

TL & LTL MONTHLY MARKET UPDATE

AUGUST 2024



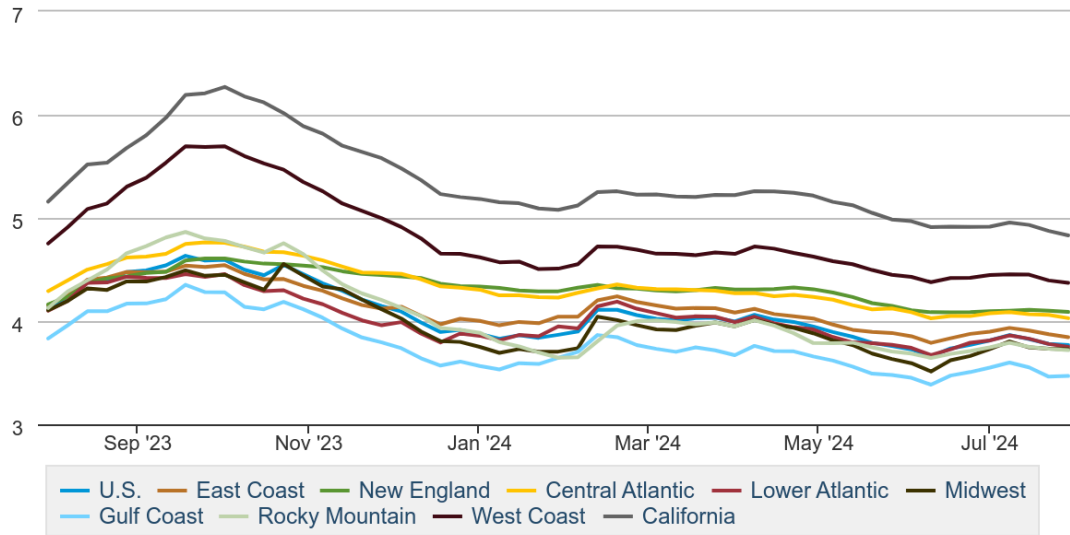
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Diesel prices up then down in July

The national average diesel prices increased in early July but then dipped again later in the month. Diesel prices finished the last full week of the month at \$3.768/gal compared to \$3.769/gal at the end of the prior month. This was down \$0.011 from the previous week and \$0.359 relative to the preceding year.

On-Highway Diesel Fuel Prices

(dollars per gallon)

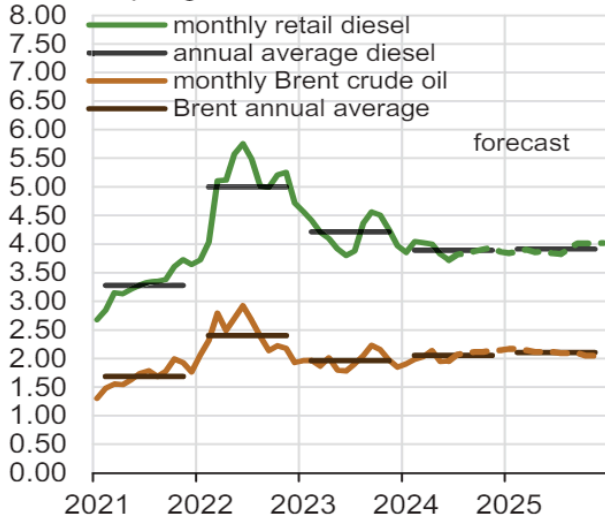


Data source: U.S. Energy Information Administration

(Source: [EIA](#))

