

U.S. MARKET:

Gross Domestic Product	The U.S. GDP increased at an annual rate of 2.0% in the second quarter of 2019, according to the third estimate released by the Bureau of Economic Analysis in late September. Downward revisions to personal consumption expenditures (PCE) and nonresidential fixed investment were primarily offset by upward revisions to state and local government spending and exports. Imports, which are a subtraction in the calculation of GDP, were revised down. (Source: US BEA) As of October 9, the latest GDPNow model forecast for real GDP growth (seasonally adjusted annual rate) in the third quarter of 2019 is 1.7%. (Source: Federal Reserve Bank of Atlanta) (The GDPNow forecast aggregates statistical model forecasts of 13 subcomponents that comprise GDP.)
U.S. Trade Deficit	The U.S. goods and services trade deficit increased 1.6% in August 2019 to \$54.9 billion. In August, the U.S. had a trade surplus with South and Central America, Hong Kong, Brazil, OPEC, United Kingdom, Saudi Arabia, and Singapore. The U.S. had a trade deficit with China, European Union, Germany, Japan, Mexico, Italy, Canada, South Korea, India, Taiwan, and France. (Source: US DOC & Census Bureau)
Import Volumes	In August 2019, the U.S. imported \$213.0 billion of cargo, increasing 0.6% from July. The August imports of consumer goods (\$57.2 billion) were the highest on record . (Source: US Census)
Export Volumes	In August 2019, the U.S. exported \$138.6 billion of cargo, increasing 0.3% from July. The August exports of capital goods (\$44.3 billion) were the lowest since October 2017 (\$44.0 billion) . (Source: US Census)
Import & Export Price Index	U.S. import prices increased 0.2% in September 2019. The advance in September was driven by higher fuel prices. U.S. export prices decreased 0.2% in September 2019. Price declines for agricultural and nonagricultural exports each contributed to the September decrease. (Source: Bureau of Labor Statistics)
Unemployment Rate	The unemployment rate in America was 3.5% in September 2019, down from 3.7% in August and the lowest rate in 50 years . A preliminary 136,000 net new jobs were created in September 2019, in line with what most economists expected. The unemployment rate in Georgia was 3.5% in September 2019, down from 3.6% the previous month. (Source: US DOL, GDOL, AAR)
Labor Force Participation Rate	The labor force participation rate was 63.2% in September 2019, unchanged from the previous month. The labor force participation rate for those of prime working age (25-54) was 82.6% in September, unchanged from the previous month. (Source: U.S. Bureau of Labor Statistics, AAR, FRED) <i>(The Workforce Participation Rate measures the share of Americans at least 16 years old who are either employed or actively looking for work)</i>
Leading Economic Index	The Leading Economic Index for the U.S. decreased 0.1% in September 2019, to a reading of 111.9. According to The Conference Board, "The US LEI declined in September because of weaknesses in the manufacturing sector and the interest rate spread which were only partially offset by rising stock prices and a positive contribution from the Leading Credit Index. The LEI reflects uncertainty in the outlook and falling business expectations, brought on by the downturn in the industrial sector and trade disputes. Looking ahead, the LEI is consistent with an economy that is still growing, albeit more slowly, through the end of the year and into 2020." (Source: Conference Board Note: The LEI was recently revised the seasonally adjusted index to 2016 = 100) <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>
Housing Starts	Existing home sales were an annualized and seasonally adjusted 1.36 million in August 2019, up 12.3% from July and 6.6% higher than August 2018. The index of pending home sales (sales that haven't closed yet but contracts have been signed) was 107.3 in August 2019, up 1.6% from the previous month and 2.5% higher year-over-year. According to the National Association of Realtors, "With interest rates expected to remain low, home sales are forecasted to rise in the coming months and into 2020. Unfortunately, so far in 2019, new home construction is down 2.0%. The hope is that housing starts quickly move into higher gear to meet the higher demand. Moreover, broader economic growth will strengthen from increased housing activity." (Source: U.S. DOC, National Association of Realtors)
Light Vehicle Sales	New light vehicle sales were an annualized and seasonally adjusted 17.2 million in September 2019, up 1.1% from the previous month and down 11.3% from September 2018. Sales of light trucks continue to dominate, accounting for 73.1% of total light vehicle sales in September 2019. (Source: AAR) <i>(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.)</i>
Personal Income	Personal income increased 0.4% to \$18.8 trillion in August 2019. The increase in personal income in August primarily reflected increases in wages and salaries, nonfarm proprietors' income, and personal current transfer receipts that were partially offset by a decrease in personal interest income. During Q2 2019, Personal Income in Georgia was estimated at \$510.0 billion, an increase of 4.8% from Q1 2019. (Source: U.S. Bureau of Economic Analysis) <i>(Personal income is the income received by a person from all sources. It includes income from domestic sources as well as the rest of the world. It does not include realized or unrealized capital gains or losses).</i>
Retail Sales	Advanced estimates of retail and food service sales in September 2019 were \$526.6 billion, a decrease of 0.3% from the previous month, and up 4.1% from September 2018. Non-store retail sales were 12.4% higher from the same month last year. (Source: US Census) <i>(Non-store retail sales are measured on a monthly basis and include internet-only sales outlets as well as other direct-to-customer channels)</i>

