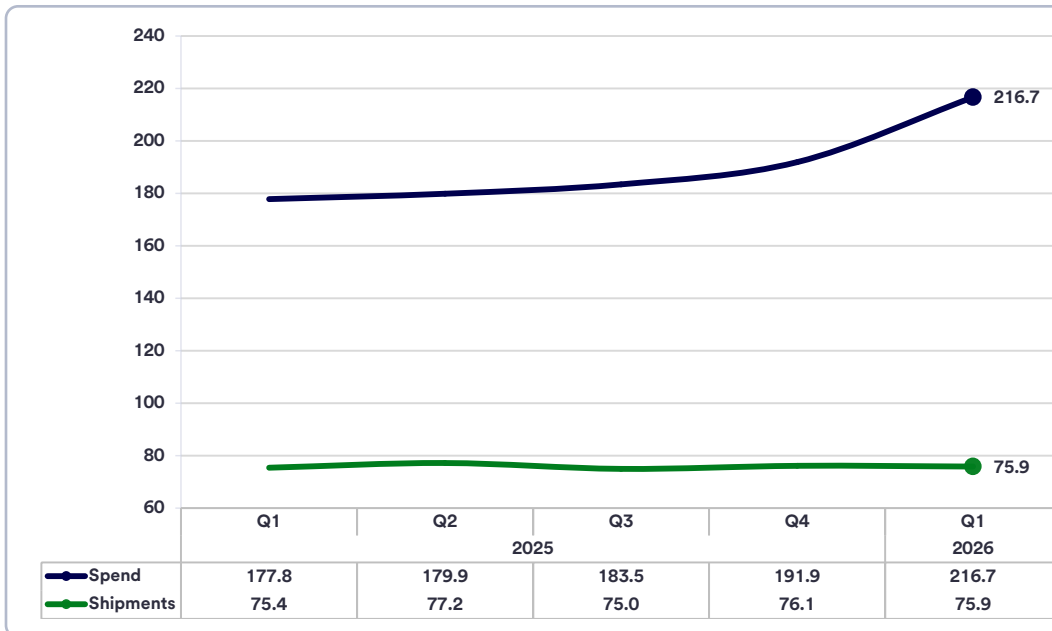




U.S. Bank Freight Payment Index™

Q1 2026

Q1 2026 national freight market overview



Spend

Index value	216.7
Quarterly % change	12.9% ▲
Yearly % change	21.8% ▲

Shipments

Index value	75.9
Quarterly % change	-0.3% ▼
Yearly % change	0.6% ▲

The national truck freight market experienced low freight volumes in Q1 2026, as well as a sharp rise in diesel prices and tightened capacity. Spending increased faster than shipments, reflecting a significant contraction after a freight recession dating back to mid-2022. This downturn lasted longer in part because spot-market carriers had surplus funds from the pandemic boom, which helped many stay afloat.

