

SONNAR

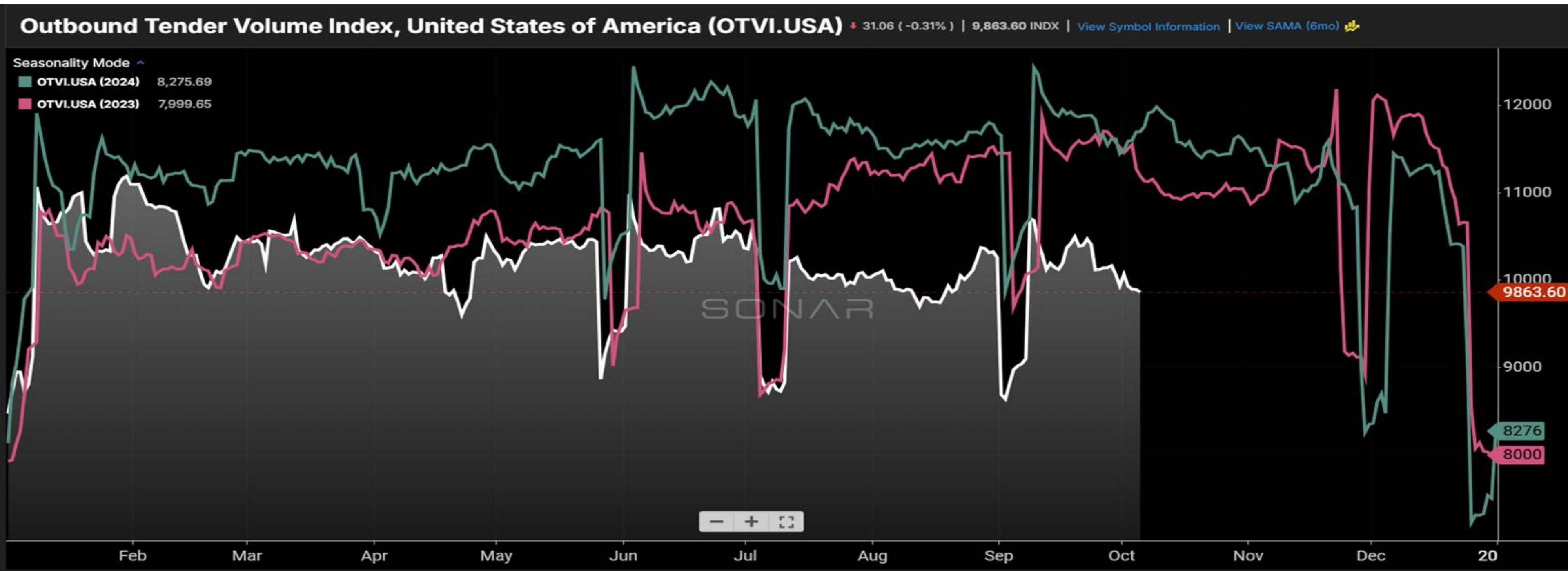
Key Takeaways

- Demand had slowed y/y for the entire trucking industry.
- Modal conversion has eroded trucking demand with some economic deterioration contributing.
- Inventory management is defensive with only small buffers amidst uncertainty.
- Truckload capacity continues to contract, putting market in increasingly vulnerable state.
- Erratic shipping and less capacity is making market more volatile but still soft.

