

TL & LTL MONTHLY MARKET UPDATE

OCTOBER 2024

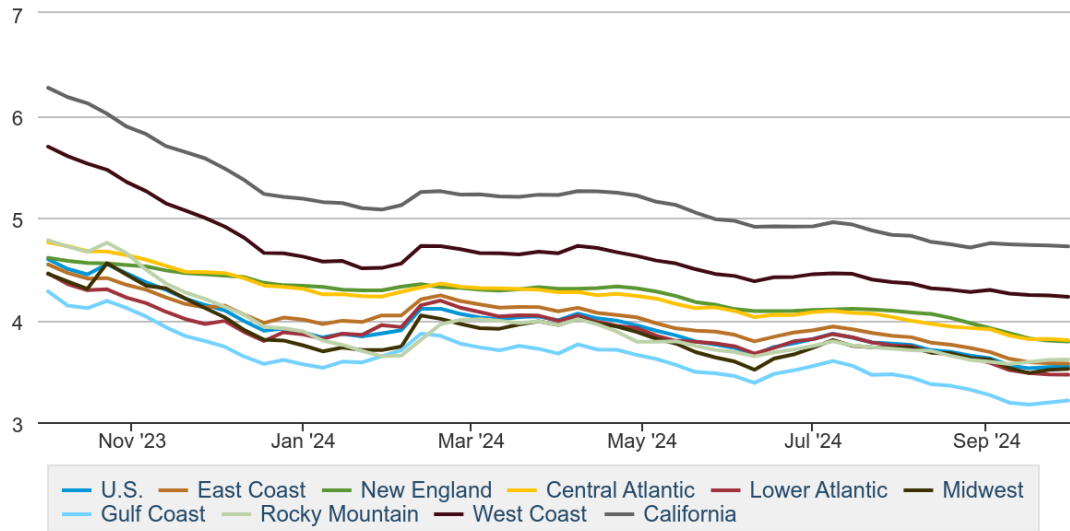


Diesel prices decrease throughout September

National average diesel prices decreased again throughout September. Diesel prices finished the last full week of the month at \$3.544 /gal compared to \$3.651/gal at the end of the prior month. This was up \$0.005 from the previous week and down \$1.042 relative to the preceding year. The EIA reduced its 2024 guidance by an additional \$0.07. September's average diesel price is the lowest since 2021.

On-Highway Diesel Fuel Prices

(dollars per gallon)

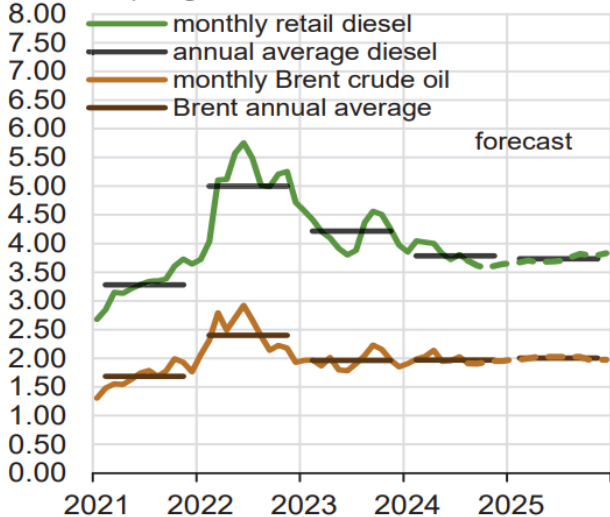


Data source: U.S. Energy Information Administration

(Source: [EIA](#))

