



ECONOMIC INSIGHTS

SEPTEMBER 2024

LMI

PMI

Retail Sales

Cass Freight Index

LTL Producer Price Index

OTRI

ATA Truck Tonnage

DAT National Rates

Import TEUs

Diesel Price

Monthly GDP



Info@myfreightworld.com



(877) 549-9438

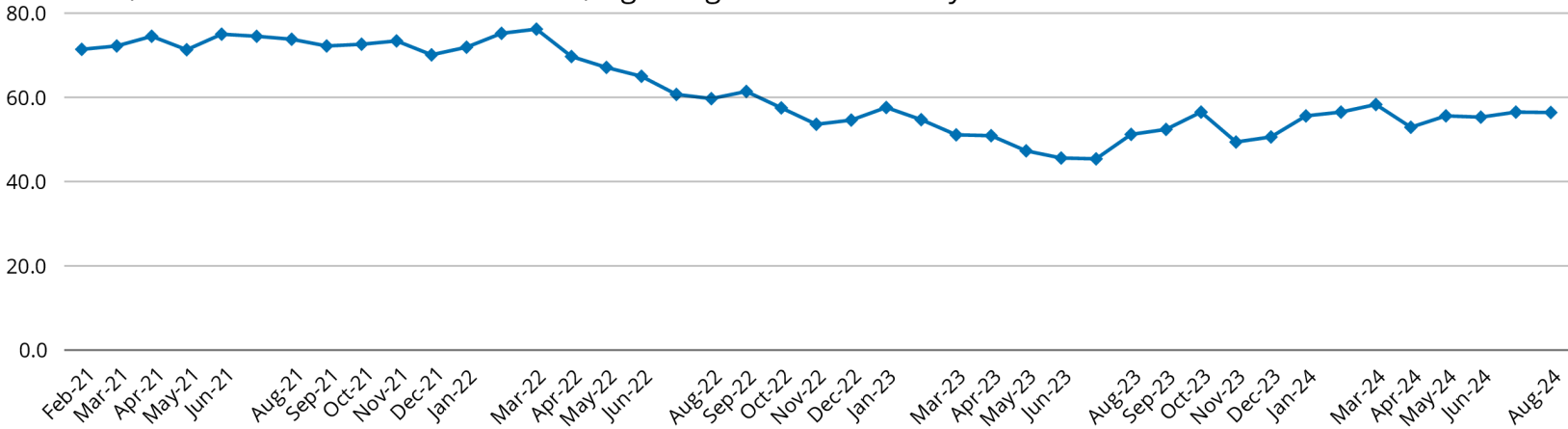


MyFreightWorld Inc.

Logistics Manager's Index (LMI)

Source: The-LMI.com

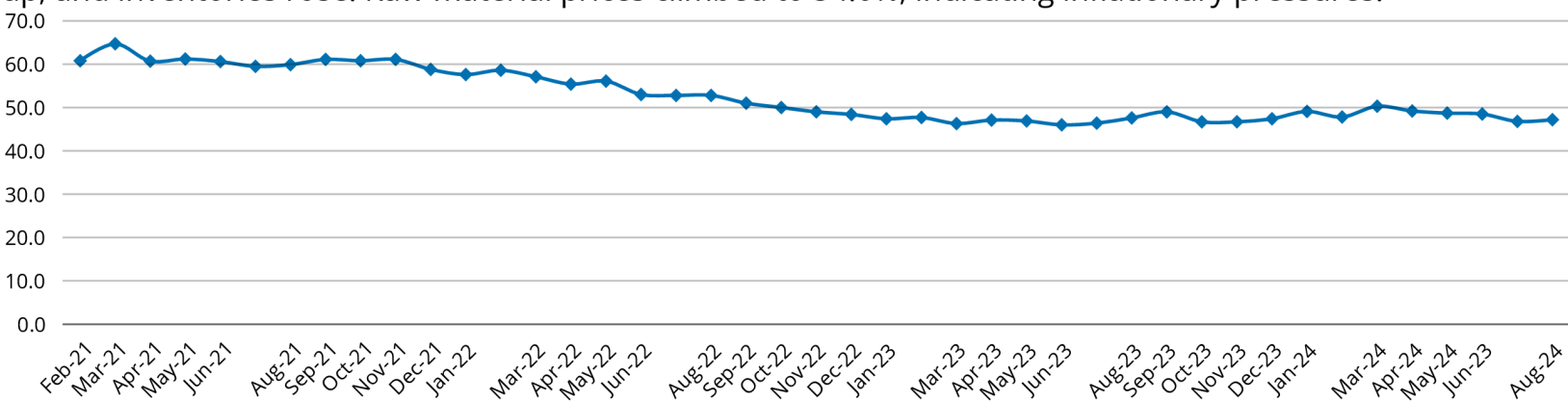
The August 2024 Logistics Managers' Index (LMI) reported at 56.4, maintaining the momentum from July's 56.5. This marks a notable rise from August 2023's 51.2, reflecting stronger growth in the sector. Inventory levels remain stable, and warehousing capacity continues to expand. The logistics environment has recovered well from mid-2023, when the index hit a low of 45.4, signaling a stable recovery.



