

## MULTIMODAL:

<b>Dow Jones Transportation Index</b>	Dow Jones Transportation index <b>rose 1%</b> during the month of June. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of June 10<sup>th</sup> thru July 10<sup>th</sup>)</i>
<b>NASDAQ Transportation Index</b>	NASDAQ Transportation Index <b>increased 2.9%</b> in June. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of June 10<sup>th</sup> thru July 10<sup>th</sup>)</i>
<b>DOT Freight Transportation Index</b>	The USDOT's freight transportation services index <b>rose 1.2%</b> in May 2013. The index's reading of 114.3 was <b>up 2.7%</b> from May 2012. (Source: US DOT)
<b>Cass Freight Index</b>	The June shipments index <b>rose 0.1%</b> over the previous month and <b>fell 1.5%</b> year-over-year. The June expenditures index <b>rose 3.4%</b> for the month, and <b>increased 0.8%</b> 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>
<b>Import Volumes</b>	In May, the U.S. <b>imported</b> about <b>\$232.1 billion</b> of cargo. May U.S. imports <b>rose 1.9%</b> in terms of value from April, and <b>rose 0.7%</b> year-over-year. (Source: US Census)
<b>Export Volumes</b>	In May, the U.S. <b>exported</b> more than <b>\$187.1 billion</b> of cargo. May U.S. exports have <b>decreased 0.3%</b> in terms of value over the previous month and <b>rose 1.5%</b> year-over-year. (Source: US Census)
<b>Import &amp; Export Price Index</b>	U.S. import prices <b>fell 0.2%</b> in June. Import prices <b>rose 0.2%</b> over the past year. The price index for U.S. exports <b>fell 0.1%</b> in June. Export prices <b>increased 0.8%</b> year-over-year. (Source: Bureau of Labor Statistics)
<b>Multimodal News Clips:</b>	<ul style="list-style-type: none"> <li>In 2012, the cost of business logistics systems in the U.S. <b>rose 3.4%</b>, less than half the increase from 2011. Total business logistics costs were <b>\$1.33 trillion</b>, up \$43 billion from 2011. Business logistics costs account for <b>8.5%</b> of U.S. GDP. (Source: Council of Supply Chain Management Professionals)</li> <li>Companies in the U.S. are beginning to <b>boost capital spending</b>. Orders for capital goods excluding aircraft and military equipment (an indicator of future business investment) <b>increased 1.5%</b> in May, a third consecutive advance and the <b>longest streak</b> since October 2011. Company CEO outlooks are also improving as the Business Roundtable's quarterly outlook index rose to 84.3 in the second quarter, <b>the highest in a year</b>. (Source: bloomberg.com)</li> </ul>

## RAIL:

<b>U.S. Freight Rail Traffic</b>	Railroad bulk carload freight in June 2013 <b>rose 1.2%</b> from May 2013. Freight traffic in May <b>fell 0.3%</b> from June 2012. Carloads excluding coal and grain <b>increased 3.8%</b> 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>
<b>U.S. Intermodal Rail Traffic</b>	Intermodal rail traffic in June 2013 was <b>1.3% higher</b> than in June 2012 and <b>1.4% higher</b> than May 2013 totals. Intermodal loadings have experienced year-over-year gains for <b>43 straight months</b> . <i>(Source: AAR.org) (Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)</i>
<b>Railroad Fuel Price Index</b>	The index of average railroad fuel prices in May was 596.8, <b>down 0.9%</b> from the previous month and <b>2.9% lower</b> 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>
<b>Freight Cars in Storage</b>	The number of freight cars in storage has <b>increased to 303,547</b> (19.8% of the fleet) on July 1, up 3,974 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. <u>Decrease here = more demand</u>)</i>
<b>Class 1 Railroad Employment</b>	Railroad employment in May 2013 <b>increased by 474 employees</b> to 164,249 employees. Total Class 1 rail employment in May was <b>1.1% higher</b> than it was in May 2012. (Source: U.S. STB)
<b>Short Line Rail Traffic</b>	In June 2013, short line railroad shipments across North America <b>rose 8.4%</b> compared to the same month last year. A sampling of about 427 small railroads in the U.S. and Canada <b>loaded 586,069 railcars</b> and intermodal units during the month of June. (Source: RMI RailConnect Index   rmiondemand.com)
<b>Railroad News Clips:</b>	<ul style="list-style-type: none"> <li>Over the next 12 years, intermodal rail will continue to be the <b>fastest growing freight mode</b>. Intermodal volumes will grow an average of <b>5.1%</b> a year until 2018 when growth will slow moderately to <b>4.8%</b> annually through 2024. Rail carloads will experience <b>1.5%</b> annual growth through 2018 and a <b>0.4%</b> annual increase in volume through 2024. (Source: U.S. Freight Forecast to 2024, American Trucking Association)</li> <li>The amount of crude oil and refined petroleum transported by rail totaled nearly <b>356,000 carloads</b> during the first half of 2013, a <b>48% increase</b> compared with the same period last year. U.S. carloads of petroleum and petroleum products in June were <b>up 31.7%</b> from the level in June 2012, the smallest year-over-year monthly increase for this commodity group in 16 months. (Source: AAR.org)</li> </ul>

