

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index decreased 0.46% during the month of October 2015. . <i>(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of October 10th thru November 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index decreased 0.47% in October 2015. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of October 10th thru November 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index rose 0.2% in September 2015. The index's reading of 123.4 was 30.3% above the April 2009 low during the most recent recession, and the level of freight shipments measured by the Freight TSI was 0.1% below the all-time high of 123.5 in November 2014, (Source: US DOT)
Cass Freight Index	The October shipments index decreased 4.7% from the previous month and decreased 5.3% year-over-year. The October expenditures index decreased 2.2% for the month, and decreased 8.7% year-over-year. The decreases followed the trend observed in the last four years, with both total spend and the number of shipments declining in October. (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 September, the U.S. imported \$187.6 billion of cargo, decreasing 2.3% from August 2015. (Source: US Census)
Export Volumes	In September, the U.S. exported \$127.3 billion of cargo, increasing 2.3% from August 2015. (Source: US Census)
Import & Export Price Index	U.S. import prices decreased 0.5% in October, after decreasing 0.6% the previous month. Lower prices for both fuel and nonfuel imports contributed to the October decrease. U.S. export prices decreased 0.2% in October, after a 0.6% decline the previous month. (Source: Bureau of Labor Statistics)
E-Commerce	E-Commerce revenue in October 2015 is estimated to be up 10% year-over-year. This October, the share of mobile orders (phone and tablet) out of all e-commerce orders has increased to 28%, up from 24% in 2014. (Source: Custora E-Commerce Pulse)
Multimodal News Clips:	<ul style="list-style-type: none"> U.S. light vehicle sales were a seasonally adjusted and annualized 18.1 million in October 2015, unchanged from September. This remains the highest amount since July 2005. (Source: AAR) The 2015 JDA Consumer Survey, issued last week, takes a look at how the upcoming Black Friday and Cyber Monday shopping events meet consumer shopping needs during the holiday shopping season. The survey indicated that retailers' biggest omni-channel challenge centers on finding the balance between customer satisfaction and maintaining profitability to meet customer needs. (Source: Supply Chain 24/7)

RAIL:

U.S. Freight Rail Traffic	Total carloads in October 2015 decreased 6.9% from October 2014. Weekly average total carloads in October 2015 were 281,118, the second lowest October on record since 2009 . (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 October 2015 was 1.4% lower , year-over-year. The weekly average of 272,328 units was the second highest weekly average for October in history , only behind October 2014. (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 September 2015 was 317.3, down 0.7% from the previous month and 44.1% 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 September 2015 decreased 1.16% from the previous month , to 167,023 employees total, the fifth straight month-to-month decline. The majority of losses are locomotive engineers and conductors. (Source: U.S. STB)
Short Line Rail Traffic	In October 2015, short line railroad shipments across North America fell 11.2% compared to the same month last year. A sampling of about 431 small railroads in the U.S. and Canada loaded 537,725 railcars and intermodal units during the month of October. (Source: RailConnect Index GE Transportation)
Railroad News Clips:	<ul style="list-style-type: none"> For the first time in nearly a year, more U.S. shippers say they're shifting freight from truck to rail than the other way around on improved intermodal service, according to a survey of roughly 600 shippers. Shippers polled said they diverted 1.9% of their Q3 volume from truck to rail, up from 1.2% the previous quarter. On the flip side, shippers moved 1.2% of Q3 freight from rail to truck, down from 2% the previous quarter. The end result was a net freight diversion to rail of 0.7% during Q3. (Source: JOC)

TRUCKING:

Trucking Volume

The ATA's seasonally adjusted For-Hire Truck Tonnage index **increased 0.7% to 135.1** in September 2015. The index **increased 3.1%** from September 2014, which was above the year-over-year 2.1% gain in August. (Source: American Trucking Association | Trucking.org)

Truckload Freight

The spot market for truckload freight in October **decreased 9.3%** compared to the previous month, and was **42% lower** year-over-year. Truck capacity **increased 6.0%** for the month, and **increased 16%** year-over-year. (Source: DAT Trendlines | www.dat.com)

Diesel Prices

U.S. average diesel prices fell to **\$2.48 per gallon** last week. The U.S. average diesel price was **\$1.138 lower** than the same week last year. The average price of diesel in the lower Atlantic states was **\$2.39 per gallon**. (Source: U.S. DOE) *(Reflects the costs and profits of the entire production and distribution chain.)*

Trucking Employment

The trucking industry workforce **increased by 400 employees to 1,454,600 employees total** in October. The trucking workforce **increased 1.96%** over the previous year. (Source: U.S. Bureau of Labor Statistics)