Key Highlights

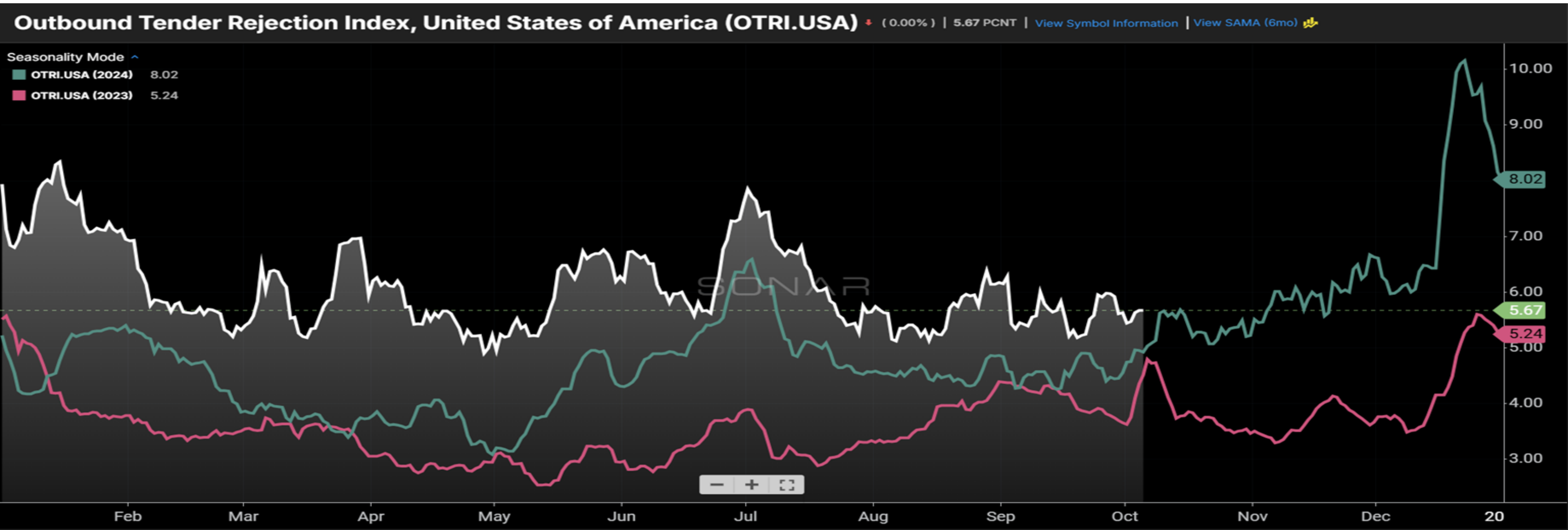
SONAR Ticker: [OTVI.USA](#)

- Outbound Tender Volume Index - average of truckload tenders, base value of 10,000 on March 2018. Measure of truckload demand. Showing 2023, 2024, 2025.
- Truckload demand down 15% y/y but up m/m in September. Seasonal decline expected.



Key Highlights

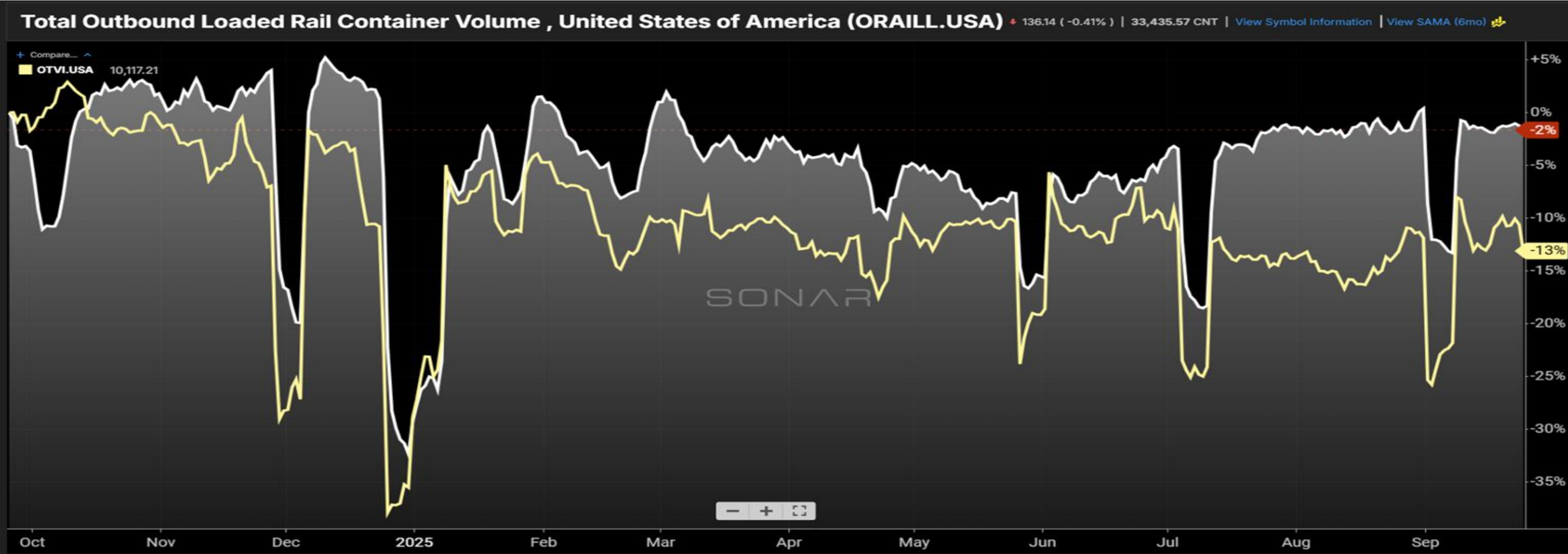
- Tender reject index - % of load tender rejected by carriers. Higher rejection rates = tighter market.
- Rejection rates remain in annual growth despite weakening demand — a strong case for a continued growth in market vulnerability.



