

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation Index increased 1.2% during the month of August 2016, ending at a reading of 7,878. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of August 1st thru August 31st)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index was unchanged in August 2016, remaining at a reading of 3,367. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of August 1st thru August 31st)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index increased 1.6% in July, rising for the fourth consecutive month, and was the highest level recorded . The increase was due to growth in trucking and rail carloads, as well as the growth in mining, utility, and manufacturing sectors of the economy. The index's reading of 124.6 was 31.6% above the April 2009 low during the most recent recession. (Source: US DOT)
Cass Freight Index	The July shipments index remained unchanged from the previous month at 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 July, the U.S. imported \$184.4 billion of cargo, decreasing 1.0% from June. The July imports from Canada (\$21.6 billion) were the lowest since July 2010 (\$21.3 billion). (Source: US Census)
Export Volumes	In July, the U.S. exported \$124.1 billion of cargo, increasing 2.9% from June. The July exports of foods, feeds, and beverages (\$14.7 billion) were the highest on record . (Source: US Census)
Import & Export Price Index	U.S. import prices decreased 0.2% in August, the first monthly decrease since the index fell 0.5% in February. The August downturn was driven by lower fuel prices. U.S. export prices decreased 0.8% in August, the first monthly drop since the index edged down 0.1% in March and the largest decline since the index fell 0.9% in January. Lower prices for both agricultural and nonagricultural exports contributed to the overall drop in export prices. (Source: Bureau of Labor Statistics)
Shippers Conditions Index	The Shippers Conditions Index was at a near-neutral reading of -0.7 in June , reflecting slow freight growth typical of late recovery status and a lull in the new capacity-constraining regulations that are not yet in full effect. (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 9% in August compared to August 2015. Mobile shopping (phones and tablets) accounted for 32% of online shopping, up from 28% in August 2015. The estimate of U.S. retail e-commerce sales for the second quarter of 2016, adjusted for seasonal variation, was \$97.3 billion, an increase of 4.5% from the first quarter of 2016. (Source: Custora E-Commerce Pulse, US Census)
Multimodal News Clips:	<ul style="list-style-type: none"> U.S. light vehicle sales were a seasonally adjusted and annualized 16.9 million in August 2016, down 5.0% from July and down 3.4% from August 2015. Year-to-date through August, sales of 11.6 million in 2016 are virtually the same as in 2015. That means the sales pace this year is still very healthy by historical standards, yet some project that it could trigger a new round of discounting and production cutbacks by automakers. (Source: AAR) UPS plans to hire 95,000 temporary employees during the peak holiday season as a means of keeping up with the growing e-commerce volumes. Most of the added employees are drivers or package handlers, and some are later hired as full-time employees. Analysts are expecting UPS to generate a solid performance in 2016. (Source: Supply Chain 24/7)

RAIL:

U.S. Freight Rail Traffic	Originations of carloads in August 2016 totaled 1,347,989, a decrease of 6.6% from August 2015 and the 19th straight year-over-year monthly decline . That said, the 6.6% decline was the lowest year-over-year monthly decline in almost a year. Weekly average total carloads in August 2016 were 269,598, the highest weekly average for any month since October 2015 . (Source: AAR.org) <i>(Report includes rail car-loadings by 20 different major commodity categories as well as intermodal units)</i>
U.S. Intermodal Rail Traffic	Intermodal rail traffic totaled 1,327,274 units in August 2016, a decrease of 4.8% from August 2015 . This is the sixth straight year-over-year monthly decline for intermodal. Average weekly intermodal volume in August (265,455 units) was the most for any month so far in 2016, but they were the lowest weekly average for an August since 2013. (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 reading of 0.6 in July. Intermodal volume was unexpectedly weak across the board in July, and lower diesel prices were also a factor in the decline in intermodal volume. July 2016 had two fewer working days than July 2015, a 9% difference, which may have affected the numbers as well. (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 July was 295.6, down 5.6% from the previous month and 16.7% 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 August increased 0.19% from the previous month , to 152,718 employees total. This was the first increase in the last 15 months, and three of the seven Class I railroads saw employment gains in August. (Source: U.S. STB)
Short Line Rail Traffic	In August 2016, short line railroad shipments across North America decreased 3.1% compared to the same month last year. A sampling of about 431 small railroads in the U.S. and Canada loaded 533,710 railcars and intermodal units during the month of August. (Source: RailConnect Index GE Transportation)
Railroad News Clips:	<ul style="list-style-type: none"> The GPA announced a new strategic rail initiative, “GPA’s Mid-American Arc” at the State of the Port address last week. The GPA’s Mid-American Arc will focus on the growth of intermodal rail, extending the Port of Savannah’s reach to capture new markets across the Southeast and Midwestern U.S. Included in the plan is a \$128 million project that will link Garden City Terminal’s two rail yards, improve efficiency, and grow the terminal’s rail lift capacity to approximately 1 million containers each year. (Source: GPA)

