Retail Container Traffic to be Up 10 Percent in May

WASHINGTON, May 13, 2010 – Import cargo volume at the nation's major retail container ports is expected to be up 10 percent in May with double-digit increases expected into this fall as the U.S. economy improves, according to the monthly Global Port Tracker report released today by the National Retail Federation and Hackett Associates.

"Consumers are feeling better about the economy and retailers are building up their inventories to meet that demand," NRF Vice President for Supply Chain and Customs Policy Jonathan Gold said. "It's easy to show an increase after last year's downturn, but these numbers show us that retailers are confident their sales are going to go up this summer and give us an early hint of optimism about the fall as well."

U.S. ports handled 1.07 million Twenty-foot Equivalent Units in March, the latest month for which actual numbers are available. That was up 7 percent from February, traditionally the slowest month of the year, and up 12 percent from March 2009. It was also the fourth month in a row to show a year-over-year improvement after December broke a 28-month streak of year-over-year monthly declines. One TEU is one 20-foot cargo container or its equivalent.

April was estimated at 1.11 million TEU, a 12 percent increase over last year as spring products headed for store shelves. May is forecast at 1.14 million TEU, up 10 percent from last year; June at 1.19 million TEU, up 17 percent; July at 1.25 million TEU, up 13 percent; August at 1.32 million TEU, up 14 percent; and September at 1.35 million TEU, up 19 percent. The large year-over-year percent increases are partly due to easy comparisons against unusually low numbers last year.

The first half of 2010 is expected to total 6.6 million TEU, up 12 percent. Imports for 2009 totaled 12.7 million TEU, down 17 percent from 2008's 15.2 million TEU and the lowest since the 12.5 million TEU reported in 2003.

"All the indications are that ships remain full and that volumes increased in April and will continue to do so for the next few months," Hackett Associates founder Ben Hackett said. "As consumers come warily back and re-stocking continues, the hesitant recovery will gain strength and stability."

Global Port Tracker, which is produced for NRF by the consulting firm Hackett Associates, covers the U.S. ports of Long Angeles/Long Beach, Oakland, Seattle and Tacoma on the West Coast; New York/New Jersey, Hampton Roads, Charleston and Savannah on the East Coast, and Houston on the Gulf Coast. The report is free to NRF retail members, and subscription information is available at <u>www.nrf.com/PortTracker</u> or by calling (202) 783-7971. Subscription information for non-members can be found at <u>www.globalportracker.com</u>.

As the world's largest retail trade association and the voice of retail worldwide, NRF's global membership includes retailers of all sizes, formats and channels of distribution as well as chain restaurants and industry partners from the United States and more than 45 countries abroad. In the United States, NRF represents the breadth and diversity of an industry with more than 1.6 million American companies that employ nearly 25 million workers and generated 2009 sales of \$2.3 trillion. www.nrf.com

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