

U.S. MARKET:

Gross Domestic Product

Real gross domestic product (GDP) **increased at an annual rate of 2.3% in the fourth quarter of 2024**, according to the advance estimate released by the U.S. Bureau of Economic Analysis. In the third quarter, real GDP increased 3.1%. The increase in real GDP in the fourth quarter primarily reflected increases in consumer spending and government spending that were partly offset by a decrease in investment.

Source: Bureau of Economic Analysis

U.S. Trade Deficit

The goods and services deficit was **\$78.2 billion in November, up \$4.6 billion from \$73.6 billion in October**, revised. The November increase in the goods and services deficit reflected an increase in the goods deficit of \$5.4 billion to \$103.4 billion and an increase in the services surplus of \$0.9 billion to \$25.2 billion. For the 3 months ending in November the average goods and services deficit increased \$2.5 billion to \$78.5 billion.

Source: Bureau of Economic Analysis

Import Volumes

November 2024 **imports were \$351.6 billion, \$11.6 billion more than October imports**. For the 3 months ending in November average imports increased \$2.8 billion to \$348.4 billion in November. Imports of goods increased \$11.6 billion to \$280.9 billion in November. Imports of services increased less than \$0.1 billion to \$70.6 billion in November.

Source: U.S. Bureau of Economic Analysis

Export Volumes

November 2024 **exports were \$273.4 billion, \$7.1 billion more than October exports**. For the 3 months ending in November average exports increased \$0.2 billion to \$269.9 billion. Exports of goods increased \$6.2 billion to \$177.6 billion in November. Exports of services increased \$0.9 billion to \$95.8 billion in November.

Source: U.S. Bureau of Economic Analysis

Import & Export Price Indexes

Prices for U.S. imports ticked up 0.1% for the third consecutive month in December 2024. U.S. import prices have not risen by more than 0.1% since a 0.9% advance in April 2024. The price index for U.S. imports advanced 2.2% over the past 12 months, the largest over-the-year increase since the index rose 3.2% for the year ended December 2022. **The price index for U.S. exports advanced 0.3% in December 2024**, after being unchanged in November and increasing 1.0% in October. Higher prices for nonagricultural and agricultural exports each contributed to the December increase in U.S. export prices. Prices for U.S. exports rose 1.8% from December 2023 to December 2024, the largest 12-month advance for the index since a 2.0% increase in January 2023.

Source: Bureau of Labor Statistics

Unemployment Rate

For December 2024, total nonfarm payroll employment increased by 256,000, and the unemployment rate changed little at 4.1%. Employment trended up in health care, government, and social assistance. Retail trade added jobs in December, following a job loss in November. **Georgia's unemployment rate comes in at 3.7% for December 2024**, ranking 25th in the U.S. of states with the lowest unemployment, tying with Arizona, Idaho, Missouri, and North Carolina. South Dakota shows the lowest level of unemployment at 1.9%. Nevada ranks highest in unemployment with a rate of 5.7%.

Source: Bureau of Labor Statistics

Labor Force Participation Rate

For December 2024 the labor force participation rate read at **62.5%, a decrease from the previous month**. The labor force participation rate for December 2024 for those of **prime working age (25-54) had a reading of 83.4%**.

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 Leading Economic Index (LEI) for the US **inched down by 0.1% in December 2024 to 101.6, after an upwardly revised increase of 0.4% in November**. The LEI declined by 1.3% over the second half of 2024, slightly less than its 1.7% decline over the first half of the last year. Per The Conference Board, "Low consumer confidence about future business conditions, still relatively weak manufacturing orders, an increase in initial claims for unemployment, and a decline in building permits contributed to the decline. Still, half of the 10 components of the index contributed positively in December. Moreover, the LEI's six-month and twelve-month growth rates were less negative, signaling fewer headwinds to US economic activity ahead. **Nonetheless, we expect growth momentum to remain strong to start the year and US real GDP to expand by 2.3% in 2025.**"

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

The Pending Home Sales Index (PHSI) **rose 2.0% to 77.4 in October 2024**. Year-over-year, pending transactions expanded 5.4%. Says the National Association of Realtors, "Homebuying momentum is building after nearly 2 years of suppressed home sales. Even with mortgage rates modestly rising despite the Federal Reserve's decision to cut the short-term interbank lending rate in September, **continuous job additions and more housing inventory are bringing more consumers to the market.**" The Northeast jumped 4.7% from last month to 68.7. The Midwest index grew 4.0% to 77.8. The South PHSI increased 0.9% to 90.0. The West index edged higher by 0.2% from the prior month to 64.1.

Note: Most recent Pending Home Sales Index not yet released at time of Logistics Market Snapshot publication.

