



# **ECONOMIC INSIGHTS**

## **MAY, 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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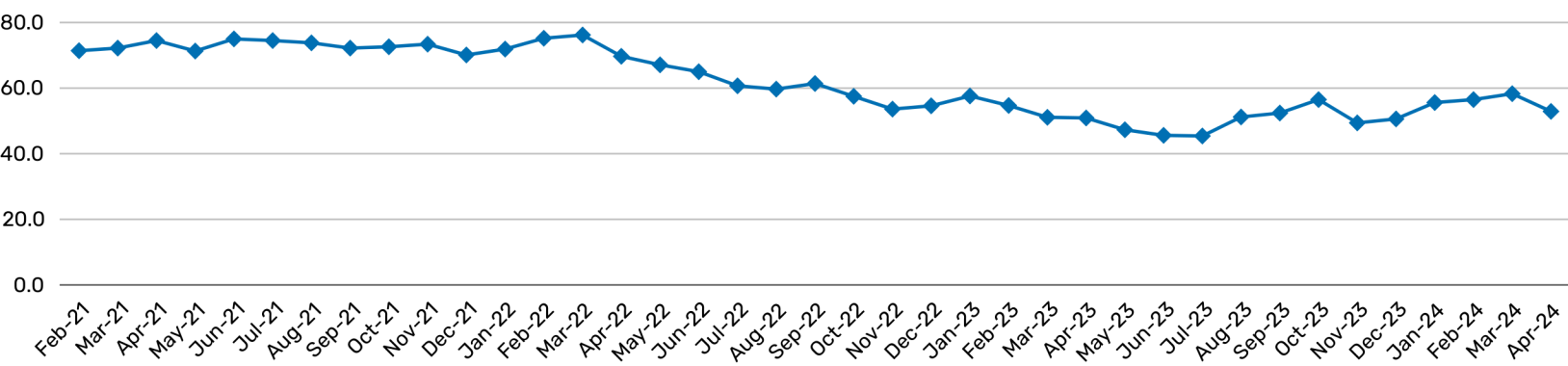


**MyFreightWorld Inc.**

# Logistics Manager's Index (LMI)

Source: the-lmi.com

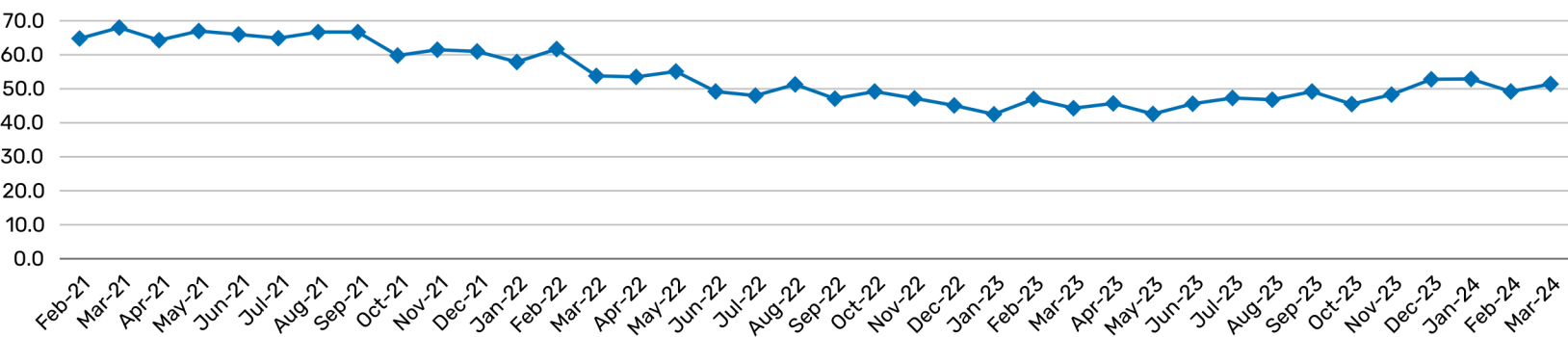
The Logistics Manager's Index (LMI) for April 2024 dropped to 52.9, down from 58.3 in March, indicating slower growth in the logistics industry. This decline ends four months of increasing expansion rates. The slowdown is primarily due to a significant reduction in Inventory Levels, which fell by 12.8 points to 51.0, impacting Warehousing and Transportation Capacity. Transportation Prices also contracted to 44.1, highlighting continued freight recession with Transportation Capacity exceeding Prices by 17.3 points.



