

Trucker Success

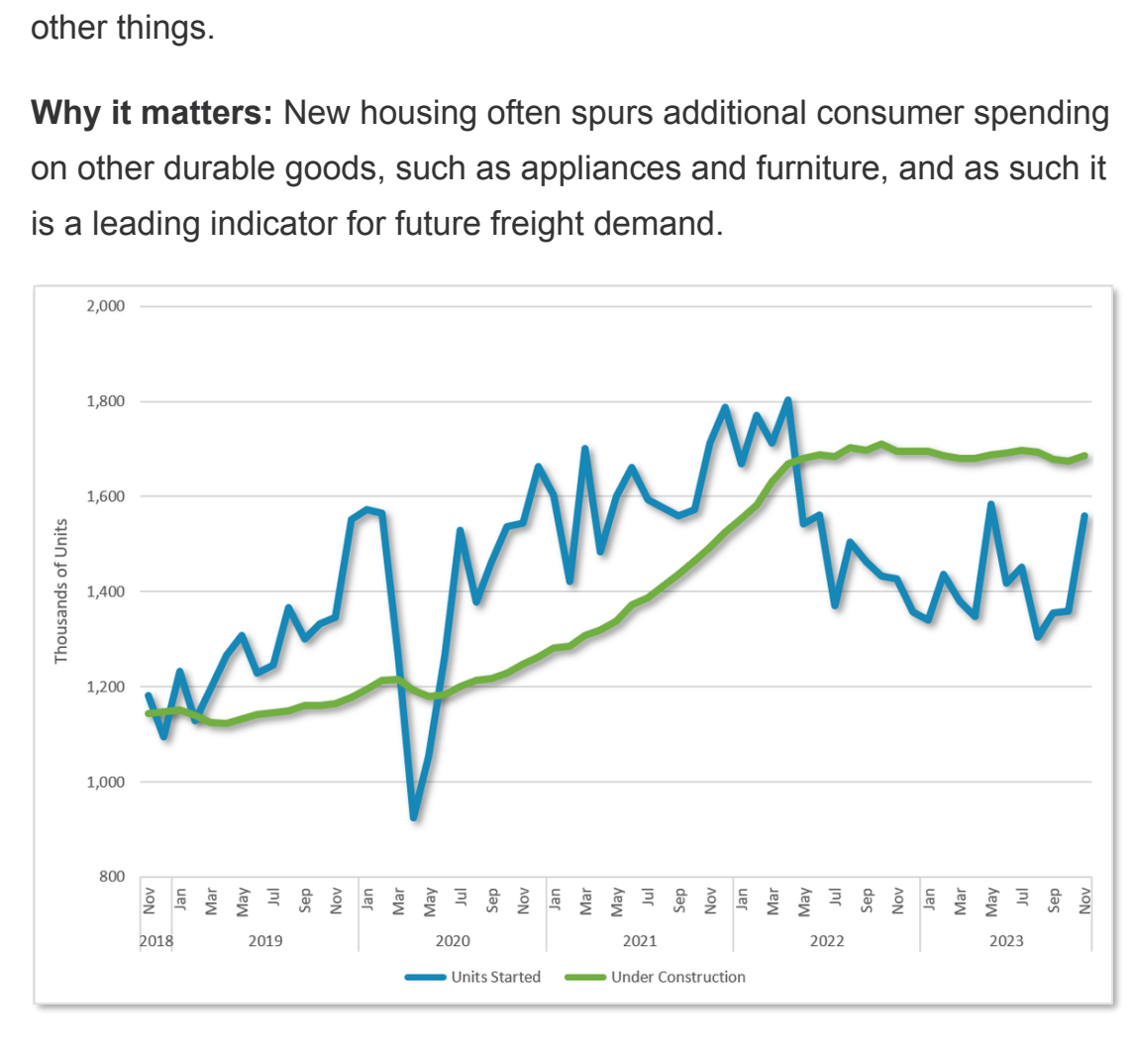
By OOFI • Dec 27, 2023

Smart Brevity® count: 3 mins...790 words

Welcome back. Today we'll discuss the housing market, our new quarterly report, and the fourth video in our new series on broker fraud.

