

LOGISTICS MARKET SNAPSHOT

NOVEMBER 2024

U.S. MARKET:

Gross Domestic Product

Real gross domestic product (GDP) **increased at an annual rate of 2.8% in the 3rd quarter of 2024**, according to the "second" estimate released by the U.S. Bureau of Economic Analysis. In the 2nd quarter, real GDP increased 3.0%. The increase in real GDP primarily reflected increases in consumer spending, exports, federal government spending, and nonresidential fixed investment.

Source: Bureau of Economic Analysis

U.S. Trade Deficit

The goods and services deficit was **\$84.4 billion in September 2024, up \$13.6 billion from \$70.8 billion in August**, revised. The September increase in the goods and services deficit reflected an increase in the goods deficit of \$14.2 billion to \$109.0 billion and an increase in the services surplus of \$0.6 billion to \$24.6 billion. For the three months ending in September the average goods and services deficit increased \$3.8 billion to \$78.0 billion.

Source: Bureau of Economic Analysis

Import Volumes

September **imports were \$352.3 billion, \$10.3 billion more than August imports**. For the 3 months ending in September average imports increased \$4.7 billion to \$346.6 billion in September. Imports of goods increased \$10.9 billion to \$285.0 billion in September. Imports of services decreased \$0.6 billion to \$67.3 billion in September.

Source: U.S. Census Bureau

Export Volumes

September 2024 **exports were \$267.9 billion, \$3.2 billion less than August exports**. For the 3 months ending in September average exports increased \$0.9 billion to \$268.5 billion. Exports of goods decreased \$3.2 billion to \$176.0 billion in September. Exports of services decreased by less than \$0.1 billion to \$91.9 billion in September.

Source: U.S. Census Bureau

Import & Export Price Indexes

Prices for U.S. imports rose 0.3% in October 2024, the largest 1-month advance since a 0.9% increase in April 2024. The advance in October followed declines of 0.4% in September and 0.3% in August. U.S. import prices increased 0.8% from October 2023 to October 2024. **Prices for U.S. exports increased 0.8% in October 2024** following a 0.6% decline the previous month. The October advance was the largest monthly rise since the index increased 1.2% in August 2023. Higher prices for non-agricultural and agricultural exports in October contributed to the monthly increase. Despite the October rise, U.S. export prices declined 0.1 percent over the past year.

Source: Bureau of Labor Statistics

Unemployment Rate

For October 2024, total nonfarm payroll employment was essentially unchanged and the **unemployment rate** was unmoved at 4.1%. Employment continued to trend up in health care and government. Temporary help services lost jobs. Employment declined in manufacturing due to strike activity. **The number of long-term unemployed** (those jobless for 27 weeks or more) was little changed at 1.6 million in October. This measure is up from 1.3 million a year earlier. In October, the long-term unemployed accounted for 22.9% of all unemployed people. **Georgia's unemployment rate comes in at 3.6% for October 2024**, ranking 25th in the U.S. of states with the lowest unemployment, tying with Arizona. South Dakota shows the lowest level of unemployment at 1.9%. Nevada ranks highest in unemployment with a rate of 5.7%.

Source: Bureau of Labor Statistics

Labor Force Participation Rate

For October 2024 the labor force participation rate read at **62.6%, a decrease from the previous month**. The labor force participation rate for October 2024 for those of **prime working age (25-54) had a reading of 83.5%**.

Source: U.S. Bureau of Labor Statistics (Workforce Participation Rate measures the share of Americans at least 16 years old who are either employed or actively looking for work)

Leading Economic Index

The Leading Economic Index (LEI) for the US **declined by 0.4% in October 2024 to 99.5, following a 0.3% decline in September**. Over the six-month period between April and October 2024, the LEI fell by 2.2%, slightly more than its 2.0% decline over the previous six-month period (October 2023 to April 2024). Per The Conference Board, "The largest negative contributor to the LEI's decline came from manufacturer new orders, which remained weak in 11 out of 14 industries. In October, manufacturing hours worked fell by the most since December 2023, while unemployment insurance claims rose and building permits declined, partly reflecting the impact of hurricanes in the Southeast US." **Apart from possible temporary impacts of hurricanes, the US LEI continued to suggest challenges to economic activity ahead.**

Source: The Conference Board (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)

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Pending Home Sales Index

The Pending Home Sales Index (PHSI) **rose 2.0% to 77.4 in October 2024**. Year-over-year, pending transactions expanded 5.4%. Says the National Association of Realtors, "Homebuying momentum is building after nearly 2 years of suppressed home sales. Even with mortgage rates modestly rising despite the Federal Reserve's decision to cut the short-term interbank lending rate in September, **continuous job additions and more housing inventory are bringing more consumers to the market.**" The Northeast jumped 4.7% from last month to 68.7. The Midwest index grew 4.0% to 77.8. The South PHSI increased 0.9% to 90.0. The West index edged higher by 0.2% from the prior month to 64.1.
Source: National Association of Realtors (an index of 100 is equal to the level of contract activity in 2001)