# Purchasing Manager's Index (PMI)

Source: The Institute for Supply Management (ISM)

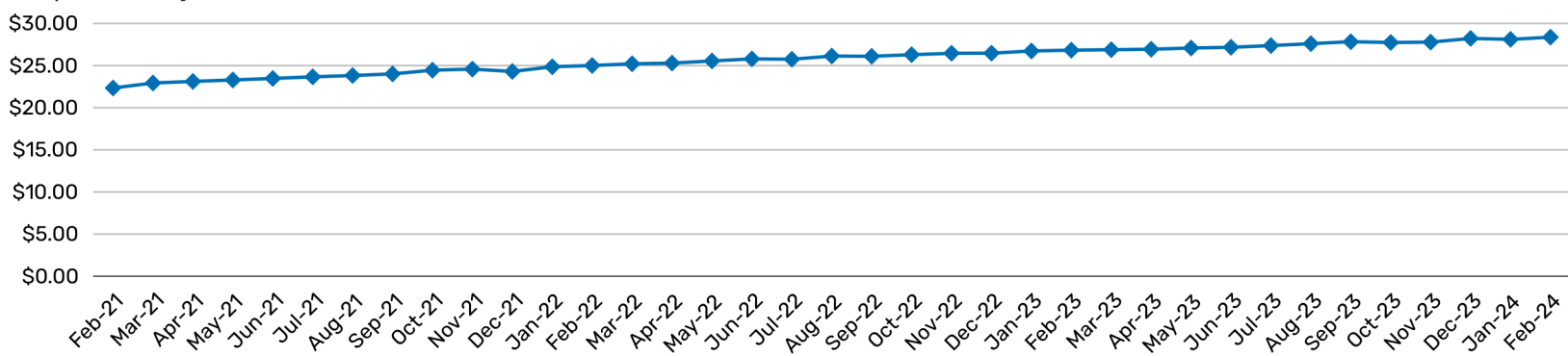
In April 2024, the US Manufacturing PMI® fell to 49.2%, indicating contraction after one month of expansion, with a 1.1% decrease from March. Notable monthly trends include declines in new orders (49.1, -2.3%), production (51.3, -3.3%), and supplier deliveries (48.9, -1.0%), while employment saw a slight increase (48.6, +1.2%) and prices rose significantly (60.9, +5.1%).



# Retail Sales

Source: Census.gov

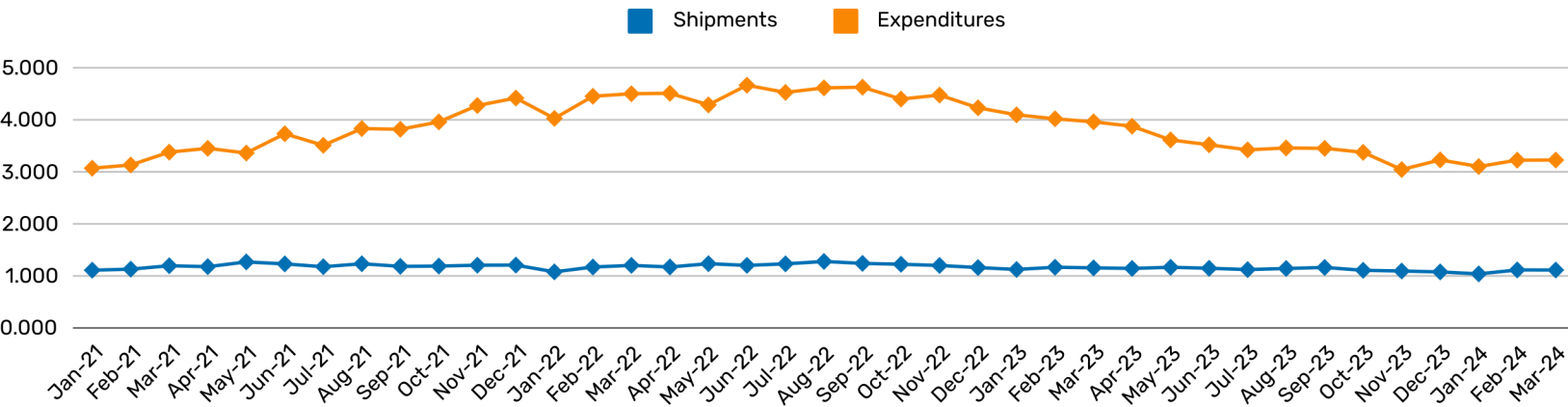
Advance estimates for retail and food services sales were \$705.2 billion, virtually unchanged (+0.4%) from the previous month but up 3.0% from April 2023. Retail trade sales also remained steady month-over-month, with nonstore retailers seeing a 7.5% year-over-year increase, and food services and drinking places up by 5.5% from the previous year.



