LOGISTICS MARKET SNAPSHOT

Georgia® CENTER OF INNOVATION

AUGUST 2025

U.S. MARKET:

Gross Domestic Product	**Real gross domestic product (GDP) increased at an annual rate of 3.3% in the second quarter of 2025**, according to the second estimate released by the U.S. Bureau of Economic Analysis. In the first quarter, real GDP decreased 0.5%. The increase in real GDP in the second quarter primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending. These movements were partly offset by decreases in investment and exports. ***Note: Next release for Q3 2025 – Gross Domestic Product, will be published October 2025.*** *Source: Bureau of Economic Analysis*
U.S. Trade Deficit	The goods and services deficit **was $60.2 billion in June 2025, down $11.5 billion from $71.7 billion in May, revised.** The June decrease in the goods and services deficit reflected a decrease in the goods deficit of $11.4 billion to $85.9 billion and an increase in the services surplus of $0.1 billion to $25.7 billion. **Year-to-date, the goods and services deficit increased $161.5 billion, or 38.3%, from the same period in 2024.** Exports increased $82.2 billion or 5.2%. Imports increased $243.7 billion or 12.1 %. *Source: Bureau of Economic Analysis*
Import Volumes	**June 2025 imports were $337.5 billion, $12.8 billion less than May imports.** For the 3 months ending in June average imports decreased $27.3 billion to $346.2 billion. Imports of goods decreased $12.6 billion to $265.0 billion in June. Imports of services decreased $0.2 billion to $72.5 billion in June. *Source: U.S. Bureau of Economic Analysis*
Export Volumes	**June 2025 exports were $277.3 billion, $1.3 billion less than May exports.** For the 3 months ending in June average exports decreased $1.3 billion to $282.2 billion. Exports of goods decreased $1.2 billion to $179.1 billion in June. Exports of services decreased $0.2 billion to $98.2 billion in June. *Source: U.S. Bureau of Economic Analysis*
Import & Export Price Indexes	**U.S. import prices increased 0.4% in July 2025, following a 0.1% decrease in June.** Higher prices for nonfuel imports and fuel imports drove the advance in July. Prices for U.S. imports decreased 0.2% from July 2024 to July 2025. **Prices for U.S. exports rose 0.1% in July, after increasing 0.5% the previous month.** Higher prices for nonagricultural exports drove the July increase. U.S. export prices advanced 2.2 percent over the 12-month period ended in July. *Source: Bureau of Labor Statistics*
Unemployment Rate	**Total nonfarm payroll employment changed little in July 2025 (+73,000) and has shown little change since April. The unemployment rate, at 4.2%, also changed little in July.** Employment continued to trend up in health care and in social assistance. Federal government continued to lose jobs. **In July, the number of long-term unemployed (those jobless for 27 weeks or more) increased by 179,000 to 1.8 million.** The long-term unemployed accounted for 24.9% of all unemployed people. **Georgia's unemployment rate comes in at 3.4% for July 2025**, ranking 14th, tied with Maryland, in the U.S. of states with the lowest unemployment. South Dakota shows the lowest level of unemployment at 1.9%. California ranks highest in unemployment with a rate of 5.5%. *Source: Bureau of Labor Statistics*
Labor Force Participation Rate	For July 2025 the labor force participation rate read at **62.2%, a 0.1% decrease from the previous month.** The labor force participation rate for July 2025 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 Conference Board Leading Economic Index (LEI) for the US **inched down by 0.1% in July 2025 to 98.7, after declining by 0.3% in June. The LEI fell by 2.7% over the six months between January and July 2025, a faster rate of decline than its –1.0% contraction over the previous six-month period (July 2024 to January 2025).** According to the Conference Board experts, "Pessimistic consumer expectations for business conditions and weak new orders continued to weigh down the index. Meanwhile, stock prices remained a key positive support of the LEI. Initial claims for unemployment insurance were much lower in July than in June and were the second most positive component of the LEI, after contributing negatively to the index over the previous three months. **While the LEI's six-month growth rate remains negative, it improved slightly in July—but not enough to avoid triggering the recession signal again.** Despite that, The Conference Board does not currently project a recession, though we do expect the economy to weaken in H2 2025, as the negative impacts from tariffs become more visible. Overall, real GDP is projected to grow by 1.6% year-over-year in 2025, before slowing in 2026 to 1.3%." *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	**Pending home sales decreased by 0.4% in July 2025 from the prior month and rose 0.7% year-over-year.** Pending sales declined month-over-month in the Northeast and Midwest, held essentially flat in the South, and rose in the West. Year-over-year, sales decreased in the Northeast and West but increased in the Midwest and South. July's REALTORS Confidence Index survey shows that 16% of NAR members expect an increase in buyer traffic over the next three months, unchanged from one year ago. Meanwhile, 21% expect an increase in seller traffic, up from 17% in July 2024. **"Even with modest improvements in mortgage rates, housing affordability, and inventory, buyers still remain hesitant"**, according to NAR Intelligence. "Buying a home is often the most expensive purchase people will make in their lives. This means that going under contract is not a decision home buyers make quickly. Instead, people take their time to ensure the timing and home are right for them." *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 **July 2025 were at a seasonally adjusted annual rate of 1,428,000.** This is 5.2% above the revised June estimate of 1,358,000 and is 12.9% above the July 2024 rate of 1,265,000. Single-family housing starts in July were at a rate of 939,000; this is 2.8% above the revised June figure of 913,000. **The July rate for units in buildings with five units or more was 470,000.** *Source: U.S. Census Bureau*
Light-Vehicle Sales	New light-vehicle sales in July 2025 were stronger than expected. **July 2025's SAAR totaled 16.4 million units, up 7.1% from June 2025's SAAR and an increase of 3.7% year-over-year.** July's year-over-year comparison may have been larger, but July 2024's results included sales that would have occurred in June 2024 were it not for the massive software outage that affected many dealerships across the country. With just a few months left before EV tax credits are set to expire, we expected to see increased activity in the EV space. **While BEV sales in July 2025 increased by 22.7% compared to June 2025, sales were flat when compared to July 2024. The same is true for market share year-to-date for BEVs, which totaled 7.4%—also flat year-over year.** Meanwhile, plug-in hybrids—some of which are also eligible for the EV tax credit—saw sales and market share decline slightly year-over-year. The most popular alternative-fuel segment continues to be hybrids, which posted a 37.7% year-over-year sales gain in July 2025. Year-to-date, hybrids have also picked up 3 percentage points of market share. *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 $112.3 billion (0.4% at a monthly rate) in July 2025. **Disposable personal income (DPI)**—personal income less personal current taxes—increased $93.9 billion (0.4%). **Personal outlays**—the sum of PCE, personal interest payments, and personal current transfer payments—increased $110.9 billion in July. **Personal saving** was $985.6 billion in July and the **personal saving rate**—personal saving as a percentage of disposable personal income—was 4.4 percent. *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 $108.9 billion (0.5%) in July 2025.** The $108.9 billion increase in current-dollar PCE reflected increases of $60.2 billion in spending on services and $48.7 billion in spending on goods. **From the preceding month**, the PCE price index for July increased 0.2%. Excluding food and energy, the PCE price index increased 0.3%. **From the same month one year ago**, the PCE price index for July increased 2.6%. Excluding food and energy, the PCE price index increased 2.9 % 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 July 2025, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were $726.3 billion, up 0.5% from the previous month, and up 3.9% from July 2024.** Total sales for the May 2025 through July 2025 period were up 3.9% from the same period a year ago. The May 2025 to June 2025 percent change was revised from up 0.6% to up 0.9%. Retail trade sales were up 0.7% from June 2025, and up 3.7 from last year. Nonstore retailers were up 8.0% from last year, while food service and drinking places were up 5.6% from July 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)*

