MARKET UPDATE

AUGUST 2026

MARKET TIGHTENING REMAINS STRONG

3 KEY TAKEAWAYS:

- **MONTH-OVER-MONTH RELIEF IS SEASONAL, NOT A MARKET TURN**
  Spot pulled back this month in dry van (-7% MOM) and reefer (-2% MOM), and rejections dropped hard across the board—van down 24%, flatbed down 28%. That reads like loosening until you look at the year-over-year line: spot is up 45.7% in van, 46.8% in reefer, and 43% in flatbed, with rejections up 155%, 65%, and 90%. The tell is that contract rates rose month-over-month in all three modes while spot fell. Carriers are not giving anything back. This is end-of-summer seasonality sitting on top of a structurally tighter market, not capacity coming back.

- **FUEL AND COST INFLATION ARE MOVING FASTER THAN YOUR RATE**
  Diesel is hovering at $5.45/gallon, up 14% month-over-month and 47% year-over-year, making fuel the single biggest mover in this report. PPI rose 8.29% for the month and CPI sat at 3.3%. Contract rates are up 19.1% in dry van and 18% in flatbed, and LTL yields climbed 15.2% year-over-year at Old Dominion, with general rate increases now landing off-cycle—Saia at 7.1% and ABF at 5.9%. Any budget still built on 2025 assumptions, or on a single annual increase, is already short on cost and not just on rate.

- **CAPACITY IS NOT IDLE—IT IS LEAVING, AND THAT CHANGES WHAT YOU MANAGE FOR**
  RigDig counted more than 50,000 net carrier losses over the prior 12 months, and transportation sector unemployment jumped from 3.8% in June to 5.1% in July even as the national rate held flat at 4.1% on 23,000 lost payroll jobs. Soft labor is not creating available trucks; it is the mechanism by which capacity exits. New operating authorities keep climbing as tight capacity draws new entrants, so verifying operating authority before you book matters more than ever. Layer on the policy risk—a 50% Section 338 tariff on Canadian goods that applies regardless of USMCA origin, an unresolved USMCA review, and a shrinking northbound driver pool in Mexico—and the exposure has moved from price to access, compliance, and duty liability.

DYNAMIC LOGISTIX

TRANSPORTATION TRENDS

DRY VAN TRUCKLOAD

DLX MARKET VIEW

Dry Van market conditions remained moderately tight this month with rejections up YOY, signaling continued pressure on rates. Accepted volumes declined while rejections increased YOY, an indication that carriers are pushing more capacity to the spot market.

SPOT RATES

↓ **$3.31/mi**

-7% MOM

+45.7% YOY

Spot rates take a slight dip again in August but overall remain up vs. last year.

CONTRACT RATES

↑ **$2.68/mi**

+0.4% MOM

+19.1% YOY

Contract rates show a slight increase again this month.

TENDER VOLUMES

↓ **6,514**

-6% MOM

-5% YOY

Decreased tenders vs. last month.

