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SHIPPING & TRANSPORTATION

Brian Fox, **Choptank Staff**



Is it a “Trump Bump”, ELD’s, Hurricane Hangover, all of the above?

We know President Trump thinks he is driving the economy, but regardless if you agree, the economy and all the other factors swirling around our market will keep this roller coaster going for some time.

Here is a brief market overview and report on all the factors driving the current market, our expectations for where it’s headed, and most importantly, how to manage this market and come out on top!

A stronger economy has been pushing more loads into the marketplace, and after a record-breaking Black Friday & Cyber Monday it’s easy to speculate that the Christmas holiday season will be nothing short of a capacity black hole! Per truckstop.com, as last-minute Thanksgiving freight moved to stores nationwide, the average reefer rate rose another 3¢ to \$2.43 per mile, the highest weekly average in more than 3 years. Van rates added 1¢ to \$2.07 per mile. These are record rates.

Couple those economic numbers with fewer drivers on the road, the hangover effect from the hurricanes and government regulations like [ELD’s](#) (see: [What Shippers Need to Know About ELD’s](#)) and the picture becomes clear. Shippers waiting for the rates to come down or carriers and brokers anticipating market changes should have no fear...*(cue David Bowie)* times are (not) ch-ch-changing. Looking at the year over year load counts, and other data available on truckstop.com and DAT.com (see [Table 1 below, Nat’l Load Counts Year over Year](#)), we can see the market historically softens at the turn of December, but scales back up quickly for the Christmas push; however, you can throw last year and the rest of history out the window! The factors discussed above will raise the rates and number of shipments to heights we never imagined.

Other important factors on the market’s volatility will be [CSX](#) negating future capacity after recently discontinuing hundreds of lanes (see: [searchable list of CSX lanes](#)), and major retailers like [Kroger and Walmart](#)

[putting new demands on suppliers](#) providing less overall capacity in this marketplace is one more handicap to add to this growing list.

Noel Perry, of FTR and the chief economist of online load board [Truckstop.com](#), mentions that it took several months for annualized pricing to right itself following Hurricane Katrina and lanes normalize and the truck to load ratios to [\(see Table 2 below\)](#) become more manageable. The macroeconomic factors on a national and international level are very different than what the market faced after Katrina. We can hope for the best, but find the right partner to help plan for what might be a [long and winding road](#).

We, at [Choptank Transport](#), are not expecting any quick or easy fixes. Relying on your partners and the experts can relieve a lot of stress and provide solutions in navigating these treacherous waters. An experienced third-party logistics provider can utilize their established pool of carriers, up-to-date technologies to track the market [\(see Table 3\)](#) and well-trained staff to provide real-time information and the best rates available. [Request a quote today](#) to see how we can help you improve your supply chain. No matter which mode of service you need, Choptank can deliver via [truckload \(dry and refrigerated\)](#), [DRY LTL](#), [Cold LTL](#), [Intermodal](#), [Flatbed/Oversized](#), [Specialty Loads](#) and more.