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E-Commerce

The estimate of U.S. retail e-commerce sales for the **second quarter of 2025, adjusted for seasonal variation, but not for price changes, was $304.2 billion, an increase of 1.4% from the first quarter of 2025.** Total retail sales for the second quarter of 2025 were estimated at $1,865.4 billion, an increase of 0.4% from the first quarter of 2025. The second quarter 2025 e-commerce estimate increased 5.3% from the second quarter of 2024 while total retail sales increased 3.9% in the same period. **E-commerce sales in the second quarter of 2025 accounted for 16.3% of total sales.**

Note: Next release for Q3 2025 – E-Commerce, will be published November 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 Conference Board Consumer Confidence Index **fell by 1.3 points in August 2025 to 97.4 (1985=100), down from 98.7 in July (revised up by 1.5 points).** The Present Situation Index—based on consumers' assessment of current business and labor market conditions—fell by 1.6 points to 131.2. The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—decreased by 1.2 points to 74.8. Expectations remained below the threshold of 80 that typically signals a recession ahead. **"Consumer confidence dipped slightly in August but remained at a level similar to those of the past three months,"** said Conference Board intelligence. "The present situation and the expectation components both weakened. Notably, consumers' appraisal of current job availability declined for the eighth consecutive month, but stronger views of current business conditions mitigated the retreat in the Present Situation Index. Meanwhile, pessimism about future job availability inched up and optimism about future income faded slightly. However, these were partly offset by stronger expectations for future business conditions."

