

# ECONOMIC INSIGHTS APRIL, 2024

**LMI** 

TRUCK TONNAGE

**PMI** 

DAT NATIONAL RATES

RETAIL SALES

**IMPORT TEUS** 

CASS FREIGHT INDEX

**DIESEL PRICE** 

LTL PRICE INDEX

**MONTHLY GDP** 



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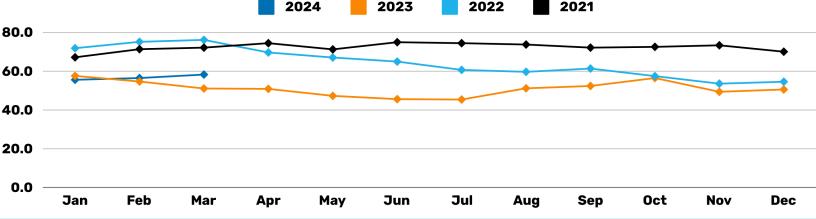


MyFreightWorld Inc.

### **Logistics Manager's Index (LMI)**

Source: the-Imi.com

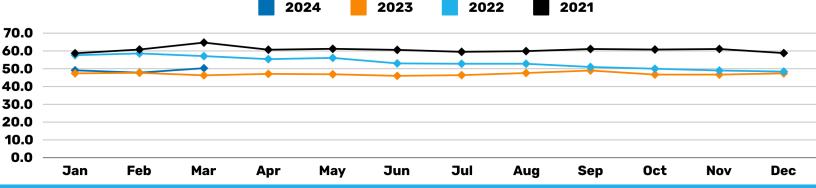
The Logistics Manager Index (LMI) has climbed to 58.3, signifying an increase in logistics activity with a 1.8% rise month-over-month and showing expansion in seven of the last eight months. Inventory levels saw an uptick to 63.8, the highest increase since October 2022. Conversely, warehouse capacity dropped to 44.6, indicating its first contraction since January 2021.



## **Purchasing Manager's Index (PMI)**

**Source:** The Institue for Supply Management (ISM)

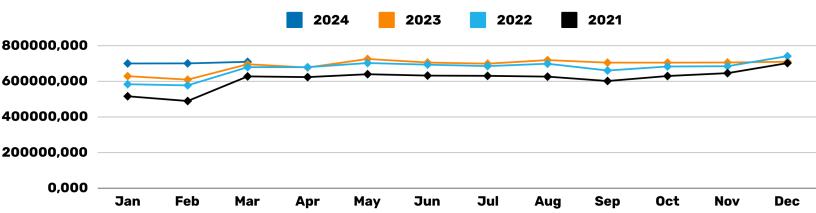
The US Manufacturing Purchasing Manager's Index (PMI) has risen to 50.3, effectively ending a 16-month streak of contraction with a notable 2.5% increase from February. This development signals a pivotal shift in manufacturing dynamics.



#### **Retail Sales**

Source: Census.gov

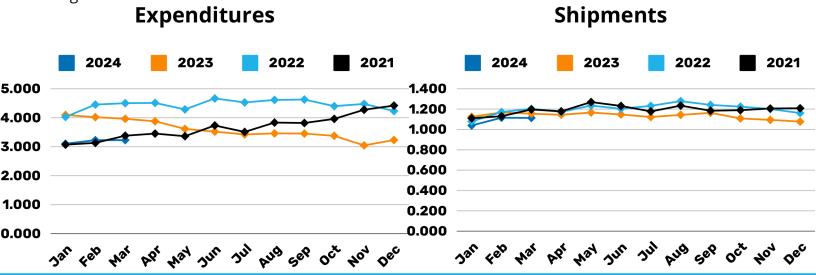
In March, the Monthly Retail Sales Index climbed to 709,600, demonstrating a steady progression from February's figure of 700,700 and marking a 2% year-over-year growth from last year's 695,933. This rise of 1.3% from the previous month underscores a robust consumer spending environment and broader economic resilience.



## **Cass Freight Index**

**Source:** Cass Information Systems

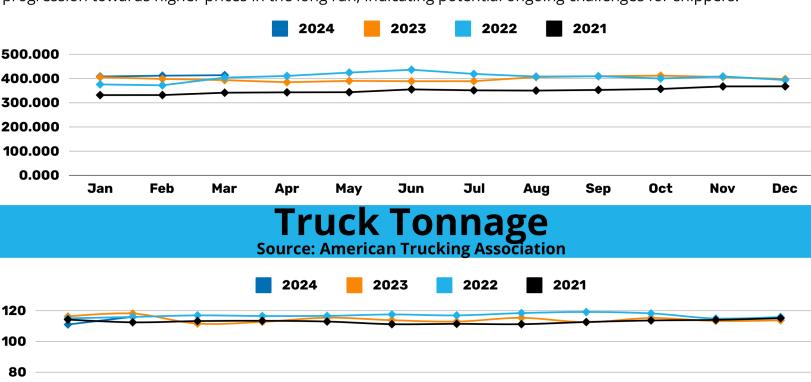
The Cass Freight Shipments Index reported a slight decrease to 1.113, representing a modest 0.2% drop monthover-month. Expenditures in the freight sector saw a minimal increase of 0.1% from the previous month, while still remaining 18% down year-over-year. Truckload Linehaul Index in March indicated a slight increase, reinforcing the notion of market stabilization.



#### LTL Producer Price Index

Source: Bureau of Labor Statistics

The LTL Producer Price Index (PPI) has risen to 412.884, a slight increase from last month's 411.772 and a significant jump from last year's 393.394. This consistent rise in the LTL PPI reflects the increasing cost pressures faced by the LTL shipping sector over the past year. The shift from 411.772 to 412.884 indicates a steady progression towards higher prices in the long run, indicating potential ongoing challenges for shippers.



