CLX LOGISTICS
THE WORLD LEADER IN CHEMICAL LOGISTICS

Newsletter

June 2021 Edition:

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.

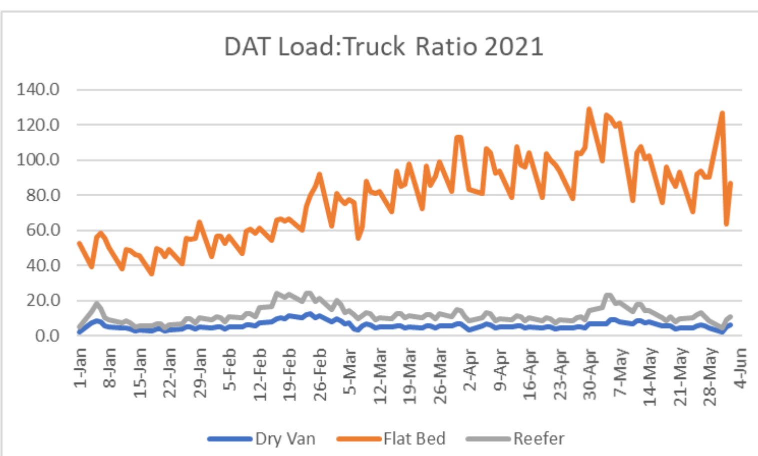
Regulatory/Governmental Updates:

- The US/Canada and US/Mexico border closures have been formally extended through June 21, 2021.
- Department of Labor withdrew a federal regulation for classification of independent contractors.
- Industry groups are pushing back against a Senate Finance Committee suggestion of a trucks-only transportation fee.

Market Updates

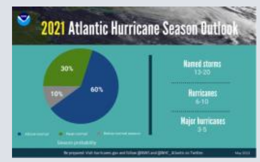
Bulk, LTL & Truckload (Van/Reefer/Flatbed):

- As of April (latest report available), 57,510 drivers have been put out of service due to the drug/alcohol clearinghouse. Of those, 43,614 had not yet started the return to duty process.
- DAT reported the Van Load to Truck ratio increased by 2.8% last week, while the Reefer Load to Truck ratio decreased by 5.4% over the prior week. Comparing May 2021 vs May 2020, Van Load to Truck ratio was up 28.6% and Reefer L/T ratio was up 32.4%.
- No significant positive changes in the bulk market for capacity. Carriers continue to focus on providing capacity to their core customers and have less capacity available for backup or spot shipments. They also will struggle to recover when unexpected issues arise (prior load cancellations, mechanical breakdowns, driver illness, etc.). There is no excess capacity sitting idle right now.
- Weight and pallet restrictions imposed by some LTL carriers remain in place. In addition to driver shortages, there are still challenges with staffing enough dock workers at the local terminals.



Source: DAT Solutions, LLC.

Hurricane season has officially started



Click the image to go to the NOAA website for more details

Considering a Tank Truck Outsource?:

The CLX whitepaper on outsourcing tank truck logistics is available here.

Export/Import/Ocean:

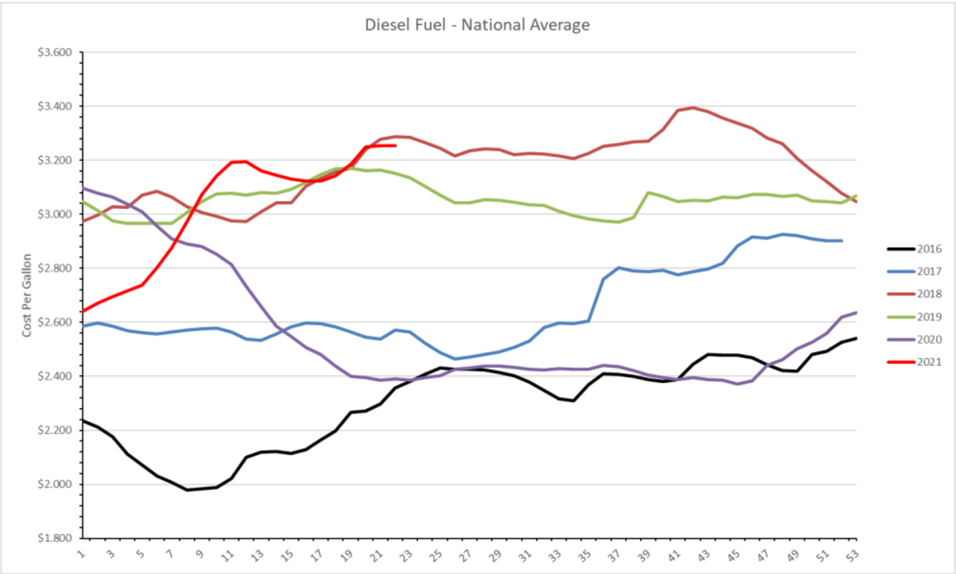
- 96% of the dry cargo containers are manufactured in China, by just three companies. Expectations are the container shortage will last into 2022.
- Covid-19 outbreak near the port of Yantian in China is causing export delays, with reports of 50 to 60 ships at anchor waiting to load.
- LAX cargo handlers arrested for allegedly stealing gold bars from an air cargo shipment.

