

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index fell 2% during the month of March. <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of March 10th thru April 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index decreased 1.2% in March. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of March 10th thru April 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index rose 1.2% in February 2014. The index's reading of 115.2 was up 2.1% from February 2013. (Source: US DOT)
Cass Freight Index	The March shipments index rose 0.4% over the previous month and rose 6.6% year-over-year. The March expenditures index rose 5.3% for the month, and increased 5.4% 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>
Import Volumes	In February, the U.S. imported about \$232.7 billion of cargo. February U.S. imports rose 0.4% in terms of value from January, and rose 1.1% year-over-year. (Source: US Census)
Export Volumes	In February, the U.S. exported nearly \$190.4 billion of cargo. February U.S. exports have decreased 1.1% in terms of value over the previous month and rose 1.9% year-over-year. (Source: US Census)
Import & Export Price Index	U.S. import prices rose 0.6% in March. Import prices fell 0.6% over the past year. The price index for U.S. exports rose 0.8% in March. Export prices increased 0.2% year-over-year. (Source: Bureau of Labor Statistics)
Multimodal News Clips:	<ul style="list-style-type: none"> Atlanta is the least-costly location to do business among the 31 largest U.S. metro areas. The study by KPMG measured 26 key cost components in each market, including costs associated with taxes, labor, facilities, transportation, and utilities. Atlanta has the lowest transportation and factory lease costs, and the lowest effective corporate income tax rate of any large U.S. city. The city's low suburban and downtown office lease costs also contributed to its top ranking. <i>(Source: KPMG 2014 Competitive Alternatives, CompetitiveAlternatives.com)</i> U.S. imports in 2013 decreased from the total value in 2012 by 0.38%. Petroleum products accounted for 12.5% of total U.S. imports in 2013, totaling \$283 billion. Automotive vehicles were the second-largest import in the United States last year, increasing 4.1% year-over-year to \$152 billion.

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in March 2014 rose 2.5% from February 2014. Freight traffic in March rose 3.5% from March 2013, the largest year-over-year increase since December 2011. Carloads excluding coal increased 4.3% over the previous year. (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 in March 2014 was 9.9% higher than in March 2013, and rose 1.8% from February 2014. Intermodal loadings have experienced year-over-year gains for 52 straight months . (Source: AAR.org) <i>(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 February was 610.7, up 1.3% from the previous month and 5.6% 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>
Freight Cars in Storage	The number of freight cars in storage has decreased to 239,554 (15.5% of the fleet) on April 1, down 16,080 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>
Class 1 Railroad Employment	Railroad employment in February 2014 increased by 30 employees to 162,316 employees. Total Class 1 rail employment in February was 0.2% higher than it was in February 2013. (Source: U.S. STB)
Short Line Rail Traffic	In March 2014, short line railroad shipments across North America rose 1.5% compared to the same month last year. A sampling of about 428 small railroads in the U.S. and Canada loaded 572,910 railcars and intermodal units during the month of February. (Source: RMI RailConnect Index rmiindemand.com)
Railroad News Clips:	<ul style="list-style-type: none"> Coal carloads totaled 453,071 in March 2014, up 2.2% over the same month last year and the biggest year-over-year increase since December 2011. Grain shipments have also improved over the previous year. Grain carloads in March 2014 were up 21.2% over March 2013. (Source: AAR.org) Greenbrier has reported that the new railcar backlog at the end of the second fiscal quarter was 15,200 units with an estimated value of \$1.54 billion. The company made an estimated 3,700 railcar deliveries during the second quarter and received 5,800 new orders during the same period.

