



ECONOMIC INSIGHTS

NOVEMBER 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



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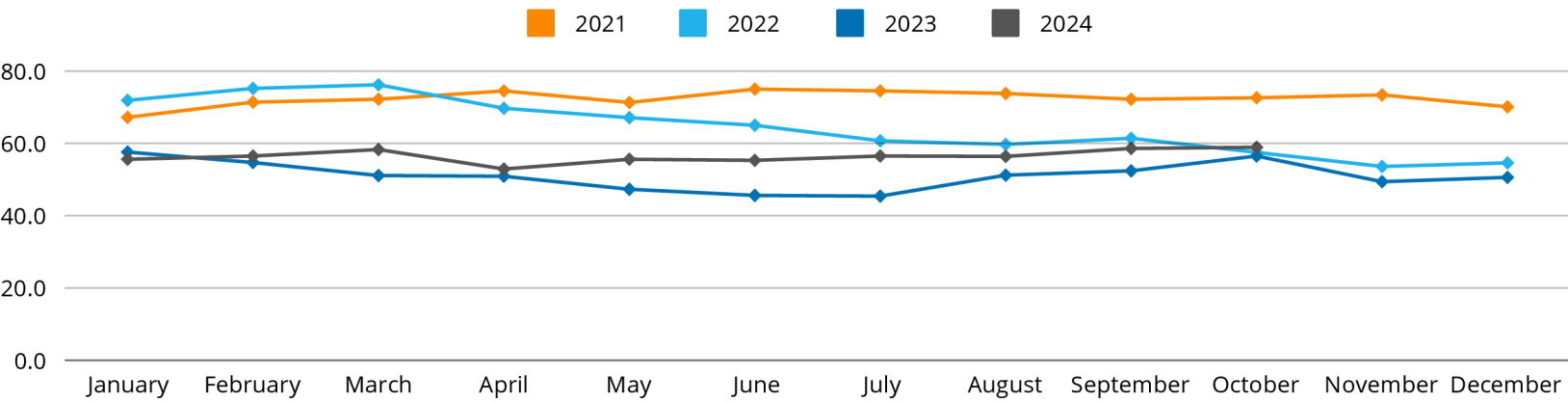


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Logistics Manager's Index (LMI)

Source: The-LMI.com

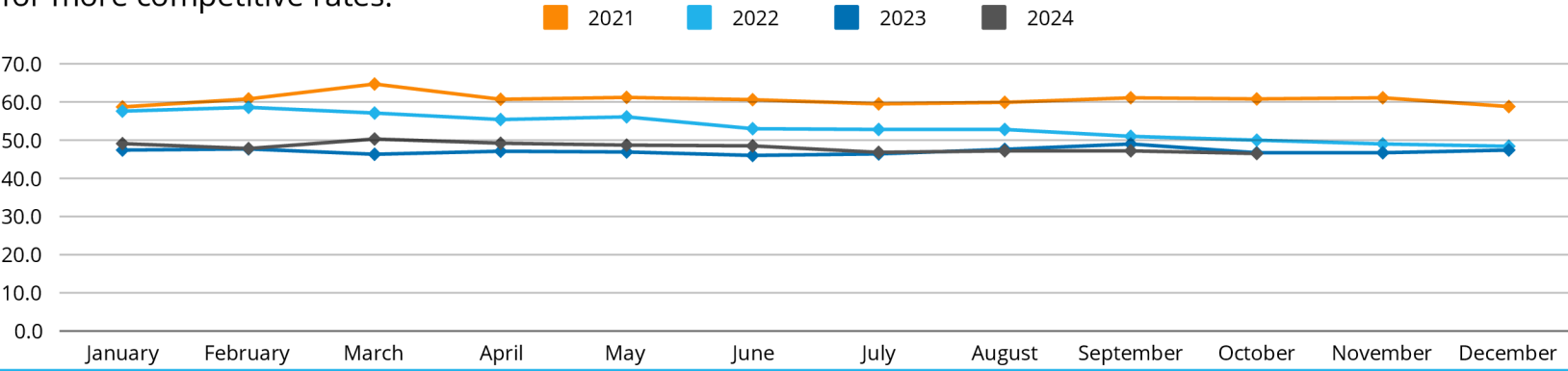
In October 2024, the Logistics Managers' Index (LMI) rose to 58.9, up from 58.6 in September. This consistent growth suggests a healthy logistics sector, supported by improvements in warehouse capacity and transportation efficiency. The LMI's steady increase shows that logistics operations remain strong, even in the face of economic challenges.



