

LOGISTICS MARKET SNAPSHOT

U.S. MARKET:

Gross Domestic Product

Real gross domestic product (GDP) **increased at an annual rate of 2.1% in the third quarter of 2021** (second estimate), following an **increase of 6.7% in the second quarter**. The deceleration in real GDP in the third quarter was led by a slowdown in consumer spending. A resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country. In the third quarter, government assistance payments in the form of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased.
Note: Most recent data provided; Q3 2021 Gross Domestic Product/3rd Estimate will be published Wednesday, December 22, 2021.
Source: Bureau of Economic Analysis

U.S. Trade Deficit

The goods and services deficit for October 2021 **was \$67.1 billion, a 17.6% decrease** from \$81.4 billion in September (revised). Year-to-date, the goods and services deficit **increased \$161.7 billion, or 29.7%**, from the same period in 2020.
Source: Bureau of Economic Analysis

Import Volumes

October 2021 imports of goods and services **were \$290.7 billion, up 0.9% from September**. Imports from Mexico (\$34.4 billion) and imports from Taiwan (\$7.7 billion) were the highest on record.
Source: U.S. Census Bureau

Export Volumes

Totals for October 2021 exports of goods and services **were \$223.6 billion, a jump of 8.1% from September**. October exports of consumer goods (\$21.5 billion) and industrial supplies (\$58.0 billion) were the highest on record.
Source: U.S. Census Bureau

Import & Export Price Index

U.S. **import prices advanced 0.7% in November**, continuing the upward trend recorded throughout 2021 apart from a 0.2% drop in August. The price index for U.S. imports rose 11.7% over the past 12 months, the largest over-the-year increase since the index advanced 12.7% for the year ended September 2011. Prices for U.S. **exports rose 1.0% in November** following a 1.6% advance the previous month. U.S. exports increased 18.2% over the past 12 months, the largest over-the-year advance in the series, which was first published in September 1984.
Source: U.S. Bureau of Labor Statistics

Unemployment Rate

The U.S. unemployment rate for November 2021 fell by 0.4 percentage points to 4.2%. Total nonfarm payroll employment rose by 210,000. Notable job gains occurred in professional and business services, transportation and warehousing, construction, and manufacturing. Employment in retail trade declined over the month. The unemployment rate in **Georgia was 2.8% for November 2021**. The state of Georgia is currently tied with Montana, ranking 8th in the U.S. of states with lowest unemployment.
Source: Bureau of Labor Statistics

Labor Force Participation Rate

The labor force participation rate **increased to 61.8% for November 2021**. The labor force participation rate for those of **prime working age (25-54) was 81.8%**, down from 81.7% in October 2021.
Source: U.S. Bureau of Labor Statistics (Workforce Participation Rate measures the share of Americans at least 16 years old who are either employed or actively looking for work)

Leading Economic Index

The LEI for the U.S. **increased by 1.1% in November to 119.9**, following a 0.9% increase in October and a 0.3% increase in September. According to The Conference Board, "The U.S. LEI rose sharply again in November, suggesting the current economic expansion will continue into the first half of 2022. Inflation and continuing supply chain disruptions, as well as a resurgence of COVID-19, pose risks to GDP growth in 2022."
Source: The Conference Board (the LEI is a composite of 10 economic indicators that together create an analytic system designed to signal peaks and troughs in the business cycle. The LEI reveals patterns in economic data in a clearer and more convincing manner than any individual component alone)

Pending Home Sales Index

After a decline the month prior, the October 2021 PHSI jumped **7.5% to a value of 125.2**. Pending home sales increased in October, and contract activity rose month-over-month in each of the four major U.S. regions. On a year-over-year basis, however, transactions were split, as two regions reported drops and two others posted gains. According to the National Association of Realtors, "The notable gain in October assures that total existing-home sales in 2021 will exceed 6 million, which will shape up to be the best performance in 15 years. This solid buying is a testament to demand still being relatively high, as it is occurring during a time when inventory is still markedly low."
Note: Most recent data provided; Pending Home Sales -November 2021 will be published Wednesday, December 29, 2021.
Source: National Association of Realtors

