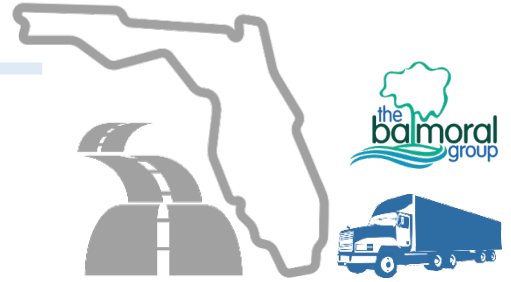


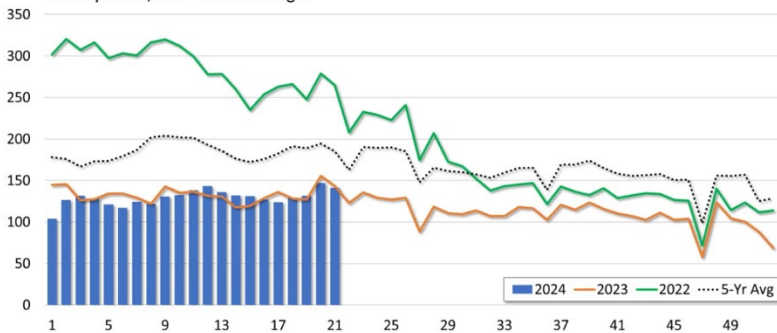
May 2024: Turnaround in Late 2024/Early 2025



Reports continue to point towards a turnaround in late 2024 or early 2025. Recent data continues to show that trucking capacity is declining and the market is moving to become more balanced. Unfavorable conditions still persist; rising costs of diesel, auto insurance premium increases, and high interest rates may impact demand. The continued cost increases could price some carriers out of the market and impact capacity, forcing a tighter overall market. Reports indicate that market rebalancing will be gradual, with rates increasing as capacity falls. Specialized trucking showed an increase in capacity according to Freight Transportation Research (FTR). Over the past month, specialized trucking volumes were between 40% to over 100% above normal. Specialized trucking rates continued to be normal or slightly below normal, however.

Total spot load availability

Weekly index, 100 = 2014 average



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

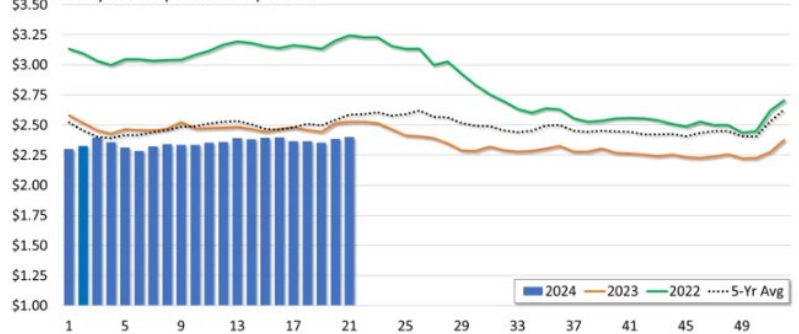
Source: FTR Weekly Report, May 24th, 2024.

- Truckload volumes were about 2% below the same week last year, and 24% below the 5-year average.
- Roadcheck, a targeted enforcement program, and Memorial Day traffic likely increased volumes in May 2024 compared to the previous month.
- Truck availability (postings) increased 1.7% and the ratio of loads to trucks declined.

- Spot rates are more than 7% below the 5-year average and the same week last year.
- Flatbed spot rates increased slightly. Rates are 6.6% below the same week in 2023 and more than 7.5% below the 5-year average for this week.
- Flatbed volumes were 1% below the same week in 2023 and 29% below the 5-year average for this week.

