

## U.S. MARKET:

Gross Domestic Product	The GDPNow model estimate for real GDP growth (seasonally adjusted annual rate) in the third quarter of 2019 is <b>2.3 percent</b> on August 26, <b>up from 2.2 percent</b> on August 16. After this morning's advance durable manufacturing report from the U.S. Census Bureau, a decrease in the nowcast of the contribution of nonresidential equipment investment to the third-quarter real GDP growth from 0.30 percentage points to 0.26 percentage points was offset by an increase in the nowcast of the contribution of inventory investment to the third-quarter real GDP growth from -0.47 percentage points to -0.43 percentage points. (Source: Federal Reserve Bank of Atlanta) <i>(The GDPNow forecast aggregates statistical model forecasts of 13 subcomponents that comprise GDP.)</i>
U.S. Trade Deficit	The U.S. Census Bureau and the U.S. Bureau of Economic Analysis announced today that the <b>goods and services deficit</b> was \$55.2 billion in June, down \$0.2 billion from \$55.3 billion in May, revised. A <b>decrease of 0.3%</b> . (Source: US DOC & Census Bureau)
Import Volumes	In June 2019, the U.S. <b>imported \$261.5 billion</b> of cargo, <b>decreasing 2.1%</b> from May. (Source: US Census)
Export Volumes	In June 2019, the U.S. <b>exported \$206.3 billion</b> of cargo, <b>decreasing 1.7%</b> from May. (Source: US Census)
Import & Export Price Index	Prices for <b>U.S. imports increased 0.2 percent in July</b> , the U.S. Bureau of Labor Statistics reported today, following a 1.1-percent decline the previous month. In July, rising fuel prices more than offset lower nonfuel prices. The <b>price index for U.S. exports advanced 0.2 percent</b> in July, after falling 0.6 percent in June and 0.3 percent in May. (Source: Bureau of Labor Statistics)
Unemployment Rate	The unemployment rate in America <b>was 3.7%</b> in July 2019, <b>no change since June</b> . The unemployment rate in <b>Georgia was 3.6%</b> in July 2019, <b>down slightly</b> from the previous month. Georgia ranks 30 <sup>th</sup> in unemployment among states. (Source: US DOL, GDOL, AAR)
Labor Force Participation Rate	The labor force participation rate was <b>82.0% in July 2019</b> . The labor force participation rate for those of prime working age (25-54) was 82.2% in June. (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. <b>increased 0.5%</b> in July 2019 to a reading of 112.2. According to The Conference Board, "The US LEI increased in July, following back-to-back modest declines. Housing permits, unemployment insurance claims, stock prices and the Leading Credit Index were the major drivers of the improvement. However, the manufacturing sector continues exhibiting signs of weakness and the yield spread was negative for a second consecutive month. While the LEI suggests the US economy will continue to expand in the second half of 2019, it is likely to do so at a moderate pace." (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 5.42 million in July 2019, <b>up 2.5%</b> from June and up <b>.06%</b> from June 2018. The index of pending home sales (sales that haven't closed yet but contracts have been signed) was 108.3 in May 2019, <b>up 2.8%</b> from the previous month and <b>1.6% higher</b> than last year, thus marking two consecutive months of growth according to the NAR. Each of the four major regions recorded a rise in contract activity, with the West experiencing the highest surge. (Source: U.S. DOC, National Association of Realtors)
Light Vehicle Sales	New light vehicle sales were an annualized and seasonally adjusted <b>16.823 million</b> in July 2019, <b>down 0.31%</b> from the previous month and <b>down .07%</b> from July 2018 (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 <b>increased 0.4 percent in June</b> , the same increase as in May. Wages and salaries, the largest component of personal income, increased 0.5 percent in June after increasing 0.2 percent in May. During Q1 2019, Personal Income in Georgia was estimated at \$493.6 billion, an <b>increase of 4.6%</b> from Q4 2018. (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 July 2019 were <b>\$523.5 billion, an increase of 0.74%</b> from the previous month, and <b>up 3.4%</b> from June 2018. Non-store retail sales were <b>up 16%</b> 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	The estimate of U.S. retail e-commerce sales for the second quarter of 2019, adjusted for seasonal variation, was \$146.2 billion, an <b>increase of 4.2%</b> from the first quarter of 2019 and <b>13.3% higher than the second quarter of 2018</b> . E-commerce sales in the second quarter of 2019 accounted for <b>10.7% of total sales</b> . (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>

