



U.S. Bank Freight Payment Index: Less Contraction, Regional Bright Spots in Second Quarter

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Truck freight shipments increase in West, Northeast and Southeast regions compared to first quarter

MINNEAPOLIS--(BUSINESS WIRE)-- Truck freight volumes and spending continued to drop in the second quarter, but at a slower pace than recent quarters, [according to the latest U.S. Bank Freight Payment Index](#) . Shipments increased in three regions – the West, Northeast and Southeast – on a quarterly basis, the first time multiple regions have experienced increased volume in more than a year.

“Our data is showing some signs that the very challenging freight market could be nearing a bottom,” said Bobby Holland, director of freight business analytics, U.S. Bank. “There are still headwinds for carriers, but at least in terms of volume, there are some bright spots across the country.”

In the second quarter, shipments nationally dropped 2.2% while spending contracted 2.8% on a quarterly basis. The declines were less severe than the first quarter, when spending fell 16.8% and shipping volume dropped 7.8%. Still, second quarter shipments were down 22.4% compared to a year earlier and spend was off 23.5%.

“Trucking companies are facing a triple challenge of lower volumes due to consumer preference to spend on experiences versus goods, suppressed rates and higher costs,” said Bob Costello, senior vice president and chief economist at the American Trucking Associations. “This situation is likely to cause further capacity reductions in the industry.”

The U.S. Bank Freight Payment Index measures quantitative changes in freight shipments and spend activity based on data from transactions processed through [U.S. Bank Freight Payment](#) , which processes more than \$42 billion in freight payments annually for shippers and carriers across the U.S. The Index insights are provided to U.S. Bank customers to help them make business decisions and discover new opportunities.

Data

National Data

Shipments

Linked quarter: -2.2%

Year over year: -22.4%

Spending

Linked quarter: -2.8%

Year over year: -23.5%

Regional Data

West

Shipments

Linked quarter: 1.5%

Year over year: -19.8%

Spending

Linked quarter: -2.3%

Year over year: -25.5%

This marked the first sequential volume gain for the West since the first quarter of 2022. Seaport volume as well as truck-transported exports and imports in the region have increased, which boosts truck freight.

Southwest

Shipments

Linked quarter: -13.6%

Year over year: -26.8%

Spending

Linked quarter: -1.4%
Year over year: -25.5%

The Southwest truck freight market has struggled the last several quarters after outperforming other regions in parts of 2022 and 2023. The 1.4% quarterly spending drop was much better than the first quarter, when spending was down -16.5%. Cross border trucking in the region has been one of the few bright spots for the market.

Midwest

Shipments

Linked quarter: -2.7%
Year over year: -20.3%

Spending

Linked quarter: -6.0%
Year over year: -23.1%

One of only two regions to post a quarterly decline in volumes, the Midwest experienced sequential declines in five consecutive quarters. The findings align with flat or slightly declining economic indicators in the region.

Northeast

Shipments

Linked quarter: 2.7%
Year over year: -25.2%

Spending

Linked quarter: -0.1%
Year over year: -26.9%

This was the first time in two years the Northeast experienced a quarterly increase in shipments. According to the Federal Reserve's Beige Book, spending on goods have held steady in the region, which supports truck freight.

Southeast

Shipments

Linked quarter: 1.8%
Year over year: -22.9%

Spending

Linked quarter: -0.9%
Year over year: -20.3%

Southeast shipments increased for the first time in three years. The region is experiencing improved home construction, retail demand and seaport volume.

To see the full report including in-depth regional data, visit the [U.S. Bank Freight Payment Index website](#). For more than 25 years, organizations have turned to U.S. Bank Freight Payment for the service, reliability, and security of a full-service, federally regulated financial institution. The [U.S. Bank Freight Payment Index](#) measures quantitative changes in freight shipments and spend activity based on data from transactions processed through [U.S. Bank Freight Payment](#).

About U.S. Bank

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