Housing Starts

Privately-owned housing starts in November were at an annual rate of 1,679,000 (seasonally adjusted). This is **11.8% above the revised October estimate** of 1,502,000 and is **8.3% above the November 2020 rate** of 1,551,000. Single-family housing starts in November were at a rate of 1,173,000; this is 11.3% above the revised October figure of 1,054,000. The November rate for units in buildings with five units or more was 491,000.
Source: U.S. Census Bureau

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Light Vehicle Sales

New light-vehicle sales in November came in below expectations, with a rate of 12.9 million units, down 19% from November 2020. Despite November's month-to-month decline, sales through the first 11 months of the year are up by 7% compared with the same period in 2020. For the second straight month, light trucks represented more than 80% of all new vehicles sold. Year to date, light trucks have accounted for 77.4% of all new light-vehicle sales.

Source: National Automobile Dealers Association (Light vehicle sales record the number of domestically produced units of cars, SUVs, mini-vans, and light trucks that are sold. Because motor vehicle sales are a large part of consumer spending in the United States, the motor vehicle sales data can provide important information on consumer-spending trends and on the overall direction of the economy)

Personal Income

Personal income **increased \$93.4 billion, or 0.5%** in October 2021. Disposable personal income **increased \$63.0 billion (0.3%)** and personal consumption expenditures (PCE) increased \$214.3 billion (1.3%).

Note: Most recent data provided; Personal Income and Outlays - November 2021, will be published Thursday, December 23, 2021.

Source: U.S. Bureau of Economic Analysis (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)

Retail Sales

Advance estimates of U.S. retail and food services sales for November 2021, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were **\$639.8 billion, an increase of 0.3%** from the previous month, and 18.2% above November 2020. Total sales for the September 2021 through November 2021 period were up 16.2% from the same period a year ago.

Source: U.S. Census Bureau (Non-store retail sales are measured monthly and include internet-only sales outlets as well as other direct-to-customer channels)

E-Commerce

U.S. retail e-commerce sales for the third quarter of 2021 was **\$214.6 billion, a decrease of 3.3% from the second quarter of 2021**. E-commerce sales in the third quarter of 2021 **accounted for 13.0% of total sales**.

Note: This information is released quarterly; most recent data provided.

Source: U.S. Census Bureau (E-Commerce sales are measured on a quarterly basis and include the sales of goods and services where the buyer places an order, or the price and terms of the sale are negotiated over an Internet, mobile device (M-commerce), extranet, Electronic Data Interchange (EDI) network, electronic mail, or other comparable online system. Payment may or may not be made online)

Consumer Confidence Index

Consumers' appraisal of current business conditions was less favorable in November. **The Index now stands at 109.5 down from 111.6 in October**. The Present Situation Index—based on consumers' assessment of current business and labor market conditions—fell to 142.5 from 145.5 last month. The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—fell to 87.6 from 89.0. According to The Conference Board, "Expectations about short-term growth prospects ticked up, but job and income prospects ticked down. Meanwhile, the proportion of consumers planning to purchase homes, automobiles, and major appliances over the next six months decreased. Expectations are strong for this to be a good holiday season for retailers and confidence levels suggest the economic expansion will continue into early 2022. However, both confidence and spending will likely face headwinds from rising prices and a potential resurgence of COVID-19 in the coming months."

Note: Most recent data provided; Consumer Confidence Index - December 2021, will be published Wednesday, December 22, 2021.

Source: The Conference Board (the consumer confidence index is based on a monthly survey of 5,000 U.S. household. It is designed to gauge the financial health, spending power, and confidence of the average U.S. consumer. Base year 1985=100)

Consumer & Producer Price Index

The seasonally adjusted Consumer Price Index **increased 0.8% in November** after rising 0.9% in October. The Producer Price Index **increased 0.8% in November** (seasonally adjusted) following a 0.6% October 2021 increase.

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

Small Business Optimism Index

The SBOI **increased slightly in November 2021 by 0.2 points to 98.4**. According to NFIB, "The outlook for business conditions is not encouraging to small business owners as lawmakers propose additional mandates. Owners are also pessimistic as many continue managing challenges like rampant inflation and supply chain disruptions that are impacting their businesses right now."

