



ECONOMIC INSIGHTS

JUNE 2024

LMI

PMI

Retail Sales

Cass Freight Index

LTL Producer Price Index

ATA Truck Tonnage

DAT National Rates

Import TEUs

Diesel Price

Monthly GDP



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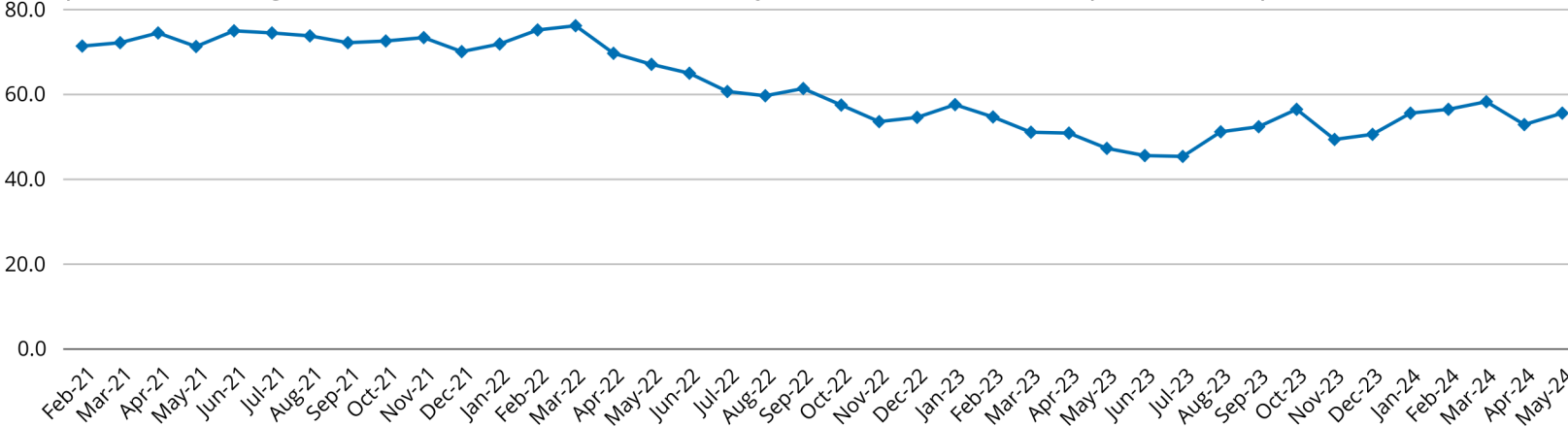


MyFreightWorld Inc.

Logistics Manager's Index (LMI)

Source: The-LMI.com

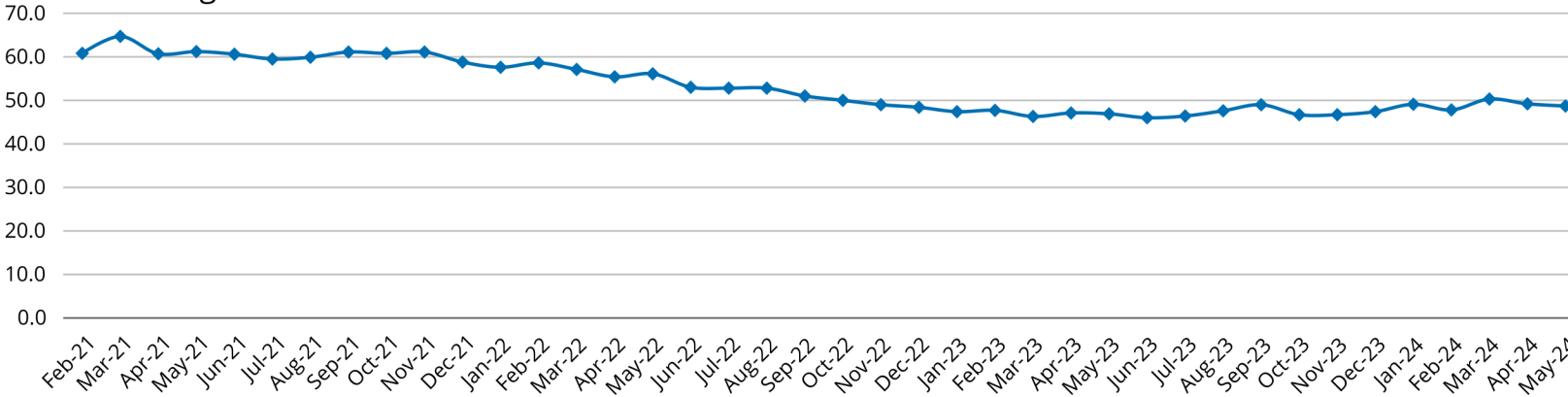
The May 2024 Logistics Managers' Index (LMI) shows an increase to 55.6, indicating growth in the logistics industry. Inventory Levels expanded to 58.5, warehousing utilization tightened to 52.8, and transportation prices increased to 57.6, driven by rising demand and costs. This signals shippers to prepare for higher logistics costs and potential storage constraints to maintain efficiency and control over transportation expenses.