Purchasing Manager's Index: Manufacturing PMI

Source: The Institute for Supply Management (ISM)

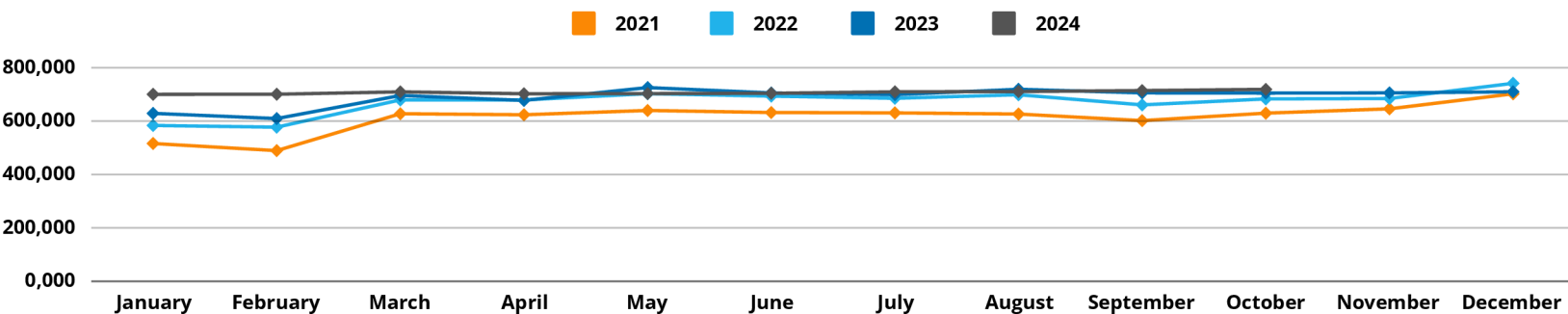
The Manufacturing PMI declined slightly to 46.5% in October 2024, down from 47.2% in September. Key indicators such as new orders and production continue to struggle, reflecting ongoing weakness in manufacturing. This prolonged contraction signals reduced demand for freight services tied to manufacturing outputs. However, it may also translate to less strain on trucking capacity, potentially providing opportunities for more competitive rates.



Monthly Retail Sales

Source: Census.gov

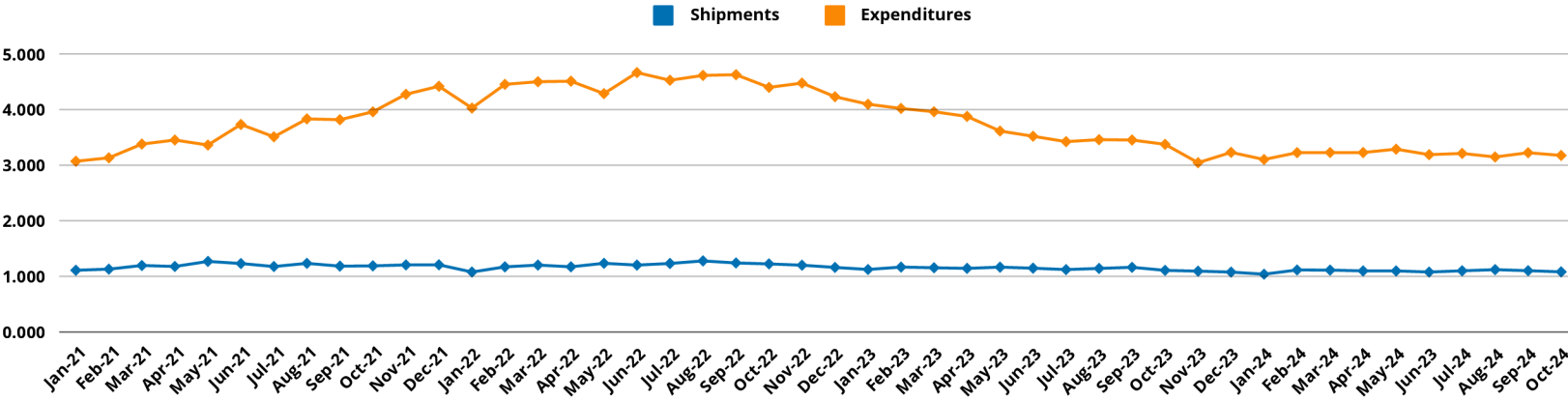
Retail sales in October 2024 reached \$718.9 billion, marking a 0.6% increase from September and a 2% year-over-year growth from October 2023. This growth reflects strong consumer spending, particularly in non-store retail and food services, indicating increased demand for logistics services, especially in e-commerce and last-mile delivery with holiday season in full swing. Effective inventory and capacity management will be essential to meet rising consumer expectations during this peak period.



