LOGISTICS MARKET SNAPSHOT

Georgia® CENTER OF INNOVATION

MAY 2025

U.S. MARKET:

Gross Domestic Product	**Real gross domestic product (GDP) decreased at an annual rate of 0.3% in the 1st quarter of 2025**, according to the advance estimate released by the U.S. Bureau of Economic Analysis. In the fourth quarter of 2024, real GDP increased 2.4%. The decrease in real GDP in the first quarter primarily reflected an increase in imports, which are a subtraction in the calculation of GDP, and a decrease in government spending. These movements were partly offset by increases in investment, consumer spending, and exports. ***Note: Next release for Q2 2025 – Gross Domestic Product, will be published August 2025.*** *Source: Bureau of Economic Analysis*
U.S. Trade Deficit	The goods and services deficit **was $140.5 billion in March 2025, up $17.3 billion from $123.2 billion in February, revised.** The March increase in the goods and services deficit reflected an increase in the goods deficit of $16.5 billion to $163.5 billion and a decrease in the services surplus of $0.8 billion to $23.0 billion. **Year-to-date, the goods and services deficit increased $189.6 billion, or 92.6%, from the same period in 2024.** Exports increased $41.1 billion or 5.2%. Imports increased $230.7 billion or 23.3%. *Source: Bureau of Economic Analysis*
Import Volumes	**March 2025 imports were $419.0 billion, $17.8 billion more than February imports.** For the 3 months ending in March average imports increased $18.1 billion to $407.1 billion. Imports of goods increased $17.8 billion to $346.8 billion in March. Imports of services decreased $0.1 billion to $72.2 billion in March. *Source: U.S. Bureau of Economic Analysis*
Export Volumes	**March 2025 exports were $278.5 billion, $0.5 billion more than February exports.** For the 3 months ending in March average exports increased $4.0 billion to $275.7 billion in March. Exports of goods increased $1.3 billion to $183.2 billion in March. Exports of services decreased $0.9 billion to $95.2 billion in March. *Source: U.S. Bureau of Economic Analysis*
Import & Export Price Indexes	**U.S. import prices increased 0.1% in April 2025 following a 0.4% decrease in March.** Higher prices for nonfuel imports more than offset lower prices for fuel imports in April. Prices for import fuel declined 2.6% in April following a decrease of 3.4% in March and an increase of 1.6% in February. Prices for nonfuel imports increased 0.4% in April following a decrease of 0.1% in March. **Prices for U.S. exports advanced 0.1% in April, after rising 0.1 percent the previous month.** Higher prices for nonagricultural and agricultural exports each contributed to the monthly increase. The price index for U.S. exports has not declined on a 1-month basis since September 2024. U.S. export prices advanced 2.0% from April 2024 to April 2025. *Source: Bureau of Labor Statistics*
Unemployment Rate	**Total nonfarm payroll employment increased by 177,000 in April 2025, and the unemployment rate was unchanged at 4.2%.** Employment continued to trend up in health care, transportation and warehousing, financial activities, and social assistance. Federal government employment declined. In April, **the number of long-term unemployed** (those jobless for 27 weeks or more) increased by 179,000 to 1.7 million. The long-term unemployed accounted for 23.5% of all unemployed people. **Georgia's unemployment rate comes in at 3.6% for April 2025**, ranking 19th in the U.S. of states with the lowest unemployment. South Dakota shows the lowest level of unemployment at 1.8%. Nevada ranks highest in unemployment with a rate of 5.8%. *Source: Bureau of Labor Statistics*
Labor Force Participation Rate	For April 2025 the labor force participation rate read at **62.6%, a 0.1% increase from the previous month.** The labor force participation rate for April 2025 for those of **prime working age (25-54) had a reading of 83.6%.** *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 **fell sharply by 1.0% in April 2025 to 99.4 (2016=100), after declining by 0.8% in March (revised downward from the –0.7% originally reported).** The LEI declined by 2.0% in the six-month period ending April 2025, the same rate of decline as over the previous six months (April–October 2024). According to the Conference Board experts, "The U.S. LEI registered its largest monthly decline since March 2023, when many feared the US was headed into recession, which did not ultimately materialize. Most components of the index deteriorated. Notably, consumers' expectations have become continuously more pessimistic each month since January 2025, while the contribution of building permits and average working hours in manufacturing turned negative in April. Widespread weaknesses were also present when looking at six-month trends among the LEI's components, resulting in a warning signal for growth. However, while the six-month growth rate of the LEI went deeper into negative territory, it did not fall enough to trigger the recession signal." *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 dove 6.3% to 71.3 in April 2025.