



SEPTEMBER TRUCKLOAD MARKET INSIGHTS

September 17, 2026

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CURRENT ECONOMIC CONDITIONS

ECONOMIC CONDITIONS

INFLATION

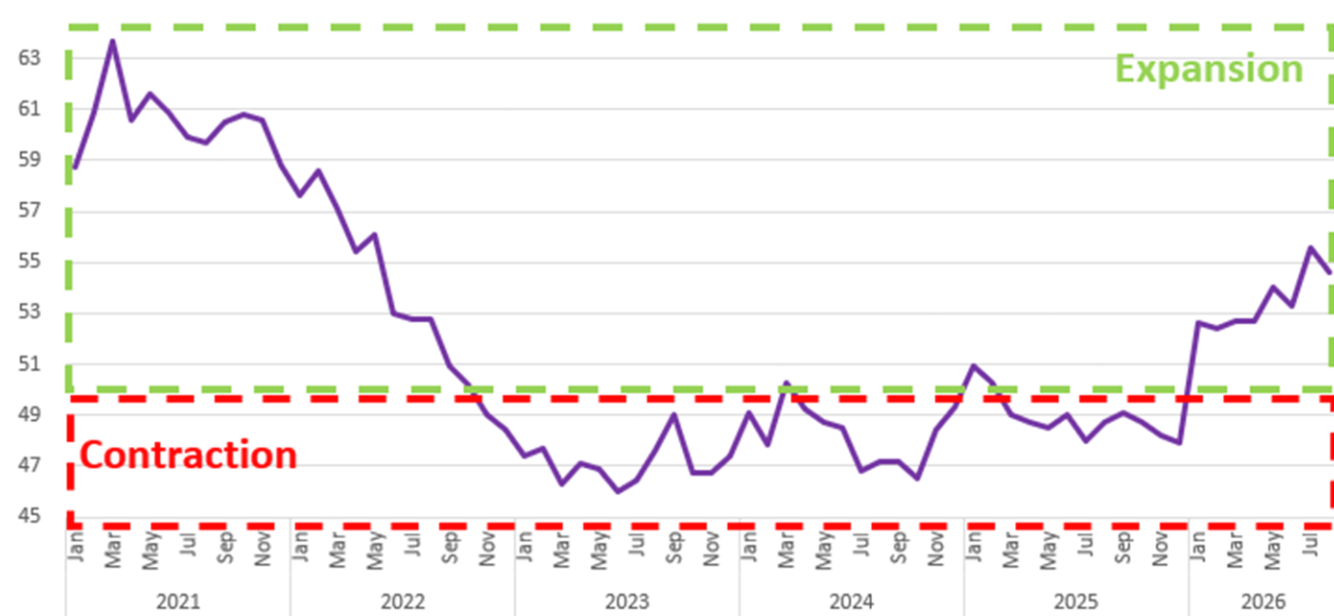
- The Consumer Price Index (CPI) rose 0.4% m/m in August bringing the annual inflation rate to 3.4%
- Core inflation, excluding food and energy, rose 0.3% as the annual inflation rate stood at 2.4%
- The Bureau of Labor Statistics found that inflation ticked up even before renewed conflict in the Middle East led to rising oil prices
- The Federal Reserve raised its benchmark interest rate by 25 basis points, its first increase since 2023 with updated projections point to the possibility of another rate increase this year.

CONSUMER SENTIMENT

- U.S. consumer confidence remains dour. The University of Michigan Consumer Sentiment Index declined to 47.8 in September, down from August's reading of 51.7.
- "With a resurgence in fuel prices and trade tensions, consumers anticipate greater pressures on their pocketbooks to come," said Joanne Hsu, the director of the Surveys of Consumers.

MANUFACTURING & RETAIL INVENTORY

Institute for Supply Management PMI Index



PURCHASING MANAGERS' INDEX

- Manufacturing activity expanded for the 8th consecutive month, with the PMI registering 54.6%, indicating continued growth in the U.S. manufacturing sector.
- **New Orders** remained in growth territory at 53.7%, though the pace slowed from July, suggesting demand is still expanding but not as rapidly.
- **Overall tone cautiously negative:** 58% of comments were negative vs. 42% positive. Geopolitical risk, tariff uncertainty, price volatility and increasing lead times remain dominant themes.

FRED — Retailers: Inventories to Sales Ratio



Source: U.S. Census Bureau via FRED®
Shaded areas indicate U.S. recessions.

