

## MULTIMODAL:

<b>Dow Jones Transportation Index</b>	Dow Jones Transportation index <b>rose 14.9%</b> during the month of October. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of October 10<sup>th</sup> thru November 10<sup>th</sup>)</i>
<b>NASDAQ Transportation Index</b>	NASDAQ Transportation Index <b>increased 22.8%</b> in October. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of October 10<sup>th</sup> thru November 10<sup>th</sup>)</i>
<b>DOT Freight Transportation Index</b>	The USDOT's freight transportation services index <b>rose 0.3%</b> in September 2014. The index's reading of 121.5 was <b>up 4.2%</b> from September 2013. (Source: US DOT)
<b>Cass Freight Index</b>	The October shipments index <b>fell 0.9%</b> from the previous month and <b>rose 3.3%</b> year-over-year. The October expenditures index rose <b>0.1%</b> for the month, and <b>increased 6.4%</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 September, the U.S. <b>imported</b> about <b>\$238.6 billion</b> of cargo. August U.S. imports remained the same in terms of value from August, and <b>rose 2.6%</b> year-over-year. (Source: US Census)
<b>Export Volumes</b>	In September, the U.S. <b>exported</b> nearly <b>\$195.6 billion</b> of cargo. September U.S. exports have <b>decreased 1.5%</b> in terms of value over the previous month and <b>rose 2.8%</b> year-over-year. (Source: US Census)
<b>Import &amp; Export Price Index</b>	U.S. import prices <b>fell 1.3%</b> in October. Import prices <b>fell 1.8%</b> over the past year. The price index for U.S. exports <b>fell 1.0%</b> in October. Export prices <b>decreased 0.8%</b> year-over-year. <i>(Source: Bureau of Labor Statistics)</i>
<b>E-Commerce</b>	E-Commerce revenue in October 2014 is <b>up 12%</b> year-over-year, with e-commerce orders also <b>up 12%</b> over the same period. Mobile orders (phone & tablet) accounted for <b>20%</b> of all e-commerce orders in October, up from 15% during the same month last year. (Source: Custora E-Commerce Pulse)
<b>Multimodal News Clips:</b>	<ul style="list-style-type: none"> <li>For the second consecutive year, <b>Georgia</b> has been ranked the No. 1 state in the nation for business by <i>Site Selection Magazine</i>. In earning the top spot, the publication cited the <b>state's many logistical advantages</b> and cutting edge <b>work-force training programs</b>. The overall ranking is based on a survey of corporate site selectors and a set of criteria that includes the number of qualified new projects.</li> <li>The average holiday shopper will spend <b>\$804.42</b> this year, <b>up nearly 5%</b> over last year. Approximately <b>56% of shoppers</b> plan to shop online, up from <b>51.5%</b> in 2013, and the most in the survey's 13-year history. On average, shoppers will do 44% of their holiday shopping online. (Source: National Retail Federation)</li> </ul>

## RAIL:

<b>U.S. Freight Rail Traffic</b>	Railroad bulk carload freight in October 2014 <b>rose 0.9%</b> from September 2014. Freight traffic in October <b>rose 4.4%</b> from October 2013. Carloads excluding coal <b>increased 4.7%</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>	October 2014 was the <b>best month in history</b> for U.S. rail intermodal, originating 1,381,749 containers and trailers. Intermodal traffic in October was <b>4.9% higher</b> , year-over-year, and <b>rose 1.2%</b> from the previous month. Intermodal loadings have experienced year-over-year gains for <b>59 straight months</b> . (Source: AAR.org) <i>(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 September was 568.0, <b>down 2.8%</b> from the previous month and <b>9.2% 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>U.S. Intermodal Rates</b>	For the week ending November 3, average intermodal rates totaled <b>\$2,259</b> per 53-foot container, <b>13% higher</b> year-over-year. (Source: IDS Transportation) <i>(The Intermodal Rate Index is a weekly reported average spot rate for 36 major U.S. intermodal lanes.)</i>
<b>Class 1 Railroad Employment</b>	Railroad employment in September 2014 <b>increased by 715 employees</b> to 168,703 employees. Total Class 1 rail employment in September <b>increased 3.4%</b> , year-over-year. (Source: U.S. STB)
<b>Short Line Rail Traffic</b>	In October 2014, short line railroad shipments across North America <b>rose 3.7%</b> compared to the same month last year. A sampling of about 430 small railroads in the U.S. and Canada <b>loaded 747,993 railcars</b> and intermodal units during the month of October. (Source: RMI RailConnect Index   rmiondemand.com)
<b>Railroad News Clips:</b>	<ul style="list-style-type: none"> <li>Total intermodal volumes <b>grew 5.1%</b> in the 3Q versus the same period in 2013. Domestic and international volumes were <b>up 5.5%</b> and <b>4.7%</b>, respectively. Domestic container growth led the way with a <b>7% increase</b> to 1.56 million units. (Source: Intermodal Association of North America)</li> <li>CSX has announced <b>record results</b> for Q3 2014 in revenue, operating income, net earnings and earnings per share. Revenue during Q3 <b>increased 8%</b> year-over-year to <b>\$3.2 billion</b>. The company produced operating income of <b>\$976 million</b>, a <b>16% increase</b> year-over-year.</li> </ul>