E-Commerce	<p>The estimate of U.S. retail e-commerce sales for the second quarter of 2019, adjusted for seasonal variation, was \$146.2 billion, an increase of 4.2% from the first quarter of 2019 and 13.3% higher than the second quarter of 2018. E-commerce sales in the second quarter of 2019 accounted for 10.7% of total sales. (Source: US Census) <i>(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.)</i></p>
Consumer Confidence	<p>The Consumer Confidence Index decreased to 125.1 in September 2019, down 6.7% from the previous month. According to The Conference Board, "Consumers were less positive in their assessment of current conditions and their expectations regarding the short-term outlook also weakened. The escalation in trade and tariff tensions in late August appears to have rattled consumers. However, this pattern of uncertainty and volatility has persisted for much of the year and it appears confidence is plateauing. While confidence could continue hovering around current levels for months to come, at some point this continued uncertainty will begin to diminish consumers' confidence in the expansion." (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></p>
Consumer & Producer Price Index	<p>The Consumer Price Index for all urban consumers was 256.4 in September 2019, unchanged from the previous month. Increases in the indexes for shelter and food were offset by declines in the indexes for energy and used cars and trucks to result in the seasonally adjusted all items index being flat. The Producer Price Index for final demand was 118.2 in September 2019, down 0.3% from the previous month. Leading the decline, the index for final demand trade services decreased 1.0%. (Trade indexes measure changes in margins received by wholesalers and retailers.) Prices for final demand transportation and warehousing services also moved down 1.0%. In contrast, the index for final demand services less trade, transportation, and warehousing climbed 0.3%. (Source: US Bureau of Labor Statistics)</p>
Small Business Optimism Index	<p>The Small Business Optimism Index was 101.8 in September 2019, down 1.3% from the previous month. According to the National Federation of Independent Business (NFIB), "September's figure falls within the top 20% of all readings in the Index's 46-year history. The survey shows no sign of a recession and indicated continued job creation, capital spending, and inventory investment, all consistent with solid, but slower growth. The Uncertainty Index rose 2 points, revisiting high levels of concern." Out of 10 index components, zero posted gains, three were unchanged, and seven declined. (Source: National Federation of Independent Business) <i>(This Index collects data from small businesses on economic topics ranging from current job openings to expected credit conditions)</i></p>
Industrial Production and Capacity Utilization	<p>The Industrial Production Index was 109.5 in September 2019, a decrease of 0.4% from the previous month and 0.1% lower than September 2018. Capacity Utilization for the industrial sector was 77.5% in September 2019, up 2.2% from September 2018. (Source: Federal Reserve) <i>(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)</i></p>
Manufacturing & Trade Sales	<p>Total combined sales and manufacturing shipments totaled nearly \$1.46 trillion in August 2019, up 0.2% from the previous month and up 1.1% from August of the previous year. (Source: US Census)</p>
Manufacturing & Trade Inventory	<p>Total value of inventory on-hand is estimated at \$2.04 trillion in August 2019, up 0.1% from the previous month and up 4.2% from August of the previous year. (Source: US Census)</p>
Purchasing Managers Index	<p>The National PMI was 47.8% in September 2019, a decrease of 1.3% from the previous month and the lowest level in 10 years. New Orders increased 0.1% to 47.3%, and Production decreased 2.2% to 47.3%. In September, 3 out of the 18 manufacturing industries tracked by the ISM reported growth. According to the Institute for Supply Management, "Global trade remains the most significant issue, as demonstrated by the contraction in new export orders that began in July 2019. Overall, sentiment this month remains cautious regarding near-term growth." (Source: Institute for Supply Management) <i>(The PMI combines data on new orders, inventory, production, supplier deliveries, and employment. A reading above 50 indicates that the manufacturing economy is generally expanding.)</i></p>
Purchasing Managers Index in the Southeast	<p>In September 2019, the Southeast PMI decreased 4.6% month-over-month to 51.0%. New Orders in the Southeast decreased 1.6% to 52.4% and Production remained at 50.0%. Trade issues are the likely culprit for the declines. In the month of September, the Southeast's PMI was 6.5% above the national PMI. (Source: Kennesaw State University) <i>(The Southeast region includes the states of Georgia, Alabama, Florida, Tennessee, Louisiana, and Mississippi. 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></p>
U.S. Market News	<p>The National Retail Federation expects holiday retail sales to total between \$727.9 billion and \$730.7 billion this year, the retail trade association announced. That total would be an increase of 3.8% to 4.2% over 2018's retail sales during November and December. "There is significant economic unease, but current economic data and the recent momentum of the economy show that we can expect a much stronger holiday season than last year," NRF Chief Economist Jack Kleinhenz said in a statement. "Job growth and higher wages mean there's more money in families' pockets, so we see both the willingness and ability to spend this holiday season." NRF estimates retailers will hire between 530,000 and 590,000 temporary workers this year. Last holiday season, 554,000 temporary workers were hired. (Source: NRF, supplychaindive.com)</p>