- And finally, don't miss the poll questions at the bottom. We're wanting to know your thoughts regarding our monthly reports.

1 big thing: November's Market Update



The big picture: The U.S. Census Bureau publishes monthly estimates on the number of housing starts and housing under construction, among other things.

Why it matters: New housing often spurs additional consumer spending on other durable goods, such as appliances and furniture, and as such it is a leading indicator for future freight demand.



Source: FRED | <https://fred.stlouisfed.org/series/HOUST> and <https://fred.stlouisfed.org/series/UNDCONTSA>

Our thoughts: Seasonally adjusted housing starts jumped in November following a slight uptick in October. Housing is performing well even despite higher interest rates.

- New starts increased 14.8%, or 201,000 houses, month-over-month to 1.56 million, and are up 9.3%, or 133,000 homes year-over-year (Y/Y).

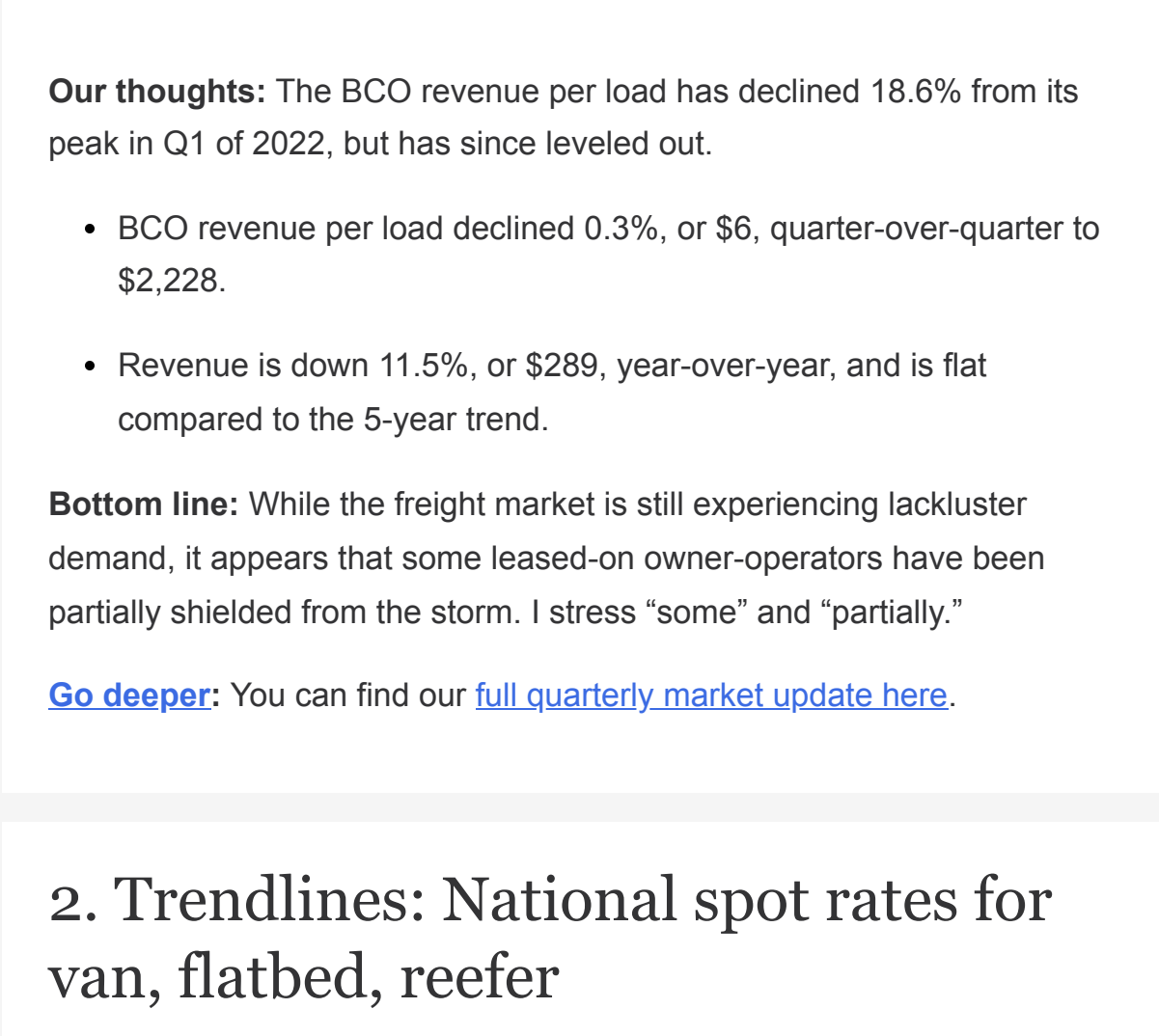
- Houses under construction ticked upward 0.7% to 1.685 million, and are 0.6% lower Y/Y.