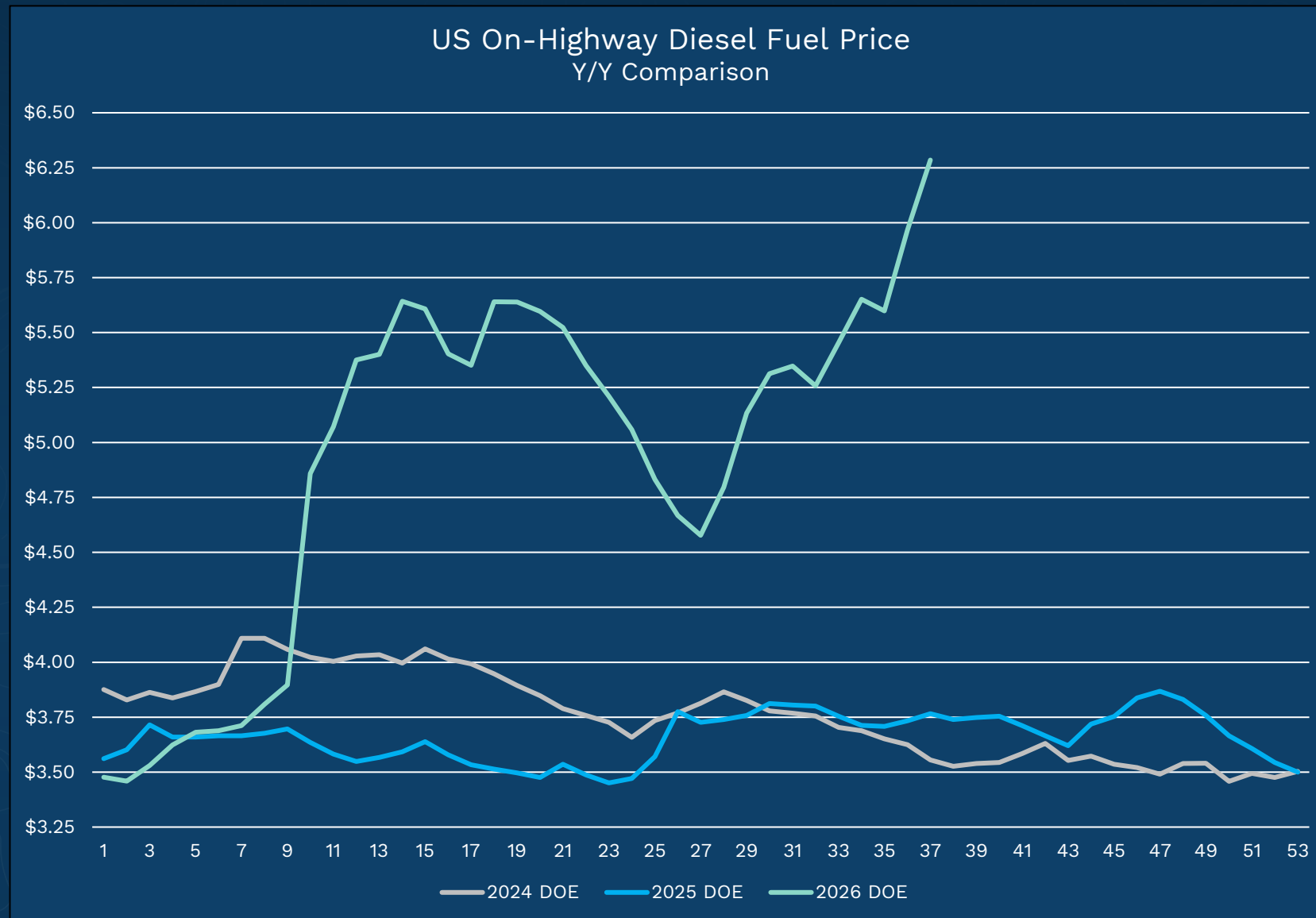
fred.stlouisfed.org

Fullscreen

RETAILERS: INVENTORIES TO SALES RATIO

- The June retail inventory-to-sales ratio declined month-over-month to 1.25
- Current inventory levels remain within the estimated optimal range indicating no material imbalance
- Retailers continue to operate under a “just in time” inventory strategy, maintaining disciplined stock levels amid ongoing demand uncertainty

OIL PRICES: MORE THAN JUST DIESEL



Source: U.S. Department of Energy

Current costs - Current On-Highway Diesel Fuel Prices increased 5.3% this week to the highest recorded reading of \$6.285. Current pump prices are 66.9% above 2025 levels, equating to approximately \$0.50/mile YoY spot cost impact.