# Cass Freight Index

Source: Cass Information Systems

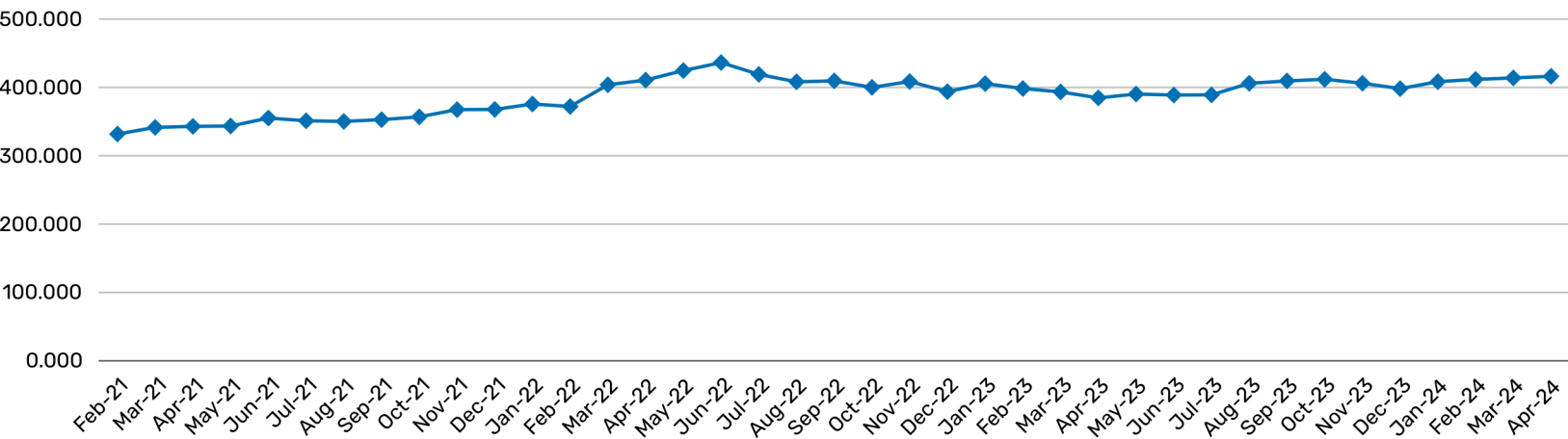
In April 2024, the Cass Freight Index reported a 1.3% month-over-month decline in shipments, with a 4.0% decrease year-over-year. Expenditures remained unchanged from March but fell 16.8% compared to the previous year. This indicates continued soft demand in the freight market, aligning with broader economic trends.