Purchasing Manager's Index: Manufacturing PMI

Source: The Institute for Supply Management (ISM)

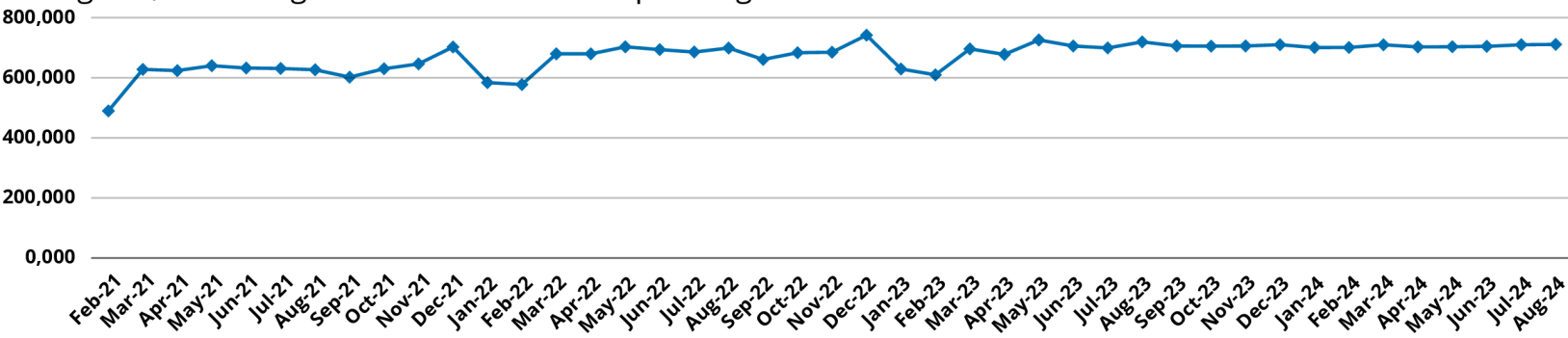
The August 2024 Purchasing Managers' Index (PMI) registered at 47.6%, signaling a fourth consecutive month of contraction in the manufacturing sector. New orders dipped to 46.8%, while production dropped to 44.8%, reflecting continued weakness. Employment saw a slight improvement at 46.0%, but supplier deliveries sped up, and inventories rose. Raw material prices climbed to 54.0%, indicating inflationary pressures.