Housing Starts

Privately-owned housing starts in **October 2024 were at a seasonally adjusted annual rate of 1,311,000**. This is 3.1% below the revised September estimate of 1,353,000 and is 4.0% below the October 2023 rate of 1,365,000. Single-family housing starts in October were at a rate of 970,000; this is 6.9% below the revised September figure of 1,042,000. **The October 2024 rate for units in buildings with five units or more was 326,000.**
Source: U.S. Census Bureau

Light-Vehicle Sales

New light-vehicle sales in September 2024 totaled 15.8 million units, an increase of 0.5% year over year. Following a strong start to the year in Q1 2024, where raw sales volumes were up 4.9% year over year, sales in Q2 and Q3 have declined by 0.5% and 1.9% year over year. The result: Through 9 months of the year, raw light-vehicle sales volume totaled 11.69 million units—an increase of just 0.7% year over year. **Sales of alternative-fuel vehicles have grown in 2024, but growth has not been equal across all powertrains.** Conventional hybrid vehicles continue to be strong sellers, with sales up by 32.8% year over year through September. Sales of plug-in hybrids (PHEV) and battery electric vehicles (BEV) have grown as well, but not as much as conventional hybrids. In September, the Fed announced its first cut to the federal funds rate this cycle, lowering the targeted range by 50 basis points. **J.D. Power estimates the average rate on a new vehicle finance contract in September 2024 will be 6.84%.**
Source: National Automobile Dealers Association (Light vehicle sales record the number of domestically produced units of cars, SUVs, mini-vans, and light trucks that are sold. Because motor vehicle sales are a large part of consumer spending in the United States, the motor vehicle sales data can provide important information on consumer-spending trends and on the overall direction of the economy)

Personal Income and Outlays

Personal income increased \$147.4 billion in October 2024. Disposable personal income (DPI), personal income less personal current taxes, increased \$144.1 billion, or 0.7%. The increase in current-dollar personal income in October primarily reflected increases in compensation, personal income receipts on assets, and personal current transfer receipts. **Personal outlays**—the sum of PCE, personal interest payments, and personal current transfer payments—increased \$69.8 billion in October. **Personal saving** was \$962.7 billion in October and the **personal saving rate**—personal saving as a percentage of disposable personal income—was 4.4%.
Source: U.S. Bureau of Economic Analysis (personal income is the income that people get from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources; it does not include realized or unrealized capital gains or losses)

Personal Consumption Expenditures Price Index

Personal consumption expenditures (PCE) increased \$72.3 billion (0.4%) and the PCE price index increased 0.2% in October 2024. Excluding food and energy, the PCE price index increased 0.3%. The 0.1% increase in **real PCE** reflected an increase of less than 0.1% in spending on goods and an increase of 0.2% in spending on services. **Within goods**, the largest contributor to the increase was recreational goods and vehicles. **Within services**, the largest contributor to the increase was health care (both hospitals and outpatient services).
Source: U.S. Bureau of Economic Analysis (the PCE price index is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services; it is known for capturing inflation (or deflation) across a wide range of consumer expenses and reflecting changes in consumer behavior)

Retail Sales

Advance estimates of U.S. retail and food services sales **for October 2024 were \$718.9 billion, an increase of 0.4% from the previous month, and up 2.8% from October 2023**. Total sales for the August 2024 through October 2024 period were up 2.3% from the same period a year ago. Retail trade sales were up 0.4% from September 2024, and up 2.6% from last year. Nonstore retailers were up 7.0% from last year, while food services and drinking places were up 4.3% from October 2023.
Source: U.S. Census Bureau (Non-store retail sales are measured monthly and include internet-only sales outlets as well as other direct-to-customer channels)

E-Commerce

The estimate of U.S. retail e-commerce sales for **the 3rd quarter of 2024 was \$300.1 billion, an increase of 2.6% from the 2nd quarter of 2024**. Total retail sales for the 3rd quarter of 2024 were estimated at \$1,849.9 billion, an increase of 1.3% from the 2nd quarter of 2024. The 3rd quarter 2024 e-commerce estimate increased 7.4% from the 3rd quarter of 2023 while total retail sales increased 2.1% in the same period. **E-commerce sales in the 3rd quarter of 2024 accounted for 16.2% of total sales.**
Source: U.S. Census Bureau (E-Commerce sales are measured on a quarterly basis and include the sales of goods and services where the buyer places an order, or the price and terms of the sale are negotiated over an Internet, mobile device (M-commerce), extranet, Electronic Data Interchange (EDI) network, electronic mail, or other comparable online system. Payment may or may not be made online)

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Consumer Confidence Index

The Consumer Confidence Index **increased in November 2024 to 111.7, up 2.1 points from 109.6 in October**. According to The Conference Board, “Consumer confidence continued to improve in November and reached the top of the range that has prevailed over the past two years. November’s increase was mainly driven by more positive consumer assessments of the present situation, particularly regarding the labor market.” **Compared to October, consumers were substantially more optimistic about future job availability, which reached its highest level in almost 3 years.**