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 July 2025, after rising 0.3% in June.** Over the last 12 months, the all items index increased 2.7% before seasonal adjustment. The index for shelter rose 0.2% in July and was the primary factor in the all items monthly increase. The food index was unchanged over the month as the food away from home index rose 0.3% while the food at home index fell 0.1%. In contrast, the index for energy fell 1.1% in July as the index for gasoline decreased 2.2% over the month. The index for all items less food and energy rose 0.3% in July, following a 0.2% increase in June. The all items index rose 2.7% for the 12 months ending July, after rising 2.7% over the 12 months ending June. **The Producer Price Index for final demand rose 0.9% in July, seasonally adjusted.** Final demand prices were unchanged in June and moved up 0.4% in May. On an unadjusted basis, the index for final demand advanced 3.3% for the 12 months ended in July, the largest 12-month increase since rising 3.4% in February 2025. Within final demand, more than three-quarters of the broad-based advance in July can be traced to the index for final demand services, which rose 1.1%. The index for final demand less foods, energy, and trade services moved up 0.6% in July, the largest increase since rising 0.9% in March 2022.

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 1.7 points in July 2025 to 100.3, slightly above the 52-year average of 98.** Contributing most to the rise in the Optimism Index were respondents reporting better business conditions and reporting that it is a good time to expand. In contrast to the Optimism Index, the Uncertainty Index increased by eight points from June to 97. 21% of small business owners reported labor quality as their single most important problem, up five points from June and ranking as the top problem.

Source: National Federation of Independent Business

Industrial Production & Capacity Utilization

Industrial production (IP) edged down 0.1% in July 2025. Manufacturing output was unchanged after increasing 0.3% in June. In July, the index for mining declined 0.4%, and the index for utilities decreased 0.2%. At 104.0% of its 2017 average, total IP in July was 1.4% above its year-earlier level. **Capacity utilization moved down to 77.5% in July,** a rate that is 2.1 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 June 2025, adjusted for seasonal and trading day differences but not for price changes, were estimated at an end-of-month level of $2,660.3 billion, up 0.2% from May 2025 and were up 1.6% from June 2024. The combined value of **distributive trade sales and manufacturers' shipments** for June, adjusted for seasonal and trading day differences but not for price changes, was estimated at $1,924.7 billion, up 0.5% from May 2025 and was up 3.8% from June 2024. The total **business inventories/sales** ratio based on seasonally adjusted data at the end of June was 1.38. The June 2024 ratio was 1.41.
Source: U.S. Census Bureau

Purchasing Managers Index, Manufacturing

The Manufacturing PMI **registered 48% in July 2025, a 1-percentage point decrease compared to the 49% recorded in June.** The overall economy continued in expansion for the 63rd month after one month of contraction in April 2020. (A Manufacturing PMI® above 42.3%, over a period of time, generally indicates an expansion of the overall economy.) The New Orders Index contracted for the sixth month in a row following a three-month period of expansion; the figure of 47.1% is 0.7 percentage point higher than the 46.4% recorded in June. The July reading of the Production Index (51.4%) is 1.1 percentage points higher than June's figure of 50.3%. The Prices Index remained in expansion (or 'increasing') territory, registering 64.8%, down 4.9 percentage points compared to the reading of 69.7% reported in June. The Backlog of Orders Index registered 46.8%, up 2.5 percentage points compared to the 44.3% recorded in June. The Employment Index registered 43.4%, down 1.6 percentage points from June's figure of 45%.
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 July 2025, the Services PMI **registered 50.1%, 0.7 percentage point lower than the June figure of 50.8% but in expansion territory for the second month in a row.** The Business Activity Index remained in expansion in July, registering 52.6%, 1.6 percentage points lower than the reading of 54.2% recorded in June. This index has not been in contraction territory since May 2020. The New Orders Index also remained in expansion territory in July, recording a reading of 50.3%, a drop of 1 percentage point from the June figure of 51.3%. The Employment Index was in contraction territory for the second month in a row and the fourth time in the last five months; the reading of 46.4% is 0.8 percentage point lower than the 47.2% recorded in June. The Supplier Deliveries Index registered 51%, 0.7 percentage point higher than the 50.3% recorded in June. This is the eighth consecutive month that the index has been in expansion territory, indicating slower supplier delivery performance.
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 July 2025 Logistics Manager's Index **reads in at 59.2, down (-1.5) from June's reading of 60.7, and very close to May's reading of 59.4. The movement back above 60.0 marks only the third time since July of 2022. The increase in the overall slowdown in expansion is driven by a decreased rate of expansion for Inventory Costs, which are down (-9.0) to 71.9.** While this is notably slower than June's rate of expansion of 80.9, it still represents a significant rate of expansion Inventory Costs. Cost growth has likely slowed due to the dip (-4.2) in the expansion of Inventory Levels which came in at a more modes 55.2 in July. This led directly to Warehousing Capacity moving (+3.3) back into expansion territory at 51.1. It is worth noting that all of these shifts are primarily driven by either our Upstream or smaller (<999 employees) respondents. Larger firms and Downstream retailers are actually reporting contracting inventories, more capacity, and lower price expansion as they attempt to maintain JIT inventory management strategies to avoid higher costs. Transportation Utilization was up (+6.6) to 59.5, but Transportation Capacity (+0.2 to 52.6) and Transportation Prices (+1.0 to 63.0) remained fairly consistent with readings from June, as what had been a slow freight recovery remains in the holding pattern that we have observed through much of 2025.
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

