

U.S. MARKET:

Gross Domestic Product	<p>The U.S. GDP decreased at an annual rate of 31.4% in the second quarter of 2020, according to the third estimate released by the Bureau of Economic Analysis in late September. The decrease in real GDP reflected decreases in PCE, exports, nonresidential fixed investment, private inventory investment, residential fixed investment, and state and local government spending that were partly offset by an increase in federal government spending. Imports, which are a subtraction in the calculation of GDP, decreased. (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 2020 is 35.2%. (Source: Federal Reserve Bank of Atlanta) (The GDPNow forecast aggregates statistical model forecasts of 13 subcomponents that comprise GDP.)</p>
U.S. Trade Deficit	<p>The U.S. goods and services trade deficit increased 5.9% in August 2020 to \$67.1 billion. Exports and imports in August reflect both the ongoing impact of the COVID-19 pandemic and the continued recovery from the sharp declines earlier this year. In August, the U.S. had a trade surplus with South and Central America, Hong Kong, Brazil, OPEC, Saudi Arabia, and United Kingdom. The U.S. had a trade deficit with China, European Union, Germany, Japan, Mexico, Italy, Canada, South Korea, India, Taiwan, Singapore, and France. (Source: US DOC & Census Bureau)</p>
Import Volumes	<p>In August 2020, the U.S. imported \$203.0 billion of cargo, increasing 3.3% from the previous month. The August import of foods, feeds, and beverages (\$13.5 billion) was the highest on record. (Source: US Census)</p>
Export Volumes	<p>In August 2020, the U.S. exported \$119.1 billion of cargo, increasing 3.0% from the previous month. The August exports to China (\$11.0 billion) were the highest since March 2018. (Source: US Census)</p>
Import & Export Price Index	<p>U.S. import prices increased 0.3% in September 2020, after increasing 1.0% the previous month. In September, rising prices for nonfuel imports more than offset lower fuel prices. U.S. export prices increased 0.6% in September, after advancing 0.5% the previous month. In September, higher prices for both agricultural and nonagricultural exports contributed to the overall rise. Despite the recent upward trend, prices for U.S. exports fell 1.8% over the past year. (Source: Bureau of Labor Statistics)</p>
Unemployment Rate	<p>The unemployment rate in America was 7.9% in September 2020, down from 8.4% the previous month. A preliminary 661,000 net new jobs were created in September 2020, as 877,000 new private sector jobs were offset by a loss of 216,000 government jobs (mainly related to public schools and a shift to online learning). In normal times, 661,000 net new jobs in a month would be phenomenal. In September, they were disappointing — below the 800,000 or so most economists expected and the lowest since the economy started reopening. The unemployment rate in Georgia was 6.4% in September, up from 5.6% the previous month. (Source: AAR, US DOL, GDOL)</p>
Labor Force Participation Rate	<p>The labor force participation rate was 61.4% in September 2020, down from 61.7% the previous month. According to the Real Time Economics blog at the Wall Street Journal, “This could reflect both weaker demand for labor as recessionary conditions cause many job seekers to give up. But it may also reflect weaker supply as workers quit the labor force to look after home-bound children or avoid the risks of infection at work.” The labor force participation rate for those of prime working age (25-54) was 80.9% in September, down from 81.4% 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></p>
Leading Economic Index	<p>The Leading Economic Index for the U.S. increased 0.7% in September 2020, to a reading of 107.2. According to The Conference Board, “The US LEI increased in September, driven primarily by declining unemployment claims and rising housing permits. However, the decelerating pace of improvement suggests the US economy could be losing momentum heading into the final quarter of 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></p>
Housing Starts	<p>Existing home sales were an annualized and seasonally adjusted 1.42 million in August 2020, down 5.1% from the previous month, but up 2.8% year-over-year. The index of pending home sales (sales that haven’t closed yet but contracts have been signed) was 132.8 in August 2020, up 8.8% from the previous month, 24.2% higher year-over-year, and a record high. According to the National Association of Realtors, “Tremendously low mortgage rates – below 3% – have again helped pending home sales climb in August. Additionally, the Fed intends to hold short-term fed funds rates near 0% for the foreseeable future, which should in the absence of inflationary pressure keep mortgage rates low, and that will undoubtedly aid homebuyers continuing to enter the marketplace.” (Source: AAR, National Association of Realtors)</p>
Light Vehicle Sales	<p>New light vehicle sales were an annualized and seasonally adjusted 16.3 million in September 2020, up from 15.2 million the previous month. Sales in September 2020 were 6.1% higher than in September 2019, the first YOY sales gain since February 2020. Sales of light trucks (SUVs, minivans, and pickups) accounted for 77.3% of total sales in September, their highest share ever. Sales in September were boosted by attractive financing and strong demand from urban customers returning to car ownership. (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></p>