Key Highlights

SONAR Ticker: [ORAILL.USA](#), [OTVI.USA](#)

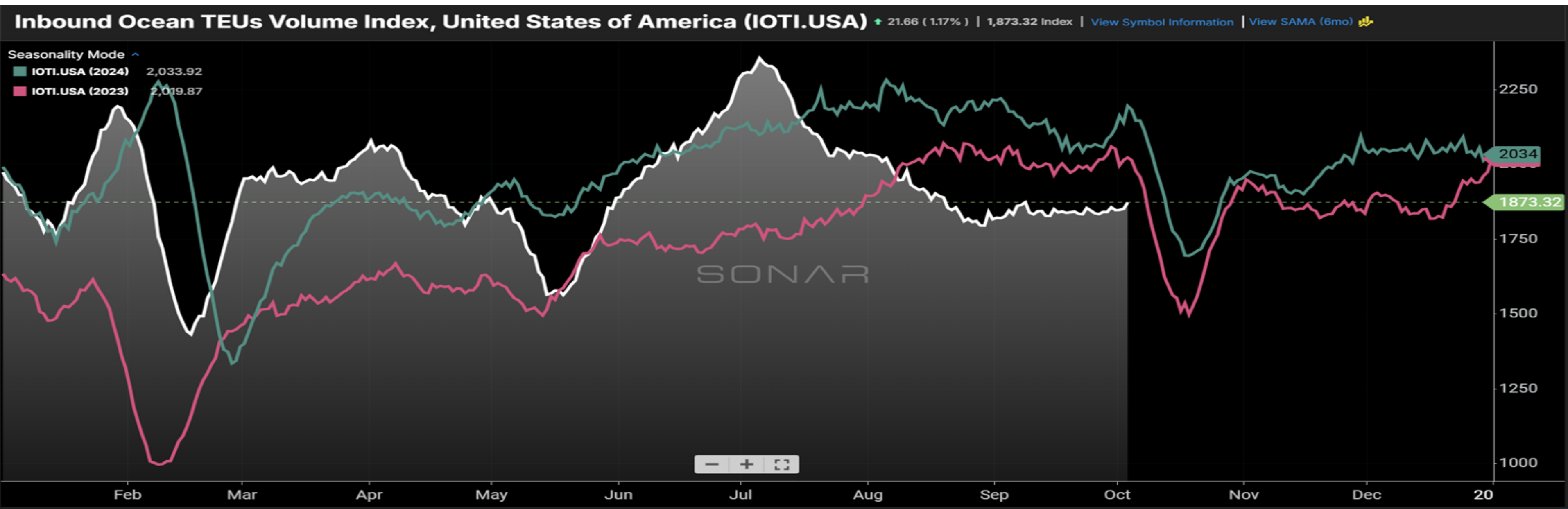
- Loaded container volume moving on rails, international and domestic (ORAILL), versus truckload tender volumes (OTVI).
- Total surface demand has eroded y/y, but intermodal remains in growth with TL suffering the most loss.