U.S. diesel and crude oil prices

dollars per gallon

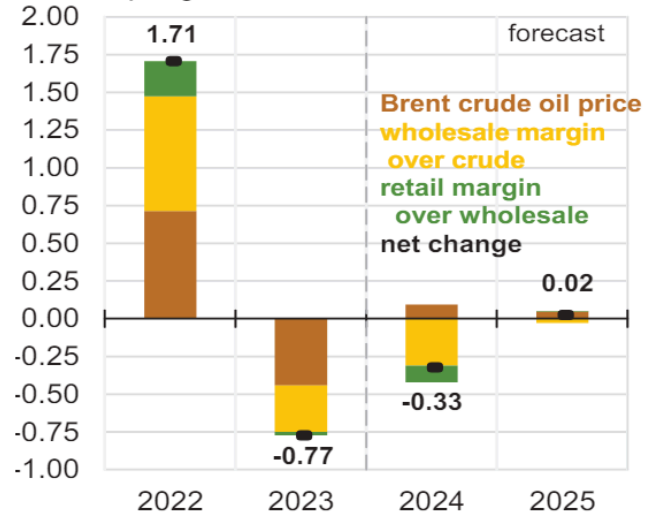


Data source: U.S. Energy Information Administration, Short-Term Energy Outlook, July 2024, and Refinitiv an LSEG Business

(Source: [EIA](#))

Components of annual diesel price changes

dollars per gallon

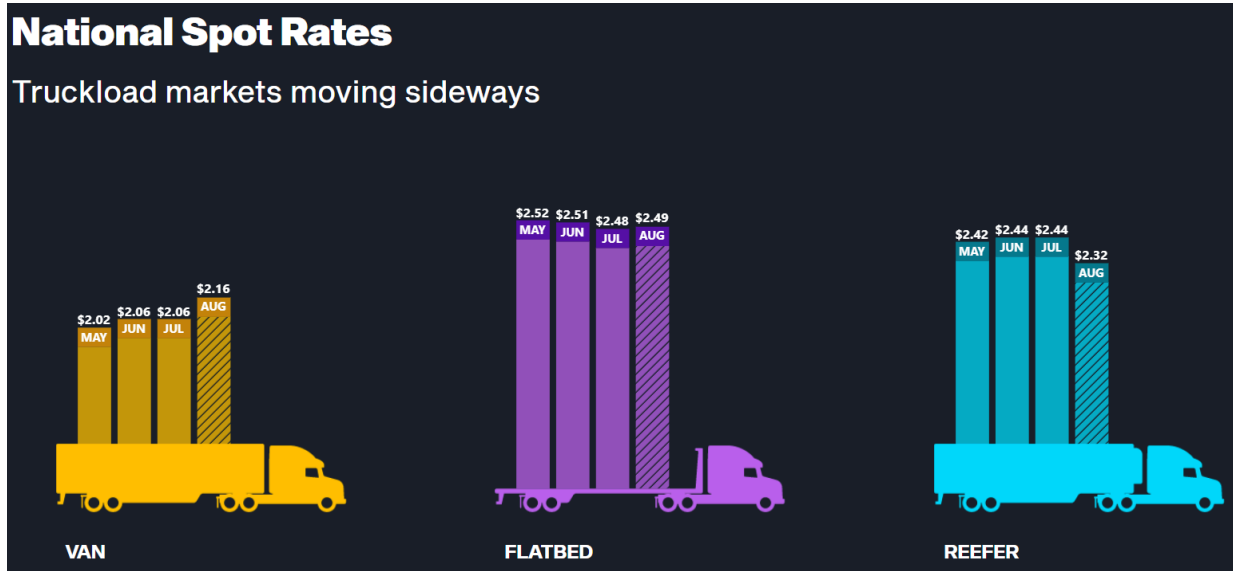


Data source: U.S. Energy Information Administration, Short-Term Energy Outlook, July 2024, and Refinitiv an LSEG Business

(Source: [EIA](#))

