

U.S. MARKET:	
Gross Domestic Product	The U.S. GDP increased at an annual rate of 6.4% in the first quarter of 2021, according to the advance estimate released by the Bureau of Economic Analysis in late April. The increase in real GDP in the first quarter reflected increases in personal consumption expenditures (PCE), nonresidential fixed investment, federal government spending, residential fixed investment, and state and local government spending that were partly offset by decreases in private inventory investment and exports. Imports, which are a subtraction in the calculation of GDP, increased. (Source: US BEA) As of March 24, the GDPNow model estimate for real GDP growth (seasonally adjusted annual rate) in the first quarter of 2021 is 8.3 percent , up from 5.4 percent on March 17 (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 4.8% in February 2021 to \$71.1 billion . The global pandemic and the economic recovery continued to impact international trade in February 2021. The full economic effects of the pandemic cannot be quantified in the statistics because the impacts are generally embedded in source data and cannot be separately identified. (Source: US DOC & Census Bureau)
Import Volumes	In February 2021, the U.S. imported \$258.3 billion of cargo, decreasing 0.7% from the previous month. February imports of industrial supplies and materials (\$46.6 billion) were the highest since October 2018 (\$49.6 billion). * February imports of capital goods (\$59.7 billion) were the highest on record . (Source: US Census)
Export Volumes	In February 2021, the U.S. exported \$187.3 billion of cargo, decreasing 2.6% from the previous month. February exports to Mexico (\$21.0 billion) were the highest since October 2019 (\$22.3 billion). (Source: US Census)
Import & Export Price Index	Prices for U.S. imports increased 1.2 percent in March following a 1.3-percent advance in February. Export prices rose 2.1 percent in March, after increasing 1.6 percent the previous month. Over the past year, import prices advanced 6.9 percent and export prices rose 9.1 percent. (Source: Bureau of Labor Statistics)
Unemployment Rate	The unemployment rate in America was 6.0% in March 2021, down from 6.2% the previous month. Total nonfarm payroll employment rose by 916,000 in March, and the unemployment rate edged down to 6.0 percent, the U.S. Bureau of Labor Statistics reported today. These improvements in the labor market reflect the continued resumption of economic activity that had been curtailed due to the coronavirus (COVID-19) pandemic. Job growth was widespread in March, led by gains in leisure and hospitality, public and private education, and construction. The unemployment rate in Georgia was 4.5% in March 2021, a decrease from 5.2% the previous month. (Source: AAR, US DOL, GDOL)
Labor Force Participation Rate	The labor force participation rate was 61.5% in March 2021, up slightly from the previous month. The labor force participation rate for those of prime working age (25-54) was 81.3% in March, up slightly 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. increased 1.3% in March 2021, to a reading of 111.6 . According to The Conference Board, "The improvement in the U.S. LEI, with all ten components contributing positively, suggests economic momentum is increasing in the near term. The widespread gains among the leading indicators are supported by an accelerating vaccination campaign, gradual lifting of mobility restrictions, as well as current and expected fiscal stimulus. The recent trend in the U.S. LEI is consistent with the economy picking up in the coming months, and The Conference Board now projects year-over-year growth could reach 6.0 percent in 2021." (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>
Pending Home Sales	Existing home sales were 6.01 million in March 2021, down 3.7% from the previous month, and up 12.3% year-over-year. The index of pending home sales (sales that haven't closed yet but contracts have been signed) was 11.3 in March 2021, up 1.9% from the previous month and 23.3% higher year-over-year. According to the National Association of Realtors, "Despite the drop in home sales for February – which I would attribute to historically-low inventory – the market is still outperforming pre-pandemic levels," (Source: AAR, National Association of Realtors)
Housing Starts	Housing starts for March 2021 in the US increased 19.4% from the previous month and up 37% from March 2020. Single-family housing starts in March were at a rate of 1,238,000; this is 15.3 percent (± 17.4 percent)* above the revised February figure of 1,074,000. The March rate for units in buildings with five units or more was 477,000. (Source: U.S. Census Bureau)