The bottom line: The Fed has indicated that they will cut rates in 2024, which could spur further housing activity.

- This could possibly help stimulate some of the demand that the trucking industry has been waiting for. However, we are still months away from seeing any meaningful change in the freight market.

Go deeper: You can find our [full trucking market update here](#).

Revenue per load finds floor for Landstar

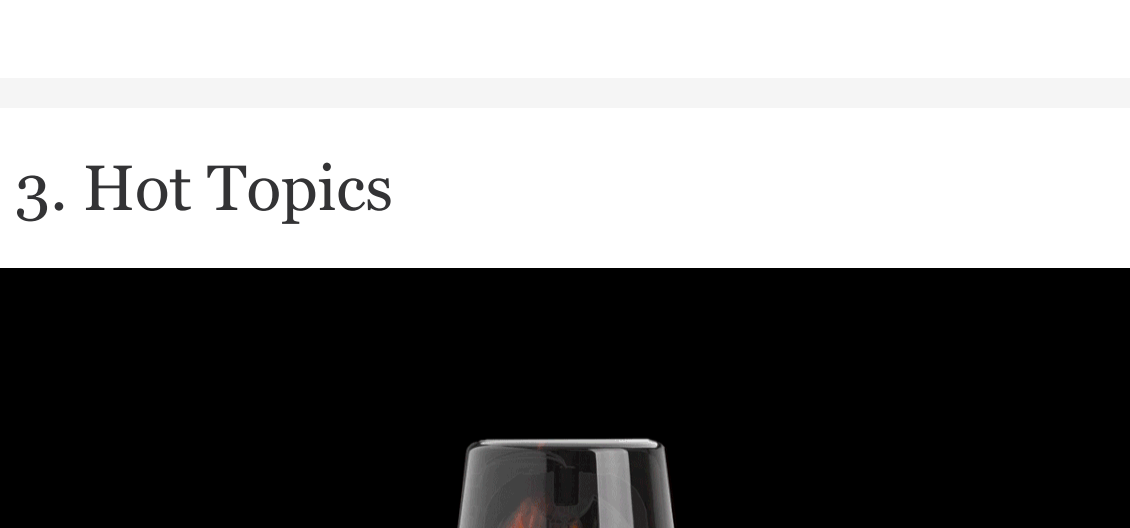


The big picture: Landstar is a transportation services company specializing in logistics and more specifically third-party logistics.

Why it matters: Landstar utilizes an extensive network of more than 10,000 leased-on owner-operators, referred to internally as BCO's.

- Similar to loads and trucks, BCO revenue per quarter gives us good visibility into rates for the leased-on owner-operator.

- More important than the exact number, is the direction the trendline is taking.



Source: Landstar System, Inc. | <https://investor.landstar.com/financial-news>

Our thoughts: The BCO revenue per load has declined 18.6% from its peak in Q1 of 2022, but has since leveled out.

- BCO revenue per load declined 0.3%, or \$6, quarter-over-quarter to \$2,228.

- Revenue is down 11.5%, or \$289, year-over-year, and is flat compared to the 5-year trend.

Bottom line: While the freight market is still experiencing lackluster demand, it appears that some leased-on owner-operators have been partially shielded from the storm. I stress "some" and "partially."

Go deeper: You can find our [full quarterly market update here](#).