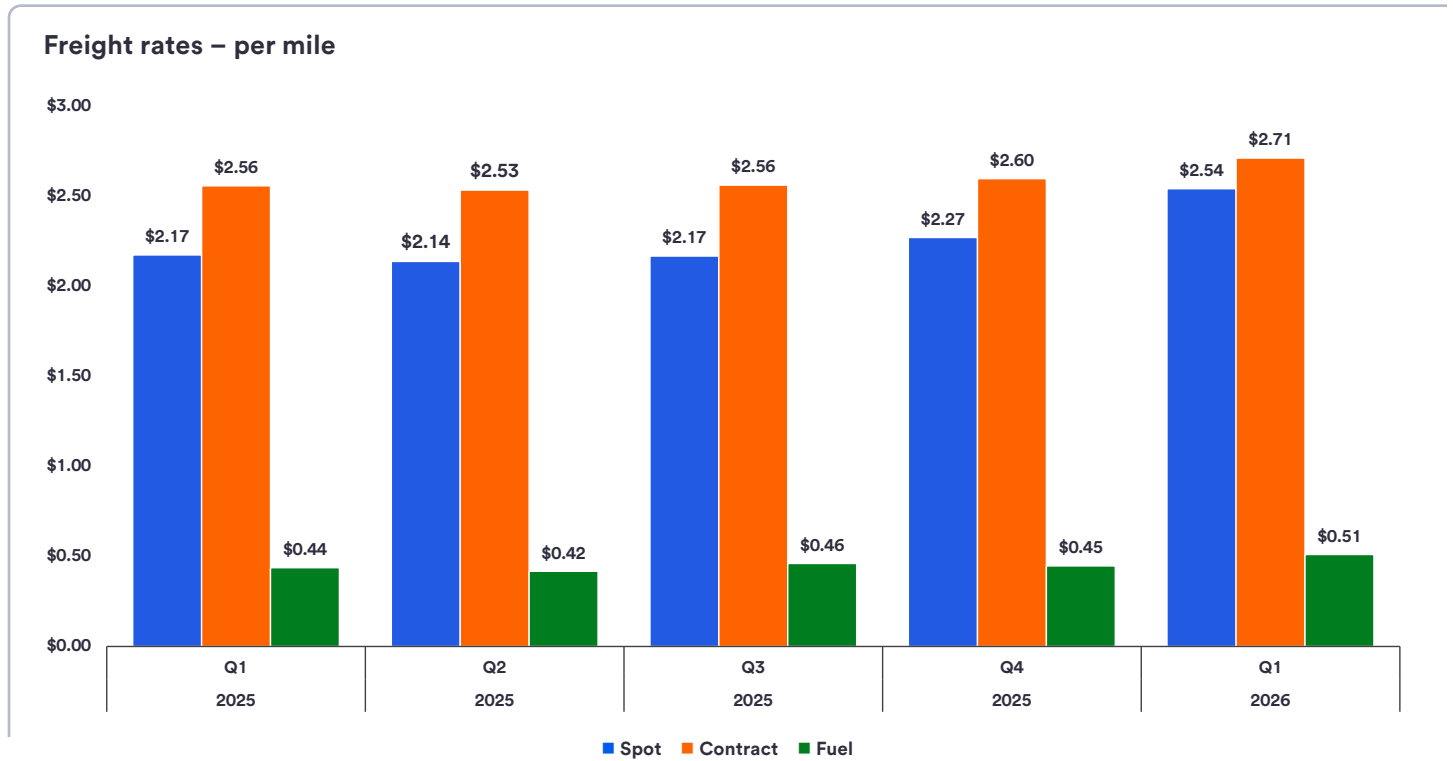
A few trends helped to create a long, painful environment of rising costs, but with lower volumes and rates in the first quarter. For example, the move to power-only freight, with carriers providing a tractor and driver to pull trailers owned, leased or managed by others,¹ fewer fleet foreclosures due to a weak used truck market, and an increase in the number of truck drivers. The good news for motor carriers is that a supply-side recovery may be budding, which was even more evident in the first quarter data.

In March, diesel prices surged, adding another pressure point for small fleets and owner-operators already short on credit. As fuel costs jumped, many likely hit their limits and struggled to cover operating expenses, prompting some to exit the market or park trucks until prices eased.

Overall, capacity tightened during the quarter, lifting shipper costs through fuel surcharges and higher rates. Freight volumes were roughly steady versus Q4 2025, signaling subdued demand. The late-quarter rise in gasoline prices also weighed on consumer spending, which can soften freight; because the increase came late, the full impact is not yet evident in the data.

Capacity tightened sharply in the first quarter of 2026, driving a surge in shipping costs even as freight volumes remained largely unchanged.

Freight spot, contract and fuel rates per-mile – quarter-over-quarter



Spot and contract rates come from DAT's truckload data, which reflects a weighted average pricing from dry van, reefer and flatbed shipments. Rates shown are not inclusive of fuel costs, which are displayed as a separate item to make trends easier to see. Data powered by **DAT**.

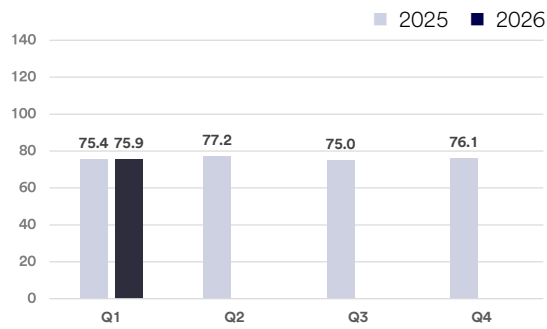
DAT spot rates strengthened materially in Q1, with the quarterly average up 11.9% from Q4—an increase not seen since the pandemic-era boom. Since bottoming in Q2 2025, quarterly spot rates have risen 40 cents per mile, or 18.9%, driven more by capacity reductions than by stronger volumes.