## Consumer Confidence

The Consumer Confidence Index **increased to 135.7** in June 2019, **up 9.2%** from the previous month. According to The Conference Board. "After a sharp decline in June, driven by an escalation in trade and tariff tensions, Consumer Confidence rebounded in July to its highest level this year," said Lynn Franco, Senior Director of Economic Indicators at The Conference Board. "Consumers are once again optimistic about current and prospective business and labor market conditions. In addition, their expectations regarding their financial outlook also improved. These high levels of confidence should continue to support robust spending in the near-term despite slower growth in GDP." (Source: The Conference Board) *(The consumer confidence index is based on a monthly survey of 5,000 U.S. household. It is designed to gauge the financial health, spending power, and confidence of the average U.S. consumer.)*

## Consumer & Producer Price Index

The Consumer Price Index for all urban consumers was **256.57** in June 2019, **up 0.3%** from the previous month. The food index remained increased slightly between June and July to 258.274. The Producer Price Index for final demand was **118.5** in July 2019, **up 0.02%** from the previous month. (Source: US Bureau of Labor Statistics)

## Small Business Optimism Index

The Small Business Optimism Index was 104.7 during July 2019, **up 1.4 points from the previous month**. According to the National Federation of Independent Business (NFIB), "While many are talking about a slowing economy and possible signs of a recession, the 3rd largest economy in the world continues to defy expectations, generating output, creating value, and expanding the economy". "Small business owners want to grow their operations, and the only thing stopping them is finding qualified workers." Out of 10 index components, 7 are advancing, two failing, and one remained unchanged. (Source: National Federation of Independent Business) *(This Index collects data from small businesses on economic topics ranging from current job openings to expected credit conditions)*

## Industrial Production and Capacity Utilization

The Industrial Production Index was 109.2 in July 2019, **down .2%** from the previous month and **.5% higher than July 2018**. Capacity Utilization for the industrial sector was **77.5%** in July 2019, **a rate that is 2.3 percentage points below its long-run (1972–2018) average**. (Source: Federal Reserve) *(The industrial production and capacity utilization rates cover manufacturing, mining, and electric and gas utilities. The industrial detail provided by these measures helps illuminate structural developments in the economy)*

## Manufacturing & Trade Sales

Total combined sales and manufacturing shipments totaled nearly **\$1,460.1 billion** in June 2019, **up 0.1% from the previous month and up 1.3% from June of the previous year**. (Source: US Census)

## Manufacturing & Trade Inventory

Total value of inventory on-hand is estimated at **\$2,035.7 billion** in June 2019, **virtually unchanged from the previous month and up 5.2% from June of the previous year**. (Source: US Census)

## Purchasing Managers Index

The National PMI **decreased to 51.2%** in July 2019, a **decrease of 0.5%** from the previous month. With a reading above 50, the overall economy grew for the 123rd consecutive month. New Orders **increased .8% to 50.8%**, and Production **decreased 3.3% to 50.8%**. In July, 9 out of the 18 manufacturing industries tracked by the ISM reported growth. (Source: Institute for Supply Management) *(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.)*

## Purchasing Managers Index in the Southeast

In July 2019, the Southeast PMI **decreased 6.4%** month-over-month to **49%**. New Orders in the Southeast **decreased 14.9%** to 40.5% and Production **decreased 13.1%** to 40.5% as well. In the month of July, the Southeast's PMI was **2.2% below** the national PMI. (Source: Kennesaw State University: *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.*)

## U.S. Market News

China will impose tariffs ranging from 5% to 10% on more than 5,000 products imported from the U.S., valued at \$75 billion, [according to a notice](#) from the Ministry of Finance. Some of the duties will take effect Sept. 1 and others Dec. 15. Multiple news outlets report the products to be tariffed include agricultural products, apparel, textiles, chemicals, automobiles and oil. China will also reinstate a 25% tariff on U.S. auto exports and a 5% duty on auto parts and components on Dec. 15. (Source: supplychaindive.com)

