

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index was up 1.86% during April. <i>(Stock performance of twenty large, well-known U.S. companies within the transportation industry, average of April 10th thru May 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index was up 3.3% in April. <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of April 10th thru May 10th)</i>
DOT Freight Transportation Index	The USDOT's freight transportation services index increased 1.9% in March 2011 over the previous month to reach the highest level since July 2008. The TSI is up 4.8% from a year earlier and has risen 15.1% over the last 23 months.
Cass Freight Index	The April shipments index up .5% from March and up 12.3% year over year. The April expenditures index up 2.6% for the month and up 34.9% year over year. <i>(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)</i>
Multimodal Business News:	<ul style="list-style-type: none"> Exxon Mobil reported quarterly earnings of \$11 billion, its highest since it made \$14.83 billion in 3Q 2008. Japanese manufacturers report that 64% of their production bases in areas affected by the devastating March 11 earthquake and tsunami are now running again, according to a government survey. The restoration rate is expected to reach 90% by mid July. The number of companies that export between 5,000 and 25,000 shipments a year increased nearly 46% in 2010, according to a survey from the American Association of Exporters and Importers.

TRUCKING:

Over-the-Road Trucked Shipments	Over-the-Road Trucked Shipments fell 0.5% in April. Overall trucked shipments were also down 0.5% since April 2010, the first year-over-year decrease in 17 months. <i>(From the Ceridian-UCLA Pulse of Commerce Index which is based on real-time fuel consumption data for over the road trucking)</i>
Trucking Volume	The ATA's seasonally adjusted cargo index rose 1.7% in March after decreasing 2.7% in February.
Truckload Freight	April's spot market for truckload freight recorded the first monthly decline (down 8.6%) in 2011 after truckload freight soared to an all time high in March. Spot market rates for April were 15% higher year-over-year. (Source: TransCore Freight Index)
Freight Rate Index	The freight rate index cost-per-mile increased to \$2.50 in May 2011, up from \$2.44 in April 2011. <i>(This Cost Per Mile (CPM) indicator is comprised of 8 main and 65 total cost and cost influencing components, it considers completely, every cost related to freight transport by land)</i>
Diesel Prices	U.S. average diesel prices decreased 2¢ last week to \$4.104 per gallon; the largest price reversal since August 2010 and only the third decline in the past 23 weeks. Diesel prices are nearly \$1 higher than the same week last year. Average diesel price in lower Atlantic states is \$4.052 per gallon. (Source: U.S. DOE) <i>(Reflects the costs and profits of the entire production and distribution chain.)</i>
Truck Orders	Orders for heavy-duty Class 8 trucks in North America totaled 38,200 units in April, the largest monthly order in over five years. April truck orders grew 30.8% for the month and were 239% higher year-over-year. (Source: ACT Research Co.)
NAFTA Trade	Surface transport-related trade between the U.S. and its NAFTA partners, Canada and Mexico, was up 11.8% in February compared to the same month in 2010, reaching \$66.5 billion . February was the 15th consecutive month of year-over-year increases. (Source: US DOT)
Trucking Employment	The trucking industry added 4,500 jobs in April following an increase of 1,600 jobs in March. The trucking workforce increased for the seventh consecutive month in April. (Source: U.S. DOL)
Trucking Business News:	<ul style="list-style-type: none"> The average hourly pay for truck drivers increased 2.2% in February from January and increased 4.6% year-over-year according to Longbow Research. Schneider National, the nation's third-largest truckload carrier, increased its compensation for owner-operators by 5 cents per mile in March, a significant pay hike that will likely have a ripple effect throughout the trucking industry. Trucking and railroad organizations clashed recently over the introduction of a bill that would extend the current limit of 80,000 lbs and maximum length of 53 ft. for tractor-trailer trucks on the 44,000-mile interstate highway system to the much larger, 160,000-mile national highway system.