Source: The Conference Board (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. Base year 1985=100)

Consumer & Producer Price Index

The **Consumer Price Index increased 0.2% on a seasonally adjusted basis in October 2024**, the same increase as in each of the previous 3 months. Over the last 12 months, the all items index increased 2.6% before seasonal adjustment. **Indexes that increased** in October include shelter, used cars and trucks, airline fares, medical care, and recreation. The indexes for apparel, communication, and household furnishings and operations **were among those that decreased over the month**. The **Producer Price Index for final demand increased 0.2% in October 2024**, seasonally adjusted. Final demand prices advanced 0.1% in September and 0.2% in August. On an unadjusted basis, the index for final demand moved up 2.4% for the 12 months ended in October. The index for final demand less foods, energy, and trade services increased 0.3% in October after moving up 0.1% in September. **For the 12 months ended in October, prices for final demand less foods, energy, and trade services rose 3.5%.**

Source: U.S. Bureau of Labor Statistics (the CPI measures the change in prices paid by consumer for goods and services. Base year 1999=100; the PPI measures the average price changes by producers for domestically produced goods, services, and construction. Base year 2009=100)

Small Business Optimism Index

The Small Business Optimism Index **rose by 2.2 points in October 2024 to 93.7**. This is the 34th consecutive month below the 50-year average of 98. A net negative 20% of all owners (seasonally adjusted) reported higher nominal sales in the past three months, down three points from September and the lowest reading since July 2020. Twenty-three percent of owners reported that inflation was their single most important problem in operating their business (higher input and labor costs), unchanged from September and remaining the top issue.

Source: National Federation of Independent Business

Industrial Production & Capacity Utilization

Industrial production (IP) decreased 0.3% in October 2024 after declining 0.5% in September. A strike at a major producer of civilian aircraft held down total IP growth by an estimated 0.3% in September and 0.2% in October. Hurricane Milton and the lingering effects of Hurricane Helene together reduced October IP growth 0.1 percentage point.

Capacity utilization moved down to 77.1% in October 2024, a rate that is 2.6 percentage points below its long-run average. Capacity utilization for manufacturing decreased 0.5% in October to 76.2%, a rate that is 2.1 percentage points below its long-run average. The operating rate for mining rose to 88.7%, while the operating rate for utilities rose to 71.4%.

Source: The Federal Reserve (The industrial production and capacity utilization rates cover manufacturing, mining, and electric and gas utilities. The industrial detail provided by these measures helps illuminate structural developments in the economy)

Manufacturing and Trade Inventories and Sales

Manufacturers’ and trade inventories for September 2024 were estimated at an end-of-month level of \$2,587.1 billion, up 0.1% from August 2024 and were up 2.2% from September 2023. The combined value of **distributive trade sales and manufacturers’ shipments** for September 2024 was estimated at \$1,881.2 billion, up 0.3% from August 2024 and was up 0.5% from September 2023. The total **business inventories/sales ratio** based on seasonally adjusted data at the end of September was 1.38. The September 2023 ratio was 1.35.

Source: U.S. Census Bureau

Purchasing Managers Index, Manufacturing

The Manufacturing PMI **registered 46.5% in October 2024, 0.7 percentage point lower compared to the 47.2% recorded in September. This is the lowest Manufacturing PMI reading in 2024**. U.S. manufacturing activity contracted again in October, and at a faster rate compared to last month. Demand continues to be weak, output declined, and inputs stayed accommodative. Demand remains subdued, as companies continue to show an unwillingness to invest in capital and inventory due to concerns (for example, inflation resurgence) about federal monetary policy direction in light of the fiscal policies proposed by both major parties. Production execution eased in October, consistent with demand sluggishness. Suppliers continue to have capacity, with lead times improving and some shortages reappearing.

Source: Institute for Supply Management (The PMI combines data on new orders, production, employment, supplier deliveries, and inventory. A reading above 50 % indicates that the manufacturing economy is generally expanding.)

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Purchasing Managers Index, Services

The Services PMI registered **56%**, **1.1 percentage points higher than September's figure of 54.9** and the highest reading since July 2022. Fourteen industries reported growth in October, up two from the 12 industries reporting growth in September. Concerns over political uncertainty were again more prevalent than the previous month. Impacts from hurricanes and ports labor turbulence were mentioned frequently, although several panelists mentioned that the longshoremen's strike had less of an impact than feared due to its short duration.

Source: Institute for Supply Management (The PMI combines data on business activity, new orders, employment, supplier deliveries, and inventory. A reading above 50% indicates that the manufacturing economy is generally expanding.)