The U.S. economy grew faster than initially thought in the second quarter, in part driven by business investment in intellectual property such as artificial intelligence, but tariffs on imports continued to cloud the picture. The upgrade to gross domestic product reported by the Commerce Department on Thursday also reflected upward revisions to consumer spending as well as business investment in equipment. That resulted in a measure of underlying domestic demand also being revised higher.
Source: Reuters; [link to article]

INTERMODAL:

Dow Jones Transportation Average	As of August 28, 2025, the Dow Jones Transportation Average **closed at a reading of 15,902.90.** *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 August 28, 2025, the NASDAQ Transportation Index **closed at a reading of 6,807.13.** *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, **fell 0.4% in June 2025 from May, falling for the first month after two consecutive months of growth.** From June 2024 to June 2025 the freight index fell 0.5%. The freight TSI measures the amount of freight carried by the for-hire transportation industry. The Freight TSI decreased in June due to seasonally adjusted decreases in rail intermodal, rail carloads, and trucking; air freight and water increased; and pipeline remained unchanged. *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 1.8% in July 2025 month-over-month and fell 1.7% month-over-month in seasonally adjusted (SA) terms.** The year-over-year decline in shipments widened to 6.9% in July, after a 2.4% year-over-year decline in June. Tariffs hit shipments harder in the most recent data, as paybacks began from demand pull-forwards earlier in the year, though goods prices are still relatively steady. The **expenditures component of the Cass Freight Index, which measures the total amount spent on freight, fell 1.5% month-over-month in July.** The year-over-year gain slowed to 0.4% from 2.6% in June, marking the fourth straight increase after more than two years of declines. The year-over-year increase was more than explained by higher rates, as shipments fell 6.9% in July. We infer rates rose 7.9% year-over-year, largely due to changing modal mix, similar to the past several months, with more truckloads and lower LTL mix. In SA terms, the index fell 0.6% month-over-month, with shipments down 1.7% and rates up 1.1%. *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 **June 2025 fell to -3.6 as shippers faced their toughest market conditions in three years, although a big element contributing to the decline was the spike in fuel prices due to the now-eased tensions with Iran.** Fuel volatility aside, the market looks basically neutral for shippers in the near term. According to FTR Transporation Intelligence, "The freight market still looks soft well into next year but not quite as soft as it did a month ago. While that's not great news for shippers, it's not really bad news, either. Still, the range of possibilities remains broad due to an uncertain impact from recent tariff hikes potentially offset by a boost in activity due to lower financing costs and July's enactment of tax cuts. **Another wild card is capacity, which has been surprisingly resilient but might not be able to withstand rising insurance costs and other cost and regulatory pressures.**" *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 **June 2025 was valued at $131.0 billion, decreasing 2.4% compared to June 2024.** Freight **between the U.S. and Canada** totaled $58.1 billion, down 9.7% from June 2024. Freight **between the U.S. and Mexico** totaled $73.0 billion, up 4.4% from June 2024. **Trucks** moved $84.9 billion of freight, down 2.4% compared to June 2024. **Railways** moved $15.4 billion of freight, down 11.9% compared to June 2024. **Vessels** moved $10.0 billion of freight, down 4.4% compared to June 2024. **Pipelines** moved $7.9 billion of freight, down 11.6% compared to June 2024. **Air** moved $5.0 billion of freight, up 8.5% compared to June 2024. *Source: U.S. Bureau of Transportation Statistics*
Intermodal News Clip	C.R. England Inc., one of the nation's largest refrigerated carriers and a leader in Intermodal logistics, today voiced strong support for the proposed merger between Union Pacific Railroad and Norfolk Southern Corporation. The company believes this coast-to-coast rail integration marks a transformative step toward faster, greener, and more cost-effective freight transportation. *Source: Yahoo Finance; link to article*