Source: National Association of Realtors (an index of 100 is equal to the level of contract activity in 2001)

Housing Starts

Privately-owned housing starts in **December 2024 were at a seasonally adjusted annual rate of 1,499,000**. This is 15.8% above the revised November estimate of 1,294,000, but is 4.4% below the December 2023 rate of 1,568,000. Single-family housing starts in December 2024 were at a rate of 1,050,000; this is 3.3% above the revised November figure of 1,016,000. **The December 2024 rate for units in buildings with five units or more was 418,000.**

Source: U.S. Census Bureau

Light-Vehicle Sales

New light-vehicle sales finished the year strong in December 2024, **leading to a full-year sales total of 15.85 million units—an increase of 2.2% compared to 2023**. The December 2024 SAAR reached 16.8 million units, **the highest monthly SAAR since May 2021 with 17.0 million units**. New-vehicle sales saw year-over-year gains in Q1 2024, followed by declines in Q2 and Q3. New light-vehicle sales accelerated following the election in November 2024 and were strong through the remainder of the year. Sales in Q4 of 2024 totaled 4.19 million units, an increase of 7.7% compared to Q4 of 2023. All segments of alternative-fuel vehicles posted year-over-year sales and market-share gains. In total, alternative-fuel vehicles represented 20.0% of all new vehicles sold. Conventional hybrids had the largest increase in market share, rising to 10.1% from 7.6% last year. Plug-in hybrids (PHEV) and battery electric vehicles (BEV) also gained market share, but to a lesser extent. PHEV market share rose to 2.0% in 2024 from 1.9% in 2023, and BEV market share rose to 7.8% in 2024 from 7.5% in 2023. BEV sales reached a record 1.24 million units, an increase of 6.8% year over year. The share of BEVs sold by franchised dealers increased as well, with franchised dealers selling nearly 599,000 BEVs—or 48.1% of all BEVs sold. We expect franchised dealers to capture an even larger share of the BEV market in 2025. **We expect continued growth in vehicle sales in 2025. Our forecast for new light-vehicle sales in 2025 is 16.2 million units, an increase of roughly 2% compared to 2024.**

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 and Outlays

Personal income increased \$147.4 billion in October 2024. Disposable personal income (DPI), personal income less personal current taxes, increased \$144.1 billion, or 0.7%. The increase in current-dollar personal income in October primarily reflected increases in compensation, personal income receipts on assets, and personal current transfer receipts. **Personal outlays**—the sum of PCE, personal interest payments, and personal current transfer payments—increased \$69.8 billion in October. **Personal saving** was \$962.7 billion in October and the **personal saving rate**—personal saving as a percentage of disposable personal income—was 4.4%.

Note: Most recent Personal Income and Outlays not yet released at time of Logistics Market Snapshot publication.

Source: U.S. Bureau of Economic Analysis (personal income is the income that people get from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources; it does not include realized or unrealized capital gains or losses)

Personal Consumption Expenditures Price Index

Personal consumption expenditures (PCE) increased \$72.3 billion (0.4%) and the PCE price index increased 0.2% in October 2024. Excluding food and energy, the PCE price index increased 0.3%. The 0.1% increase in **real PCE** reflected an increase of less than 0.1% in spending on goods and an increase of 0.2% in spending on services. **Within goods**, the largest contributor to the increase was recreational goods and vehicles. **Within services**, the largest contributor to the increase was health care (both hospitals and outpatient services).

Note: Most recent PCE price index not yet released at time of Logistics Market Snapshot publication.

Source: U.S. Bureau of Economic Analysis (the PCE price index is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services; it is known for capturing inflation (or deflation) across a wide range of consumer expenses and reflecting changes in consumer behavior)

Retail Sales

Advance estimates of U.S. retail and food services sales for **December 2024, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were \$729.2 billion, an increase of 0.4% from the previous month, and up 3.9% from December 2023.** Total sales for the 12 months of 2024 were up 3.0% from 2023. Total sales for the October 2024 through December 2024 period were up 3.7% from the same period a year ago. Retail trade sales were up 0.6% from November 2024, and up 4.2% from last year. Motor vehicle and parts dealers were up 8.4% from last year, while Nonstore retailers were up 6.0% from December 2023.