MULTIMODAL:	
Dow Jones Transportation Index	<p>Dow Jones Transportation Index increased 3.7% in September 2019, ending at a reading of 10,363. <i>(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.)</i></p>

NASDAQ Transportation Index	NASDAQ Transportation Index increased 4.9% in September 2019, ending at a reading of 5,025 <i>(Averaged share weights of NASDAQ-listed companies classified as transportation companies)</i>
DOT Freight Transportation Service Index	The USDOT's freight transportation services index was 140.6 in August 2019, an increase of 1.4% from the previous month, 4.1% higher than August 2018, and a new all-time high level . The August increase in Freight TSI was broad based, with increases in all sectors except the rail components – carloads and intermodal. (Source: US BTS)
Cass Freight Index	The Cass Freight Shipments Index was 1.199 in September 2019, an increase of 0.8% from the previous month, and a decrease of 3.4% year-over-year. The Cass Freight Expenditures Index was 2.854 in September, an increase of 0.5% from the previous month and a decrease of 4.5% year-over-year. According to Cass Information Systems, “We acknowledge that all of these negative percentages are against extremely tough comparisons, and the Cass Shipments Index has gone negative before without being followed by a negative GDP. However, weakness in demand is being seen across most modes of transportation, both domestically and internationally, with many experiencing increases in the rates of decline. We know that freight flows are a leading indicator, so by definition there is a lag between what they are predicting and when the outcome is reported. Nevertheless, we see a growing risk that GDP will go negative by year’s end.” (Source: Cass Information Systems Cassinfo.com) <i>(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)</i>
Shippers Conditions Index	The Shippers Conditions Index for July 2019 fell back from June’s 8.8 measure to a still-positive reading of 4.3. Firmer freight rates in July contributed to the decline in the index. While the July SCI was significantly lower than June, it is more in line with recent history and the near-term outlook. The June index, which was the strongest since early 2016, appears to be an outlier in the current environment. FTR projects the SCI will remain in the mid-positive range similar to July for the next year. However, any significant increase in fuel prices due to IMO 2020 and other potential risks to diesel costs could affect that forecast and create a more negative situation for shippers. (Source: FTR Transportation Intelligence ftrintel.com) <i>(Figures below zero indicate a less-than-ideal environment for shippers)</i>
North American Transborder Freight	Surface transport-related trade between the U.S., Canada, and Mexico totaled \$105.1 billion in August 2019, down 1.7% compared to August 2018. Trucks carried \$66.1 billion of U.S.-NAFTA freight and continued to be the most heavily utilized mode for moving goods to and from both U.S.-NAFTA partners. (Source: US BTS)