Monthly Retail Sales

Source: Census.gov

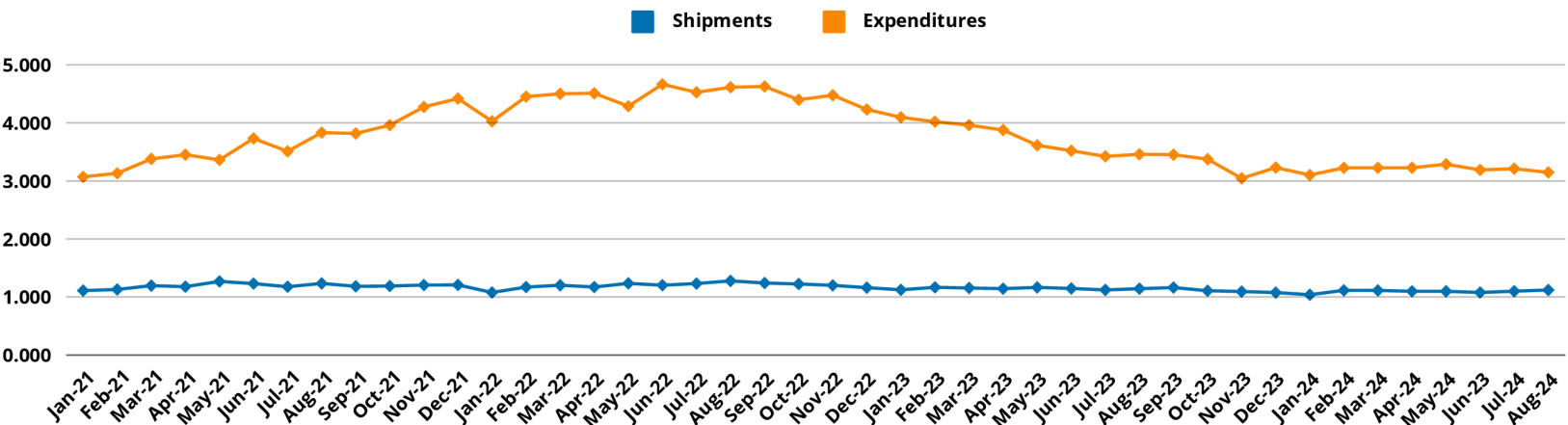
The latest retail sales report for August 2024 shows that U.S. retail and food services sales reached \$750.3 billion, marking a 0.6% increase from the previous month and a 2.1% rise compared to August 2023. The June to August 2024 period reflected a 2.3% growth from the same period last year. Retail trade sales increased by 0.5% month-over-month and 2.0% year-over-year, with nonstore retailers and food services experiencing solid gains, indicating continued consumer spending resilience.



Cass Freight Index

Source: Cass Information Systems

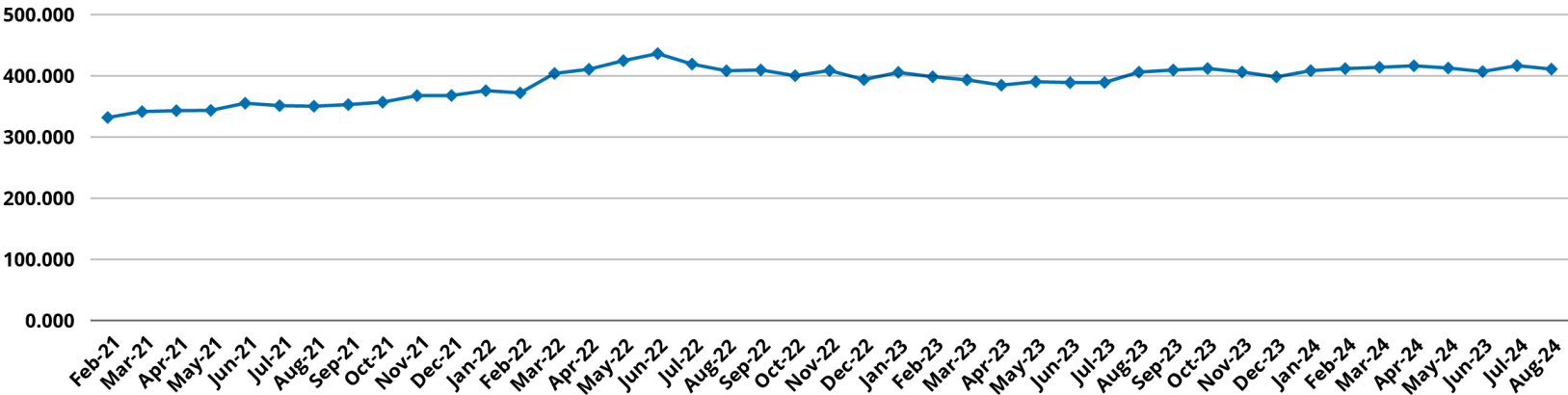
The August 2024 Cass Freight Index shows a 0.2% month-over-month decline in shipments, while expenditures saw a modest increase of 0.3%. Year-over-year, shipments are down by 3.8%, with expenditures falling by 6.1%, reflecting softness in freight volumes and market pricing. The inferred freight rates rose slightly by 0.5%, while the truckload linehaul index dropped 0.8% month-over-month and 8.9% year-over-year, signaling ongoing pressure on truckload pricing.