Logistics Managers' Index

The October 2024 Logistics Manager's Index reads in at **58.9, up 0.3 from September's reading** and at its highest levels since September 2022. The overall index has **now increased for 11 consecutive months, providing strong evidence that the logistics industry is back on solid footing.** The clearest example of this is the jump in the expansion for Transportation Prices which were up (+5.7) to 64.1, which is the fastest rate of growth for this metric since May of 2022. Transportation Capacity was fairly consistent with last month, increasing very slightly (+0.8) to 50.8 and implying very minimal levels of growth. Warehousing Utilization (+1.9 to 62.9) and Warehousing Prices (-1.1 to 65.8) are relatively consistent with the changes observed in September. Underlying all of this is the continued expansion of Inventory Levels (-0.4 to 59.4) and Inventory Costs (-5.5 to 65.8). Breaking the streak of the last 6 months, more Inventory Level expansion is now coming from Downstream retailers (65.7) than from Upstream firms (56.3), suggesting that retailers are stocked up, and will likely continue to stock up, for the holiday shopping season.

Source: Logistics Manager's Index (The LMI score is a combination eight unique components that make up the logistics industry, including: inventory levels and costs, warehousing capacity, utilization, and prices, and transportation capacity, utilization, and prices. The LMI is calculated using a diffusion index, in which any reading above 50% indicates that logistics is expanding; a reading below 50% is indicative of a shrinking logistics industry.)

U.S. Market News Clip

US shoppers were out in force for "Black Friday," with preliminary data showing strong online sales despite inflation nerves prompting retailers in the world's biggest economy to come up with ever more deals. As markets and consumers eye possible turbulence during the transition from President Joe Biden to Donald Trump, there are hopes that the year's biggest shopping season — stretching from Thanksgiving to Christmas — will be a bonanza. While inflation has been largely tamed from its post-Covid spike, Americans remain wary, with consumer prices still significantly elevated above their pre-pandemic levels. Despite the negative perceptions of the economy, the NRF has projected holiday spending to grow between 2.5 and 3.5 percent over last year, to as much as \$989 billion over the two-month period.

Source: MSN; [link to article](#)

INTERMODAL:

Dow Jones Transportation Average

As of November 29, 2024, the Dow Jones Transportation Average closed at a reading of **17,618.63.**

Source: Marketwatch (A price-weighted average of 20 U.S. companies in the transportation industry. The index includes railroads, airlines, trucking, marine transportation, delivery services, and logistics companies.)

NASDAQ Transportation Index

As of November 29, 2024, the NASDAQ Transportation Index closed at a reading of **7,753.26.**

Source: Marketwatch, Inc (A capitalization-weighted stock market index designed to measure the performance of all NASDAQ stocks in the transportation sector.)

Freight Transportation Services Index

The level of for-hire freight shipments in **September 2024 measured 139.2, 1.6% below the all-time high of 141.4 reached in August 2019.** The Freight TSI decreased in September due to seasonally adjusted decreases in trucking, pipeline and air freight while rail carload, rail intermodal, and water grew. Year to date, for-hire freight shipments measured by the index were up 0.5% in September compared to the end of 2023.

Source: U.S. Bureau of Transportation Statistics (TSI is based on the amount of freight carried by the for-hire transportation industry)

Freight Index for Shipments and Expenditures

The **shipments component of the Cass Freight Index fell 1.9% month-over-month in October 2024,** after a 1.7% decline in September. Shipments declined by 2.4% year-over-year in October after a 5.2% year-over-year drop in September. In a sign that private fleet growth continues to affect for-hire demand, the ongoing softness in shipments comes as Class 8 tractor sales rebounded from supply constraints in Q2. Although demand growth for goods is driving broad freight volume growth, it is still not reaching the for-hire market.

The **expenditures component of the Cass Freight Index fell 1.5% month-over-month in October 2024,** partly due to another decline in fuel prices. The year-over-year decline moderated to 5.9% from 6.6% in September. The expenditures component declined another 16% in 1H'24, and assuming normal seasonal patterns from here, will decline 11%-12% this year.

Source: Cass Information Systems (Based upon transportation dollars and measures the total amount spent on freight and shipments of Cass clients comprised of over 400 shipping companies)

Shippers Conditions Index

The Shippers Conditions Index (SCI) **improved in September 2024 to 4.6, up from the 2.9 reading in August** due to lower fuel costs, looser capacity and lower freight rates. The SCI was at its strongest level of the year in September, with expectations that readings will be weaker and closer to neutral through the two-year forecast period. According to FTR Transportation Intelligence, “The fact that September’s index is the strongest since last December is not a sign that shippers’ market conditions are steadily improving. September and May were modest outliers this year in a market that is at least becoming more balanced. **Markets in transition tend to be volatile, so further outliers are likely and possibly in both directions.** The supply chain implications of tariffs are a wild card for 2025 especially.”

Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for shippers)

North American Transborder Freight

Total transborder freight moved by all modes of transportation between the United States and North American countries Mexico and Canada for **September 2024 was valued at \$136.3 billion**, up 3.4% compared to September 2023. Freight between the **U.S. and Canada totaled \$63.8 billion**, down 1.4% from September 2023. Freight between the **U.S. and Mexico totaled \$72.5 billion**, up 8.0% from September 2023 (Mexico continued to lead Canada in freight dollar value for the last 19 months). **Trucks** moved \$88.5 billion of freight, up 7.7% compared to September 2023. **Railways** moved \$17.0 billion of freight, down 5.4% compared to September 2023. **Vessels** moved \$10.1 billion of freight, down 13.5% compared to September 2023 (**vessels** moved 17.3% less mineral fuels). **Pipelines** moved \$8.5 billion of freight, down 7.7% compared to September 2023. **Air** moved \$4.6 billion of freight, down 5.3% compared to September 2023.

Source: U.S. Bureau of Transportation Statistics

Intermodal News Clip

Schneider is set to launch a new Intermodal service providing continuous rail service between points in Mexico and Texas and points in the Southeastern United States. The lane is a result of recently announced connection between CSX Corp. (CSX) and Canadian Pacific Kansas City (CPKC). This new service will connect growing markets in Mexico and Texas with Florida and Georgia. Unlike truck transportation on this Southeast-Mexico cross-border route, intermodal service with CPKC provides a seamless, efficient border crossing, eliminating potential delays and exposure to freight loss. Service on the new route will begin December 2024.

Source: Business Wire; [link to article](#)

RAIL:

U.S. Freight Rail Traffic

For the week ending November 23, **total U.S. weekly rail traffic was 520,798 carloads and intermodal units**, up 25.6% compared with the same week last year. Total carloads for the week were 230,036 carloads, up 17.6% compared with the same week in 2023, while U.S. weekly intermodal volume was 290,762 containers and trailers, up 32.8% compared to 2023. **Nine of the 10 carload commodity groups posted an increase** compared with the same week in 2023. They included nonmetallic minerals, up 8,383 carloads, to 29,904; chemicals, up 6,228 carloads, to 33,785; and grain, up 5,705 carloads, to 23,647. One commodity group posted a decrease compared with the same week in 2023: coal, down 2,934 carloads, to 58,189.

Source: Association of American Railroads (Report includes rail car-loadings by 20 different major commodity categories)

Railroad Fuel Price Index

The index of **average railroad fuel prices for October 2024 was 466.8**, an increase from 460.4 the previous month. The index for October 2023 was 649.1, or difference of 32.6%.

Source: Association of American Railroads (Average monthly price for gallons purchased by freight railroads; Includes federal excise taxes, transportation, and handling expenses)

Class 1 Railroad Employment

Total railroad employment for **October 2024 was 120,290 workers**, down from 120,399 workers in September 2024. Total number of workers in October 2023 was 122,393.

Source: U.S. Surface Transportation Board

Rail Freight News Clip

Rail Vision Ltd has announced an innovative advancement in railway safety and control. Developed in collaboration with a major U.S.-based rail company, Rail Vision’s new system transitions from passive warning systems to active safety systems that directly control locomotive throttle and brakes, setting a new step towards autonomous rail operations. This next-generation capability, tailored for shunting yard locomotives, leverages Rail Vision’s proprietary AI technology to provide real-time insights integrated into the customer’s locomotive control systems. The system will be deployed as part of the initial rollout on the customer’s U.S. fleet, with implementation starting by the end of 2024.

Source: American Journal of Transportation; [link to article](#)

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ROAD:

Cowen/AFS Freight Index

Truckload Rates: The much-anticipated rate cut by the Federal Reserve finally happened, but the immediate effect on truckload rates is expected to be minimal. In the near term, truckload freight markets continue to be characterized by low demand and excess capacity. In Q3 2024, linehaul cost per shipment recorded its seventh consecutive quarter with a YoY decline. Looking to Q4 2024, the truckload rate per mile index is expected to stay near the floor established six quarters ago. **LTL Rates:** The LTL freight market in Q3 showed a continuation of established trends, with strict carrier pricing discipline working to maintain yields in a low-demand environment. Carrier pricing discipline is expected to hold in Q4 2024, with the LTL freight index projected to reach 65.0% above the 2018 baseline. **Express Parcel Rates:** For Q3, higher discounts and lower net fuel surcharges added up to the express parcel rate per package index dropping significantly, from 4.5% in Q2 to 1.6%. The index projects a further 0.2% drop in express parcel rate per package in Q4. **Ground Parcel Rates:** For Q3, the ground parcel rate per package index fell significantly, down to its lowest level since 2021 – 20.3% above the 2018 baseline. Looking ahead to Q4, competitive pricing pressure will continue to dominate the holiday shipping season, with a notable trend of growing discounts for large customers.

Note: The Cowen-AFS Q4:2024 Report / Q1:2025 Forecast will be released January 2025.

Source: AFS Logistics (An index providing a snapshot of less-than-truckload shipping, full truckload shipping, and parcel shipping.)

