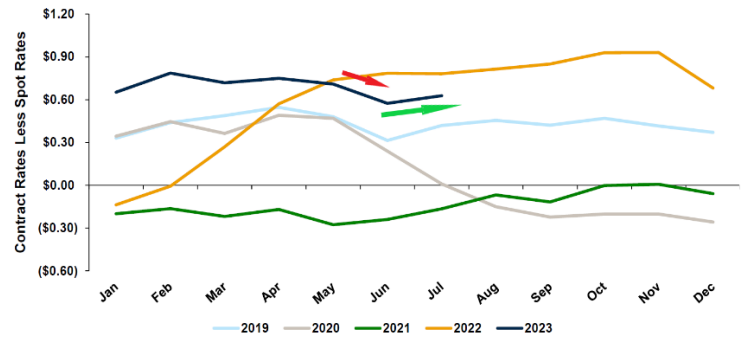




CURRENT STATE

A Crane manufacturing Client provided the following insight on recent TL, LTL and parcel trends. On the LTL side, our contact was not previously a YELL customer, so he hasn't had to scramble to find capacity. Looking ahead, the majority of this shipper's annual contracts are set to expire by the end of this year, and he expects his LTL carriers will push for large rate increases. So, he is currently projecting a 7% increase in his LTL base rates next year. Meanwhile, on the parcel side, this shipper exclusively used UPS for most of his parcel freight. Prior to the potential strike, he moved a large chunk of this business to FDX, despite concerns about missing volume commitments and incurring penalties with UPS. With the strike averted, our contact has now optimized his shipments with FDX to avoid any penalties and would like to shift more volumes to FDX during his next contract renegotiation. Lastly, **on the TL side, our contact is still seeing very loose dry van and flatbed capacity, although the market seems to have bottomed over the last few months.** So far this year, this shipper has tried to reduce his flatbed spot exposure and conducted a few mini bids. His average contract rates are now down mid-single digits year over year. Heading into his 2024 flatbed bid, our contact is hoping to keep his rates flat year over year. Many of his asset-based carriers expect the market to tighten by mid-2024, so our contact could also see a scenario where he takes a 1%-2% increase during the bid.

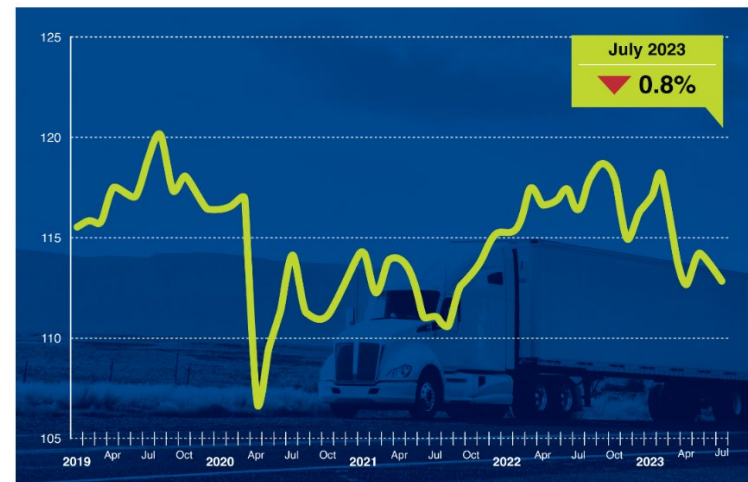
Contract Rates Less Spot Rates



One of the best ways to "CALL" the bottom of a rate cycle is when the variance between contract rates and spot rates stabilizes or even starts to reverse direction. The latest contract rates less spot rates data appears to be stabilizing at a \$0.60 per mile difference, excluding fuel.

MARKET FORECAST

Trucking industry experts are expecting a modest peak shipping season due to freight demand and inventory trends. "My assessment is this is not likely to be a very gangbuster peak season," said Avery Vise, vice president of trucking at FTR Transportation Intelligence. "I think it's going to be better than certainly a lot of people expected. But I don't think we're going to look back at the peak season of 2023 and say that was a really good year. I think it's going to be fairly modest." The Uber Freight Q3 Market Update and Outlook Report noted Aug. 9 that a year-over-year increase in durable goods of 4.7% helped overall goods spending inch up in Q2. But looking ahead the report forecasts weakness in the coming months because of backlogs and new orders from manufacturers. It also found retail and wholesale inventories are down year-over-year, excluding the automotive sector. But wholesale durable goods inventories remain high relative to sales. "I would say last year there was no peak season," American Trucking Associations Chief Economist Bob Costello said. "It was nonexistent. It didn't happen at all. This year we can do better than that, but I don't think it's going to be back to quote-unquote normal." Costello pointed to the shift back to services from goods as a major reason for the slow growth. During the COVID-19 pandemic, people were going out less, causing consumer spending to favor goods. But activities such as concerts, vacations and eating out have since made a comeback. "We're on the flip side of that and have been for a while, and that's why freight has been in a recession," Costello said.