Rail:

- The Association of American Railroads has reported that US weekly traffic for the week ending May 29, 2021 was up 34% as compared to the same week last year.
- CN has improved its offer for Kansas City Southern while CP continues to pursue its existing merger offer in a battle for the KCS.

Fuel:

- Diesel fuel had somewhat stabilized prior to the Colonial Pipeline shutdown. The national average cost has increased each week in May.
- National average cost is $3.255/gallon for the week of May 31st.



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

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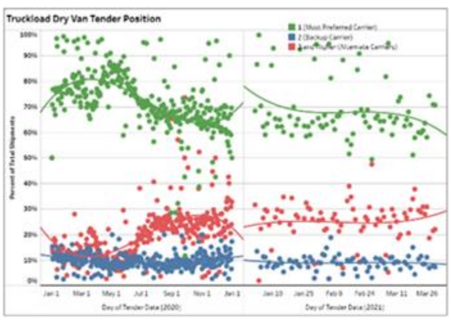
Market Tender Position –> Three Month recap:

- 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 both segments. Truckload rejections by primary carriers levelled off somewhat in May but are still below pre-Covid levels.

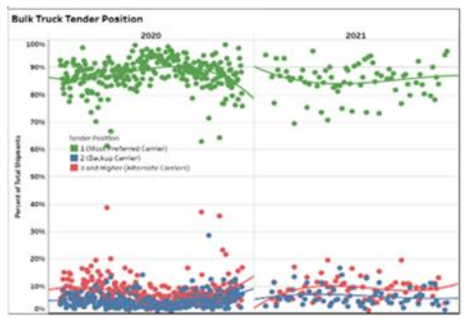
TRUCKLOAD

March 2021

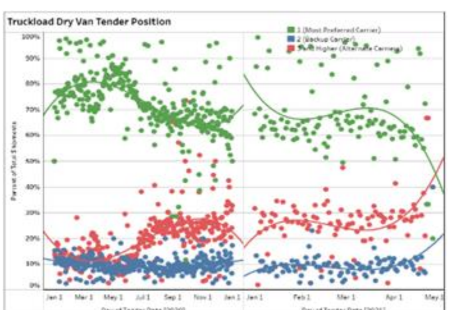


BULK

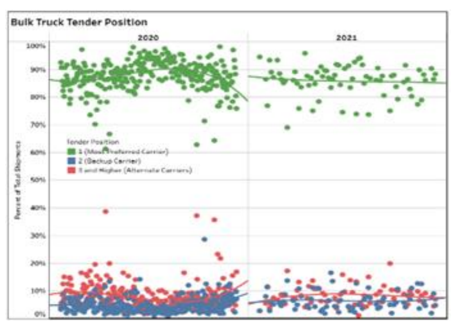
March 2021



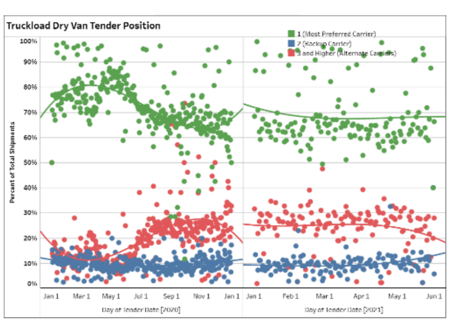
April 2021



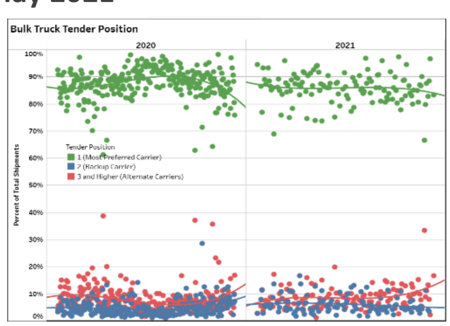
April 2021



May 2021



May 2021



Source: CLX Logistics US carrier network. YTD May 2021. Customer pickup and return shipments excluded.

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

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