

INDUSTRY INSIGHTS

MARCH 2019

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New at BNSF Logistics

- With the new brand launch, we have also defined a new purpose: We deliver what matters
- Learn more about our brand story, purpose, and guiding principles on our [about us](#) section

Best Practice

- Get ahead of the approaching spring season by accurately forecasting volumes
- Explore modal shifts now (from truck to intermodal for example) in order to get ahead of potential capacity crunches
- Consider locking in short term contracts for guaranteed equipment in produce season

Market Trends Update

Market Indicators

- US PMI: 54.2, down from last month's 56.6
- Unemployment: 3.8%, slightly improved over February
- Cass Freight Index: 1.13, essentially flat from February
- US EIA: diesel: \$2.47, steadily increasing
- Tariffs – moving target, pushed out at least another 60 days

Industry Indicators

- Dow Jones Transportation Index: closed February at 10,467, up from January
- Truck utilization: 98%, first time below 99% since May 2017
- Tender Rejections: 7.27, lower than last month's update
- Tender Volume: 9,871, up approximately 280 points from February
- DAT postings: spot market down 9.7% month over month, van load ratios are flat, reefer and flatbed load ratios are down
- DAT rates: van and reefer rates down while flatbed rates are flat
- IMDL growth – dipped in December and January to approx. -1.8% in January
- Weather – seasonal
- Produce – season will start to see volumes pick up in FL, GA and the TX Valley as crops become available in the coming weeks

Canada Market Data

- Consumer confidence: 54.12, down slightly from January
- Unemployment: 5.8%, unchanged
- PMI: 52.6 in February, down from January

Mexico Market Data

Standard & Poor's (S&P) ratings agency downgraded Mexico's state power company (CFE) and Pemex's outlooks from stable to negative after the downward revision of Mexico's outlook. Pemex's subsidiaries were also downgraded.

Forward Statement

- With van rates flat to dipping and spot market activity down almost 10% look for continued available capacity
- Early FL and CA citrus crop reports show production up from 2018 possibly signaling a similar to slightly tighter produce season