## TRUCKING:

### Trucking Volume

The ATA's seasonally adjusted cargo index **rose 2.3%** in May after falling 0.2% in April. The for-hire truck tonnage index **rose 6.7%** year-over-year, the largest year-over-year gain since December 2011. (Source: American Trucking Association | Trucking.org)

### Truckload Freight

The spot market for truckload freight in June **rose 2.4%** compared to the previous month, and was **4.7% lower** year-over-year. Truck capacity **fell 18%** for the month, and was **up 13%** year-over-year. (Source: DAT Trendlines | www.dat.com)

### Diesel Prices

U.S. average diesel prices rose to **\$3.83 per gallon**, up **1¢** since last week. The U.S. average diesel price was **14.5¢ higher** than the same week last year. The average price of diesel in the lower Atlantic states was \$3.76 per gallon. (Source: U.S. DOE) *(Reflects the costs and profits of the entire production and distribution chain.)*

### Trucking Employment

The trucking industry **lost 3,500 jobs** in June after posting a loss of 700 in May. The trucking workforce **decreased 0.05%** over the previous month and **increased 3%** 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 **18,606 units** in June 2013. June orders were **18% lower** than the previous month, and **14% 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 7.4%** in April compared to the same month last year, totaling **\$99 billion**. (Source: US DOT)

### Trucking News Clips:

- Over the next 12 years, the trucking industry's share of total freight tonnage is expected to rise from 68.5% in 2012 to **70.8%** by 2024. Overall freight revenue will grow by 63.6% to **\$1.3 trillion** annually by 2024. During the same period, Truckload volumes will **grow 2.15% annually** and Less-than-truckload volume should grow **2.95% annually**. (Source: U.S. Freight Forecast to 2024, American Trucking Association)
- In the first quarter of 2013, the turnover rate at large truckload carriers rose to an annualized rate of **97%** from 90% in the previous quarter. At smaller truckload fleets, the rate rose to **82%** from 76% in the previous quarter. In the LTL sector, turnover increased to **15%** in the first quarter from 10% in the previous quarter. The increase pushes LTL turnover to its **highest level** since the fourth quarter of 2005. (Source: American Trucking Association | Trucking.org)
- Trucking companies may have to hire as many as **60,000 additional drivers** in the second half of 2013 to compensate for constraints on productivity from new hours-of-service rules that took effect July 1. FTR estimates that the industry is short about **100,000 drivers** already. (Source: Journal of Commerce)

## AIR FREIGHT:

### Air Cargo Traffic

Global air freight traffic in May **increased 0.8%** from one year ago, and **rose 0.1%** from the previous month. North American air freight in May **fell 1.2%** 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 March, Hartsfield-Jackson Atlanta International Airport transported **56,265 metric tons** of cargo, a **17% increase** from the previous month and a **0.8% decrease** year-over-year. (Source: HJIA)

### Air Freight Price Index

In May, the index of East-West air cargo rates **fell 1.9 points** from April. The average price of air cargo leaving the United States in May stood at **\$3.15 per kilogram**. (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 July 5, 2013, the global average jet fuel price was \$121.70 per barrel; **up 4.2%** from the previous month, and **2.3% higher** 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 International Air Transport Association recently upgraded its global outlook for the airline industry to a **\$12.7 billion profit** in 2013 on \$711 billion in revenues. This estimate is **\$2.1 billion higher** than the \$10.6 billion profit projected in March of this year and is **83% higher** than the \$7.6 billion profit generated in 2012. (Source: IATA.org)

## OCEAN FREIGHT:

### Import Volumes

Import shipment volume, in TEUs, at U.S. ports **increased 3%** in May from the previous month and **fell 2.2%** year-over-year. U.S. vessel imports in May increased for the second consecutive month and are the highest since last August. The number of bills of lading, or total shipments, filed with U.S. Customs totaled **786 thousand** in May, **up 2.5%** from April. (Source: Zepol Corporation | zepol.com)

### Shanghai Containerized Freight Index

The July 5<sup>th</sup> SCFI comprehensive reading was **\$1,118 per FEU**; **down 21.4%** year-over-year. The spot rate for shipments to the U.S. East Coast was **\$3,373 per FEU**, **down 9.5%** 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 **rose 45.7%** in June, ending at **1,179**. The BDI has **decreased 2.5%** during the first half of July. (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, 2013, the bunker fuel surcharge will total **\$527 per FEU** for shipments to the West coast ocean ports and **\$980 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 achieved a **1.9% increase** in container traffic for May, moving **261,520 TEUs**. (Source: GPA)

