

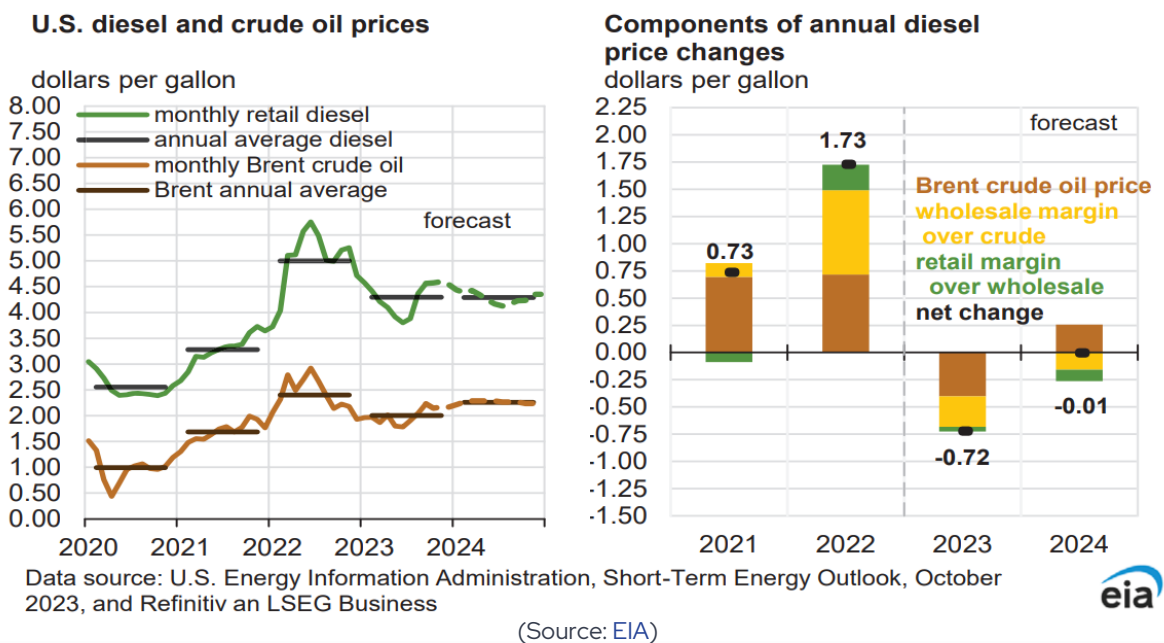
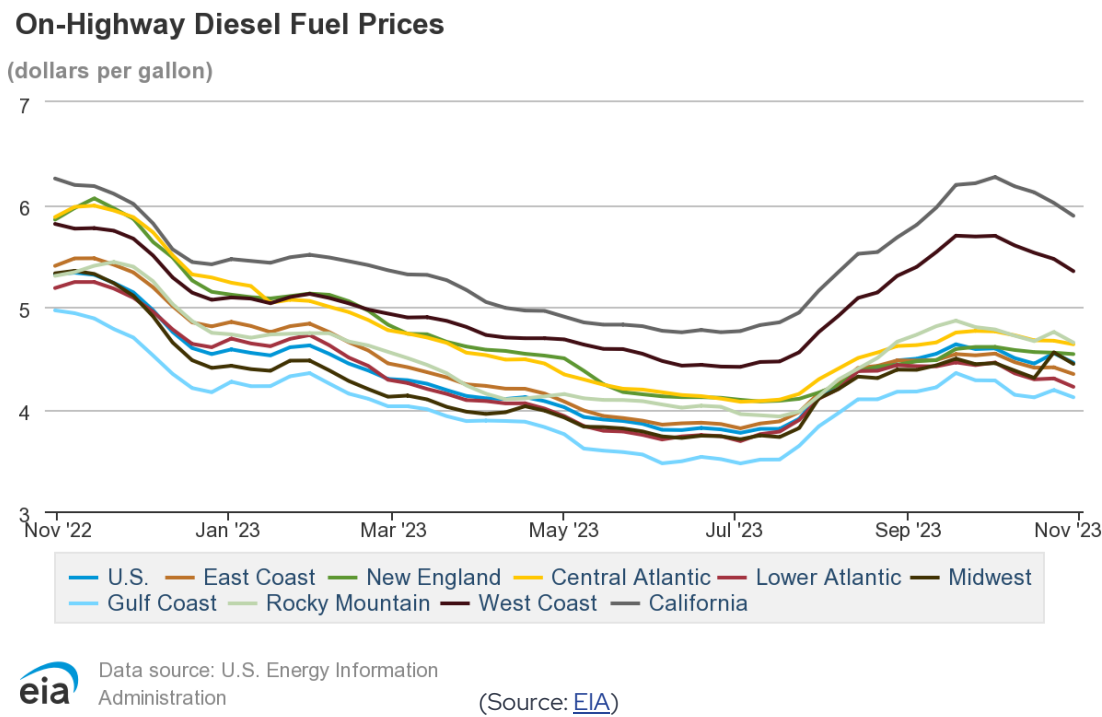
TL & LTL MONTHLY MARKET UPDATE