## TRUCKING:

<b>Trucking Volume</b>	The ATA's seasonally adjusted cargo index remained unchanged in September, following a <b>gain of 1.6%</b> , and a <b>record high</b> , in August. The for-hire truck tonnage index <b>rose 3.7%</b> from September 2013. (Source: American Trucking Association   <a href="http://Trucking.org">Trucking.org</a> )
<b>Truckload Freight</b>	The spot market for truckload freight in October <b>fell 3.9%</b> compared to the previous month, and was <b>33% higher</b> year-over-year. Truck capacity <b>rose 15%</b> for the month, and <b>increased 8%</b> year-over-year. (Source: DAT Trendlines   <a href="http://www.dat.com">www.dat.com</a> )
<b>Diesel Prices</b>	U.S. average diesel prices rose to <b>\$3.68 per gallon</b> last week. The U.S. average diesel price was <b>15.5¢ lower</b> than the same week last year. The average price of diesel in the lower Atlantic states was <b>\$3.50 per gallon</b> . (Source: U.S. DOE) <i>(Reflects the costs and profits of the entire production and distribution chain.)</i>
<b>Trucking Employment</b>	The trucking industry workforce <b>increased by 3,900 employees</b> in October. The trucking workforce <b>increased 2.6%</b> over the previous year. (Source: U.S. Bureau of Labor Statistics)
<b>Truck Orders</b>	Orders for heavy-duty Class 8 trucks in North America are expected to total <b>45,795 units</b> in October 2014, the <b>second-highest order month ever recorded</b> . October orders were <b>87% higher</b> than the previous month and <b>76% higher</b> year-over-year. Class 8 truck orders have now had <b>22 consecutive months</b> of year-over-year increases. (Source: FTR Associates   <a href="http://ftrassociates.com">ftrassociates.com</a> )
<b>NAFTA Trade</b>	Surface transport-related trade between the U.S. and its NAFTA partners, Canada and Mexico, <b>increased 3.6%</b> in August 2014 year-over-year, totaling more than <b>\$80.1 billion</b> . (Source: US DOT)
<b>Trucking News Clips:</b>	<ul style="list-style-type: none"> <li>The 21 public motor carriers tracked by JOC.com increased their combined revenue <b>10.7%</b> year-over-year in the 3Q to a combined <b>\$10.74 billion</b>. Truckload companies increased their revenue by an average <b>11.9%</b> year-over-year to <b>\$4.4 billion</b>. LTL company revenues <b>rose 9.9%</b> year-over-year to <b>\$6.3 billion</b>.</li> </ul>

## AIR FREIGHT:

<b>Air Cargo Traffic</b>	Global air freight traffic in September <b>increased 5.2%</b> from one year ago, and <b>rose 0.6%</b> from the previous month. North American air freight in September <b>rose 5.4%</b> year-over-year. (Source: IATA.org) <i>(Global air freight covers international and domestic scheduled air traffic.)</i>
<b>Atlanta Air Cargo Traffic</b>	In September, Hartsfield-Jackson Atlanta International Airport transported <b>49,977 metric tons</b> of cargo, a <b>4.2% decrease</b> from the previous month and a <b>1.8% decrease</b> year-over-year. (Source: HJIA)
<b>Air Freight Price Index</b>	In September, the index of East-West air cargo rates <b>rose 0.7%</b> over the previous month, and was <b>3.8% higher</b> year-over-year. The average price of air cargo leaving the United States in September stood at <b>\$3.36 per kilogram</b> . (Source: Drewry) <i>(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.)</i>
<b>Jet Fuel Prices</b>	As of November 7, 2014, the global average jet fuel price was \$102.7 per barrel; <b>down 3.5%</b> from the previous month, and <b>13.9% lower</b> year-over-year. (Source: IATA.org, <a href="http://platts.com">platts.com</a> ) <i>(The weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)</i>
<b>Air Freight News Clips:</b>	<ul style="list-style-type: none"> <li>Air cargo traffic is projected to grow at an annual rate of <b>4.1%</b> through 2018. The Middle East will be the fastest-growing region over the next four years, with an average growth rate of <b>4.7%</b>. By 2018, the U.S. is expected to remain the largest air freight market with <b>10.1 million tons</b>, followed by China with <b>5.6 million tons</b>. (Source: IATA.org)</li> </ul>

