

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation index was up 2.8% during March. <i>(Stock performance of twenty large, well-known U.S. companies within the transportation industry, average of March 10th thru April 10th)</i>
NASDAQ Transportation Index	NASDAQ Transportation Index up 3.1% 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 fell 1.5% in February 2011 over the previous month, and is up 4.1% from a year earlier.
Cass Freight Index	The March shipments index up 7% from February and up 13.8% year over year. The March expenditures index up 6.3% for the month and up 33.6% 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"> Japan's sea and air cargo exports are expected to decrease between 4% and 5% in the first half of FY 2011 due to the devastating earthquake and tsunami that hit the country on March 11. Worldwide spending on semiconductor capital equipment rose 143% in 2010 according to the Gartner research group. The global semiconductor market, which was hit hard by the reduction in demand for electronic equipment in 2008 and 2009, jumped from \$16.7 billion in 2009 to \$40.6 billion last year. The White House is ready to move a U.S.-Colombia free trade agreement forward to congress. The U.S.-Colombia FTA is expected to expand U.S. goods exports alone by more than \$1.1 billion, increase U.S. GDP by \$2.5 billion, and support thousands of additional U.S. jobs.

TRUCKING:

Over-the-Road Trucked Shipments	Over-the-Road Trucked Shipments rose 2.7% in March. Overall trucked shipments were up 3.6% since March 2010, marking the 16th consecutive month of year-over-year growth. <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 dropped 2.9% in February after reaching its highest level in two years in January. Winter storms are being blamed for February's decrease in truck tonnage.
Truckload Freight	The spot market for truckload freight in March rose 42% over the previous month, and was 61% higher year-over-year. (Source: TransCore Freight Index)
Freight Rate Index	The freight rate index cost-per-mile increased to \$2.44 in April 2011, up from \$2.38 in March 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 rose for the third straight week, increasing 10.2¢ last week to \$4.078 per gallon, the highest price since September 2008 and \$1 higher than the same week last year. Average diesel price in lower Atlantic states is \$4.024 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 29,200 units in March, the largest monthly order since May 2006. March truck orders grew 20.2% for the month and were 159% 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 19.5% in January compared to the same month in 2010, reaching \$67.7 billion . January was the 14th consecutive month of year-over-year increases. (Source: US DOT)
Trucking Employment	The trucking industry added 1,600 jobs in March following an increase of 11,200 jobs in February. The trucking workforce increased for the sixth consecutive month in March. (Source: U.S. DOL)
Trucking Business News:	<ul style="list-style-type: none"> The rate of highway fatalities from accidents involving large trucks fell 14.1% to the lowest level on record. ATA's analysis of the DOT data revealed that 1.17 deaths occur per 100 million miles traveled in 2009, down from a rate of 1.37 in 2008. Combined revenue for the 50 largest U.S. for-hire trucking companies rose 9.4% to \$85.4 billion in 2010. Last year's revenue was still 10% lower than the group's peak revenue of \$94.9 billion in 2008, a sign that trucking's economic recovery is still far from complete. Con-way Truckload announced that 71% of its 3,000-driver fleet is using electronic logs. Con-way TL expects full implementation of driver e-logs in June 2011, 2.5 years before the FMCSA is expected to require e-log adoption for all carriers in 2014.

RAIL:

U.S. Freight Rail Traffic	Railroad bulk carload freight in March 2011 increased 3.4% over March 2010, and rose 2% from February 2011. Carloads have experienced year-over-year gains for 13 straight 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 March 2011 was 8.5% higher than March 2010 and 0.5% higher than February 2011 totals. Intermodal loadings have experienced year-over-year gains for 16 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 February was 561.2, up 7.1% over the previous month, and up 39% 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 283,649 (18.7% of the fleet) on April 1, down 22,667 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. Decrease here = more demand)</i>
Class 1 Railroad Employment	Railroad employment was up 1,198 employees to 154,502 employees in February 2011 from the previous month. (Source: U.S. STB, AAR)
Railroad Business News:	<ul style="list-style-type: none"> In Q1 2011, total rail volumes were up 7.9% as 4.6 million carloads were shipped. This marks the second-highest first quarter increase since last year's 9.3% jump in rail shipments. Volkswagen's new plant and rail yard in Chattanooga, TN will use the facility's 23 miles of track to ship out 85% of its new cars. The shipping yard can handle 60 rail cars hauling 840 vehicles at one time, and links to both CSX and Norfolk Southern rail lines.

