



ECONOMIC INSIGHTS JANUARY, 2024

LMI

**LTL PRICE
INDEX**

PMI

**DAT NATIONAL
VAN RATES**

**CASS FREIGHT
INDEX**

MONTHLY GDP

RETAIL SALES

DIESEL PRICE

**TRUCKING
TONNAGE**

**FUTURE
OUTLOOK**



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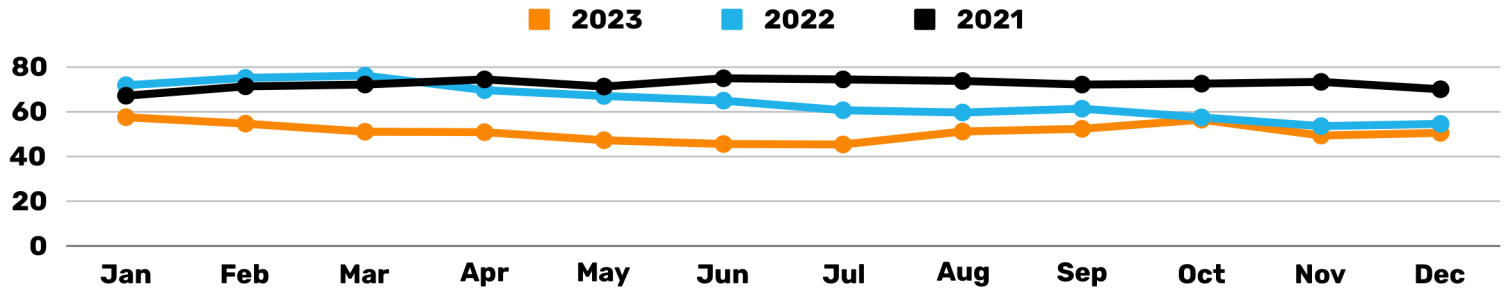


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Logistics Manager's Index (LMI)

Source: Descartes

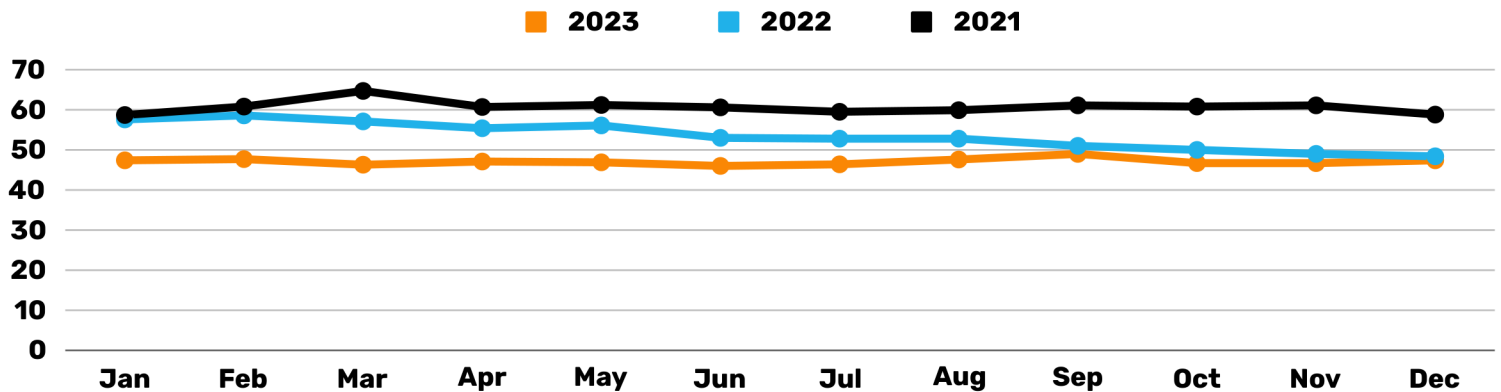
The Logistics Managers' Index (LMI) reached 50.6 in December, indicating expansion. Warehousing metrics showed increased utilization (+7.4) and prices (+1.2), while inventory levels declined despite swift product sales due to JIT practices. Transportation utilization expanded (+4.6), but transportation prices declined (-1.1). Inventory costs experienced significant growth at a rate of 55.8 (-6.3), prompting close monitoring of this metric in light of the shift towards Just-in-Time inventory management.