## OCEAN FREIGHT:

<b>Import Volumes</b>	Import volume through major U.S. container ports is expected to total <b>1.4 million containers</b> in November. In September, the latest month for which numbers are available, U.S. container ports handled 1.59 million TEUs, a <b>5.2% increase</b> from the previous month and a <b>10.9% increase</b> from the same month last year. Total U.S. containerized imports are expected to <b>increase 6.4%</b> in 2014. (Source: NRF/Hackett Associates)
<b>Shanghai Containerized Freight Index</b>	The November 7 <sup>th</sup> SCFI comprehensive reading was <b>\$1,062 per FEU</b> ; <b>down 2.6%</b> year-over-year. The spot rate for shipments to the U.S. East Coast was <b>\$3,941 per FEU</b> , <b>up 28.0%</b> from the previous year. (Source: Shanghai Shipping Exchange   <a href="http://www1.chineseshipping.com.cn/en">www1.chineseshipping.com.cn/en</a> ) <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 **rose 34.3%** in October, ending at 1,428. The BDI has **fallen 0.7%** during the first half of November. (Source: [www.bloomberg.com/quote/BDIY:IND](http://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 October 1 and December 31, 2014, the bunker fuel surcharge will total **\$519 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 moved **391,759 TEUs** during October, a **13.6% increase** over the same month last year. For the fiscal year to date, the GPA has moved **1.2 million TEUs, an increase of 13.1%**, or **138,554 TEUs**, over the same period last year. (Source: GPA)

## Port of Brunswick

The Port of Brunswick moved more than **3.4 million tons** of cargo during FY2014, an **11.6% improvement** over FY2013. For the third year in a row, the GPA achieved a **record total** for auto and machinery units with a **10% increase** in FY2014. (Source: GPA)

## Ocean Freight Business News:

- At least a half dozen carriers are planning to implement a **port surcharge** today amounting to **\$1,000 per FEU** on customers because of worker slowdowns and the accompanying congestions at West Coast ports. Hanjin, CMA CGM, Hyundai Merchant Marine, Yang Ming, Evergreen, and NYK all sent notices about the surcharge to shippers. More carriers are likely to follow suit in the upcoming weeks.
- Ocean fuel surcharges are falling in response to the drop in fuel prices. In the trans-Atlantic eastbound market, the average bunker fuel surcharge per FEU has **dropped nearly 4%** from August. High-sulfer bunker fuel has dropped from \$602 per metric ton in June to \$470 in October, a **22% decrease**. The drop in fuel prices is expected to help carriers boost 3Q earnings.

## WAREHOUSING & DISTRIBUTION:

### Industrial Vacancy

The U.S. average industrial vacancy rate was **8.0%** during Q3 2014, down from 8.2% in the previous quarter. Overall vacancy was **11.2%** in Atlanta and **9.3%** in the South during the third quarter. (Source: Cassidy Turley)

### Warehouse Rent Rates

In Q3 2014, warehouse and distribution rental rates in the US averaged **\$5.20 per square foot**, up from \$5.16 per square foot in the previous quarter. Rental rates for warehouse space averaged **\$3.68 per square foot** in Atlanta and **\$4.78 per square foot** in the South. (Source: Cassidy Turley)