Purchasing Manager's Index: Manufacturing PMI

Source: The Institute for Supply Management (ISM)

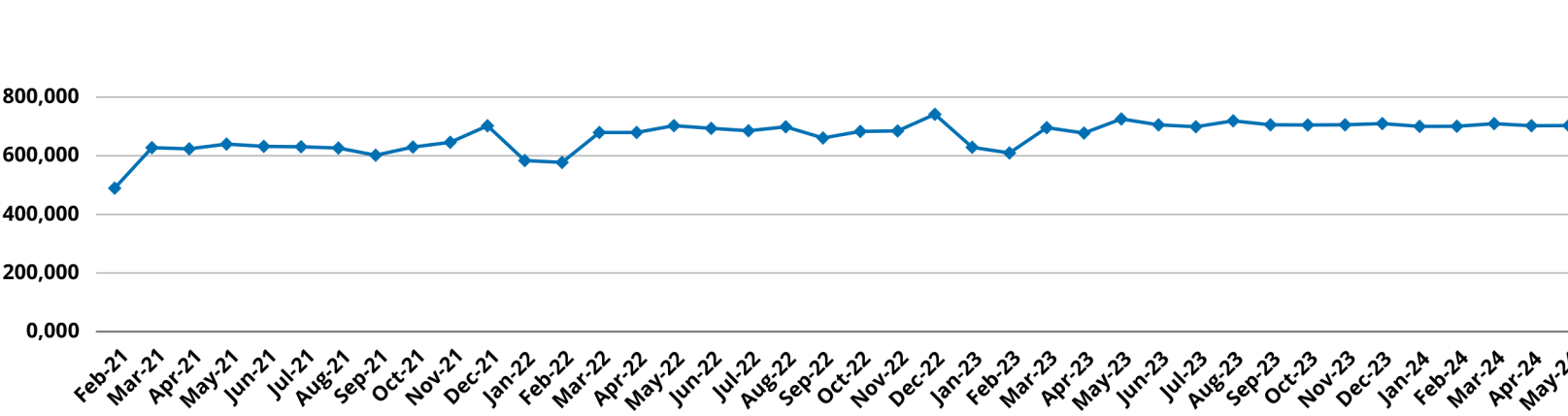
The PMI has fluctuated over the past year, showing signs of recovery in early 2024 but falling below 50 towards contraction in recent months. May 2024 recorded a PMI of 48.7, reflecting a slight decline in manufacturing activity. This contraction suggests potential challenges in demand and production within the manufacturing sector.



