

Trucker Success

By OOFI • Apr 24, 2024

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Welcome back. Today we'll discuss recent trends in manufacturing activity and what that might mean for freight, as well as two presentations that the Foundation sponsored at this year's Mid America Trucking Show.

1 big thing: March's Market Update



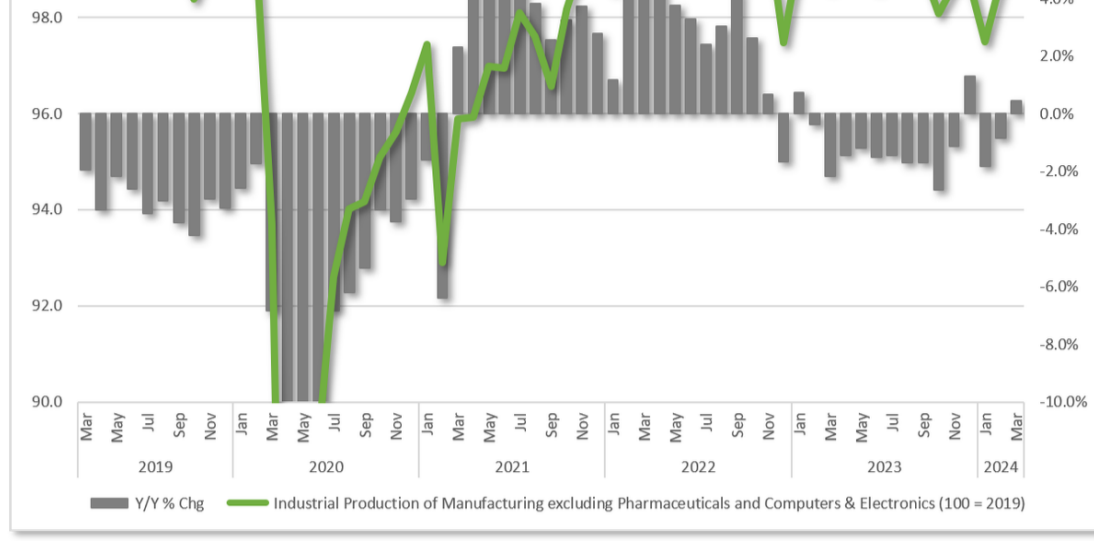
March 2024

MARKET UPDATE

The big picture: The Federal Reserve Board's Industrial Production (IP) index measures the real output of various manufacturing industries.

Why it matters: Manufacturing makes up approximately 60% of all for-hire trucking ton miles according to the 2017 Commodity Flow Survey, which makes the IP index, excluding pharmaceuticals and computer and electronic products, a great indicator of future demand.

- Historically, increases in manufacturing activity have corresponded with either the start, or strengthening, of a freight upturn in trucking.



Source: Federal Reserve Board | <https://www.federalreserve.gov/releases/g17/Current/Monthly>

Our thoughts: Manufacturing activity excluding pharmaceuticals and computer and electronics increased month-over-month in March and ticked upward year-over-year as well.

- Manufacturing activity increased 0.37% to 99.08 after increasing 1.2% last month following adjustments, and is up 0.4% year-over-year (Y/Y).
- Activity was up for the 2nd time in 4 months, and is 0.9% below 2019 levels.

The bottom line: Freight downcycles can take years to correct themselves, but it appears that we might possible see an end of the manufacturing downturn by the end of the second quarter if the current trend continues. However, this is not very likely.

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

2. Trendlines: April 8-14

Industry Trends	WEEK April 08-14 vs. April 01-07	MONTH March 2024 vs. February 2024	YEAR March 2024 vs. March 2023
Spot Load Posts	+2.6%	+12.3%	-14.6%
Spot Truck Posts	-4.7%	-6.1%	-22.7%
Van Load-To-Truck	+15.5%	+12.1%	+17.1%
Van Spot Rates	+0.4%	-2.6%	-7.5%
Flatbed Load-To-Truck	+6.7%	+35.4%	-2.9%
Flatbed Spot Rates	-0.4%	+0.6%	-8.2%
Reefer Load-To-Truck	+15.4%	+8.7%	+16.0%
Reefer Spot Rates	-0.6%	-2.6%	-5.9%
Fuel Prices	+1.6%	-0.6%	-4.7%

Source | DAT Trendlines

The bottom line: April 8-14, Truckload capacity has tightened along the Sun Belt as we get closer to produce season. This pushed load-to-truck ratios higher for vans and reefers, though the national average rates haven't followed suit yet.