Personal Income	<p>Personal Income decreased 2.7% to \$19.5 trillion in August 2020. The decrease in personal income in August was more than accounted for by a decrease in unemployment insurance benefits, based primarily on unemployment claims data from the Department of Labor’s Employment and Training Administration. In particular, the Federal Pandemic Unemployment Compensation program which provided a temporary weekly supplemental payment of \$600 for those receiving unemployment benefits expired on July 31. (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></p>
Retail Sales	<p>Advanced estimates of retail and food service sales in September 2020 were \$549.3 billion, an increase of 1.9% from the previous month, and 5.4% above September 2019. Non-store retail sales were 20.5% 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></p>
E-Commerce	<p>The estimate of U.S. retail e-commerce sales for the second quarter of 2020, adjusted for seasonal variation, was \$211.5 billion, an increase of 31.8% from the previous quarter and 44.5% higher than the second quarter of 2019. E-commerce sales in the first quarter of 2020 accounted for 11.5% 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 increased to 101.8 in August 2020, up 15.5% from the previous month. According to The Conference Board, “A more favorable view of current business and labor market conditions, coupled with renewed optimism about the short-term outlook, helped spur this month’s rebound in confidence. Consumers also expressed greater optimism about their short-term financial prospects, which may help keep spending from slowing further in the months ahead.” (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. Base year 1985=100)</i></p>
Consumer & Producer Price Index	<p>The Consumer Price Index for all urban consumers was 260.2 in September 2020, up 0.2% from the previous month. The index for used cars and trucks continued to rise sharply and accounted for most of the monthly increase in the seasonally adjusted all items index. The Producer Price Index for final demand was 118.9 in September 2020, up 0.4% from the previous month. In September, nearly two-thirds of the rise in prices for final demand is attributable to a 0.4% increase in the index for final demand services. Prices for final demand goods also moved up 0.4%. (Source: US Bureau of Labor Statistics) <i>(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)</i></p>
Small Business Optimism Index	<p>The Small Business Optimism Index was 104.0 in September 2020, up 3.8% from the previous month. According to the National Federation of Independent Business (NFIB), “As parts of the country continue to open, small businesses are seeing some improvements in foot traffic and sales. However, some small businesses are still struggling financially to operate at full capacity while navigating state and local regulations and are uncertain about what will happen in the future.” Out of 10 index components, nine posted gains, zero were unchanged, and one 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. Base year 1986=100)</i></p>
Industrial Production and Capacity Utilization	<p>The Industrial Production Index was 101.5 in September 2020, a decrease of 0.6% from the previous month and 7.3% lower year-over-year. Capacity Utilization for the industrial sector was 71.5% in September 2020, down 0.5% from the previous month and up 0.4% year-over-year. (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 \$1.45 trillion in August 2020, up 0.6% from the previous month but down 0.4% from August of the previous year. (Source: US Census)</p>
Manufacturing & Trade Inventory	<p>Total value of inventory on-hand is estimated at \$1.92 trillion in August 2020, up 0.3% from the previous month and down 5.5% from August of the previous year. (Source: US Census)</p>
Purchasing Managers Index	<p>The National PMI was 55.4% in September 2020, down 0.6% from the previous month. This figure indicates expansion in the overall economy for the fifth straight month. New Orders decreased 7.4% to 60.2%, and Production decreased 2.3% to 63.3%. According to the Institute for Supply Management (ISM), “After the coronavirus (COVID-19) pandemic brought manufacturing activity to historic lows, the sector continued its recovery in September. Survey Committee members reported that their companies and suppliers continue to operate in reconfigured factories and are becoming more proficient at maintaining output.” In September, 14 out of the 18 manufacturing industries tracked by the ISM reported 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 2020, the Southeast PMI increased 6.8% month-over-month to 65.0%. New Orders in the Southeast increased 6.8% to 68.2% and Production increased 13.6% to 75.0%. In the month of August, the Southeast’s PMI was 17.3% higher than 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>

