

MULTIMODAL:

Dow Jones Transportation Index

Dow Jones Transportation index **fell 1.9%** during the month of June 2015.
(Stock performance of twenty large, well-known U.S. companies in the transportation industry, average of June 10th thru July 10th)

NASDAQ Transportation Index

NASDAQ Transportation Index **fell 1.4%** in June 2015.
(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of June 10th thru July 10th)

DOT Freight Transportation Index

The USDOT's freight transportation services index **rose 0.8%** in May 2015. The index's reading of 122.7 was 0.5% below the all-time high level of 123.3 in November 2014. (Source: US DOT)

Cass Freight Index

The June shipments index **rose 0.2%** from the previous month and **decreased 3.4%** year-over-year. The June expenditures index **rose 2.4%** for the month, and **decreased 5.8%** year-over-year. (Source: Cass Information Systems | Cassinfo.com)
(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)

Import Volumes

In May, the U.S. **imported \$189.2 billion** of cargo, **decreasing 0.2%** from April 2015. The May imports of automotive vehicles, parts, and engines (\$29.5 billion) were **the highest on record**. (Source: US Census)

Export Volumes

In May, the U.S. **exported \$127.7 billion** of cargo, **decreasing 1.3%** from April 2015. (Source: US Census)

Import & Export Price Index

U.S. import prices **decreased 0.1%** in June, following a 1.2% increase the previous month. The June drop was led by lower nonfuel prices, which more than offset an increase in fuel prices. Import prices **fell 10%** over the past year. The price index for U.S. exports **decreased 0.2%** in June and **decreased 5.7%** year-over-year. (Source: Bureau of Labor Statistics)

E-Commerce

E-Commerce revenue in May 2015 is estimated to be **up 11%** year-over-year. The share of mobile orders (phone and tablet) out of all e-commerce orders has increased to 28%, up from 20% in 2014. (Source: Custora E-Commerce Pulse)

Multimodal News Clips:

- U.S. light vehicle sales were a seasonally adjusted and annualized **17.1 million in June 2015**, down slightly from May's 17.7 million but impressive nonetheless. Annualized sales have exceeded 17 million three months out of six so far this year. (Source: AAR)
- According to the 26th Annual State of Logistics Report, the logistics and transportation industry chalked up its best year since the Great Recession, with **U.S. business logistics costs rising 3.1% to \$1.45 trillion** last year. (Source: Logistics Management)

RAIL:

U.S. Freight Rail Traffic

Total carloads in June 2015 **decreased 7.7%** from June 2014. Weekly average total carloads in June 2015 were 271,767, the second-lowest weekly average for June since prior to 1988. (Source: AAR.org)
(Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)

U.S. Intermodal Rail Traffic

Intermodal rail traffic in June 2015 was **3.7% higher**, year-over-year. The weekly average of 279,287 units in June was **the highest weekly average for any month in history**. (Source: AAR.org)
(Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)

Railroad Fuel Price Index

The index of average railroad fuel prices in May 2015 was 403.7, **up 9.2%** from the previous month and **32.7% lower** year-over-year. (Source: AAR.org)
(Average monthly price for gallons purchased by freight railroads; Includes federal excise taxes, transportation, and handling expenses)

Class 1 Railroad Employment

Railroad employment in May 2015 **decreased 0.6% from the previous month**, to 172,943 employees total. Total Class 1 rail employment in May **increased 4.12%**, year-over-year. (Source: U.S. STB)

Short Line Rail Traffic

In June 2015, short line railroad shipments across North America **fell 5.1%** compared to the same month last year. A sampling of about 431 small railroads in the U.S. and Canada **loaded 562,733 railcars** and intermodal units during the month of June. (Source: RailConnect Index | GE Transportation)

Railroad News Clips:

- In June 2015, U.S. rail intermodal units again exceeded U.S. rail carloads. The first and only other time in history that happened was in May 2015. (Source: AAR)

TRUCKING:

Trucking Volume	The ATA's seasonally adjusted cargo index increased 1% to 132.1 in May 2015. The for-hire truck tonnage index rose 1.8% from May 2014, the smallest year-over-year gain since February 2013. (Source: American Trucking Association Trucking.org)
Truckload Freight	The spot market for truckload freight in June increased 5.7% compared to the previous month, and was 21% lower year-over-year. Truck capacity increased 4.9% for the month, and increased 51% year-over-year. (Source: DAT Trendlines www.dat.com)
Diesel Prices	U.S. average diesel prices fell to \$2.83 per gallon last week. The U.S. average diesel price was \$1.08 lower than the same week last year. The average price of diesel in the lower Atlantic states was \$2.81 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 increased by 7,400 employees in June. The trucking workforce increased 3.0% over the previous year. (Source: U.S. Bureau of Labor Statistics)
Truck Orders	Preliminary data for heavy-duty Class 8 trucks in North America totaled 19,624 units in June 2015. June orders were 2% lower than the previous month and 25% 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 \$93.3 billion in April 2015, decreasing 6.8% year-over-year. (Source: US DOT)
Trucking News Clips:	<ul style="list-style-type: none"> • Congress is proposing a bill that would drop the driving age to 18 for commercial heavy-duty truckers. The current law requires drivers be at least 21 before they can drive commercial trucks across state lines. (Source: Stamford Advocate) • Trucking employment surged for a second straight month in June, allowing U.S. trucking companies to finally employ more workers than they did before the Great Recession. Trucking firms still need an additional 35,000 to 40,000 drivers to meet demand, according to the American Trucking Association. (Source: JOC)

AIR FREIGHT:

Air Cargo Traffic	Global air freight traffic in May increased 2.1% from one year ago, and decreased 0.5% from the previous month. (Source: IATA.org) <i>(Global air freight covers international and domestic scheduled air traffic.)</i>
Atlanta Air Cargo Traffic	In May, Hartsfield-Jackson Atlanta International Airport transported 51,126 metric tons of cargo, a 0.8% decrease from the previous month and a 0.2% decrease year-over-year. (Source: HJIA)
Air Freight Price Index	The East-West Air Freight Price Index decreased 3.4 points in May to 89.8 points, down 3.6% from the previous month. This is the lowest level since the index was first launched in May 2012 . (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 July 9, 2015, the global average jet fuel price was \$72.7 per barrel; down 4.8% from the previous month, and 40.2% 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:	Worldwide sales of semiconductors reached \$28.2 billion for May 2015, an increase of 5.1% from May 2014, and 2.1% higher than the previous month's total of \$27.6 billion. This is the 25th consecutive month of year-to-year-sales increases. (Source: Semiconductor Industry Association)

OCEAN FREIGHT:

Import Volumes	In May, the latest month for which after-the-fact numbers are available, U.S. container ports handled 1.61 million TEUs, a 6.2% increase from the previous month and a 8.2% increase from the same month last year. (Source: NRF/Hackett Associates)
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JULY LOGISTICS 2015 MARKET SNAPSHOT

Shanghai Containerized Freight Index

The July 10 SCFI comprehensive reading was **\$666.02 per FEU**; up **14.5%** from last month. The spot rate for shipments to the U.S. East Coast was **\$2,951 per FEU**, down **11%** 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 **rose 34%** in June, ending at 794. The BDI has **fallen 5.02%** 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 July 1 and September 30 2015, the bunker fuel surcharge will total **\$324 per FEU** for shipments to the West coast ocean ports and **\$645 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 container volumes **increased 16.4%** in May, with a total volume of 338,207 TEUs, an increase of 2,300 units from the previous month. (Source: GPA)

Port of Brunswick

East River Terminal, which is focused exclusively on bulk cargos, experienced a **44.2% increase** (41,168 tons) for a total of 134,277 tons of commodities moved in May 2015. Colonel's Island Terminal **improved by 40.2%** (49,575 tons), largely on expansion in soybean meal. (Source: GPA)

Ocean Freight Business News:

- The Georgia Ports Authority set all-time records for both container volumes and total tonnage in May with strong growth across several key business sectors. The GPA moved more than 338,000 TEUs and 2.9 million tons of freight in the month of May. (Source: GPA)
- In the first half of 2015, East and Gulf coast ports increased their share of U.S. container imports from the same period last years, thanks to shippers diverting cargo from the West Coast during the peak of congestion and even after marine terminals cleared. East Coast ports grew their share of imports by 3% while the Gulf Coast grew by 1%. West Coast ports share of imports decreased 5%. (Source: JOC)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. average industrial vacancy rate fell for the **20th consecutive quarter to 7.1%** in Q1 of 2015. This is **the lowest level in 14 years**. (Source: NGKF)

Warehouse Rent Rates

In Q1 2015, warehouse and distribution rental rates in the US averaged **\$5.70 per square foot**, up from \$5.64 per square foot in the previous quarter. Rental rates for warehouse space averaged **\$4.10 per square foot** in Atlanta. (Source: NGKF)

Industrial Absorption

Net absorption in the US during Q1 2015 totaled more than **10.6 million square feet, down 5% from the same quarter one year ago**. Despite the deceleration, net absorption has been **positive now for 20 consecutive quarters**. (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 to 53.5%** in June 2015, an increase of 0.7% over the previous month, and the **30th consecutive month for growth**. New orders **increased 0.2 points** to 56% and production **decreased 0.5 points** to 54.0%. (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 **increased 6.5 points** to 61.3 in June. New orders in Georgia **increased 25.3 points** to 72.9 and production **increased 20.5 points** to 72.9. Georgia's PMI is now **7.8 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:

- First Quality Packaging Solutions, a leading plastics and packaging company, will locate manufacturing operations in Macon, GA, creating 115 jobs and investing \$68 million over the next five years. (Source: Georgia.org)
- National Beef Packaging Company, a leading beef processing and packing company will expand its operations in Moultrie, GA, creating approximately 200 jobs and investing roughly \$9 million into the expansion. The Colquitt County facility houses consumer-ready beef, pork, and ground beef processing operations that service customers throughout the Southeastern region of the United States. (Source: Georgia.org)

U.S. MARKET:

Gross Domestic Product	The U.S. GDP decreased 0.2% in the first quarter of 2015 according to the most recent estimate released by the Bureau of Economic Analysis on June 24. (Source: US BEA)
U.S. Trade Deficit	The U.S. trade deficit increased 2.9% in May to \$41.9 billion. Exports decreased 0.6% to \$188.6 billion and imports decreased 0.1% to \$230.5 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	The Consumer Confidence Index increased to 101.4 in June 2015, up 6.8 from a revised 94.6 in May. (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 decreased to 5.3% in June 2015 compared to 5.5% in May 2015. A preliminary 223,000 net new jobs were created in June 2015. (Source: US DOL)
Leading Economic Index	The Leading Economic Index for the U.S. increased 0.7% in May to 123.1 (2004=100), following a 0.7% increase April 2015, and a 0.4% increase in March. (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 fell in June to \$442 billion, down 0.3% from the previous month, and up 1.4% above June 2014. Non-store retailer sales were down 0.3% from May 2015, and up 0.6% above last year. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled nearly \$1.323 trillion in May 2015, up 0.4% from April and down 2.2% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.797 trillion in May, up 0.3% from April 2015, and up 2.4% from May 2014. (Source: US Census)
Housing Starts	In May 2015, housing starts decreased 11.1% from the previous month to an annual rate of 1,036,000 units. Starts for single-family homes were an annualized 680,000 in May 2015, a 5.4% decrease from 719,000 in April 2015. The index of pending home sales (sales that haven't closed yet but contracts have been signed) was 112.6 in May 2015, up 0.9% from the previous month and the highest level since April 2006. (Source: U.S. DOC)
Consumer & Producer Price Index	The consumer price index for all urban consumers increased 0.4% in May on a seasonally adjusted basis from the previous month. Over the last 12 months, the all items index was unchanged before seasonal adjustment. The producer price index for final demand increased 0.5% in May 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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