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. Base year 1986=100)

Industrial Production & Capacity Utilization

Industrial production continued to rise, **up 0.5% in November** after a 1.7% October increase (revised). Manufacturing output **rose 0.7%, reaching its highest level since January 2019**, with motor vehicles/parts, aerospace and miscellaneous transportation equipment posting the largest increases. Capacity utilization for manufacturing increased 0.5 percentage points to 77.3% in November, **its highest rate since December 2018**.

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

Manufacturing & Trade Sales

The combined value of distributive trade sales and manufacturers' shipments for October was estimated at **\$1,709.1 billion, up 2.1% from September 2021** and was up 16.7% from October 2020. The total business inventories/sales ratio based on data at end of October was 1.24.

Source: U.S. Census Bureau

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Manufacturing & Trade Inventory Manufacturers' and trade inventories for October were estimated at an end-of-month level of **\$2,127.5 billion, up 1.2% from September 2021**, and up 7.8% from October 2020.
Source: U.S. Census Bureau

Purchasing Managers Index, Manufacturing The **November Manufacturing PMI registered 61.1%, an increase of 0.3 percentage points from the October reading of 60.8%**. This figure indicates expansion in the overall economy for the 18th month in a row. According to the Institute of Supply Management, "All segments of the manufacturing economy are impacted by record-long raw materials and capital equipment lead times, continued shortages of critical lowest-tier materials, high commodity prices and difficulties in transporting products. Coronavirus pandemic-related global issues — worker absenteeism, short-term shutdowns due to parts shortages, difficulties in filling open positions and overseas supply chain problems — continue to limit manufacturing growth potential."
Source: Institute for Supply Management (The PMI combines data on new orders, production, employment, supplier deliveries, and inventory. A reading above 50 percent indicates that the manufacturing economy is generally expanding.)

Purchasing Managers Index, Services The November 2021 Services PMI registered another **all-time high of 69.1%, 2.4 percentage points above October's reading of 66.7%**, the former all-time high. The 12-month average is 62.1%, which reflects strong and sustained demand in the services sector.
Source: Institute for Supply Management (The PMI combines data on business activity, new orders, employment, supplier deliveries, and inventory. A reading above 50 percent indicates that the manufacturing economy is generally expanding.)

Logistics Managers' Index The November 2021 reading of **73.4 is up 0.8 points from October's index score of 72.6** and continues the extended run of logistics expansion seen throughout the year. This month's number is driven by many factors, including continued increases in warehousing prices and the rapid movement of a significant volume of inventory from upstream storage to downstream retailers. The shortages of retail goods this holiday season have not been as severe as predicted to be, and this seems to have been largely achieved by firms spending heavily on warehousing and transportation to get goods downstream.
Source: Logistics Managers' Index (The LMI score is a combination eight unique components that make up the logistics industry, including: inventory levels and costs, warehousing capacity, utilization, and prices, and transportation capacity, utilization, and prices. The LMI is calculated using a diffusion index, in which any reading above 50 percent indicates that logistics is expanding; a reading below 50 percent is indicative of a shrinking logistics industry.)

U.S. Market News Clip The Southeast U.S. has among the highest concentrations of jobs due to foreign investment, with Georgia posting the eighth fastest growth rate among states in jobs attributable to foreign investment. According to the Global Business Alliance, within Georgia, the largest employers by country are Japan, the United Kingdom and Canada.
Source: Global Atlanta; [link to article](#)

MULTIMODAL:

Dow Jones Transportation Index As of December 17, 2021, the Dow Jones Transportation Average Index **closed at a reading of 15,828.97**.
Source: Marketwatch (A price-weighted average of 20 U.S. companies in the transportation industry. The index includes railroads, airlines, trucking, marine transportation, delivery services, and logistics companies.)