** Year-over-year, pending transactions retracted by 2.5%. An index of 100 is equal to the level of contract activity in 2001. All four U.S. regions experienced month-over-month losses in transactions. Year-over-year, contract signings rose in the Midwest but descended in the Northeast, South and West – with the West suffering the greatest loss. According to NAR Intelligence, "At this critical stage of the housing market, **it is all about mortgage rates, despite an increase in housing inventory, we are not seeing higher home sales. Lower mortgage rates are essential to bring home buyers back into the housing market.**" *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 **April 2025 were at a seasonally adjusted annual rate of 1,361,000.** This is 1.6% above the revised March estimate of 1,339,000, but is 1.7% below the April 2024 rate of 1,385,000. Single-family housing starts in April were at a rate of 927,000; this is 2.1% below the revised March figure of 947,000. **The April rate for units in buildings with five units or more was 420,000.** *Source: U.S. Census Bureau*
Light-Vehicle Sales	New light-vehicle sales in **April 2025 topped a 17-million-unit SAAR for the second straight month as consumers pulled forward purchases to beat tariffs. April 2025's SAAR of 17.3 million units represents an increase of 7.7% year over year.** The SAAR for the first four months of the year totaled 16.7 million units at the end of April, up 7.1% compared to the same period last year. Wards Intelligence estimates that the March and April 2025 SAARs would have been closer to 16 million units were it not for the tariff-induced buying spree. **New light-vehicle inventory on the ground and in transit declined year-over-year in April 2025 for the first time in three years.** At the end of April 2025 new light-vehicle inventory totaled 2.62 million units, down 4.1% year-over-year. New vehicle inventory is likely to decline further in May 2025 if a strong sales pace continues. Additionally, production is expected to slow in the coming months, which will impact the pace that inventory can be replenished. According to Wards Intelligence, North American light-vehicle production is expected to total 3.86 million units representing a decline of 5.9% year-over-year and the fourth straight year-over-year decline. *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 $210.1 billion (0.8% at a monthly rate) in April 2025. Disposable personal income (DPI)—personal income less personal current taxes—increased $189.4 billion (0.8%) and personal consumption expenditures (PCE) increased $47.8 billion (0.2%). **Personal outlays**—the sum of PCE, personal interest payments, and personal current transfer payments—increased $48.6 billion in April. **Personal saving** was $1.12 trillion in April and the **personal saving rate**—personal saving as a percentage of disposable personal income—was 4.9%. *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 $47.8 billion (0.2%).** The $47.8 billion increase in current-dollar PCE in April 2025 reflected an increase of $55.8 billion in spending on services that was partly offset by a decrease of $8.0 billion in spending for goods. **From the preceding month**, the PCE price index for April increased 0.1%. Excluding food and energy, the PCE price index also increased 0.1%. **From the same month one year ago**, the PCE price index for April increased 2.1%. Excluding food and energy, the PCE price index increased 2.5% from one year ago. *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 April 2025, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were $724.1 billion, up 0.1% from the previous month, and up 5.2% from April 2024.** Total sales for the February 2025 through April 2025 period were up 4.8% from the same period a year ago. The February 2025 to March 2025 percent change was revised from up 1.5% to up 1.7%. Retail trade sales were down 0.1% from March 2025, and up 4.7% from last year. Motor vehicle and parts dealers were up 9.4% from last year, while food service and drinking places were up 7.8% from April 2024. *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 **1st quarter of 2025, adjusted for seasonal variation, but not for price changes, was $300.2 billion, virtually unchanged from the 4th quarter of 2024.** Total retail sales for the 1st quarter of 2025 were estimated at $1,858.5 billion, an increase of 0.4% from the 4th quarter of 2024. The 1st quarter 2025 e-commerce estimate increased 6.1% from the 1st quarter of 2024 while total retail sales increased 4.5% in the same period. **E-commerce sales in the 1st quarter of 2025 accounted for 16.2% of total sales.**