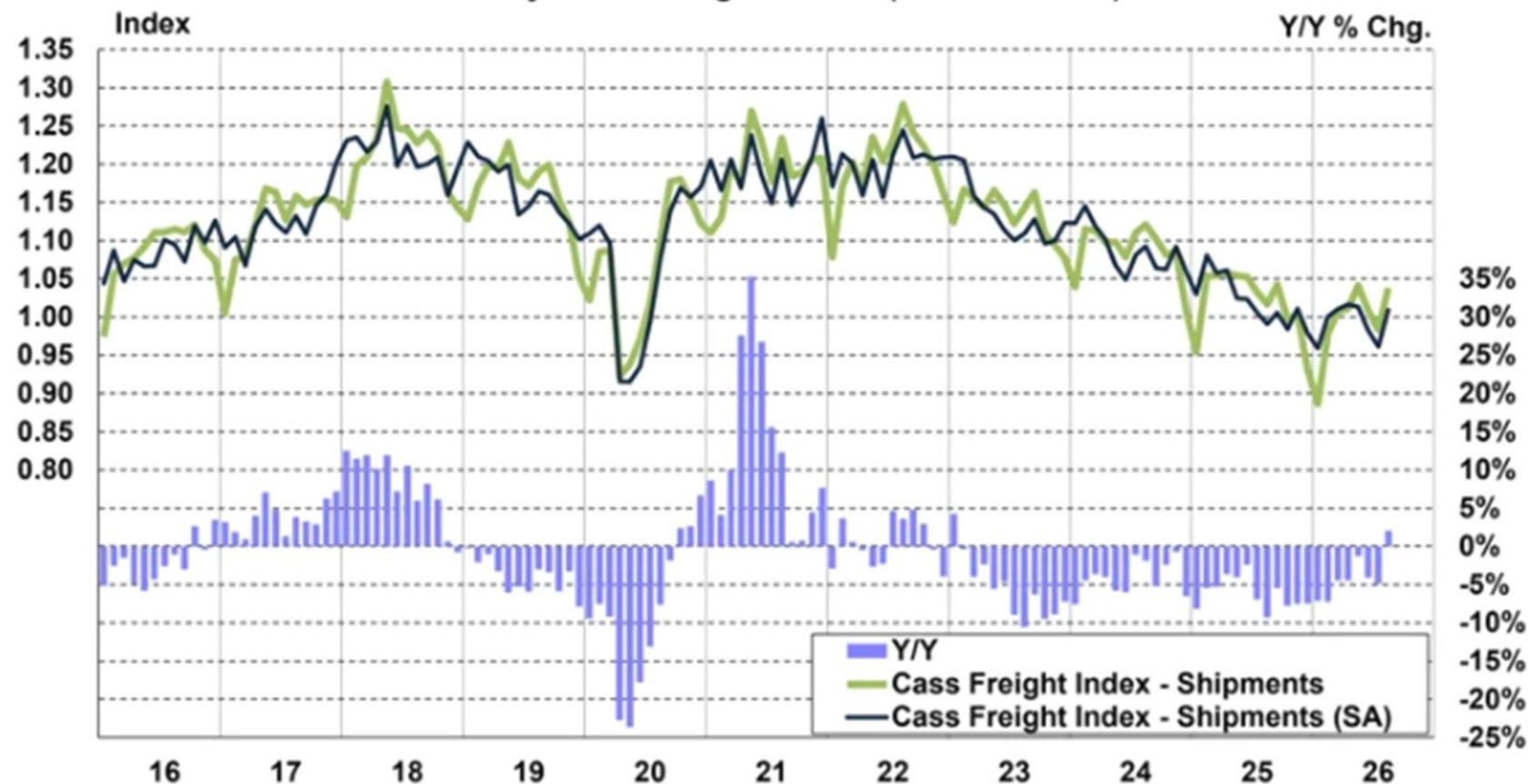
Crude oil price - The EIA assumes some constraints to exporting oil from the Middle East will persist through the end of the year, keeping crude oil production in the region below pre-conflict averages until the second quarter of 2027.

FREIGHT VOLUME TRENDS

FREIGHT VOLUME TRENDS

Cass Freight Index® - Shipments

January 2016 - August 2026 (01'1990=1.00)