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

The estimate of U.S. retail e-commerce sales for **the 3rd quarter of 2024 was \$300.1 billion, an increase of 2.6% from the 2nd quarter of 2024.** Total retail sales for the 3rd quarter of 2024 were estimated at \$1,849.9 billion, an increase of 1.3% from the 2nd quarter of 2024. The 3rd quarter 2024 e-commerce estimate increased 7.4% from the 3rd quarter of 2023 while total retail sales increased 2.1% in the same period. **E-commerce sales in the 3rd quarter of 2024 accounted for 16.2% of total sales.**

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

The Consumer Confidence Index **declined by 5.4 points in January to 104.1. December's reading was revised up by 4.8 points to 109.5** but was still down 3.3 points from the previous month. According to The Conference Board, "Consumer confidence has been moving sideways in a relatively stable, narrow range since 2022. January was no exception. The Index weakened for a second straight month, but still remained in that range, even if in the lower part". All five components of the Index deteriorated but consumers' assessments of the present situation experienced the largest decline. Notably, views of current labor market conditions fell for the first time since September, while assessments of business conditions weakened for the second month in a row. **The return of pessimism about future employment prospects seen in December was confirmed in January."**

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 **Consumer Price Index increased 0.4% on a seasonally adjusted basis in December 2024,** after rising 0.3% in November. Over the last 12 months, the all items index increased 2.9% before seasonal adjustment. **Indexes that increased** in December 2024 include shelter, airline fares, used cars and trucks, new vehicles, motor vehicle insurance, and medical care. The indexes for personal care, communication, and alcoholic beverages **were among the few major indexes that decreased over the month.** The **Producer Price Index for final demand advanced 0.2% in December 2024,** seasonally adjusted. Final demand prices rose 0.4% in November and 0.2% in October. On an unadjusted basis, the index for final demand increased 3.3% in 2024 after moving up 1.1% in 2023. The index for final demand less foods, energy, and trade services edged up 0.1% in December 2024, the same as in November 2024. **For the 12 months ended in December 2024, prices for final demand less foods, energy, and trade services rose 3.3%.**

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 Small Business Optimism Index **rose by 3.4 points in December to 105.1.** This is the 2nd consecutive month above the 51-year average of 98 and the highest reading since October 2018. The net percent of owners expecting the economy to improve rose 16 points from November to a net 52% (seasonally adjusted), the highest since the fourth quarter of 1983. The percent of small business owners believing it is a good time to expand their business rose six points to 20%, seasonally adjusted. This is the highest reading since February 2020.

Source: National Federation of Independent Business

Industrial Production & Capacity Utilization

Industrial Production (IP) increased 0.9% in December 2024 after moving up 0.2% in November. In December 2024, gains in the output of aircraft and parts contributed 0.2 percentage point to total IP growth following the resolution of a work stoppage at a major aircraft manufacturer. Manufacturing output rose 0.6% after gaining 0.4% in November. The indexes for mining and utilities climbed 1.8% and 2.1%, respectively, in December. At 103.2% of its 2017 average, total IP in December was 0.5% above its year-earlier level. **Capacity utilization stepped up to 77.6% in December 2024,** a rate that is 2.1 percentage points below its long-run average. The operating rate for mining increased 1.6 percentage points to 90.8%, and the operating rate for utilities moved up 1.3 percentage points to 71.1%. The rate for mining was 4.3 percentage points above its long-run average, while the rate for utilities remained substantially below its long-run average.

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 and Trade Inventories and Sales

Manufacturers' and trade inventories for November 2024, adjusted for seasonal and trading day differences but not for price changes, were estimated at an end-of-month level of \$2,588.2 billion, up 0.1% from October 2024 and were up 2.6% from November 2023. The combined value of **distributive trade sales and manufacturers' shipments** for November 2024, adjusted for seasonal and trading day differences but not for price changes, was estimated at \$1,893.1 billion, up 0.5% from October 2024 and was up 2.5% from November 2023. The total **business inventories/sales ratio** based on seasonally adjusted data at the end of November 2024 was 1.37. The November 2023 ratio was 1.37.

Source: U.S. Census Bureau

Purchasing Managers Index, Manufacturing

The Manufacturing PMI **registered 49.3% in December 2024, 0.9 percentage point higher compared to the 48.4% recorded in November**. The overall economy continued in expansion for the 56th month after one month of contraction in April 2020. Says the Institute for Supply Management, "U.S. manufacturing activity contracted again in December, but at a slower rate compared to November. Demand showed signs of improving, while output stabilized and inputs stayed accommodative. The 7 manufacturing industries reporting growth in December — listed in order — are: Primary Metals; Electrical Equipment, Appliances & Components; Wood Products; Furniture & Related Products; Paper Products; Miscellaneous Manufacturing; and Plastics & Rubber Products.

Source: Institute for Supply Management (The PMI combines data on new orders, production, employment, supplier deliveries, and inventory. A reading above 50 % indicates that the manufacturing economy is generally expanding.)