Cass Freight Index

Source: Cass Information Systems

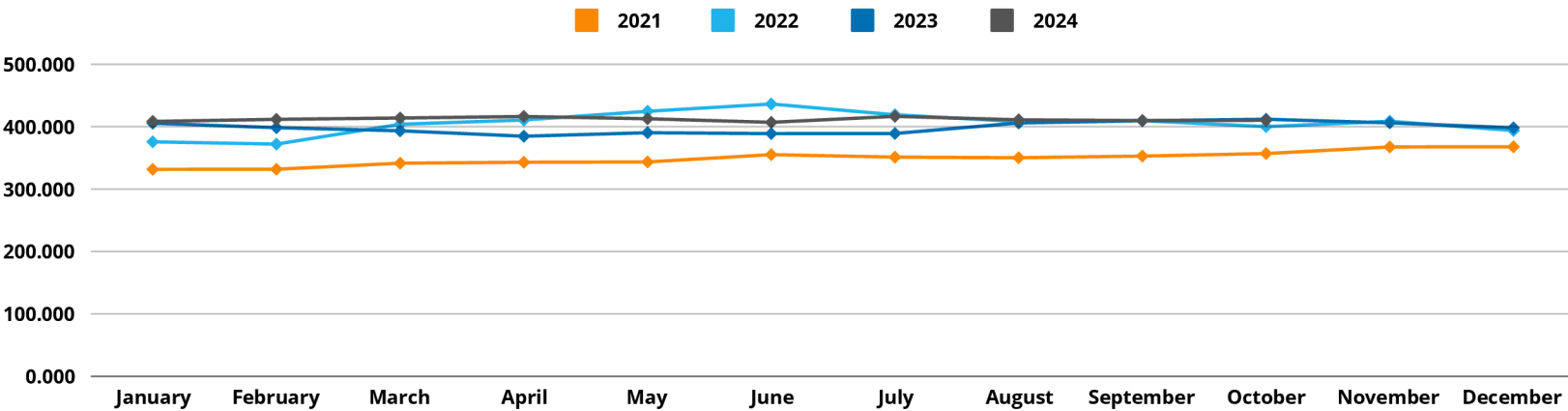
The Cass Freight Index for Shipments declined to 1.081 in October 2024, down 1.9% month-over-month and reflecting a 2.4% decrease year-over-year, signaling ongoing softness in freight volumes. Freight expenditures fell to 3.175, marking a 1.5% month-over-month decline and a 5.9% year-over-year decrease, driven by reduced shipment volumes and moderating freight rates. For shippers the decline in expenditures presents an opportunity to capitalize on reduced freight costs, while the drop in shipments emphasizes the need for strategic capacity planning.



