

JARRETT SUPPLY CHAIN REPORT



MARKET

- The Cass Freight Index, which measures overall North American freight volumes and expenditures, reported that shipment counts fell 4.7% month over month (m/m) in Oct., and fell 9.5% year over year (y/y). Freight expenditures fell 2.2% m/m and 23% y/y. ([Cass Information Systems November 2023](#))
- Nearly 1,500 brokers have dropped out of the U.S. truck brokerage market since last Dec., according to operating authority data from the Federal Motor Carrier Safety Administration (FMCSA). That's approximately 5% of the U.S. freight broker population, now approximately 28,100 companies. ([JOC November 2023](#))
- Truck transportation jobs dropped again. Employment in the truck transportation sector in Oct. recorded its fourth decline in the past five months as total jobs in that classification are now down more than 30,000 since its most recent high. ([FreightWaves November 2023](#))
- The average price for a gallon of diesel fuel was \$4.294 the week of Nov. 13. It is down 19.2% y/y. ([U.S. Energy Information Administration November 2023](#))

LESS-THAN-TRUCKLOAD (LTL)

- XPO, ABF Freight and Saia are among the carriers reporting strong growth in pricing power, shipment volumes and other key measures during the most recent quarter. "It shows that the LTL industry, among all the transportation segments, is healthier and in a better position for the next three years from a shareholder point of view," said Satish Jindel, president of transportation industry consultancy SJ Consulting Group. ([WSJ November 2023](#))

- U.S. LTL carriers continue to expand terminal networks amid post-Yellow recalibration. XPO, Old Dominion Freight Line and Estes Express Lines have all announced plans for new or expanded terminals. ([JOC November 2023](#))
- Annual general rate increases (GRIs) from LTL carriers are coming in slightly ahead of schedule. Old Dominion Freight Line announced it will implement a 4.9% GRI effective Dec. 4, which is one month ahead of schedule. Saia announced a 7.5% GRI, which will also be effective on Dec. 4. The carrier's increase was nearly two months earlier and 1 percentage point higher than the year-ago iteration. ArcBest implemented a 5.9% GRI on Oct. 2. The GRI was in line with the year-ago increase but started one month earlier this year. ([FreightWaves November 2023](#))
- Jack Cooper Transport, a specialized operator that hauls automobiles for carmakers, plans to submit a bid backed by \$1 billion in financing and support from the Teamsters Union and some U.S. lawmakers that would halt the liquidation of trucking giant Yellow and seek to resurrect the shuttered business. ([WSJ November 2023](#))

TRUCKLOAD(TL)

- The American Trucking Association's seasonally adjusted For-Hire Truck Tonnage Index fell 1.1% in September after increasing by 0.2% in Aug. Compared with Sept. 2022, the index fell 4.1%, the seventh straight y/y decrease and the largest over that period. The y/y decrease was the largest drop since Nov. 2020. ([DAT Freight & Analytics November 2023](#))
- Digital freight broker Convoy Inc. announced that it will be "closing down its core business operations," on Oct. 19. Convoy counted Jeff Bezos and Bill Gates among its investors. Convoy had more than 1,000 employees at its peak and was valued at \$3.8 billion just 18 months ago. ([Freightwaves November 2023](#))
- U.S. truckload rates decreased slightly in Oct. Dry van spot rates were down 1% from Sept. to Oct., and are down 13.5% y/y. The number of spot loads posted in Oct. decreased 17.6% from Sept., and are down 48.1% y/y. ([DAT Freight & Analytics November 2023](#))

PARCEL

- FedEx has launched “a much better machine-learning model” to provide more accurate estimates to customers about delivery times, President and CEO Raj Subramaniam said at the CNBC Evolve Global Summit on Thursday, Nov. 2. ([SupplyChainDive November 2023](#))
- The U.S. Postal Service posted a \$6.5 billion net loss for its 2023 fiscal year, which ended Sept. 30, a much sharper decline than the \$4.5 billion loss the agency forecast a year ago. Much of the net loss can be attributed to a \$5.8 billion year-on-year increase in operating expenses. ([FreightWaves November 2023](#))
- DHL Group has reduced its 2023 earnings forecast in response to a hoped-for second-half global economic recovery that never materialized. ([FreightWaves November 2023](#))

INTERNATIONAL

- J.B. Hunt, BNSF and Grupo México Transportes are planning to offer shippers a new U.S.-Mexico intermodal service as of Jan. 1, promising faster shipping speeds. ([SupplyChainDive November 2023](#))
- Maersk, the world’s second-largest ocean carrier, announced they are cutting 10,000 jobs in the face of ‘worsening market conditions.’ The layoffs will reduce their global headcount by 9%. “We are in a very uncertain trading environment with significant further downside risk potential — one that could stay with us for quite a while,” said Vincent Clerc, CEO of A.P. Moller-Maersk on a call with analysts. ([FreightWaves November 2023](#))
- The Drewry WCI composite index, which measures the bi-weekly ocean freight rate movements of 40-ft. containers in seven major maritime lanes, was \$1,504 per 40-ft. container on Nov. 9. It has dropped 46% when compared with the same week last year. It is now 6% above the 2019 pre-pandemic rates of \$1,420. ([Drewry November 2023](#))