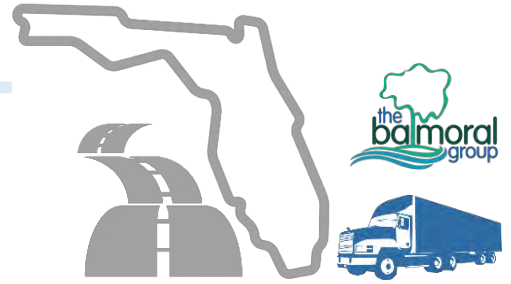


# September 2023: Weak Market, Some Positives



The trucking market remains weak since last month, with spot rates remaining low, but there are positive signs too. Low diesel prices and higher rates during the pandemic drove more trucking operators into the market. However, rates declined in 2022 and diesel prices increased, which made it less profitable for operators, especially in the spot market. This created an overcapacity problem in the market where there was lots of competition for less demand. Owner-operators are leaving the market because of this. Either they are going out of business or they are being absorbed by bigger companies. In the past month the exodus of drivers slowed signaling the market may be stabilizing as freight rates become more consistent and capacity shrinks some to match demand. Headwinds still remain and contraction is expected to continue into 2024. Diesel prices are expected to rise through quarter 4 of this year due to Saudi-led OPEC+ cuts that may remain in place through the end of the year.

## Total spot load availability

Weekly index, 100 = 2014 average



Source: Truckstop, FTR - <http://freight.ftrintel.com/spotmarketinsights>

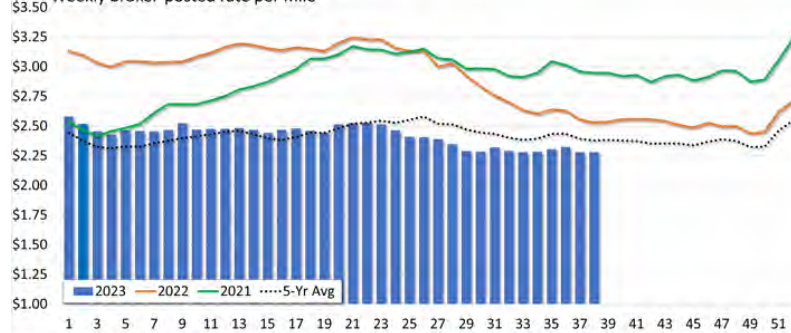
Source: FTR Weekly Report, September 25<sup>th</sup>, 2023

- Truckload volumes remain slightly below the 5-year average and 2022 level, but are still well below 2021 volumes. Volumes were about 16% below the same week last year, and almost 28% below the 5-year average.
- Rates are 4% below the 5-year average and are down 10% compared to the same week last year.

- Flatbed rates are 13% lower than the same week in 2022 and around 3% below the 5-year average.
- Flatbed volumes were about 8% lower than this week in 2022 and 36% below the 5-year average for this week.
- The holiday season and 2024 are expected to be tight as the data suggest more carriers may exit the market towards the end of the year.

## Total spot rates

Weekly broker-posted rate per mile



Source: Truckstop, FTR - <http://freight.ftrintel.com/spotmarketinsights>

Source: FTR Weekly Report, September 25<sup>th</sup>, 2023