DAT also reported that contract rates increased in Q1, though by less than spot rates, narrowing the contract-spot spread. This suggests some shippers may be leaning more on contract carriers to limit exposure after shifting more freight to the spot market as a cost-reduction strategy during the prolonged freight recession.

DAT estimated average fuel costs at 51 cents per mile in Q1, up 14.2% from Q4 and 16.8% from a year earlier. Because diesel prices surged in March, the quarterly average likely understates current fuel-cost conditions.

Spot rates jumped nearly 12% quarter-over-quarter, the largest increase since the pandemic.

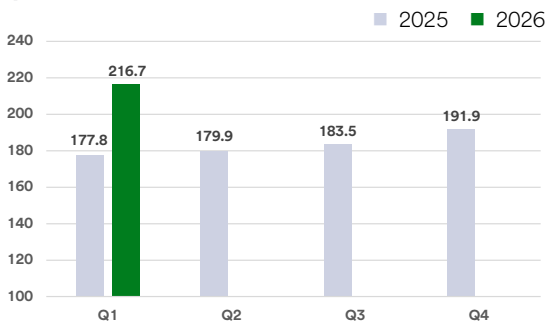
Shipments – index value



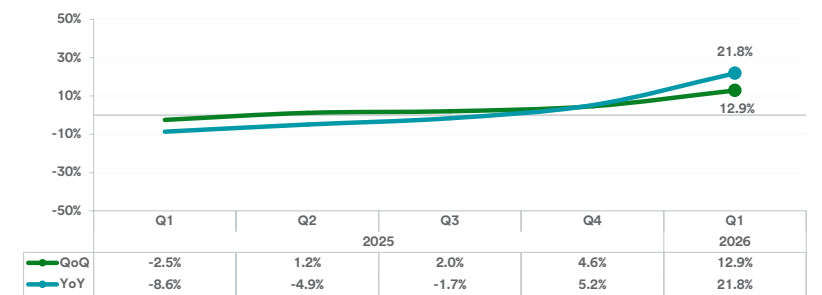
Shipments – % change



Spend – index value



Spend – % change



National shipments and spending – quarter-over-quarter, year-over-year

The U.S. Bank National Shipments Index saw a modest 0.3% reduction from the final quarter of 2025. The shipments index fits with most macro-economic metrics – not too much is surging or freefalling. For example, manufacturing output through the first two months of the first quarter was 0.9% above the fourth quarter average, and 1.9% above the same two months in 2025.² Meanwhile, retail sales were mixed during the quarter. Topline metrics through February looked good, rising 0.4% from the fourth quarter and up 3.5% from the same two months in 2025.³

The year-over-year gain only outpaced inflation by roughly one percentage point. Inflation-adjusted sales were up, but not as much as the nominal data suggests.⁴ Furthermore, much of the gain came from online retail sales and dining. Excluding both, sales were up only 2% from a year earlier, meaning volumes were down over that period.⁵ Motor carriers haul goods for both online retailers and restaurants, but traditional brick and mortar supply chains were softer.

Despite modest changes in volumes, shipper spending surged during the quarter. The U.S. Bank National Spend Index jumped 12.9% from Q4 2025, which was the largest sequential increase since late 2020 during the freight market pandemic boom. Tighter capacity, outlined previously, was the main culprit for the jump in spending. But so too was the price of diesel, although to a smaller extent. After the recent events in the Middle East oil prices rose, which led to much higher diesel fuel prices.

This price jump in turn increased fuel surcharges for shippers.⁶ Diesel fuel was already edging higher, but prices saw the largest single weekly gain on record – 96.2 cents from March 2nd to March 9th. In all, the national average price of diesel increased from \$3.47 at the start of the quarter to \$5.40 at the end, a 55% gain.⁷

Shipper spending jumped 12.9% from Q4 2025 and 21.8% from the same quarter a year ago, marking the strongest growth since the pandemic boom.