SONAR Ticker: [IOTI.USA](#)

Key Highlights

- Import bookings of twenty foot equivalent units based on departure date (TEUs) (14 day moving average) — this is the second furthest upstream view at time of port departure.
- Import demand stabilizing after volatile start.
- Shippers still in reactive space.



TOP U.S. GATEWAYS

DEPARTED OCEAN VOLUME

An index of TEU volumes departing their origin country heading to the United States (14-day average).

View By

Departed Ocean Volume (by country) ▾

Origin Country	Departed TEU Volumes (Index)	WoW	MoM	YoY
China	704.64	-13.46%	-10.71%	-16.57%
Vietnam	169.90	-6.86%	5.49%	14.12%
Thailand	105.04	2.95%	7.62%	17.78%
India	94.21	11.8%	-3.85%	-19.85%
South Korea	62.75	-13.04%	-6.79%	-15.51%
Italy	60.74	2.34%	11.82%	-4.1%
Germany	43.70	4.92%	11.21%	25.18%
Indonesia	42.53	-5.22%	-5.39%	3.2%
Brazil	33.48	6.01%	6.53%	-12.47%
Japan	32.51	9.71%	8.63%	37.52%

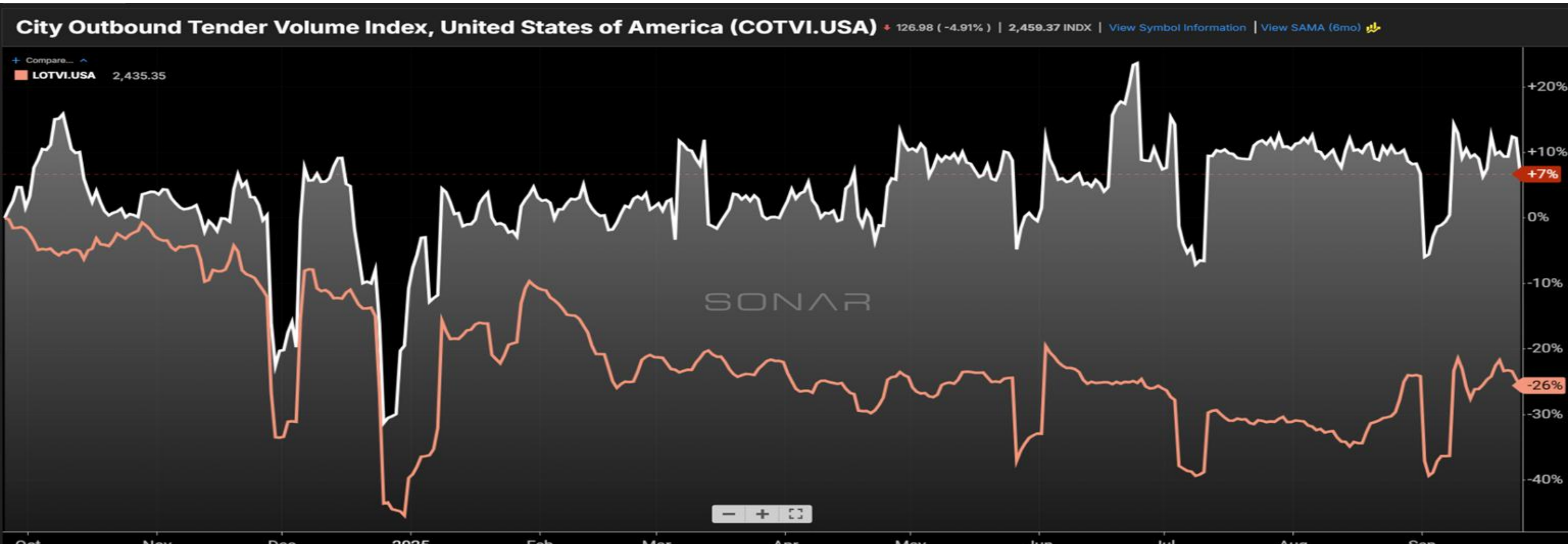
SONAR

Loss of long haul demand

Key Highlights

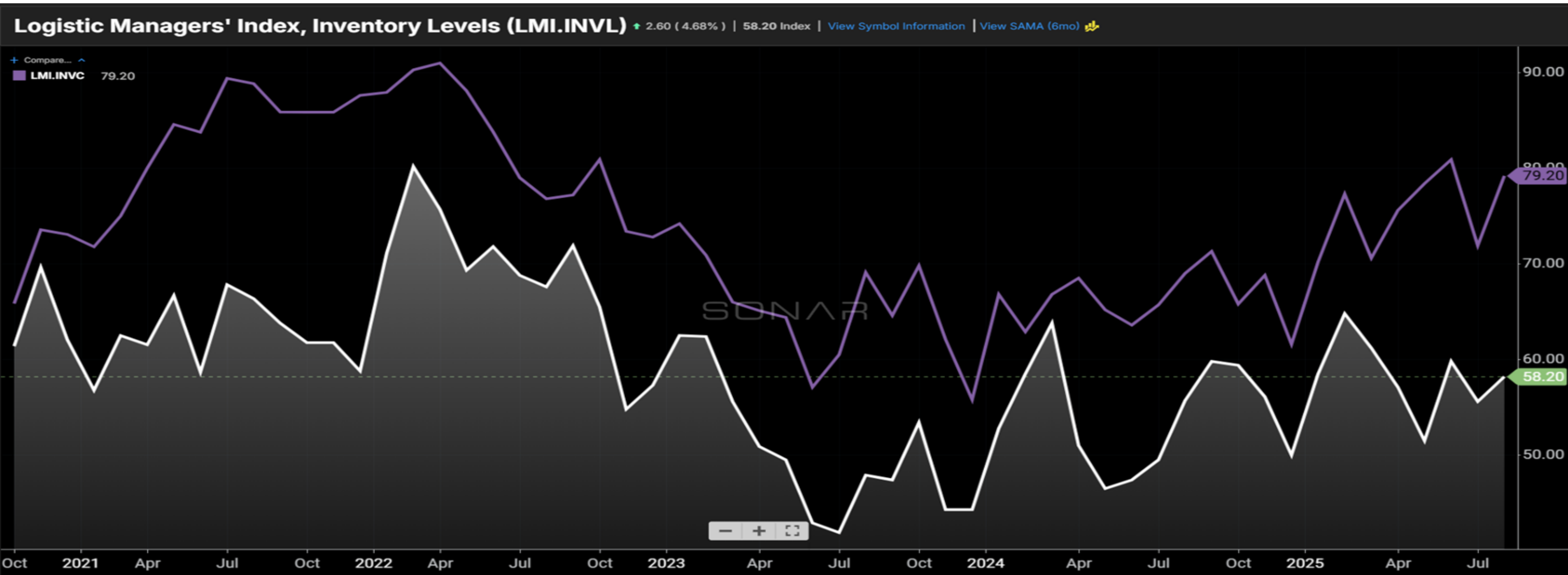
- Tenders for loads moving less than 100 miles (COTVI), vs more than 800 miles (LOTVI)
- Long haul demand has collapsed, below short haul for first time in history of the indexes.
- Reflects loss of share to intermodal amidst inventory pull forward efforts over the past two years.

SONAR Ticker: [COTVI.USA](#), [LOTVI.USA](#)