Retail Sales

Source: Census.gov

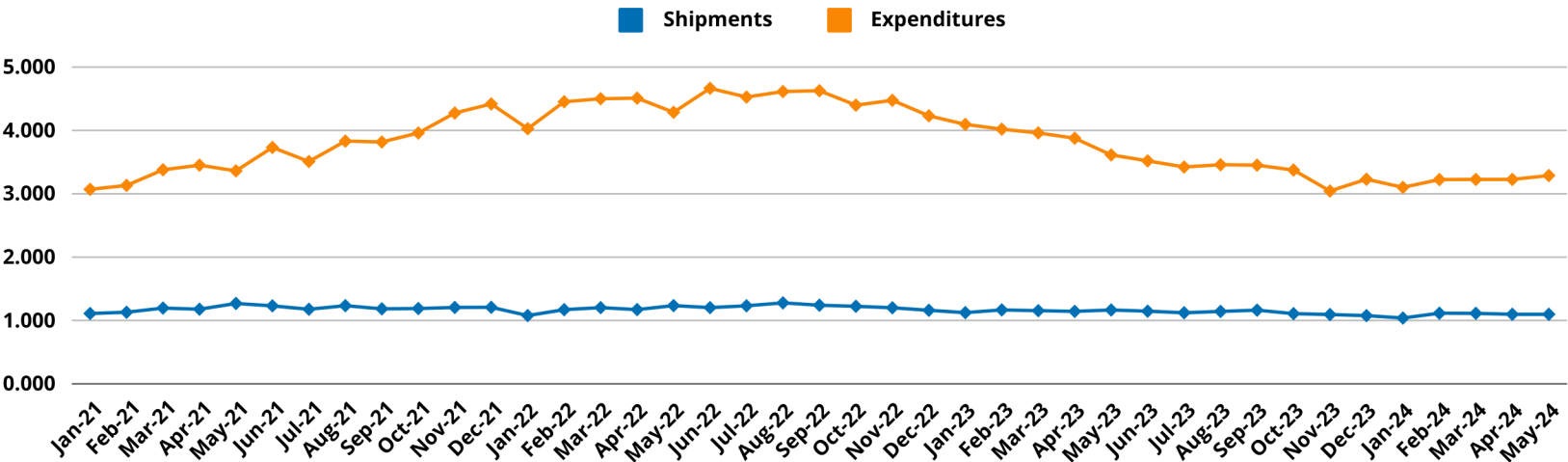
Retail sales have shown growth over the past few years, with notable peaks during the holiday season. The May 2024 figure of \$703.1 billion is part of a steady upward trend and signals a ongoing strong demand for transportation and logistics services to manage increased inventory and distribution needs.



Cass Freight Index

Source: Cass Information Systems

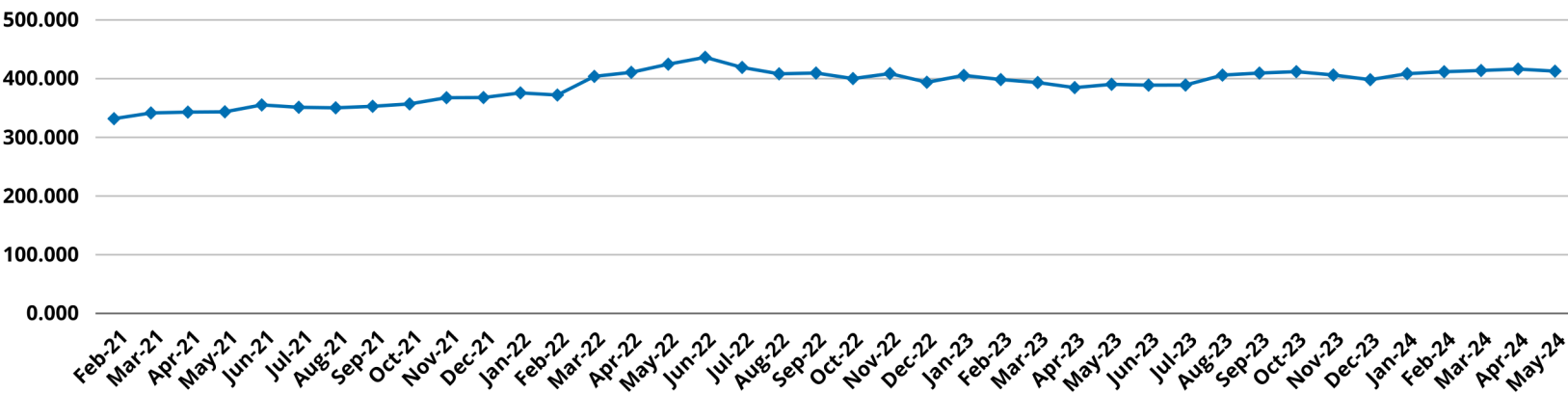
The Cass Freight Index shows a slight increase in both shipments and expenditures in May 2024, reflecting a stable yet modest growth trend. This stability is crucial for shippers as it suggests a consistent demand for freight services without significant cost spikes. Shippers can anticipate steady shipping volumes and expenditures, allowing for more predictable budgeting and resource planning.