American Trucking Associations' advanced seasonally adjusted For-Hire Truck Tonnage Index decreased 0.8% in July after falling 0.3% in June. In July, the index equaled 112.9 (2015=100) compared with 113.8 in June. "Headwinds for freight remained in July, pushing the truck tonnage index lower," said ATA Chief Economist Bob Costello. "As has been the case for several months, a multitude of factors have caused a recession in freight, including sluggish spending on goods by households as consumers traveled more and went to

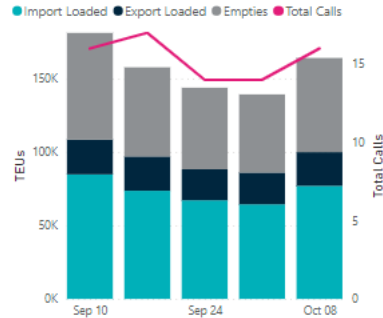
INDUSTRY INSIGHT

The Port of Long Beach currently has 12 container vessels at berth. Average at anchor is 0 days.



PROJECTED WEEKLY VOLUME (TEUS)

Week	Date	Import Loaded	Export Loaded	Empties
37	09/10/2023	84,750	23,590	72,703
38	09/17/2023	73,630	23,342	60,616
39	09/24/2023	67,138	21,087	55,501
40	10/01/2023	64,392	21,618	53,181
41	10/08/2023	76,965	22,962	64,046



PROJECTED VESSEL CALLS

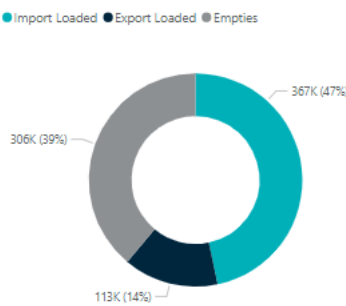
Week	Date	Blank Sailings	Extra Loaders	Planned Calls
37	09/10/2023	1	0	17
38	09/17/2023	1	0	18
39	09/24/2023	0	0	14
40	10/01/2023	0	0	14
41	10/08/2023	0	0	16

ESTIMATED CONTAINER MOVE TYPES (TEUS)

Week	Date	Import Local	Import On-Dock	Import Off-Dock	Export Local	Export On-Dock	Export Off-Dock
37	09/10/2023	63,848	21,717	4,828	24,333	8,276	1,840
38	09/17/2023	55,576	18,903	4,202	21,180	7,204	1,601
39	09/24/2023	50,687	17,240	3,833	19,317	6,570	1,461
40	10/01/2023	49,088	16,696	3,712	18,708	6,363	1,415
41	10/08/2023	57,828	19,669	4,372	22,038	7,496	1,666

ESTIMATED EXPORT AND EMPTY RETURNS (TEUS)

Week	Date	Export Loaded	Export Empty
37	09/10/2023	23,590	70,551
38	09/17/2023	23,342	57,252
39	09/24/2023	21,087	53,353
40	10/01/2023	21,618	49,856
41	10/08/2023	22,962	61,855



AVERAGE TERMINAL GATE TURN-TIME (MINUTES)

