

TL & LTL MONTHLY MARKET UPDATE

SEPTEMBER 2024

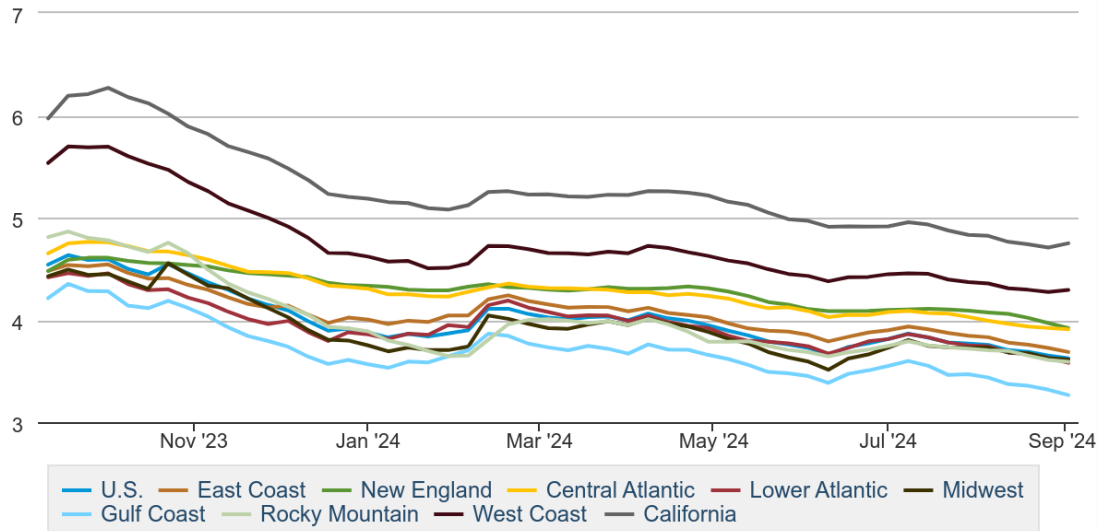


Diesel prices decrease throughout August

The national average diesel prices decreased every week throughout August. Diesel prices finished the last full week of the month at \$3.651/gal compared to \$3.768/gal at the end of the previous month. This was down \$0.037 from the prior week and down \$0.824 relative to the preceding year. The EIA further reduced its 2024 guidance by an additional \$0.04.

On-Highway Diesel Fuel Prices

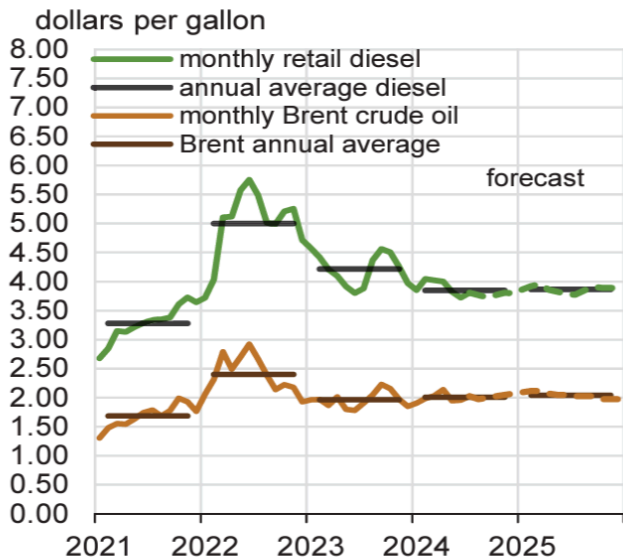
(dollars per gallon)



