

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index rose 7.5% during the month of December. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of December 10th thru January 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index increased 9.3% in December. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of December 10th thru January 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services rose 1.7% in November 2012. The index's reading of 108.9 matched the reading from November 2011. (Source: US DOT)
Cass Freight Index	The December shipments index fell 2% over the previous month and rose 1.4% year-over-year. The December expenditures index increased 0.9% for the month, and increased 4.0 % year over year. <i>(Source: Cass Information Systems Cassinfo.com) (Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)</i>
Import Volumes	In November, the U.S. imported about \$231.3 billion of cargo. November U.S. imports have increased 3.8% in terms of value from October, and rose 2.5% year-over-year. (Source: US Census)
Export Volumes	In November, the U.S. exported more than \$182.6 billion of cargo. November U.S. exports have increased 1.0% in terms of value over the previous month and grew 3.3% year-over-year. (Source: US Census)
Import & Export Price Index	U.S. import prices fell 0.1% in December. Import prices fell 1.5% over the past year. The price index for U.S. exports also fell 0.1% in December. Export prices increased 1.1% year-over-year. <i>(Source: Bureau of Labor Statistics)</i>
Multimodal News Clips:	<ul style="list-style-type: none"> UPS announced that it will withdraw its \$6.9 billion offer to acquire Dutch shipping company TNT Express after competition authorities at the European Commission said it would block the arrangement. European officials feared the takeover would hamper competition despite UPS's offer to sell a number of its own business units. UPS will pay TNT a termination fee of 200 million euros once the EC formalizes its prohibition of the deal. Worldwide sales of semiconductors reached \$25.73 billion in November 2012, the largest monthly total of 2012. Semiconductor sales in November were 2% higher than the previous month and also 2% higher year-over-year, marking the first year-over-year gain of 2012. Sales increased 5.1% in the Americas during the month of November. (Source: Semiconductor Industry Association)

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in December 2012 rose 2.3% from November 2012. Freight traffic in December fell 4.2% from December 2011. Carloads excluding coal and grain increased 6.0% 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>
U.S. Intermodal Rail Traffic	Intermodal rail traffic in December 2012 was 1.7% higher than in December 2011 and 1.0% higher than November 2012 totals. Intermodal loadings have experienced year-over-year gains for 37 straight months . <i>(Source: AAR.org) (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 October was 621.3, down 6.2% from the previous month and 1.4% higher 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 increased to 317,223 (20.7% of the fleet) on January 1, up 8,443 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 November 2012 increased by 323 employees to 162,766 employees. Total Class 1 rail employment in November 2012 was 0.2% higher than it was in November 2011. (Source: U.S. STB)
Short Line Rail Traffic	In December 2012, short line railroad shipments across North America rose 1.6% compared to the same month last year. A sampling of about 423 small railroads in the U.S. and Canada loaded 510,352 railcars and intermodal units during the month of December. (Source: RMI RailConnect Index rmiindemand.com)
Railroad News Clips:	<ul style="list-style-type: none"> In 2012, rail intermodal loadings increased 3.2%. This increase was just 0.1% off the record for intermodal loadings set in 2006. During the past year, container volume on U.S. railroads represented 87% of total intermodal volume, up from 69% in 2000. Every Class 1 U.S. railroad recorded increases in intermodal for the year. On the East Coast, CSX reported a 7.4% increase while Norfolk Southern reported a 4.4% increase. (Source: AAR.org)

TRUCKING:

Trucking Volume	The ATA's seasonally adjusted cargo index rose 3.7% in November after falling 3.7% in October. The for-hire truck tonnage index rose 1% year-over-year. (Source: American Trucking Association Trucking.org)
Truckload Freight	The spot market for truckload freight in December fell 18% compared to the previous month, and was 1.8% higher year-over-year. Truck capacity fell 10% for the month, and was up 9% year-over-year. (Source: TransCore Freight Index www.transcorefreightsolutions.com)
Diesel Prices	U.S. average diesel prices fell to \$3.89 per gallon , down 1.7¢ since last week. The U.S. average diesel price was 4¢ higher than the same week last year. The average price of diesel in the lower Atlantic states was \$3.90 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 added 4,200 jobs in December. The trucking workforce increased 0.3% over the previous month and rose 3.37% 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 20,836 units in December 2012. December orders were 6% higher than the previous month, and 30% lower 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, was up 7.9% in October compared to the same month in 2011, totaling \$85.3 billion . (Source: US DOT)
Trucking News:	<ul style="list-style-type: none"> More than 930,000 natural gas trucks and buses are expected to be sold worldwide from 2012 to 2019. Natural gas vehicles are garnering more interest in the market due to lower natural gas fuel costs. The higher initial cost of a natural gas vehicle is typically recovered within two to seven years because of the lower fuel costs. (Source: Pike Research) Private equity firm Georgia Oak Partners has announced an investment in TeamOne Logistics, an Alpharetta, Georgia based provider of workforce solutions to companies with transportation or warehousing related functions. Founded in 2003, TeamOne has approximately \$50 million in revenue, and has more than 750 employees across 26 states.