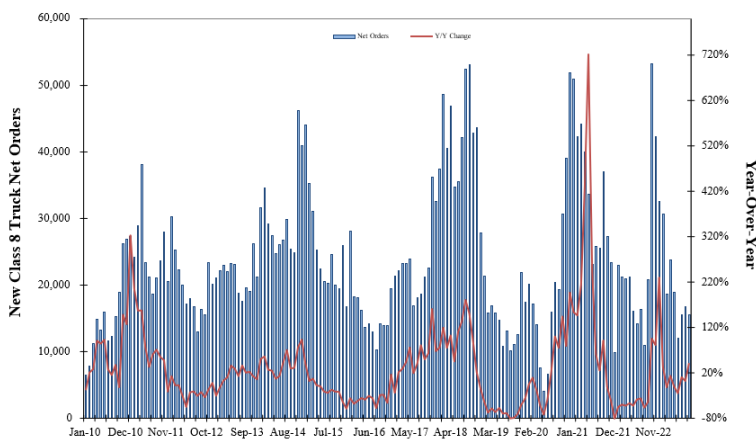
Terminal	Day Shift	Night Shift
Pier A	30	22
Pier C	22	23
Pier E (LBCT)	40	43
Pier G (ITS)	47	0
Pier J (PCT)	70	57
Pier T (TTI)	68	61

Average turn-times vary by terminals, and based on terminals' data from the previous week

Revised 9/05/2023

Class 8 Truck Orders Fall 12% in August. Despite the Decline, August Was Still the Best Orders Month Since February. North American Class 8 orders ended a three-month streak of positive year-over-year growth by falling 12% in August, according to ACT Research. ACT preliminary data showed orders fell to 19,000 units from 21,600 during the year-ago period. The report did note that despite the decline it was still the best month since February. It also noted continued economic strength and seasonal adjustments have kept orders on trend.

Class 8 Truck Net Orders



www.craneww.com

INDUSTRY INSIGHT

FreightWaves CEO Craig Fuller calls the truck driver shortage a "myth" in a recent piece of self-promotion, but his assertion collapses under the weight of facts and data. Fuller claims the shortage is an ATA fabrication, a narrative perpetuated for our convenience. Of course, we're not alone in reporting this issue. Driver shortages are global in scope, with growing vacancies felt across the Americas, Asia, and Europe, and documented in IRU's 2022 Global Driver Shortage Report: This global reality is explained by common denominators unique to our industry – structural factors concentrated in the over-the-road market, regardless of country. Demographics tell the story:

- An aging workforce,
- Barriers to entry for younger workers,
- Underrepresentation of women, and
- Lifestyle preferences precluding many job seekers from considering long-haul trucking.

Given the constraints on supply, it's understandable why this labor market is chronically tight and faces a growing deficit over the long-term. It's not hard to find the real-world evidence widely documented in states across the country. As reported just this week by the Associated Press and Tennessee Board of Regents: That's why ATA continues to advocate for policies to expand the pool of talent and ensure our supply chain has the workforce it needs to support the economy. The existence of a driver shortage is also corroborated by microeconomic indicators showing across-the-board pay increases as fleets look to recruit and retain drivers:

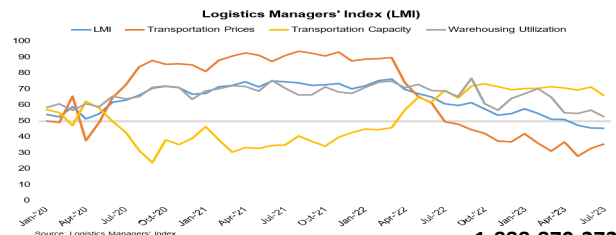
- According to USDOL, hourly earnings in for-hire general freight have risen 23.5% since the start of 2020.
- ATA surveys show an 18% increase in annual compensation for truckload drivers between 2019 and 2021.
- Between 2020 and 2021, over 90% of responding truckload carriers rose driver pay in 2021 and offered an average increase of 10.9%.

Why would truckload carriers increase pay if labor supply isn't tight? Fuller gets other points wrong, claiming ATA only represents mid- and large-size fleets. In fact, the ATA Federation encompasses 37,000 member companies, of which:

- 35% operate 0-25 trucks,
- 33% operate 26-99 trucks, and
- 32% operate more than 100 trucks.

We succeed as an advocacy organization because we come armed with facts and data. That's why we have an open door with policymakers at the highest levels of government, whereas others in this space constantly find themselves on the outside looking in. ATA isn't in the business of peddling narratives; that's FreightWaves' lane. Their bottom line is driven by story lines and increasingly of the false variety.

The July 2023 reading of the Logistics Manager's Index (LMI) reached a new all-time low at 45.4 and for the third time in a row the Logistics Managers' Index registers as contracting. This is the fifth consecutive month that the index has reached a new all-time low (above 50 indicates expansion, below 50 indicates contraction). Transportation capacity and warehouse utilization decelerated month over month, while transportation prices increased month over month.



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