Light Vehicle Sales	New light vehicle sales were an annualized and seasonally adjusted 17.75 million units in March 2021, up 56.3% from March 2020. March 2021 sales were likely spurred on by delayed sales caused by severe winter weather in February and a boost from stimulus checks that began to hit consumers' bank accounts following the passage of the Biden administration's COVID-19 relief bill. (Source: Seeking Alpha/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	<p>In February 2021, personal income decreased \$1,516.6 billion, or 7.1% from the previous month. Disposable personal income (DPI) decreased \$1,532.3 billion (8.0 percent) and personal consumption expenditures (PCE) decreased \$149.0 billion (1.0 percent). (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 March 2021 were \$619.1 billion, an increase of 9.8% from the previous month, and 27.7% above March 2020. Non-store retail sales were up 27.8% from the same period in 2020. (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 fourth quarter of 2020, adjusted for seasonal variation, was \$206.7 billion, a decrease of 1.2% from the previous quarter and 32.1% higher than the fourth quarter of 2019. E-commerce sales in the fourth quarter of 2020 accounted for 14.0% of total sales. Next release is scheduled for May 1, 2021. (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 109.7 in March 2021, up from 90.4 in January. The Present Situation Index—based on consumers’ assessment of current business and labor market conditions—climbed from 89.6 to 110.0. The Expectations Index—based on consumers’ short-term outlook for income, business, and labor market conditions—also improved, from 90.9 last month to 109.6 in March. (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 increased 0.6% in March 2021, after rising 0.4 % in February. The gasoline index continued to increase, rising 9.1 percent in March and accounting for nearly half of the seasonally adjusted increase in the all items index. The Producer Price Index for final demand was 123.1 in March 2021, up from 121.9 the previous month. (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 rose to 98.2 in March 2021, up 2.4 points from the previous month. According to the National Federation of Independent Business (NFIB), “Main Street is doing better as state and local restrictions are eased, but finding qualified labor is a critical issue for small businesses nationwide. Small business owners are competing with the pandemic and increased unemployment benefits that are keeping some workers out of the labor force. However, owners remain determined to hire workers and grow their business” (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 105.6 in March 2021, an increase of 1.4% from the previous month and 1.0% higher year-over-year. Capacity Utilization for the industrial sector was 74.4% in March 2021, down 0.1% 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 over \$1,549.6 billion in February 2021, down 1.9% from the previous month and up 5.7% from February 2020. (Source: US Census)</p>
Manufacturing & Trade Inventory	<p>Total value of inventory on-hand is estimated at \$2,010.8 billion in February 2021, up 0.5% from the previous month and down 0.7% from February of the previous year. (Source: US Census)</p>
Purchasing Managers Index	<p>The Manufacturing PMI was 64.7% in March 2021, an increase of 3.9% from the previous month. This figure indicates expansion in the overall economy for the ninth consecutive month. New Orders increased 3.2% to 68%, and Production increased 4.9% to 68.1%. (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 March 2021, the Southeast PMI decreased 2.1% month-over-month to 68.3%. New Orders in the Southeast decreased to 76.1% and Production decreased 73.9%. (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	<p>The Logistics Manager’s Index was 72.2% in March 2021, an increase of 0.8% from the previous month, which is the third highest reading in the history of the index. (Source: the-lmi.com) <i>(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.)</i></p>
U.S. Market News	<p>With the end of the pandemic finally in sight, one of its lasting legacies may be pulling American consumers toward new and seemingly contradictory directions of behavior. A new report from The Conference Board, <i>Consumer Behaviors and Business Opportunities in the COVID-19 Era</i>, maps the convergence—and divergence—of three key trends. First, a year of shutdowns and job losses has sparked a renewed focus on frugality, with many consumers switching to value-priced products, services, and brands. Yet even as this economic anxiety fueled vices like drinking, gambling, and overeating, COVID-19 also spurred a segment of Americans to spend more on health, wellness, and self-care—including pricey connected exercise bikes. In fact, digital convenience is the third key driver of consumer behavior, with the crisis-fueled</p>