Logistics Manager's Index

The Logistics Manager's Index was 70.5 in September 2020, an **increase of 4.5%** from the previous month and the **highest reading since October 2018**. According to the LMI researchers, "September's robust readings are driven primarily by the tightening capacity in both transportation and warehousing as the demand for logistics services increases ahead of Q4. The tight capacity has resulted in subsequent increases in all price and utilizations, with Transportation Prices in particular up sharply." (Source: the-lmi.com) *(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 percent indicates that logistics is expanding; a reading below 50 percent is indicative of a shrinking logistics industry.)*

U.S. Market News

Shippers sent 103 billion parcels globally in 2019, at a rate of 3,248 parcels per second, according to the Pitney Bowes 2019 Parcel Shipping Index released this month. Pitney Bowes predicts global parcel volume will reach 220-262 billion annual parcel shipments by 2026 due to the quickening pace of e-commerce offerings from retailers and adoption from consumers around the world. Though the pandemic has caused an e-commerce boom, 2020 has dealt parcel volume some mixed conditions. New operational necessities put in place to avoid the spread of the virus, along with the uncertainty brought on by fluctuating business restrictions, interrupted parcel carrier service. But these hindrances likely only slowed down the deluge. Major U.S. retailers reported jumps in e-commerce volume in the second and third quarters — some more than 100%. And roughly one-third of U.S. small- to medium-sized businesses reported, as of September, their shipping volume had increased, according to a poll conducted by Morning Consult on behalf of Pitney Bowes (Source: Pitney Bowes, supplychaindive.com)

MULTIMODAL:

Dow Jones Transportation Index

Dow Jones Transportation Index **decreased 0.8%** in September 2020, ending at a reading of 11,229. *(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

NASDAQ Transportation Index **decreased 5.5%** in September 2020, ending at a reading of 4,950. *(Averaged share weights of NASDAQ-listed companies classified as transportation companies)*

DOT Freight Transportation Service Index

The USDOT's freight transportation services index was 131.1 in August 2020, **down 1.3%** from the previous month and **7.4% lower** than August 2019. The decrease in August was due to declines in water, pipeline and trucking, despite growth in rail intermodal, rail carload, and air freight. The August decrease took place against the background of mixed results in other indicators. (Source: US BTS)

Cass Freight Index

The Cass Freight Shipments Index was 1.177 in September 2020, an **increase of 7.1%** from the previous month, and a **decrease of 1.8%** year-over-year. The Cass Freight Expenditures Index was 2.888 in September, **an increase of 7.2%** from the previous month and an **increase of 1.2%** year-over-year. According to Cass Information Systems, "The Cass Freight Index shows the "V" shape of the recovery. Earlier in the year, as the economy was starting to reopen, there was a lot of speculation surrounding the "shape" it would take — everything from an "L" to a "V" to a "W" to a Nike swoosh to a square root sign. Well, in looking at the Cass freight data, it was a "V." We should see positive y/y comps for the first time all year in October, if the absolute level just holds at September levels." (Source: Cass Information Systems | Cassinfo.com) *(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)*

Shippers Conditions Index

The FTR Shippers Conditions Index (SCI) fell into negative territory for the first time since August 2018 to a **reading of -0.36**. After a huge positive spike as COVID-19 impacted freight movement, the SCI now reflects a continued weakening of shippers' market conditions. According to FTR, "It has been harder than expected to bring truck drivers back into the driver pool. This has created tightness in the truckload market that has bled over into the intermodal space. It is unknown how long the present situation will last, as it may be related to retail restocking or part of a longer-term shift in spending away from services and toward goods. A shift toward goods would result in stronger freight demand and worse conditions for shippers." (Source: FTR Transportation Intelligence | ftrintel.com) *(Figures below zero indicate a less-than-ideal environment for shippers)*