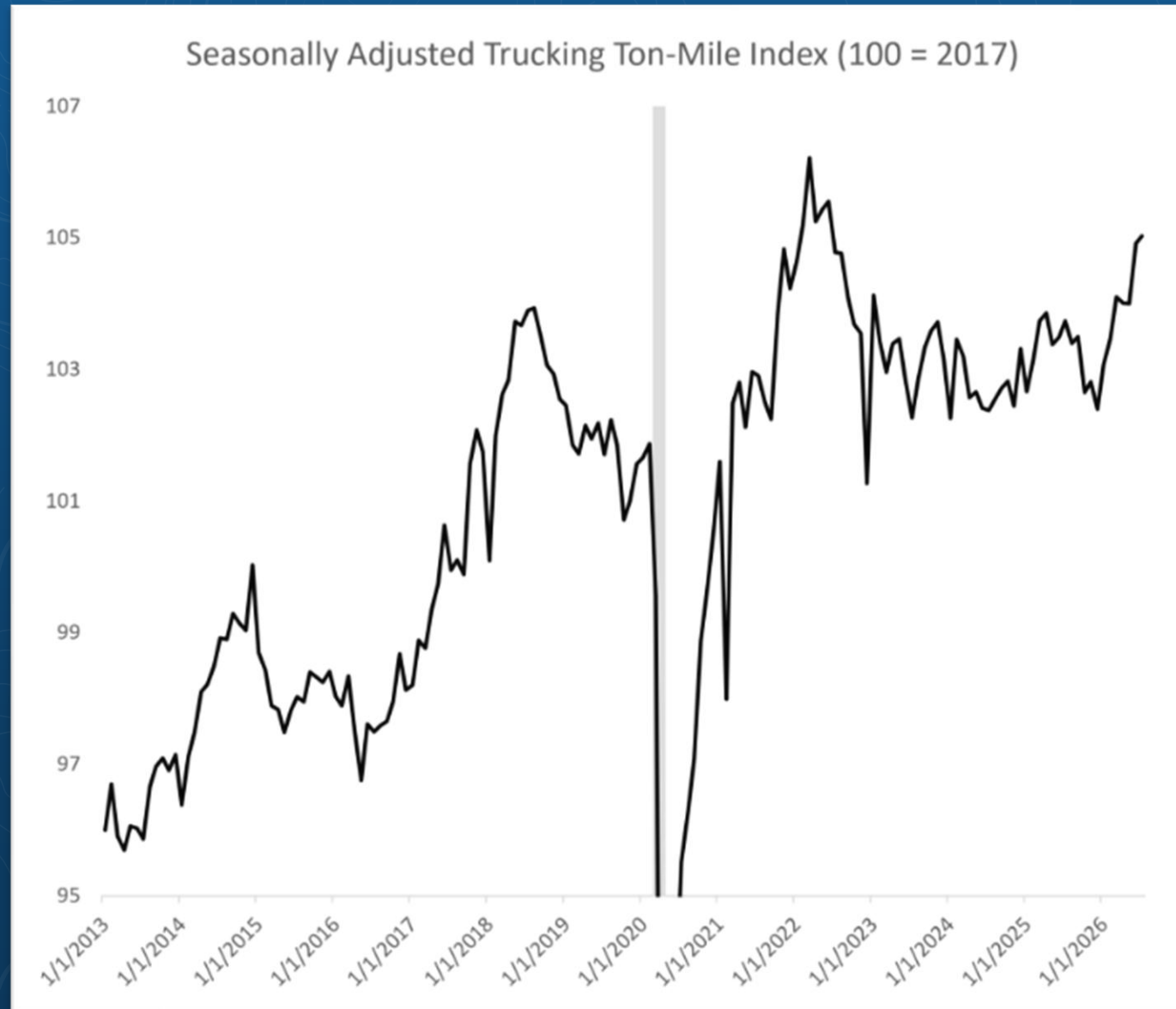


Source: Cass Information Systems, Inc., ACT Research Co. © 2026

AUGUST CASS FREIGHT INDEX

- Up 5.6% m/m and 2.1% y/y, the first y/y gain since January 2023.
- Seasonally adjusted up 5.0% m/m, reversing declines in June and July
- As this roughly offsets the declines in the past few months, but Cass hesitates to describe this as a major improvement in freight demand.
- Data within this index includes all domestic freight modes and is derived from 36 million invoices and \$36B in spend processed by Cass annually.

FREIGHT VOLUME TRENDS



- Freight demand remained relatively unchanged in July from June but remains meaningfully above last year's levels.
- Growth continues to remain concentrated in AI-related sectors, including electrical equipment, machinery, metals, and industrial wholesale distribution.
- Key watchout: Freight growth is heavily dependent on the AI infrastructure buildout; a slowdown in AI capex could result in a meaningful downturn for trucking demand, similar to the post-fracking freight recession of 2015–2016.

Source: Bureau of Transportation Statistics
Analysis: Jason Miller – Michigan State University