TRUCKING:

Trucking Volume	The ATA's seasonally adjusted cargo index rose 2.8% in February. The for-hire truck tonnage index rose 3.6% from February 2013. (Source: American Trucking Association Trucking.org)
Truckload Freight	The spot market for truckload freight in March rose 8.8% compared to the previous month, and was 63% higher year-over-year. Truck capacity rose 20% for the month, and was down 17% year-over-year. (Source: DAT Trendlines www.dat.com)
Diesel Prices	U.S. average diesel prices fell 1.6¢ to \$3.96 per gallon last week. The U.S. average diesel price was 1.8¢ lower than the same week last year. The average price of diesel in the lower Atlantic states was \$3.95 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 workforce added 3,300 employees in March. The trucking workforce increased 1.8% 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 27,139 units in March 2014. March orders were 6% lower than the previous month and 24% 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 2.6% in 2013 compared to the previous year, totaling more than \$1.1 trillion . (Source: US DOT)
Trucking News Clips:	<ul style="list-style-type: none"> On average, revenue increased 3.9% at the 25 largest U.S. less-than-truckload carriers in 2012, totaling \$29.5 billion. Total LTL Carrier revenue is estimated to be nearly \$33 billion for 2013. (Source: SJ Consulting Group, JOC.com)

AIR FREIGHT:

Air Cargo Traffic	Global air freight traffic in February increased 2.9% from one year ago, and fell 2.8% from the previous month. North American air freight in February fell 0.3% year-over-year. (Source: IATA.org) <i>(Global air freight covers international and domestic scheduled air traffic.)</i>
Atlanta Air Cargo Traffic	In January, Hartsfield-Jackson Atlanta International Airport transported 45,542 metric tons of cargo, a 9% decrease from the previous month and a 9% decrease year-over-year. (Source: HJIA)
Air Freight Price Index	In February, the index of East-West air cargo rates fell 5.7% from the previous month, and was 6% lower year-over-year. The average price of air cargo leaving the United States in February stood at \$3.12 per kilogram . (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>
Jet Fuel Prices	As of April 4, 2014, the global average jet fuel price was \$120.4 per barrel; down 2.4% from the previous month, and 2% 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 Clips:	<ul style="list-style-type: none"> American Airlines expects 2014 cargo revenues to top \$860 million, an increase of \$30 million over 2013. The carrier also said total system capacity will increase by 3% in 2014. Emirates SkyCargo started their service to Atlanta's Hartsfield-Jackson International Airport on April 6. Emirates will operate a B777 freighter flight weekly between Atlanta and Dubai. The new service is expected to have up to \$6 million in annual economic effect in metro Atlanta.

OCEAN FREIGHT:

Import Volumes	U.S. vessel imports in January 2014 totaled nearly 1.6 million TEUs , up 5.7% from the previous year. The number of shipments in January totaled 802,948 units , a 6.9% increase year-over-year. (Source: Zepol Corporation zepol.com)
Shanghai Containerized Freight Index	The April 4 th SCFI comprehensive reading was \$1,067 per FEU ; down 6.5% year-over-year. The spot rate for shipments to the U.S. East Coast was \$3,262 per FEU , down 5.6% from the previous year. (Source: Shanghai Shipping Exchange www1.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 rose 8.2% in March, ending at 1,362 . The BDI has fallen 26% during the first half of April. (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 April 1 and June 30, 2014, the bunker fuel surcharge will total **\$527 per FEU** for shipments to the West coast ocean ports and **\$985 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 Georgia Ports Authority achieved its highest month on record in March, moving 2.61 million tons of cargo, a 15.5% increase year-over-year. The Port of Savannah moved **260,539 TEUs** in March 2014, a **12% increase** over the same month last year. (Source: GPA)

Port of Brunswick

The Port of Brunswick experienced a **21% increase** in roll-on/roll-off units as more than **64,000** cars, trucks and tractors crossed GPA docks in March. (Source: GPA)

Ocean Freight Business News:

- Import volume through major U.S. container ports is expected to **increase 6.1%** in April from the same month last year. In February, the latest month for which numbers are available, U.S. container ports handled 1.26 million TEUs, a **8.4% decrease** from the previous month and a **1.4% decrease** from the same month last year. Total U.S. containerized imports are expected to **increase 4.1%** in 2014. (Source: NRF/Hackett Associates)
- **\$35 million** in additional funding for the **Savannah Harbor Expansion Project** was approved by the Georgia state legislature and now awaits the governor's signature. Along with previous funding, Georgia has now allocated **\$226 million**, fulfilling the state's portion of the project that will deepen the Savannah Harbor from 42 to **47 feet**.