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

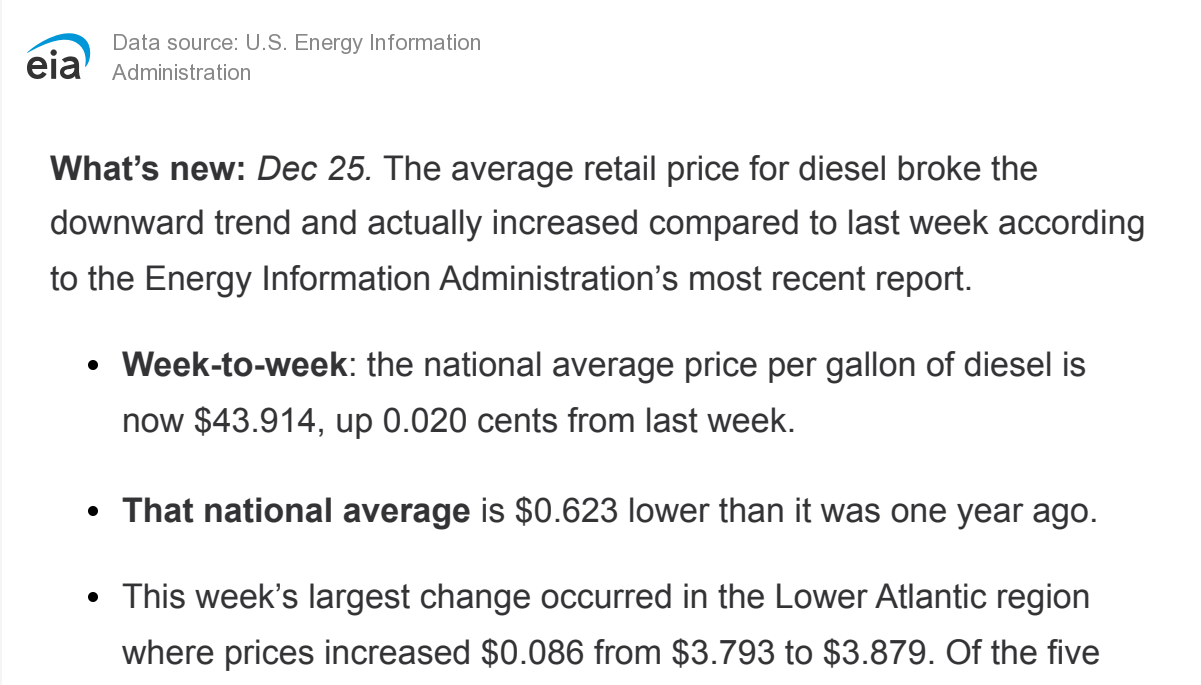
Industry Trends	WEEK Dec 11-17 vs. Dec 04-10	MONTH Nov 2023 vs. Oct 2023	YEAR Nov 2023 vs. Nov 2022
Spot Load Posts	-5.8%	-12.8%	-41.3%
Spot Truck Posts	-0.1%	-10.9%	-18.4%
Van Load-To-Truck	-8.3%	+0.2%	-21.2%
Van Spot Rates	-0.3%	-0.8%	-12.8%
Flatbed Load-To-Truck	+1.7%	-13.2%	-40.6%
Flatbed Spot Rates	-0.7%	-1.9%	-13.1%
Reefer Load-To-Truck	-7.0%	+7.2%	-36.0%
Reefer Spot Rates	-1.1%	+1.1%	-10.7%
Fuel Prices	-2.6%	-5.6%	-19.0%

Source | DAT Trendlines

The bottom line: Dec 11-17, Fewer loads are falling into the spot market this holiday season compared to past years. With a greater share of the truckload volume being handled by contract carriers, there's been less upward pressure on spot rates.