Regional shipments and spending – quarter-over-quarter, year-over-year

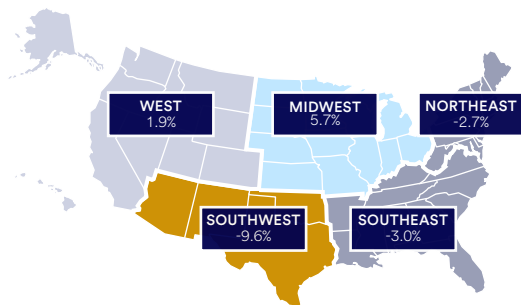
Regional shipments data was mixed in the first quarter. The Midwest and West regions posted solid gains but the Southwest, Southeast, and Northeast all saw reductions in demand from the final quarter in 2025. The Northeast region experienced its first sequential decline since the final quarter of 2024. Extreme winter weather impacted that region's volumes compared with the fourth quarter. Compared with a year earlier, the Midwest, West and Northeast saw gains while the Southwest and Southeast posted declines.

Volumes were mixed, but spending rose across the board, reflecting widespread capacity constraints. Sequential gains ranged from 8.5% in the West to 19.6% in the Midwest, and the Southwest still saw spending climb 11.5% despite the largest drop in volumes.

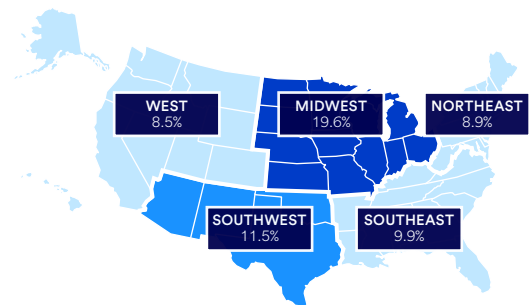
Year over year, spending rose by double digits in every region, led by a 26.7% increase in the Midwest. The gains, last seen during the pandemic boom, were driven primarily by tighter capacity, with fuel surcharges playing a secondary role. Diesel prices climbed through the quarter but spiked in March, including a nearly \$1-per-gallon one-week jump.⁸

For the first time since the second quarter of 2022, all five regions posted double-digit increases in yearly spending.

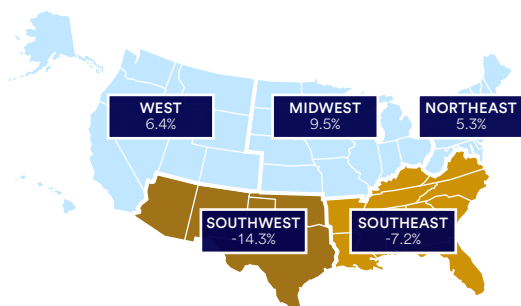
Shipments – regional quarter-over-quarter % change



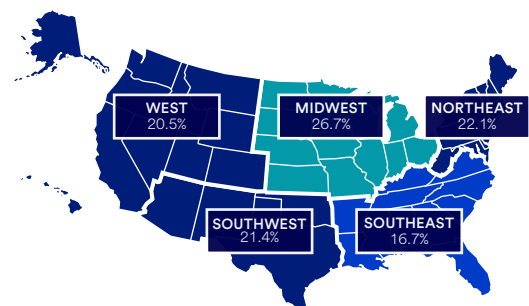
Spend – regional quarter-over-quarter % change

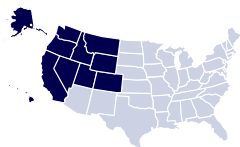


Shipments – regional year-over-year % change



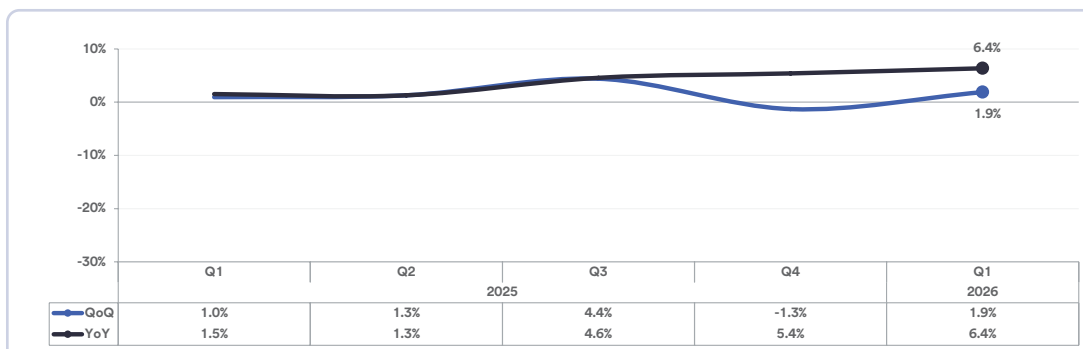
Spend – regional year-over-year % change





