 42.47%** year-to-date. (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 July 1 and September 30 2016, the bunker fuel surcharge will total **\$228 per FEU** for shipments to the West coast ocean ports and **\$453 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 **288,364 TEUs** in June 2016. While this is a **12.7% decrease** compared to June 2015, it is reflective of normalized trade flows following corrections from last year’s West Coast Port slowdown. This 8.01% decrease from the previous month is a result of expected seasonality factors and monthly calendar impacts of shipping schedules (Source: GPA)

Port of Brunswick

Grieg Star shipping recently delivered several pieces of project cargo to the Port of Brunswick. The shipping line delivered equipment to be used as part of a 50-megawatt biomass plant in Albany, GA. The plant will provide 60-70% of the total energy needs for the Procter and Gamble facility in Albany, doubling the use of renewable energy currently used at the plant. (Source: GPA)

Ocean Freight Business News:

- The Georgia Ports Authority has extended its multiyear agreement with South Atlantic Chassis Pool of Consolidated Chassis Management (CCM) to provide the region with a “gray” chassis pool, a fleet of chassis that can be used by any trucking line to serve any port terminal in the Southeastern U.S. A single gray chassis pool with full interchangeability improves both the efficiency and consistency of port operations, and provides shipping lines, trucking companies and cargo owners a level of confidence that chassis operations will remain consistent and reliable. (Source: GPA)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The vacancy rate was 6.2% at the end of the second quarter in 2016, level with the first quarter rate and the lowest since 2000. If the economic expansion continues, the vacancy rate may decline further, given the recent plateau in construction and tightening standards for construction loans. (Source: NGKF)

Warehouse Rent Rates

In Q2 2016, the average asking rent across the U.S. was \$5.85/SF triple net, up 2.1% from the prior quarter and up 5.2% from a year ago. The average asking rent in Atlanta was \$4.71/SF. (Source: NGKF)

Industrial Absorption

Net absorption in the US during Q2 2016 totaled 56.9 million square feet, **breaking the 50 million-square-foot threshold for the sixth time in the last seven quarters**. Of the 52 industrial markets NGKF tracks, all 52 posted positive Q2 absorption, a feat that rarely happens. Atlanta led all markets, absorbing 6.9 million square feet. (Source: NGKF) *(Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)*

Warehouse Employment

The warehousing industry workforce **increased by 2,600 employees** to 863,800 employees total in July. The warehousing industry workforce **increased 0.30%** from the previous month and **increased 5.8%** year-over-year. (Source: U.S. Bureau of Labor Statistics)

Warehouse Earnings and Hours

The average earnings of warehousing & storage employees were \$18.93 hour in June, **up 0.74%** from the previous month. The average weekly hours totaled 41.8 in June, **up 1.4%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

Purchasing Managers Index	<p>The National PMI decreased to 52.6% in July 2016, a decrease of 0.6% over the previous month. New orders decreased 0.1% to 56.9%. Production increased 0.7% to 55.4%. (Source: Institute for Supply Management) <i>(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.)</i></p>
Purchasing Managers Index in Georgia	<p>Georgia's PMI increased 3.2 points during July, to 52.5. New orders in Georgia increased 0.2 points to 46.9 and production increased 6.5 points to 53.1. Georgia's PMI is now 0.1 points below the national PMI. (Source: Kennesaw State University) <i>(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.)</i></p>
W&D Business News:	<ul style="list-style-type: none"> • Adidas will open a new 74,000 square-foot footwear production site in Cherokee County. The state-of-the-art facility, called Adidas SPEEDFACTORY, will allow Adidas to create product more quickly and closer to U.S. consumers. (Source: Georgia.org) • Voestalpine Automotive Body Parts Inc, a supply base for the Voestalpine Group which produces ultra-high strength body-in-white components for premium car manufacturers, will expand its existing operation in Bartow County, creating 150 jobs and investing \$50 million in the local community. (Source: Georgia.org)

U.S. MARKET:

Gross Domestic Product	<p>The U.S. GDP increased at an annual rate of 1.2% in the second quarter of 2016 according to the advance estimate released by the Bureau of Economic Analysis in late July. In the first quarter, real GDP increased 0.8%, revised. The GDPNow model forecast for real GDP growth (seasonally adjusted annual rate) in the third quarter of 2016 is 3.6%. (Source: US BEA, Federal Reserve Bank of Atlanta) <i>(The GDPNow forecast aggregates statistical model forecasts of 13 subcomponents that comprise GDP.)</i></p>
U.S. Trade Deficit	<p>The U.S. goods and services trade deficit increased 8.5% in June to \$44.5 billion. Exports of goods increased 0.4% to \$120.4 billion and imports of goods increased 2.4% to \$186.4 billion. (Source: US DOC & Census Bureau)</p>
Consumer Confidence	<p>The Consumer Confidence Index slightly decreased to 97.3 in July 2016, down 0.7% from June. (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></p>
Unemployment Rate	<p>The unemployment rate in America remained at 4.9% in July 2016. A preliminary 255,000 net new jobs were created in July 2016, down 12.6% from June. The June-July total of 547,000 was the most for two consecutive months since the end of 2015. (Source: US DOL)</p>
Workforce Participation Rate	<p>The workforce participation rate increased 0.15% to 62.8 in July. (Source: U.S. Bureau of Labor Statistics) <i>(The Workforce Participation Rate measures the share of Americans at least 16 years old who are either employed or actively looking for work)</i></p>
Leading Economic Index	<p>The Leading Economic Index for the U.S. increased 0.3% in June to 123.7. Improvements in initial claims for unemployment insurance, building permits, and financial indicators were the primary drivers. (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></p>
Retail Sales	<p>Retail and food service sales in July were \$457.7 billion, virtually unchanged from the previous month, and up 2.3% from July 2015. Non-store retailer sales were up 14.1% from last year. (Source: US Census)</p>
Manufacturing & Trade Sales	<p>Total combined sales and manufacturing shipments totaled nearly \$1.307 trillion in June 2016, up 1.2% from May and down 0.6% from June of the previous year. (Source: US Census)</p>
Manufacturing & Trade Inventory	<p>Total value of inventory on hand is estimated at \$1.813 trillion in June, up 0.2% from May and up 0.5% from June of the previous year. (Source: US Census)</p>
Housing Starts	<p>In June, housing starts increased 4.8% from the previous month to an annualized 1,190,000 units. The index of pending home sales (sales that haven't closed yet but contracts have been signed) was 111.0 in June, up 0.2% from the previous month and the second highest reading this year. (Source: U.S. DOC)</p>
Consumer & Producer Price Index	<p>The consumer price index for all urban consumers remained unchanged at 241.0 in July on a seasonally adjusted basis from the previous month. The producer price index for final demand decreased 0.4% to 110.6 in July from the previous month. (Source: US Bureau of Labor Statistics)</p>



Georgia Gov. Nathan Deal announced Wednesday that Kia Motors Manufacturing Georgia has partnered with Cordele Intermodal Services to move cargo by rail from the Port of Savannah to the CIS container yard in Cordele. Above, Gov. Deal, center left, is joined by CIS President Jonathan Lafavers, Georgia Rep. Buddy Harden, KMMG Chief Administrative Officer Stuart C. Countess, Georgia Ports Authority Board Chairman Jimmy Allgood, and GPA Executive Director Griff Lynch at the rail yard, with finished vehicles on display. (GPA)

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Jannine Miller, Director | JMiller@georgia.org | 912.966.7867