Data source: U.S. Energy Information Administration

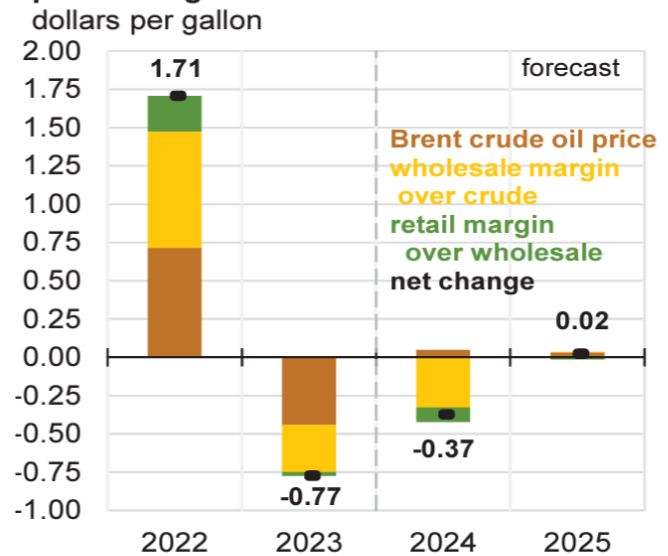
(Source: EIA)

U.S. diesel and crude oil prices



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

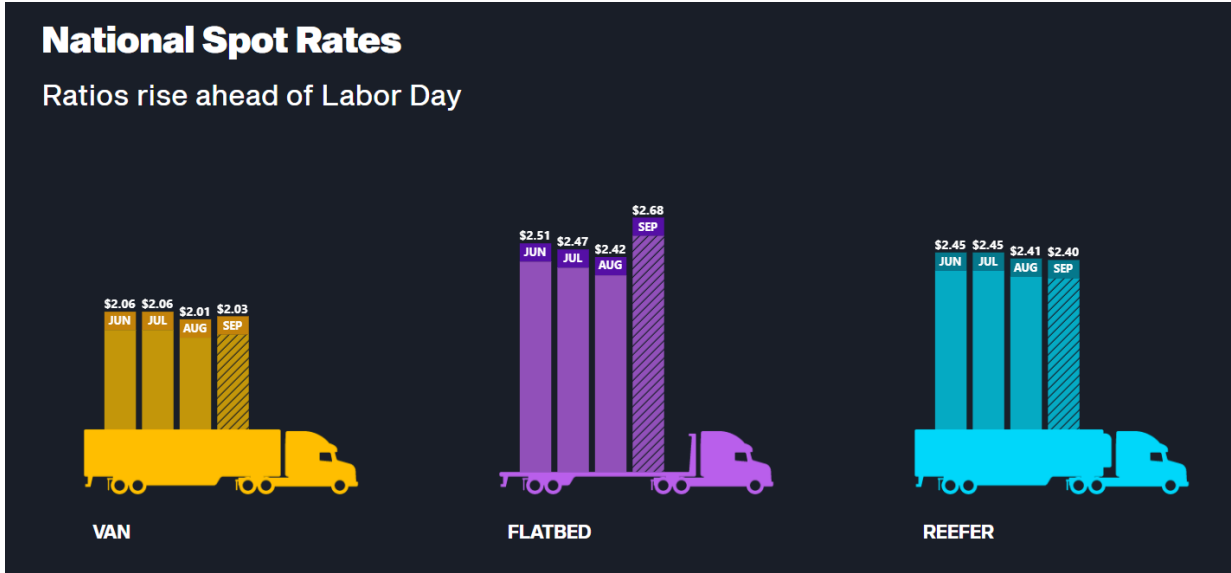
Components of annual diesel price changes



(Source: EIA)