DEMAND CATALYSTS: CURRENT FACTORS

RESIDENTIAL CONSTRUCTION

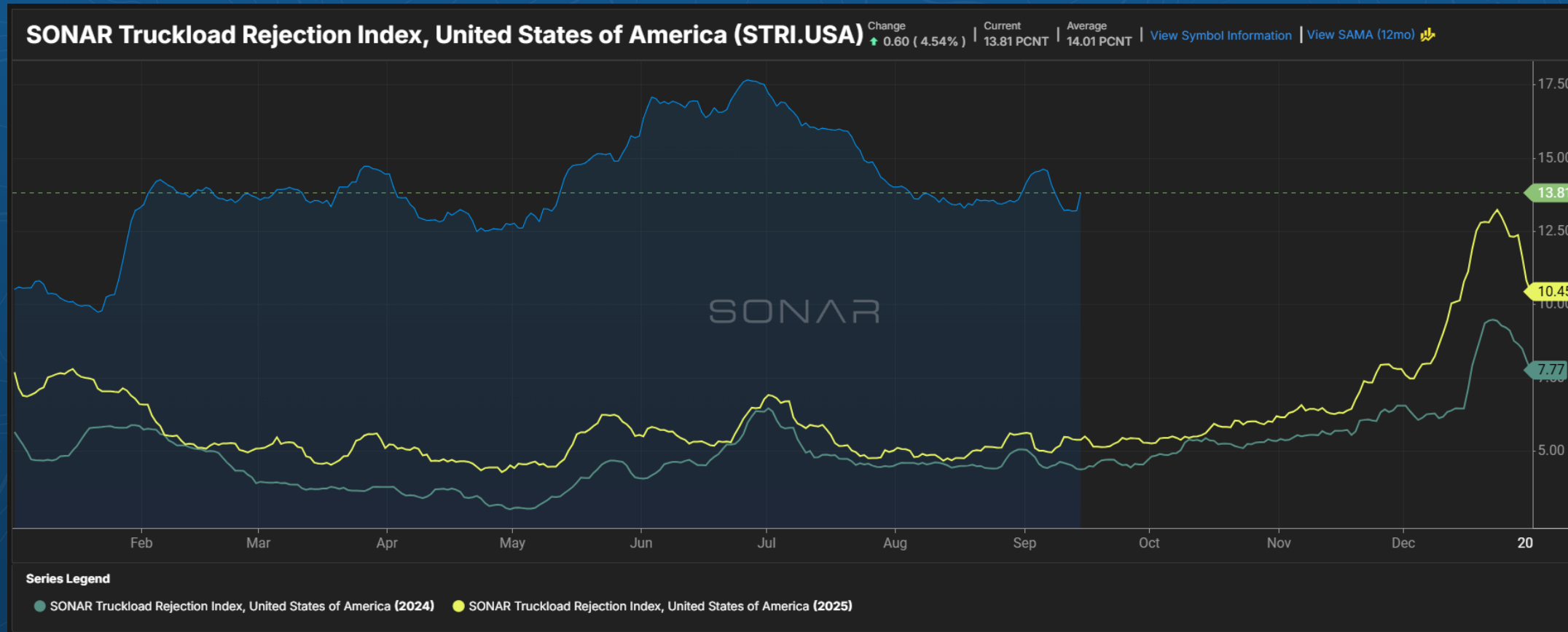
- Housing starts fell 12.4% m/m in July, dropping 15.4% to their second-lowest level since May 2020 (the other being May 2026)
- Existing single-family homes sales declined 1.9% m/m in August and down 1.1% y/y.
- In August, the supply of homes on the market rose to its highest level since November 2019 with prices declining 1.7% m/m.
- Prior to the Fed's announcement and as of Sept 10, mortgage rates as reported by Freddie Mac rose with the average 30-year fixed-rate mortgage now at 6.76%.

IMPORTS AND TARIFF IMPACTS

- The 10% across-the-board Section 122 tariff expired July 24. New Section 301 tariffs ranging from 10% to 12.5% took effect the following day and apply to 60 economies.
- The Port of Los Angeles set a new three-month volume record during June, July and August after retailers rushed in goods to avoid new tariffs and higher fuel costs.
- **USMCA:** The U.S. declined to lock in a long-term agreement, citing trade deficits and a desire to renegotiate specific provisions
 - The treaty remains in effect but requires reviews
 - Trade uncertainty delays expenditures, factory expansions, and hiring
- International trade accounts for ~16–25% of U.S. surface freight volume.

CAPACITY HEADWINDS

FREIGHT REJECTIONS: CARRIER EXITS CATCHING UP



Source: FreightWaves/SONAR Outbound Tender Volume Index – Symbol STRI

- The current national tender rejection rate is 13.8%. Rejection rates in the 6% - 8% range indicate a more balanced market
- Rejection rates remain well above 2024 and 2025 levels of 4.8% and 5.9%, reflecting the impact of company exits and reduced capacity numbers from larger carriers
- Rejections are declining from their end-of-quarter peak but remain elevated as ongoing supply-side pressure continues to support elevated rejection activity.
- Rejections should decline as contract pricing resets higher

REGULATORY PRESSURES ON CAPACITY AND BROKER LIABILITY

CAPACITY LEGISLATION AND LIABILITY IN THE NEWS

- **Montgomery vs Caribe Transport**- Brokers must exercise reasonable care when hiring carriers.
- **TIA petition for Rulemaking** - The TIA petitioned the FMCSA to establish a motor carrier safety selection standard and publish a list of high-risk motor carriers considering the Supreme Court decision.
- **CDL Schools** - 550 "CDL mills" closed following in-person audits. 7,000 schools removed from the Training Provider Registry (TPR) since 2025.
- **English Proficiency** - Penalties shift from out-of-service orders to license revocation.
- **Motus registration system** - Replacing legacy infrastructure and better track carrier compliance.
- **Business location requirements** - Physical location requirement where records can be inspected within a 48-hour window.

ELECTRONIC LOGGING DEVICES

- Since January 2025, the FMCSA has removed over 80 devices.
- Offshore staffing auditing logs and limiting safety.

NON-DOMICILED DRIVERS

- 194,000 non-domiciled CDL holders expected to exit market over five years.
- Delilah's Law: Proposed federal legislation prohibits states from issuing CDLs to individuals who are not U.S. citizens, lawful permanent residents, or valid work visa holders.
- Some carriers are preemptively reducing non-domiciled drivers.