Multimodal News Clips:	Air freight forwarders foresee the benefits of filing electronic air-cargo manifests with Customs and Border Protection (CBP), but many are still reluctant to climb on board without clearer direction from the agency. “Forwarder participation in CBP’s voluntary Electronic Export Manifest [EEM] pilot program has not been widespread, with only a handful participating,” acknowledged Brandon Fried, executive director of the Washington, D.C.-based Airforwarders Association. Under the current CBP export-manifest filing process for air cargo, carriers must supply a paper manifest to the agency by the fourth day after the flight. Separately, CBP also reviews Automated Export System (AES) “scheduled” transportation data that is filed by either the shipper or forwarder for possible risk and security concerns. CBP first introduced the EEM pilot program to the air, ocean and rail freight transport modes about two years ago. Participating carriers are required to supply the agency with information about exports prior to loading for departure from the U.S. (Source: freightwaves.com)

RAIL:

U.S. Freight Rail Traffic	U.S. rail carloads totaled 992,542 in September 2019, down 7.0% (74,172 carloads) from September 2018. It was the eighth straight monthly year-over-year decline and the second biggest percentage decline in those eight months. In the third quarter, total carloads were down 5.4%. For the first nine months of 2019, total U.S. carloads were down 3.8%, or 384,418 carloads, from 2018. (Source: AAR.org) <i>(Report includes rail car-loadings by 20 different major commodity categories)</i>
U.S. Intermodal Rail Traffic	U.S. intermodal originations in September 2019 totaled 1.06 million, down 5.9% (65,989 containers and trailers) from September 2018. Weekly average intermodal originations in September 2019 were 265,371, the lowest for September since 2016 . Intermodal was down 5.8% in Q3 2019 from Q3 2018; that’s the biggest quarterly percentage decline for intermodal since Q3 2009 . (Source: AAR.org) <i>(Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)</i>
Railroad Fuel Price Index	The index of average railroad fuel prices in September 2019 was 390.9, up 2.9% from the previous month and 14.5% lower year-over-year. (Source: AAR.org) <i>(Average monthly price for gallons purchased by freight railroads; Includes federal excise taxes, transportation, and handling expenses)</i>
Class 1 Railroad Employment	Railroad employment in August 2019 decreased to 139,284 employees total, with most of the decline in total employees the result of an 800-person decrease in train and engine employment. (Source: U.S. STB, AAR)
Short Line Rail Traffic	In August 2019, short line railroad shipments across North America decreased 4.0% year-over-year . A sampling of about 500 short line and regional railroads loaded 369,611 railcars and intermodal units during the month of August. Nonmetallic Minerals led gains with a 33.3% increase. Coal led declines, with a decrease of 20.0%. (Source: Railinc Short Line and Regional Traffic Index)
Railroad News Clips:	With the deadline a little more than a year away, railroads continue to chip away at positive train control (PTC) implementation. The 42 roads that are subject to the federal mandate — and end-of-2020 deadline — continued to make steady progress with PTC through the second quarter, according to the Federal Railroad Administration (FRA).