NOVEMBER 2023



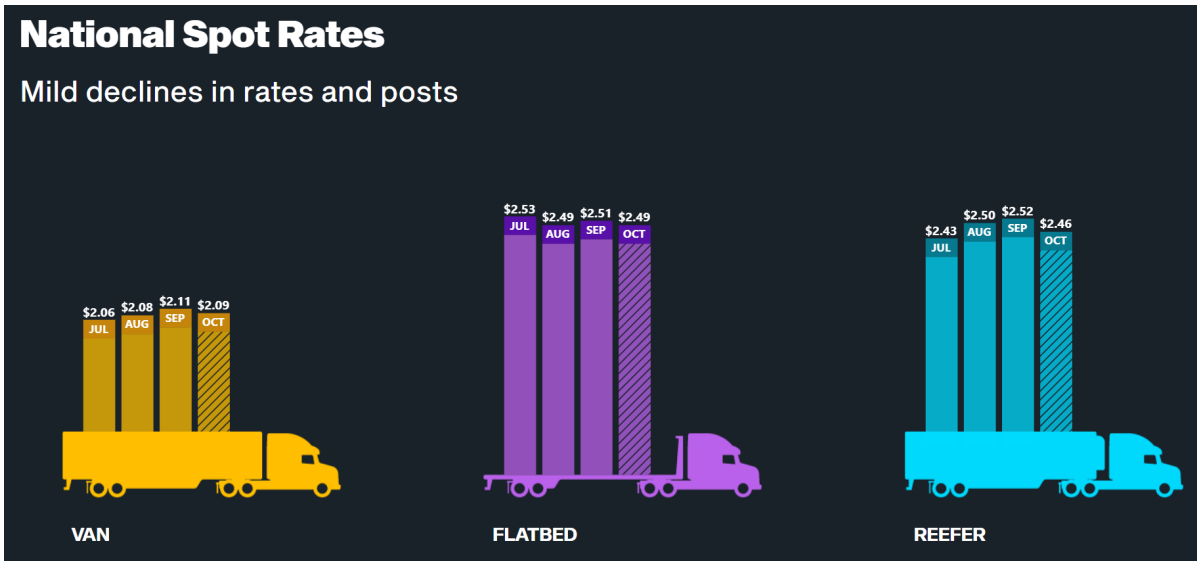
Diesel prices slide in October after September gains

National average diesel prices decreased throughout October, finishing the last full week of the month at \$4.454 /gal compared to \$4.586 /gal at the end of the previous month. This was down \$0.091 from the prior week and down \$0.863 relative to the preceding year. The EIA has lowered projections for the remainder of 2023 by \$0.02 and raised its 2024 projections.