RAIL:

U.S. Freight Rail Traffic

For the week ending August 23, 2025, **total U.S. weekly rail traffic was 512,333 carloads and intermodal units, down 0.8% compared with the same week last year.** Total carloads for the week ending August 23 were 229,783 carloads, up 0.6% compared with the same week in 2024, while U.S. weekly intermodal volume was 282,550 containers and trailers, down 1.9% compared to 2024. **4 of the 10 carload commodity groups posted an increase** compared with the same week in 2024. They included grain, up 1,723 carloads, to 20,389; motor vehicles and parts, up 1,001 carloads, to 17,681; and farm products excl. grain, and food, up 640 carloads, to 16,140. **Commodity groups that posted decreases** compared with the same week in 2024 included petroleum and petroleum products, down 1,068 carloads, to 9,769; coal, down 370 carloads, to 62,043; and miscellaneous carloads, down 249 carloads, to 9,100.
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 July 2025 was 500.8,** an increase from 468.7 the previous month. The index for June 2024 was 514.3, or difference of 2.66%.
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 **July 2025 was 240,594 workers**, down from 241,148 workers in June 2025. Total number of workers in July 2024 was 240,867.
Source: U.S. Surface Transportation Board

Rail Freight News Clip

Two new planned bridges across the Rio Grande have come a step closer to reality as a federal agency issued its final environmental impact report on the project. The project includes proposals for a new rail bridge and a new road bridge for commercial motor vehicles, both of which would cross the Rio Grande, the famous river known more commonly as the Rio Bravo in Mexico, on the border between the U.S. and Mexico. The proposed rail bridge would be part of a 19-mile rail route connecting Eagle Pass, Texas, with Piedras Negras, Mexico, according to TrainsPRO. The proposed road bridge also would include the necessary border inspection facilities, which would be built on what is now agricultural land, according to the final environmental impact statement issued by the federal Surface Transportation Board.
Source: The Cool Down; link to article

ROAD:

Cowen/AFS Freight Index

Truckload: After peaking at 25.7% above the January 2018 baseline in Q1 2022, truckload rates began a sustained decline, bottoming out at just 4.3% above the baseline in Q2 of the following year. The index projects a 10th straight quarter with rates at or near the bottom, with Q3 2025 projected at 5.6% above the 2018 baseline, a slight quarter-over-quarter decline. Looking back at Q2 2025, distance and cost per shipment showed increased alignment, a potential indicator of stable market behaviors, though the continued uncertainty around trade policies clouds whether this represents a structural shift or a temporary phenomenon. Excess capacity continued to suppress truckload rates, though ongoing carrier exits and new regulatory guidance for stricter labor and language standards for truck drivers could ease some downward pressure. **LTL:** With soft demand an inescapable reality and shifting trade policies posing additional challenges, LTL carriers are pivoting to tightly managing revenue, keeping a close eye on lanes and prioritizing profitability. In Q2 2025, weight per shipment declined by 5.1% year-over-year but cost per shipment only fell by 2.9%, indicating the success of carriers' revenue strategies. The LTL rate per pound index projects Q3 to be the seventh straight quarter with a positive year-over-year trend, reaching a new high of 65.9% above the January 2018 baseline, driven in part by seasonal factors and carrier pricing actions. **Ground Parcel:** Cost per package reached a record high of 32% in Q2. But rather than an indication of carrier pricing strength, this result was driven by shippers diverting lower-value, lightweight packages away from the chronic rate increases of FedEx and UPS to slower, cheaper services from other providers. This loss of lightweight volume resulted in a higher average billed weight per package that in turn drove up cost per package. Looking ahead to Q3, evolving pricing dynamics are expected to keep the ground parcel rate per package elevated, coming in at 29.2% above the January 2018 baseline, a 2.2% quarter-over-quarter decrease but 7.0% higher year-over-year. **Express Parcel:** The U.S. Gulf Coast (USGC) kerosene-type jet fuel index fell 10.3% in Q2, but the express fuel surcharge rates actually saw a modest 0.6% increase due to carrier adjustments. Discount levels held steady in Q2 after a decline in the previous quarter, suggesting an emerging trend of pricing power favoring carriers. The express parcel rate per package is forecast to reach 2.3% above the January 2018 baseline in Q3, a quarter-over-quarter decrease in line with seasonal trends, but a 1.1% increase year-over-year.
Note: Next release for Q4 2025 – Cowen/AFS Freight Index, will be published October 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 0.6% month-over-month in July 2025, after a 0.4% increase in June.** The year-over-year increase accelerated to 2.4% in July from 1.9% in June on an easier comparison. This index fell 10% in 2023, another 3.4% in 2024, and after a 1.3% increase in 1H'25, is on track for a small increase in 2025. *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 **increased slightly in July 2025, but activity has been fairly flat since March. Specifically, truck freight tonnage rose 0.6% after falling 0.7% in June.** "July truck tonnage increased sequentially, but did not erase the 0.7% decline in June," said ATA intelligence. "Since March, truck tonnage has been in a tight range. The good news is truck freight volumes haven't fallen much over that period, but we are not seeing many increases either. In July, there were mixed drivers of truck tonnage with housing starts and retail sales up, while manufacturing output was flat to down depending on the metric." *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 July 2025 was 6.46.** The previous month's ratio was 5.79 and the June 2024 ratio was 4.11. **Georgia's load-to-truck ratios** for vans for July 2025, average 5.5+ for every truck. For July 2025, the **spot rate** (national average) for dry van freight came in at $2.06. **Contract rates** registered an average of $2.43 for the same month. The average outbound **van rate for the Southeast region** came in at $1.95 for August 2025. *Source: DAT Freight & Analytics*
Truckload Freight, Refrigerated	The national **load-to-truck ratio for refrigerated hauls came in at 11.8 loads per truck in July 2025.** The previous month's ratio was 10.3 and the July 2024 ratio was 6.4. **Georgia's load-to-truck ratio** for July 2025 averaged 5.6-11.9 reefer loads per truck. The average national **spot market reefer rate** for July 2025 was $2.42 per mile, increasing $0.05 from the previous month. **Contract rates for reefers** averaged $2.78 for the same month. The average outbound rate for the **Southeast region for reefer freight** registered at $2.14 for August 2025. *Source: DAT Freight & Analytics*
Trucking Conditions Index	The Trucking Conditions Index **swung to -1.83 in June 2025 from the strong 3.56 reading in May. The June index reading is the lowest to date in 2025 while the May reading was the strongest since October 2022.** The big drop in June was due primarily to freight rates and fuel prices. The expectation is for trucking conditions to be much closer to neutral during most of the second half of 2025. According to FTR Transportation Intelligence, "We still forecast a steadily but only modestly more favorable market for carriers next year. However, swings in freight volume and fuel prices – and to a lesser extent, freight rates – continue to generate volatility in trucking conditions. Capacity utilization has been the most stable factor, but it has been only marginally beneficial to trucking companies. **So far, the economy is weathering tariffs and other stresses better than anticipated, and our latest freight outlook is not as weak as it was previously.** At least in the near term, though, we still believe forecast risks are weighted more to the downside than the upside." *Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for trucking)*
Diesel Prices	As of August 26, 2025, the **U.S. average diesel price was $3.708 per gallon**. This is a 10-cent decrease month-over-month and $0.057 higher than the same week in 2024. The average price of diesel in the **Lower Atlantic states came in at $3.631 per gallon**, an 11-cent decrease month-over-month and $0.003 higher 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	July 2025 numbers (preliminary) for the trucking industry **read at 1,523,200 employees,** increasing from 1,520,900 employees (preliminary) for June 2025. *Source: U.S. Bureau of Labor Statistics*
Trucking Earnings & Hours	For June 2025, the average earnings (preliminary) for occupations commonly found in truck transportation **were $32.01/hour**, decreasing from the previous month's rate of $32.10. June 2025 showed **average weekly hours totaling 41.1 hours** (preliminary) increasing from 40.7 hours in May. *Source: U.S. Bureau of Labor Statistics*