REJECTION VOLUMES

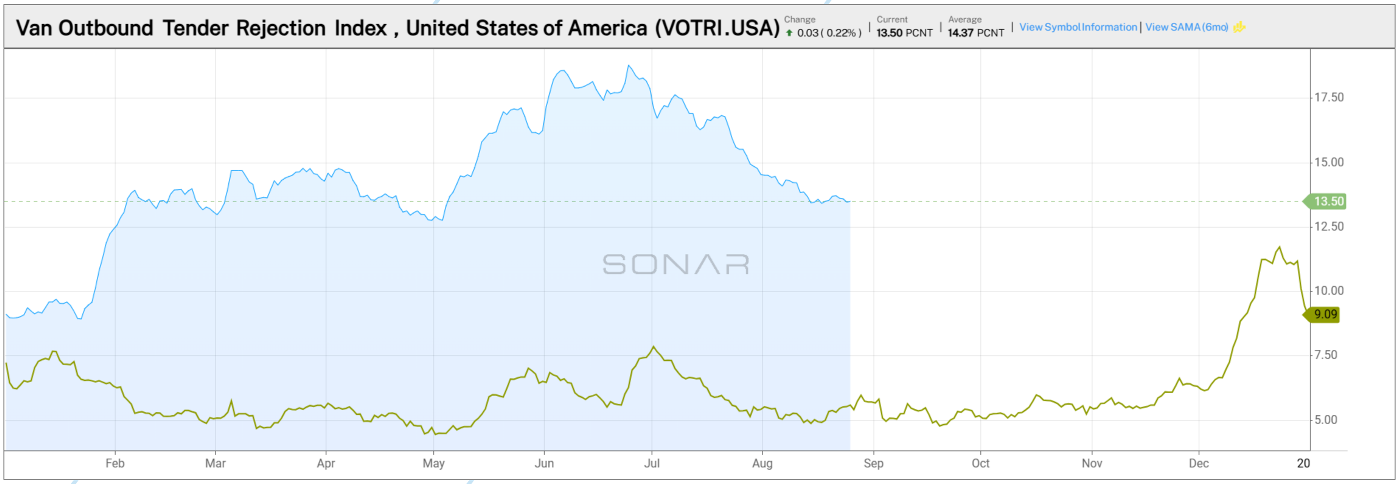
↓ **13.53**

-24% MOM

+155% YOY

MOM rejections decreased in August but remained elevated vs. last year.

VAN OUTBOUND TENDER REJECTION INDEX



TRANSPORTATION TRENDS

REFRIGERATED TRUCKLOAD

MARKET VIEW

Refrigerated market conditions are moderately tight, as rejections continue putting pressure on pricing. Continued pressure on overall rejections and capacity YOY continues to play a large role in pricing.

SPOT RATES

$3.77/mi

-2% MOM

+46.8% YOY

August spot rates dip slightly as we head into the end of the summer months.

CONTRACT RATES

$2.41/mi

+0.8% MOM

+3.4% YOY

Contract rates continue to increase as the spot market remains high.

TENDER VOLUMES

1,223

+2% MOM

+0.09% YOY

Tender volume increased slightly MOM but remains relatively flat vs. last year.

REJECTION VOLUMES

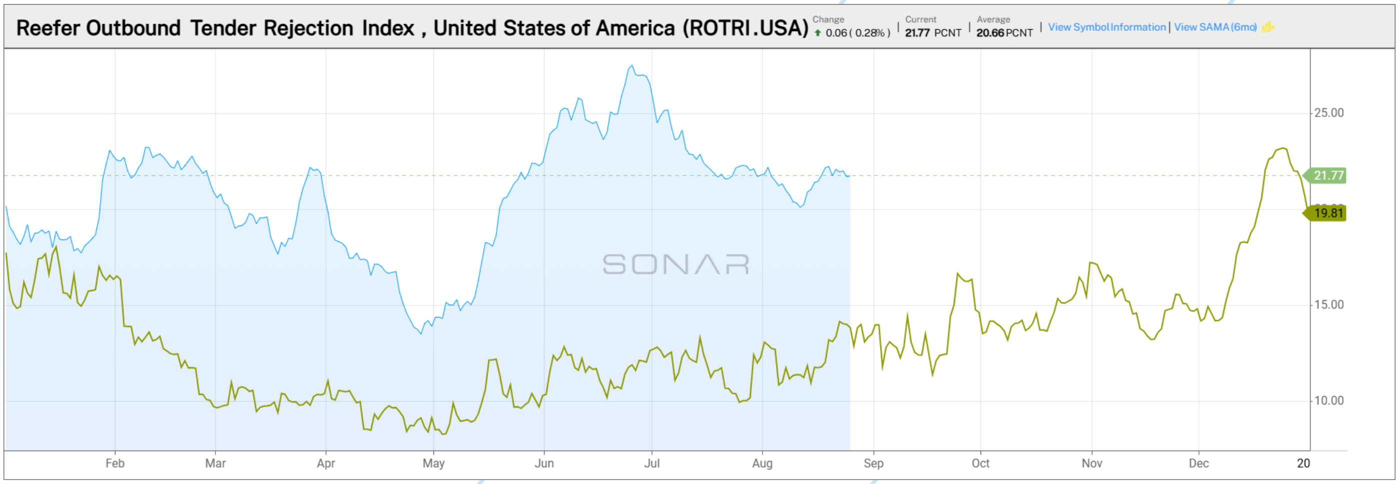
21.77

-0.4% MOM

+65% YOY

Rejections dropped slightly in August vs. July but remain inflated over last year causing an increase in the spot market.

