

Newsletter

November 6, 2020:

Below is a recap of key items impacting transportation today. It is a compilation of information from our team, carrier partners, customers, and industry sources.

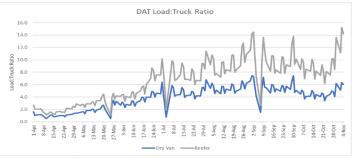
Regulatory/Governmental Updates:

- The US/Canada and US/Mexico border closures have been extended through November 21.
- The comment period for a pilot program proposed by FMCSA to allow 18-20 year olds to operate commercial vehicles in interstate commerce closes on November 9th. Currently 49 states and the District of Columbia allow 18-20 year olds to operate commercial vehicles in intrastate commerce.
- <u>13% of vehicles inspected</u> during Brake Safety Week (Aug 23-29) were placed out of service.

Market Updates

Bulk, LTL & Truckload (Van/Reefer/Flatbed):

- <u>Driver shortages</u> remain throughout the industry. As of August 1, approximately 26,000 drivers were disqualified via the new Drug & Alcohol Clearinghouse that went live in January. Of that pool, approximately 21,000 have not applied for reinstatement. Additionally, social distancing requirements have impacted the number of drivers that can progress through driving schools.
- During this week's election five states voted to legalize marijuana (AZ, MT, MS, NJ, SD). Potential increased legal use of recreational marijuana may adversely impact the driver pool due to the random drug testing requirements. Something to keep an eye on in the future.
- There has been some slight moderation in the DAT Load to Truck ratio for vans in October. August and September averaged about 5.5 loads per truck, October dropped to 4.5 loads per truck on average. The first week of November is off to a strong start at a 5.8 loads per truck average, however.



Source: DAT Solutions, LLC.

Considering a Tank Truck Outsource?:

The CLX whitepaper on outsourcing tank truck logistics is available <u>here</u>.



Export/Import/Ocean:

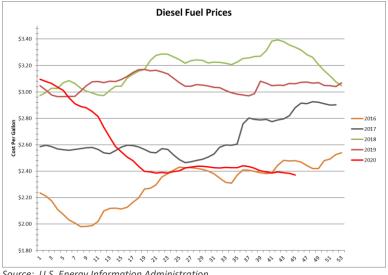
- Trans-Pacific container moves from China continue to surge. Rates have continued to hold at substantially higher levels, capacity has increased but there is little excess ship capacity available to charter.
- When a Covid vaccine is available, expectations are that regular air-cargo will take a backseat to the vaccines which will be time sensitive and command premium pricing.

Rail:

The Association of American Railroads has reported that US weekly traffic for the week ending October 31, 2020 was up 2.1% as compared to the same week last year. Through the end of October, total rail traffic decreased 9.3% as compared to last year.

Fuel:

The national average price per gallon this week is \$2.372. This is the lowest price per gallon since late August of 2016.



Source: U.S. Energy Information Administration

Having Capacity Issues?

CLX Brokerage Services can help alleviate some of the capacity issues you may be experiencing with your pool of carriers.

Contact us for more info: Brokerage@clxlogistics.com

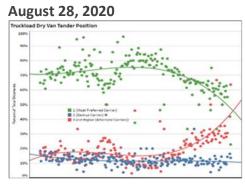




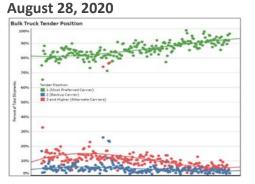
Market Tender Position -> Three Month recap:

- The three-month trend of tender acceptance as noted by the CLX carrier network for sequential tenders is below.
- Green dots/line represents the primary carrier, blue represents the backup carrier, red represents other alternate carrier options.
- Capacity remains tight in the truckload segment, with some improvement in primary acceptance during October. Bulk carrier acceptance remains consistent throughout the period.

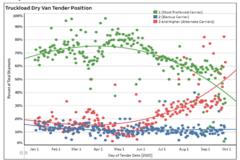
TRUCKLOAD



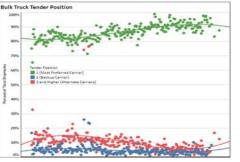
BULK

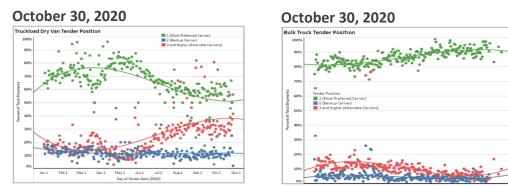


September 28, 2020



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Source: CLX Logistics US carrier network. YTD October 2020. Customer pickup and return shipments excluded.

To get a free demonstration using your data and integrating the transportation managed analytics program into your data <u>contact us</u> today.