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in April 2011 decreased 0.2% from April 2010, and was down 2.5% from March 2011. April's carload decline marked the first year-over-year decline in 14 months . (Source: AAR) <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 April 2011 was 9% higher than April 2010 and 1.2% higher than March 2011 totals. Intermodal loadings have experienced year-over-year gains for 17 straight months . (Source: AAR) <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 March was 623.4, up 11.1% over the previous month, and up 45% over the previous year. (Source: AAR) <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 276,228 (18.2% of the fleet) on May 1, down 7,421 cars from a month earlier. (Source: AAR) <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 was up 1,340 employees to 155,842 employees in March 2011 from the previous month. (Source: U.S. STB, AAR)
Railroad Business News:	<ul style="list-style-type: none"> CSX Corp. reported a 30% increase in profit during Q1 2011 year-over-year. Net earnings grew to \$395 million, an increase of 36% in earnings per share. Revenue for the quarter increased 13% to \$2.8 billion, and was led by a 7% increase in overall volumes. Norfolk Southern's 1Q 2011 profit rose 26% to \$325 million. Net income accounted for 12.4% of total revenue, up from a profit margin of 11.5% in 1Q 2010. U.S.-based short line operator Genesee & Wyoming announced the launch of a dedicated service for the port of Antwerp after receiving a German operating license. The new service, Antwerp Rail Feeding, will be run by the group's Rotterdam Rail Feeding subsidiary.

AIR FREIGHT:

Air Cargo Traffic	Global air freight in March up 3.7% from one year ago and was up 4.5% over the previous month. North American air freight increased 7.1% in March year-over-year. (Source: IATA) <i>(Global air freight covers international scheduled air traffic; domestic traffic is not included. North American traffic includes only domestic freight traffic.)</i>
Atlanta Air Cargo Traffic	In March, Hartsfield-Jackson Atlanta International Airport transported 56,222 metric tons of cargo, an 8.7% increase over February and a 0.3% increase year-over-year. (Source: HJIA)
Air Freight Price Index	In March, average international air cargo prices rose 9.3% from February to \$4.33 per kg; down 5.6% year-over-year. (Source: JOC) <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 April 29, 2011, the global average jet fuel price was \$127.40 per barrel; up 6.2% from the previous month, and 45.6% higher year-over-year. (Source: IATA) <i>(The weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)</i>
Air Freight Business News:	<ul style="list-style-type: none"> Panalpina Group, a Swiss forwarding and logistics company, reported 22% growth in profit during the first quarter and expects air and ocean freight markets to rise 5 to 7% this year. The U.S. Department of Justice cleared the way for the merger of Southwest Airlines and Air Tran, ruling that the combination will not violate antitrust regulations. The merged firm will be able to add a new connecting service through Atlanta's Hartsfield Jackson International Airport, the world's busiest airport.

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OCEAN FREIGHT:

Import Volumes

In March, U.S. ports **imported** more than **\$220.8 billion** of cargo. March U.S. imports have **increased 4.9%** in terms of value over the previous month and **grew 16.3%** year-over-year. (Source: US Census)

Export Volumes

In March, U.S. ports **exported** more than **\$172.7 billion** of cargo, the highest on record. March U.S. exports have **increased 4.6%** in terms of value over the previous month and **grew 14.9%** year-over-year. (Source: US Census)

Import & Export Price Index

U.S. import prices **rose 2.2%** in April, following increases of **2.6%** in March and **1.4%** in February. The price index for U.S. exports **rose 1.1%** in April after rising **1.5%** the previous month.

Retail Freight Volumes

The National Retail Federation is projecting an **increase of 4%** for containerized shipments in April. March, the latest month for which data is available, saw a **0.3% increase** in retail traffic and was the 16th consecutive month of improvement.

Container Rates

The May 2, 2011 average spot market rate was **\$1,953 per FEU**. The latest container spot market rate is \$159 higher than the previous week, but still **\$236 (10.8%) lower** than the rate for the same week last year.

(Source: JOC & Drewry Inc.)

(Based on Drewry Shipping Consultants' research and derived from shipping rates from Hong Kong to Los Angeles. The rate is based on a full 40-foot container load or FEU, excluding terminal-handling charges in Hong Kong.)

Shanghai Containerized Freight Index

The May 2nd SCFI rate was **\$1,043.22 per FEU**; **up 2.4%** from the week before, and **22% lower** year-over-year. The spot rate for shipments to the U.S. East Coast was **\$3,066 per FEU**, **up 2.9%** from the previous week. (Source: JOC)

(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 **decreased 15.35%** in April, ending with a cost of **\$1,269**. The BDI has **increased 3.8%** for the first half of May. (Source: The Baltic Exchange)

(The Baltic Dry Index is an index that tracks and averages worldwide international shipping prices of various dry bulk cargoes.)