Progress reports showed that as of June 30, systems were in operation on about 50,300 of the 58,000 impacted route miles, a 4 percent increase since Q1. Despite the federal assistance and implementation headway, there's still much the railroads need to accomplish by 2020's end, FRA officials say. Chief among them: activating systems on remaining mainlines and attaining interoperability. Of the 232 host-tenant relationships associated with PTC, only 50 (or 22 percent) of them had attained interoperability through Q2, agency data shows. (Source: progressiverailroading.com)

TRUCKING:

Truck Tonnage Index

The ATA's seasonally adjusted For-Hire Truck Tonnage Index was 117.6 in September 2019, an **increase of 0.2% from the previous month and an increase of 3.5% from September 2018**. According to ATA Chief Economist Bob Costello, "This was the first month in 2019 that we did not see a significant increase or decrease in tonnage. For the entire third quarter, the index was up 1.2% over the previous quarter and 4.5% from a year earlier, both are nice gains." (Source: American Trucking Associations | Trucking.org. Note: ATA recently revised the seasonally adjusted index to 2015 = 100)

Truckload Freight

The spot market for truckload-freight available for pick-up in September 2019 **was unchanged** compared to the previous month, and was **12.4% lower** year-over-year. Truck capacity **decreased 7.2%** for the month, and **increased 14.9%** year-over-year. (Source: DAT Trendlines | www.dat.com)

Refrigerated Trucking

In September 2019, the load-to-truck ratio for refrigerated loads **increased to 4.46** loads per truck. In September, the national spot market reefer rate was \$2.16 per mile, up from \$2.14 the previous month. (Source: DAT Trendlines | www.dat.com)

Trucking Conditions Index

The Trucking Conditions Index in August 2019 **decreased to a reading of -1.11**. The TCI was impacted by weak utilization and higher financing costs. According to FTR, "Although trucking conditions are weak, we believe that they have stabilized for the industry as a whole. However, larger carriers appear to be faring much better than small carriers, which are far more exposed to weak spot rates and to rising liability insurance costs. We might be seeing an accelerated shakeout of active capacity that could lead to firmer utilization and freight rates." (Source: FTR Transportation Intelligence | ftrintel.com) *(Figures below zero indicate a less-than-ideal environment for trucking)*

Diesel Prices

As of October 7, 2019 the U.S. average diesel price was **\$3.04 per gallon**. The U.S. average diesel price was **\$0.33 lower** than the same week last year. The average price of diesel in the Lower Atlantic states was **\$2.91 per gallon, 4.3% less than the national average price**. (Source: U.S. DOE) *(Reflects the costs and profits of the entire production and distribution chain.)*

Trucking Employment

The trucking industry workforce **decreased 0.3% to 1,511,300 employees total** in September 2019. (Source: U.S. Bureau of Labor Statistics)

Trucking Earnings and Hours

The average earnings of truck transportation employees were \$25.40/hour in August 2019, **down 0.2%** from the previous month. The average weekly hours totaled 41.6 in August, **up 0.2%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

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

Preliminary September 2019 Class 8 truck orders totaled **12,100 units, up 13%** from August but **72% lower** than September 2018. According to FTR, "Class 8 orders have been remarkably consistent, unfortunately, they are stuck at the bottom of the cycle. It's basically the same story as the last several months, all the orders needed for 2019 were placed months ago and fleets are now adjusting delivery dates and finalizing requirements." Preliminary July 2019 net trailer orders totaled **9,000 units, up 61% from June but 68% lower than July 2018**. According to FTR, "Orders should stay subdued in August but start to revive in September, as fleets determine their needs for next year. The environment remains uncertain, with freight growth slowing and the tariff situation in flux. The July order volumes continue to demonstrate a possible return to normalcy in the equipment markets. The low total is representative of a typical slow summer order month, and is very close to the July 2016 number." (Source: FTR Transportation Intelligence | ftrintel.com)