Truckload Linehaul Index

The Truckload Linehaul Index **rose 0.7% month-over-month in October 2024**, the 2nd straight small increase from a cycle-low in August. The year-over-year decline narrowed to 2.2% from 3.5% in September. While this has narrowed from a 15% year-over-year decline a year ago, it seems unlikely to turn positive until early 2025. As a broad truckload market indicator, this index includes both spot and contract freight. **Spot rates have started to increase, and even conversations about contract rates are starting to turn positive with bid activity picking up seasonally.**

Source: Cass Information Systems (this index measures the per-mile change in linehaul rates and is an indicator of market fluctuations in per-mile dry van truckload pricing in the U.S. and does not include other components like fuel and accessories. Provides trends in baseline truckload prices)

Truck Tonnage Index

The For-Hire Truck Tonnage Index for **October 2024 equaled 114.6 compared with 113.3 in September**. According to the American Trucking Associations, “The slow, and choppy, climb off of the bottom continued in October. Since hitting a low in January of this year, tonnage is up a total of 3%, plus the index is up sequentially in three of the last four months. **No doubt the freight market has improved – albeit slowly – over the course of the year.**”

Source: American Trucking Associations (Note: ATA recently revised the seasonally adjusted index to 2015 = 100)

Truckload Freight, Van

The **national van load-to-truck ratio for November 2024 was 3.85**. The previous month’s ratio was 4.13 and the November 2023 ratio was 3.21. **Georgia’s load-to-truck ratios** for vans for November 2024, average 2.6 – 5.4 loads for every truck. For November 2024, **the spot rate** (national average) for dry van freight came in at \$2.02. **Contract rates** registered an average of \$2.40 for the same month. The average outbound van rate for the Southeast region came in at \$1.84 for November 2024.

Source: DAT Freight & Analytics

Truckload Freight, Refrigerated

The national **load-to-truck ratio for refrigerated hauls came in at 5.82 loads per truck in November 2024**. The previous month’s ratio was 5.85 and the November 2023 ratio was 5.15. **Georgia’s load-to-truck ratio** for November 2024 averaged 2.3 – 5.5 reefer loads per truck. The average national **spot market reefer rate for November 2024 was \$2.45 per mile**, a 6-cent increase from the previous month. Contract rates for reefers averaged \$2.74 for the same month. The average outbound rate for the **Southeast region for reefer freight** registered at \$2.04 for November 2024.

Source: DAT Freight & Analytics

Trucking Conditions Index

The Trucking Conditions Index (TCI) **declined in September 2024 to -2.47, down from -1.39 in August** as weakness in the principal freight dynamics – freight rates, utilization, and volume – offset lower fuel costs and slightly less unfavorable financing costs. The TCI has been positive only twice – in May and June of this year – since April 2022, but the current forecast envisions consistently positive readings through at least a two-year forecast horizon. According to FTR Transportation Intelligence, “Aside from a near-term boost mostly related to falling diesel prices, we have not changed our Trucking Conditions Index forecast significantly in the wake of the election. **The outlook continues to be more favorable for carriers than what they have experienced for well over two years.** Our analysis indicates gradual but steadily rising capacity utilization leading to stronger freight rates in 2025.”

Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for trucking)

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Diesel Prices

As of November 25, 2024, the **U.S. average diesel price was \$3.54 per gallon**. This is a 3-cent decrease month-over-month and \$0.61 lower than the same week in 2023. The average price of diesel in the **Lower Atlantic states came in at \$3.50 per gallon**, a penny less than the previous month. Prices were almost a half dollar higher during the same period in 2023, averaging \$3.96 per gallon.

Source: U.S. Energy Information Administration (Reflects the costs and profits of the entire production and distribution chain)

Trucking Employment

October 2024 numbers (preliminary) for the trucking industry **read at 1,546,200 employees**, decreasing from 1,546,300 employees (preliminary) for September 2024.

Source: U.S. Bureau of Labor Statistics

Trucking Earnings & Hours

For September 2024, the average earnings (preliminary) for occupations commonly found in truck transportation **were \$31.46/hour**, increasing from the previous month's rate of \$31.34. September 2024 showed **average weekly hours totaling 40.3 hours** (preliminary) down from 40.4 hours in August 2024.

Source: U.S. Bureau of Labor Statistics

U.S. Truck & Trailer Orders (Class 8)

Preliminary North American Class 8 net orders in **October 2024 totaled 28,300 units, marking a 14% month-over-month decline, but a 2% year-over-year increase**. This figure falls somewhat short of seasonal expectations as the average October order level over the last seven years is 33,940 units. **Given the continued stagnation in the truck freight market, this is a healthy order number, but it suggests that some fleets are being cautious as they order new trucks for 2025**. Orders in October typically increase slightly from the prior month. "Despite a sluggish freight market, fleets have sustained their investments in new equipment, albeit primarily at replacement demand levels thus far in 2024" says FTR Transportation Intelligence. "We anticipate a slight uptick in October backlogs once the final Class 8 market data is released. With inventory levels remaining close to record highs, we also foresee continued downward pressure on production rates through the remainder of 2024."