U.S. Truck & Trailer Orders (Class 8)	**Preliminary net orders for North American Class 8 trucks/tractors in July 2025 totaled 12,700 units, up 42% month-over-month but down 7% year-over-year for the seventh consecutive year-over-year decrease.** Orders remained notably below July's 10-year average of 19,974 units, underscoring persistent caution among fleets amid trade tensions, fluctuating tariffs, and ongoing economic uncertainty impacting freight demand. Although both vocational and on-highway segments improved month-over-month, the on-highway market primarily drove the year-over-year decline, highlighting particular vulnerability among carriers focused on longer-haul operations. **For the 2025 order cycle (September 2024-July 2025), total orders were down 15% year-over-year.** Orders have totaled 254,349 units over the last 12 months. *Source: FTR Transportation Intelligence*
Road Freight News Clip	A new study commissioned by the Truck Parking Club company and conducted by transportation economist Noel Perry quantifies the truck parking shortage, finding a cost of $100 billion annually incurred by truckers specifically, more broadly the U.S. economy itself. Truck drivers need 2.4 million parking spots suitable for rest across the U.S. highway system, the study found, yet there are only 697,000 spots available to them. The study did identify, however, that there are actually 23.4 million parking spaces suitable for heavy-duty trucks in the U.S.; but 98% of them are private and reserved for specific fleets. *Source: CCJ Digital; link to article*
AIR:	
Air Cargo Traffic	**The industry's air cargo demand, measured in Cargo Tonne-Kilometers (CTK), increased 0.8% year-on-year in June 2025, compared to 2.2% in May, reflecting the cargo market's uncertainty amid the trade war.** International CTK saw a 1.6% year-over-year rise, with most regions and routes posting single-digit gains. Asia Pacific led the international air cargo growth with an 8.3% year-over-year increase. In contrast, the trade measures implemented by the US government in the past months led to a significant decline in traffic to and from North America. Global available cargo space, measured in Available Cargo Tonne-Kilometers (ACTK), expanded by 1.7% year-over-year, while capacity utilization, Cargo Load Factor (CLF), decreased 0.4 percentage points compared to June 2024. Jet fuel price dropped by 12% year-over-year, marking the fourth consecutive annual decline, despite an 8.6% month-over-month increase in June. **Cargo yields continued to soften, with freight rates down 2.5% year-over-year, though they edged up 0.9% month-over-month.** *Source: International Air Transport Association (Global air freight covers international and domestic scheduled air traffic.)*
Jet Fuel Prices	As of August 22, 2025, the global average jet fuel price **ended at $87.29/bbl, a decrease of 5.5% from the previous month.** This is a 11.9% 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	Cross-border e-commerce has expanded rapidly, driven by platforms like Alibaba, Shein and Temu, boosting global air cargo volumes. Yet this growth hides weak profitability, with airlines and logistics firms under pressure to deliver low-cost services while financial systems struggle to sustain the model's long-term stability. *Source: Stat Times; link to article*
OCEAN:	
Shanghai Containerized Freight Index	As of August 22, 2025, the China Shanghai Containerized Freight Index **reading was $1,415.36 per FEU.** This is a 11.78% decrease from the previous month, **and a 74.55% 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	**Port activity in Georgia now supports 650,965 full- and part-time jobs across the Peach State**, according to an economic impact study by the University of Georgia's Terry College of Business. The statewide number has grown by 41,770 jobs or 7% compared to fiscal year 2023, the period covered by the previous study. Georgia Ports now help sustain 12% of total state employment, according to the study. "Georgia has been recognized as the No. 1 state for business for over a decade in part because we're also the best state for reliable infrastructure," said Governor Brian Kemp. "As powerful economic drivers, the Ports of Savannah and Brunswick are a key part of the pro-job creator environment we've fostered to ensure every part of our state can thrive." "**Georgia's ports are one of its strongest economic engines, fostering the development of virtually every industry**," said Jeff Humphreys, director of the Selig Center for Economic Growth, who conducted the study. "The ports are especially supportive of other forms of transportation, logistics, wholesale/distribution centers, warehousing, manufacturing, agriculture, forestry, and mining." *Source: Georgia Ports Authority*

Ocean Freight News Clip

Walmart's cross-border importing service now has a Vietnam-to-U.S. connection after the retail giant added Ho Chi Minh City and Hai Phong to its roster of origin ports, according to a July 31 announcement. Sellers using Walmart Cross Border can book full-container ocean freight shipping from the two cities to Walmart Fulfillment Services facilities in the U.S., Adam Aldrete, a senior program manager for the Walmart Imports Program, said on LinkedIn.
Source: Retail Dive; link to article

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

The overall vacancy rate continued to edge upwards, increasing by 20 basis points (bps) in the second quarter. The South and the Midwest regions saw their vacancy rates hold relatively firm quarter-over-quarter, ticking higher by just 10 bps. The national industrial vacancy rate reached 7.1% in Q2, having now swelled by 430 bps since it reached a record low of 2.8% at midyear 2022. This marks the first time since Q2 2014 that vacancy has surpassed the 7% mark. However, vacancy remains just 10 bps higher than the long-term 15-year pre-pandemic historical average. Small warehouses under 100,000 sf remain especially tight with a 4.4% vacancy rate. Vacancy increases will be modest, peaking in the high-7% range by 2026 before improving in 2027. Slower speculative construction will help limit vacancy growth, with 2025 deliveries down 46% from 2024 and falling further in 2026. **Savannah, GA** reported a vacancy rate of 10.8% for Q2 2025, compared to 9.3% in Q1 2025. **Atlanta, GA** reported a vacancy rate of 9.1% for Q2 2025, compared to 8.6% in Q1 2025.
Note: Next release for Q3 2025 – Industrial Vacancy, will be published October 2025.
Source: Cuman & Wakefield