REEFER OUTBOUND TENDER REJECTION INDEX



TRANSPORTATION TRENDS

FLATBED

DLX MARKET VIEW

The flatbed market still reflects a tighter market than last year. MOM remains flat but still elevated vs. last year. Flatbed pricing continues to be up YOY along with tender rejections.

SPOT RATES

↑ **$3.44/mi**

+1% MOM

+43% YOY

Modest upward movement continues.

CONTRACT RATES

↑ **$3.27/mi**

+1% MOM

+18% YOY

Rates continue to follow the same pattern as the spot market.

TENDER VOLUMES

↓ **31,311**

-14% MOM

+30% YOY

Tender volume dipped again this month.

REJECTION VOLUMES

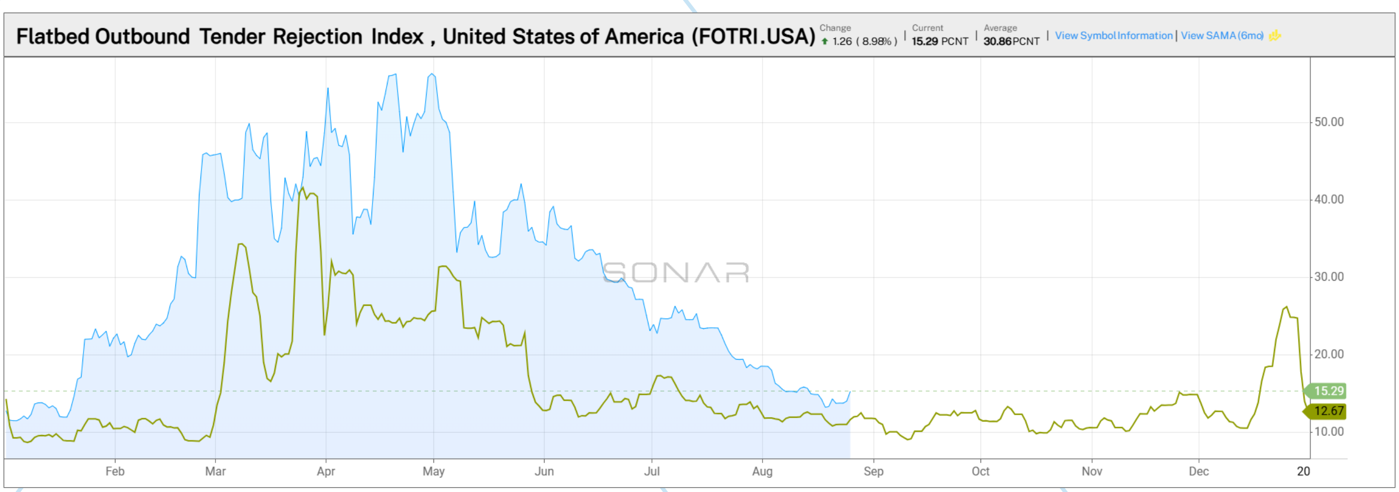
↓ **22.55**

-28% MOM

+90 YOY

Rejections down this month vs. last month, but remain inflated YOY.

FLATBED OUTBOUND TENDER REJECT INDEX



TRANSPORTATION TRENDS

LESS-THAN-TRUCKLOAD

DLX MARKET VIEW

Capacity is Tightening, and Rates Are Climbing
The LTL market has flipped. For two years the story was overcapacity and carriers protecting yield in a soft market. That's over. Truckload supply is leaving the industry, freight is spilling into LTL, and carriers are pricing from a position of strength for the first time since Yellow closed.