Purchasing Managers Index, Services

The Services PMI **registered 54%, 2 percentage points higher than November's figure of 52.1%**. 9 industries reported growth in December, 5 fewer than the previous month's total. The 9 services industries reporting growth in December — listed in order — are: Finance & Insurance; Arts, Entertainment & Recreation; Retail Trade; Health Care & Social Assistance; Transportation & Warehousing; Public Administration; Accommodation & Food Services; Wholesale Trade; and Utilities.

Source: Institute for Supply Management (The PMI combines data on business activity, new orders, employment, supplier deliveries, and inventory. A reading above 50 % indicates that the manufacturing economy is generally expanding.)

Logistics Managers' Index

The December 2024 Logistics Manager's Index **reads in at 57.3, down (-1.1) from November's reading of 58.4**. This slowdown in logistics activity is **due to the seasonal wind-down in Inventory Levels, which dropped (-6.1) to 50.0 or "no change"**. The no change designation does not tell the entire story. **Inventory Levels actually increased, reading in at 57.9**, for Upstream firms like manufacturers, wholesalers, and 3PLs that are on the receiving end of the surge of imports that have been coming into the U.S. through December. Conversely, Downstream retailers are reporting significant contractions in Inventory Levels at 33.9; which is what should be happening in December during the holiday shopping season. The reduction in Inventory Levels also led to a drop in the rate of growth for Warehousing Capacity (-7.1) to 61.6. Interestingly, Transportation Prices are up (+3.0) to 66.8 which is the fastest rate of expansion for this metric since April of 2022. This also puts Transportation Prices above the all-time average of 65.0 for this metric for the first time in over 2.5 years. The other five metrics, including all three warehousing metrics, were steadier from November to December. Warehousing continues its strong run, with Warehousing Utilization (+2.8) and Warehousing Prices (-0.8) coming reading in at 61.7 and 68.0 respectively, signaling strong rates of expansion.

Source: Logistics Manager's 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% indicates that logistics is expanding; a reading below 50% is indicative of a shrinking logistics industry.)

U.S. Market News Clip

U.S. retail sales increased in December as households bought motor vehicles and a range of other goods, pointing to strong demand in the economy and further reinforcing the Federal Reserve's cautious approach to cutting interest rates this year. The report from the Commerce Department on Thursday prompted some economists to upgrade their economic growth estimates for the fourth quarter to just shy of the July-September quarter's brisk pace. It followed news last week of a surge in nonfarm payrolls in December and a drop in the unemployment rate to 4.1% from 4.2% in November.

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

INTERMODAL:

Dow Jones Transportation Average

As of January 29, 2025, the Dow Jones Transportation Average **closed at a reading of 16,653.38**.

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 January 29, 2025, the NASDAQ Transportation Index **closed at a reading of 7,249.48**.

Source: Marketwatch, Inc (A capitalization-weighted stock market index designed to measure the performance of all NASDAQ stocks in the transportation sector.)

Freight Transportation Services Index

The level of for-hire freight shipments in **November 2024 measured 138.6, 2.0% below the all-time high of 141.4 reached in August 2019**. The Freight TSI decreased in November due to seasonally adjusted decreases in water, air freight, rail carload, and pipeline, while rail intermodal and trucking grew. Year to date, for-hire freight shipments measured by the index were at the same level as in November compared to the end of 2023.

Source: U.S. Bureau of Transportation Statistics (TSI is based on the amount of freight carried by the for-hire transportation industry)

Freight Index for Shipments and Expenditures

The shipments component of the Cass Freight Index[®] declined 7.3% month-over-month in December 2024, over half of which was seasonal. In seasonally adjusted (SA) terms, the index fell 3.1% month-over-month, reversing the 2.8% gain in November. Shipments declined by 6.5% year over year in December, the largest decline since January 2024. Ongoing capacity additions are keeping pressure on the for-hire market, and the normal seasonal pattern would have the index down about 6% year over year in January.

The **expenditures component of the Cass Freight Index** fell 2.6% month-over-month in December 2024. The year-over-year decline moderated to 3.4% from 3.8% in November 2024. The decline was from shipments, which fell 7.3% month-over-month, and we infer rates rose 5.1% month-over-month in December 2024 in the fourth straight price increase. The expenditures component of the Cass Freight Index, after a record 38% surge in 2021 and another 23% increase in 2022, fell 19% in 2023 and 11% in 2024.

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 Shippers Conditions Index **improved by a point in November 2024 to a reading of 2.3**, indicating a modestly favorable market for shippers. Lower fuel costs and marginal loosening of capacity resulted in better market conditions in November, offsetting less favorable freight rates and volume. The outlook for shippers' conditions has improved slightly but remains close to neutral, and swings in fuel costs could yield both positive and negative outliers. According to FTR Transportation Intelligence, "The freight market has entered a transitional phase in which shippers should no longer expect consistently favorable conditions as has been the case over the past two years. During that period, the SCI was negative only twice, and in both cases a spike in diesel prices was the key factor. As we enter 2025, shippers should expect a more balanced market but not one that is especially tough, at least not by the standards of years like 2021 and 2018."