## MULTIMODAL:

### Dow Jones Transportation Index

Dow Jones Transportation Index **increased 2.2%** in July 2019, ending at a reading of 10,701. *(A price-weighted average of 20 U.S. companies in the transportation industry, average of July 1<sup>st</sup> thru July 31<sup>st</sup>. The index includes railroads, airlines, trucking, marine transportation, delivery services, and logistics companies.)*

### NASDAQ Transportation Index

NASDAQ Transportation Index **decreased 1.9%** in July 2019, ending at a reading of 5,097. *(Averaged share weights of NASDAQ-listed companies classified as transportation companies, average of July 1<sup>st</sup> thru July 31<sup>st</sup>)*

### DOT Freight Transportation Service Index

The USDOT's freight transportation services index was 138.0 in June 2019, a decrease of **0.1%** from the previous month and **1.3% higher** than June 2018. The June decrease in the Freight TSI was driven by declines in water, rail carloads, rail intermodal and air freight, while pipeline, and trucking grew. (Source: US BTS)

### Cass Freight Index

The Cass Freight Shipments Index was 1.171 in July 2019, a **decrease of .08%** from the previous month, and a **decrease of 5.9%** year-over-year. According to Cass Information Systems, "With the -5.9% drop in July, following the -5.3% drop in June, and the -6.0% drop in May, we repeat our message from last two months: the shipments index has gone from "warning of a potential slowdown" to "signaling an economic contraction." (Source: Cass Information Systems | Cassinfo.com) *(Based upon transportation dollars and shipments of Cass clients comprised of over 400 shipping companies)*

<b>Shippers Conditions Index</b>	The Shippers Conditions Index for May 2019 <b>increased</b> from the previous month, to a <b>reading of 5.6</b> . According to FTR, Market conditions are the most favorable for shippers in years and are expected to continue in the current range for the remainder of 2019. The principal strength is continued softening of truckload and intermodal rates with rail stabilizing. Fuel prices may put some pressure on shipper costs due to the recent rise in crude prices; however, those increases appeared to level off at under \$60/barrel. (Source: FTR Transportation Intelligence   ftrintel.com) <i>(Figures below zero indicate a less-than-ideal environment for shippers)</i>
<b>North American Transborder Freight</b>	Total transborder freight between the U.S., Canada, and Mexico totaled \$103.8 billion in June 2019, down 2.3% compared to June 2018. Trucks carried \$65.6 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)
<b>Multimodal News Clips:</b>	For the first 33 weeks of 2019, U.S. railroads reported cumulative volume of 8,342,076 carloads, down 3.3% from the same point last year; and 8,783,643 intermodal units, down 3.8% from last year. Total combined U.S. traffic for the first 33 weeks of 2019 was 17,125,719 carloads and intermodal units, a decrease of 3.5% compared to last year. Two of the 10 carload commodity groups posted an increase compared with the same week in 2018. They were petroleum and petroleum products, up 1,115 carloads, to 12,004; and chemicals, up 696 carloads, to 33,233. (Source: Association of American Railroads)