LTL Producer Price Index

Source: Bureau of Labor Statistics

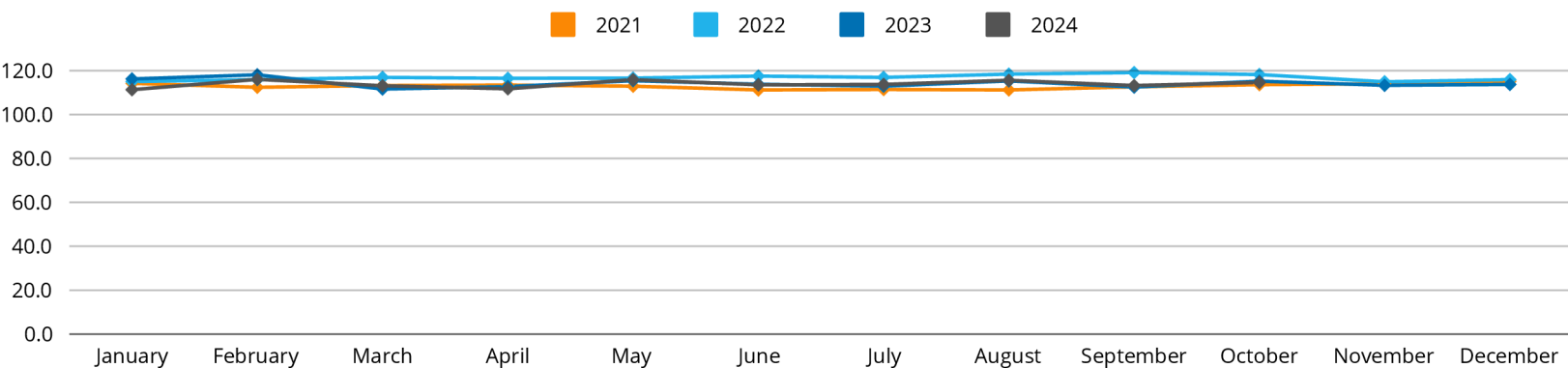
The LTL Producer Price Index (PPI) for October 2024 rose to 411.915, a 0.6% month-over-month increase and a 0.5% year-over-year rise from October 2023. This modest growth reflects continued stability in LTL pricing, with slight upward pressure driven by factors such as carrier capacity adjustments and operational costs.



Truck Tonnage

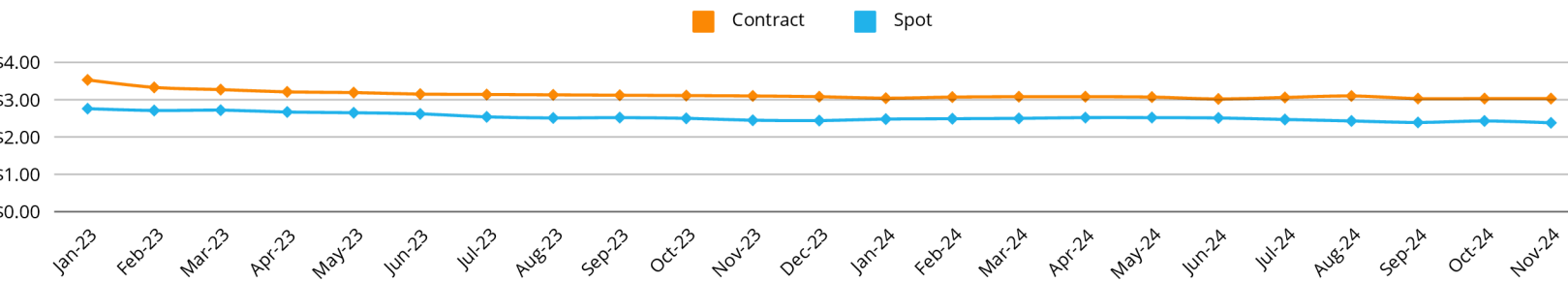
Source: American Trucking Association

In October 2024, the American Trucking Associations' For-Hire Truck Tonnage Index rose by 1.2% to 114.6, showing a gradual recovery in trucking activity. Year-over-year, it dropped slightly by 0.52% compared to October 2023. The not seasonally adjusted index reached 121.3, reflecting an 8.6% increase from September.