North American Transborder Freight

Surface transport-related trade between the U.S., Canada, and Mexico totaled \$91.0 billion in July 2020, **10.9% higher than the previous month but 11.2% lower year-over-year**. Trucks carried \$60.7 billion of transborder freight and continued to be the most heavily utilized mode for moving goods between the U.S. and other North American countries (Canada and Mexico). (Source: US BTS)

Multimodal News Clips:

DSV has launched its Silkway Express route that will connect China to Europe via road with transit times of around 14-18 days, the Denmark-based transportation and logistics company announced this month. The route is intended to be an alternative to tight capacity modes of air, ocean or rail. The trip from China to Denmark by airfreight is 3-7 days, but this is expected to elongate during October and November due to increased demand, a DSV spokesperson said. DSV pitches the service as a way to avoid the tight scheduling the other freight modes require, saying shippers won't need to worry about "closing and cut off for any vessel, rail or air schedule." Customers can also reroute freight during transit. (Source: DSV,, supplychaindive.com)

RAIL:	
U.S. Freight Rail Traffic	Total originated carloads on U.S. railroads averaged 223,909 per week in September 2020, down 9.7% from September 2019 , but the smallest decline since March. (Source: AAR.org) <i>(Report includes rail car-loadings by 20 different major commodity categories)</i>
U.S. Intermodal Rail Traffic	Average weekly U.S. intermodal originations in September 2020 were 284,777 units, the fourth most for any month in history and up 7.1% over September 2019 , intermodal's biggest monthly percentage gain since December 2016. In Q3 2020, intermodal was up 2.9%, much better than the 12.6% decline in Q2. Recent intermodal gains are largely a function of surging imports, especially from Asia, as firms restock inventories and prepare for the holiday season. (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 2020 was 244.7, down 5.7% from the previous month and 37.4% 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 2020 increased by 534 employees to 117,764 employees total. (Source: U.S. STB, AAR)
Railroad News Clips:	Norfolk Southern Railway, GATX Corp., Genesee & Wyoming Inc., TrinityRail and Watco Cos. LLC announced a venture to create a technology platform that will help transform rail shipping. The new venture, Rail Pulse, will facilitate and accelerate the adoption of GPS and other telematics technology across the North American rail-car fleet. The venture members, which collectively own nearly 20% of the North American rail-car fleet, aim to accelerate the adoption of telematics to meet two specific objectives. The first is safety. Early phases of the platform will incorporate hand brake and impact data, both of which could provide important safety data for the railroads, car owners and shippers, NS officials said. The second objective is to increase rail's competitiveness relative to other modes by improving visibility into rail-car status, location and condition, which can contribute to rail-industry growth. Telematics capabilities will include data capture to support real-time track-level visibility, whether doors or hatches are open, whether the car is loaded or partially loaded, and other key performance metrics. (Source:progressiverailroading.com)
TRUCKING:	
Truck Tonnage Index	The ATA's seasonally adjusted For-Hire Truck Tonnage Index was 115.1 in September 2020, an increase of 6.7% from the previous month and a decrease of 2.7% from September 2019 . According to ATA Chief Economist Bob Costello, "The truck freight market continues to be bifurcated, with strength in retail and home construction, but some continued weakness in industrial freight." (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 2020 increased 11.4% compared to the previous month and was 115.9% higher year-over-year. Truck capacity increased 2.8% for the month and decreased 6.2% year-over-year. (Source: DAT Trendlines www.dat.com)
Refrigerated Trucking	In September 2020, the load-to-truck ratio for refrigerated loads was 9.69 loads per truck up from 9.32 the previous month. In September, the national spot market reefer rate was \$2.57 per mile, up from \$2.44 the previous month. (Source: DAT Trendlines www.dat.com)
Trucking Conditions Index	The Trucking Conditions Index in August 2020 was 8.31, an increase from 2.84 the previous month , reflecting the very favorable rate environment for trucking during the month. FTR expects the TCI to fall slightly in September and continue to lower into positive single digit readings in Q4 and into 2021. (Source: FTR Transportation Intelligence ftrintel.com) <i>(Figures below zero indicate a less-than-ideal environment for trucking)</i>
Diesel Prices	As of October 19, 2020 the U.S. average diesel price was \$2.38 per gallon . The U.S. average diesel price was \$0.66 lower than the same week last year. The average price of diesel in the Lower Atlantic states was \$2.31 per gallon, \$0.60 lower than the same week last year. (Source: U.S. DOE) <i>(Reflects the costs and profits of the entire production and distribution chain.)</i>
Trucking Employment	The trucking industry workforce increased 0.3% to 1,454,400 employees total in September 2020. (Source: U.S. Bureau of Labor Statistics)
Trucking Earnings and Hours	The average earnings of truck transportation employees were \$26.45/hour in August 2020, up 0.5% from the previous month. The average weekly hours totaled 41.9 in August, up 1.7% from the previous month. (Source: U.S. Bureau of Labor Statistics)
U.S. Truck & Trailer Orders (Class 8)	Preliminary September 2020 Class 8 truck orders totaled 32,000 units, up 55% from the previous month, and 160% higher than September 2019. According to FTR, "Fleets have renewed confidence, and the stronger than expected economic and freight recovery is spurring equipment orders. The orders are a combination of growing replacement demand and some expansion demand in those regions where capacity is tightening." Final September 2020 net trailer orders totaled 52,000 units, the third highest month ever . According to FTR, "Fleets are expecting the hot freight market to continue into 2021 and want to be prepared with adequate capacity. Reefer demand should also continue to be strong, and benefit from more restaurant activity as 2021 progresses." (Source: FTR Transportation Intelligence ftrintel.com)