- [Go deeper](#)

3. Hot Topics



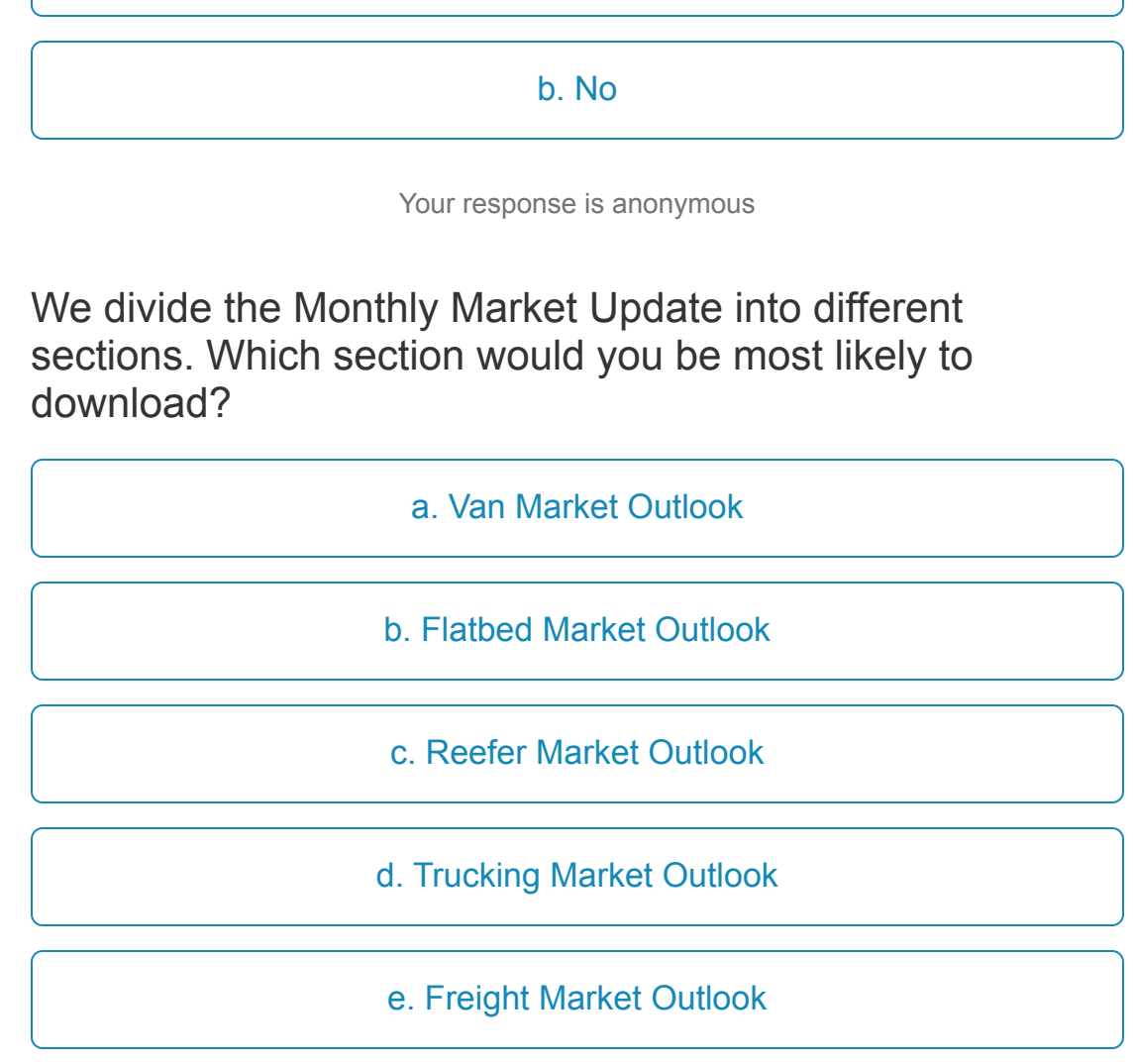
Every week truckers call in to OOIDA's headquarter with issues they are confronting on a daily basis. Below are the most recent topics.

What truckers are talking about:

- Broker abuses.
- Overtime exemption.
- New operating authority and New Entrant Safety Audits.

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

4. Education: Broker Fraud Part 4



Big picture: Broker fraud is on the rise. Conservative estimates say that double brokering affects between \$500 to \$700 million in freight every year.