Trucking News Clip

Motor carriers and commercial drivers agree on just four of the Top 10 challenges facing the trucking industry, according to the American Transportation Research Institute's (ATRI) annual study. The shortage of for-hire, long-haul drivers was the top issue in ATRI's annual survey that has taken the industry's pulse for the last 15 years. ATRI released the 2019 critical issues results October 6 at the American Trucking Associations' (ATA) Management Conference and Exhibition in San Diego. Motor carriers, who made up 51% of the 2,000 respondents, overwhelmingly picked the driver shortage, which the ATA pegged at 60,800 at the end of 2018. The issue did not crack the Top 10 for commercial drivers. Drivers, comprising 35% of respondents, listed driver compensation as their top issue. It made the overall list for the first time, ranking third. Carriers, who raised driver pay an average of 6% in 2018 when truck capacity was tight, did not list the issue in their Top 10. (Source: freightwaves.com, ATRI)

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in August 2019 **was down 3.9% compared to August 2018**. According to the IATA, "The industry continues to face headwinds from weakening global trade and softness in a number of key economic indicators." (Source: IATA.org.) *(Global air freight covers international and domestic scheduled air traffic.)*

Atlanta Air Cargo Traffic

In June 2019, Hartsfield-Jackson Atlanta International Airport transported **54,323 metric tons** of cargo, a **2.01% decrease** year-over-year. (Source: HJIAA)

Air Freight Price Index	In August 2019, average airfreight rates for East-West routes decreased 4% year-over-year to \$2.46 per kilogram. (Source: Drewry, aircargonews.net) <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 October 11, 2019 the global average jet fuel price was \$80.12 per barrel; up 4.5% from the previous month, and 16.3% 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:	The Federal Aviation Administration announced it had granted UPS approval to operate a fleet of drones, allowing it to dramatically expand its unmanned delivery operations. The Sandy Springs-based shipping giant said it is the first time federal regulators have issued such a broad certification. It will permit the company's drone subsidiary, UPS Flight Forward, to operate what it calls a "drone airline" on hospitals and other campuses. Eventually, it wants to transport other items for businesses. Doorstep drone deliveries are still years away. But in campus environments, the certificate places no limits on the size or scope of UPS Flight Forward allowing it to fly an unlimited number of drones controlled by an unlimited number of operators, UPS said. The FAA certificate allows UPS Flight Forward to operate drones beyond line of sight, at night and weighing over 55 pounds. It will still need to get exemptions approved by the FAA for certain uses and trials. (Source: ajc.com)

OCEAN FREIGHT:

Import Volumes by Ocean	In August 2019, the latest month for which after-the-fact numbers are available, U.S. container ports handled 1.97 million TEUs, a 0.2% increase from the previous month and 3.9% higher than August 2018, and the second-highest number of containers imported during any month of the year after last October's record of two million. According to NRF, "Imports at the major retail container ports in the U.S. are expected to hit their highest level of the year in November, just before more tariffs take effect in December." (Source: NRF/Hackett Associates)
Shanghai Containerized Freight Index	The October 11 th SCFI comprehensive reading was \$715 per FEU, down 6.5% from last month. The spot rate for shipments to the U.S. East Coast was \$2,335 per FEU, down 0.5% from the previous month. (Source: Shanghai Shipping Exchange www1.chineseshipping.com.cn/en) <i>(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.)</i>
Port of Savannah	The Port of Savannah moved 370,000 TEUs in September 2019, a 15.5% decrease from the previous month but 1.6% higher compared to September 2018, and the busiest September in GPA's history . (Source: GPA)
Port of Brunswick	The Georgia Ports Authority has completed a 40-acre expansion at the Port of Brunswick dedicated to auto processing at the Roll-on/Roll-off port at Colonel's Island Terminal near Brunswick. The development will increase the car storage area by approximately 6,000 spaces and also provides a 9-acre staging area for high and heavy equipment being loaded or unloaded from vessels. The expansion will also increase GPA's rail capacity for autos at Brunswick, adding 14,100 feet of track to allow Brunswick to expand service in markets west of the Mississippi River and into the Midwest. The authority also added a second access road between the docks and the island's south side. This provides a more direct route to existing auto processing lots and new development on the south end of the terminal. (Source: Savannahnow.com, GPA)
Ocean Freight Business News:	With container line stakeholders facing an additional \$11 billion fuel bill next year due to the switch to low-sulfur fuel oil, shipping consultant Drewry has joined with the European Shippers' Council (ESC) to launch a new bunker adjustment factor (BAF) indexing mechanism. The two parties believe their simplified BAF indexing mechanism and bunker charge guide will help shippers monitor and control bunker costs as shipping lines switch to the more expensive bunkers required under the IMO 2020 low-sulfur regulation that becomes mandatory Jan. 1. ESC and Drewry drew on shipper input in establishing their new indexing mechanism. The process of adjusting BAFs is streamlined by identifying common standards and definitions for bunker price measurement periods, BAF adjustment periods, fuel reference prices and transparent indexing formula. (Source:americanshipper.com)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy	The nationwide vacancy rate was 5.0% at the end of the first quarter of 2019, unchanged from the previous quarter and down from 5.1% in Q4 2018. None of the 49 markets tracked by NGKF had a double-digit vacancy rate during Q1 2019. The vacancy rate in Atlanta, GA was 7.0% in Q1 of 2019. (Source: NGKF)
Warehouse Rent Rates	In Q1 2019, the average asking rent across the U.S. was \$7.24/SF, up 1.5% from the prior quarter and 9.2% higher from one year ago. Nine industrial markets experienced double digit rent growth over the past year. Industrial rents have increased in each quarter since Q3 2011, affirming the incredible resilience and consistency of the market. The average asking rent in Atlanta was \$5.26/SF in Q1 2019 . (Source: NGKF)

Industrial Absorption

Net absorption in the U.S. **decreased** during the first quarter of 2019, posting 36.7 million square feet of net absorption compared with 65.1 million square feet in the prior quarter. The dip in absorption can be attributed to a lack of vacant inventory, rather than a reduction in demand, as leasing activity proceeds at a feverish pace. Of the 49 industrial markets tracked by NGKF, 15 absorbed 1 million square feet or more in Q1 2019. (Source: NGKF) *(Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)*

Warehouse Employment

The nationwide warehousing industry workforce **increased 0.3%** to 1,199,300 employees total in September 2019. (Source: U.S. Bureau of Labor Statistics)

Warehouse Earnings and Hours

The average earnings of warehousing & storage employees across the U.S. were \$20.73/hour in August 2019, **down 0.2%** from the previous month. The average weekly hours totaled 41.2 in August, **up 1.2%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

W&D Business News:

- "Light industrial" warehouses, between 70,000 to 120,000 square feet, saw the most demand, lowest availability and highest rent growth in the industrial warehouse market between 2014 and 2019, according to a new CBRE report. While rents increased and availability decreased across warehouse categories from 70,000 to over 350,000 square feet, the study found availability for warehouses between 70,000 to 120,000 square feet decreased by an average of four percentage points over that five-year period and rents increased by 30%. Availability for warehouses over 250,000 square feet decreased by roughly three percentage points and rents increased by 16%. "We'll continue to see strong demand for light industrial facilities as e-commerce grows, which in turn means we can expect to see additional strong rent growth for these warehouses," Chris Zubel, senior managing director of CBRE's industrial and logistics investors in the Americas, said in the release. "Light industrial is the hottest coal in the campfire." (Source: CBRE, supplychaindive.com)
- Ball Corporation, a provider of aluminum packaging for beverages, personal care, and household products, will expand its operations in Rome, Georgia. The company will build a new aluminum cups manufacturing plant, creating more than 180 new jobs and investing more than \$200 million in the project. This new plant will manufacture aluminum cups, and serve the growing demand for innovative, sustainable beverage packaging in the U.S. market. The new facility will be adjacent to Ball's existing aluminum beverage can manufacturing plant in Rome, representing a significant expansion of their footprint in the region. It is expected to come online in Q4 of 2020. (Source: Georgia.org)

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