U.S. diesel and crude oil prices

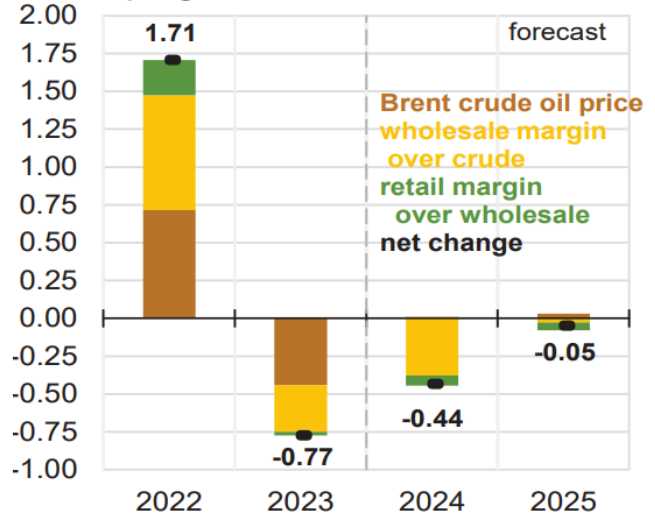
dollars per gallon



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

Components of annual diesel price changes

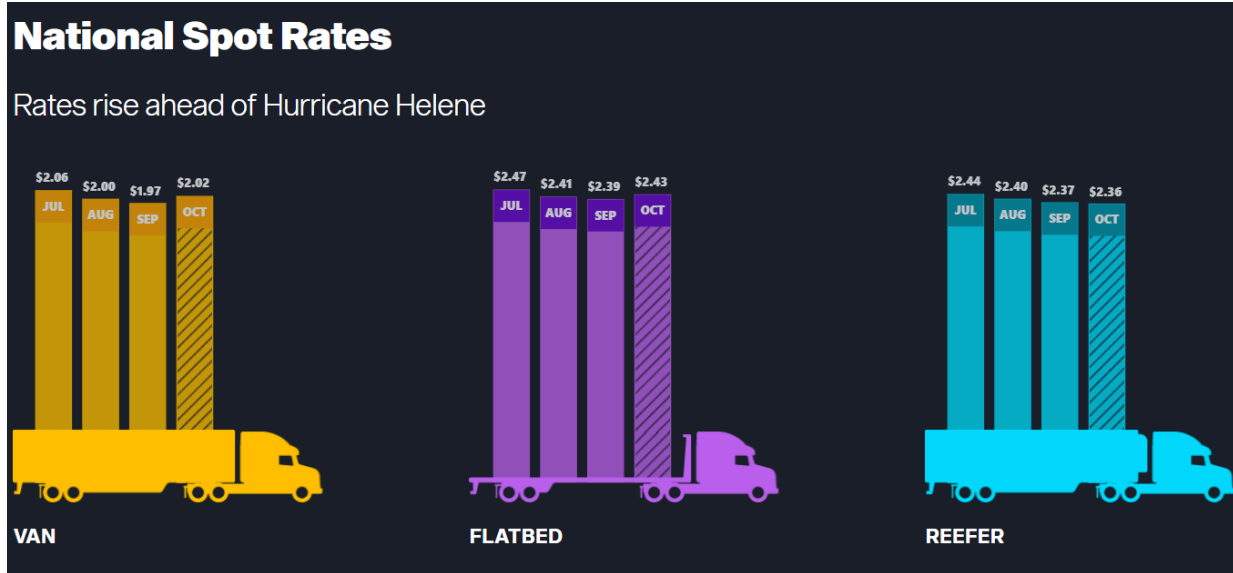
dollars per gallon



(Source: [EIA](#))