Spot rates down in August, September trends flat

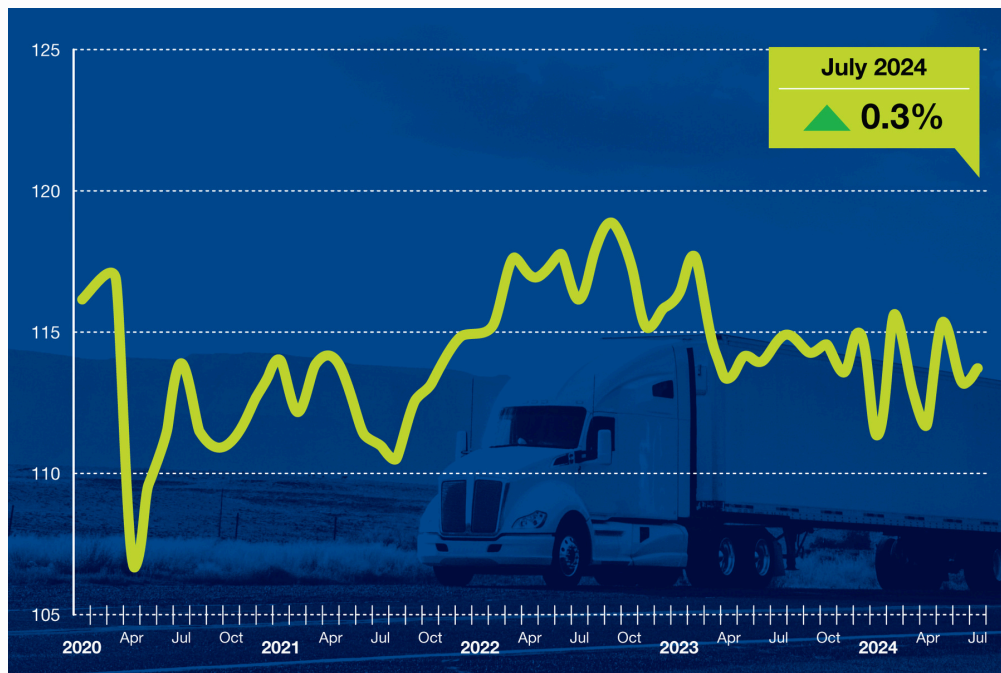
August spot rates were down for van, flatbed, and reefer relative to July. Capacity did tighten before the Labor Day holiday, but spot rates remained down. Early September trends are indicating flat pricing into the fall season. Unless a major disruption to capacity occurs, confidence in this trend remaining steady is high.



(Source: [DAT](#))

Truck Tonnage Index up 0.3% in July

The American Trucking Association's advanced seasonally adjusted (SA) For-Hire Truck Tonnage Index increased 0.3% in July after declining 1.8% in June. While the increase doesn't indicate a freight recovery, it shows consistent improvement after a month of decline, returning to a positive or neutral position. Compared to July 2023, the Index was down 0.9%.



(Source: [ATA](#))

News from around the industry

LTL carriers see softer volume trends in August

Tonnage for most LTL carriers was down in August, with Saia as one of the exceptions. Despite tonnage being down, yield has generally improved, albeit slightly, for carriers. Tonnage trends in either direction often indicate who holds more negotiating power – shippers and 3PLs, or the carriers. Time will tell whether the trend continues. (Source: [FreightWaves](#))

Wabash National hit with nuclear \$462M verdict

Wabash National, one of the nation's largest trailer manufacturers, was handed a nuclear \$462M verdict on Thursday, which included \$450M in punitive damages. The suit alleged that Wabash knew their rear trailer guards provided inadequate protection for "underride impacts". The suit could have ripple effects throughout the industry, which is already facing skyrocketing insurance costs. (Source: [FreightWaves](#))

US Postal Service peak season rate hikes return after 2023 pause

USPS peak season surcharges between October 6, 2024, and January 19, 2025, are scheduled to increase by 6.4% for Ground Advantage, 5.5% for Priority Mail, and 4.9% for Priority Mail Express. In 2023, the USPS opted to forgo their peak season increases, citing they were "Delivering for America" and trimming costs. More than likely, that move did not equate to additional volume, so they opted to improve yield for this year's peak season. (Source: [SupplyChainDive](#))

Market Outlook

As summer comes to a close and we head into fall, the market for both TL and LTL has been relatively flat. Major players will start showing their cards after the election and the holiday season wraps up, but until then, we anticipate a wait-and-see strategy for most.

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, SupplyChainDive