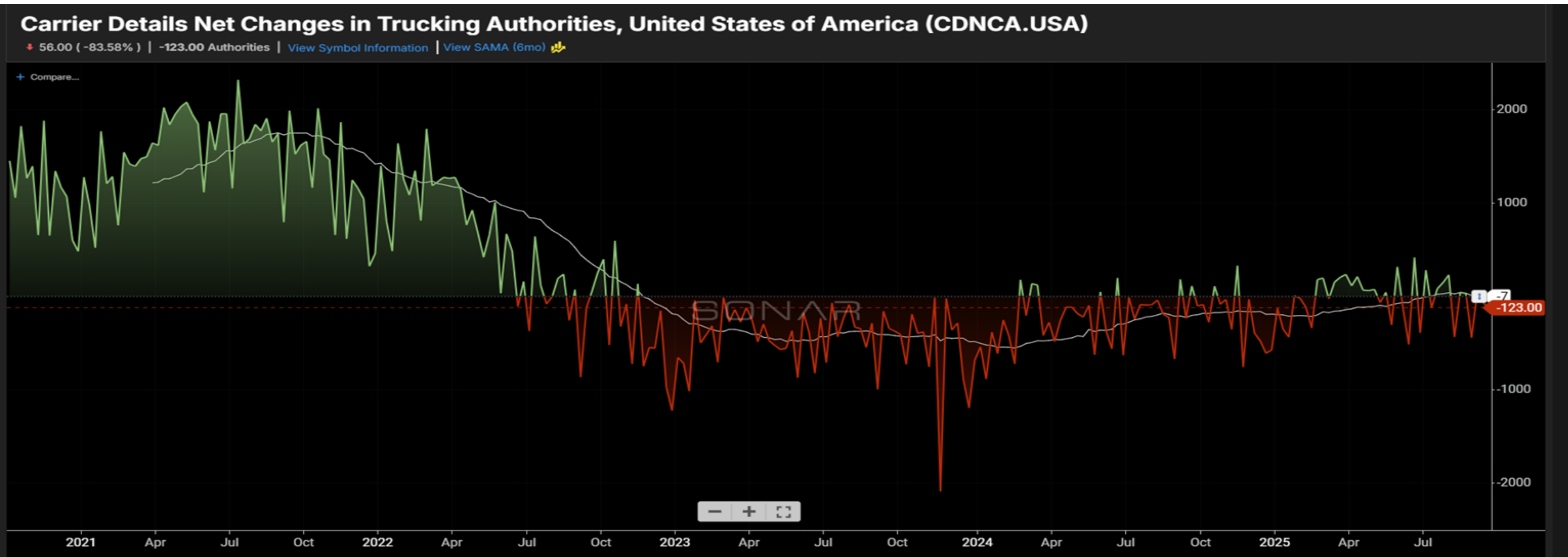
Key Highlights

- LMI reading for Inventory levels (INVL) and inventory costs (INVC)
- Inventories resume strong growth in June.
- Inventory costs rising at a much faster clip.