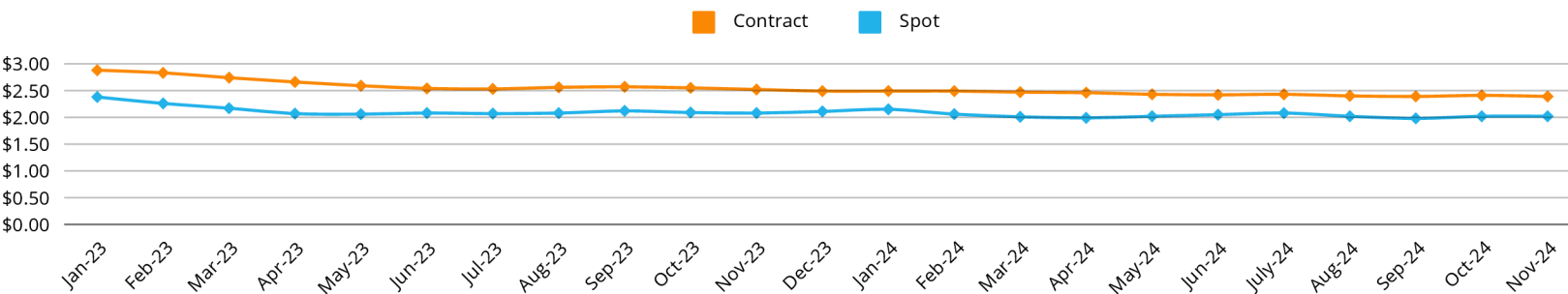
National Flatbed Rates

Source: DAT



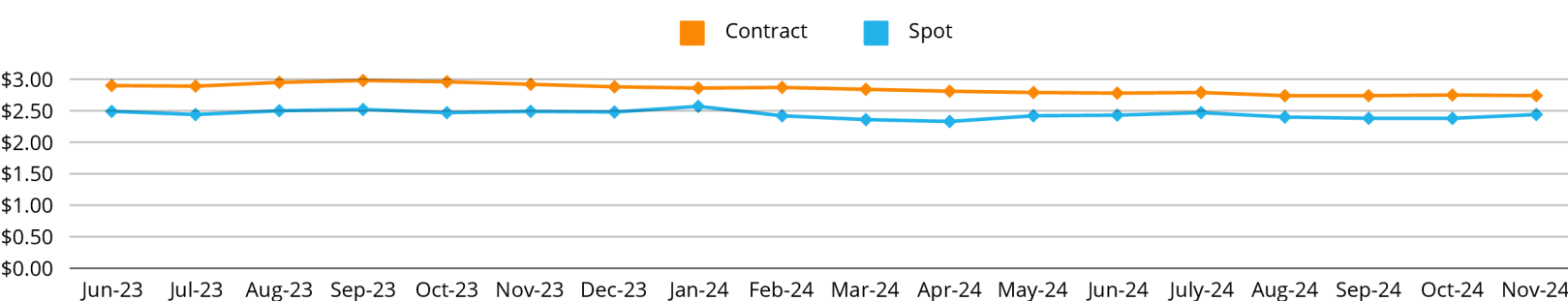
National Van Rates

Source: DAT



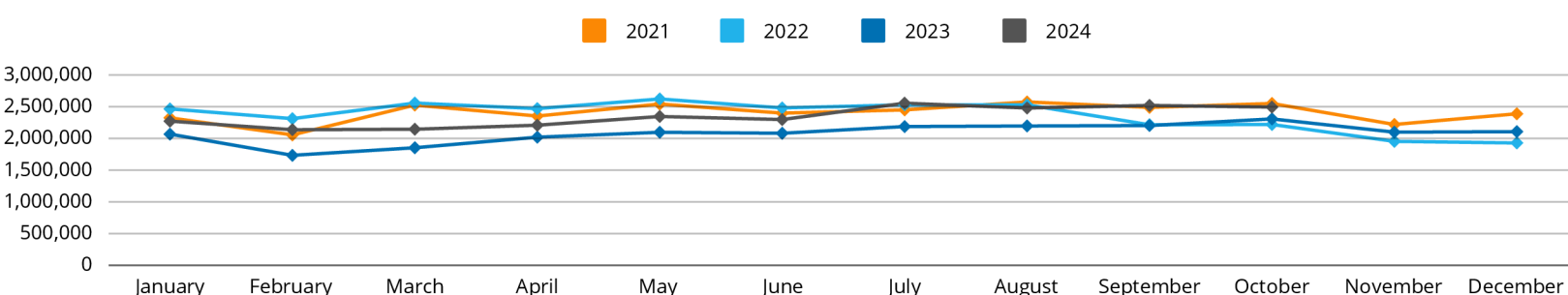