AIR FREIGHT:

Air Cargo Traffic	Global air freight traffic in November increased 1.6% from one year ago and rose 2.4% from the previous month. North American air freight in November rose 2% year-over-year. (Source: IATA.org) <i>(Global air freight covers international and domestic scheduled air traffic. North American traffic includes only domestic freight traffic.)</i>
Atlanta Air Cargo Traffic	In October, Hartsfield-Jackson Atlanta International Airport transported 55,884 metric tons of cargo, a 3.6% increase from the previous month and a 2.2% decrease year-over-year. (Source: HJIA)
Air Freight Price Index	In October, the average international air cargo rate was \$3.99 per kilogram , rising 11.9% from the previous month. Average air freight rates were down 13.4% year-over-year. (Source: Bureau of Labor Statistics) <i>(The Drewry Air Freight Price Index is based on the average of rates (\$US per kg) for cargoes of 100+kg to 1,000+kg cargoes from Shanghai to London, Moscow, Prague, New York, and Los Angeles.)</i>
Jet Fuel Prices	As of January 4, 2012, the global average jet fuel price was \$128 per barrel; up 1.3% from the previous month, and 1% lower 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:	<ul style="list-style-type: none"> Global air cargo's 1.6% growth in traffic during the month of November was driven by a surge in U.S. online shopping. Volume grew as the increased shopping by U.S. consumers boosted shipments from the Asia-Pacific region. Asia-Pacific airlines were responsible for almost half the increase in global cargo volume compared to October. (Source: IATA.org) UPS announced a new express air freight service, UPS Worldwide Express Freight, for time-sensitive international heavyweight shipments. The service will allow customers to ship pallets of more than 150 pounds from 37 origins to 41 destinations worldwide.

OCEAN FREIGHT:

Import Volumes	Import shipment volume, in TEUs, at U.S. ports increased 1.2% in 2012 year-over-year. Over 17.6 million TEUs were imported last year. Maersk Line was the top carrier for 2012 and increased its TEU imports by 7.9% in 2012. (Source: Zepol Corporation zepol.com)
Shanghai Containerized Freight Index	The January 11 th SCFI comprehensive reading was \$1,232 per FEU; up 7.3% from the previous week, and 26.4% higher year-over-year. The spot rate for shipments to the U.S. East Coast was \$3,525 per FEU, up 19.9% over the previous year. (Source: Shanghai Shipping Exchange www.1.chineseshipping.com.cn/en) <i>(The Shanghai Containerized Freight Index is a weekly reported average export spot rate from Shanghai for 15 different trade lanes.)</i>
Ocean Bulk Freight Rates	The Baltic Dry Index fell 35.2% in December, ending at 698 . The BDI has risen 9.2% during the first half of January. (Source: www.bloomberg.com/quote/BDIY:IND) <i>(The Baltic Dry Index is an index that tracks and averages worldwide international shipping prices of various dry bulk cargoes.)</i>
TSA Bunker Surcharges	Between January 1 and March 31, 2013, the bunker fuel surcharge will total \$553 per FEU for shipments to the West coast ocean ports and \$1,050 per FEU for shipments to the East coast and Gulf ports. (Source: Transpacific Stabilization Agreement) <i>(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.)</i>
Port of Savannah	Container shipments through the port of Savannah were down 1.1% from the previous month and down 2.5% year-over-year. November's decline may be attributed to uncertainties surrounding ongoing negotiations between the ILA and USMX.
Port of Brunswick	The Port of Brunswick achieved 48.4% growth in total tonnage for the month of August and 30.2% growth on the fiscal YTD. Colonel's Island terminal in Brunswick moved 109,694 auto and machinery units in July and August, an increase of 37% over the same period in FY2012. (Source: GPA)
Ocean Freight Business News:	<ul style="list-style-type: none"> Import volume through major U.S. container ports is expected to increase 2.3% in January despite the threat of a possible strike on the East Coast and Gulf Coast. Total U.S. containerized imports in 2012 are expected to total 15.8 million TEUs, up 2.9% over 2011. (Source: NRF/Hackett Associates) The world's container ship capacity reached 16.335 million TEUs on January 1, 2013, an increase of 6% from a year earlier. Shipyards delivered 207 ships with 1.26 million TEUs of capacity in 2012, and 200 vessels totaling 351,000 TEUs were scrapped or lost. The global order book stood for new ships now stands at 3.43 million TEUs, equivalent to 21% of the current fleet. (Source: Alphaliner) Giumarra International Berry has begun moving blueberries from Chile through the Port of Savannah to better serve Atlanta and other Southeastern markets. Giumarra, which has a packing plant in Alma, Georgia, is expecting a 15% larger crop this year.