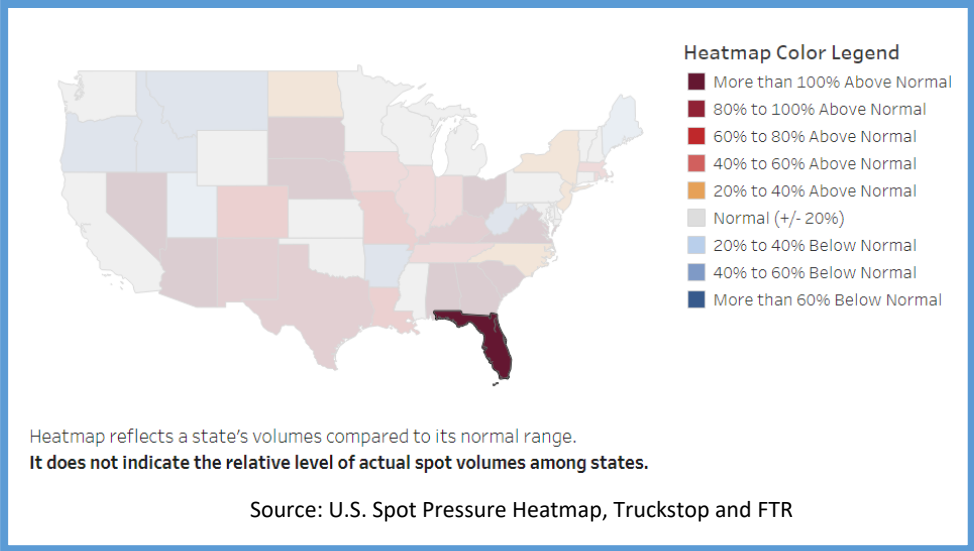
Total spot rates

Weekly broker-posted rate per mile



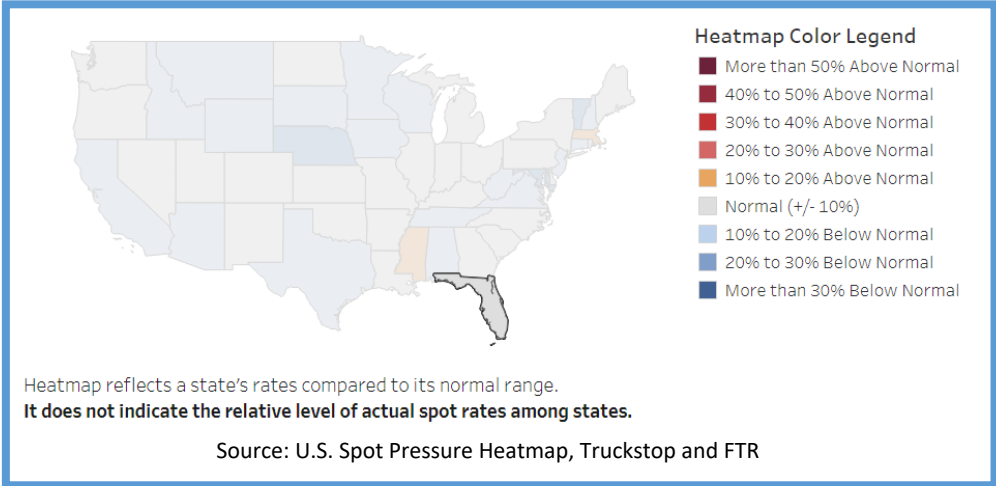
Source: Truckstop, FTR - <http://freight.frintel.com/spotmarketinsights>

Source: FTR Weekly Report, May 24th, 2024.



- For the week ending May 19th, 2024 load volumes for specialized trucking were more than 100% above normal.
- Volumes fluctuated between 40% to more than 100% above normal in May 2024.
- More capacity entered the specialized trucking sector recently, keeping rates down.

- For the week ending May 19th, 2024 spot rates for specialized trucking were normal, despite holiday-driven volume increases.
- If smaller firms cannot sustain input cost increases, gradual rate hikes are expected.
- Over the past month, rates have mainly been normal, but dipped to 10-20% below normal for a few weeks.



- Specialized trucking is utilized for fabricated structural elements used in FDOT projects.
- A “normal” period is based on analysis of historical seasonal data and how the trucking industry would look during a normal growth period.