NASDAQ Transportation Index As of December 17, 2021, the NASDAQ Transportation Index **closed at a reading of 6,366.96**.
Source: Marketwatch, Inc (Averaged share weights of NASDAQ-listed companies classified as transportation companies)

Freight Transportation Services Index October brings the second consecutive month-over-month increase; the TSI rose 0.5% in October to 135.7 from September's rate of 135.0 (revised). From October 2020 to October 2021, the index rose 1.9% compared to a decline of 3.6% from October 2019 to October 2020 and a decline of 0.7% from October 2018 to October 2019.
Source: U.S. Bureau of Transportation Statistics (TSI is based on the amount of freight carried by the for-hire transportation industry)

Cass Freight Index for Shipments & Expenditures The November 2021 **CSI for shipments was at 1.206**, 4.5% higher than last November's reading. The November 2021 **CSI for expenditures was at 4.275**, 43.9% higher than last November's reading. Freight volumes remain capacity-constrained, as shown by declining rail volumes and the ongoing backlog of containerships outside of U.S. ports. Although little progress has been made on the ocean, an increase in the shipments index shows progress as the freight industry works to de-bottleneck.
Source: Cass Information Systems (Based upon transportation dollars and measures the total amount spent on freight and shipments of Cass clients comprised of over 400 shipping companies)

Shippers Conditions Index The SCI for October 2021 **fell sharply to a -12.38 reading**. October was the lowest reading since the all-time low was reached in March of this year, reflecting worsening market conditions for shippers. The **primary cause of the severe decline was the surge in diesel prices during the month** but was also negatively influenced by tighter capacity utilization. The most significant impact to the shippers' environment remains freight rates.
Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for shippers)

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North American Transborder Freight

The value of transborder freight between the U.S. and North American countries (Canada and Mexico) **reached \$117.4 billion in October 2021, a 7.5% increase from September 2021**, and a 15.1% increase from same month last year. Trucks moved \$73.8 billion of freight, up 8.9% compared to October 2020. Railways moved \$16.5 billion of freight, up 13.9% compared to October 2020.

Source: U.S. Bureau of Transportation Statistics

Multimodal News Clip

Norfolk Southern Corporation has rolled out a pilot incentive program for intermodal shipping partners that aims to drive market efficiencies, grow capacity at its international intermodal terminals, and advance key sustainability goals. Norfolk Southern developed the Dual Mission Reward Program while brainstorming with customers and truckers on ways to help unclog pandemic-related bottlenecks across the transportation supply-chain. Beyond increasing efficiencies, the initiative has the potential to generate significant sustainability benefits.

Source: Yahoo Finance; [link to article](#)

RAIL:

U.S. Freight Rail Traffic

For November 2021, U.S. railroads originated 917,787 carloads, up 2%, or 17,996 carloads, from November 2020. U.S. railroads also originated 1,028,039 containers and trailers in November 2021, down 9.6%, or 108,705 units, from the same month last year. Combined U.S. carload and intermodal originations in November 2021 were 1,945,826, down 4.5%, or 90,709 carloads and intermodal units from November 2020.

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

Railroad Fuel Price Index

The index of average railroad fuel prices for November 2021 was **491.7, a 0.5% decrease** from the previous month and **an 84.7% increase over November 2020**.

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

Class 1 Railroad Employment

Total railroad employment for November 2021 **decreased for the sixth consecutive month to 113,957 workers**.

Source: U.S. Surface Transportation Board

Railroad News Clip

Hulsey Yard will be one of four new inland ports located near manufacturing and distribution centers and is the first railyard to be converted into a new network of container yards across the state. While the move will help increase twenty-foot equivalent (TEU) capacity outside of the Savannah terminals by a half-million, the network is meant to improve supply chain bottlenecks and speed up delivery times from the port to homes and businesses.

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

TRUCKING:

Truckload Linehaul Index

The November 2021 TLI **fell to a value of 149.5**, down 0.9% from October, and but rising 9.6% year-over-year. Freight demand is clearly still strong and persistent supply constraints are keeping upward pressure on rates. The gradual easing of supply constraints for critical components of trucking capacity – drivers and equipment – will continue to be key to the longer-term outlook.

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

Truck Tonnage Index

American Trucking Associations' seasonally adjusted For-Hire Truck Tonnage Index **increased 0.4% in October after rising 2.2% in September**. In October, the index equaled 113.0 compared with 112.6 in September. According to ATA, "The combination of solid retail sales, inventory rebuilding, and generally higher factory output offset some areas of softer freight growth, like home construction, in October. The largest problem for the industry isn't the amount of demand but making sure we have adequate supply. It is good to see that fleets were able to haul more tonnage in recent months in the face of constrained supply."

