



U.S. Bank Freight Payment Index: Truck freight volume, spend decline at slower pace

2024-10-31

***Third quarter marked the ninth consecutive quarterly decrease in shipments, but smallest drop in more than a year***

MINNEAPOLIS--(BUSINESS WIRE)-- Truck freight shipments and spending continued to contract in the third quarter, albeit at a slower pace than earlier this year, according to the [latest U.S. Bank Freight Payment Index](#). Shipments were down 1.9% compared to the previous quarter while spending dropped 1.4%. This was the ninth consecutive quarterly decrease in volume, but the smallest drop in more than a year.

"The latest data continues to show some positive developments for the freight market. However, there remain sequential declines nationwide, and in most regions," said Bobby Holland, U.S. Bank director of freight business analytics. "Over the last two quarters, volume and spend contractions have lessened, but we're waiting for clear evidence that the market has reached the bottom."

The third quarter again highlighted the value of examining truck freight conditions by region, where conditions varied greatly. In the West, spending was up 4.4% over the previous quarter and volume increased 1.1%. Meanwhile, in the Southeast spending declined 3.3% and shipments were down 3.0%.

"It's a positive sign that spending contracted less than shipments. With diesel fuel prices lower, the fact that pricing didn't erode more tells me the market is getting healthier," said Bob Costello, senior vice president and chief economist at the American Trucking Associations.

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: -1.9%

Year over year: -21.2%

#### *Spending*

Linked quarter: -1.4%

Year over year: -21.3%

### **Regional Data**

#### **West**

##### *Shipments*

Linked quarter: 1.1%

Year over year: -10.9%

##### *Spending*

Linked quarter: 4.4%

Year over year: -18%

Stronger West Coast port volumes boosted truck freight levels. This marked the first time shipments have risen for two consecutive quarters in the West since 2021. The West also had by far greatest increase in truck freight spending during the third quarter.

### **Southwest**

#### *Shipments*

Linked quarter: -7.2%

Year over year: -28.6%

### *Spending*

Linked quarter: 0.1%

Year over year: -19.8%

Among regions, the Southwest had the largest quarterly decline in volume (-7.2%). This follows a 13.6% drop in the second quarter. Weaker economic activity – including the impacts of Hurricane Beryl – dampened truck freight activity in the region.

### **Midwest**

#### *Shipments*

Linked quarter: 0.3%

Year over year: -19.2%

#### *Spending*

Linked quarter: -3.0%

Year over year: -22%

Positive housing starts in the Midwest helped boost truck freight shipments modestly during the third quarter. Spending, meanwhile, dropped for the third consecutive quarter.

### **Northeast**

#### *Shipments*

Linked quarter: -2.8%

Year over year: -25.4%

#### *Spending*

Linked quarter: -2.5%

Year over year: -27.7%

This quarter's contraction followed a 2.7% increase in shipments in the second quarter. Economic activity in the region has been mixed, with increases in residential construction but lower retail sales.

### **Southeast**

#### *Shipments*

Linked quarter: -3.0%

Year over year: -23.1%

#### *Spending*

Linked quarter: -3.3%

Year over year: -20.8%

Spending on truck freight in the Southeast declined by the most among regions on a quarterly basis. The drop was due to falling volumes as well as lower fuel costs.

*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 and payments provider. 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](#).*

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