- **Truckload capacity is structurally shrinking.** Federal CDL enforcement on non-domiciled licenses, closing driving schools, and reduced driver visa availability have pulled supply out. RigDig data shows 50,000+ net carrier losses over the prior 12 months. Van linehaul is running roughly 40–45% above last year.
- **That freight is landing in LTL.** ArcBest posted 5% tonnage growth in Q2 on 3% fewer shipments; weight per shipment jumped 8% in Q2 and accelerated to 11% in July. Their CEO called it directly: truckload spillover. XPO's July tonnage was up more than 6% YOY.
- **Yields are climbing fast.** Old Dominion's Q2 revenue per hundredweight hit $37.84, up 15.2% YOY (+5.5% on core rates excluding fuel), with a 70.1% operating ratio—matching their record. XPO's yield was up 14% (+4% ex-fuel), with contract renewals landing mid-to-high single digits. XPO management says the industry is in the "early innings" of a multiyear double-digit rate growth cycle.
- **Fuel is whipsawing.** Diesel swung 73 cents inside July alone—$4.58 on 7/6 to $5.31 on 7/27. Surcharges are moving weekly.
- **Capacity is consolidating.** Mountain Valley Express shut down on July 7. Amazon Supply Chain Services launched a formal LTL division in June. Insurance, healthcare, and equipment costs continue to rise at double-digit rates.

KEY TAKEAWAYS

- **LTL pressure is coming from Truckload demand.**
- **General rate increases (GRI) went off cycle. Budget for mid-year not just January.**
- **LTL savings will come from the controllables, not the linehaul.**

TRANSPORTATION TRENDS

OCEAN FREIGHT

DLX MARKET VIEW

Import volume is still running near record levels, but the year-over-year comps just turned negative—and that's confusing a lot of people. The headline "imports down YOY" doesn't mean demand fell apart. It means we're comparing against a record 2025 and a peak season that got pulled forward by tariffs. Meanwhile ocean rates are climbing, and that has nothing to do with demand.

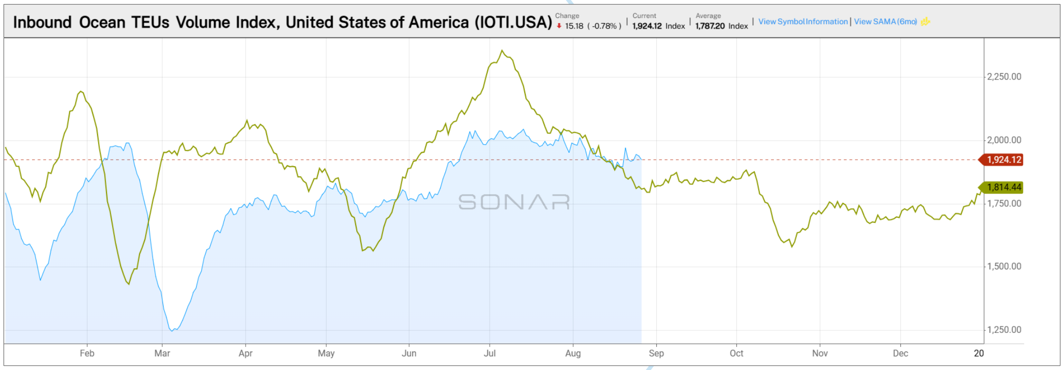
IMPORT VOLUME

2,508,310 TEUs
+4.5% MOM
-4.3% YOY

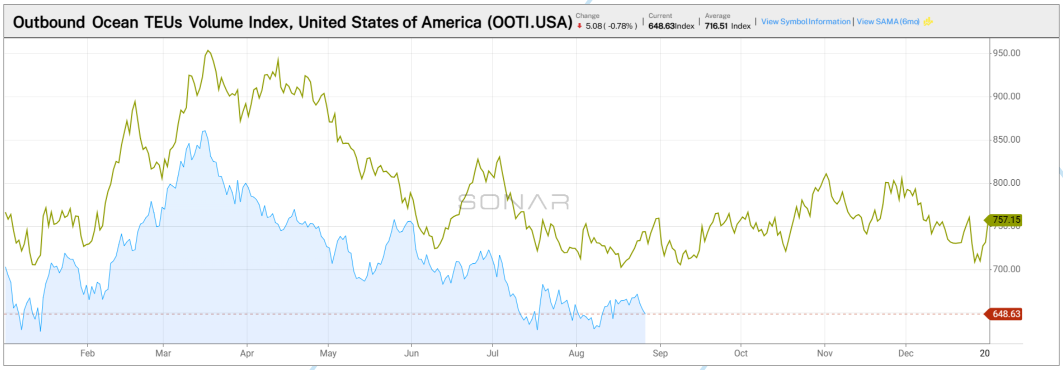
The Key Developments Affecting Ocean Importers Right Now:

- **"Down year-over-year"** is a comparison problem, not a demand problem.
- **Rates are rising on supply, not demand**—which makes them harder to negotiate.
- **The ocean rate** is a shrinking share of your landed cost.

