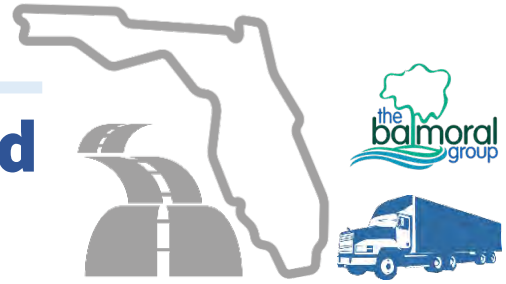


December 2023: Turnaround Expected in 2024



Overcapacity still dominates the trucking market, but as capacity contracts further, a shift in the market could occur in 2024.

Capacity continues to exit the trucking market as the number of insured drivers has declined 18% since May 2022. The demand side of the market has remained strong, although carriers might not have felt it because of the overcapacity of supply. Trailer orders have declined to pre-pandemic levels. However, orders for construction-related trucks – dump, concrete and refuse-related – continue to rise. There is a worry that capacity may exit the market too quickly, leading to a capacity crunch in the second half 2024. After months of declines, some experts believe pricing could start increasing again as early as March 2024, while others believe reductions in price could continue until mid 2024. Industry experts seem consistent in their belief that prices will be in growth mode somewhere in the next 12 months.

Total spot load availability

Weekly index, 100 = 2014 average



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

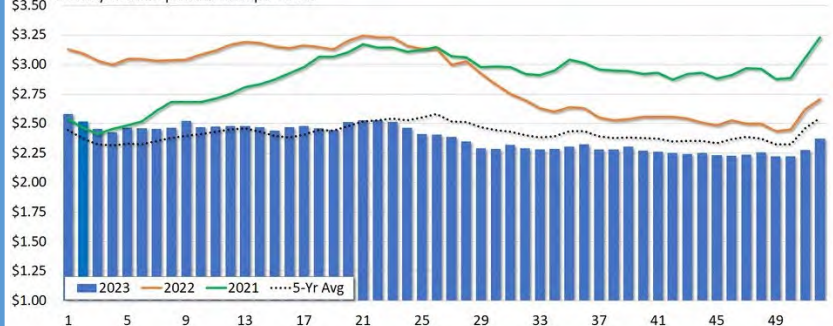
Source: FTR Weekly Report, January 2nd, 2024.

- Truckload volumes declined compared to previous years. Volumes were about 40% below the same week last year, and more than 44% below the 5-year average.
- Truck availability (postings) declined 27.8% and the ratio of loads to trucks increased slightly to its highest level in the past 3 weeks.
- The decline in capacity influenced rates in the last week of 2023.

- Spot rates are 7% below the 5-year average and are down more than 12% compared to the same week last year.
- Flatbed rates are 14% lower than the same week in 2022 and around 5% below the 5-year average.
- Flatbed volumes were about 37% lower than this week in 2022 and only 54% below the 5-year average for this week.

Total spot rates

Weekly broker-posted rate per mile



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

Source: FTR Weekly Report, January 2nd, 2024.