Jun

Jul

Aug

Sep

Oct

Nov

Dec

60

40

20

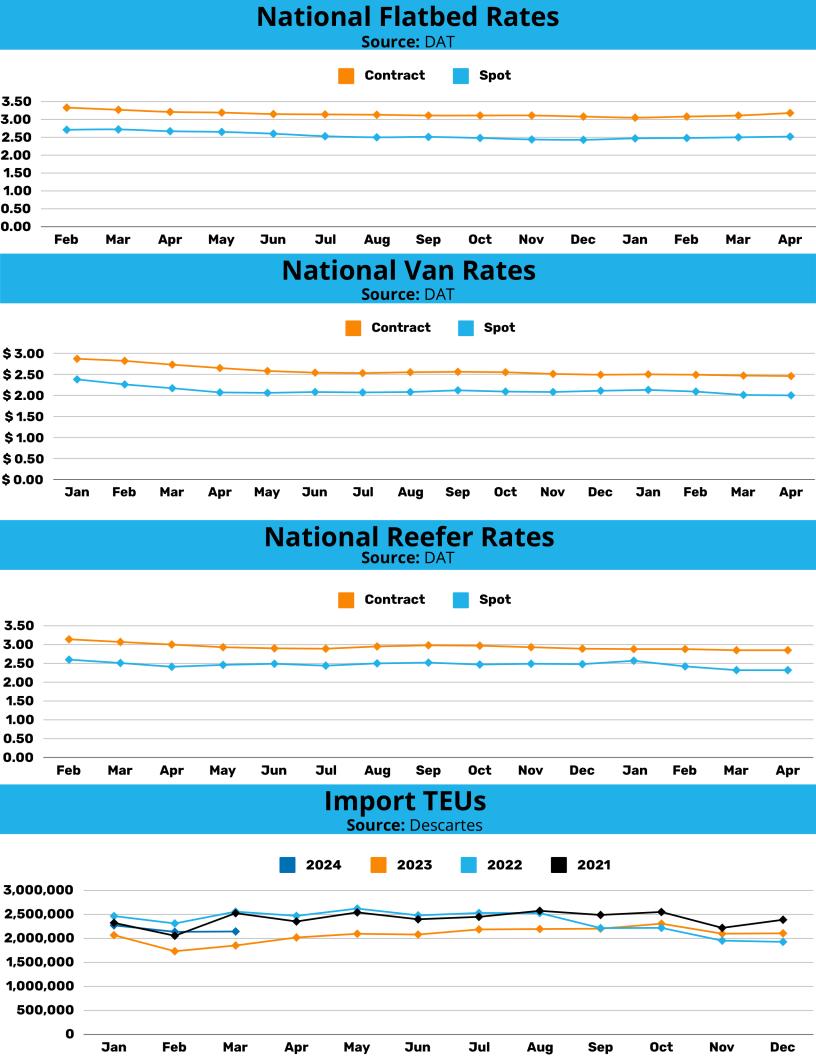
Jan

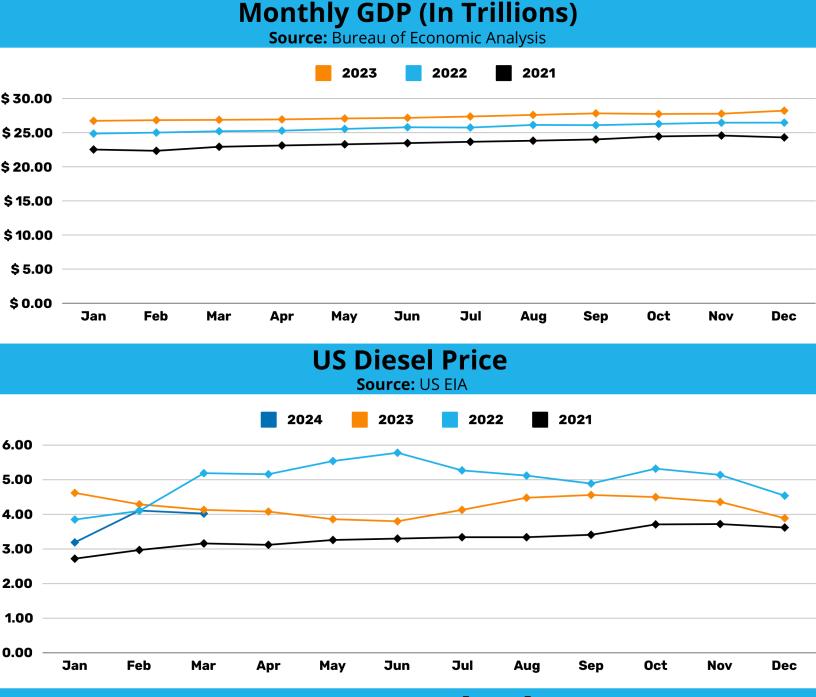
Feb

Mar

Apr

May





## **Future Outlook**

The Logistics Manager Index (LMI) and the Purchasing Manager's Index (PMI) have both entered growth territory, signaling a strengthening in manufacturing and logistics sectors. Retail sales have also shown consistent growth, demonstrating consumer spending resilience. However, the modest decline in the Cass Freight Index alongside continued year-over-year expenditure reductions highlights the lingering economic sensitivities and cost pressures within the freight operations.

Growth mode is encouraging for the transportation industry, but we still anticipate a freight sluggish market for the remainder of 2024. Things to keep an eye on that could change that are continued growth in manufacturing, and if the Fed makes any changes to the current interest rate.