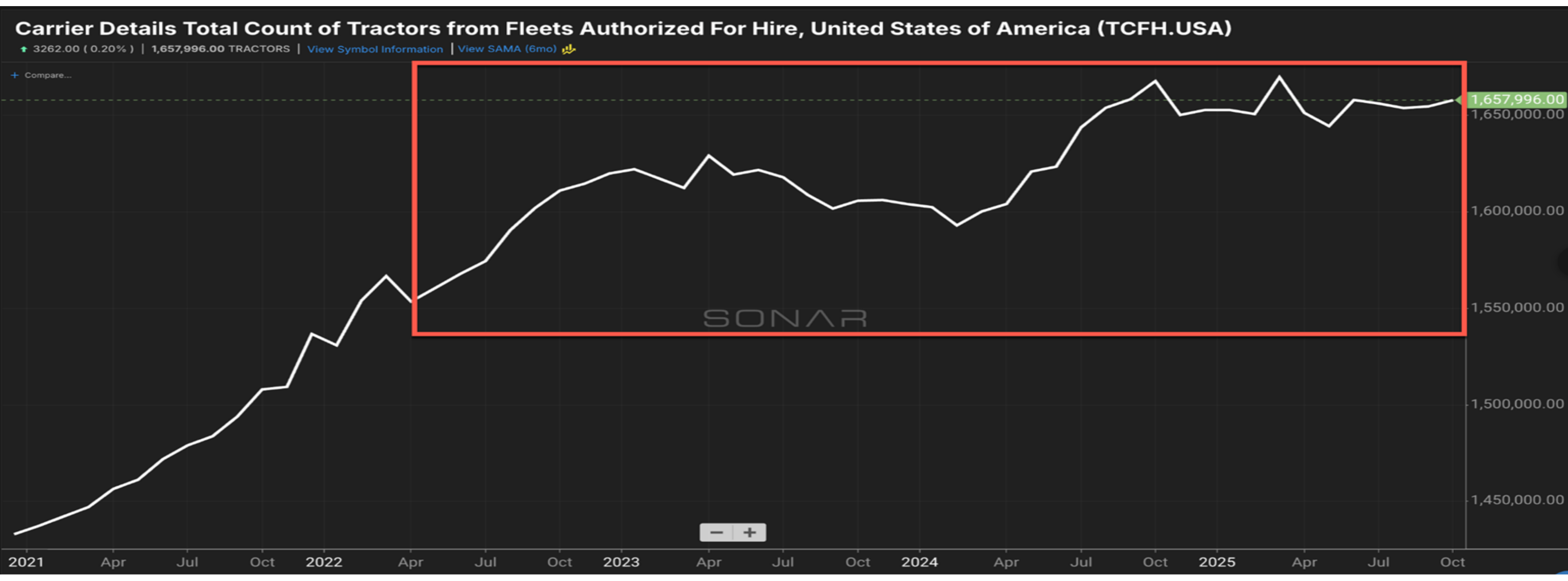
Key Highlights

- Net Revocations = revocations less reinstatements of motor carrier of property
- Carriers are exiting at accelerated pace as the market remains challenged despite expectations.
- ELP and increased vetting should produce increased barrier to entry.



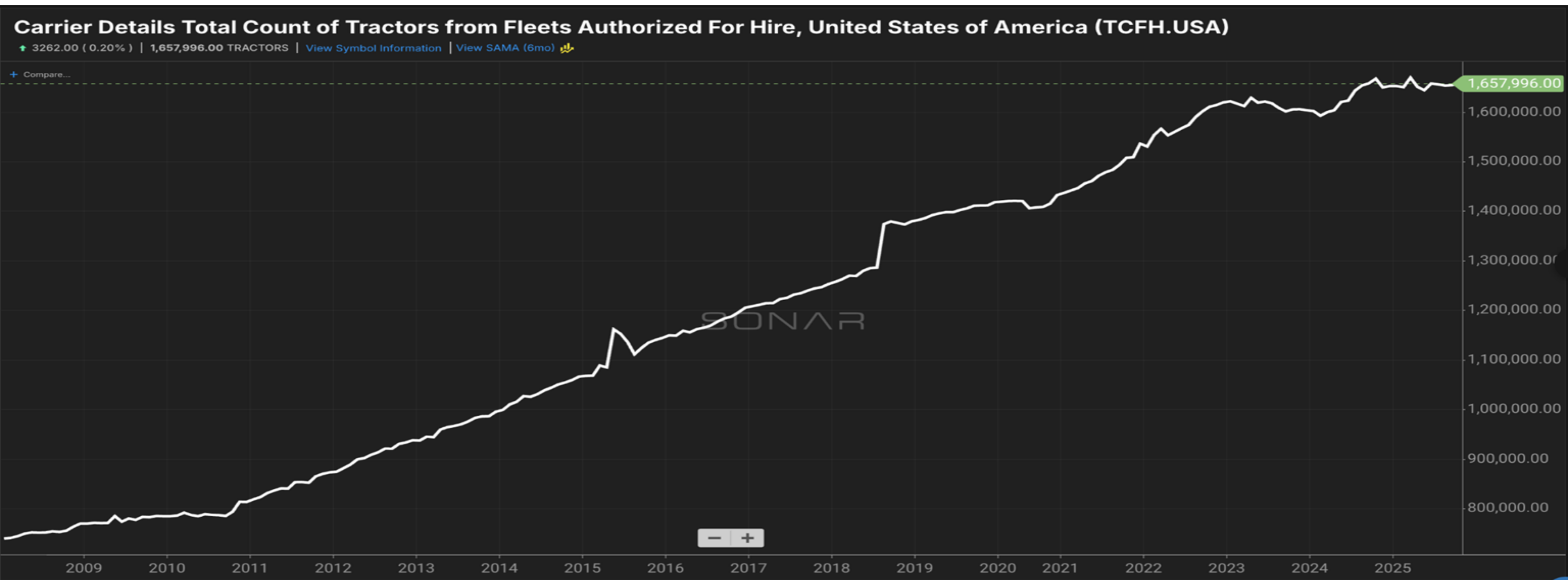
Key Highlights

The trucking industry has added 103,114 trucks since the Great Freight Recession began. We saw a net churn of capacity in 2023, but a reacceleration in 2024. Things have been flat since the beginning of the year.