### Port of Brunswick

Georgia Ports moved **59,808 auto/machinery units** in May, an **11% increase** for roll-on, roll-off cargo. Breakbulk cargo **rose 1.1%** to nearly 240,000 tons. Bulk cargo **increased by 20.2%** over May 2012 to reach 191,988 tons. (Source: GPA)

### Ocean Freight Business News:

- Import volume through major U.S. container ports is expected to **increase 1.1%** in July. In May, the latest month for which numbers are available, U.S. container ports handled 1.38 million TEUs, a **0.6% increase** over the same month last year. Total U.S. containerized imports are expected to **increase 1.2%** during the first half of 2013. (Source: NRF/Hackett Associates)
- A new inland port agreement was created between the **Georgia Ports Authority** and **Cordele Intermodal Services**. The agreement ensures a direct **200-mile rail route** to and from GPA's Garden City terminal in Savannah. The new partnership will reduce highway traffic, cut shipping costs, and provide new service offerings to benefit shippers, truckers and ocean carriers.
- U.S. containerized exports totaled more than **1.07 million TEUs** in March, the highest monthly volume since March 2012. March containerized exports were **6% higher** than the previous month. (Source: PIERS)

## WAREHOUSING & DISTRIBUTION:

### Industrial Vacancy

The U.S. average industrial vacancy rate was **8.68%** during Q1 2013, down from 8.89% in the previous quarter. Overall vacancy was **12.66%** in Atlanta and **11.66%** in Savannah during the first quarter. (Source: Colliers International)

### Warehouse Rent Rates

In Q1 2013, warehouse and distribution rental rates in the US averaged **\$4.77 per square foot**. Rental rates for warehouse space averaged **\$3.22/square foot** in Atlanta and **\$3.95/square foot** in Savannah. (Source: Colliers International)

### Industrial Absorption

Net absorption in the US during Q1 2013 totaled more than **+47.4 million square feet**. Atlanta's overall absorption during the 1Q was the third-highest in the U.S. with **+3.04 million square feet**. Absorption totaled more than **+256,000 square feet** in Savannah. (Source: Colliers International)  
*(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 1.9 points** to 50.9 in June 2013. New orders **rose 3.1 points** to 51.9 and production **increased 4.8 points** to 53.4. (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 **fell 1.7 point** to 52.1 in June. New orders in Georgia **rose 2.1 points** to 60.4 and production **rose 2.1 points** to 56.3. Georgia's PMI is **1.2 points 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:

- Inalfa Roof systems will open a manufacturing plant in Cherokee County, Georgia. The plant represents a **\$17.1 million investment** and will create **300 jobs** for Georgians. The company is a leading supplier of sunroofs and open roofing systems. The plant is projected to begin operating in January 2014.

## U.S. MARKET:

### Gross Domestic Product

The U.S. GDP **increased 1.8%** in the first quarter of 2013 according to the third estimate released by the Bureau of Economic Analysis. (Source: US BEA)

### U.S. Trade Deficit

The U.S. trade deficit **increased by 12.1%** in May to \$45 billion. **Exports fell 0.3%** to \$187.1 billion and **imports rose 1.9%** to \$232.1 billion. (Source: US DOC & Census Bureau)

### Consumer Confidence

The Consumer Confidence Index **increased to 81.4** in June 2013, its **highest level since January 2008**. (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 **remained at 7.6%** in June 2013 as there were **195,000 net new jobs**. (Source: US DOL)

### Leading Economic Index

The Leading Economic Index for the U.S. **increased 0.1%** in May to 95.2 (2004=100), following a 0.8% increase in April and a 0.3% decrease in March. (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 June to **\$422.8 billion, up 0.4%** from the previous month, and **up 5.7%** above June 2012. Non-store retailer sales were **up 13.8%** from last year. (Source: US Census)

### Manufacturing & Trade Sales

Total combined sales and manufacturing shipments totaled **\$1.28 Trillion** in May 2013, **up 1.1%** from April and **up 3.1%** from this time last year. (Source: US Census)

### Manufacturing & Trade Inventory

Total value of inventory on hand is estimated at **\$1.66 Trillion** in May 2013, **up 0.1%** from April and **up 3.8%** from April 2012. (Source: US Census)

### Housing Starts

In May, housing starts **rose 6.8%** to an annual rate of 914,000 units. Building permits (an indicator of future housing starts) **fell 3.1%** to an annual rate of 1,005,000. Year-over-year, housing starts and building permits in May have **increased 28.6%** and **20.8%**, respectively. (Source: U.S. DOC)

### Consumer & Producer Price Index

The consumer price index for all urban consumers **increased 0.1** in May from the previous month. Over the last 12 months, the all items index **increased 1.4%**. The producer price index for finished goods **increased 0.8%** in June from the previous month. Prices for finished goods **rose 2.5%** over the previous year. (Source: US Bureau of Labor Statistics)

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