Note: Next release for Q2 2025 – E-Commerce, will be published August 2025.

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 **increased by 12.3 points in May 2025 to 98.0, up from 85.7 in April.** The Present Situation Index—based on consumers' assessment of current business and labor market conditions—rose 4.8 points to 135.9. The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—surged 17.4 points to 72.8, but remained below the threshold of 80, which typically signals a recession ahead. The cutoff date for preliminary results was May 19, 2025. About half of the responses were collected after the May 12 announcement of a pause on some tariffs on imports from China. According to the Conference Board, "**Consumer confidence improved in May after five consecutive months of decline, the rebound was already visible before the May 12 US-China trade deal but gained momentum afterwards.** The monthly improvement was largely driven by consumer expectations as all three components of the Expectations Index—business conditions, employment prospects, and future income—rose from their April lows. Consumers were less pessimistic about business conditions and job availability over the next six months and regained optimism about future income prospects. Consumers' assessments of the present situation also improved."

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 0.2% on a seasonally adjusted basis in April 2025, after falling 0.1% in March.** Over the last 12 months, the all items index increased 2.3% before seasonal adjustment. The index for all items less food and energy rose 0.2% in April, following a 0.1% increase in March. Indexes that increased over the month include household furnishings and operations, medical care, motor vehicle insurance, education, and personal care. The indexes for airline fares, used cars and trucks, communication, and apparel were among the major indexes that decreased in April.

The **Producer Price Index for final demand fell 0.5% in April 2025, seasonally adjusted.** Final demand prices were unchanged in March and increased 0.2% in February. On an unadjusted basis, the index for final demand rose 2.4% for the 12 months ended in April. The April decline in the index for final demand is attributable to prices for final demand services, which decreased 0.7 percent. The index for final demand goods was unchanged.

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 **declined by 1.6 points in April 2025 to 95.8, the second consecutive month below the 51-year average of 98.** The Uncertainty Index decreased four points from March to 92 but remained far above the historical average of 68. Seasonally adjusted, 34% of business owners reported job openings they could not fill in April, down six points from March. The last time job openings were below this level was in January 2021.

Source: National Federation of Independent Business

Industrial Production & Capacity Utilization

Industrial production (IP) was little changed in April 2025 as declines in manufacturing and mining output were offset by growth in utilities output. The index for manufacturing decreased 0.4% after increasing 0.4% in March. In April, manufacturing output excluding motor vehicles and parts decreased 0.3%. The index for mining fell 0.3%, and the index for utilities rose 3.3%. At 103.9% of its 2017 average, total IP in April was 1.5% above its year-earlier level. **Capacity utilization edged down to 77.7%**, a rate that is 1.9 percentage points below its long-run (1972–2024) 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 March 2025, adjusted for seasonal and trading day differences but not for price changes, were estimated at an end-of-month level of $2,578.1 billion, up 0.1% from February 2025 and were up 2.5% from March 2024. The combined value of **distributive trade sales and manufacturers' shipments** for March, adjusted for seasonal and trading day differences but not for price changes, was estimated at $1,919.9 billion, up 0.7% from February 2025 and was up 4.5% from March 2024. The total **business inventories/sales ratio** based on seasonally adjusted data at the end of March was 1.34. The March 2024 ratio was 1.37.

Source: U.S. Census Bureau

Purchasing Managers Index, Manufacturing

The Manufacturing PMI **registered 48.7% in April 2025, 0.3 percentage point lower compared to the 49% recorded in March.** The overall economy continued in expansion for the 60th month after one month of contraction in April 2020. The New Orders Index contracted for the third month in a row following a three-month period of expansion; the figure of 47.2% is 2 percentage points higher than the 45.2% recorded in March. The April reading of the Production Index (44%) is 4.3 percentage points lower than March's figure of 48.3%. The index returned to contraction last month after two months of expansion preceded by eight months of contraction. The Prices Index remained in expansion (or 'increasing') territory, registering 69.8%, up 0.4 percentage point compared to the reading of 69.4% in March. The Backlog of Orders Index registered 43.7%, down 0.8 percentage point compared to the 44.5% recorded in March. The Employment Index registered 46.5%, up 1.8 percentage points from March's figure of 44.7%.

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

In April 2025, the Services PMI registered 51.6%, 0.8 percentage point higher than the March figure of 50.8%. The Business Activity Index registered 53.7% in April, 2.2 percentage points lower than the 55.9% recorded in March. This is the index's 59th consecutive month of expansion. The New Orders Index recorded a reading of 52.3% in April, 1.9 percentage points higher than the March figure of 50.4%. The Employment Index stayed in contraction territory for the second month in a row; the reading of 49% is a 2.8-percentage point increase compared to the 46.2% recorded in March. The Supplier Deliveries Index registered 51.3%, 0.7 percentage point higher than the 50.6% recorded in March. This is the fifth consecutive month that the index has been in expansion territory, indicating slower supplier delivery performance. The Prices Index registered 65.1% in April, a 4.2-percentage point increase from March's reading of 60.9% and a fifth consecutive reading above 60%. The Inventories Index registered its third consecutive month in expansion territory in April, registering 53.4%, an increase of 3.1 percentage points from March's figure of 50.3%. The Inventory Sentiment Index expanded for the 24th consecutive month, registering 56.1%, down 0.5 percentage point from March's reading of 56.6%. The Backlog of Orders Index registered 48% in April, a 0.6-percentage point increase from the March figure of 47.4%, indicating contraction for the eighth time in the last nine months.