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

North American Transborder Freight

Total transborder freight moved by all modes of transportation between the United States and North American countries Mexico and Canada for **October 2023 was valued at \$138.9 billion**, up 0.3% compared to October 2023. Freight between the **U.S. and Canada: \$64.3 billion**, down 2.2% from October 2023. Freight between the **U.S. and Mexico totaled \$74.6 billion**, up 2.5% from October 2023 (Mexico continued to lead Canada in freight dollar value for the last 20 months). **Trucks** moved \$88.4 billion of freight, up 0.1% compared to October 2023. **Railways** moved \$16.0 billion of freight, down 12.0% compared to October 2023. **Vessels** moved \$9.6 billion of freight, down 13.6% compared to October 2023 (Vessels moved 25.2% less mineral fuels by dollar value). **Pipelines** moved \$8.0 billion of freight, down 20.7% compared to October 2023 (Pipelines moved 20.6% less mineral fuels by dollar value). **Air** moved \$4.7 billion of freight, down 3.3% compared to October 2023.

Source: U.S. Bureau of Transportation Statistics

Intermodal News Clip

Continued coordination between public and private entities through data sharing, as well as meaningful dialogue between federal, state and local officials over issues such as land use, are necessary conditions for the U.S. freight transportation network to thrive, according to panelists speaking at a Jan. 7 session at the Transportation Research Board annual meeting in Washington, D.C. The session was entitled "Gaps and Opportunities in Multimodal Innovation in Freight."

Source: Railway Age [link to article](#)

RAIL:

U.S. Freight Rail Traffic

For the week ending January 25, 2025, **total U.S. weekly rail traffic was 454,797 carloads and intermodal units**, down 2.5% compared with the same week last year. Total carloads for the week ending January 25 were 189,125 carloads, down 8.8% compared with the same week in 2024, while U.S. weekly intermodal volume was 265,672 containers and trailers, up 2.5% compared to 2024. **One of the 10 carload commodity groups posted an increase** compared with the same week in 2024. It was farm products excl. grain, and food, up 368 carloads, to 16,180. Commodity groups that posted decreases compared with the same week in 2024 included nonmetallic minerals, down 4,112 carloads, to 19,173; coal, down 4,109 carloads, to 52,514; and metallic ores and metals, down 3,304 carloads, to 16,218.

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 December 2024 was 445.6**, an increase from 456.5 the previous month. The index for December 2023 was 519.2, or difference of 15.26%.

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 **December 2024 was 120,169 workers**, down from 120,354 workers in November 2024. Total number of workers in December 2023 was 122,343.

Source: U.S. Surface Transportation Board

Rail Freight News Clip

Norfolk Southern (NYSE:NSC), a prominent player in the freight rail industry, announced its fourth-quarter 2024 results on January 29, 2025. These results surpassed Wall Street expectations, with adjusted earnings per share (EPS) at \$3.04, exceeding the forecast of \$2.94. Revenue for the quarter was \$3.0 billion, slightly under the estimated \$3.014 billion. The quarter was marked by a substantial improvement in the operating ratio, dropping to 62.6% from 73.7% a year ago, reflecting strong cost efficiency. *Source: MSN; [link to article](#)*

ROAD:

Cowen/AFS Freight Index

Truckload Rates: Truckload demand remains flat, but some positive cues are emerging, including rising spot rates and higher tender rejection rates, indicating that carriers are being more selective about what loads they accept. But the upward momentum in the spot market has not made its way to contract rates, and the market remains in a state of overcapacity. Truckload linehaul cost per shipment fell year-over-year for the 8th straight quarter and reached its lowest point in that period, 11.6% above pre-pandemic levels. **LTL Rates:** Unlike the malaise of sustained low rates in truckload, LTL pricing has remained elevated since Q3 2023, with the Yellow Freight bankruptcy serving as the capacity crunch necessary to give rates a boost. Carriers have managed to keep rates high ever since, but recent data shows signs of that discipline weakening. In Q4 2024, LTL cost per shipment dropped 1.3% quarter-over-quarter – significantly more than the 0.3% decline in weight per shipment over the same period. **Ground Parcel Rates:** Pricing changes proved effective tools for carriers during peak season, with the newly introduced “blanket” demand surcharge pushing the ground parcel average accessororial charge per package 16.4% higher in Q4 compared to Q3. Continued adjustments to fuel surcharge tables also paid off for carriers in Q4, as average net fuel cost for ground parcel rose 4.7% quarter-over-quarter, despite on-highway diesel prices falling 4.6%. **Express Parcel Rates:** Express parcel saw a similar disconnect, with the U.S. Gulf Coast jet fuel price falling 8.8% QoQ, but only a 2.7% decrease for the carrier fuel surcharge. UPS announced yet another fuel surcharge increase in December, their eighth in 2024. But rather than a uniform increase across fuel price intervals, this adjustment includes a “tilt” to the fee curve, so that the fuel surcharge rises faster as diesel prices increase and falls at a slower rate when fuel prices drop.