Source: FTR Transportation Intelligence

Road Freight News Clip

The trucking industry saw very early indications that driver demand picked up during the third quarter, while remaining affected by market conditions. The Q3 2024 Driver Recruiting & Retention Data Download Report found competition for drivers intensified as freight volumes began to improve slightly across certain sectors. This led to a 51% rise in company driver job postings between April and September. The report was compiled by Conversion Interactive Agency and the Professional Driver Agency. The Q3 report also found that 85.3% of drivers are applying to multiple jobs at once. It also noted that nearly 60% of the frustrations that drivers expressed are linked to communication and planning issues. The report stressed the importance of keeping drivers engaged.

Source: Transport Topics; [link to article](#)

AIR:

Air Cargo Traffic

September marked the global air cargo industry's 14th consecutive month of demand growth with **global cargo tonne-kilometers (CTK) increasing by 9.4% year-over-year**. This is the 14th consecutive month of demand growth. International CTK added 10.5% from last year, with growth in all regions and major trade lanes. Latin America and Caribbean carriers led the expansion with 19.8% year-over-year. Cargo demand for the within-Europe trade lane outpaced other route areas with an 18.0% annual surge. **Global air cargo yield maintains a moderate upward trend while jet fuel prices fall**. So far this year, air cargo demand in September surged 12.6% compared to 2023, setting a new year-to-date record.

Note: Most recent Air Cargo Market Analysis not yet released at time of Logistics Market Snapshot publication.

Source: International Air Transport Association (Global air freight covers international and domestic scheduled air traffic.)

Jet Fuel Prices

As of November 29, 2024, the global average jet fuel price **ended at \$90.08/bbl, an increase of 0.3% from the previous month**. This is a 19.8% decline, year-over-year.

Source: International Air Transport Association (the weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)

Air Freight News Clip

The executive in charge of Amazon's new air cargo service for third-party shippers reassured freight forwarders their cargo won't be bumped from overloaded flights to preserve space for Amazon parcels, because the retail giant has the technology and network density to ensure shipments reach their destination on time by whatever mode necessary. The e-commerce behemoth in September unveiled the Amazon Air Cargo website as a vehicle for advertising airfreight products and booking shipments online. Shippers can tender freight as needed, reserve regular blocks of space or charter entire aircraft. Amazon is also offering air cargo service in Europe and India, where it operates more limited networks.

Source: FreightWaves; [link to article](#)

OCEAN:

Shanghai Containerized Freight Index

As of November 29, 2024, the China Shanghai Containerized Freight Index reading was **\$2,233.83 per FEU**. This is a 2.19% increase from the previous month, and a **76.88% increase year-over year**.

Source: MacroMicro (The Shanghai Containerized Freight Index reflects the spot rates of the Shanghai container transport market. It is a weekly reported average spot rate of 15 major container trade routes exported from Shanghai to regions around the globe.)

Georgia Ports Authority

The Georgia Ports Authority handled **494,261 twenty-foot equivalent container units in October 2024**, an increase of more than 45,000 TEUs, up 10%. It was the 3rd busiest October on record for GPA after 2021 and 2022, when more than half a million TEUs crossed the docks at the Port of Savannah. **The Appalachian Regional Port** helped boost GPA's performance with an October high of 3666 rail lifts at the Northwest Georgia inland port, up 4.4%. **In autos and high/heavy machinery**, Colonel's Island handled 68,569 units of Roll-on/Roll-off cargo in October and 300,647 RoRo units fiscal year-to-date, up 10.6%.

Source: Georgia Ports Authority

Ocean Freight News Clip

The Environmental Protection Agency will award a combined \$3 billion to 55 ports through its Clean Ports Program. Several ports have outlined their plans to achieve zero-emissions operations over the next few years, and the EPA funding will support those efforts. Twenty-one of the selected ports plan to use the proceeds to upgrade cargo handling equipment, according to the EPA, with funds also being allocated for infrastructure and climate and air quality improvement projects. More specifically, the funds will support the purchase of zero-emission equipment, including 1,500 units of cargo handling machinery, 1,000 drayage trucks, 20 vessels and 10 locomotives, according to the press release. The funding will also finance shore power systems, battery-electric and hydrogen vehicle charging and fueling infrastructure, and solar power generation.