# LTL Producer Price Index

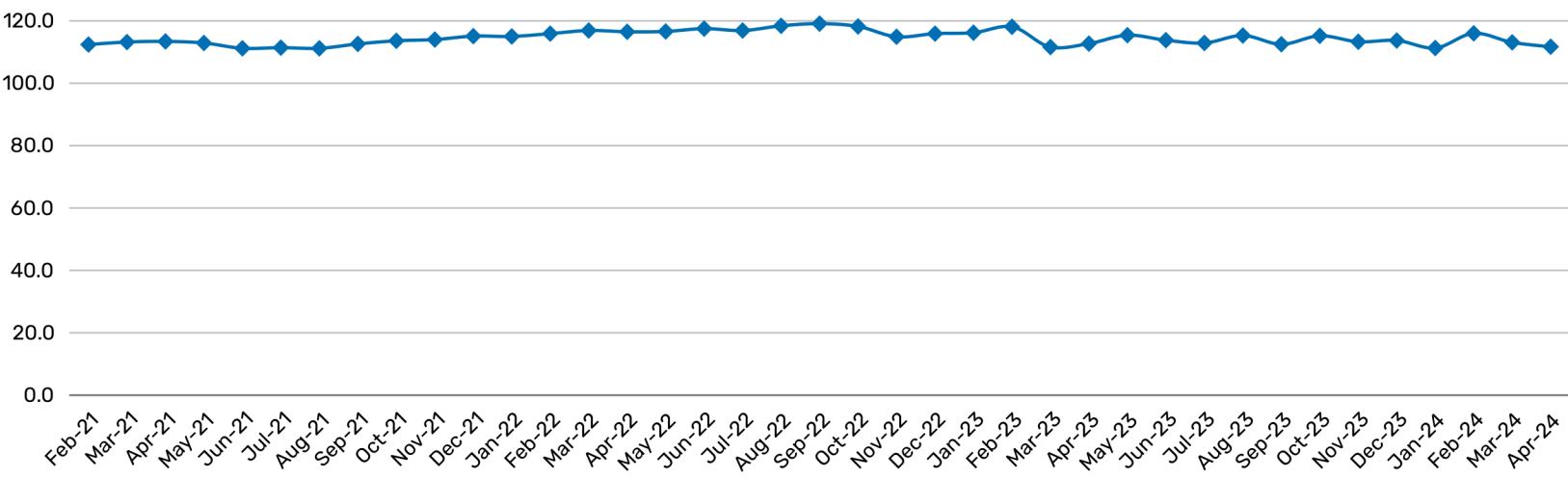
Source: Bureau of Labor Statistics

In April 2024, the Producer Price Index (PPI) for General Freight Trucking, Long-Distance Less Than Truckload (LTL), stood at 411.772, up 0.8% from March's 408.425 and showing a significant year-over-year increase from April 2023's 377.542. This rise indicates ongoing cost pressures in the LTL sector, reflecting higher input costs that are likely being passed on to customers.