Source: AFS Logistics (An index providing a snapshot of less-than-truckload shipping, full truckload shipping, and parcel shipping.)

Truckload Linehaul Index

The Truckload Linehaul Index **rose 1.2% month-over-month in December 2024**, the 4th straight small increase from a cycle low in August. The year-over-year decline narrowed to 0.4% in December from 1.1% in November. This index is now on the verge of turning positive year-over-year for the first time in two years, possibly in January. As a broad truckload market indicator, this index includes both spot and contract freight. **Spot rates have been in positive year-over-year territory for about six months, and even contract rates are increasing in recent bid activity.**

Source: Cass Information Systems (this index measures the per-mile change in linehaul rates and 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 accessorials. Provides trends in baseline truckload prices)

Truck Tonnage Index

The For-Hire Truck Tonnage Index for **December 2024 equaled 111.3 compared with 112.6 in November**. According to the American Trucking Associations, “For the first time since March and April truck tonnage contracted for two consecutive months, tonnage fell 1.8% in November, bringing the two-month total decrease to 2.9%, pushing tonnage to its lowest level since January 2024. **Sluggishness in factory output continues to weigh on freight volumes, but another drag on the index has been fleet growth at private carriers, which is holding back how much freight is flowing to for-hire carriers.**”

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

Truckload Freight, Van

The **national van load-to-truck ratio for December 2024 was 6.14**. The previous month's ratio was 3.85 and the December 2023 ratio was 3.37. **Georgia's load-to-truck ratios** for vans for December 2024, average 5.5+ loads for every truck. For December 2024, **the spot rate** (national average) for dry van freight came in at \$2.11. **Contract rates** registered an average of \$2.41 for the same month. The average outbound van rate for the Southeast region came in at \$1.99.
Source: DAT Freight & Analytics

Truckload Freight, Refrigerated

The national **load-to-truck ratio for refrigerated hauls came in at 8.76 loads per truck in December 2024**. The previous month's ratio was 5.82 and the December 2023 ratio was 5.01. **Georgia's load-to-truck ratio** for December 2024 averaged 5.6 – 11.9 reefer loads per truck. The average national **spot market reefer rate for December 2024 was \$2.48 per mile**, a 3-cent decrease from the previous month. Contract rates for reefers averaged \$2.74 for the same month. The average outbound rate for the **Southeast region for reefer freight** registered at \$2.20.
Source: DAT Freight & Analytics

Trucking Conditions Index

The Trucking Conditions Index for November **rose to a 3.02 reading from 0.49 in October** with carrier market conditions as measured by the TCI the strongest since April 2022. The improved TCI stems from lower fuel costs and less challenging rates, partially offset by weaker utilization. **FTR still expects the truck freight market to be consistently favorable for carriers by the second quarter of 2025**, but the outlook is somewhat softer than it was previously due to weaker growth forecasts for freight demand, utilization, and rates. According to FTR Transportation Intelligence, "A few outliers aside, our forecast indicates positive TCI readings over the next couple of years, but it does not show the index more favorable for carriers than it was in November until the third quarter of this year. The first half of 2025 still looks to be one of transition from the tough market of the past couple of years to one in which carriers have greater ability to achieve a desirable margin."
Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for trucking)

Diesel Prices

As of January 27, 2025, the **U.S. average diesel price was \$3.66 per gallon**. This is a 18-cent increase month-over-month and \$0.18 lower than the same week in 2023. The average price of diesel in the **Lower Atlantic states came in at \$3.72 per gallon**, a 22-cent increase than the previous month. Prices were \$0.23 lower during the same period in 2023, averaging \$3.95 per gallon.
Source: U.S. Energy Information Administration (Reflects the costs and profits of the entire production and distribution chain)

Trucking Employment

December 2024 numbers (preliminary) for the trucking industry **read at 1,545,900 employees**, decreasing from 1,546,700 employees (preliminary) for November 2024.
Source: U.S. Bureau of Labor Statistics

Trucking Earnings & Hours

For November 2024, the average earnings (preliminary) for occupations commonly found in truck transportation **were \$31.43/hour**, increasing from the previous month's rate of \$31.32. November 2024 showed **average weekly hours totaling 39.7 hours** (preliminary) down from 40.3. hours in October 2024.
Source: U.S. Bureau of Labor Statistics