TRUCKING:

Truck Tonnage Index	The ATA’s seasonally adjusted For-Hire Truck Tonnage Index decreased by 2.1% to 134.3 in July. Compared with July 2015, the index rose just 0.3% , the smallest year-over-year gain in 2016. Tonnage has decreased in four of the last five months, consistent with a supply chain that is clearing out elevated inventories. (Source: American Trucking Association Trucking.org)
Truckload Freight	The spot market for truckload-freight available for pick-up in August increased 0.5% compared to the previous month, and was 29% higher year-over-year. Truck capacity increased 14% for the month, and increased 8.6% year-over-year. (Source: DAT Trendlines www.dat.com)
Trucking Conditions Index	The Trucking Conditions Index was 5.99 in July, a significant gain from June’s reading of 2.92. TCI readings for the rest of the year and into 2017 should remain near the current level, according to FTR. FTR expects increased regulations over the next 18 months which may increase pricing and margins for fleets that have capacity. (Source: FTR Transportation Intelligence ftrintel.com) <i>(Figures below zero indicate a less-than-ideal environment for trucking)</i>
Diesel Prices	As of September 19, 2016 the U.S. average diesel price was \$2.38 per gallon . The U.S. average diesel price was \$0.10 lower than the same week last year. The average price of diesel in the Southeastern Atlantic states was \$2.31 per gallon, 2.9% less than the national average price . (Source: U.S. DOE) <i>(Reflects the costs and profits of the entire production and distribution chain.)</i>
Trucking Employment	The trucking industry workforce increased by 3,400 employees to 1,459,700 employees total in August. The trucking industry workforce increased 0.23% over the previous month and decreased 0.04% over August 2015. (Source: U.S. Bureau of Labor Statistics)
Trucking Earnings and Hours	The average earnings of truck transportation employees were \$22.79/hour in July, up 0.39% from the previous month. The average weekly hours totaled 41.8 in July, down 0.9% 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 increased to 14,00 units in August 2016, slightly above expectations but the weakest August since 2010. August orders were 36% higher than the previous month and 35% 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 \$92.7 billion in June 2016, decreasing 6.4% year-over-year. June was the 18 th 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	<ul style="list-style-type: none"> Third-party logistics provider Transplace surveyed more than 2,000 trucking companies throughout the U.S. in regards to electronic logging devices (ELDs) and found that more than half of the trucking companies questioned said they are already 100 percent compliant with the ELD mandate. However, nearly 25% of those motor carriers, mostly smaller trucking companies, said they have no “immediate plans” to begin implementation of ELDs. The Federal Motor Carrier Safety Administration (FMCSA) released a final rule late last year requiring truck drivers to start using ELDs by December 18, 2017. (Source: JOC)

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in July **increased 5.0%** from one year ago, and **increased 1.2% year-to-date**. **Annual growth was the fastest seen since February 2015**, and volumes are generally trending upwards in seasonally-adjusted terms. (Source: IATA.org) *(Global air freight covers international and domestic scheduled air traffic.)*

