



U.S. Bank Freight Payment Index™ Shows Spend Surging, Shipments Easing in Q4

January 24, 2018

Spending up across all regions; shipments strong in Southwest, weak in Midwest

MINNEAPOLIS--(BUSINESS WIRE)--Jan. 24, 2018-- The [U.S. Bank Freight Payment Index](#)™ showed gains in both spending and shipments during the fourth quarter of 2017, but the scope of the advances differed widely. Spending for trucking services advanced by the highest rates so far this decade, reflecting solid demand coupled with tighter capacity due to driver shortages and new regulations. Shipments, on the other hand, increased by the smallest amount of any quarter in 2017, fitting with expected economic output deceleration during the final quarter of the year.

"The growth in shipments for the fourth quarter was solid, just not quite the torrid pace of the previous two quarters," said American Trucking Associations Chief Economist Bob Costello, who provides quarterly analysis and expert commentary on the index results. "This matches with the broader economic picture, where gross domestic product is expected to show a slowing down for Q4. The concurrent strength in spending can be traced in part to solid demand, but also to a driver shortage accentuated by the new [federal requirement](#) that trucks be equipped with electronic logging devices, or ELDs, to track driver hours-of-service, which took effect in December."

Highlights and analysis of the U.S. Bank Freight Payment Index for the fourth quarter of 2017 include:

- The National Spending Index jumped 12.5 percent from the third quarter and 24.8 percent over the same quarter a year earlier. The two gains were both records for the index dating back to 2010.
- The National Shipments Index increased just 1.6 percent during the quarter, significantly below the 5.8 percent and 3.3 percent gains of the second and third quarters, respectively. Still, it was the best for fourth quarter of any year since 2014, and notably better than Q4 2016, when the index fell 4 percent.
- Truck shipments were quite mixed by region during the quarter, ranging from a drop of 1.4 percent in the Midwest to a surge of 9.1 percent in the Southwest.
- All regions saw double-digit gains in spending, the largest jump coming in the Northeast (16 percent) and the smallest being the Southeast (just under 11 percent).

The quarterly U.S. Bank Freight Payment Index measures quantitative changes in shipment and spend activity based on data from transactions processed through [U.S. Bank Freight Payment](#). These transactions are made on behalf of clients across a range of industries, including automotive, manufacturing, food and retail.

A pioneer in automated freight audit and payment for more than 18 years, U.S. Bank Freight Payment processes around \$23 billion in global freight payments annually for some of the world's largest corporations and government agencies. Through its comprehensive online solution, organizations can streamline and automate their freight audit and payment processes while obtaining the business intelligence needed to maintain a competitive supply chain. U.S. Bank Freight Payment combines transportation, logistics and supply chain expertise with the backing of one of the world's leading payment providers and the security of one of the world's most respected financial institutions.

©2018 U.S. Bank

About U.S. Bank (www.usbank.com)

Minneapolis-based U.S. Bancorp (NYSE: USB), with \$462 billion in assets as of December 31, 2017, is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. The Company operates 3,067 banking offices in 25 states and 4,771 ATMs and provides a comprehensive line of banking, investment, mortgage, trust and payment services products to consumers, businesses and institutions.

View source version on businesswire.com: <http://www.businesswire.com/news/home/20180124006185/en/>

Source: U.S. Bank

U.S. Bank Corporate Communications

Bill Brady

612-303-0731(o) | 651-728-2248 (m)

bill.brady@usbank.com

or

William Mills Agency

Deborah Harris, 678-781-7220

deborah@williammills.com