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 April 2025 Logistics Manager's Index **reads in at 58.8, up (+1.6) from March's reading of 57.1. This represents a slight uptick after the index's 5.6-point fall from February to March. This reading of 58.8 is similar to the readings we observed in Q4 of 2024. However, the factors leading to this score, as well as the dynamics of the overall economy, have shifted notably since then.** The small positive movement in the overall index was the result of counteracting forces among our eight sub-metrics. Inventory Levels continued increasing, but at a slower (+4.2) rate of 57.1. This represents a return to normal seasonal inventory buildup, which is a departure from the frantic Inventory Level increases we observed throughout Q1. Despite this, Inventory Costs increased (+5.0) to 75.6. Our two inventory metrics generally move together, so the 18.5-point delta between these two metrics represents a diversion from what we would expect under normal circumstances. Warehousing Prices were up to an even greater extent (+11.2) to 72.3. The increases in Inventory Costs and Warehousing Prices suggest that much of the inventory that was rushed in during Q1 is still sitting stagnant in storage facilities and not being sold to consumers. The movements in inventories we observed from January to mid-March are very similar to the movements we would normally see from August to mid-October. The difference being that when inventories crest in mid-October, it is because they are about to be sold during the holiday season. The inventories that have been built up now will likely be sold more slowly, leading to higher storage costs across the board. Transportation metrics showed some strength in April, as Transportation Prices were up (+5.8) to 62.3. Transportation metric expansion was driven by Downstream respondents, who reported significantly faster levels of expansion in both Transportation Utilization (59.6 to 50.6) and Transportation Prices (71.2 to 58.3).

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.)

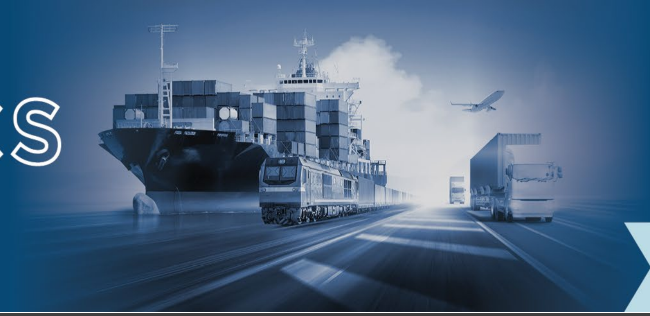
U.S. Market News Clip

Sigh of relief? Calm before the storm? Those are among the questions supply chain and logistics leaders are contending with as they face reduced China tariffs over the next two and a half months. This month, the U.S. and China agreed to lower tariffs on imported goods from China to 30%, down from 145% enacted in April. The lower tariffs are in effect for 90 days as the two countries work to hammer out a deal. What does the pause mean for global supply chains and domestic trucking companies? We spoke to logistics experts to find out.

Source: MSN; link to article

INTERMODAL:

Dow Jones Transportation Average	As of May 29, 2025, the Dow Jones Transportation Average **closed at a reading of 14,745.38.** *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 May 29, 2025, the NASDAQ Transportation Index **closed at a reading of 6,198.72.** *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 Freight Transportation Services Index, which is based on the amount of freight carried by the for-hire transportation industry, fell 1.1% in March 2025 from February, falling after a one-month increase, according to the U.S. Department of Transportation Bureau of Transportation Statistics. From March 2024 to March 2025 the index rose 0.4%. The Freight TSI decreased in March due to seasonally adjusted decreases in pipeline and trucking, while water, rail carload, rail intermodal and air freight increased. *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 rose 0.4% in April 2025 month-over-month.** The decline in shipments narrowed to 3.6% year-over-year in April from 5.3% in March. The trade war is having a variety of effects on freight volumes, with significant decreases likely in May and June in international volumes, but likely a rebound in Q3 due to the recent 90-day U.S./China trade deal. Meanwhile, U.S. consumers are still largely buying pre-tariff goods, though retailers will soon start to run out of these. The **expenditures component of the Cass Freight Index rose 3.3% month-over-month in April.** March's 2.0% year-over-year decline turned to a positive 1.2%, the first increase in 28 months. This year-over-year increase in spending was more than explained by higher rates, as shipments fell 3.6%. We infer rates rose 5.1% year-over-year in April. *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 **for March 2025 remained in basically neutral territory, improving marginally to +0.1 from -0.3 in February.** Falling diesel prices and slightly less challenging utilization offset stronger volumes and less favorable rates to create basically neutral market conditions in March. According to FTR Transporation Intelligence, "**Uncertainty over tariffs is a risk for the economy, but an expected sluggishness in the freight market in the near term should bring some benefits to shippers in terms of fluidity and pricing.** The longer-term consequences are less clear, however. For example, one consequence of a sharp drop in freight volume might be loss of trucking capacity, which could lead to a tighter market in 2026. Another issue to watch is whether stricter enforcement of truck drivers' English language skills results in a meaningful hit to the supply of drivers." *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 **March 2025 was valued at $144.8 billion, increasing 8.4% compared to March 2024.** Freight **between the U.S. and Canada** totaled $63.2 billion, up 3.7% from March 2024. Freight **between the U.S. and Mexico** totaled $77.3 billion, up 13.0% from March 2024. **Trucks** moved $94.2 billion of freight, up 9.5% compared to March 2024. **Railways** moved $18.4 billion of freight, down 0.6% compared to March 2024. **Pipelines** moved $9.1 billion of freight, up 6.1% compared to March 2024. **Vessels** moved $9.1 billion of freight, down 10.1% compared to March 2024. **Air** moved $6.0 billion of freight, up 35.5% compared to March 2024. *Source: U.S. Bureau of Transportation Statistics*
Intermodal News Clip	Union Pacific announced yesterday that it plans to open its new Kansas City Intermodal Terminal in mid-July as the railroad looks to strengthen its position in the Kansas City market. UP would not disclose the terminal's annual lift capacity, but said the facility, located in Armourdale Yard, will have twice as much capacity as the current terminal in Neff Yard. "Union Pacific is investing in Kansas City Intermodal Terminal to expand our footprint and enable growth through over-the-road conversion to rail," spokeswoman Robynn Tysver says. "The new facility will be equipped with Precision Gate Technology, making the in/out-gate process fast and easy for drivers." The terminal is located in an expanding regional logistics hub, near Highway 69 and Interstates 435, and 70. "Its location allows us to serve customers across the Midwest, including Iowa, Kansas, Missouri, and Nebraska," Tysver says. *Source: MSN; [link to article]*