LTL Producer Price Index

Source: Bureau of Labor Statistics

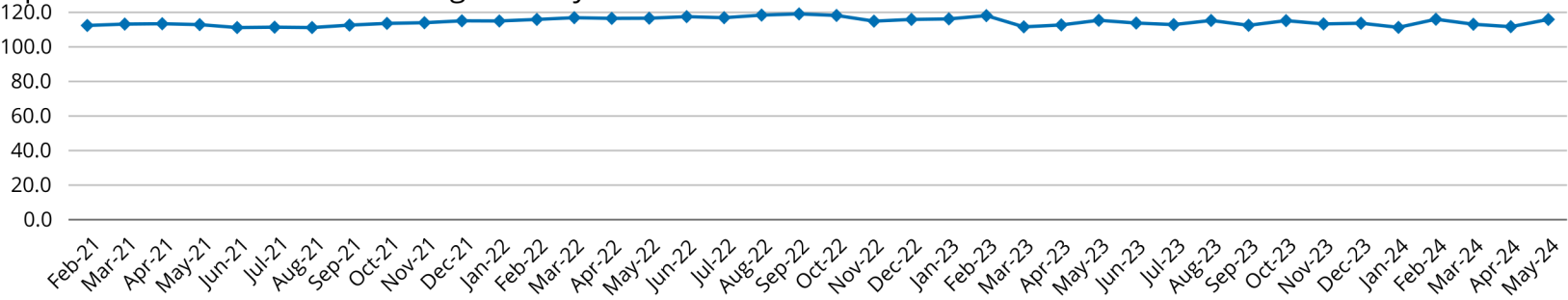
In May 2024, the LTL (Less-Than-Truckload) Producer Price Index stood at 412.717, marking a slight decrease from the previous month of 416.344. The index has shown significant fluctuations over the past few years, with notable peaks in mid-2022. The slight decrease in May 2024 suggests a stabilization in LTL pricing, providing shippers with more predictable cost structures for planning and budgeting.



Truck Tonnage

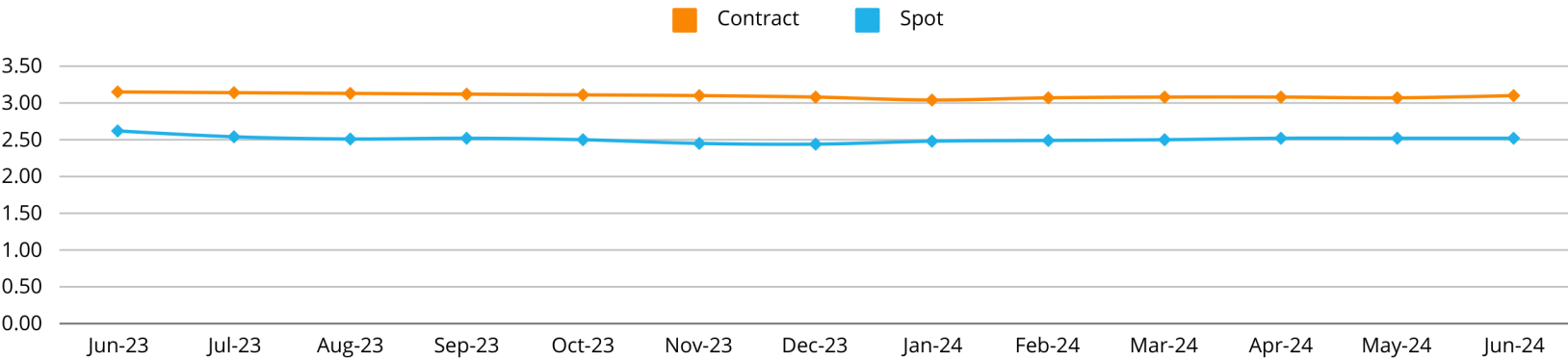
Source: American Trucking Association

In May 2024, the ATA Truck Tonnage Index recorded 115.9, showing a slight increase from the previous month. The index reached a peak of 119.1 in September 2022 and has been relatively stable around the 110-115 range in recent months. The increase to 115.9 in May 2024 suggests a steady demand for truck freight services, providing a positive outlook for the trucking industry.