Source: Supply Chain Dive; [link to article](#)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

Both vacant speculative deliveries and some additional sublease vacancies **pushed the U.S. industrial vacancy rate up from 6.1% in Q2 2024 to 6.4% in Q3 2024**. Although higher than the lows posted in 2021 and 2022, the vacancy rate remains below pre-pandemic averages, at 7%. Of the 84 markets tracked by Cushman & Wakefield, 48 had vacancy rates at 6% or lower at the close of the quarter. However, 2/3 of U.S. markets experienced quarter-over-quarter increases in vacancy rates. While vacant sublease space continued to tick higher nationally, the bulk of new sublease vacancies were concentrated in a handful of markets, led by Los Angeles, Phoenix, Chicago and the Inland Empire. **Savannah, GA** reported a vacancy rate of 9.0% for Q3 2024, compared to 4.6% in Q3 2023. **Atlanta, GA** reported a vacancy rate of 8.1% for Q3 2024, compared to 5.8% in Q3 2023.

Note: Next release for Q4 2024 – U.S. National Industrial Vacancy, will be published January 2025

Source: Cuman & Wakefield

Warehouse Rent Rates

For Q3 2024, the U.S. average asking rental rate **increased by 4.3% year-over-year to \$10.08 per square foot (psf), surpassing the \$10 psf mark for the first time in history**. While rent growth has moderated in 2024 compared to the double-digit gains of 2022 and 2023, some markets continue to report robust gains. Of the 84 markets tracked, 58 reported year-over-year rent growth, and 12 reported rent growth of 10% or higher. Conversely, 26 markets reported annual rent declines, with the largest decreases mostly occurring in markets on the West Coast. **For Savannah, GA** the average asking rental rate for Q3 2024 was \$6.56, compared to \$6.97 for Q3 2023. **For Atlanta, GA** the average asking rental rate for Q3 2024 was \$7.18, compared to \$6.90 for Q3 2023.

Note: Next release for Q4 2024 – U.S. National Asking Rents, will be published January 2025

Source: Cushman & Wakefield

LOGISTICS MARKET SNAPSHOT

NOVEMBER 2024

Industrial Absorption

Net absorption was modest in the third quarter, as some large occupiers continued to shed unneeded space due to cooling consumer demand and shifting of inventory strategies. **With 29.4 million square feet (msf) in the third quarter, net absorption was down 35% quarter-over-quarter but was 40% stronger than the first quarter of 2024.** As in recent years, much of the positive net absorption is tied to the delivery of either build-to-suit or preleased speculative developments, continuing the trend that new, high-quality product continues to outperform. Eight markets yielded more than 5 msf of YTD net growth, and 60% of the industrial markets recorded positive absorption during that time. Meanwhile, eight markets accounted for the majority of negative YTD absorption, led by Los Angeles, Oakland/East Bay, Northern New Jersey and Seattle. **For Savannah, GA, Q3 2024 net absorption registered at 134,905 compared to 6,607,110 for Q3 2023. For Atlanta, GA, Q3 2024 net absorption registered 1,758,313 compared to 2,494,760 for Q3 2023.**

Note: Next release for Q4 2024 – U.S. National Industrial Absorption, will be published January 2025.

Source: Cushman & Wakefield (Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)

Warehouse Employment

Preliminary October 2024 numbers for the warehousing industry workforce comes in at **1,764,100 employees, decreasing from 1,771,100 employees** for September 2024 (preliminary).

Source: U.S. Bureau of Labor Statistics

Warehouse Earnings & Hours

September 2024 average hourly earnings in the warehousing and storage subsector comes in at **\$24.69/hour (preliminary), a dime lower** than the August 2024 rate. The **average weekly hours were 41.1 for September 2024** (preliminary) up from 40.1 hours in August 2024.

Source: U.S. Bureau of Labor Statistics

Warehouse & Distribution News Clip

Logistics operators with roots in China are taking on more warehouse space across the U.S. amid broad changes in sourcing, manufacturing and global trade flows. Prologis, the world's largest industrial real-estate operator, said it estimates China-based third-party logistics providers and e-commerce companies accounted for 20% of net new warehouse leasing across the U.S. this year through the third quarter, which company officials say is up sharply over recent years. Industrial real-estate experts said some of the companies are based in China, while others have their headquarters in the U.S. or elsewhere and primarily handle logistics from China to the U.S. Many of the logistics operators have focused on leasing space in major U.S. logistics markets near ports in Southern California, New Jersey and Savannah, Ga.

Source: Wall Street Journal; [link to article](#)

LOGISTICS MARKET SNAPSHOT

The free Logistics Market Snapshot is compiled and prepared monthly by the Georgia Center of Innovation



The Georgia Center of Innovation's logistics team is the leading statewide resource for fueling logistics industry growth and global competitiveness. The Center works to address the needs and opportunities of companies of any size involved in logistics and freight transportation – both providers and heavy consumers of logistics services. The Center provides industry knowledge and technical expertise, connections to state resources in research and innovation, and joins together an extensive cross-sector industry network. As an industry focused component of the Georgia Department of Economic Development (GDEcD) the Center has main offices in Savannah and

Atlanta with activity in all parts of the State.

The Center represents all segments of the logistics industry and provides a unique platform for companies to network, address industry issues and share knowledge. **Simply put, the Center is a catalyst to help logistics-enabled businesses clear the path to innovation and growth.**

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