AIR FREIGHT:

Air Cargo Traffic	Global air freight in February up 2.3% from one year ago. North American air freight increased 11.8% in February 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 February, Hartsfield-Jackson Atlanta International Airport transported 51,706 metric tons of cargo, a 3% increase over January and a 6.61% increase year-over-year. (Source: HJIA)
Air Freight Price Index	In February, average international air cargo prices fell 7.1% from January to \$3.96 per kg; down 16.4% 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 1, 2011, the global average jet fuel price was \$136.40 per barrel; up 2.3% from March, and 45.2% 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"> U.S. airlines could set a record for fuel costs when they report quarterly earnings in coming weeks. Industry fuel bills in the 2011 first quarter are expected to increase 35%, about \$3 billion higher than Q1 2010. Fuel costs in the first quarter will make up between 35% and 40% of the total operating expenses. Europe's largest all-cargo airline, Cargolux, reported a net profit of \$59.8 million in 2010, the company's first profit since 2006. Lufthansa Cargo increased freight volume 17.8% year-over-year, transporting 183,000 metric tons in March. Freight traffic for Lufthansa in Q1 2011 totaled 469,000 tons, a 19.9% increase over Q1 2010.

Archives of these monthly snapshots are posted to: SNAPSHOT.GEORGIALOGISTICS.ORG

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:

Page Siplon, Executive Director – psiplon@georgia.org – 912.966.7867

OCEAN FREIGHT:

Import Volumes

In February, U.S. ports **imported** more than **\$210.9 billion** of cargo. February U.S. imports have **decreased 1.7%** in terms of value over the previous month and **grew 14.4%** year-over-year. (Source: US Census)

Export Volumes

In February, U.S. ports **exported** more than **\$165.1 billion** of cargo, the highest on record. February U.S. exports have **decreased 1.4%** in terms of value over the previous month and **grew 14.2%** year-over-year. (Source: US Census)

Import & Export Price Index

U.S. import prices **rose 2.7%** in March, following increases of **1.4%** in February and **1.5%** in January. The price index for U.S. exports **rose 1.5%** in March after rising **1.4%** the previous month.

Retail Freight Volumes

The National Retail Federation is projecting an **increase of 9%** for containerized shipments in April over last year. February, the latest month for which data is available, saw a **10% increase** in container traffic and was the 15th consecutive month of improvement. The first half of 2011 is expected to see a total increase of **8%** for containerized imports.

Container Rates

The April 4, 2011 average spot market rate was **\$1,693 per FEU**, the lowest rate in 53 weeks. The latest container spot market rate is **9.2% 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 April 1st SCFI rate was **\$1,012.63 per FEU**; **up 2.3%** from the week before, and **23.7% lower** year-over-year. The spot rate for shipments to the U.S. East Coast was **\$2,905 per FEU**, **up 3.1%** 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 **rose 19.7%** in March, ending with a cost of **\$1,520**. The BDI has **decreased 13%** for the first half of April. (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 5%** or \$38.44/MT to \$808.56/MT in March 2011. By mid-April, bunker fuel prices were **up 5%** to \$848.80/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 February 2011, container traffic was **up 16.3%** year-over-year, totaling **235,665 TEUs**. (Source: GPA)

Port of Brunswick

In February 2011, break-bulk tonnage for the Georgia Ports Authority totaled 177,073 tons, an **increase of 51.6%** year-over-year. At the Port of Brunswick, auto and machinery units posted the second best month ever, moving **40,734 units**. (Source: GPA)

Ocean Freight Business News:

- Global ocean container traffic reached an all-time high of **560 million TEUs** in 2010, **increasing 14.5%** over 2009 container traffic. (Source: Alphaliner)
- Japan is set to start **radiation checks** on ships and containers leaving the three main international ports after the Fukushima nuclear power plant began leaking radiation. The Ports of Tokyo, Yokohama, and Kawasaki account for about **40%** of Japan's foreign trade containers.
- Drewry Shipping Consultants is forecasting that many ocean carriers will struggle to make a profit this year because of **plunging rates** and **increased costs**. Drewry predicts that east-west rates excluding fuel costs will **fall 13.2%** in 2011.
- The German container line Hamburg Süd stated that its total 2010 volume **grew 23%** to 2.9 million TEUs, and its revenue **rose 45%** to €3.9 billion (\$5.6 billion).
- Clarksons shipping research group is forecasting global container ship capacity to grow only **7%** in 2011 and **9%** in 2012, a fairly low increase despite large outstanding orders for new vessels.

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy	The U.S. average industrial vacancy rate was 9.5% during Q1 2011. Industrial vacancy was 11.4% in the South and 15.5% in Atlanta. (Source: Cassidy Turley)
Industrial Rent Rates	In Q1 2011, industrial rental rates in the US averaged \$5.08 per square foot . The average industrial rent in the South is \$4.48/sq.ft. Rental rates in Atlanta are \$3.48/sq.ft. (Source: Cassidy Turley)
Industrial Absorption	Net absorption in the US during Q1 2011 totaled +24.7 million sq. ft. Regionally, the South led the way with +13.3 million sq. ft absorbed, but all four regions of the country reported net increases for the quarter. Atlanta led the region and the country this quarter, recording +2.8 million sq. ft. (Source: Cassidy Turley) <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 0.2 points to 61.2 in March 2011. New orders decreased 4.7 points to 63.3 and production increased 2.7 points to 69. (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 increased 5.1 points to 67.6 in March over the month prior, the highest level since April 2006. New orders in Georgia were up 0.9 of a point to 69.7 and production in Georgia was up 9.1 points to 75.8. (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"> Industrial Income Trust Inc. completed its acquisition of a 1.3 million square-foot distribution center in Atlanta, Georgia for approximately \$33.8 million on March 29. The property is currently leased to the Solo Cup Company. Health Lean Logistics, a Barcelona-based healthcare logistics and distribution company, selected Atlanta as the site of its U.S. headquarters and logistics platform. HLL's presence in Atlanta will create 100 jobs, with the potential for numerous additional indirect jobs through subcontractors and service providers.

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased 3.1% in the fourth quarter 2010 according to the final estimate released by the BEA, revised upward from the previous estimate of a 2.8% increase. (Source: US BEA)
U.S. Trade Deficit	The U.S. trade deficit narrowed by 2.6% in February to \$45.8 billion, as exports decreased 1.4% to \$165.1 billion and imports decreased 1.7% to \$210.9 billion. (Source: US DOC & Census Bureau)
Consumer Confidence	Decreased to 63.4% in March 2011 from 72% in February 2011, the first monthly decline in six months. (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 fell to 8.8% in March 2011, the lowest rate since April 2009 and the fourth monthly decrease in a row. Approximately 216,000 jobs were created in March. (Source: US DOL)
Leading Economic Index	The Leading Economic Index for the U.S. increased 0.8% in February to 113.4 (2004=100), following a 0.1% increase in January and a 1% increase 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 for the 9 th month straight in March to \$389.3 Billion, up 0.5% for the month and up 7.1% over last year. Non-store retailer sales were up 12.4% and automobile sales were up 10.9% over March 2010. (Source: US Census)
Manufacturing & Trade Sales	Total combined sales and manufacturing shipments totaled \$1.17 Trillion in February 2011, up 0.2% from January and up 10.9% from the previous year. (Source: US Census)
Manufacturing & Trade Inventory	Total value of inventory on hand is estimated at \$1.46 Trillion in February 2011, up 0.5% from January and up 9.1% from the previous year. (Source: US Census)
Housing Starts	In February, housing starts decreased 22.5% to an annual rate of 479,000 units, the second lowest level since record-keeping began in 1959. Building permits (an indicator of future housing starts) decreased 8.2% to an annual rate of 517,000.