

Trucker Success

By OOFI • May 24, 2023

Smart Brevity® count: 2 mins...507 words

Welcome back. Today we'll discuss our take on spot rates and where their headed, as well as the latest hot topics that our business services department is hearing from truckers.

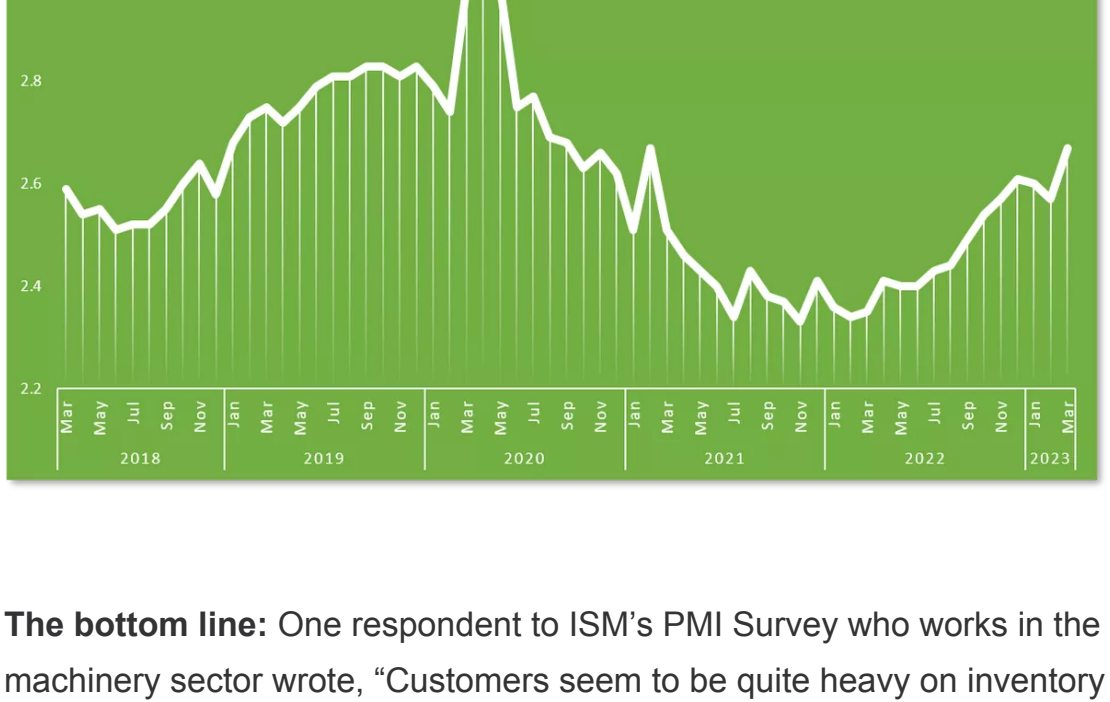
1 big thing: Monthly Trucking Market Update April



The big picture: The inventories-to-sales ratio for machinery wholesalers show the relationship of the end-of-month values of inventory compared to monthly sales.

- **For example,** a ratio of 2.5 would indicate that a firm has enough product on hand to cover two and a half months of sales.

Why it matters: The inventory ratio for machinery wholesalers has tracked closely with the conditions in the trucking industry over the years.



The bottom line: One respondent to ISM's PMI Survey who works in the machinery sector wrote, "Customers seem to be quite heavy on inventory (as is my employer). This has made for a significant slowdown in sales orders for the last number of months."

Go deeper: Find this months full [trucking market update here](#).

2. Trendlines: National spot rates for van, flatbed, reefer

Industry Trends	WEEK May 08-14 VS. May 01-07	MONTH April 2023 VS. March 2023	YEAR April 2023 VS. April 2022
Spot Load Posts	-2.8%	-21.2%	-65.8%
Spot Truck Posts	-2.9%	-9.1%	-1.0%
Van Load-To-Truck	+6.6%	-7.4%	-44.5%
Van Spot Rates	-0.4%	-4.5%	-25.9%
Flatbed Load-To-Truck	-8.0%	-21.6%	-81.2%
Flatbed Spot Rates	-0.5%	-1.6%	-21.0%
Reefer Load-To-Truck	-1.2%	-11.2%	-57.1%
Reefer Spot Rates	-1.0%	-3.9%	-23.5%
Fuel Prices	-2.4%	-2.7%	-19.9%

Source | DAT Trendlines

The bottom line: *May 08-14*, flatbed prices fall after holding steady in April.

Load-to-truck ratios edged upward for vans, but the national average rate still lags. Ratios and rates both dropped for reefers. Flatbed markets also loosened.

- The national average rate (minus fuel surcharges) in May has fallen for two straight weeks after holding steady for most of April.

Go deeper

3. Hot Topics



Every week truckers call in to OOIDA's headquarters with issues they are confronting on a daily basis. Below are the most recent topics.

What truckers are talking about:

- Broker fraud is still the number one issue.
- What is the status on speed limiters?
- Freight rates still way down. When will it reverse?