Atlanta Air Cargo Traffic

In July, Hartsfield-Jackson Atlanta International Airport transported **54,609 metric tons** of cargo, a **1.5% increase** from the previous month and a **7.1% increase** year-over-year. (Source: HJIA)

Air Freight Price Index

The latest Drewry East-West Airfreight Price Index **increased 1 point to 86.8 in July**. (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 September 9, 2016, the global average jet fuel price was \$56.70 per barrel; **up 9.8%** from the previous month, and **7.3% 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:

- The US Federal Aviation Authority (FAA) has issued further guidance on the transport of the Samsung Galaxy Note 7 smart phone, saying they should not be carried as cargo following a product recall. In a safety alert to aircraft operators, the FAA said that US hazardous material regulations prohibit air cargo shipments of recalled or defective lithium batteries and lithium-powered devices. There has been a spate of recent incidents that have seen the devices burst into flames. (Source: Air Cargo News)

OCEAN FREIGHT:

Import Volumes

In July, the latest month for which after-the-fact numbers are available, U.S. container ports handled 1.63 million TEUs, a **3.2% increase** from the previous month, and a **0.7% increase** from July 2015. August was estimated at 1.67 million TEUs and is expected to have been the busiest month of the annual shipping-cycle buildup to the holiday shopping season. Source: NRF/Hackett Associates)

Shanghai Containerized Freight Index

The September 14th SCFI comprehensive reading was **\$794.10 per FEU**; **up 25.2%** from last month. The spot rate for shipments to the U.S. East Coast was **\$2,447 per FEU**, **up 38.4%** from the previous month. The jump in spot market rates was driven by the August 31 receivership filing of Hanjin Shipping, the South Korean ocean carrier accounting for 8% of eastbound Transpacific trade volume and the 7th largest ocean carrier in terms of total capacity. (Source: Shanghai Shipping Exchange | www1.chineseshipping.com.cn/en, American Shipper) *(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 **increased 9.3%** in August, ending at 711. The August BDI was 145% over the all-time low reading of 290 in February of this year. The BDI has **increased 67.36%** 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 **330,846 TEUs** in August 2016, a **5.1% increase** from the previous month and a **4.9% increase** from August 2015. August container unit volumes were the **third highest in the GPA's history**, behind April and May 2015 at the height of diverted cargo from the West Coast. (Source: GPA)

Port of Brunswick

Last October, the GPA announced plans for \$152 million in capital spending during the next decade at Brunswick, which handled 680,414 cars and trucks during the port authority's fiscal year that ended June 30. Expansion plans at Brunswick include a fourth berth, expansion of rail facilities, and phased development of 740 acres for which the GPA has obtained permits during the last year. Currently, 20 acres are already developed and 60 to 90 acres are in the process of being developed, depending on need. (Source: JOC)

Ocean Freight Business News:

- Hanjin Shipping Co. has been ordered to return the ships it charters back to their owners and to sell as many of its own ships as possible, in the strongest signal yet that the Korean carrier will be either liquidated or turned into a much smaller company. Hanjin, which has filed for bankruptcy protection in courts in the U.S. and Seoul, is working on a restructuring plan, which if approved by court, will see it keep a maximum 15 of its 37-owned ships and return to owners almost all of its 60 chartered vessels. Hanjin is the world's seventh-biggest container operator by capacity. (Source: Wall Street Journal)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy	The nationwide 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) <i>(Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)</i>
Warehouse Employment	The warehousing industry workforce increased by 4,300 employees to 867,300 employees total in August. The warehouse industry workforce increased 0.49% 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 \$19.04 hour in July, up 0.52% from the previous month. The average weekly hours totaled 41.9 in July, up 0.47% from the previous month. (Source: U.S. Bureau of Labor Statistics)
Purchasing Managers Index	The National PMI decreased to 49.4% in August 2016, a decrease of 3.2% over the previous month. New orders decreased 7.8% to 49.1% . Production decreased 5.8% to 49.6% . This is the first time since February that the PMI has been below 50. (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>
Purchasing Managers Index in Georgia	Georgia's PMI decreased 0.1% during August, to 52.4. New orders in Georgia increased 9.0% to 55.9 and production increased 8.6% to 61.8. Georgia's PMI is now 6.0% above 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>
W&D Business News:	<ul style="list-style-type: none"> Flooring retailer Floor & Décor will open a 1.4 million square-foot distribution center in the Savannah market. Construction on the build-to-suit distribution facility is slated to begin in November 2016 with plans for it to be open by 2018. The new center will add and retain 115 jobs. A second phase will add another 1.1 million square feet, for a total of 2.5 million square feet. (Source:GPA) Sentury Tire, the fifth-largest and fastest-growing tire manufacturer in China, will create more than 1,000 jobs and invest \$530 million in a car and light truck tire manufacturing operation in Troup County, Georgia. The new facility will support Sentury Tire's existing customer base in North America. The new manufacturing facility will create jobs in production, national sales & marketing, and warehousing & distribution. (Source: Georgia.org)

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased at an annual rate of 1.1% in the second quarter of 2016 according to the second estimate released by the Bureau of Economic Analysis in late August. In the first quarter, real GDP increased 0.8%, revised. The latest GDPNow model forecast for real GDP growth (seasonally adjusted annual rate) in the third quarter of 2016 is 3.0%. (Source: US BEA, Federal Reserve Bank of Atlanta) <i>(The GDPNow forecast aggregates statistical model forecasts of 13 subcomponents that comprise GDP.)</i>
U.S. Trade Deficit	The U.S. goods and services trade deficit decreased 11.6% in July to \$39.5 billion. Exports of goods increased 2.8% to \$124.1 billion and imports of goods decreased 1.0% to \$184.4 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	The Consumer Confidence Index increased to 101.1 in August 2016, up 4.5% from July and the highest reading since September 2015 . (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 remained at 4.9% in August 2016. A preliminary 151,000 net new jobs were created in August 2016, down 45% from July. Economist estimate that, today, around 100,000 jobs need to be created each month to keep up with the population growth. The unemployment rate in Georgia was 4.9% in August, the same as the national rate. (Source: US DOL)

Workforce Participation Rate	The workforce participation rate was unchanged at 62.8 in August. (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>
Leading Economic Index	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>
Industrial Production and Capacity Utilization	The Industrial Product Index was 104.4 in August, a decrease of 0.4% from the previous month and 1.1% lower year-over-year. Capacity utilization for the industrial sector decreased 0.4% from the previous month to 75.5%. (Source: Federal Reserve) <i>(The industrial production and capacity utilization rates cover manufacturing, mining, and electric and gas utilities. The industrial detail provided by these measures helps illuminate structural developments in the economy)</i>
Retail Sales	Advanced estimates of retail and food service sales in August were \$456.3 billion, a decrease of 0.3% from the previous month, and up 1.9% from August 2015. Non-store retailer sales were up 11% from last year, and includes internet-only sales outlets as well as other direct-to-customer channels. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled nearly \$1.303 trillion in July 2016, down 0.2% from June and down 0.8% from July of the previous year . (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.813 trillion in July, virtually unchanged from June and up 0.5% from July of the previous year . (Source: US Census)
Housing Starts	In July, housing starts were an annualized 1,210,000 units, the highest they've been since the fall of 2007 . The index of pending home sales (sales that haven't closed yet but contracts have been signed) was 111.3 in July, up 1.3% from the previous month and the second highest reading this year . (Source: U.S. DOC)
Consumer & Producer Price Index	The consumer price index for all urban consumers rose 0.2% to 240.8 in August on a seasonally adjusted basis from the previous month. The producer price index for final demand was 110.5 in August, virtually unchanged from the previous month. (Source: US Bureau of Labor Statistics)

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