Trucking Earnings and Hours

The average earnings of truck transportation employees were \$22.32/hour in September 2015, **down 0.6%** from the previous month. The average weekly hours totaled 41.6 in September, **down 2.3%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

Truck Orders

Preliminary data for heavy-duty Class 8 trucks net orders in North America increased to **25,000 units** in October 2015. October orders were **30% higher** than the previous month and **45% lower** than a year ago. (Source: FTR Associates | ftrassociates.com)

NAFTA Trade

Surface transport-related trade between the U.S. and its NAFTA partners, Canada and Mexico totaled \$92.4 billion in August 2015, **decreasing 8.1%** year-over-year. (Source: US DOT)

Trucking News Clips:

- The House of Representatives passed a six-year, \$325 billion surface transportation bill in early November. The bill will provide federal money for roads and bridges and contains a number of trucking-related provisions. These include calls for reform of the FMCSA and its CSA program; a graduated licensing path for commercial drivers under 21 years old; a dedicated freight fund to address congestion bottlenecks; and language to ensure precedence for federal driver hours of service requirements over state labor rules. A number of trucking amendments failed to make into the Act, including a truck weight increase. The House and Senate now have until November 20 to create a compromise plan, or to come up with another short-term extension of the current authorization. (Source: Fleet Owner)
- In mid-September, the much anticipated final rule for electronic logging devices (ELDs) was pushed back one month from September 30 to October 30. But while October has now come and gone, the situation regarding the final ELD rule remains the same in that nothing has been issued. According to a research note issued by Cowen and Company, the ELD implementation rule may be issued by mid-November. The rule is likely to provide the industry with two years to achieve full compliance, causing little impact on capacity in the near-term. (Source: Logistics Management)

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in September **increased 1.0%** from one year ago, and **increased 0.7%** from the previous month. (Source: IATA.org)
(Global air freight covers international and domestic scheduled air traffic.)

Atlanta Air Cargo Traffic

In August, Hartsfield-Jackson Atlanta International Airport transported **50,921 metric tons** of cargo, a **0.10% increase** from the previous month and a **2.43% decrease** year-over-year. (Source: HJIA)

Air Freight Price Index

The East-West Air Freight Price Index **increased 3.7** points in August to 93.7 points, **up 4.1%** from the previous month. (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 October 30, 2015, the global average jet fuel price was \$61.0 per barrel; **down 0.2%** from the previous month, and **41.1% 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)

NOVEMBER LOGISTICS 2015 MARKET SNAPSHOT

Air Freight News Clips:

- Worldwide sales of semiconductors reached \$85.2 billion during the third quarter of 2015. This total marks an increase of 1.5% compared to the previous quarter, but is 2.8% lower than the third quarter of 2014. Global sales for the month of September 2015 were \$28.4 billion, 1.9% more than the previous month, but 2.8% less than sales from September 2014. (Source: Semiconductor Industry Association)

OCEAN FREIGHT:

Import Volumes

In September, the latest month for which after-the-fact numbers are available, U.S. container ports handled 1.62 million TEUs, a **3.5% decrease** from the previous month and a **2.2% increase** from the same month last year. (Source: NRF/Hackett Associates)

Shanghai Containerized Freight Index

The November 6 SCFI comprehensive reading was **\$641.51 per FEU**; up **20.1%** from last month. The spot rate for shipments to the U.S. East Coast was **\$2,015 per FEU**, down **8.3%** from the previous month. (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 **fell 18.8%** in October, ending at 721. The BDI has **decreased 19.31%** 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 October 1 and December 31 2015, the bunker fuel surcharge will total **\$324 per FEU** for shipments to the West coast ocean ports and **\$621 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

Port of Savannah moved 317,412 TEUs in September 2015, a **7.3% increase** compared to September 2014 and **the busiest September for container traffic in GPA history**. September marked the **seventh consecutive month of record container throughput**. (Source: GPA)

Port of Brunswick

Over the past decade, the GPA has spent \$46.2 million on infrastructure upgrades at the Port of Brunswick. Over the next 10 years, the Authority plans to more than triple that investment, calling for another \$152 million in improvements. (Source: GPA)

Ocean Freight Business News:

- The Port of Savannah had record breaking container traffic in September. Those record volumes continue a pattern that has made it **the only U.S. port to rank among the Journal of Commerce's listing of the Top 10 fastest growing ports in the world**. (Source: GPA)
- Lawmakers introduced the bipartisan Ensuring Continued Operations and No Other Major Incidents, Closures or Slowdowns, or ECONOMICS, Act. The proposed legislation is a direct response to the protracted labor talks between union workers and waterfront employers in 2014 and early 2015 that sparked slowdowns up and down the Pacific coast. The ECONOMICS Act would create economic triggers that mandate a legal mediation process in an employer-labor dispute. (Source: JOC)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

