



## U.S. Bank Freight Payment Index™ Continues Growth Streak in Q1

April 26, 2018

*Spend and shipment rates rise 1.4 percent nationally*

MINNEAPOLIS--(BUSINESS WIRE)--Apr. 26, 2018-- The [U.S. Bank Freight Payment Index™](#) recorded 1.4 percent gains in both shipments and spending for the first quarter of 2018, compared with the previous quarter. For the index, whose data stretches back to 2010, the 1.4 percent increase in shipments marked its fifth straight quarterly rise, while the 1.4 percent upturn in freight spend resulted in its highest-ever first quarter reading.

Both indices are significantly higher than for the same quarter last year, reflecting the stronger economy over the course of the 12 months. However, spending gains far outpaced shipping expansion, reflecting driver shortages that become more acute and put upward pressure on rates as demand grows. Compared with the first quarter of 2017, the shipment index jumped 12.6 percent, but the spend index surge was nearly double that -- 24.5 percent.

"Motor carriers of all types are having extreme difficulty finding qualified drivers, which is constraining capacity and pushing driver pay higher," said American Trucking Associations Chief Economist Bob Costello, who provides expert analysis on the index results. "The capacity situation will likely get even tighter throughout the year as economic growth accelerates and fleets have a difficult time adding trucks to meet that added demand."

Other highlights and analysis of the U.S. Bank Freight Payment Index for the first quarter of 2018 include:

- The Midwest was the strongest shipping region, jumping 3 percent from Q4 2017 due to continued strength in the factory sector. That was followed by a 1.6 percent rise in shipments in the Southwest. The Southeast and West also saw gains in shipments, but by less than 1 percent each.
- The Northeast has seen the weakest growth numbers in shipments for two quarters running. After no gain in the final quarter of 2017, shipments slumped 0.3 percent lower in the first quarter of 2018. One of the factors likely hurting volumes was adverse winter weather, especially late in the first quarter. Bad winter storms impacted construction activity and general freight movements for all products.
- Spending was mixed across the regions during the first quarter, with the Southeast and Northeast registering declines, while the other regions saw gains. The largest increase was the Midwest at 5.2 percent.
- Freight spending overall has now increased sequentially for seven straight quarters, totaling 31.4 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, U.S. Bank Freight Payment is celebrating its 20<sup>th</sup> year of facilitating transactions between shippers and carriers. The business processed more than \$24 billion in global freight payments in 2017 for some of the world's largest corporations and government agencies. Through its collaborative 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.

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U.S. Bancorp, with 73,000 employees and \$460 billion in assets as of March 31, 2018, is the parent company of U.S. Bank, the fifth-largest bank in the United States. The Minneapolis-based bank blends its branch and ATM network with mobile and online tools that allow customers to bank how, when and where they prefer. U.S. Bank is committed to serving its millions of retail, business, wealth management, payment, commercial and corporate banking, and investment services customers across the country and around the world as a trusted financial partner, a commitment recognized by the Ethisphere Institute naming the bank a [2018 World's Most Ethical Company®](#). Visit U.S. Bank [online](#) or follow on [social media](#) to stay up to date with company news.

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