Key Highlights

There is no perpetual truck driver shortage. The market also finds a way to add capacity. Truck drivers are the only real capacity constraint in the market.



Carrier Details Total Count of Tractors from Fleets Authorized For Hire, United States of America (TCFH.USA)

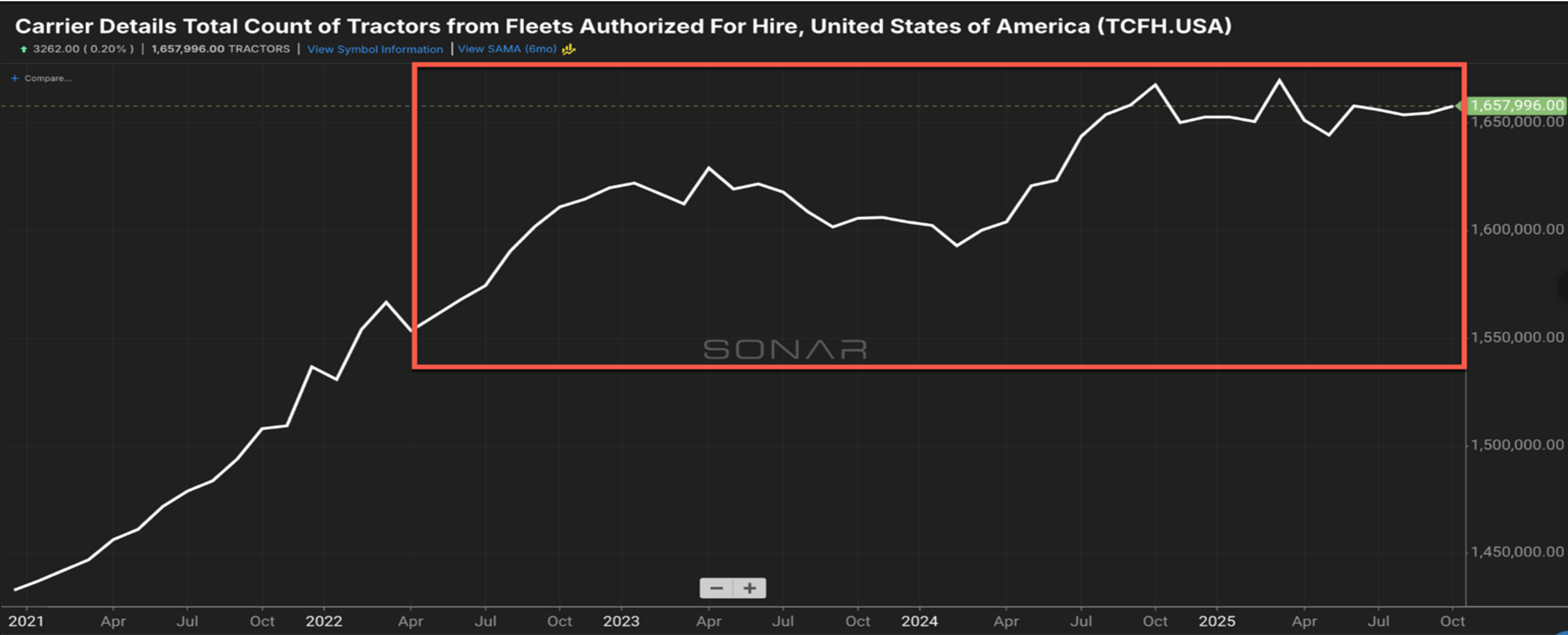
↑ 3262.00 (0.20%) | 1,657,996.00 TRACTORS | [View Symbol Information](#) | [View SAMA \(6mo\)](#) 📉

+ Compare...



1,657,996.00

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- **Supply chain restructuring is underway - shippers are in reaction mode until clarity is achieved.**
- **Freight market will be increasingly volatile as supply continues to contract and shippers are less prepared— i.e. lower inventories**
- **Demand conditions are fairly weak.**
- **Economic data paints a sluggish picture, especially in manufacturing and large expenditures.**
- **Tariffs have slowed economic growth in short term, mostly due to lack of clarity around policy and erratic implementation — long term is TBD.**