TABLE 1. *National Load Counts – Reefer & Van

*Ava. of ~2 Million more loads over 2016

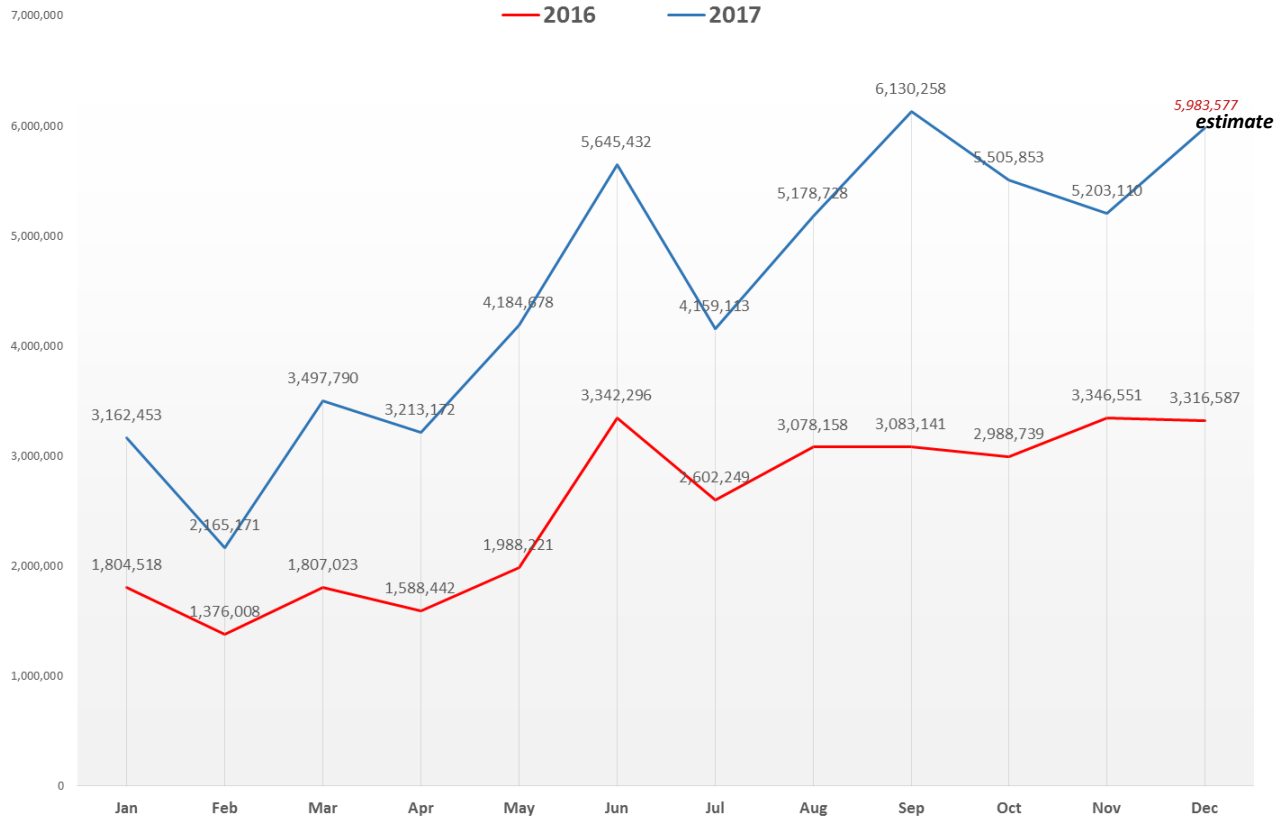


TABLE 2. *Market Demand Index (MDI) by Truckstop.com

*The MDI is a measure of relative truck demand in the spot market. It compares load availability to truck availability.