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

Preliminary North American Class 8 net orders in **December 2024 totaled 31,900 units, down 7% month-over-month yet a notable 23% increase year-over-year**. This figure slightly outperformed seasonal expectations, surpassing the seven-year December average of 29,716 net orders. Despite a sluggish truck freight environment, the 2025 order season (September through December 2024) has seen **cumulative net orders up 6% year-over-year, signaling positive momentum as we enter the new year**. Full-year 2024 total Class 8 net orders were up 11% y/y, a performance slightly surpassing replacement demand levels at an average of 23,323 net orders per month. Class 8 orders for full-year 2024 totaled 279,872 units.
Source: FTR Transportation Intelligence

Road Freight News Clip

A yearslong recession in the freight market may be ending as the industry returns to growth in 2025. Bank of America said its proprietary truck demand indicator is at its highest level since April 2022. Spot dry-van rates are up, signaling transport market strength and economic growth. A three-year recession in the freight market may be finally nearing its end. Bank of America said in a note on Thursday that proprietary signals suggest the transportation industry is on the verge of entering a period of growth heading into 2025.
Source: MSN; [link to article](#)

AIR:

Air Cargo Traffic

Air cargo demand continued its upward trajectory in December, with **global CTK rising 6.1% year-over-year**, marking 17 consecutive months of growth. But after seasonal adjustments, demand showed a moderate uptick with 0.9% month-on-month. **The full year 2024 saw industry-wide CTK surpass 2023 levels by 11.3%**, setting a new record by exceeding 2021's volumes. International CTK grew 7% YoY, with most regions and major trade lanes experiencing growth. Within Asia carriers led the charge with a 11% YoY increase. The Asia-North America trade lane, the largest in cargo volume, saw an 8% annual rise in cargo demand. All regions and trade lanes saw growth averaging over 5% for the full 2024.

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

Jet Fuel Prices

As of January 24, 2025, the global average jet fuel price **ended at \$97.92/bbl, an increase of 9.6% from the previous month**. This is a 1.1% decline, 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

Although air freight volumes experienced a minor surge in January after the holiday slump, data indicates that e-commerce air cargo volumes could fall through the rest of the year. Techtronic Industries VP of Global Logistics Alan McTaggart says ocean freight volumes could be particularly affected due to the Suez Canal's likely reuse, high retail inventories, and surging capacity in 2025.

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

OCEAN:

Shanghai Containerized Freight Index

As of January 24, 2025, the China Shanghai Containerized Freight Index **reading was \$2,045.45 per FEU**. This is a 4% decrease from the previous month, **and a 8.67% decrease year-over year**.

Source: MacroMicro (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 **handled more than 2.8 million TEUs in fiscal year-to-date 2025 (July 1 – Dec. 31)**, an increase of 11.4% or nearly 300,000 TEUs in the Port of Savannah. In **December 2024, GPA handled more than 442,000 TEUs**, an increase of 4.7% or 19,850 TEUs compared to December 2023. **The Appalachian Regional Port** also helped boost GPA's performance, with an increase of 4,368 TEUs fiscal year-to-date or 13.5 percent over the previous period. December volumes were 6,084 TEUs an increase of 20.6 percent over the previous period. **In autos and heavy equipment**, Colonel's Island handled 443,763 units of Ro/Ro cargo, an increase of 7.5% or 31,125 units fiscal year-to-date at the Port of Brunswick. In December, 69,000 units of Roll-on/Roll-off cargo were handled, a decrease of 7% or 5,200 units.

Source: Georgia Ports Authority

Ocean Freight News Clip

The January forecast for ITS Logistics' US Port/Rail Ramp Freight Index shows that operations throughout North American ports and ramps "are running relatively smoothly and are expected to remain so through the month, with the exception of the Port of Vancouver," the Nevada-based third-party logistics (3PL) firm reported Jan. 21. The firm also noted that the U.S. Administration's confirmed 25% tariff increase for Canada and Mexico is expected to occur as soon as Feb. 1 and could create a "front-loading" serge.

Source: Railway Age; [link to article](#)

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The U.S. industrial vacancy increased from 6.5% in Q3 2024 to 6.7% in Q4 2024. The overall vacancy rate ticked up by 20 basis points in the fourth quarter. Driven by vacant, speculative supply, **overall vacancy rose by 150 basis points in 2024**. The pace of increase slowed significantly in the fourth quarter, suggesting vacancy may approach peak levels in the first half of 2025 amid softer completion totals and a moderation in space dispositions. Overall vacancy remained 30 basis points below pre-pandemic levels, with half of the markets tracked by Cushman & Wakefield Research recording rates below 6.0% at year-end. However, some markets with high speculative development or modest demand totals, such as Austin, Phoenix, Greenville and Las Vegas—posted double-digit vacancy rates. **Savannah, GA** reported a vacancy rate of 8.6% for Q4 2024, compared to 7.0% in Q4 2023. **Atlanta, GA** reported a vacancy rate of 8.4% for Q4 2024, compared to 6.4% in Q4 2023.