LTL Producer Price Index

Source: Bureau of Labor Statistics

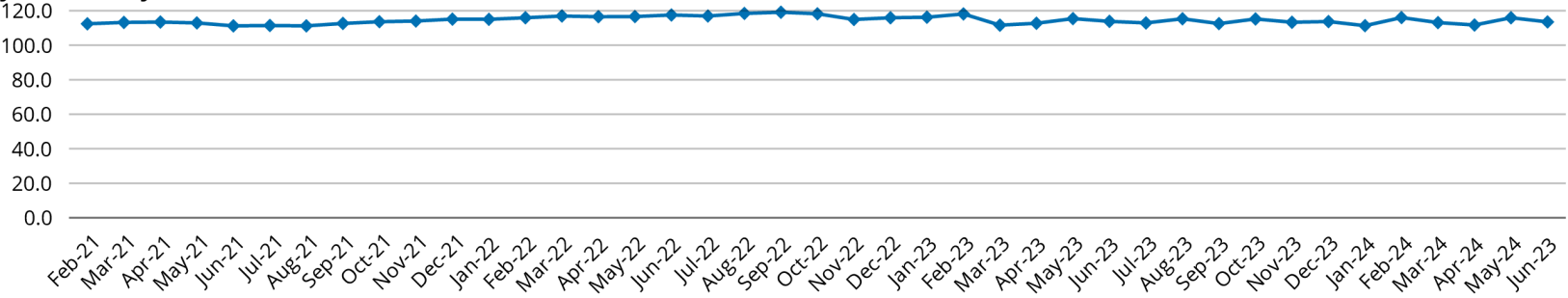
The latest Producer Price Index (PPI) for the General Freight Trucking, Long-Distance Less Than Truckload (LTL) industry stands at 404.2 for August 2024, a slight decrease from 406.9 in July. This decline reflects a continued softening in the pricing environment for LTL freight. The index measures changes in prices received by domestic producers, signaling that cost pressures within the LTL sector are easing, consistent with broader freight market trends.



Truck Tonnage

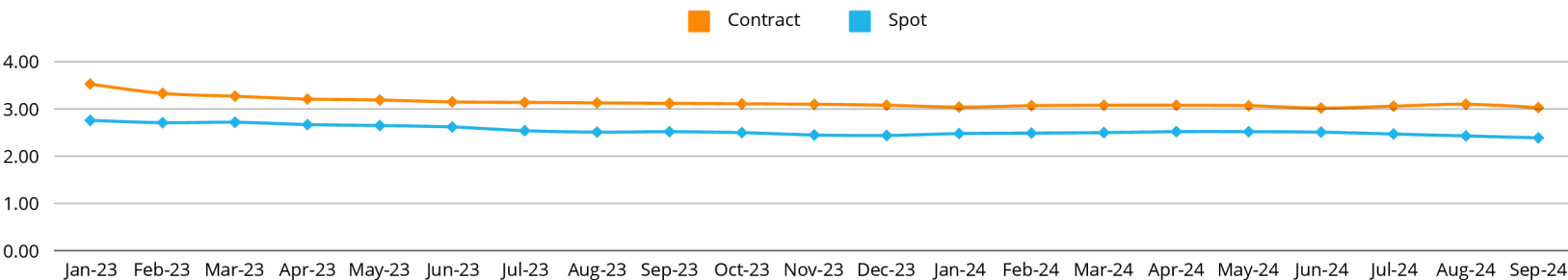
Source: American Trucking Association

The ATA Truck Tonnage Index for June 2024 fell by 1.6% following a 3% increase in May, bringing the index to 113.5. Despite this drop, the second quarter average was 0.2% higher than the first quarter, suggesting a slow but positive trend since January's low. Compared to June 2023, the index decreased by 0.4%, indicating a slight year-over-year decline.