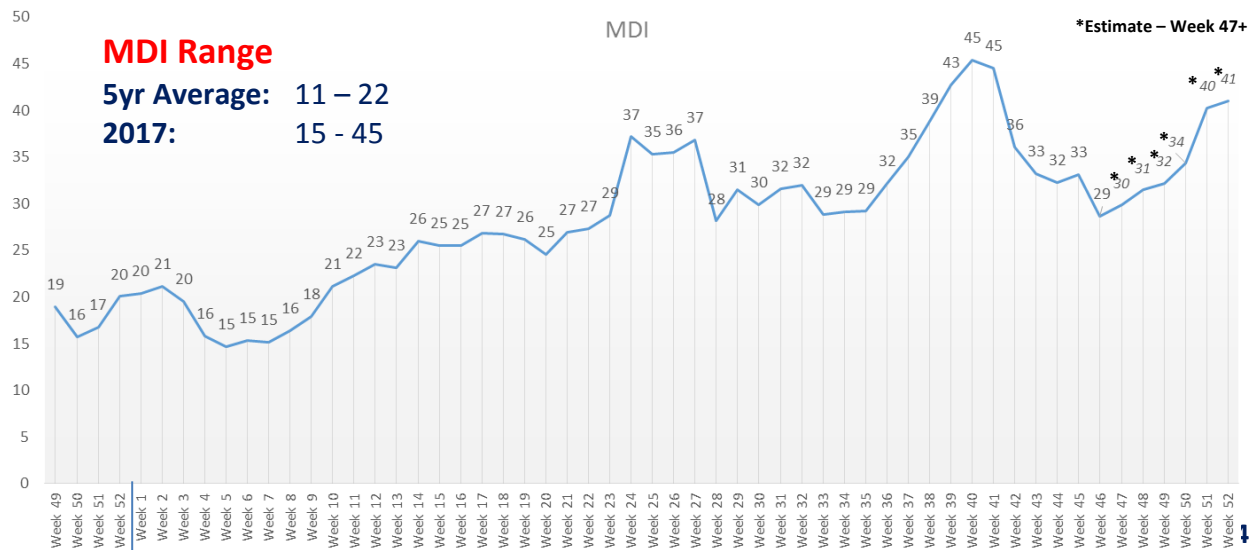


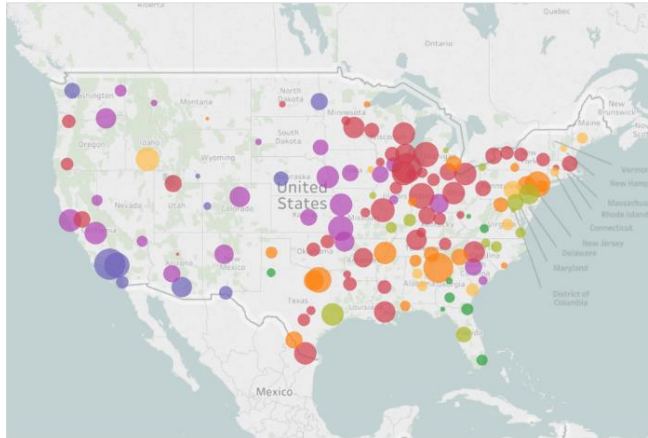


TABLE 3. *Density Maps

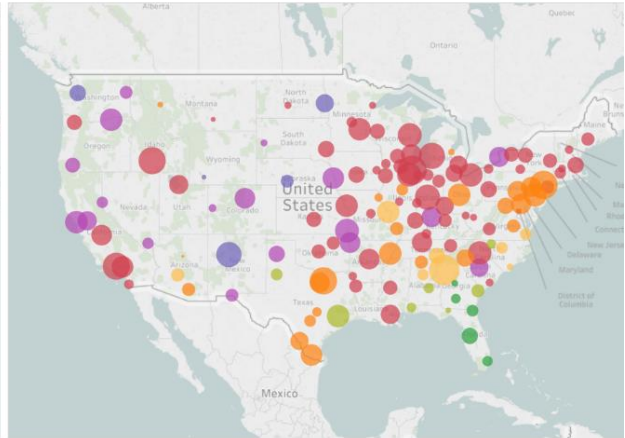
*Load density maps are based on percent change and are not indicative of actual load count. Drastic change in color represents drastic **percent change** in load count. Red is a large change.

REEFER

3 Day Reefer

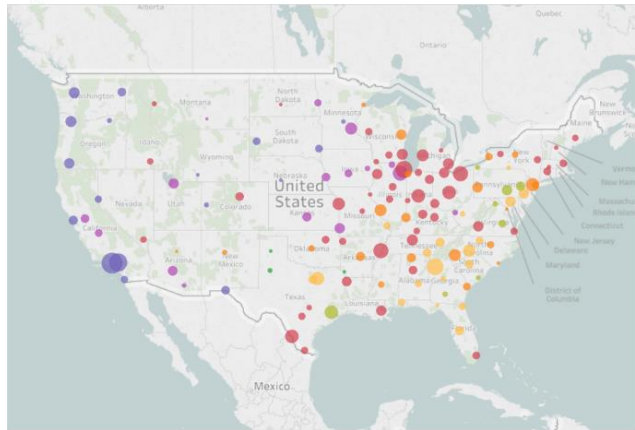


30 Day Reefer



DRY VAN

3 Day Van



30 Day Van