Warehouse Rent Rates

Softening demand in combination with rising vacancy is exerting downward pressure on rent growth. **Industrial asking rent growth slowed to 2.6% this quarter—its weakest pace since first quarter 2020**. Annual average asking rent growth decelerated to 2.6% in Q2. However, the story is more nuanced with year-over-year rent declines in 41% of markets and rent growth exceeding 5% in a fifth of U.S. markets. Yet, cumulative rent growth over the last five years remains strong, averaging nearly 60%, meaning that occupiers can still find it challenging to adjust existing leases to market. Once again, the impact of tariffs has been more pronounced in the coastal markets as many have seen rental rate decreases over the last year, including the Inland Empire and Los Angeles at -10.5% and -10.2%, respectively. Though, asking rents in those two markets are still 57% and 91% higher than pre-pandemic levels. Meanwhile, warehouse and logistics pricing continues to reflect size-based segmentation, with smaller product commanding a 31% premium over spaces greater than 100,000 sf. Rent growth is expected to decelerate, dipping below 2% by late 2025. As market conditions improve and supply and demand rebalance in late 2026, rent growth is projected to rebound toward the historical 3–4% range. **For Savannah, GA** the average asking rental rate for Q2 2025 was $6.59, compared to $6.59 for Q1 2025. **For Atlanta, GA** the average asking rental rate for Q2 2025 was $7.28, compared to $7.15 for Q1 2025.
Note: Next release for Q3 2025 – Warehouse Rent Rates, will be published October 2025.
Source: Cushman & Wakefield

Industrial Absorption

Net absorption in the industrial sector remained below its historical average in the second quarter, totaling 29.6 million square feet (msf), on par with the first quarter's level. While growth has moderated, absorption remains steady and continues to show variation across markets, building sizes and by building class. Demand for U.S. industrial space largely remained resilient in the face of higher tariffs and increased economic uncertainty. Overall net absorption exceeded expectations with a total of 29.6 msf in Q2 2025, on par with the 30.3 msf registered in the first quarter. The total was driven by the enduring trend of large corporate users' flight to quality as more than 50 msf of warehouse space was absorbed in buildings built in more recent years. However, early signs of tariff-related impacts are emerging in select markets. The West Region posted -2.3 msf of net absorption, driven by significant occupancy losses in the Inland Empire and Los Angeles (-1.8 msf and -1.1 msf, respectively). Contributing to the pullback, container volumes at the Ports of Los Angeles and Long Beach—key entry points for imported Chinese goods—declined by 24% month-over-month in May, although they climbed modestly in June as the U.S. and China agreed to a 90- day pause on tariff increases. Conversely, 13 markets reported more than 1 msf of positive absorption for the quarter, led by Dallas/Ft. Worth (+6.8 msf), Houston (+3.4 msf), and Greenville (+2.7 msf). Net absorption will stay muted through year-end amid slower economic growth but is projected to exceed 270 msf in 2026–2027. A potential surge of manufacturing activity, due to onshoring, could also help spur leasing and BTS construction. Also, as trade agreements are reached, industrial leasing will increase as some large corporate occupiers re-enter the marketplace and long-term decision making accelerates.
Note: Next release for Q3 2025 – Industrial Absorption, will be published October 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 July 2025 numbers for the warehousing industry workforce comes in at **1,818,300 employees, decreasing from 1,836,700 employees** for June 2025 (preliminary). *Source: U.S. Bureau of Labor Statistics*
Warehouse Earnings & Hours	June 2025 average hourly earnings in the warehousing and storage subsector comes in at **$25.54/hour (preliminary), $0.44 higher** than the May 2025 rate. The **average weekly hours were 40.2 for June 2025** (preliminary) up from 39.3 hours in May 2025. *Source: U.S. Bureau of Labor Statistics*
Warehouse & Distribution News Clip	In the logistics world, safety and efficiency are two sides of the same coin. Whether your drivers are at the warehouse, at a rest area or on the road, mobility insights can be instrumental for safer, more streamlined operations and supply chains at every turn. Truckers are the backbone of the North American economy, but these vital workers often face operational challenges that impact their day-to-day safety and efficiency. The issues they encounter can range from a lack of truck parking to frequent bottlenecks on their routes. Let's dive into some of the difficulties commercial drivers face and how commercial mobility insights can help optimize staging, streamline traffic flow and boost transportation safety. *Source: FreightWaves; link to article*

The free Logistics Market Snapshot is compiled

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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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