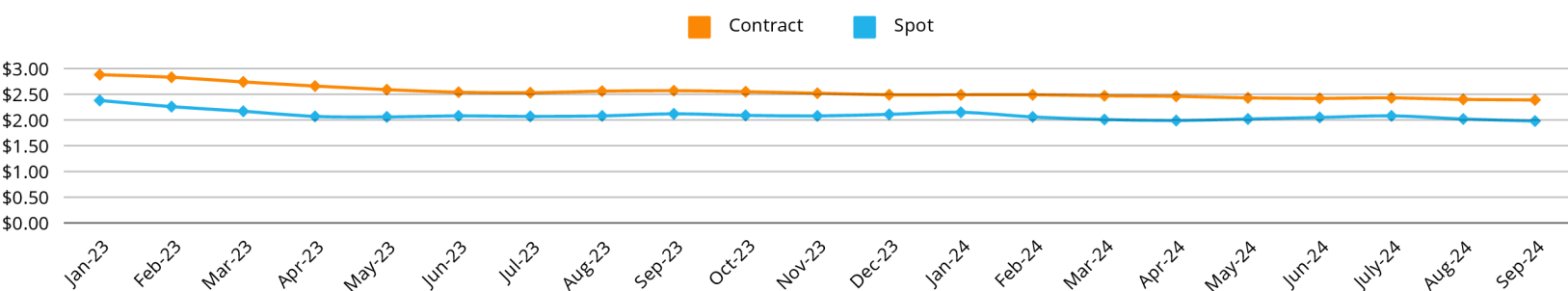
National Flatbed Rates

Source: DAT



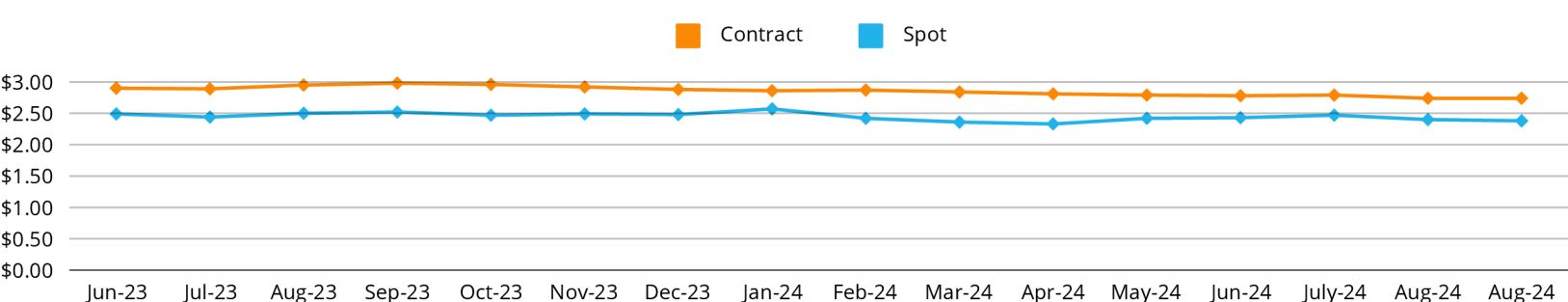
National Van Rates

Source: DAT



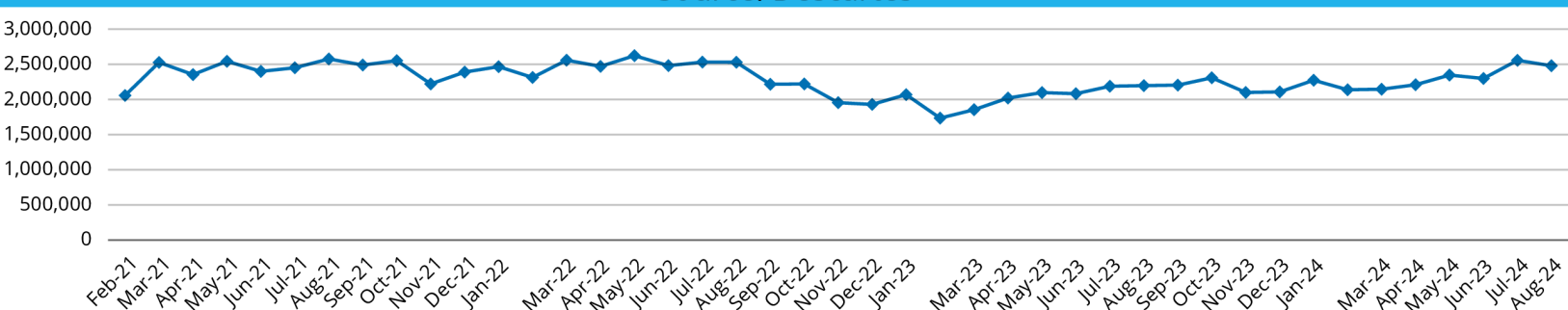