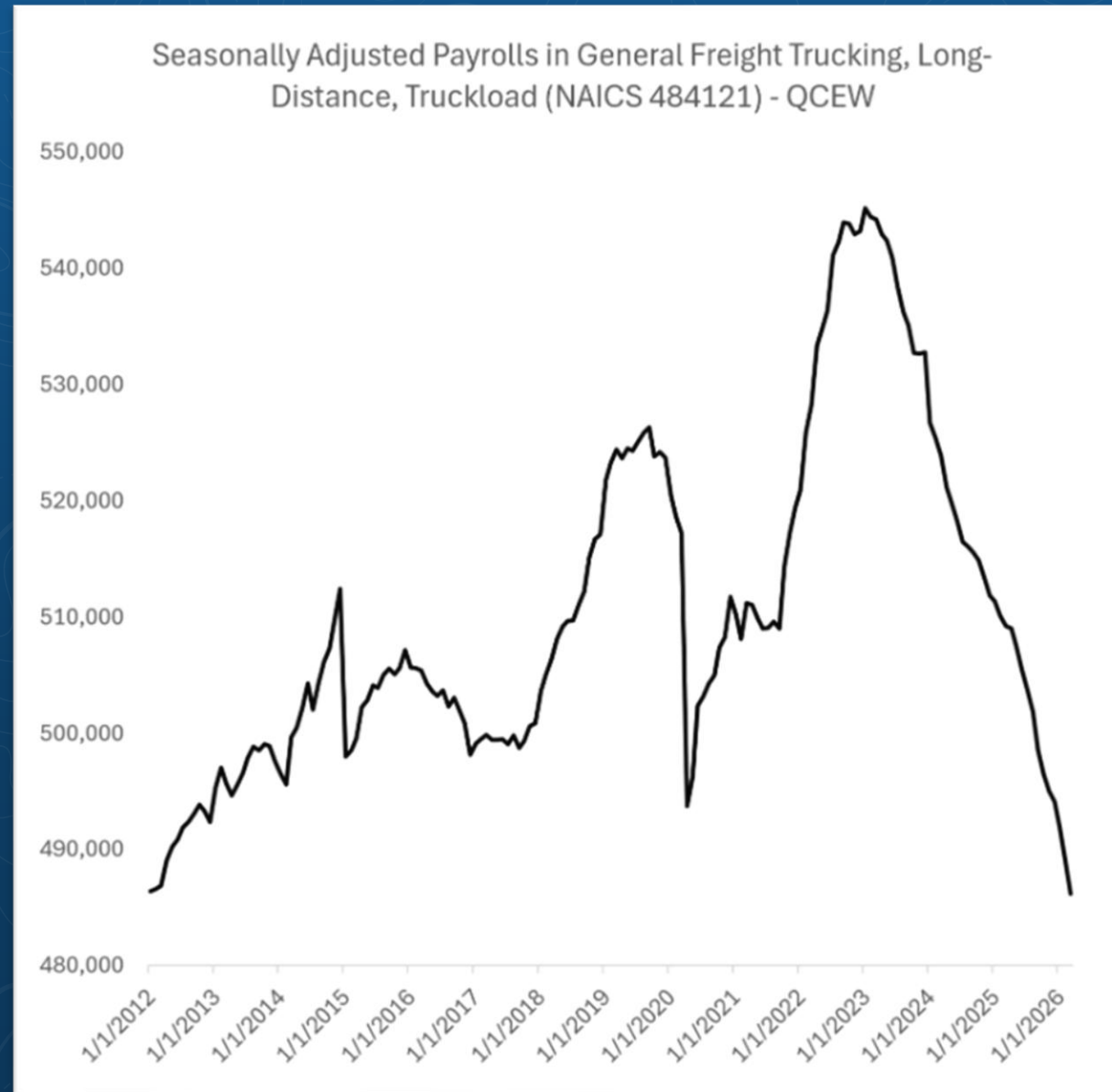
INFLATIONARY PRESSURES ON CAPACITY

ATRI Analysis of the Operational Costs of Trucking: 2026 Update

- Average trucking operating costs reached a record \$2.336 per mile in 2025, up 3.4% YoY (+4.2% excluding fuel)
- Driver compensation exceeded \$1.00 per mile for the first time
- Fleets deferred equipment replacement, leading to:
 - Rising maintenance expenses
 - Fewer miles between breakdowns
- Carriers responded by reducing capacity:
 - Fleet sizes down 2.4%
 - Approximately 10% of trucks parked/unseated
 - Effective industry capacity down 5.5%

Rising operating costs continue to pressure carrier profitability and support capacity discipline, creating a higher long-term floor for truckload rates even as freight demand remains relatively subdued.

TRUCKING JOB DATA: CAN CAPACITY ABSORB A DEMAND INFLUX?