National Reefer Rates

Source: DAT



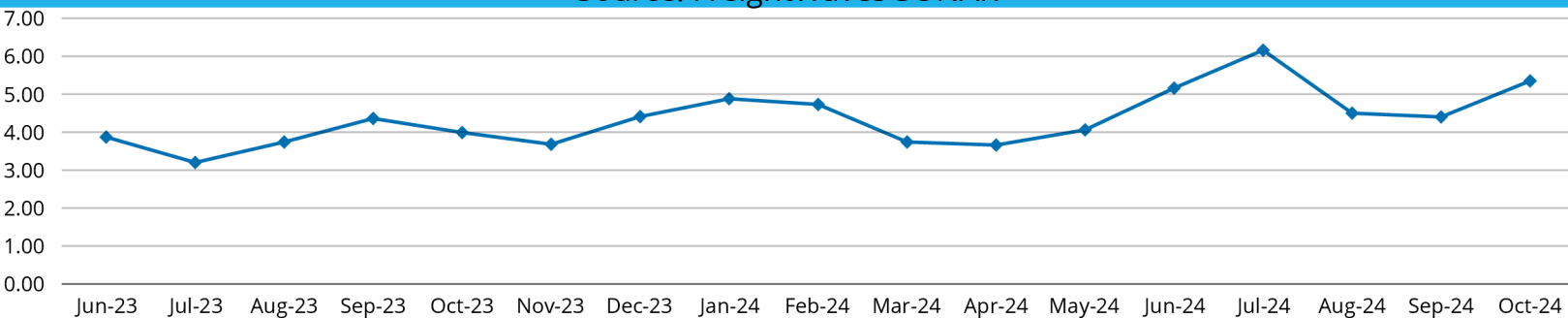
Import TEUs

Source: Descartes



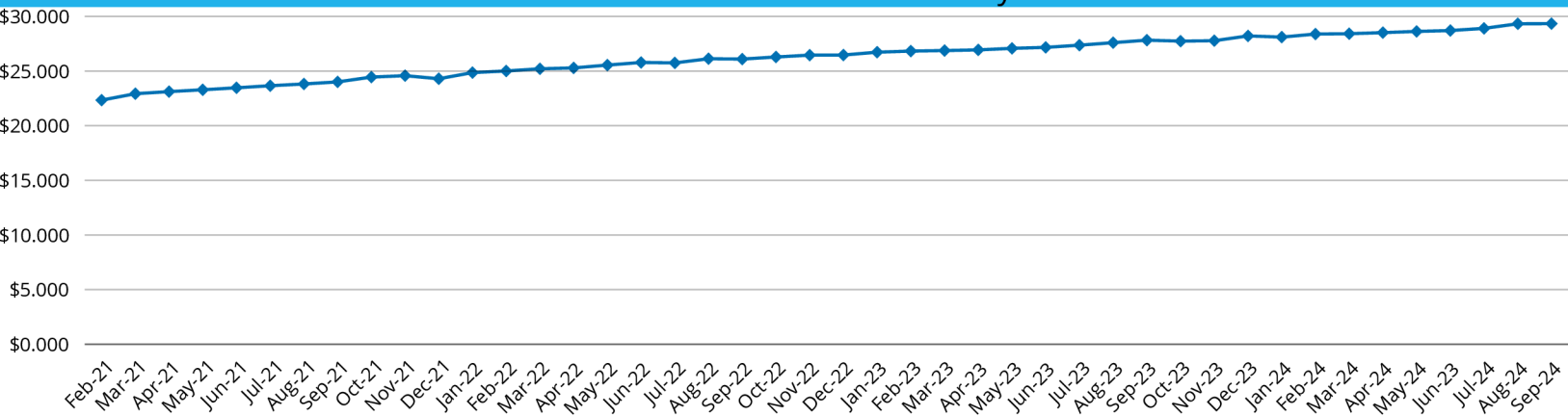
Outbound Tender Rejection Index (OTRI)