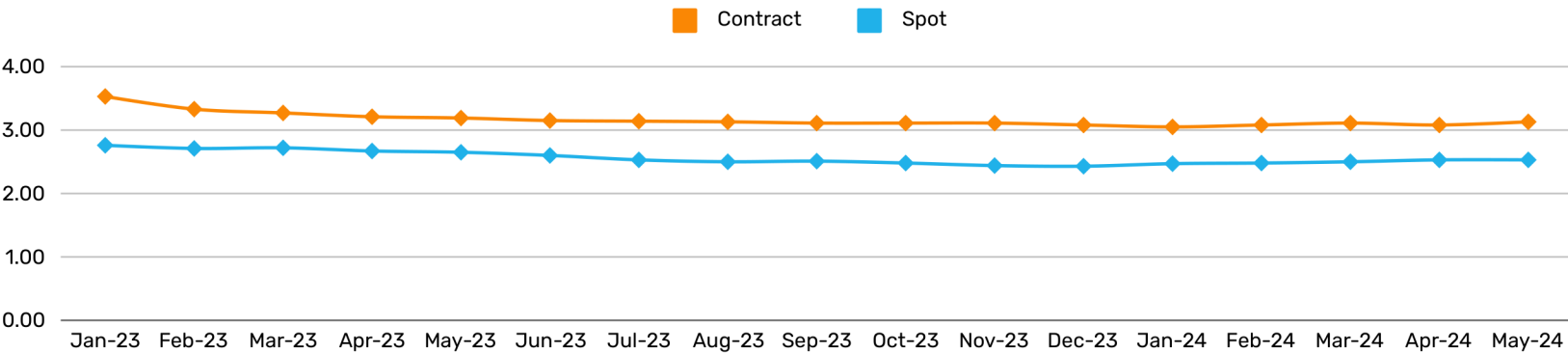
# Truck Tonnage

Source: American Trucking Association



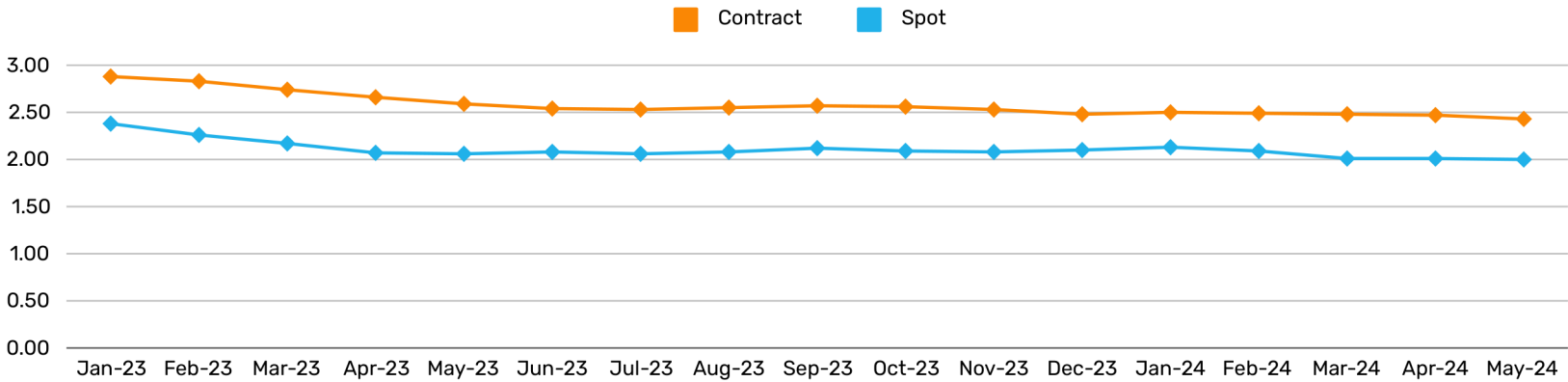
# National Flatbed Rates

Source: DAT



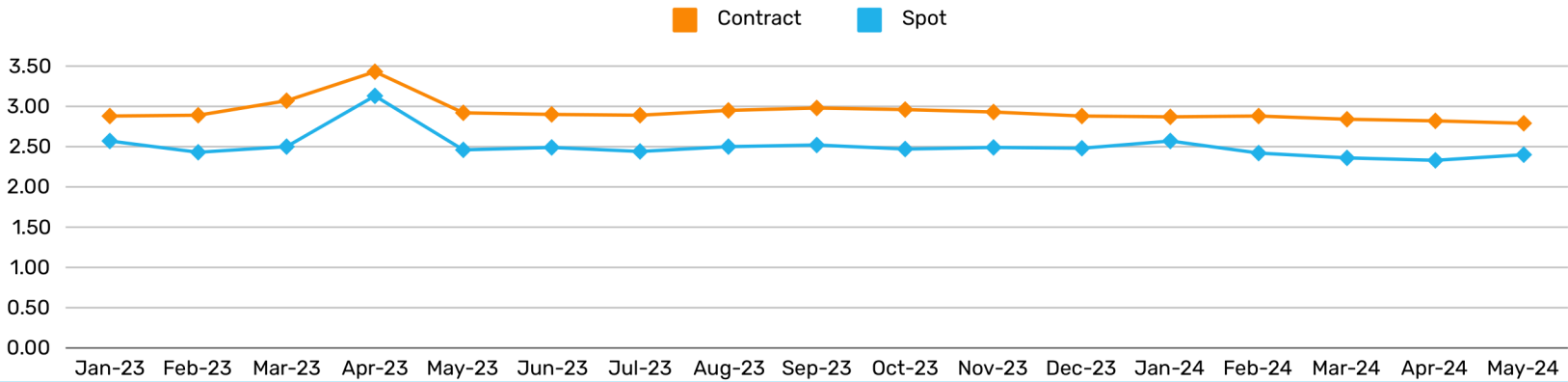
# National Van Rates

Source: DAT



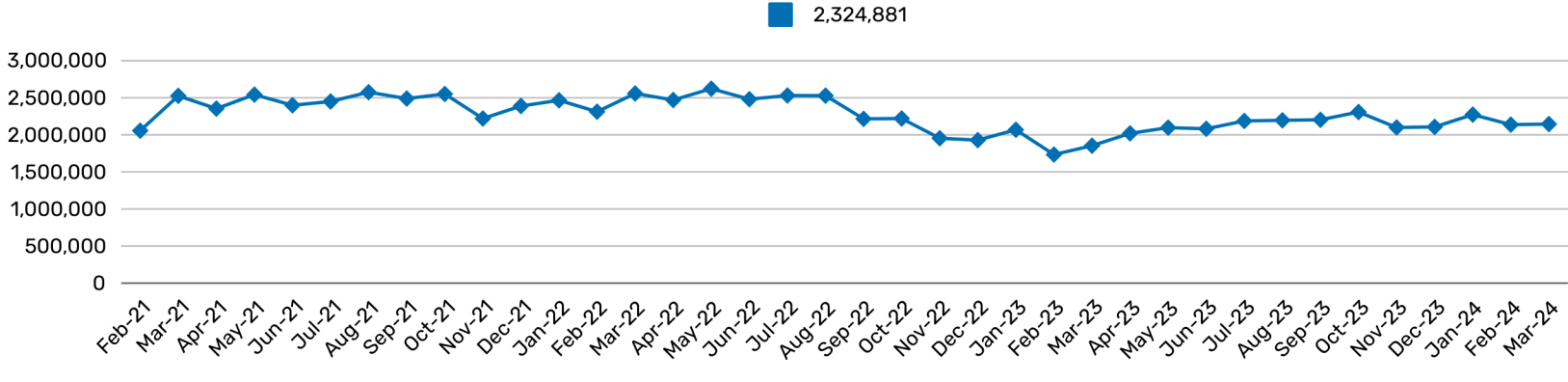
# National Reefer Rates

Source: DAT



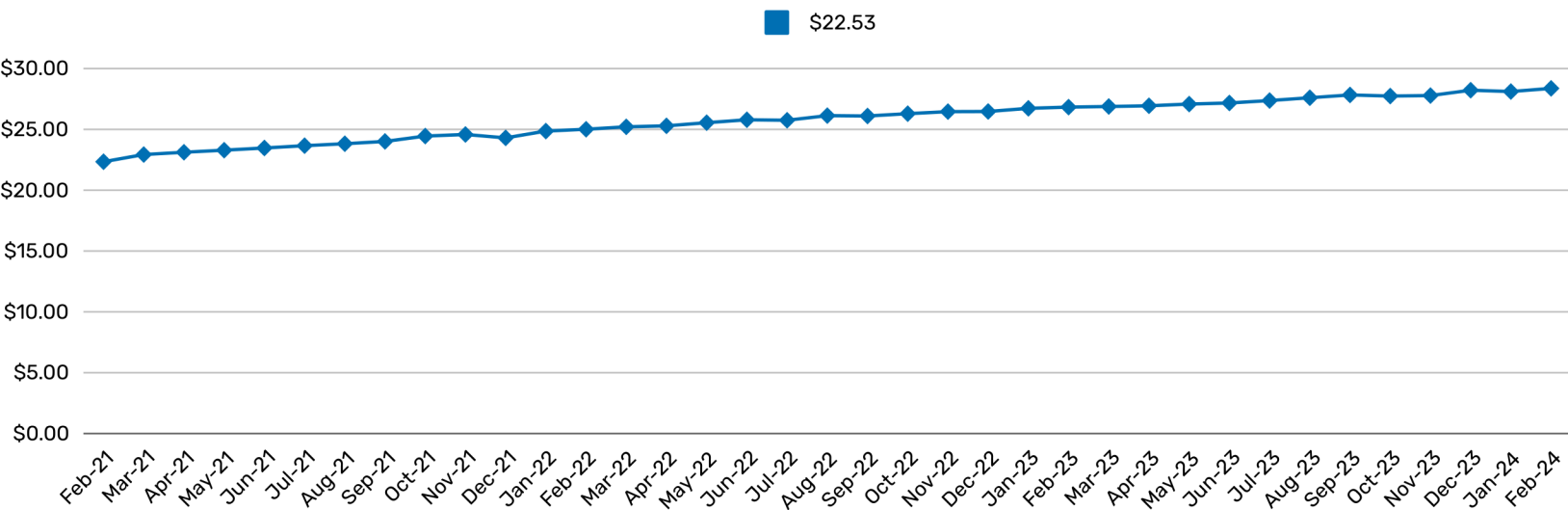
# Import TEUs

Source: Descartes



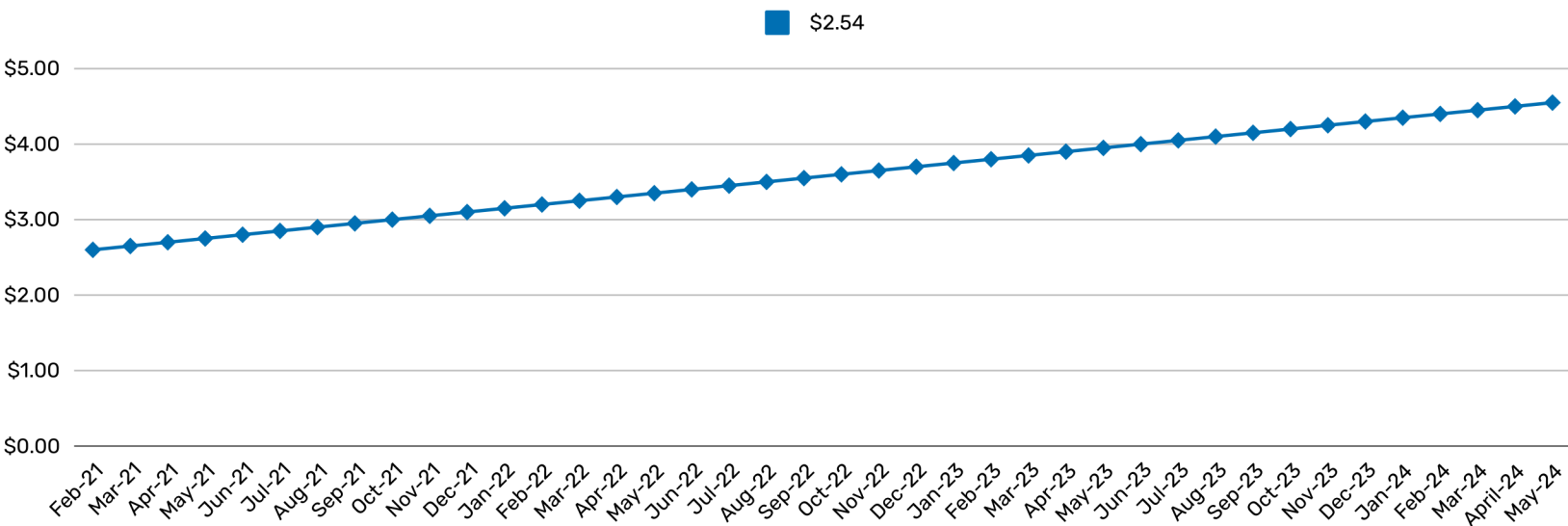
# Monthly GDP (In Trillions)

Source: Bureau of Economic Analysis



## US Diesel Price

Source: US EIA



## Future Outlook

As we look ahead, the transportation and supply chain sector shows a mix of signs. The fluctuation in diesel prices can directly affect transportation costs. At the same time, the steady growth of the economy suggests that there will be more need for transportation services. Imports and retail sales show that consumers are active, but truck rates and tonnage vary, showing that freight volumes aren't consistent. Two important indicators, the Cass Freight Index and LTL Producer Price Index, suggest that costs are going up while shipment volumes is decreasing. This aligns with lower scores on the Purchasing Manager and Logistics Managers indices, which could mean that things might slow down.

Despite these challenges, by closely monitoring these metrics, shippers can take advantage of periods of lower diesel prices and stable contract rates to reduce costs. Understanding market trends through the Cass Freight Index and truck tonnage helps with strategic planning and efficient resource allocation, ensuring adaptability in a changing economy.