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. average industrial vacancy rate was **8.08%** during Q4 2013, down from 8.33% in the previous quarter. Overall vacancy was **12.02%** in Atlanta and **9.03%** in Savannah during the fourth quarter. (Source: Colliers International)

Warehouse Rent Rates

In Q4 2013, warehouse and distribution rental rates in the US averaged **\$4.84 per square foot**, up from \$4.79/SF in the previous quarter. Rental rates for warehouse space averaged **\$3.23 per square foot** in Atlanta and **\$3.95** in Savannah. (Source: Colliers International)

Industrial Absorption

Net absorption in the US during Q4 2013 totaled more than **+52.5 million square feet**. Atlanta's overall absorption during the 4Q was **1.33 million square feet**. Savannah's overall absorption during the 4Q was **1.52 million square feet**. In 2013, net absorption in the U.S. totaled **+188 million square feet**. For the year, Atlanta registered the **fourth-highest absorption rate** in the country, with **+10.7 million square feet**. (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 0.5 points** to 53.7 in March 2014. New orders **rose 0.6 points** to 55.1 and production **increased 7.7 points** to 55.9. (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 **rose 5.8 points** to 62.5 in March. New orders in Georgia **rose 7.7 points** to 66.1 and production **rose 13.7 points** to 67.9. Georgia's PMI is now **8.8 points** above 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:

- Bainbridge Manufacturing, a privately held automotive manufacturer, will **invest \$10 million** into a new headquarters in Decatur County, Georgia. The project will **create 100 jobs** in the first year, with a total of **240 jobs** and **\$100 million investment** over the next 10 years. The company will add an additional **1.6 million square feet** to the existing **180,000 square-foot facility**. Upon completion, the headquarters will become the primary manufacturing center for the company.
- United Arab Shipping Company will locate its North American headquarters to Gwinnett County, Georgia, **investing double-digit millions** and **creating 160 jobs**. The location of the **50,000 square-foot facility** will bring the company closer to skilled talent as well as its operations at the Port of Savannah.
- Nordic Cold Storage has announced the second phase of its state-of-the-art blast facility in Pooler, Georgia. The addition will double the capacity of the existing facility to more than **400,000 square feet** and will be capable of flash-freezing an additional **10 million pounds** of product per week.

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased 2.6% in the fourth 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 7.7% in February to \$42.3 billion. Exports fell 1.1% to \$190.4 billion and imports rose 0.4% to \$232.7 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	The Consumer Confidence Index increased to 82.3 in March 2014, up 4 points 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>
Unemployment Rate	The unemployment rate in America remained at 6.7% in March 2014 as there were 192,000 net new jobs . (Source: US DOL)
Leading Economic Index	The Leading Economic Index for the U.S. increased 0.5% in February to 99.8 (2004=100), following at 0.1% increase in January and a 0.1% decrease in December. (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 March to \$433.9 billion, up 1.1% from the previous month, and up 3.8% above March 2013. Non-store retailer sales were up 7.8% from last year. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled more than \$1.31 Trillion in February 2014, up 0.8% from January and up 1.8% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.72 Trillion in February 2014, up 0.4% from January and up 4.2% from February 2013. (Source: US Census)
Housing Starts	In February, housing starts fell 0.2% to an annual rate of 907,000 units. Building permits (an indicator of future housing starts) rose 7.7% to an annual rate of 1,018,000. Year-over-year, housing starts and building permits in February decreased 6.4% and increased 6.9% , respectively. (Source: U.S. DOC)
Consumer & Producer Price Index	The consumer price index for all urban consumers increased 0.1% in February from the previous month. Over the last 12 months, the all items index increased 1.1% . The producer price index for finished goods rose 0.5% in March from the previous month. Prices for finished goods rose 1.4% over the previous year. (Source: US Bureau of Labor Statistics)

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