RAIL:

U.S. Freight Rail Traffic

For the week ending May 24, 2025, **total U.S. weekly rail traffic was 488,709 carloads and intermodal units, up 0.7% compared with the same week last year.** Total carloads for the week ending May 24 were 226,091 carloads, up 3.8% compared with the same week in 2024, while U.S. weekly intermodal volume was 262,618 containers and trailers, down 1.8% compared to 2024. **5 of the 10 carload commodity groups posted an increase** compared with the same week in 2024. They included coal, up 6,096 carloads, to 56,416; miscellaneous carloads, up 1,703 carloads, to 10,537; and nonmetallic minerals, up 1,090 carloads, to 32,051. **Commodity groups that posted decreases** compared with the same week in 2024 included petroleum and petroleum products, down 778 carloads, to 10,559; chemicals, down 358 carloads, to 33,088; and forest products, down 247 carloads, to 8,343.

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 April 2025 was 458.4,** a decrease from 462.6 the previous month. The index for April 2024 was 541.1, or difference of 16.55%.

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 **February 2025 was 119,562 workers**, down from 119,373 workers in January 2025. Total number of workers in February 2024 was 123,377.

Note: The April 2025 Class 1 Railroad Employment has not released at time of Logistics Market Snapshot publication.

Source: U.S. Surface Transportation Board

Rail Freight News Clip

While U.S. logistics providers wait out the post-trade war lull in import shipments, BNSF Railway is setting up its network to handle an expected surge following a pause in tariffs between China and the United States. "I guess probably the most overused words in logistics is this 'air pocket' that hit us the last couple of weeks," said Jon Gabriel, group vice president, Consumer Products, for Fort Worth, Texas-based BNSF, in an interview. "Now, we do have some line of sight on shipments that are coming our way, but not yet. But if you look at the bookings coming out of Asia, certainly you've seen kind of that V-shaped check mark." It was several weeks after the tariff pause went into effect in May that the railroad started to feel the import air pocket.

Source: Freightwaves; link to article

ROAD:

Cowen/AFS Freight Index

Truckload Rates: In Q1 2025, the truckload rate per mile index came in somewhat higher than expected, at 5.9% above the January 2018 baseline. This uptick can be attributed to shippers pulling inventory forward to get ahead of the latest tariffs, along with the impact of wildfires, natural disasters and continued capacity correction. But a sustained shift toward shorter-haul shipments, defined as those of 500 miles or less, drove the total cost per shipment down to 5% above pre-pandemic levels — the lowest point in over three years, and indicative of a broader trend of more regional distribution and decentralized inventory positioning. **LTL Rates:** Despite economic headwinds and cautious market sentiment, LTL pricing continues to show strength. In Q1 2025, general rate increases (GRIs) took effect and the net fuel surcharge per shipment increased 4%, exerting enough upward pressure to overcome decreased length of haul and sustained low weight to drive a 1.5% quarter-over-quarter and 0.5% year-over-year increase in cost per shipment. **Ground Parcel Rates:** The era of parcel price increases announced on a predictable, annual cadence with plenty of advance notice for shippers is over. Over the past 18 months, FedEx and UPS have pursued a different strategy as they fight for revenue in a low demand environment, with more frequent, subtle pricing changes that take effect more quickly. Through the first three months of 2025, UPS has already announced myriad changes, including new ZIP code-zone alignments, new fees on print and paper invoices, fees for check and wire payment, an increase to the late payment fee and a new payment processing fee. Both carriers have also continued to make fuel surcharge changes, the net result of which is the UPS ground fuel surcharge increasing 15% and the FedEx equivalent rising 12% from Q1 2024 to Q1 2025 — even as the price of diesel fuel fell 8.4% over the same period. **Express Parcel Rates**: Express parcel pricing grew in line with seasonal trends in Q1 2025, with GRIs and fuel surcharge increases powering a 5.2% quarter-over-quarter increase in cost per package. But volume growth remains a challenge in the domestic express parcel market. This is in part driven by carriers' own success in optimizing ground networks, enabling shippers to shift volume to less expensive ground service for similar performance, but is also exacerbated by competition from an increasingly diverse carrier landscape, an example of which is USPS recently launching priority next-day service in 54 markets.

Note: Next release for Q2 2025 – Cowen/AFS Freight Index, will be published August 2025.

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

Truckload Linehaul Index	The Cass Truckload Linehaul Index **fell 0.5% month-over-month in April 2025, after a 0.1% decline in March.** The year-over-year increase slowed to 0.9% in April from 1.5% in March, as rate momentum in the truckload market stalled as pre-tariff shipping was not enough to tighten the market balance in a seasonally soft April. This index fell 10% in 2023 and another 3% in 2024. Where it will go in 2025 is a big question. *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	Trucking activity in the United States slipped again in April 2025 as the freight market remained choppy early in the second quarter. Specifically, **truck freight tonnage decreased 0.3% after contracting 1.5% in March.** "After surging 2.8% in February, and hitting the highest level since late May 2024, tonnage fell a combined 1.8% in March and April," said ATA experts. **"Unfortunately, a recovery that was expected this year hasn't transpired as the industry deals with a freight market in flux from tariffs and softening economic indicators."** *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 April 2025 was 4.48.** The previous month's ratio was 4.82 and the April 2024 ratio was 3.54. **Georgia's load-to-truck ratios** for vans for April 2025, average 5.5+ for every truck. For May 2025, the **spot rate** (national average) for dry van freight came in at $2.00. **Contract rates** registered an average of $2.40 for the same month. The average outbound van rate for the Southeast region came in at $2.03 for May 2025. *Source: DAT Freight & Analytics*
Truckload Freight, Refrigerated	The national **load-to-truck ratio for refrigerated hauls came in at 8.29 loads per truck in April 2025.** The previous month's ratio was 7.12 and the April 2024 ratio was 4.78. **Georgia's load-to-truck ratio** for April 2025 averaged 5.6 - 11.9 reefer loads per truck. The average national **spot market reefer rate** for May 2025 was $2.35 per mile**,** increasing from $2.28 the previous month. **Contract rates for reefers** averaged $2.73 for the same month. The average outbound rate for the **Southeast region for reefer freight** registered at $2.48 for May 2025. *Source: DAT Freight & Analytics*
Trucking Conditions Index	The Trucking Conditions Index reading **for March 2025 improved to a positive 0.28 reading from -0.21 in February.** The month-over-month improvement was mostly due to stronger freight volume and lower fuel costs, although weaker rates mostly offset those favorable conditions. While overall market conditions improved marginally for carriers in March, FTR's forecast for trucking conditions recently deteriorated due to the anticipated effects from tariffs. According to FTR Transportation Intelligence, "**Overall market conditions were unusually stable in March, although freight rates remained weak.** After a strong first quarter in freight volume – at least partially due to a pull-forward of imports in advance of tariffs – we expect more volatility in the months ahead as shippers respond to U.S. trade policy shifts. The recent short-term agreement between the U.S. and China greatly reduces the potential near-term hit to freight volumes, but we still expect uncertainty and higher costs for consumers to be drags on the economy and freight. One wild card we will watch closely is whether renewed scrutiny concerning truck drivers' English language skills and non-domicile CDLs will affect the driver supply significantly." *Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for trucking)*
Diesel Prices	As of May 26, 2025, the **U.S. average diesel price was $3.487 per gallon**. This is a 5-cent decrease month-over-month and $0.271 lower than the same week in 2024. The average price of diesel in the **Lower Atlantic states came in at $3.428 per gallon**, an 8-cent decrease month-over-month and $0.342 lower than the same week in 2024. *Source: U.S. Energy Information Administration (Reflects the costs and profits of the entire production and distribution chain)*
Trucking Employment	April 2025 numbers (preliminary) for the trucking industry **read at 1,524,500 employees,** increasing from 1,523,100 employees (preliminary) for March 2025. *Source: U.S. Bureau of Labor Statistics*
Trucking Earnings & Hours	For March 2025, the average earnings (preliminary) for occupations commonly found in truck transportation **were $31.92/hour**, decreasing from the previous month's rate of $32.05. March 2025 showed **average weekly hours totaling 40.4 hours** (preliminary) increasing from 39.9 hours in February. *Source: U.S. Bureau of Labor Statistics*