<b>RAIL:</b>	
<b>U.S. Freight Rail Traffic</b>	U.S. rail carloads in July 2019 totaled 1,264,100, down <b>4.8%</b> (64,406 carloads) from July 2018 and marked the sixth straight monthly decline for total U.S. rail carloads. In July, 8 of the 20 carload commodity categories the AAR tracks saw carload gains. Through the first six months of 2019, total U.S. carloads were down 3.2%, or 259,574 carloads, from the first six months in 2018. (Source: AAR.org) <i>(Report includes rail car-loadings by 20 different major commodity categories)</i>
<b>U.S. Intermodal Rail Traffic</b>	U.S. intermodal originations in July 2019 were <b>down 6.1%</b> (84,878 containers and trailers) from July 2018, the sixth straight monthly decline for U.S. intermodal traffic. Through the first six months of 2019, intermodal was down 3.7%, or 314,125 units, from the first six months of 2018. (Source: AAR.org) <i>(Report includes rail car-loadings by 19 different major commodity categories as well as intermodal units)</i>
<b>Railroad Fuel Price Index</b>	The index of average railroad fuel prices in July 2019 was 390.6, <b>up 2.5%</b> from the previous month and <b>11.3% lower</b> 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>
<b>Class 1 Railroad Employment</b>	Railroad employment in May 2019 <b>decreased by 1,590 employees from the previous month</b> to 141,360 employees total; the seventh straight month-to-month decline. (Source: U.S. STB, AAR)
<b>Short Line Rail Traffic</b>	In July 2019, short line railroad shipments across North America <b>increased 0.4% year-over-year</b> . A sampling of about 500 short line and regional railroads <b>loaded 369,913 railcars</b> and intermodal units during the month of July. Nonmetallic Minerals led gains for the fourth consecutive month with a 43.4 percent increase. Coal led declines, down 20.2 percent. (Source: Railinc Short Line and Regional Traffic Index)
<b>Railroad News Clips:</b>	On August 22 <sup>nd</sup> , <a href="#">CSX</a> unveiled its Spirit of our Law Enforcement commemorative locomotive at the Class I's locomotive shop in Huntington, West Virginia. The CSXT 3194 was renamed to honor the nation's police officers. The unit joins the railroad's collection of Pride In Service locomotives launched this spring: the Spirit of Our Armed Forces and the Spirit of our First Responders. The locomotive is a "moving tribute to the men and women who serve us every day and aligns with CSX's goal to connect military service members, first responders and their families to the resources and support they need," said Ed Harris, CSX's executive vice president of operations, in a press release. Each locomotive is painted to honor the CSX Pride in Service partners and to promote the CSX Pride in Service program, which is a "community investment initiative with a goal of positively impacting 100,000 military service members, veterans, first responders and their families by 2020," CSX officials said. (Source: <a href="#">progressivetrucking.com</a> )

<b>TRUCKING:</b>	
<b>Truck Tonnage Index</b>	The ATA's seasonally adjusted For-Hire Truck Tonnage Index was 122.7 in July 2019, <b>an increase of 6.6% from the previous month and an increase of 7.3% from July 2018</b> . According to ATA Chief Economist Bob Costello, "Tonnage in 2019 has been on a rollercoaster ride, plagued with large monthly swings, which continued in July as tonnage surged after falling significantly in May and June. However, take out the month-to-month noise, and you see that truck tonnage is still on a nice upward path." (Source: American Trucking Associations   <a href="#">Trucking.org</a> . Note: ATA recently revised the seasonally adjusted index to 2015 = 100)
<b>Truckload Freight</b>	The spot market for truckload-freight available for pick-up in July 2019 <b>decreased 19.9%</b> compared to the previous month, and was <b>37.3% lower</b> year-over-year. Truck capacity <b>increased 12.2%</b> for the month, and <b>increased 22.6%</b> year-over-year. (Source: DAT Trendlines   <a href="#">www.dat.com</a> )

## Refrigerated Trucking

In July 2019, the load-to-truck ratio for refrigerated loads **decreased to 3.65 loads per truck**. In July, the national reefer rate was \$2.19 per mile, decreased from the previous month. (Source: DAT Trendlines | [www.dat.com](http://www.dat.com))

## Trucking Conditions Index

The Trucking Conditions Index in June 2019 **improved to a reading of -0.82**. According to Avery Vice, FTR Vice President of Trucking, "Although rates remain weak for carriers, they appear at least to be stabilizing. Meanwhile, freight demand appears firmer in recent weeks than in early spring, but the outlook is far from rosy given a softening industrial sector. Our biggest near-term concern, however, is the potential impact of the trade war with China on consumer spending and business investment." (Source: FTR Transportation Intelligence | [ftrintel.com](http://ftrintel.com)) (Figures below zero indicate a less-than-ideal environment for trucking)

## Diesel Prices

As of August 19, 2019 the U.S. average diesel price was **\$2.99 per gallon**. The U.S. average diesel price was **\$0.213 lower** than the same week last year. The average price of diesel in the Lower Atlantic states was **\$2.89 per gallon, 9.7% less than the national average price**. (Source: U.S. DOE) (Reflects the costs and profits of the entire production and distribution chain.)