Note: Most recent data provided; Truck Tonnage Index Report will be published Tuesday, December 28, 2021.

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

Truckload Freight, Van

Van load-to-truck ratio **for November 2021 fell to 5.19**, down 7.0% from the previous month. **Georgia's load-to-truck ratio ranged from 2.6 – 5.4**. The spot market for dry van freight **rose to \$2.92** for the month of November 2021.

Source: DAT Freight & Analytics

Truckload Freight, Refrigerated

For November 2021, the national load-to-truck ratio for refrigerated loads was **11.92 loads per truck**, a slight decrease of 0.9% from the previous month. **Georgia's reefer load-to-truck ratio ranged from 5.6 – 11.9**. The national spot market reefer rate for November was **\$3.44 per mile, up 17 cents from October 2021**.

Source: DAT Freight & Analytics

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Trucking Conditions Index

The TCI measurement for October 2021 **fell to a reading of 7.75 – the weakest reading since July 2020** – largely due to a surge in diesel prices. The change in the index from September's 11.79 reading would have been negligible Had fuel prices been a neutral factor.

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

Diesel Prices

As of December 20, 2021, the U.S. average diesel price was **\$3.62 per gallon**. This is about a dime cheaper than this time last month, but a dollar higher than the same week last year. The average price of diesel in the Lower Atlantic states was **\$3.49 per gallon, \$0.96 higher** than the same week last year.

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

Trucking Employment

November 2021 numbers show the industry workforce **increased to 1,521,300 employees** (preliminary) up from a total of 1,515,700 employees (revised) for October 2021.

Source: U.S. Bureau of Labor Statistics

Trucking Earnings & Hours

For October 2021, the average earnings for occupations commonly found in truck transportation (preliminary) were **\$27.67/hour**. October showed **average weekly hours totaling 43.0**.

Source: U.S. Bureau of Labor Statistics

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

North American Class 8 net orders dropped in November to 9,500 units (preliminary), **a 41% decrease from October and down 82% year-over-year**. Class 8 orders now total a still-impressive 393,000 units for the previous 12 months. Per FTR, "The low order numbers in November in no way are representative of total demand. The weak volumes are because OEMs are managing their backlogs very carefully. Demand for new trucks is at record levels, spot rates are at record levels, and contract rates are rising. Prices for used trucks are also at record highs; when the manufacturing sector of the economy gets past the supply chain crisis, there will be even more freight to haul."

Source: FTR Transportation Intelligence

Trucking News Clip

Logistics and transportation industry professionals weigh in on the Biden-Harris administration's recently announced Trucking Action Plan. The Supply Chain Disruptions Task Force, launched in June, was created to address supply chain challenges, and strengthening the country's truck driver workforce is part of that plan. The initiative includes four key elements: helping states reduce barriers to obtaining a commercial driver's license; a 90-day challenge to increase the number of registered driver apprenticeships nationwide; military veteran-focused outreach and recruitment; and a "Driving Good Jobs" partnership between the Department of Transportation and the Department of Labor that will investigate industry challenges and identify longer term actions for addressing them.

Source: DC Velocity; [link to article](#)

AIR FREIGHT:

Air Cargo Traffic

There was only a marginal uptick in air cargo volumes growth in October despite the start of the peak air cargo season. Industry-wide cargo tonne-kilometres (CTKs) **rose by 9.4% in October 2021 versus October 2019**. Growth was at 9.1% in September, and overall, air cargo performance has stayed constant for the past six months or so. Air cargo remains historically high amid disparate drivers, continuing to benefit from favorable supply chain conditions, notably the need of businesses to rapidly get goods.

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

Jet Fuel Prices

As of December 10, 2021, the global average jet fuel price **was \$87.40/bbl, a 5.8% decline from the previous month**, and 58.9% higher year-over-year.