Purchasing Manager's Index (PMI)

Source: The Institute for Supply Management (ISM)

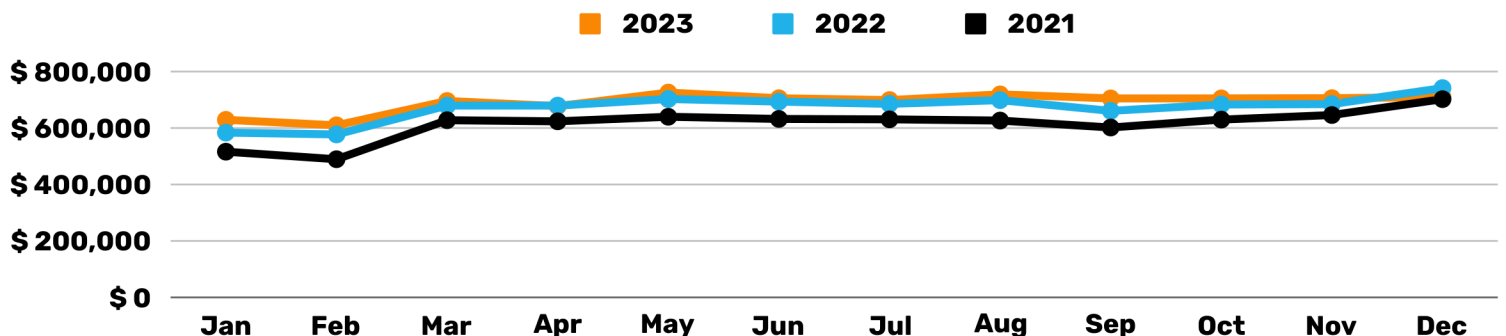
The U.S. Manufacturing PMI remained in contraction at 47.4% in December, with a slight improvement compared to November. Primary Metals showed growth, while the remaining 16 industries experienced contraction.



Retail Sales

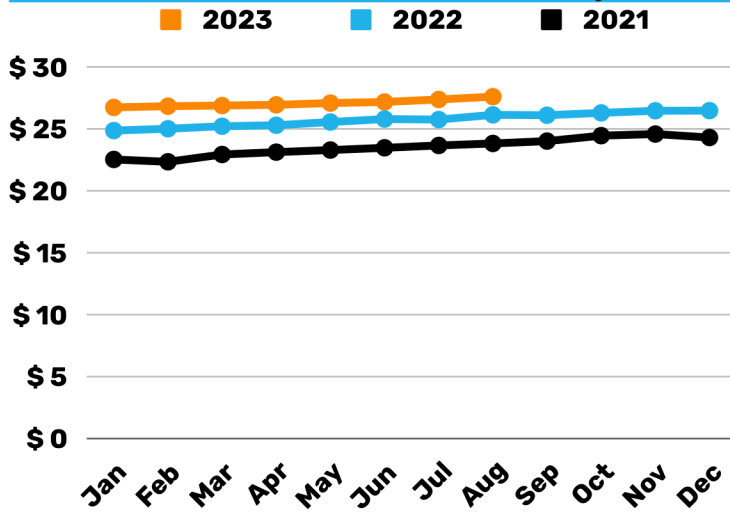
Source: Census.gov

US retail and food services sales reached \$709.9 billion, with a monthly increase of 0.6% and a significant 5.6% increase compared to the previous year. Sales for the entire year of 2023 grew by 3.2% ($\pm 0.4\%$), highlighting the positive trajectory of the industry. Nonstore retailers experienced a substantial 9.7% YoY growth, while food services and drinking places witnessed an 11.1% surge from the previous month.