October spot rates marginally deteriorate

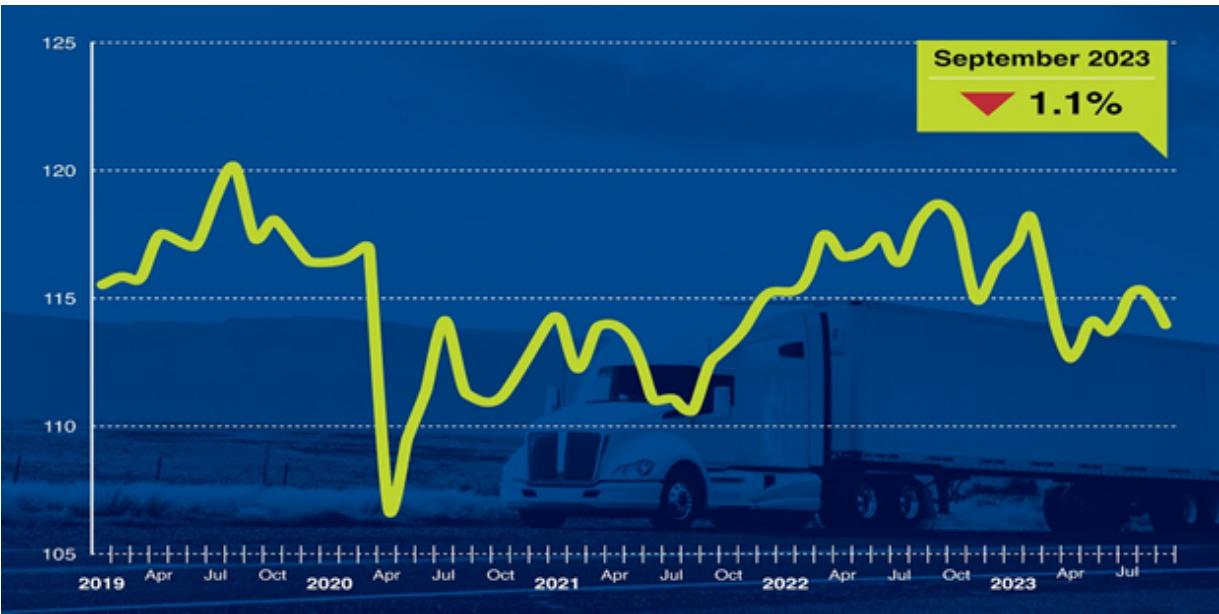
After record-low spot rates during summer, there is no sign of recovery as we head into the holiday buildup season. After marginal gains in September, October spot rates have deteriorated back to mid-summer levels. Reefer rates incurred the largest month-over-month decline from \$2.52 per mile to a projected \$2.46 per mile.



(Source: DAT)

Truck tonnage index declines in September after July increase

American Trucking Associations’ advanced seasonally adjusted (SA) For-Hire Truck Tonnage Index fell 1.1% in September after increasing 0.2% in July. After hitting bottom in April, tonnage increased in three of the previous four months, gaining 2.2% before September's drop.



(Source: [ATA](#))

News from around the industry

Estes continues to recover from cyberattack

Following a cyberattack that took down Estes' phones, EDI, payroll and other services, the LTL company is recovering and returning to normal. Following the attack, the company used Excel to track shipment information, switched to outside email providers for communication, and reported updates through the X platform. Estes handled an estimated \$4.4 billion in revenue last year and recently made news by winning the bid for terminals from the YRC bankruptcy.

(Source: [FreightWaves](#))

Index points to 2.2% increase in LTL pricing, but not recovering economy

The TD Cowen/AFS Freight Index began in 2021. It is designed to use quarterly data to predict moves in LTL, truckload and parcel. According to the index, for Q3 2023, LTL pricing rates increased by 2.2% overall. The price increase was primarily due to the closing of Yellow. (Source: [SupplyChain247](#))

After eight years, Convoy shuts down

With investors like Jeff Bezos, Bill Gates and U2's Bono, Convoy launched in 2015 with a goal of revolutionizing trucking. Its goal was to hand over the reins to computers rather than humans for truck brokering and use efficiencies to reduce deadhead. It reached over 1,000 employees and an estimated value of \$3.8 billion. It is believed that while the company is shut, the technology it implemented has been sold to an unknown buyer.

(Source: [FreightWaves](#))

Market outlook

Throughout 2023, truckload rates have held record lows and show no signs of recovering anytime soon. This reality is one of several reasons for the closure of Convoy. Lower margins and excess capacity will likely drive the consolidation of not only brokerage companies but asset-based organizations as well. On the LTL side, there has never been less capacity. Carriers are still jockeying over Yellow's freight and assets. Firms looking to grow always seek regional players to purchase and integrate.

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

Sources: EIA, DAT, ATA, FreightWaves, SupplyChain247