all-digital lifestyle heightening expectations for what technology should deliver. "For American consumers, COVID-19 has accelerated pre-existing trends and crystallized new preferences and priorities," said Denise Dahlhoff, Senior Researcher, Consumer Research at The Conference Board. "The three trends promoted by the pandemic—digitally enabled convenience, frugality, and health and wellness—will continue to drive consumers' behavior as the pandemic subsides. The most successful brands will be those that address these needs, ideally offering solutions for consumers that don't force trade-offs but rather balance these three at-times divergent priorities."

(Source: <http://savannahceo.com/features/2021/04/pelotons-and-penny-pinching-how-covid-19-pulled-us-consumers-toward-new-extremes-splurging-and-saving/>)

MULTIMODAL:

Dow Jones Transportation Index	Dow Jones Transportation Index increased 0.11% in March 2021, ending at a reading of 15,150.04. (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 increased 2.14% in March 2021, ending at a reading of 6,356.49 . (Averaged share weights of NASDAQ-listed companies classified as transportation companies)
DOT Freight Transportation Service Index	The USDOT's freight transportation services index was 132.2 in February 2021, down 3.6% from the previous month. The decline was driven by the severe weather events in February that impacted surface modes. (Source: US BTS)
Cass Freight Index	The Cass Freight Shipments Index was 1.196 in March 2021, an increase of 3.4% from the previous month, and an increase to 10.0% year-over-year. The Cass Freight Expenditures Index was 3.379 in March 2021, an increase of 6.5% seasonally adjusted from the previous month and an increase of 27.5% year-over-year. (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) for February 2021 fell two points to a negative reading of -11.8 . According to FTR, Shipping conditions weakened in February severely impacted by tight capacity and high rates. (Source: FTR Transportation Intelligence ftrintel.com) (Figures below zero indicate a less-than-ideal environment for shippers)
North American TransBorder Freight	Total transborder freight between the U.S., Canada, and Mexico totaled \$95.9 billion in February 2021 up 1.7% than the previous month and 0.1% lower year-over-year . Trucks carried \$59.5 billion of transborder freight down 2.7% 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:	Riding an e-cargo bike prompts curiosity among those who see them on the streets, as e-cargo bike couriers are not a common sight in Miami. It's an acknowledgement that e-cargo bikes have the potential to meaningfully reduce air pollution in cities. In essence, cyclists who perform delivery jobs without need of an internal combustion engine are seen as do-gooders. Bike courier position became available when DHL Express and REEF partnered with the city of Miami to implement a pilot project featuring three-wheeled e-Cargo Cycles in 2020. According to DHL Express, e-Cargo Cycles have the capacity to carry 400 pounds of cargo, and each one saves an estimated 101,000 kilograms of CO2 emissions annually. That's the greenhouse gas (GHG) equivalent that about 22 passenger cars emit in a year, according to the EPA . E-commerce and food delivery business then skyrocketed in the last year during the pandemic, expanding the demand for home deliveries. Parcel delivery companies such as UPS, DHL and Amazon, along with restaurants and food delivery companies, are deploying an increasing number of e-cargo bikes in major urban areas. (Source: https://www.freightwaves.com/news/will-e-cargo-bikes-take-over-last-mile-delivery?utm_source=sfmc&utm_medium=email&utm_campaign=as_daily_4_7_21&utm_term=Will+e-cargo+bikes+take+over+last-mile+delivery%3f&utm_id=11748&sfmc_id=908762)

RAIL:

U.S. Freight Rail Traffic	For week 15, 2021 ending April 17, total originated carloads on U.S. railroads were 237,607 up 25.2% compared to the same week in 2020 . Total combined U.S. traffic for the first 15 weeks of 2021 was 7,577,584 carloads and intermodal units, an increase of 8.2 percent compared to last year . (Source: AAR.org) (Report includes rail car-loadings by 20 different major commodity categories)
U.S. Intermodal Rail Traffic	For week 15, 2021 ending April 17, total US Intermodal Units were 295,610, a 38.3% increase compared to the same week in 2020. (Source: Bureau of Transportation Statistics and AAR.org) (Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)
Railroad Fuel Price Index	The index of average railroad fuel prices in February 2021 was 357.3, up 11.8% from the previous month and 7.5% lower year-over-year. (Source: AAR.org) (Average monthly price for gallons purchased by freight railroads; includes federal excise taxes, transportation, and handling expenses)
Class 1 Railroad Employment	Railroad employment in March 2021 was 115,003 an increase of 0.82% from the previous month. (Source: U.S. STB, AAR)

Railroad News Clips: Genesee & Wyoming Inc. (G&W) today announced its subsidiary Savannah Port Terminal Railroad, Inc. (SAPT) has broadened its long-term rail services agreement with the Georgia Ports Authority (GPA) to include GPA's new Mason Mega Rail Terminal. The new agreement is especially significant as rail container capacity at the port, which already has the country's largest and fastest-growing container terminal, is expected to double to two million TEUs per year with the completion of the Mason Mega Rail project later this year.
When completed later this year, the new terminal will have the ability to build and receive six 10,000-foot trains simultaneously and cut transit times to the Midwest by 24 hours. (Source: <http://savannahceo.com/news/2021/04/gws-savannah-port-terminal-railroad-broadens-agreement-georgia-ports-services-include-mason-mega-rail-terminal/>)

TRUCKING:

Truck Tonnage Index The ATA's seasonally adjusted For-Hire Truck Tonnage Index was **106.8** in March 2021, a **decrease of 5.1% from the previous month and a decrease of 9.5% from March 2020**. According to ATA Chief Economist Bob Costello, "March's drop comes as somewhat of a surprise. I certainly heard from many fleets that the end-of-quarter rush was good, but early March was soft. Truck freight volumes were also negatively impacted by supply chain issues from the lack of microchips and other inputs. That said, this surprise to the downside does not change my positive outlook going forward." (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 March 2021 **increased 22.3%** compared to the previous month and was **129.9% higher** year-over-year. Truck capacity **increased 30.9%** for the month and **decreased 6.9%** year-over-year. (Source: DAT Trendlines | www.dat.com)

Refrigerated Trucking In March 2021, the national load-to-truck ratio for refrigerated loads was **12.21 loads per truck**, down from 15.9 the previous month. **Georgia's reefer load-to-truck ratio ranges 12+**. In March, the national spot market reefer rate was **\$2.94 per mile, up** from \$2.69 the previous month. (Source: DAT Trendlines | www.dat.com)

Trucking Conditions Index FTR's Trucking Conditions Index (TCI) improved in February 2021 to a **11.23 reading**. The February TCI was the highest since the record reading in October 2020. Strong capacity utilization and freight rates along with stable freight volume offset surging diesel fuel prices, which finally eased in late March after weeks of several months of increases. The near-term outlook for trucking is very strong with the TCI expected to deliver double-digit positive readings beyond Q2 and to remain in positive territory through 2022. (Source: FTR Transportation Intelligence | ftrintel.com) (Figures below zero indicate a less-than-ideal environment for trucking)

Diesel Prices As of April 19, 2021 the U.S. average diesel price was **\$3.124 per gallon**. The U.S. average diesel price was **\$0.644 higher** than the same week last year. The average price of diesel in the Lower Atlantic states was **\$2.993 per gallon, \$0.559 higher** than the same week last year. (Source: U.S. DOE) (Reflects the costs and profits of the entire production and distribution chain.)

Trucking Employment The trucking industry workforce **increased 0.22% to 1,482,700 employees total** in March 2021. (Source: U.S. Bureau of Labor Statistics)

Trucking Earnings and Hours The average earnings of truck transportation employees were \$26.60/hour in February 2021, **down 1.08%** from the previous month. The average weekly hours totaled 40.8 in February, **down 0.49%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

U.S. Truck & Trailer Orders (Class 8) Preliminary North American Class 8 net orders remained impressive in March 2021 for a record sixth consecutive month exceeding 40,000 units coming in at **40,800 units, down 9%** from the previous month, and **up 465.8% year-over-year**. Preliminary U.S. net trailer orders for March rose 6.4% m/m, to a respectable total of **27,400 units**. March 2021 activity was +20,700 units from the previous year. (Source: FTR Transportation Intelligence | ftrintel.com)

Trucking News Clip The turmoil of the last 12 months has caught up to the [semiconductor supply chain](#). And a shortage of computer chips will slow the production of Class 5-8 trucks in 2021. It's the latest twist in what has been a long coronavirus-plagued saga for trucking. Initially, as COVID-19 took hold of North America in March 2020, manufacturers of cars and trucks passed on some of their allocations of the chips, because they scheduled downtime and fewer shifts, according to Steve Tam, vice president of ACT Research. The chip manufacturers then proceeded to find new buyers, many of them in the field of consumer electronics, he said. As truck production picked back up, there were fewer chips to be had for trucks, Tam said. (Source: https://www.transportdive.com/news/semiconductor-chip-shortage-class-8-truck-OEM/597712/?mod=djemlogistics_h)

AIR FREIGHT:

Air Cargo Traffic Air cargo volumes rose for another month. Industry-wide cargo tonne-kilometres (CTKs) were higher by 9% compared with February 2019. In month-on-month terms, volumes picked up by 1.5% – a similar growth rate as in the previous month. (Source: IATA.org,) (Global air freight covers international and domestic scheduled air traffic.)

Jet Fuel Prices As of April 23, 2021, the global average jet fuel price was \$69.91 per barrel **up 4.5%** from the previous month, and **310.2% higher** 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:

Air cargo's final March figures show a year-on-year (YoY) worldwide growth of 21%. To make any sense of this percentage we need to revisit the detailed results for March 2020, the most two-faced month in air cargo living memory. YoY change in the period March 1-15, 2021, stood at -0.2%, but the YoY growth in the second half of the month was +44%, a clear reminder that the first lockdown started to bite air cargo by mid-March 2020. As the cautious recovery of early 2021 (+1.1% YoY for the first 2 months) was halted in the first half of March (-0.2% YoY), the question arises whether the second half reversed the trend again. Worldwide, March 2021 was only marginally lower than the same month in 2018 and 2019. This is the more remarkable when taking into account the enormous reduction in cargo capacity. YoY load factor improvements in each of the three first months of 2021, range between 15 and 20 %-points: airlines are clearly able to use their cargo space much more efficiently than in the past. (Source: AJOT.com)