U.S. Truck & Trailer Orders (Class 8)	Preliminary North American Class 8 **net orders in April 2025 plunged 54% both month-over-month and year-over-year to just 7,400 units – the lowest order total since May 2020 when order activity cratered due to Covid shutdowns.** Orders were far below the 7-year April average of 18,963 units. The announcement of reciprocal U.S. tariffs in early April further intensified the challenges posed by tariffs that had already been announced. Tariffs and related concerns over the economy and the freight market have significantly dampened fleet investments in Class 8 trucks and tractors this year. Some fleets apparently are holding off on truck and tractor purchases until market conditions improve or at least stabilize. **Net orders for 2025 through April are down 30% year-over-year while Class 8 retail sales are down 10% year-over-year through March. Cumulative net orders for the 2025 order season (September 2024 through April 2025) are down 11% year-over-year.** *Source: FTR Transportation Intelligence*
Road Freight News Clip	Aurora Innovation launches autonomous truck operations in Texas with its SAE Level 4 tech, similar to robotaxis, hauling freight between Dallas and Houston. The 18-wheeler autonomous trucks now operate without a safety driver in the cab, in an important step for the autonomous trucking developer. Several companies are focusing their autonomous trucking efforts in Texas and the southwest, in an effort to automate truck routes. *Source: MSN; link to article*
AIR:	
Air Cargo Traffic	**The industry's air cargo demand, measured in Cargo-Tonne-Kilometers (CTK), climbed 5.8% year-on-year in April 2025.** Seasonally adjusted, CTK rose by 2.3% compared to March 2025 month-on-month. International CTK saw a 6.5% year-over-year rise, with most regions and routes posting single-digit gains. Latin America and the Caribbean led international air cargo growth, with a 12.5% year-over-year increase. **Global available cargo space, Available Cargo Tonne-Kilometers (ACTK), expanded by 6.3% from March 2025, while capacity utilization, Cargo Load Factor (CLF), lost 0.2 percentage points from April 2024.** *Source: International Air Transport Association (Global air freight covers international and domestic scheduled air traffic.)*
Jet Fuel Prices	As of May 23, 2025, the global average jet fuel price **ended at $82.30/bbl, a decrease of 3.40% from the previous month.** This is a 16.9% 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	Keuhne+Nagel, a major shipping company, has partnered with Natilus, which is developing a blended-wing body (BWB) aircraft, to explore the possibilities of deploying such aircraft in the air cargo sector. However, the two companies did not disclose an order. Natilus previously indicated that it has secured over 460 orders for the Kona, an autonomous cargo aircraft that can carry a payload of up to 3.8 tons (3.4 tonnes). On May 28, Kuehne+Nagel, the Switzerland-based logistics company, which has an air cargo subsidiary with a single Boeing 747-8F,the last-ever 747 that the plane maker delivered in January 2023, announced a partnership with Natilus, a United States-based startup that aims to build commercial passenger and cargo aircraft. *Source: MSN; link to article*
OCEAN:	
Shanghai Containerized Freight Index	As of May 23, 2025, the China Shanghai Containerized Freight Index **reading was $1,586.12 per FEU.** This is a 17.68% increase from the previous month, **and a 41.33% 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 has rolled out its new GPA Trucker mobile app to help make the trucker experience smoother, easier and faster at Port of Savannah terminals.** The Port of Savannah averages 14,000-16,000 gate moves daily from 4 a.m. to 6 p.m. Monday through Friday. Truck turn times at Garden City Terminal average 35 minutes for a single move; 53 minutes for dual moves when a driver is delivering an export and picking up an import. The GPA Trucker app puts more information at drivers' fingertips to make their work easier. Through the app, drivers can save drive time, simplify paperwork and get notifications such as changes to gate hours to help plan the day. For ease of use, the app offers facial recognition or fingerprint opening. *Source: Georgia Ports Authority*

