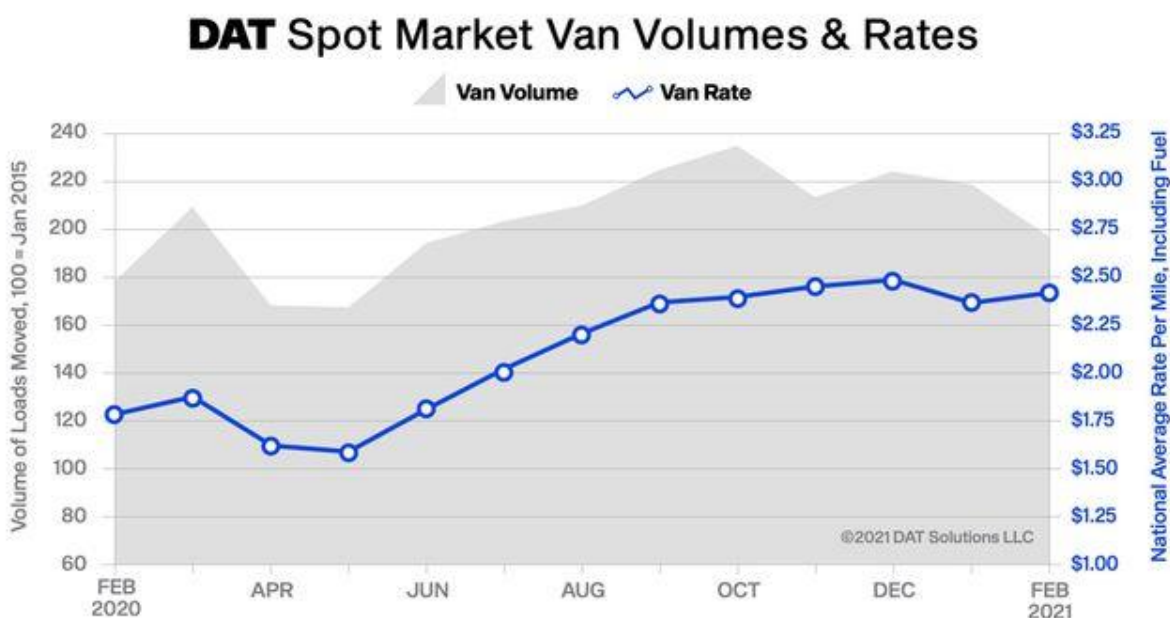




# LTL and Truckload Monthly Market Update: March 2022

As we move into the last month of the first quarter, world events will likely further stress already strained supply chains and drive further transportation cost increases.

- The Federal Cybersecurity and Infrastructure Security Agency warn of possible cyber-attacks on US companies. (Source: [CISA](#))
- Weather impacted the truckload market in February as DAT average dry van rates rose 2% from January but were up 34% from the prior February, even as load volume declined. (Source: [HDT Truckinginfo](#))



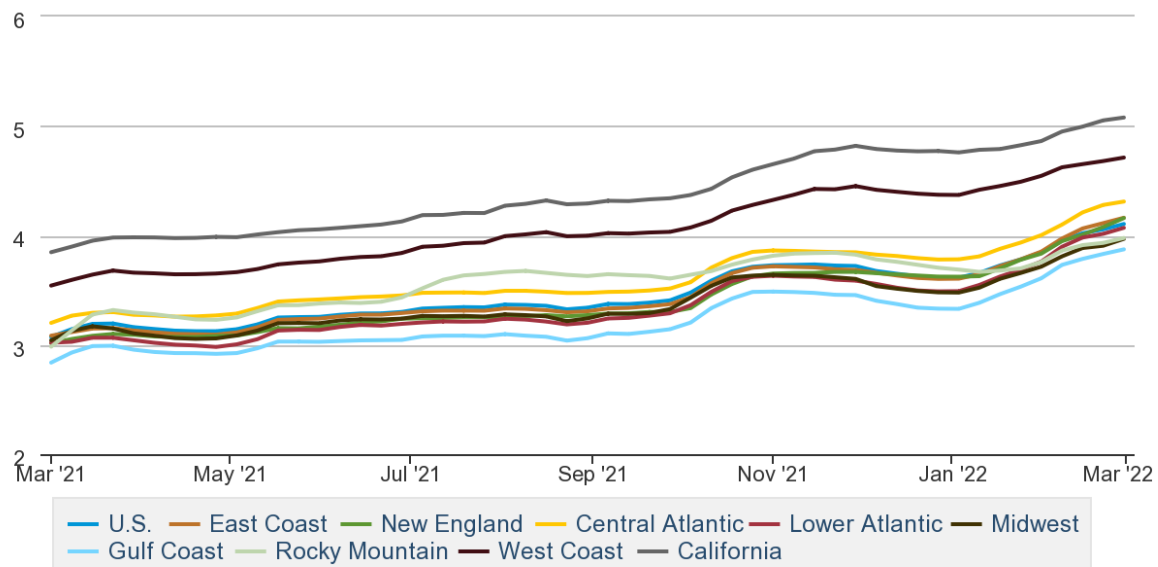
## Costs continue to rise:

- Diesel fuel prices continue to climb, even before the effects of events in Ukraine are fully felt. Fuel finished February a dollar higher in the national average costs per gallon compared to the same week last year. Prices in California are averaging more than \$5/gallon.



## On-Highway Diesel Fuel Prices

(dollars per gallon)



 Source: Energy Information Administration

- In an attempt to limit further fuel cost increases, the United States and its allies announced that they will release 60 million barrels of oil from strategic reserves. (Source: [Energy.gov](https://www.energy.gov))
- As chip shortages and other production challenges limit the delivery of new tractors and trailers, the price of used equipment continues to climb, with January's average price for used Class 8 trucks nearly double what it was at the same time last year. (Source: [FreightWaves](https://www.freightwaves.com))

## Carriers enjoy good financial performance amidst mergers:

- The strong market in LTL continues to power good financial performance for carriers.
  - Yellow Corp announced its Q4 operating ratio improved to 95.7 from 98.8 in the same quarter of 2020. (Source: [Transport Topics](https://www.transporttopics.com))
  - Old Dominion continued to perform as an industry leader in operating ratio, reporting 73.5 for 2021.
  - Saia also reported a strong operating ratio for the year, coming in at 85.4. (Source: [FreightWaves](https://www.freightwaves.com))
- The recent trend of mergers and acquisitions in the transportation industry continues.
  - Shipping line A.P. Moller-Maersk announced its acquisition of US freight carrier Pilot Freight Services for \$1.68bn. The acquisition gives Maersk a nationwide network and access to first and last mile capabilities. (Source: [Maersk](https://www.maersk.com))



- Dayton freight announced its purchase of carrier Valley Cartage giving the carrier direct coverage for all of Minnesota. (Source: [FreightWaves](#))

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

**Sources:** Cybersecurity & Infrastructure Security Agency, HDT Truckinginfo, Energy.gov, FreightWaves, Transport Topics, Maersk