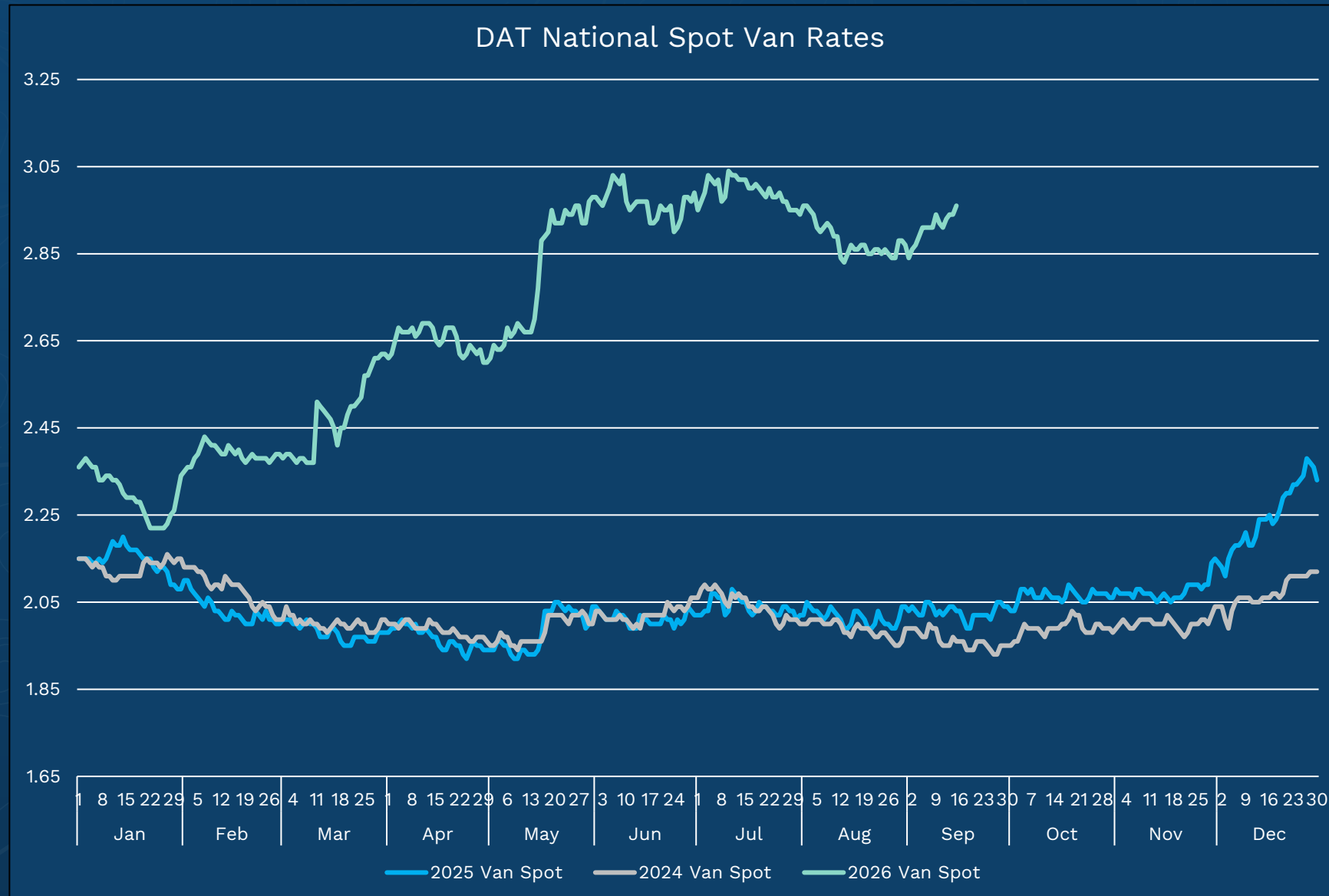


- Seasonally adjusted payroll employment for general freight long-distance truckload for March 2026 reached its lowest level since early 2012, down 4.5% y/y and 7.2% compared to March 2024.
- Since the late-2022 employment peak, dry van trucking capacity has contracted 10.8%.
- The data suggests that capacity erosion remained severe throughout 2025 and into 2026, highlighting the extent of the industry downturn.

Source: Bureau of Labor Statistics, Jason Miller

NATIONAL RATE TRENDS

NATIONAL SPOT RATES



DAT's Van National Spot Rate (inclusive of fuel) increased 42.9% year over year in August and declined 3.8% month over month from July.

Excluding fuel costs, the linehaul pricing decreased 8.6% sequentially for the month.

The full impact of fuel has yet to appear as carriers absorb a portion of this cost in favor of freight during the late summer volume doldrums.

DAT's Van National Contract rate continues to rise, up 21.8% y/y in August with a sequential increase of 3.2% from July.

NEAR-TERM MARKET OUTLOOK

UPCOMING MARKET EVENTS

Produce moves north

- Northern markets, particularly the Pacific Northwest, will constrict capacity beginning the end of October
- Oregon and North Carolina grow 58% of the country's cut Christmas trees, with shipping concentrated in a four-week window beginning in early November.

Fourth Quarter Peak Shipping Season

- Holiday shipping begins and continues through the end-of-year
- Deloitte projects average personal gift spending to only dip ~2% per consumer, showing that shoppers are protecting core gift budgets despite broader economic caution
- Shoppers across all income tiers are actively chasing promotions, comparing cross-channel deals, and open to switching familiar brands for better value.