Ocean Freight News Clip	If Hunter S. Thompson had written about supply chain, we might have "Fear and Uncertainty in Ocean Shipping." He didn't, but we do. And the supply chain is trying to cope. Container rates on the Asia-U.S. trade are surging during the pause in the China-U.S. tariff tiff as carriers press for higher prices and gauge shippers' desperation. "Fear and uncertainty is a powerful force in global supply chains and we are seeing this clearly as shippers fight to get their goods moving after the temporary lowering of U.S.-China tariffs – and they are willing to pay higher rates to do so," said Peter Sand, Xeneta chief analyst, in a note. *Source: Freightwaves; link to article*

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy	Demand remained resilient in the first quarter despite tariff uncertainty. The U.S. industrial sector continued to absorb space in the first quarter, registering 23.1 million square feet of positive absorption. This was down from 42.4 million square feet observed in the fourth quarter but on par with the level absorbed in the same quarter one year ago. **Vacancy continued to drift higher to 7%. The combination of vacant speculative deliveries and some occupier dispositions caused the U.S. industrial vacancy rate to rise by 30 basis points to 7%.** After remaining historically tight for several straight years, vacancy is now back in line with the historical average—indicative of a more balanced market. Rent growth continued to moderate. Rising vacancy continues to take some of the pressure off rents. In the first quarter of 2025, rents grew by 4.3% year-over-year but were flat quarter-over-quarter. Moreover, a rising number of markets reported year-over-year declines this quarter. **Savannah, GA** reported a vacancy rate of 9.3% for Q1 2025, compared to 8.6% in Q4 2024. **Atlanta, GA** reported a vacancy rate of 8.6% for Q1 2025, compared to 8.5% in Q4 2024. ***Note: Next release for Q2 2025 – Industrial Vacancy, will be published August 2025.*** *Source: Cuman & Wakefield*
Warehouse Rent Rates	Although industrial rents continue to appreciate at a reasonably healthy clip overall—4.3% year-over-year—**a rising number of markets reported rental declines this quarter, keeping the average U.S. rate steady at $10.11 per square foot since year-end 2024.** Nearly 40% of the U.S. markets tracked by Cushman and Wakefield reported annual rental rate declines, as some landlords have responded to softer demand conditions and higher vacancy rates. Also, the composition of available stock has shifted due to recent speculative construction trends as big-box facilities make up more of the total stock available, affecting the weighted average for asking rents. Although rent pressures have eased slightly, many markets have seen rents surge by more than 50% over the last five years. **For Savannah, GA** the average asking rental rate for Q1 2025 was $6.56, compared to $6.56 for Q4 2024. **For Atlanta, GA** the average asking rental rate for Q1 2025 was $7.18, compared to $7.09 for Q4 2024. ***Note: Next release for Q2 2025 – Warehouse Rent Rates, will be published August 2025.*** *Source: Cushman & Wakefield*
Industrial Absorption	Despite trade policy uncertainty, the U.S. economy continues to absorb a healthy amount of industrial space. **In the first quarter of 2025, net absorption registered at 23.1 million square feet, on par with the total reported one year ago.** Warehouse and logistics space was the standout product type this quarter, absorbing 30 million square feet. Conversely, manufacturers gave space back to the market on a net basis, resulting in 5.7 million square feet of negative absorption. The flight to quality trend continues. In the first quarter, the newest industrial space (product built after 2023) accounted for more than 57 million square feet of net occupancy gains. Conversely, older facilities with limited functionality experienced more move-outs than move-ins, resulting in over 33 million square feet of negative absorption. **For Savannah, GA, Q1 2025** net absorption registered at 2,326,100 compared to 14,057,155 for Q4 2024. **For Atlanta, GA, Q1 2025** net absorption registered 511,089 compared to 1,845,316 for Q4 2024. ***Note: Next release for Q2 2025 – Industrial Absorption, will be published August 2025.*** *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 April 2025 numbers for the warehousing industry workforce comes in at **1,853,400 employees, increasing from 1,843,600 employees** for March 2025 (preliminary). *Source: U.S. Bureau of Labor Statistics*

Warehouse Earnings & Hours	March 2025 average hourly earnings in the warehousing and storage subsector comes in at **$25.32/hour (preliminary), $0.23 higher** than the February 2025 rate. The **average weekly hours were 39.8 for March 2025** (preliminary) up from 39.5 hours in February 2025. *Source: U.S. Bureau of Labor Statistics*
Warehouse & Distribution News Clip	Companies importing goods into the United States from China are rushing to convert warehouses into facilities that are exempt from President Donald Trump's tariffs until they are ready to sell the merchandise. The U.S. has more than 1,700 bonded warehouses, facilities where imported goods can be held without immediate payment of customs duties such as tariffs, currently 30% for shipments from China. Such fees are only paid when the goods leave the bonded warehouse, allowing businesses to manage funds more effectively at a time of extreme trade policy volatility. *Source: Reuters; link to article*

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

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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