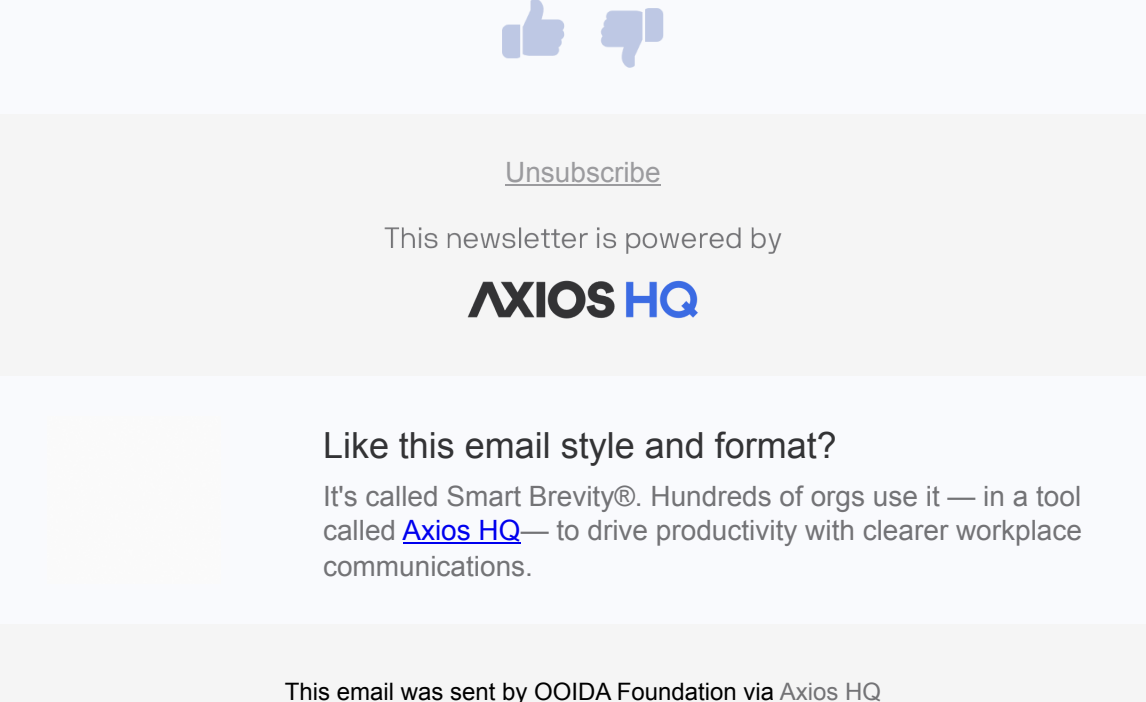
A lot of broker and carrier fraud is committed by scammers stealing the identity of legitimate businesses. You may have inadvertently given these scammers that information.

- You can prevent this from happening to you by recognizing "phishing" and "smishing" messages. In this video, we'll talk about what to look for and what to do if you notice a red flag.

- Watch the [fourth video in our broker fraud series here](#).

For more information on broker fraud, check out our other online videos or call OOIDA at 1-800-444-5791 and ask for the Compliance Department.

5. Diesel Prices - December 25



What's new: Dec 25. The average retail price for diesel broke the downward trend and actually increased compared to last week according to the Energy Information Administration's most recent report.

- **Week-to-week:** the national average price per gallon of diesel is now \$43.914, up 0.020 cents from last week.

- **That national average** is \$0.623 lower than it was one year ago.

- This week's largest change occurred in the Lower Atlantic region where prices increased \$0.086 from \$3.793 to \$3.879. Of the five primary regions, two experienced increases.

Is the Monthly Report helping you?

Big picture: Members told us they wanted to have an economic analysis of the current and future state of the freight market.

In response, we started publishing a [monthly market update](#), as well as a [quarterly market update](#).

Is the Monthly Market Update helpful/useful to you?

a. Yes

b. No

Your response is anonymous

We divide the Monthly Market Update into different sections. Which section would you be most likely to download?

a. Van Market Outlook

b. Flatbed Market Outlook

c. Reefer Market Outlook

d. Trucking Market Outlook

e. Freight Market Outlook

Your response is anonymous

What is your view concerning the length of the Monthly Market Update? Is it:

a. Too long

b. Just right

c. Too short

Your response is anonymous

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