- [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:

- The speed limiter proposal that's due to come in May.
- Trucking companies going out-of-business.
- What paperwork needs to be kept in the truck.

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

4. Education: ProTalks



The big picture: The Foundation attended this year's Mid America Trucking Show (MATS), which is the largest trucking show in North America with tens of thousands of attendees, and hundreds of trucks on display.

Why it matters: The Foundation presented two classes from our [Truck to Success Seminar](#) on the ProTalks Stage.

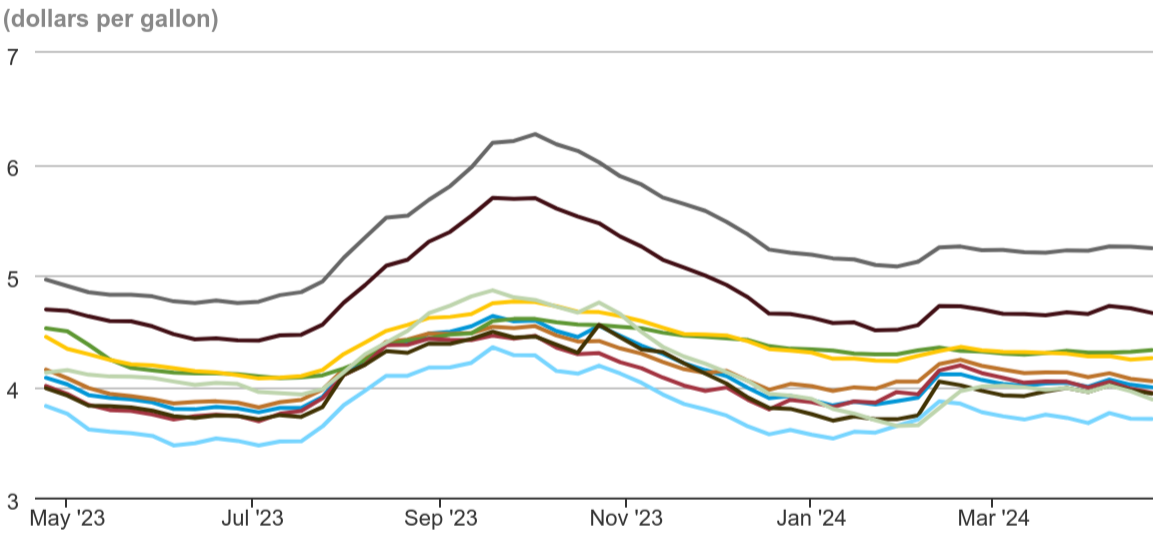
- The first talk was, "[Hate to fail? Create a business plan.](#)" In this presentation, I walked truckers through why they should create a business plan and how to do it. I discussed market analysis, market strategy, cost of operations and more.
- Paul Torlina presented the second talk, "[WTF! Work Through Factoring.](#)" where he walked truckers through some of the pitfalls and dangers of factoring.

Go deeper: Click the links above to watch our talks.

5. Diesel Prices - April 23

On-Highway Diesel Fuel Prices

(dollars per gallon)



Data source: U.S. Energy Information Administration

What's new: April 23. The average retail price for diesel declined by a couple pennies compared to last week according to the EIA's most recent report. Diesel is once again under \$4.00 per gallon.

- Week-to-week:** the national average price per gallon of diesel is now \$3.922, down 0.023 cents from last week.
- That national average** is \$0.085 lower than it was last year.
- This week's largest change occurred in the Rocky Mountain region where prices decreased \$0.073 from \$3.956 to \$3.883. All of the five primary regions experienced decreases.

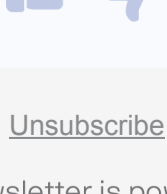
The OOIDA Foundation thanks you for all that you do! You truly drive the nation's economy.



Feedback

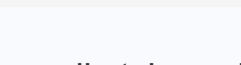
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