Produce volumes dropping floor on reefer rates

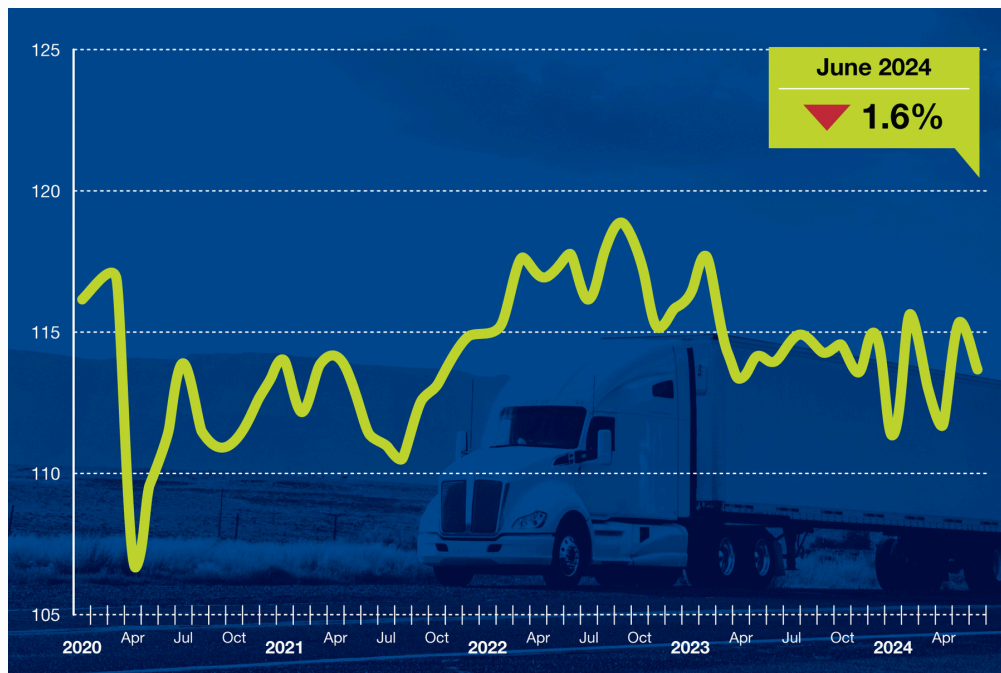
Van and reefer spot rates held flat throughout July. Produce volumes have dipped 26% throughout July, so expect a further reduction in the spot reefer market. Early August projections are showing signs of an uptick in dry van rates. We will have to wait and see if that will materialize throughout the month.



(Source: [DAT](#))

Truck Tonnage Index down 1.6% in June

The American Trucking Association's advanced seasonally adjusted (SA) For-Hire Truck Tonnage Index decreased by 1.6% in June, reversing some of the increase in May. The index is down 0.4% from June 2023. In May, it was up 1% from the prior year, the first year-over-year increase in 18 months.



(Source: [ATA](#))

News from around the industry

Knight-Swift acquires Southwestern LTL carrier DHE

DHE's LTL division was acquired by Knight-Swift for an undisclosed amount on Tuesday. The deal was specific to DHE's LTL division and did not include its warehousing, ocean, or logistics branches. DHE will continue to operate and be branded as DHE. Starting in Q4, DHE contracts and pricing will start to shift to AAA Cooper paperwork, but branding on real estate and assets will remain as DHE. (Source: [Trucking Dive](#))

Weekly US Rail traffic remains up

US overall rail volume is up 5.3% year over year. Data shows that growth in intermodal freight is driving this increase. Through 30 weeks, carload traffic is down by 4.2% while Intermodal volume is up 8.5%. (Source: [FreightWaves](#))

New Jersey Trucking Company files for Chapter 11

Fastline Cargo, a New Jersey-based trucking company, filed for Chapter 11 bankruptcy protection following a string of safety violations for both drivers and equipment. The bankruptcy will impact 41 drivers across their fleet of 54 power units. Their out-of-service rate was 13.4%, which is double the industry standard. Of their 112 driver inspections, 29 failures were due to HOS (hours of service) violations. (Source: [FreightWaves](#))

Market Outlook

As Q2 earnings calls roll out, we're getting a better look at TL and LTL trends that have been diverging for the past 12 to 18 months. On the TL side, Werner, Knight-Swift, Heartland Express, Schneider, and Landstar believe the TL market inflection point is imminent. For the first time in two years, Landstar has broken its streak of revenue decline. On the LTL side, freight volumes appear steady, with several carriers citing mild to flat growth.

We will be here for you no matter what the future holds for LTL and Truckload.

As always, you can contact your IL2000 Client Services team if you have any questions.

Sources: EIA, DAT, ATA, Trucking Dive, FreightWaves