## Trucking Employment

Preliminary figures show the trucking industry workforce **increased slightly to 1,524,000 employees** in July 2019. The trucking industry workforce **increased 1%** over the previous month. (Source: U.S. Bureau of Labor Statistics)

## Trucking Earnings and Hours

The average earnings of truck transportation employees were \$25.14/hour in June 2019, **down .04 cents** from the previous month and up 13.5% from July 2018. The average weekly hours totaled 42.1 in June, **up 1.44%** from the previous month. (Source: U.S. Bureau of Labor Statistics)U

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

Preliminary July 2019 Class 8 truck orders totaled **9,800 units, up 24%** from June, **82% lower** than June 2018. According to FTR, "falling below a 10,000-unit threshold that has not been breached since 2010. Despite most order boards being opened for 2020 build slots, carriers appear in no rush to grab production capacity. Class 8 orders for the past 12 months now total 288,000 units. According to FTR, "Fleets continue to take a wait and see approach to 2020 equipment. Potentially higher equipment costs, uncertain demand, and enough available capacity in the market are keeping order activity at bay." (Source: FTR Transportation Intelligence | [ftrintel.com](http://ftrintel.com))

## Trucking News Clip

The Federal Motor Carrier Safety Administration (FMCSA) is currently accepting public comment on their proposed changes to Hours of Service (HOS) regulations. From **now through October 7, 2019**, the FMCSA is accepting public comment on their recently published proposed changes to HOS regulations. FMCSA Administrator Raymond P. Martinez has encouraged public comment from members of the trucking community and industry stakeholders: "FMCSA wants drivers and all CMV stakeholders to share their thoughts and opinions on the proposed changes to hours of service rules that we are putting forward today. We encourage everyone to review and comment on this proposal." Proposed changes can be found here: <https://cdllife.com/2019/you-have-until-october-7-to-submit-your-comment-on-hos-changes/> (Source: CD Life News)

## AIR FREIGHT:

### Air Cargo Traffic

Global air freight traffic in June 2019 **was down 4.8% compared to June 2018, the 8<sup>th</sup> consecutive month of negative year-over-year growth**. According to the IATA, "Additional tariff increases in the ongoing US-China trade dispute, which came into effect on 1 June are likely to have contributed to this month's outcome, along with further signs of moderation in the global macroeconomic backdrop." (Source: IATA.org,) (Global air freight covers international and domestic scheduled air traffic.)

### Atlanta Air Cargo Traffic

In May 2019, Hartsfield-Jackson Atlanta International Airport transported **54,206 metric tons** of cargo, a **3.8% increase** from the previous month and a **9.17% decrease** year-over-year. (Source: HJAIA)

### Air Freight Price Index

In June 2019, average airfreight rates for East-West routes **increased 1%** over the previous month to \$2.54 per kilogram. (Source: Drewry, [aircargoworld.com](http://aircargoworld.com)) (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.)

### Jet Fuel Prices

As of August 16, 2019, the global average jet fuel price was \$75.64 per barrel; down 4.6% from the previous month, and **13% lower** year-over-year. (Source: IATA.org, [platts.com](http://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:

UPS announced August 16 it will not be applying additional peak surcharges for residential deliveries during the 2019 holiday season, which runs approximately October 1, 2019 through January 4, 2020. The carrier said it would leverage cost savings from its expanded air freight network and automated sortation "super hubs," passing it on to customers. Other peak delivery surcharges on large shipments and those requiring additional handling will remain intact. (Source: [supplychaindive.com](http://supplychaindive.com))

## OCEAN FREIGHT:



## Import Volumes by Ocean

In June 2019 the latest month for which after-the-fact numbers are available, U.S. container ports handled 1.8 million TEUs, a 2.9% decrease from the previous month and 3.0% lower than June 2018. According to Hackett Associates founder Ben Hackett, "The uncertainties of the administration's tariff policies continue to vex the markets. Our overall outlook is more pessimistic than last month, underlining that trade wars are not harbingers of good things to come." (Source: NRF/Hackett Associates)

## Shanghai Containerized Freight Index

The August 16<sup>th</sup> SCFI comprehensive reading was **803.82**. **\$2,436 per FEU, down 4.3%** from last month. The spot rate for shipments to the U.S. East Coast was **\$3,187 per FEU, up 4.8%** from the previous month. (Source: Shanghai Shipping Exchange | [www1.chineseshipping.com.cn/en](http://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.)*