INBOUND OCEAN TEUs VOLUME INDEX



OUTBOUND OCEAN TEUs VOLUME INDEX



DYNAMIC LOGISTIX

TRANSPORTATION TRENDS

CROSS-BORDER FREIGHT

DLX MARKET VIEW

U.S.–Canada transborder freight reached $67.9B in June 2026—up 2.7% month-over-month and 17.0% year-over-year. Trucks carried $35.9B of that, or 55.7% of the total by value. Top gateways: Detroit $13.7B, Port Huron $9.5B, Buffalo $7.1B, Pembina $3.3B.

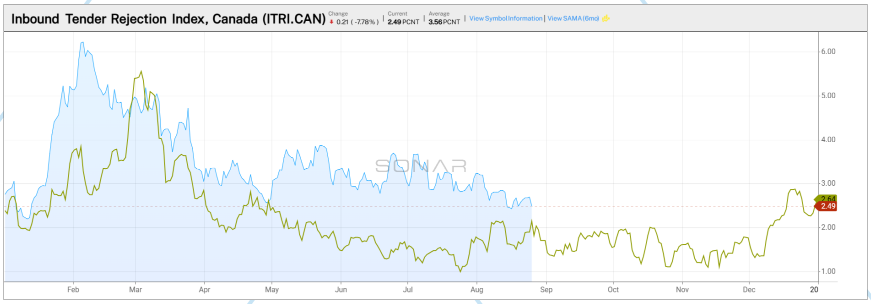
That +17% looks like a recovery story but it's a rebound off a damaged base. Cross-border truck freight fell 8–12% in Q1 2026 versus Q1 2025, with reduced commercial counts at Ambassador Bridge, Pacific Highway, and Lacolle. Volume is climbing back, but the lane structure underneath it changed.

Meanwhile a 50% Section 338 tariff on covered Canadian imports was set to hit August 19, got paused three days, and that pause expired on August 21. It applies regardless of USMCA qualification.

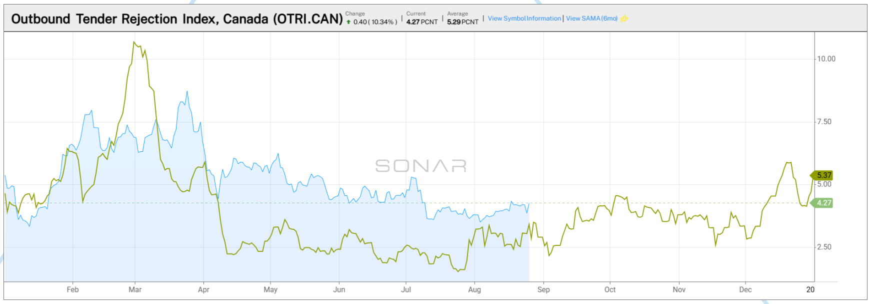
U.S.–Mexico transborder freight hit $89.2B in June 2026—up 2.3% month-over-month and 22.2% year-over-year, outpacing Canada by more than five points. Trucks carried $68.5B, or 73.6% of U.S.–Mexico freight by value. Laredo alone moved $35.6B—more than the next two border ports in the country combined.

Mexican manufacturing exports are up 34%, with electrical and electronic equipment +15.9% and automotive +8.2%. This is structural, not a tariff pull-forward. USMCA talks with Mexico are four rounds deep; three are complete and the fourth lands in September 2026.

INBOUND TENDER REJECTION INDEX, CANADA



OUTBOUND TENDER REJECTION INDEX, CANADA



KEY TAKEAWAYS

Canada

- **Rates went up** while volume went down. Capacity is continuing to have an impact.
- **A USMCA certification** of origin is not a tariff protection anymore.
- **Your southbound backhaul** is a hidden cost.