National Reefer Rates

Source: DAT



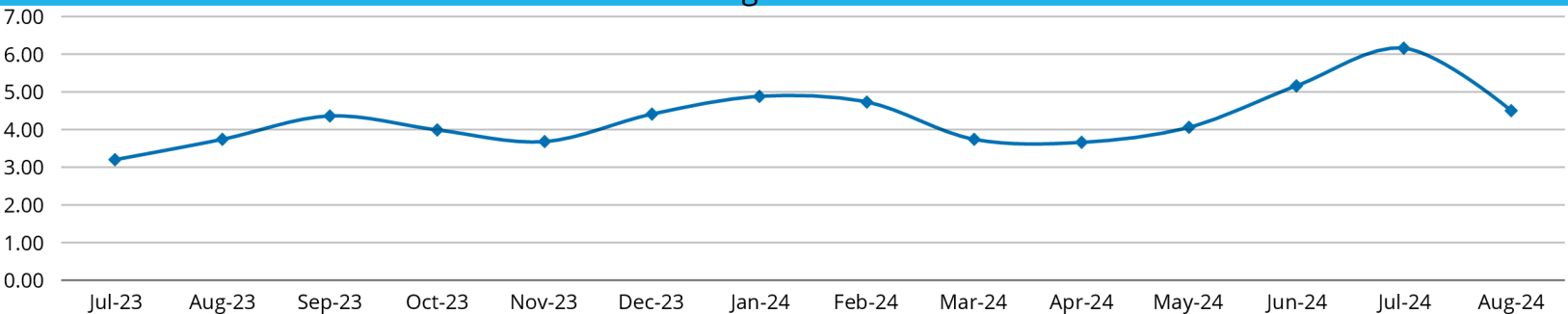
Import TEUs

Source: Descartes



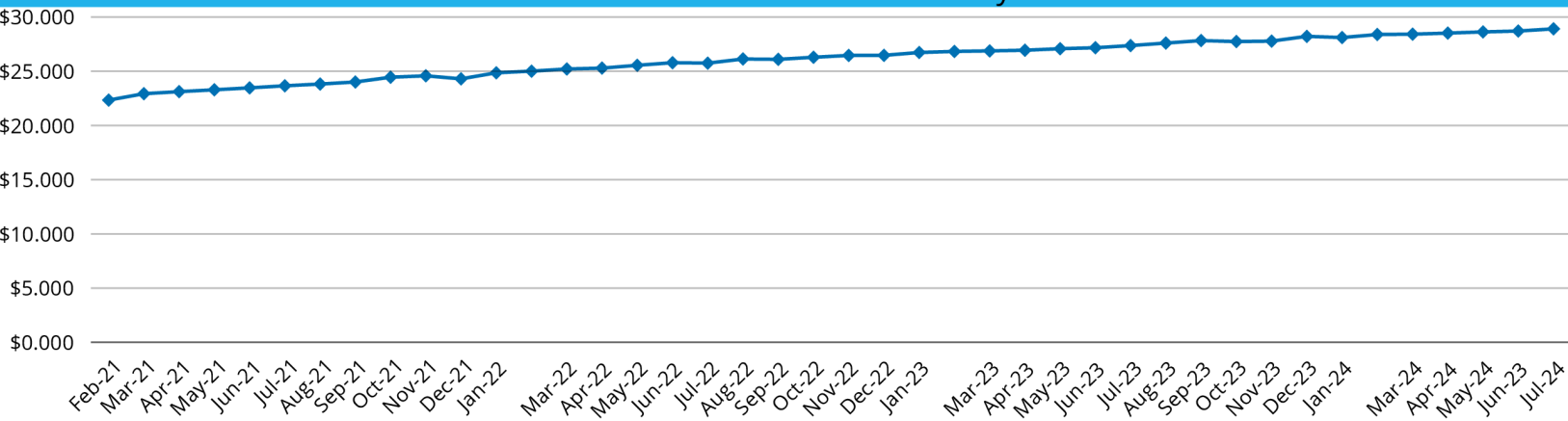
Outbound Tender Rejection Index (OTRI)