### Industrial Absorption

Net absorption in the US during Q3 2014 totaled more than **+41.6 million square feet**. Overall absorption totaled **+1.7 million square feet** in Atlanta. Absorption in the South led all other regions, totaling more than **+15.4 million square feet**. (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 National PMI **rose 2.4 points** to 59.0 in October 2014. New orders **rose 5.8 points** to 65.8 and production **increased 0.2 of a point** to 64.8. (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 2.3 points** to 54.5 in October. New orders in Georgia **rose 2.3 points** to 70.5 and production remained flat at 61.4. Georgia's PMI is now **4.5 points** below 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:

- Walmart will locate to a new distribution facility in Union City, Georgia, creating more than **400 jobs** and investing **\$108 million** into the project over the next three years. The **1.2 million square-foot state-of-the-art warehouse facility** will support Walmart's e-commerce operations.
- Badcock will construct a new regional distribution center in LaGrange, Georgia, investing **\$22 million** and employing more than **100 new workers**. The **535,000 square-foot facility** will include enhanced energy efficiency technologies and is **designed for expansion** to 700,000 square feet.
- Kubota Manufacturing America, a leading manufacturer of small tractors, RTVs and lawn mowers, will expand its headquarters in Gainesville, Georgia, creating an additional **650 jobs** and investing **\$100 million** into the project over the next several years.
- Mannington Mills, the world's leading manufacturer of luxury vinyl tile, will expand in Morgan County, Georgia. The project will create **200 new jobs** as the company invests **\$50 million** over the next four years. The new **550,000 square-foot manufacturing and distribution facility** is the company's second announced expansion in the course of a year.
- AWEBA Group, one of the largest and most advanced die-making enterprises in Europe, will establish its **first North American headquarters** in Dublin, Georgia. The company will invest **\$6 million** and **create 52 new jobs** to produce tools and dies for the NAFTA region.

- Georgia-based lighting solutions provider Acuity Brands will expand its operations, **creating 700 jobs** and investing more than **\$16 million** into the Atlanta area over the next five years.

## U.S. MARKET:

<b>Gross Domestic Product</b>	The U.S. GDP <b>increased 3.5%</b> in the third quarter of 2014 according to the first estimate released by the Bureau of Economic Analysis. (Source: US BEA)
<b>U.S. Trade Deficit</b>	The U.S. trade deficit <b>increased by 7.6%</b> in September to \$43.0 billion. <b>Exports fell 1.5%</b> to \$195.6 billion and imports remained the same at \$238.6 billion. (Source: US DOC & Census Bureau)
<b>Consumer Confidence</b>	The Consumer Confidence Index <b>increased to 94.5</b> in October 2014, <b>up 5.5 points</b> from the previous month. (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>
<b>Unemployment Rate</b>	The unemployment rate in America <b>fell to 5.8%</b> in October 2014 as there were <b>214,000 net new jobs</b> . (Source: US DOL)
<b>Leading Economic Index</b>	The Leading Economic Index for the U.S. <b>increased 0.8%</b> in September to 104.4 (2004=100), following no change in August, and a 1.1% increase in July. (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>
<b>Retail Sales</b>	Retail and food service sales rose in October to <b>\$444.5 billion, up 0.3%</b> from the previous month, and <b>increased 4.1%</b> above October 2013. Non-store retailer sales were <b>up 9.1%</b> from last year. (Source: US Census)
<b>Manufacturing &amp; Trade Sales</b>	Total combined sales and manufacturing shipments totaled more than <b>\$1.35 Trillion</b> in September 2014, remaining the same from August and <b>up 4.1%</b> from the previous year. (Source: US Census)
<b>Manufacturing &amp; Trade Inventory</b>	Total value of inventory on hand is estimated at <b>\$1.76 Trillion</b> in September 2014, <b>up 0.3%</b> from August and <b>up 5.3%</b> from September 2013. (Source: US Census)
<b>Housing Starts</b>	In September, housing starts <b>rose 6.3%</b> to an annual rate of 1,017,000 units. Building permits (an indicator of future housing starts) <b>rose 1.5%</b> to an annual rate of 1,003,000. Year-over-year, housing starts and building permits in September <b>increased 17.8%</b> and <b>2.5%</b> , respectively. (Source: U.S. DOC)
<b>Consumer &amp; Producer Price Index</b>	The consumer price index for all urban consumers <b>increased 0.1%</b> in September from the previous month. Over the last 12 months, the all items index <b>increased 1.7%</b> . The producer price index for finished goods <b>fell 0.1%</b> in September from the previous month. Prices for finished goods <b>rose 1.6%</b> over the previous year. (Source: US Bureau of Labor Statistics)

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