Bunker Fuel Prices

Average bunker fuel price was **up 6.3%** or \$51/MT to \$859.56/MT in April 2011. By mid-May, bunker fuel prices were **down 4.5%** to \$820.77/MT. (Source: Bunker Index)

(The Bunker Index is the average global bunker fuel price from individual ports; measure in \$US per MT or megaton)

Port of Savannah

In April 2011, containerized traffic was **up 8.5%** year-over-year, totaling **260,035 TEUs**. (Source: GPA)

Port of Brunswick

In April 2011, the Port of Brunswick posted a **12.4% increase** year-over-year in Ro-Ro volumes (automobile and machinery units) moving **38,010 units**. (Source: GPA)

Ocean Freight Business News:

- The top 25 container **carriers earned record profits** in 2010 of approximately **\$14 billion**, nearly cancelling the \$15 billion in losses in 2009. Alphaliner estimates that the 6 carriers in the top 25 which do not publish their financial performance made more than **\$2.5 billion**, while the remaining 19 carriers reached **\$11.4 billion** in profits.
- Worldwide pirate attacks in the first three months of 2011 reached the **highest quarterly number ever at 142**. The World Shipping Council estimates that piracy costs the global shipping industry anywhere from **\$3.5 billion** to over **\$8 billion** annually.
- The number of idle container ships reached a 30-month low of **71 vessels**. The total number of unemployed container ships represents **0.9%** of the overall global fleet, the lowest idle capacity since the start of the financial crisis in September 2008.
- U.S. agricultural exports reached an all-time high of **\$75 billion** during the first half of FY2011. Farm exports for this period were **27% higher** than the same period last year. China was the top export market, receiving nearly **20%** of all agricultural exports.
- German container line Hapag-Lloyd reported a profit of **\$22.9 million** (16.1 million euros) in Q1 2011, a **140.3% increase** over the same period in 2010.

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy	The U.S. average industrial vacancy rate was 10.1% during Q1 2011. Overall vacancy dropped from 14.3% in Q4 2010 to 13.9% in Atlanta during the first quarter. (Source: Grubb & Ellis)
Warehouse Rent Rates	In Q1 2011, warehouse and distribution rental rates in the US averaged \$4.37 per square foot . Rental rates for warehouse space in Atlanta averaged \$3.42/square foot . (Source: Cushman & Wakefield)
Industrial Absorption	Net absorption in the US during Q1 2011 totaled +12.6 million square feet . Atlanta led the region and the country during the quarter, recording +2.87 million square feet . (Source: Cushman & Wakefield) <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 decreased 0.8 points to 60.4 in April 2011. New orders decreased 1.6 points to 61.7 and production decreased 5.2 points to 63.8. (Source: ISM) <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 decreased 7.2 points to 60.4 in April, but was still 7 points higher than the national PMI. New orders in Georgia were up 4.5 points to 74.2, the highest level in 11 months. Production in Georgia was down 1.6 points to 74.2. (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"> The Clorox Company moved into its 1.15 million-square-foot distribution facility in Atlanta during Q1 2011. The move expanded the company's local footprint by more than 500,000 square feet and added to the region's net absorption statistics. Manhattan Associates was ranked as the leading supplier of warehouse management systems by ARC Advisory Group. Manhattan's WMS ranked as the leader in 21 of the 31 categories presented. Material handling equipment orders grew 22.4% in 2010, and is expected to grow 11-12% in 2011 and 2012.

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased 1.8% in the first quarter 2011 according to the preliminary estimate released by the BEA. (Source: US BEA)
U.S. Trade Deficit	The U.S. trade deficit increased by 6% in March to \$48.2 billion, as exports increased 4.6% to \$172.7 billion and imports increased 4.9% to \$220.8 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	Increased to 65.4% in April 2011 from 63.8% in March 2011. (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 rose to 9% in April 2011, the first increase in five months. Approximately 244,000 jobs were created in April. (Source: US DOL)
Leading Economic Index	The Leading Economic Index for the U.S. increased 0.4% in March to 114.1 (2004=100), following a 1% increase in February and a 0.2% increase in January. (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 for the 10 th month straight in April to \$389.4 Billion , up 0.5% for the month and up 7.6% over last year. Non-store retailer sales were up 15.5% over April 2010. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled \$1.2 Trillion in March 2011, up 2.2% from February and up 11% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.47 Trillion in March 2011, up 1% from February and up 9.7% from the previous year. (Source: US Census)
Housing Starts	In March, housing starts increased 7.2% to an annual rate of 549,000 units. Building permits (an indicator of future housing starts) increased 11.2% to an annual rate of 594,000.