## Baltic Dry Index

The Baltic Dry Index **increased 10.65%** to August 19, 2019, ending at 2,607. Year-to-date, the index **decreased 2.9%**. (Source: [www.bloomberg.com/quote/BDIY:IND](http://www.bloomberg.com/quote/BDIY:IND)) *(The Baltic Dry Index is an index that tracks and averages worldwide international shipping prices of various dry bulk cargoes.)*

## Port of Savannah

The Port of Savannah moved **387,024** twenty-foot equivalent container units in July 2019 an increase of 8,257 TEUs, or **2.1** percent from the same month in the previous fiscal year. (Source: GPA)

## Port of Brunswick

At the Port of Brunswick in the fiscal year ending June 30, 613,680 autos and machinery units crossed the docks at Colonel's Island Terminal, GPA's main port for the import-export of cars, trucks and tractors. Roll-on/Roll-off cargo grew by 4 percent at Colonel's Island in FY2019. (Source: GPA)

## Ocean Freight Business News:

The Port of Savannah moved a record 4.5 million twenty-foot equivalent container units in the fiscal year that ended June 30, an increase of more than 305,000 TEUs, or 7.3 percent. For the first time ever, GPA handled more than half a million container lifts to rail, growing that number by more than 72,000, or 16.6 percent. The 506,707 intermodal boxes constituted more than 20 percent of total containers, another record. (Source: [gaports.com](http://gaports.com))

## WAREHOUSING & DISTRIBUTION:

## Industrial Vacancy

The **nationwide vacancy rate was 5.1%** at the end of the second quarter of 2019, up slightly from the previous quarter and unchanged from 5.1% in Q4 2018. None of the 49 markets tracked by NGKF had a double-digit vacancy rate during Q2 2019. The vacancy rate in **Atlanta, GA was 7.2%** in Q2 of 2019. (Source: NGKF)

## Warehouse Rent Rates

In Q2 2019, The average industrial asking rent across the U.S. measured **\$7.37/SF** triple net, up 1.4% from the first quarter and up 9.3% from one year ago. Three industrial markets experienced double digit rent growth over the past year. Industrial rents have increased by 32.8% over the past five years, and have ticked up in each quarter since third-quarter 2011, affirming the incredible resilience and consistency of the market. **The average asking rent in Atlanta was \$5.09/SF in Q2 2019.** (Source: NGKF)

## Industrial Absorption

Although overall market demand remains high, net absorption **decelerated** during the Q2 2019, as the amount of top-quality available product remains limited, even with a growing construction pipeline. **Absorption measured 26.4 million square feet during the second quarter of 2019**, compared to 68.5 million square feet in second-quarter 2018. Vacancy remains near historical lows, at 5.1% as of the end of the second quarter of 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 by 3,200 employees** to a preliminary count of 1,194,500 employees total in July 2019. The warehouse industry workforce **increased 0.27%** from the previous month and **increased 4.8%** year-over-year. (Source: U.S. Bureau of Labor Statistics)

## Warehouse Earnings and Hours

The average earnings of warehousing & storage employees across the U.S. were \$20.69/hour preliminarily in June 2019, **down 0.2%** from the previous month. The average weekly hours totaled 40.7 in July, **up 0.74%** from the previous month. (Source: U.S. Bureau of Labor Statistics)

## W&D Business News:

Arglass Yamamura, LLC, a glass container manufacturing company, will create more than **150 jobs and invest \$123 million** to build its first U.S. glass container manufacturing plant in Valdosta, Lowndes County. Arglass Yamamura noted Valdosta's highly-skilled workforce, affordability, educational infrastructure, and close proximity to markets along the East Coast as determining factors for its specialty manufacturing operations. "Georgia, specifically the Valdosta region, will allow us to run a very flexible, efficient, and cost-effective manufacturing operation, while remaining close to our customer base in the South and eastern parts of the United States," said José de Diego-Arozamena, CEO of Arglass Yamamura. The Valdosta facility will serve as the company's first U.S. plant, creating glass products based on the company's founding principles of flexibility, efficiency, and sustainability. (Source: [Georgia.org](http://Georgia.org))

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