What's next: If you are experiencing any of these situations or have additional ones, contact OOIDA's Business Services Department at BusinessAssistance@ooida.com

4. Education: Cost of Operation Part 2



The big picture: Statistics show that 25% of new businesses in trucking fail in their first year, and 60% fail by their fifth year. So how do you avoid being one of the casualties?

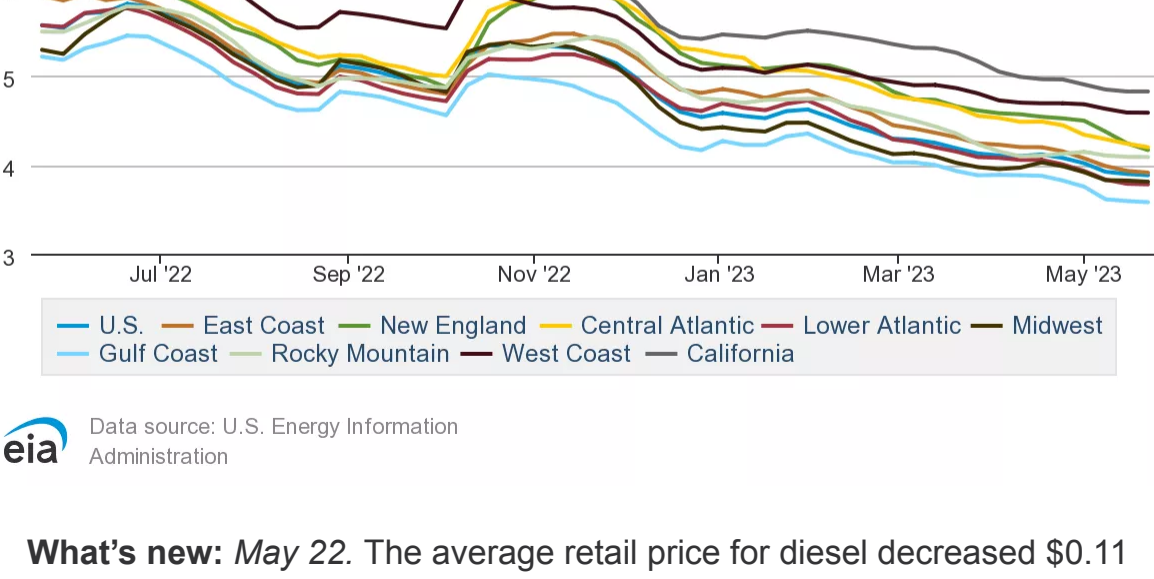
- The answer is knowing your cost of operations. Without this knowledge, how will you know how much you need to earn to stay in business?
- Controlling your costs is often more profitable than gaining new business. Always remember. "This is not a money made business, it is a money saved business."

Go deeper: Check out our ten-minute video on [cost of operations](#) part 2.

5. Diesel Prices

On-Highway Diesel Fuel Prices

(dollars per gallon)

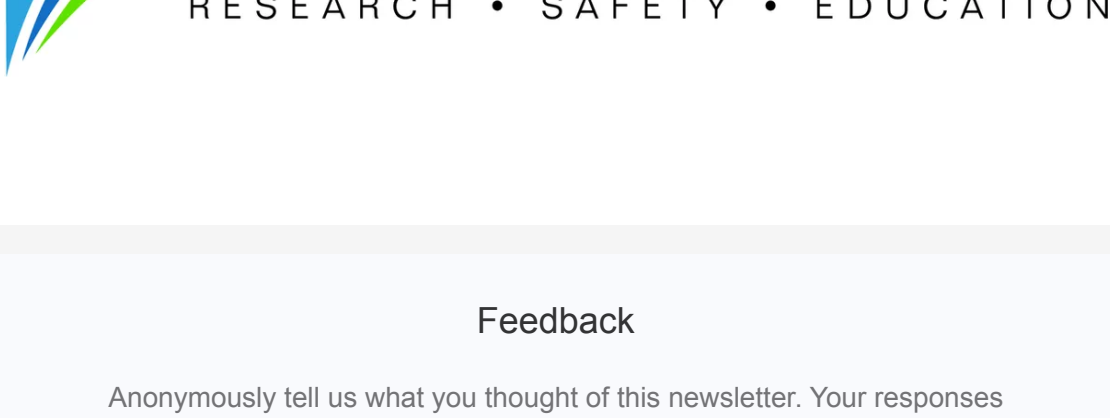


Data source: U.S. Energy Information Administration

What's new: *May 22.* The average retail price for diesel decreased \$0.11 per gallon compared to last month according to the Energy Information Administration's most recent report.

- **Week-to-week:** the national average price per gallon of diesel is now \$3.883, down 0.014 cents from last week.
- **That national average** is \$1.688 lower than it was one year ago.
- This week's largest change occurred in the New England region where prices dropped a \$0.077 from \$3.932 to \$3.912.

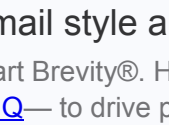
The OOIDA Foundation thanks you for all that you do! You truly drive the nation's economy.



Feedback

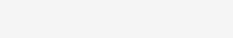
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