Spot rates down in September, October forecasts flat

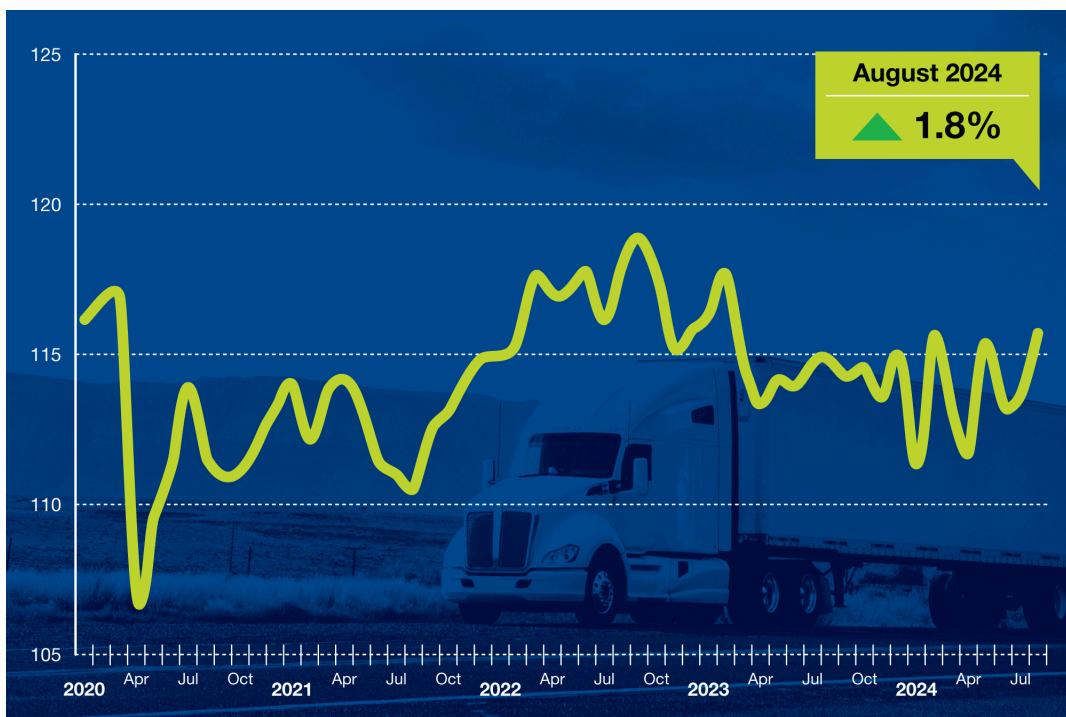
September spot rates were down for van, flatbed, and reefer relative to July, August, and September. Rates did increase slightly prior to Hurricane Helene, but spot rates remained down overall. Early October trends are indicating flat pricing into the fall season.



(Source: [DAT](#))

Truck Tonnage Index up 1.8% in August

The American Trucking Association's advanced seasonally adjusted (SA) For-Hire Truck Tonnage Index increased by 1.8% in August after increasing by 0.3% in July. Compared with August 2023, the index increased 0.7%, just the second year-over-year gain in the last eighteen months.



(Source: [ATA](#))

News from around the industry

Closures continue in parts of North Carolina and Tennessee

It's been over one week since Hurricane Helene made landfall and devastated those in her path. Key highways in the area are closed or limited, creating traffic jams or forcing long out-of-route miles to avoid them altogether. Several LTL carriers have temporarily increased their transit times in those areas to account for the routing adjustments. (Source: [FreightWaves](#))

Trucking firm exits inch closure to equilibrium

We have been reporting declining or flat truckload rates in the spot market for months. As a result, truckload firms have been choosing not to renew their operating authority size and not to withdraw. The Federal Motor Carrier Safety Administration has indicated that this trend is slowing and potentially on the cusp of hitting equilibrium. We haven't yet seen the rates to support this data, so it may be a slowdown instead of a reversal. (Source: [Trucking Dive](#))

Port strike ends as dockworkers reach agreement on wages

The ILA and USMX have agreed to a significant wage increase and a contract extension, ending the East and Gulf Coast port strike. The two sides have agreed to a 62% wage increase over six years. They have also agreed to extend the existing contract until January 15th, 2025. The short strike duration will limit the overall economic impact that US citizens feared. Now, the parties will return to the table to negotiate other outstanding issues, including the union's demand to ban all automation at the ports to ensure job security. (Source: [NPR](#))

Market Outlook

Hurricane Helene and the recent ILA port strikes covered extensively in IL2000's International newsletter have significantly disrupted logistics networks nationwide. While both events are resolved, their impacts on supply chains are still felt.

While regional in nature, the aftermath of the hurricane will continue to strain logistics networks. The pain will be felt more near the hurricane's path, but the terminal closures and slowdowns will have marginal impacts nationwide as relief efforts ramp up, resources are reallocated, and rebuilding begins.

The ILA strike could have potentially incapacitated the flow of goods. Fortunately, a deal was struck quickly, limiting the impact. We may see some carryover as the backlog of ships and containers are offloaded, but overall, it will be restricted in scale.

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, FreightWaves, Trucking Dive, NPR