U.S. industrial vacancy declined to 6.7% in Q3, down from 6.8% in Q2 and 7.4% one year ago. Since peaking at 10.6% in Q1-Q3 2010, the vacancy rate has fallen for 20 consecutive quarters, and in 15 of those quarters, it has fallen by 20 or 30 basis points. (Source: NGKF)

Warehouse Rent Rates

In Q3 2015, warehouse and distribution rental rates in the U.S. ended at \$5.72/SF triple net, up 1.1% from the prior quarter and up 3.9% from the third quarter of 2014. Rental rates for warehouse space **averaged \$4.30/SF in Atlanta, up 12.86%** from the previous quarter. (Source: NGKF)

Industrial Absorption

Net absorption in the US during Q3 2015 totaled more than **42.6 million square feet, a 24% decrease from the previous quarter, and a 14.2% decrease from Q3 2014**. (Source: NGKF) *(Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)*

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Warehouse Employment	Warehousing employment in October increased by 5,100 jobs, up 0.6% from the previous month and the strongest employment growth in the sector since July. Warehousing and storage businesses have added 46,100 jobs over the past 12 months. (Source: U.S. Bureau of Labor Statistics)
Warehouse Earnings and Hours	The average earnings of warehousing & storage employees were \$18.38/hour in September 2015, down 0.21% from the previous month. The average weekly hours totaled 41.5 in September, up 2.21% from the previous month. (Source: U.S. Bureau of Labor Statistics)
Purchasing Managers Index	The National PMI fell to 50.1% in October 2015, a decrease of 0.1% over the previous month. October was the 35th straight month where the PMI was above 50. New orders increased 2.8 points to 52.9%. Production increased 1.1 points to 52.9%. (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 increased 5.9 points to 54.8 in October. New orders in Georgia increased 3.4 points to 56.0 and production increased 5.4 points to 58.0. Georgia's PMI is now 4.7 points 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"> Aspen Aerogels, a leading provider of high-performance aerogel insulation, chose Bulloch County, Georgia as the site for their second manufacturing facility. The company will invest more than \$70 million into the 43-acre site and create more than 100 jobs. (Source: Georgia.org) Linzer Products Corp., a leading producer and provider of painting accessories will build a new 222,000 square-foot manufacturing and distribution center in Candler County. The new facility will become Linzer's largest operation in the U.S. and will create 200 new jobs and invest \$4 million in Candler County by 2016. (Source: Georgia.org)

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased 1.5% in the third quarter of 2015 according to the first preliminary estimate released by the Bureau of Economic Analysis on October 29. (Source: US BEA)
U.S. Trade Deficit	The U.S. trade deficit decreased 15.0% in September to \$40.8 billion. Exports increased 1.62% to \$187.9 billion and imports decreased 1.80% to \$228.7 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	The Consumer Confidence Index decreased to 97.6 in October 2015, down 5.2% from 103.0 in September. (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 fell to 5.0% in October 2015, the lowest it's been since April 2008. A preliminary 271,000 net new jobs were created in October 2015, the most for any month so far this year. (Source: US DOL)
Workforce Participation Rate	The workforce participation rate remained unchanged at 62.4% in October. This is the lowest the rate has been in 38 years. (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. decreased 0.2% in September to 123.3 (2004=100). The Index was unchanged in August and 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>
Retail Sales	Retail and food service sales increased in October to \$447.3 billion, up 0.1% from the previous month, and up 1.7% above October 2014. Non-store retailer sales were up 7.1% from last year. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled nearly \$1.320 trillion in September 2015, virtually unchanged from August 2015 and down 2.8% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.817 trillion in September, up 0.3% from August 2015, and up 2.5% from September 2014. (Source: US Census)

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Housing Starts

In September 2015, housing starts **increased 6.5%** from the previous month to an annual rate of 1,206,000 units. Starts for single-family homes were an annualized 740,000 in September 2015, a **0.3% increase** from August 2015. The index of pending home sales (sales that haven't closed yet but contracts have been signed) was **106.8 in September 2015, down 2.3% from the previous month and up 3.0% from September 2014.** (Source: U.S. DOC)

Consumer & Producer Price Index

The consumer price index for all urban consumers **increased 0.2%** in October on a seasonally adjusted basis from the previous month. Over the last 12 months, the all items index **increased 0.2% before seasonal adjustment.** The producer price index for final demand **decreased 0.4%** in October from the previous month. Prices for finished goods **decreased 0.4%** from the previous month. (Source: US Bureau of Labor Statistics)

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For more information about the **Logistics Market Snapshot** or the many other resources and activities of the **Georgia Center of Innovation for Logistics** please contact:
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