OCEAN FREIGHT:

Shanghai Containerized Freight Index

The April 23, 2021 SCFI comprehensive reading was **\$,2979.76 per FEU**. The spot rate for shipments to the U.S. East Coast was \$2,763.48 per FEU, on March 26. (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 Georgia Ports Authority reached **498,065** twenty-foot equivalent container units for all terminals in March 2021, **up 48.3 percent** compared to the same month last year. (Source: GPA)

Ocean Freight Business News:

After its busiest February ever, the Georgia Ports Authority Board on Monday approved \$205 million for capital improvement projects that will increase the Port of Savannah's container capacity by 20%. This would bring a total annual capacity of 4.7 million 20-foot equivalent container units (TEUs) to more than 6 million. "The volume that we're handling today is volume that we didn't expect to handle until 2025," GPA's executive director Griff Lynch told the Savannah Morning News, "both the ILA, which is the union folks, and the GPA employees are working really hard to step up to the plate and process this cargo." (Source: https://www.savannahnow.com/story/news/2021/03/29/georgia-ports-authority-approves-savannah-port-expansion-garden-city-terminal/7012935002/?utm_source=savannahnow-)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. industrial vacancy rate in the first quarter of 2021 increased 30-basis points quarter-over-quarter to 4.9%. Vacancy remained flat year-over-year and the vacancy rate is now 170 bps below the 10-year historical average of 6.6% for all product types. This decrease is largely due to more demand in the market for quality space than supply can keep up with which can be attributed to the acceleration of e-commerce. (Source: Cushman & Wakefield)

Warehouse Rent Rates

The continued tight market conditions and solid demand brought on another quarter of YOY rent growth for Q1 2021, **increasing to \$6.90 from \$6.40 in Q1 2020** per square foot (psf). Warehouse/distribution rents rose during the same period to \$6.26 psf. **The average asking rent in Atlanta was \$5.14/SF in Q1 2021.** (Source: Cushman & Wakefield)

Industrial Absorption

The U.S. industrial market started 2021 stronger than expected with demand outpacing supply for the first time since Q2 2019. In fact, in the first quarter alone, the market **absorbed 82.3 million square feet (msf)**, which is the most space ever absorbed in a first quarter of any year reported by Cushman & Wakefield—up 78.2% over the 46.2 msf reported in Q1 2020. The Atlanta market finished the first quarter 2021 at a strong pace, **absorbing 8,747,936 million square feet (msf)**. The net absorption in Q1 2021 in Savannah was 2,109,330 million square feet. (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

The nationwide warehousing industry workforce **decreased slightly to 1,414,300** employees preliminary total in March 2021. (Source: U.S. Bureau of Labor Statistics)

Warehouse Earnings and Hours

The average earnings of warehousing & storage employees across the U.S. were \$22.41/hour in January 2021, **up \$0.45** from the previous month. The average weekly hours totaled 39.4 in February, **down 0.5 from** the previous month. (Source: U.S. Bureau of Labor Statistics)

W&D Business News:

Industrial markets at major U.S. port cities have come under additional strain from big increases in U.S. imports, fueling demand for warehouse space in markets with already scant availability, [according to a new report from CBRE](#). This increase in imports, which amounts to double-digit percentage gains from year-ago levels in many markets, has resulted from retailers seeking to bolster their inventories in the wake of pandemic-related demand and global supply chain shocks like the recent blockage of the Suez Canal. West Coast ports such as Long Beach and Los Angeles have seen the biggest surge, with year-to-date loaded imports increasing 32.1 percent and 24.2 percent, respectively. On the East Coast, Savannah (17.7%), Port of Virginia (16.8%) and New York and New Jersey (13.2%) have all seen significant increases as well. This activity has increased demand for warehouse space in seaport markets, pushing down their average vacancy rate to 3.6% at the end of 2020, one percentage point lower than the national average. Low availability may persist for some time. Only 75 million sq. ft. is under construction in these markets, with more than a third preleased. All of this equates to rental rates hitting record highs. (Source: <https://ajot.com/news/retailers-clamor-for-limited-industrial-space-near-major-us-seaports-in-an-attempt-to-mitigate-future-supply-chain-disruptions>)

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Sandy Lake | slake@georgia.org | 678.502.6233