Source: FreightWaves SONAR



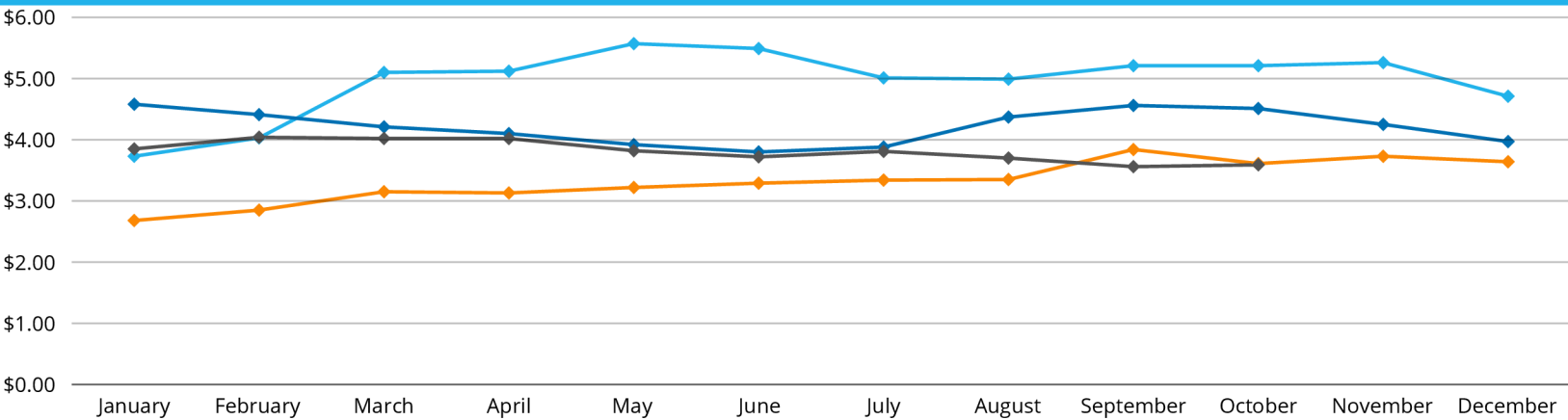
Monthly GDP (In Trillions)

Source: Bureau of Economic Analysis



US Diesel Price

Source: US EIA



Future Outlook

As peak season intensifies, the freight market reflects both opportunities and challenges. The LMI rose to 58.9 in October, signaling continued growth in warehousing and transportation, while the ISM Manufacturing PMI fell to 46.5%, marking sustained contraction in manufacturing activity. Consumer demand remains robust, with retail sales climbing to \$718.9 billion, up 2% year-over-year, driven by strong holiday spending and e-commerce growth.

Freight rates and capacity trends are mixed during peak season. The Cass Freight Index for shipments dipped 1.9% month-over-month, while expenditures dropped 1.5%, reflecting moderated costs amid market fluctuations. DAT spot rates for flatbed and van freight remain soft at \$2.43/mile and \$2.02/mile, while reefer rates stabilize at \$2.38/mile due to seasonal perishables demand. Rising Outbound Tender Rejection Rates (5.35%) signal tightening capacity as shippers compete for space during the holiday season.

Shippers should act swiftly to secure capacity and leverage opportunities from diesel prices, now averaging \$3.59/gallon, a 20% year-over-year decline. With stable import volumes and high retail activity, proactive planning, early capacity booking, and cost-saving strategies are critical to meeting demand while navigating this peak shipping season effectively.



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