Mexico

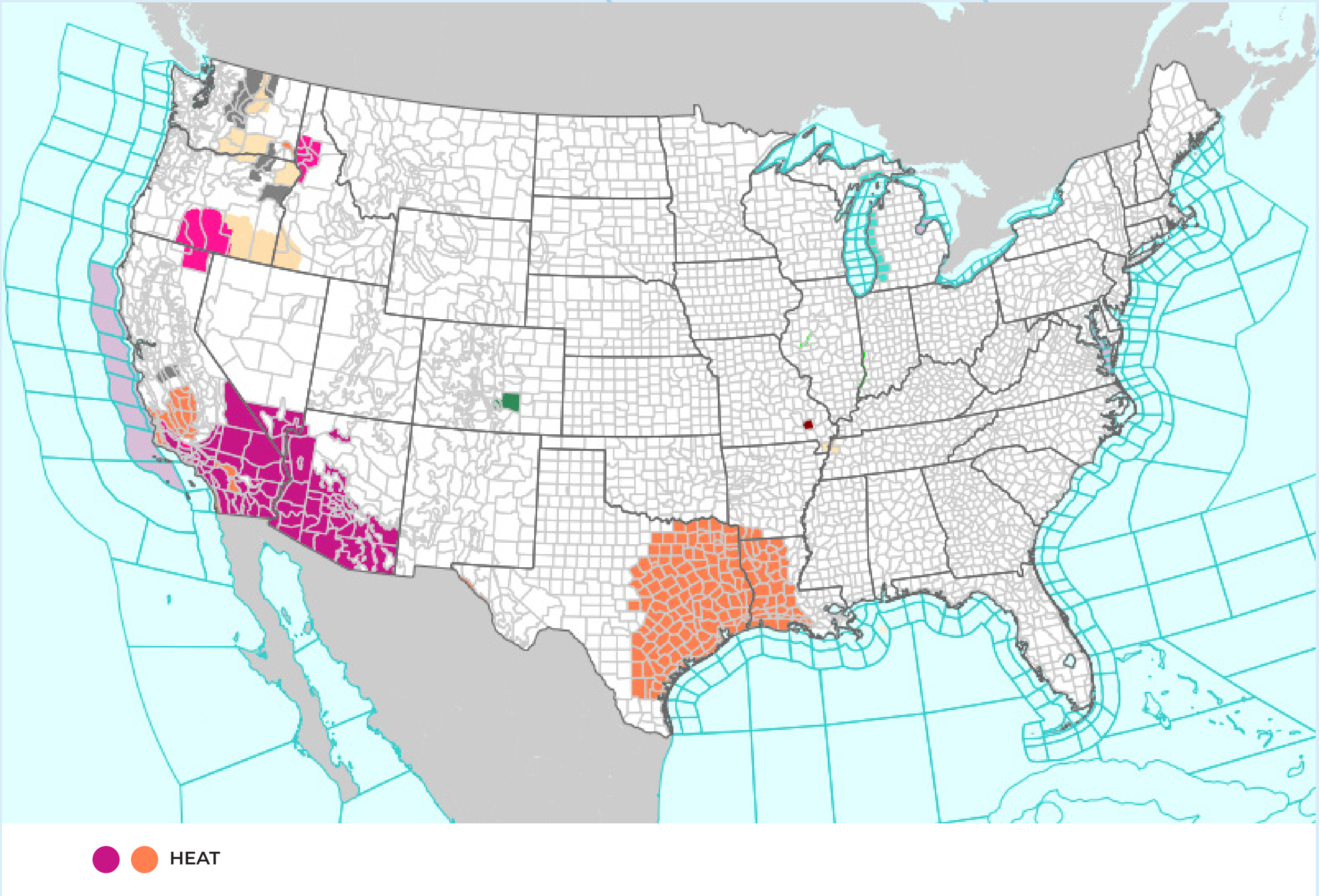
- **Constraint is coming** from crossing the border, not capacity.
- **Northbound driver supply** is shrinking even as freight grows.
- **The 22% growth number** is inflated—plan on weight, not dollars.