Trucking News Clip

Smaller shipments of goods via LTL and parcel trucks "have increased significantly" in the last few months, according to a blog post by Vivek Vaid, chief technology officer at FourKites. September's LTL shipments were up 42% compared to March. Vaid said shipment counts declined in March and April, but then climbed in May, with a month-over-month growth rate of 2% in May, 20% in June, 8% in July and 1% in August. August was the peak month in the trend, with a 3% decline in September, Vaid said. The growth was not evenly spread through industries, as food, consumer packaged goods and retail companies accounted for about 80% of the growth, according to Vaid. (Source: FourKites, supplychainedive.com)

AIR FREIGHT:

Air Cargo Traffic

Global air freight traffic in August 2020 **was down 12.6% compared to August 2019**. Seasonally adjusted volumes are on a soft upward trend but remain far below 2019 levels. (Source: IATA.org.) *(Global air freight covers international and domestic scheduled air traffic.)*

Jet Fuel Prices

As of October 16, 2020 the global average jet fuel price was \$44.83 per barrel; **up 5.1%** from the previous month, and **43.3% lower** year-over-year. (Source: IATA.org, platts.com) *(The weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)*

Air Freight News Clips:

The Cool Chain Association (CCA) and IATA have signed a Memorandum of Understanding to support efforts to improve the sustainable transport of perishables and pharmaceuticals. As partners, the two group will develop joint programs including temporary task forces and round tables, for specific initiatives such as the transport of vaccines and life science products. They will also share feedback, experiences, knowledge, and best practice. CCA members are planning a new series of data sharing tests, under a project called the LAX Initiative, to monitor perishable shipments on global trade lanes in a bid to improve supply chain management and reduce food loss. (Source: aircargonews.net)

OCEAN FREIGHT:

Import Volumes by Ocean

In August 2020, the latest month for which after-the-fact numbers are available, U.S. container ports handled 2.1 million TEUs, a **9.7% increase** from the previous month, **8.0% higher** year-over-year, and **the highest number of containers imported in a single month since NRF began tracking imports in 2002**. According to the NRF, "After staying at home this spring, consumers are buying again and retail supply chains are working overtime to keep up with demand. Nothing about this year is predictable, but retailers are making sure their shelves and warehouses are well-stocked for the holidays. They are also stocking up earlier than usual because they know many consumers will be shopping early this year to avoid crowds and shipping delays. Some holiday merchandise that normally wouldn't arrive until Halloween is already here." (Source: NRF/Hackett Associates)