Source: FreightWaves SONAR



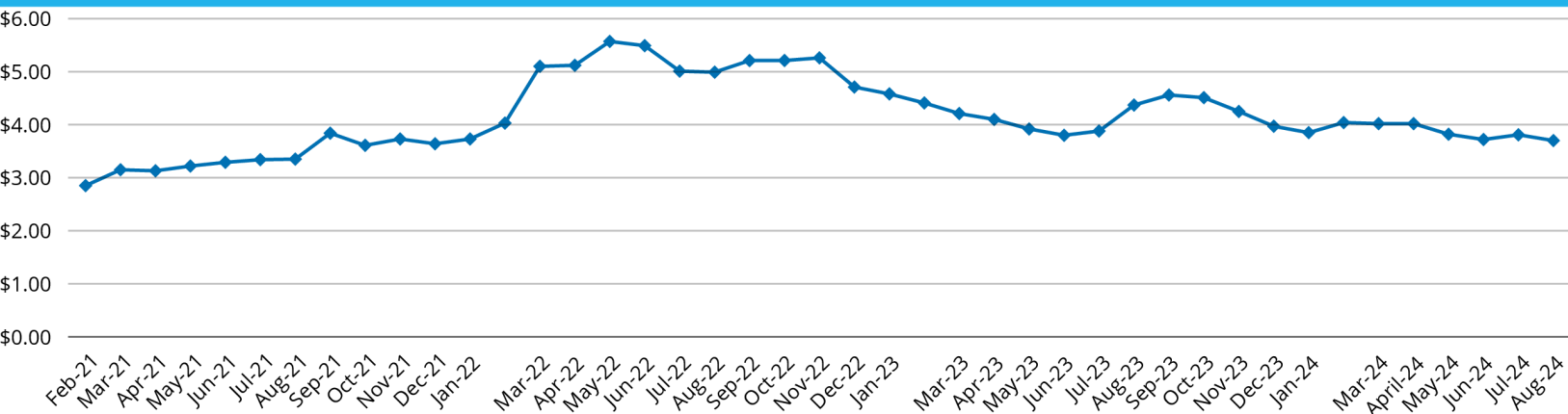
Monthly GDP (In Trillions)

Source: Bureau of Economic Analysis



US Diesel Price

Source: US EIA



Future Outlook

As we enter Q4, shippers are navigating a mixed economic environment. The Logistics Managers' Index (LMI) for August 2024 remained steady at 56.4, reflecting consistent growth in warehousing and inventory management. However, the manufacturing sector continues to struggle, with the Purchasing Managers' Index (PMI) dropping to 47.6%, signaling ongoing contraction and reduced demand for freight services.

Despite challenges in manufacturing, consumer spending has shown resilience, with retail sales increasing 2.1% year-over-year. However, the Cass Freight Index reported a slight dip in shipments, down 0.2% month-over-month, highlighting the importance of operational efficiency. Additionally, expenditures rose 0.3%, indicating ongoing pricing pressure in the freight market.

Looking ahead, shippers should focus on optimizing transportation costs and managing inventory levels efficiently. While freight rates, reflected by the LTL Producer Price Index, softened, strategic planning will be crucial for navigating potential volatility in demand as economic uncertainties persist in Q4.



MyFreightWorld Inc.



Info@myfreightworld.com



(877) 549-9438