Source: Cushman & Wakefield

Warehouse Rent Rates

For Q4 2024, the national average asking rent for industrial space **rose by 0.9% quarter-over-quarter to \$10.13 per square foot (psf), compared to \$10.08 per square foot in Q3 2024**. Annual rent growth ticked marginally higher in the fourth quarter to 4.5%, fueled by the South region's 6.0% year-over-year increase. Some rent increases were tied to deliveries of vacant, speculative industrial product, priced at a premium over market averages. However, 30% of U.S. markets saw annual declines, with notable drops along the West Coast. Amid rising vacancy rates and the deceleration in net absorption, Los Angeles, the Inland Empire and Puget Sound – Eastside each recorded year-over-year rent decreases exceeding 10%. **For Savannah, GA** the average asking rental rate for Q4 2024 was \$6.96, compared to \$6.59 for Q4 2023. **For Atlanta, GA** the average asking rental rate for Q4 2024 was \$6.96, compared to \$6.89 for Q4 2023.

Source: Cushman & Wakefield

Industrial Absorption

Net absorption totaled 36.8 million square feet (msf) in the fourth quarter, up 10.5% quarter-over-quarter. For 2024, 135 million square feet of industrial space was absorbed, on par with Cushman & Wakefield forecasts. Of the 84 markets tracked by Cushman & Wakefield Research, 54 reported positive occupancy growth in the fourth quarter, including 11 markets with more than 1 million square feet of absorption. However, five markets yielded net losses exceeding 1 million square feet, including Columbus (-3.6 msf), Los Angeles (-2.1 msf), Central Valley (-2.0 msf), Northern New Jersey (-1.2 msf) and Orange County (-1.1 msf) as occupiers consolidated operations to cut costs and improve efficiency. Compared to 2023, most markets posted a deceleration in absorption totals in 2024, though some bucked the trend. Phoenix, Savannah, Salt Lake City and St. Louis recorded year-over-year growth in net demand of 35% or more. **For Savannah, GA, Q4 2024** net absorption registered at 14,057,155 compared to 2,428,841 for Q4 2023. **For Atlanta, GA, Q4 2024** net absorption registered 1,632,651 compared to 1,268,486 for Q4 2023.

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

Preliminary December 2024 numbers for the warehousing industry workforce comes in at **1,770,300 employees, increasing from 1,768,200 employees** for November 2024 (preliminary).

Source: U.S. Bureau of Labor Statistics

Warehouse Earnings & Hours

November 2024 average hourly earnings in the warehousing and storage subsector comes in at **\$24.56/hour (preliminary), \$0.13 lower** than the October 2024 rate. The **average weekly hours were 41.2 for November 2024** (preliminary) up from 40.9 hours in October 2024.

Source: U.S. Bureau of Labor Statistics

Warehouse & Distribution News Clip

Vertical Cold Storage, a developer and operator of temperature-controlled distribution centers sponsored by real estate investment firm Platform Ventures, purchased a frozen distribution center near the Port of Savannah in Pooler, GA. Terms were not disclosed. "Our Pooler cold storage facility is just nine miles from the Port of Savannah, the fastest-growing container terminal in the United States. With its strategic location near the port, high-capacity blast freezing, and comprehensive import/export capabilities, this facility enables us to provide our customers with faster, more efficient access to global markets," said West Hutchison, President and CEO of Vertical Cold Storage.

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



**The free Logistics Market Snapshot is compiled and prepared monthly
by the Georgia Center of Innovation**



The Georgia Center of Innovation's logistics team is the leading statewide resource for fueling logistics industry growth and global competitiveness. The Center works to address the needs and opportunities of companies of any size involved in logistics and freight transportation – both providers and heavy consumers of logistics services. The Center provides industry knowledge and technical expertise, connections to state resources in research and innovation, and joins together an extensive cross-sector industry network. As an industry focused component of the Georgia Department of Economic Development (GDEcD) the Center has main offices in Savannah and

Atlanta with activity in all parts of the State.

The Center represents all segments of the logistics industry and provides a unique platform for companies to network, address industry issues and share knowledge. **Simply put, the Center is a catalyst to help logistics-enabled businesses clear the path to innovation and growth.**

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