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy	The U.S. average industrial vacancy rate was 9.21% during Q3 2012, down from 9.37% in the previous quarter. Overall vacancy was 12.7% in Atlanta and 12.16% in Savannah during the third quarter. (Source: Colliers International)
Warehouse Rent Rates	In Q3 2012, warehouse and distribution rental rates in the US averaged \$4.79 per square foot . Rental rates for warehouse space averaged \$3.19/square foot in Atlanta and \$3.95/square foot in Savannah. (Source: Colliers International)
Industrial Absorption	Net absorption in the US during Q3 2012 totaled more than +29 million square feet . Atlanta's overall absorption during the 3Q was the second-highest in the U.S. with +2.5 million square feet . Absorption totaled more than +833,000 square feet in Savannah. (Source: Colliers International) <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>
Purchasing Managers Index	The National PMI rose 1.2 points to 50.7 in December 2012. New orders remained the same at 50.3 and production fell 1.1 points to 52.6. (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 fell 1.2 points to 45.2 in November. New orders in Georgia decreased 7.5 points to 38 and production decreased 7.5 points to 36. Georgia's PMI is 5.5 points lower than the national PMI and has fallen below 50 for the second time in eleven months . (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:

- At the end of 2012, about **32 million square feet** (MSF) of warehouse construction was in progress. Georgia **leads all states** in this category with **3.4 MSF** of new construction underway; nearly twice as much as the 1.8 MSF being constructed in Tennessee, the state with the second-highest amount of construction. Georgia's industrial construction activity has experienced a sudden spike in 2012 with Lowe's leading all construction projects in Georgia with its new **1.4 MSF distribution facility**. (Source: Colliers International)
- **Mando Corp.**, a Korean auto parts supplier, plans to invest more than **\$80 million** in a new casting facility in Meriwether County, Georgia. The **317,000 square-foot** state-of-the-art facility will support the company's manufacture and assembly of a new line on energy-efficient automotive parts. The project is expected to create up to **660 jobs** by 2020.

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased 3.1% in the third quarter of 2012 according to the final estimate released by the Bureau of Economic Analysis. (Source: US BEA)
U.S. Trade Deficit	The U.S. trade deficit increased by 15.8% in November to \$48.7 billion. Exports rose 1.0% to \$182.6 billion and imports rose 3.8% to \$231.3 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	The Consumer Confidence Index decreased to 65.1 in December 2012 from 71.5 in November 2012. (Source: The Conference Board) <i>(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.)</i>
Unemployment Rate	The unemployment rate in America remained unchanged at 7.8% in December 2012 as there were 155,000 net new jobs , down from the revised 161,000 new jobs created in November. (Source: US DOL)
Leading Economic Index	The Leading Economic Index for the U.S. decreased 0.2% in November to 95.8 (2004=100), following a 0.3% increase in October and a 0.4% increase in September. (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 December to \$415.7 billion, up 0.5% from the previous month, and up 4.7% above December 2011. Non-store retailer sales were up 12.6% from last year. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled \$1.27 Trillion in November 2012, up 1% from October and up 4.3% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.62 Trillion in November 2012, up 0.3% from October and up 5.5% from November 2011. (Source: US Census)
Housing Starts	In November, housing starts fell 3.0% to an annual rate of 861,000 units. Building permits (an indicator of future housing starts) rose 3.6% to an annual rate of 899,000. (Source: U.S. DOC)
Consumer & Producer Price Index	The consumer price index for all urban consumers was unchanged in December from the previous month. Over the last 12 months, the all items index increased 1.7% . The producer price index for finished goods decreased 0.2% in December from the previous month. Prices for finished goods rose 1.3% over the previous year. (Source: US Bureau of Labor Statistics)

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