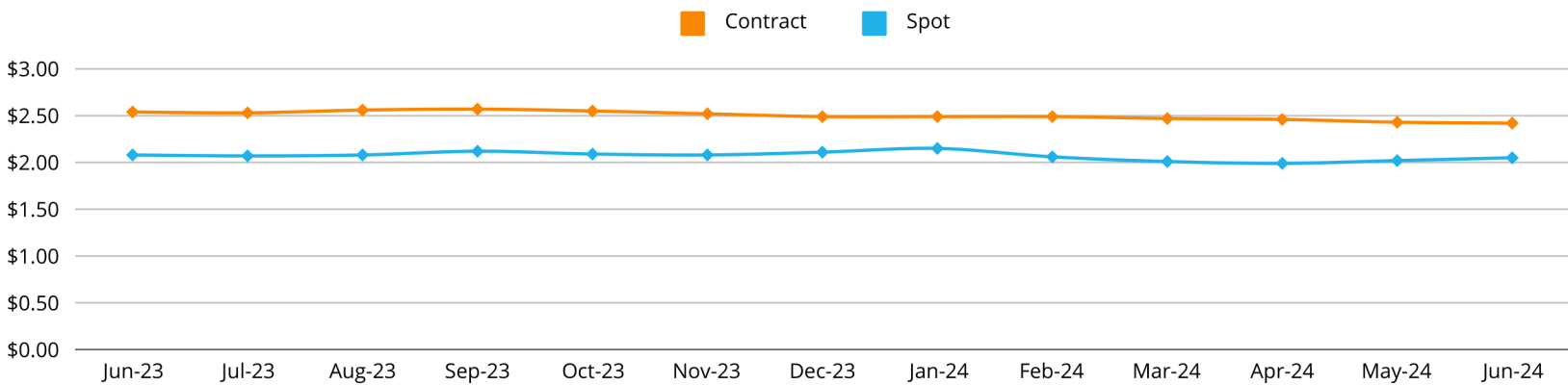
National Flatbed Rates

Source: DAT



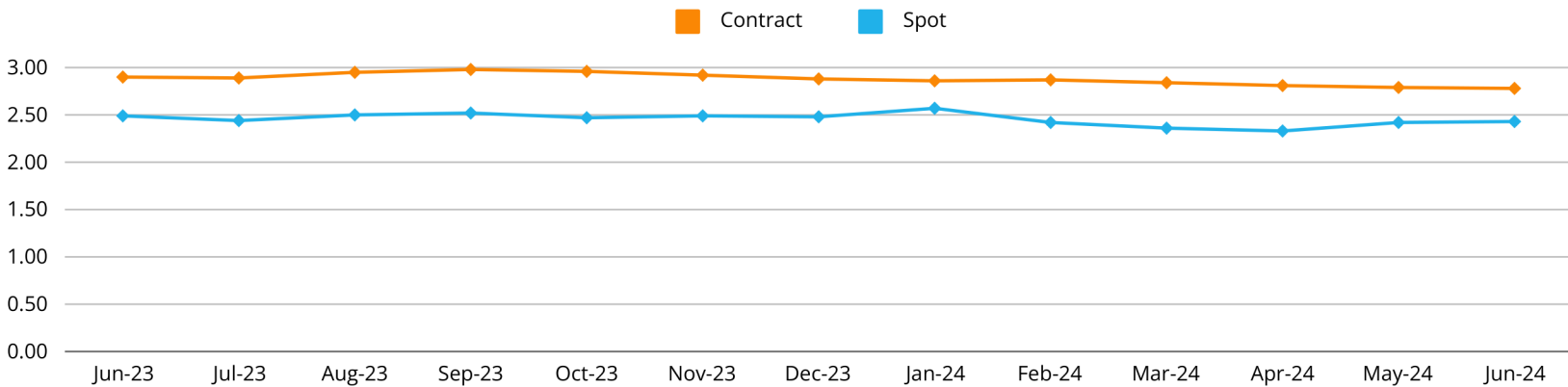
National Van Rates

Source: DAT



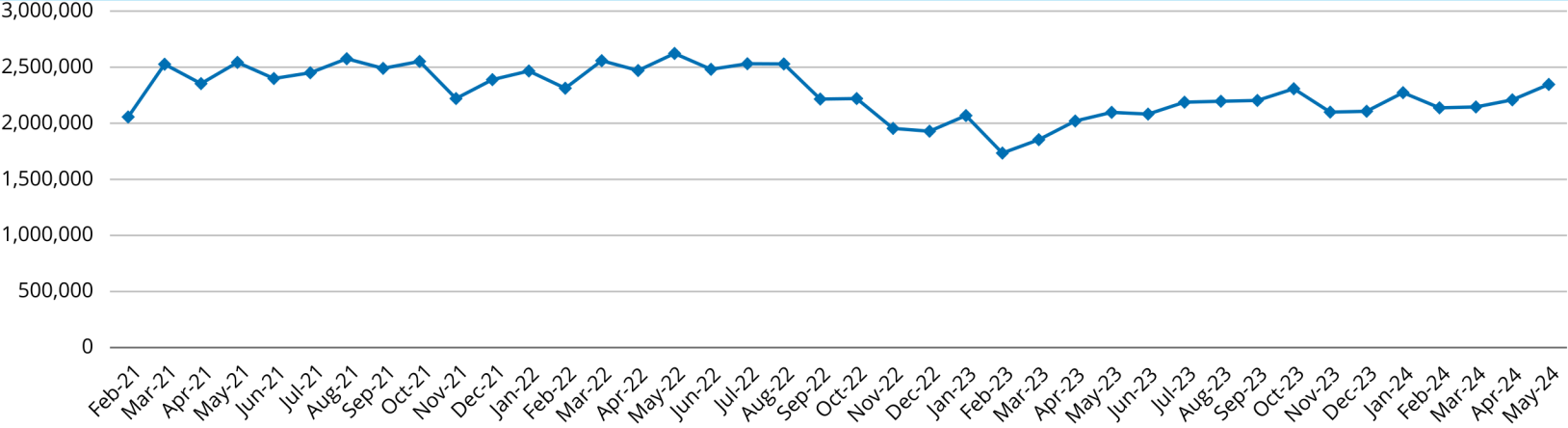
National Reefer Rates

Source: DAT



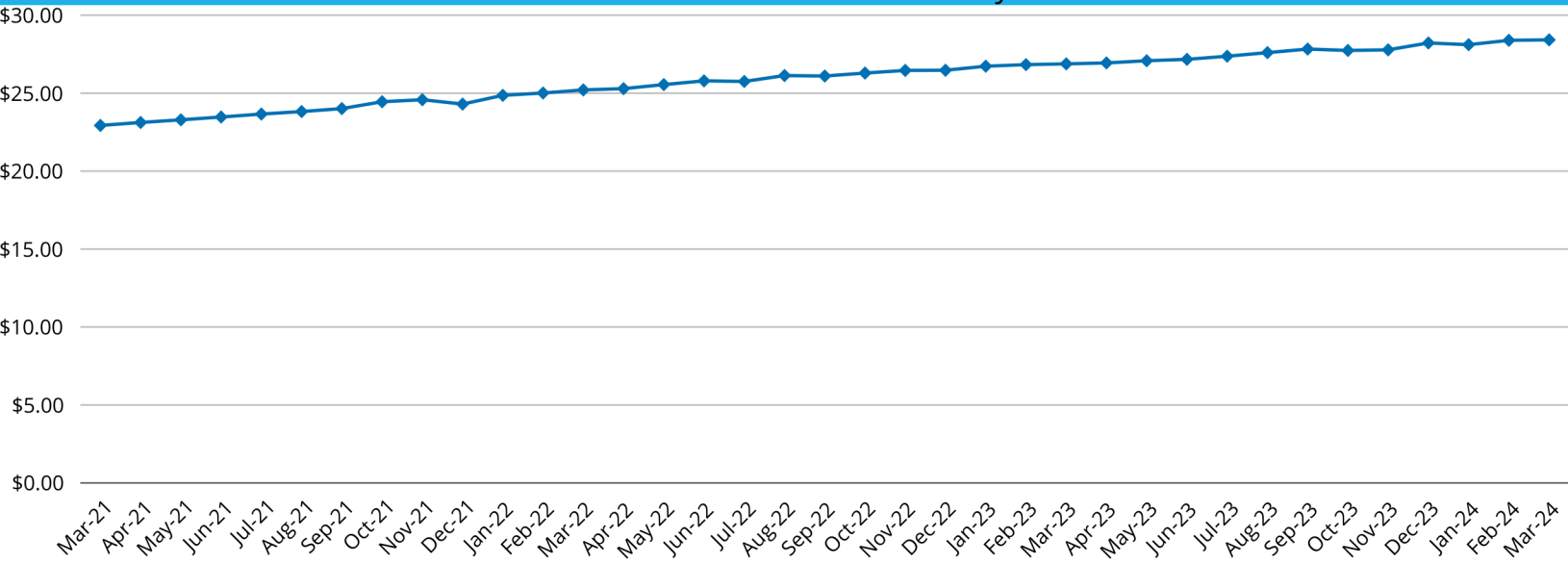
Import TEUs

Source: Descartes



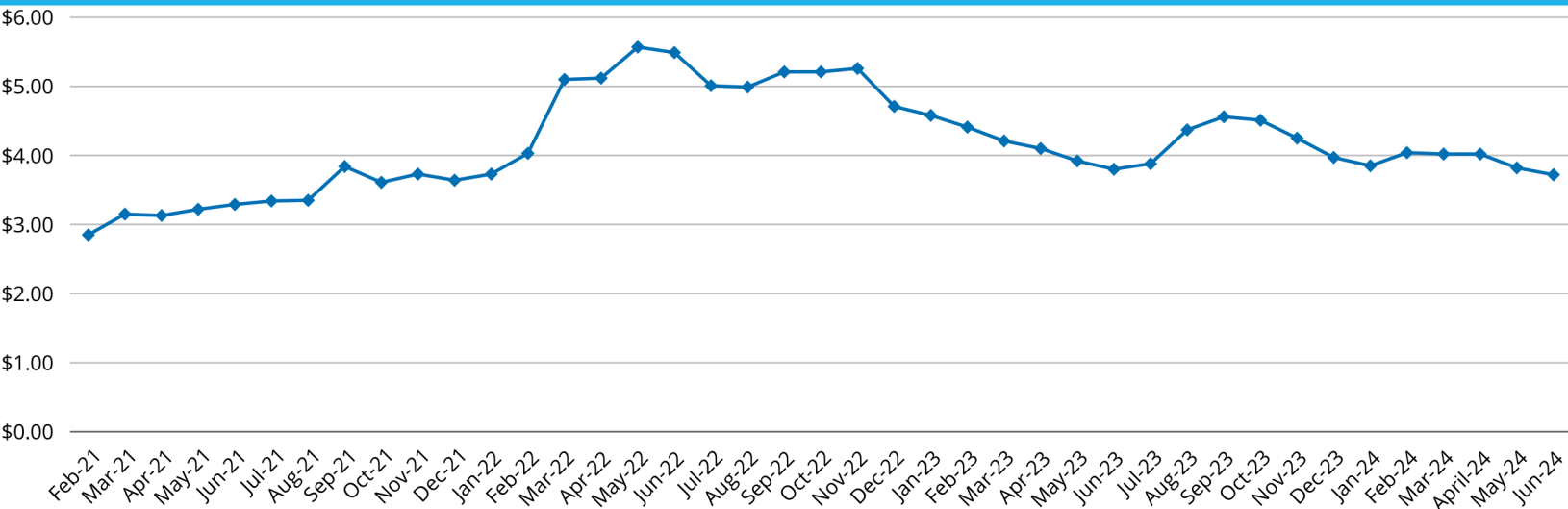
Monthly GDP (In Trillions)

Source: Bureau of Economic Analysis



US Diesel Price

Source: US EIA



Future Outlook

As we enter the third quarter of 2024, shippers should prepare for a mixed yet stable economic environment influenced by various key indicators. The Manufacturing PMI recently indicated a contraction, reflecting potential challenges in production and supply chain management. However, the Logistics Managers Index (LMI) shows continued growth, with expanded inventory levels and increased transportation prices, signaling strong demand for logistics services. The ATA Truck Tonnage Index reflects steady demand in the trucking industry, providing a positive outlook for freight services. Additionally, the Cass Freight Index reported stable shipments and expenditures, indicating consistent freight volumes and costs for shippers.

U.S. container imports have shown significant increases, highlighting robust consumer demand and economic activity. Monthly retail sales continue a trend of strong consumer spending, which drives demand for transportation and logistics services. Diesel prices remain high, impacting transportation costs, while the LTL Producer Price Index and DAT rates for van, reefer, and flatbed equipment suggest continued high costs in shipping services. Despite these challenges, the overall economic landscape, supported by moderate GDP growth, provides a stable yet cautious outlook for shippers in Q3 2024. Strategic planning, cost optimization, and supply chain diversification will be crucial for navigating this period effectively.