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

Air Freight News Clip

Amazon Air, the private cargo airline of giant digital retailer and logistics provider Amazon, dramatically increased flight activity to help fulfill a huge increase in online orders on Cyber Monday. Amazon Air has expanded at an astounding rate since its launch five years ago and now boasts a fleet of 81 aircraft, up from 73 since late August, all of which are operated by for-hire cargo airlines. Amazon's fleet, nearly all of which is leased from contract carriers, consists of medium widebody Boeing 767s as well as smaller, standard-size Boeing 737 converted freighters.

Source: American Shipper; [link to article](#)

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OCEAN FREIGHT:

Shanghai Containerized Freight Index

As of 12/17/2021, the SCFI comprehensive reading was **\$ 4,894.62 per FEU**.

Source: Shanghai Shipping Exchange (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

GPA is expediting the completion of its Berth 1 expansion which will add 1 million TEUs of new berth capacity and eight ship-to-shore cranes at its docks. The project is now 30 percent complete and will come online at the end of Q2, 2023. **The Port of Savannah handled 495,750 twenty-foot equivalent container units in November 2021, a 6.7% increase over the previous year and a new monthly record for the Georgia Ports Authority.**

Source: Georgia Ports Authority

Ocean Freight News Clip

Multinational shipping line Hapag-Lloyd is bringing its North American headquarters to metro Atlanta. The large German shipping company will invest \$18 million and create 250 jobs when it locates its new headquarters in Dunwoody. The shipping giant already has a presence in Georgia, with more than 500 employees across the state.

Source: The Atlanta Journal-Constitution; [link to article](#)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. industrial vacancy rate—already at record lows—declined by 30 basis points (bps) quarter-over-quarter and by 110 bps year-over-year, **coming in at 4.1% at the end of Q3 2021**. This makes the third quarter the lowest vacancy rate on record, surpassing last quarter's record of 4.4%. Vacancy is expected to remain sub-5% over the next few quarters until supply can catch up with demand.

Note: Most recent data provided; Q4 2021 U.S. Industrial Market Report will be published Friday, January 7, 2022.

Source: Cushman & Wakefield

Warehouse Rent Rates

Fierce competition for space brought on another quarter of year-over-year rent growth in Q3 2021, increasing 8.3% from Q3 2020. **At \$7.18 per square foot in Q3 2021, the U.S. industrial market recorded yet another record high rental rate.** Warehouse/distribution rents rose 3.6% during the same period to \$6.32 psf. Though the pace of rent growth had slowed slightly in 2020, there has been a reacceleration in the past several quarters which will continue through the end of the year and into 2022. **The average asking rent in Savannah was \$5.30 psf in Q3 2021. For Atlanta the average rate was \$5.84 psf during the same period.**

Note: Most recent data provided; Q4 2021 U.S. Industrial Market Report will be published Friday, January 7, 2022.

Source: Cushman & Wakefield

Industrial Absorption

The U.S. industrial market ended the third quarter of 2021 with record-setting statistics and demand outpacing supply for the third quarter in a row. **The market absorbed 140.7 million square feet in Q3 2021—the most space ever absorbed in a single quarter of any year**, breaking the previous record from last quarter (126.4 msf). This brought the **year-to-date 2021 absorption total to 365.9 msf, 98.0% above the same period in 2020**, and the most absorption ever recorded in a single year with another quarter still to come. The Atlanta market dropped almost 50% in Q3 2021, **absorbing 5,279,936 million square feet**. The net absorption in third quarter for Savannah was **4,699,196 msf, a staggering increase from 1,003,967 msf in the previous quarter.**

Note: Most recent data provided; Q4 2021 U.S. Industrial Market Report will be published Friday, January 7, 2022.

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 (preliminary) **increased to 1,508,000 employees in November 2021.**

Source: U.S. Bureau of Labor Statistics

Warehouse Earnings & Hours

The average earnings of warehousing & storage employees across the U.S. (preliminary) increased to **\$22.34/hour for October 2021**. The **average weekly hours dropped to 39.2** for October 2021.

Source: U.S. Bureau of Labor Statistics

Warehouse & Distribution News Clip

A recent report by CBRE Services states that the magnitude of projected warehouse lease increases is “eye-popping”. The extreme tightness of industrial real estate and bullish demand trends have significantly contributed to soaring renewal rates on multiyear warehouse leases and has been dubbed “sticker shock” for logistics warehousing lessees.

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

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