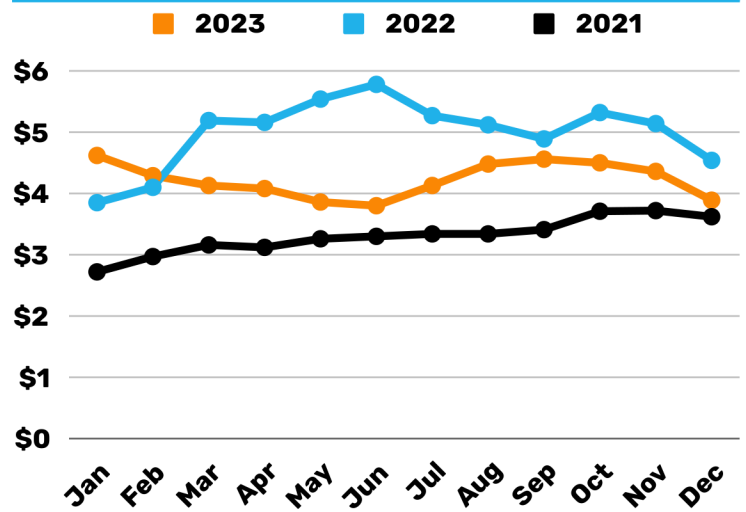
Monthly GDP (In Trillions)

Source: Bureau of Economic Analysis



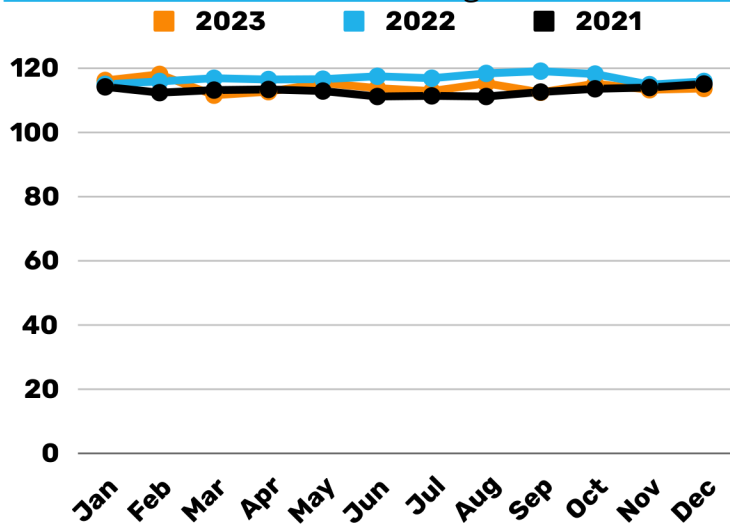
US Diesel Price

Source: US EIA



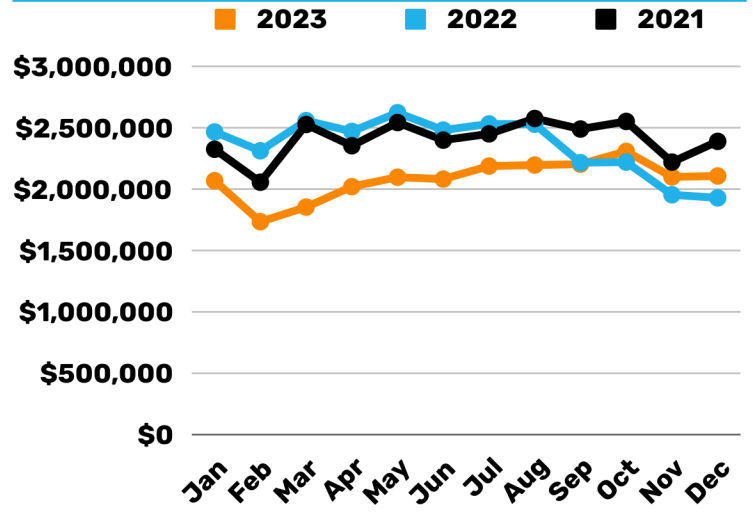
Trucking Tonnage

Source: American Trucking Association



Import TEUs

Source: Descartes



Future Outlook

FTL rates thus far in Q1 have ticked up slightly, driven by winter weather and carriers continuing to exit the marketplace.

LTL rates are expected to remain stable throughout the year. Nearshoring in Mexico is becoming popular among U.S.-based companies in 2024, allowing for diversified manufacturing locations and reduced supply chain risks. Mexico has become an appealing destination for manufacturing.

To stay ahead of the competition, it's important to be flexible in your strategies and explore ways to optimize costs. If you require any help with carrier partnerships, TMS technology, or auditing your current processes, please don't hesitate to reach out. We would be more than happy to provide assistance throughout the upcoming year.