

Business

Logistics

Breaking News

Connor D. Wolf | Staff Reporter

June 20, 2024 1:22 PM, EDT

ATA Reports Tonnage Turnaround for May With 1.5% Rise

First Year-Over-Year and Sequential Gain Since February 2023



May's tonnage level of 115.9 reflected a 3.6% increase from 111.9 reported for April. (vitpho/Getty Images)

[Stay on top of transportation news: [Get TTNews in your inbox.](#)]

The trucking industry experienced its first increase in tonnage this year in May, American Trucking Associations reported June 18.

The ATA For-Hire Truck Tonnage Index increased 1.5% year-over-year to 115.9, marking the first year-over-year gain in 15 months. The results also reflected a 3.6% increase from the 111.9 reported for April.

“May was the first month since February 2023 that tonnage increased both sequentially and from a year earlier,” ATA Chief Economist Bob Costello said.

“While there was clearly an increase in freight before the Memorial Day holiday, it

is still too early to say whether this is the start of a long-awaited recovery in the truck freight market.”

ATA calculates its monthly tonnage index by surveying its membership. The feedback primarily comes from contract freight rather than spot market freight. In calculating the index, 100 represents the year 2015.



Rogers

“We saw it expand, although I think it’s mixed,” said Dale Rogers, a business professor at Arizona State University. “I understand that some people are down, and there’s even some folks laying people off. But overall, it’s mixed, which is actually not bad. ... It’s mixed and overall positive, but not everybody’s seeing the positive. The devil’s always in the details, and you’re seeing some folks have a tough time right now. But overall, things are better.”

Rogers compared the current slow but steady economy with how it was when President Barack Obama was in office. He noted people were frustrated, but it also was positive in that it was predictable. He suspects the industry will stay on its current course for the foreseeable future absent any dramatic upsets or disruptions.

“It kind of confirms that the direction of the economy is not accelerating,” said Rajeev Dhawan, director of the Economic Forecasting Center at Georgia State University. “When you look at that Labor Department report about the number of jobs created, I caution people to take it with a pinch of salt. Because, as I say, look at it from the dollars-and-cents perspective; what kind of jobs are being created.”



Dhawan

The U.S. Bureau of Labor Statistics reported that employment is continuing to trend up in several industries. Dhawan warned that a lot of that has been low-pay or part-time opportunities at a time when inflation is making basics more expensive. He also noted that a lot of the purchasing power that does exist still is going toward services.



“Which explains the lack of spending by the people on big-ticket items and other stuff,” Dhawan said. “People are still going out to the restaurants and still traveling. That does not create freight

Corey Cox of the Tandet Group of companies discusses how early AI adopters are beginning to harvest the latest wave. Tune in above or by going to RoadSigns.ttnews.com.

demand that much. But if you buy a new home or if you're making good pay, you may do some renovations or upgrade your appliances and stuff like that. That desire is not there that much because the income

creation is weak.”

The [Cass Freight Index](#) reported that its shipments reading decreased 5.8% year-over-year to 1.098 from 1.166, but the figure was unchanged from the previous month. The index highlights several positive indicators but also cautions shipments have softened significantly in the second quarter after notable improvements in Q1.

“It’s interesting we’re sort of getting a mix of data,” said Tim Denoyer, the author of the report and senior analyst at ACT Research. “Some data sets are looking pretty good, other data sets are not. Cass is still on the soft side. I think it’s still generally a lot of the same story in that the freight cycle is recovering, it’s not lifting all boats yet.”

Jonathan Phares, assistant professor of supply chain management at

Iowa State University, also questioned the discrepancy between tonnage increasing in the ATA index and shipments decreasing in the Cass index.



Phares

“I don’t know if what we’re seeing is that freight is heavier and more dense, more consolidated, or if there’s going to be some corrections to one report or the other,” Phares said.

“We saw some other disappointing reports come out from an economics standpoint.

“We saw that employment stayed flat. We actually saw an increase in unemployment. But price index stayed flat, producer price index was down, imports were down.”

Phares anticipates getting more clarity on these trends when the next report comes out.

Transport Topics

SHARE SUBSCRIBE

IN THIS PLAYLIST 10 OF 1057 EPISODES

Want more news? Listen to today's daily briefing above [or go here for more info](#)

“I’m not saying that the numbers are wrong,” Phares said. “I’m just saying that there’s just been a lot of volatility with the tonnage index and then these other indicators that have come out about May have painted a less rosy picture. We definitely have to wait and see.”

New Research

Dispatch-related issues account for around 10-15% of total downtime

Predictive analytics can anticipate capacity needs and optimize route planning

CloneOps.ai

HOW AI CAN SOLVE DISPATCH INEFFICIENCIES

It's Time to Transform Trucking Communication

Discover How

Transport Topics

CloneOps.ai

More Content About: [tonnage](#)