Shanghai Containerized Freight Index

The October 16, 2020 SCFI comprehensive reading was \$1,448 per FEU, **up 2.8%** from last month. The spot rate for shipments to the U.S. East Coast was \$4,619 per FEU, **down 0.3%** from the previous month. (Source: Shanghai Shipping Exchange | www1.chineseshipping.com.cn/en) *(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 Port of Savannah set a **monthly record in September, growing TEUs by 11.4%**, or 42,140, for a total of 412,148 TEUs in September. In the first quarter of Fiscal Year 2021 (July-September), the Port of Savannah handled 1.2 million twenty-foot equivalent container units, an **increase of 1.6%** or 19,663 TEUs. (Source: GPA)

Ocean Freight Business News:

Equipment shortages at U.S. ports and high container leasing prices are plaguing supply chains, as consumer spending shifts from services to goods and imports surge. Multiple ports across the country reported record volume in September. U.S. ocean imports increased 15% YoY last month, according to Panjiva. The large number of containers landing at U.S. ports has increased container availability at these facilities, but supply has plunged in Asia according to Container xChange. As a result, container rental and lease prices are soaring in Asia. "Traditionally [container rental and lease prices] are between 100-250 USD per container, whereas we see more and more deals for 750-1000 USD these days," according to a spokesperson for Container xChange. (Source: supplychainedive.com)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. industrial vacancy rate in the third quarter of 2020 saw a 20-basis point uptick, coming in at **5.3%**. That vacancy rate is still 40 basis point (bps) below the five-year historical average of 5.7% for all product types. Despite vacancy increasing by 50 bps over last quarter, alleviating some—but certainly not all—of the pressure on the supply constrained markets. The vacancy rate in **Atlanta, GA was 7.2%** in Q3 of 2020. (Source: Cushman & Wakefield)

Warehouse Rent Rates

The continued tight market conditions and solid demand brought on another quarter of YOY rent growth at Q3 2020, increasing 2.0% from the third quarter 2019 at \$6.63 per square foot (psf). Warehouse/distribution rents rose 3.5% during the same period to \$6.10 psf. **The average asking rent in Atlanta was \$4.61/SF in Q3 2020**. (Source: Cushman & Wakefield)

Industrial Absorption	The market finished the third quarter at a strong pace, absorbing 62.1 million square feet (msf), the strongest quarter so far this year. This brought the year-to-date (YTD) total to 159 msf of absorption, nearly equaling the 160 msf reported for the first three quarters of 2019. With net occupancy growth down only slightly year-over-year (YOY), absorption levels remained positive heading into the final quarter of 2020. (Source: Cushman & Wakefield) <i>(Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)</i>
Warehouse Employment	The nationwide warehousing industry workforce increased 2.6% to 1,253,800 employees total in September 2020. (Source: U.S. Bureau of Labor Statistics)
Warehouse Earnings and Hours	The average earnings of warehousing & storage employees across the U.S. were \$21.14/hour in August 2020, down 0.6% from the previous month. The average weekly hours totaled 40.3 in August, up 2.8% from the previous month. (Source: U.S. Bureau of Labor Statistics)
W&D Business News:	<ul style="list-style-type: none">Americold announced its acquisition of Agro Merchants Group for \$1.74 billion in a press release earlier this month. The transaction is an effort to retain its status as a top player in cold chain, and is set to close later this year or early 2021 in the first quarter. The move will expand Americold's footprint into Europe, add port locations in Europe and the eastern U.S., and prime the company for future M&A, according to the announcement. Americold will add 236 million cubic feet of refrigerated storage to its portfolio, diversify its customer base and expand its fresh produce products and market position, with the purchase of AMG. Once the deal closes, Americold will gain over 2,900 customers, 229 facilities and roughly 1.35 billion cubic feet of refrigerated space across four continents: North and South America, Australia and Europe. (Source: Americold, supplychaine.com)Outdoor Network (ODN) will invest nearly \$22 million in two projects in Albany, Georgia. The company's new advanced manufacturing facility and expansion of their distribution center headquarters will deliver 92 jobs to southwest Georgia. Outdoor Network's distribution center will be 230,000-square-feet once fully completed. This new advanced distribution facility will deliver 52 additional jobs to the area. The manufacturing facility for 125- to 200-horsepower diesel outboard engines will create 40 new jobs. (Source: Georgia.org)

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