WEATHER

DLX MARKET VIEW

Red Flag warnings and excessive heat continues to impact several parts of the U.S. Be prepared for continued storms across the Midwest which could impact pickups, deliveries, and transit times.

ACTIVE WEATHER ALERTS



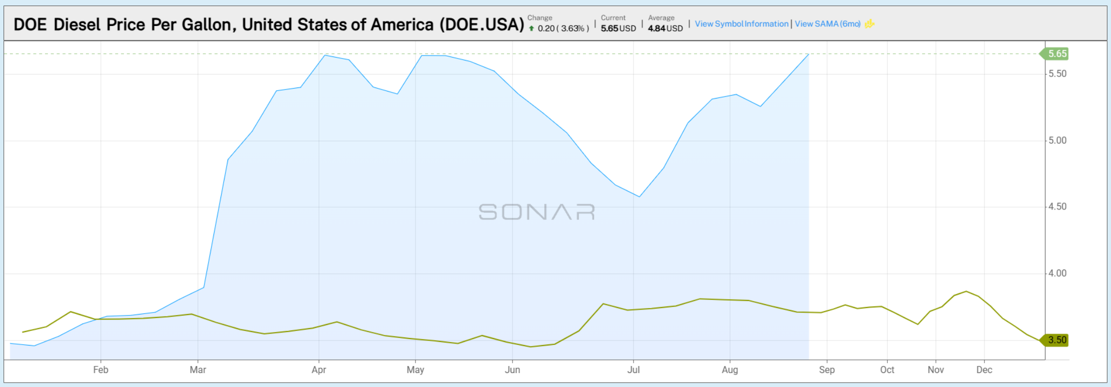
CARRIER INDICATORS

FUEL

$5.45/gallon

+14% MOM
+47% YOY

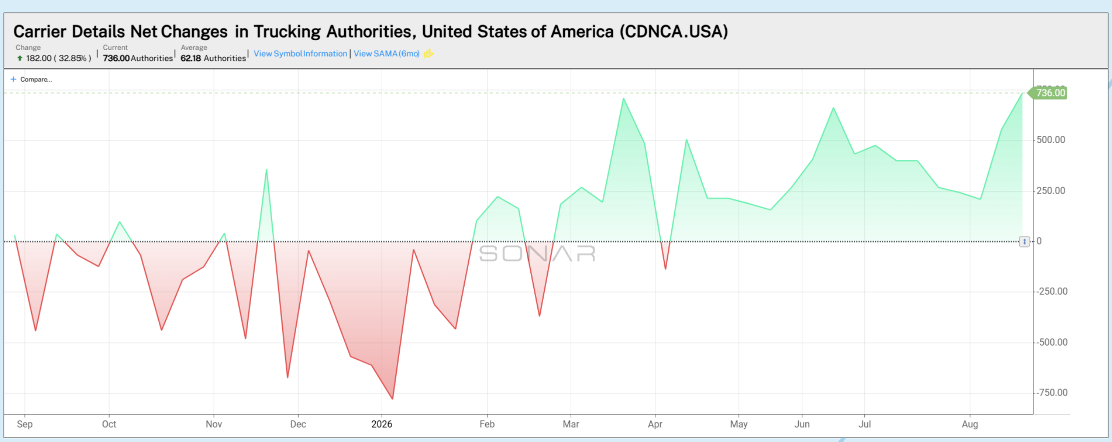
DOE DIESEL PRICE PER GALLON



CARRIER AUTHORITIES

August saw a continued uptick in relation to carrier authorities entering the market space. It's critical to ensure any carrier has the proper operating authority prior to utilizing them on any load. As capacity continues to show tightness, authorities will continue to grow based on the demand in the market.

CARRIER DETAILS NET CHANGES IN TRUCKING AUTHORITIES



MACRO-ECONOMIC INDICATORS

INVENTORY LEVELS

↓ **55**

Moderate decrease vs. July levels.

PRODUCER PRICE INDEX

↑ **8.29% MOM**

PPI index increased during August.

CONSUMER PRICE INDEX

↑ **3.3% MOM**

Slight increase over June.

UNEMPLOYMENT

↓ **4.1%**

Available jobs dropped in July, with only 23,000 non-farm jobs added.

DYNAMIC LOGISTIX