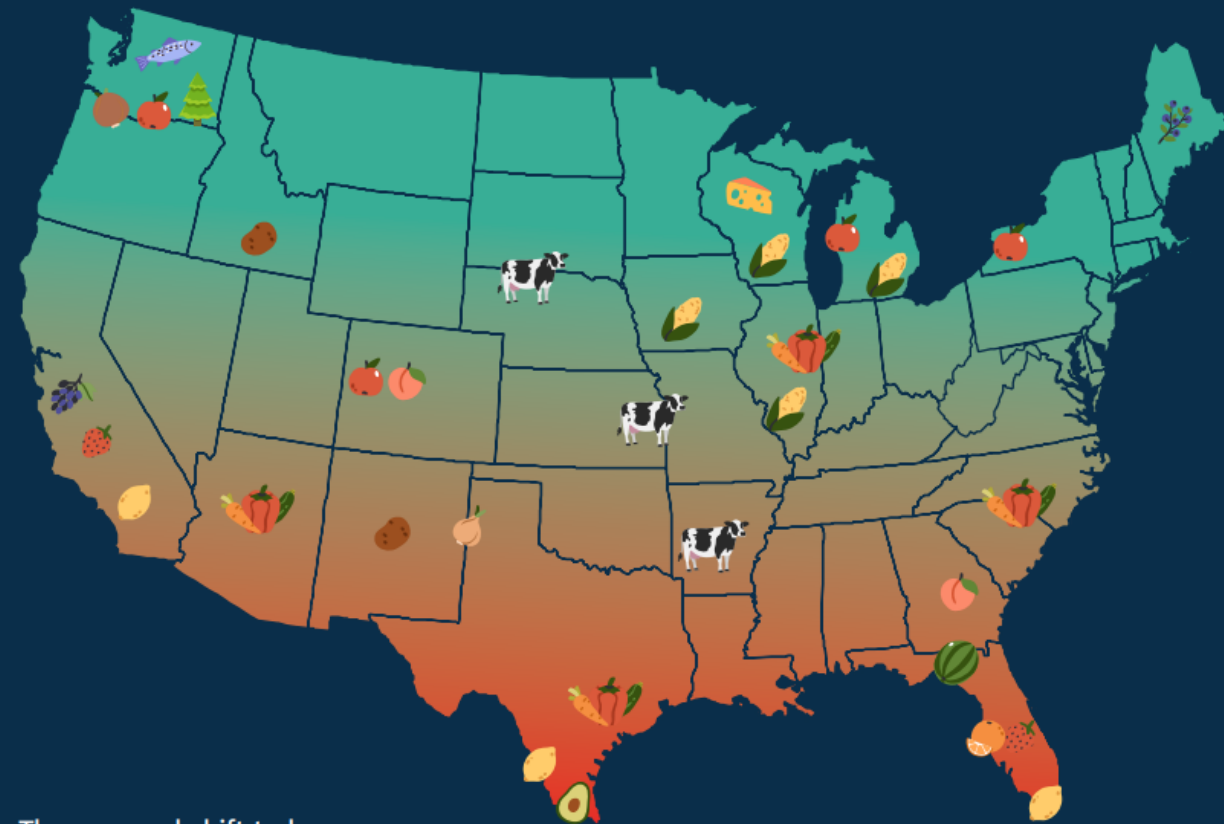
Fuel costs remain a concern

- Carriers are currently absorbing most of the diesel fuel increase as the market remains soft, but this could change in the next 30-45 days as peak season begins and geopolitical concerns remain unresolved.

PRODUCE MAP

Seasonal Demand Cycle

The below map will show the most effective ways to minimize disruptions and anticipate trends during seasonal shifts.



The seasonal shift to be aware of in **January** and **February** is **winter weather** throughout the country.

December

November

October

September

August

July

June

May

April

March

Jan / Feb

SEASONAL DEMAND CYCLE

This map highlights key demand cycles in the agricultural market across the country.

It illustrates the most effective ways to minimize disruptions and anticipate trends during seasonal shifts.

The seasonal shift to be aware of in January and February is winter weather throughout the country.

HIGH-LEVEL SUMMARY

• **Economic Conditions**

- Consumer sentiment at historic lows as inflation and energy concerns persist.

• **Freight Volume Trends**

- Volumes showing signs of growth but highly segmented by industry.

• **Capacity Headwinds**

- Federal regulation enforcement and rising carrier costs impacting available supply.

• **National Rate Trends**

- Supply-side pressure driving rate growth.

• **Near Term Outlook**

- Spot pricing is expected to rise mid- to late- October as peak season returns and fuel costs remain elevated.
- Contract pricing will continue to rise throughout the remainder of 2026 and into 2027
- For 2027, FTR projects y/y van spot growth of 3.2% compared to a 10.1% growth rate in the contract van market