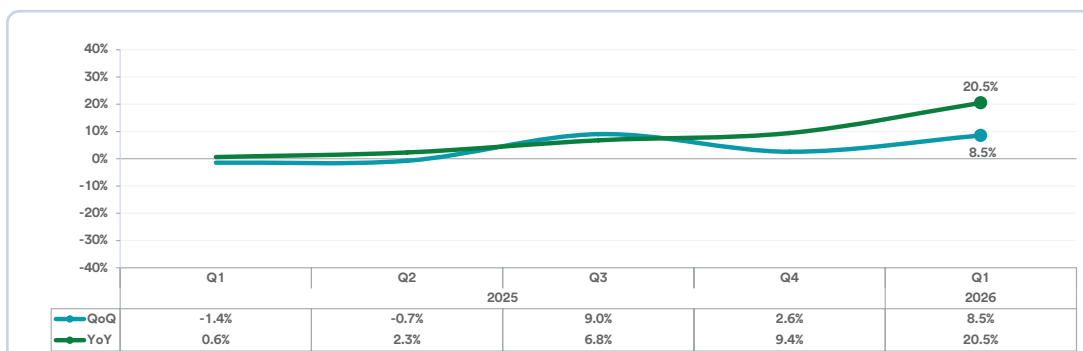
West shipments

Last four quarterly index values (starting w/ current quarter): **107.3 | 105.3 | 106.7 | 102.2**



West spending

Last four quarterly values (starting w/ current quarter): **277.2 | 255.5 | 249.0 | 228.4**



West regional shipments and spending – quarter-over-quarter, year-over-year

The West was one of only two regions to post sequential shipment growth in Q1, with the West Regional Shipments Index rising 1.9% from Q4 2025. After a 1.3% decline in Q4, it was the fourth gain in five quarters and the strongest freight level since Q4 2023. Shipments also increased 6.4% year over year—the fifth straight annual gain and the strongest since the pandemic-driven surge in Q2 2022.

Retail conditions were mixed: higher-income households sustained spending early in the quarter, while lower-income households continued trading down to lower-priced retailers.⁹ Factory output was ‘steady,’ according to Federal Reserve, while seaport volumes were mixed early in the quarter. The Port of Los Angeles reported its second-best February on record, with volumes up 3% year over year.¹⁰ Trade volumes with Mexico and Canada were down as inbound shipments from both countries fell 5% from the prior quarter and 8% from a year earlier.¹¹

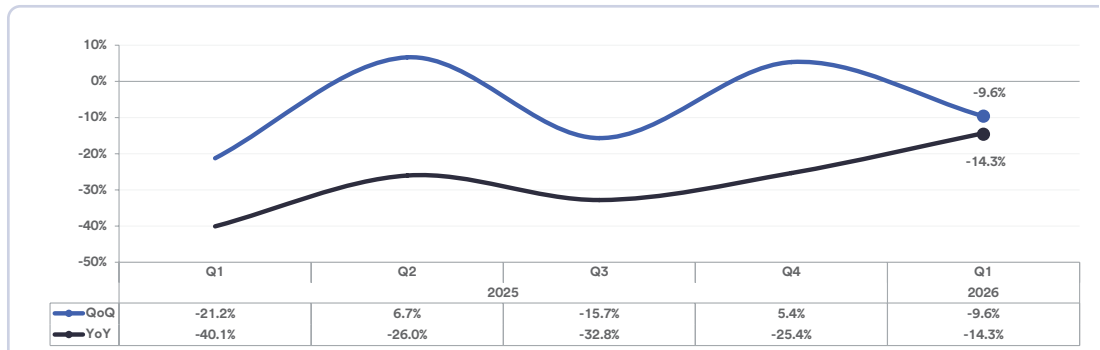
Shipper costs in the West increased 8.5% from the final quarter in 2025 and jumped 20.5% year-over-year. Spending rose because of limited capacity and a surge in diesel prices, which climbed in March amid the Middle East conflict. According to the Energy Information Administration (EIA), diesel fuel prices in California alone hit \$7.22 per gallon on March 30th, an all-time high. For the West region, diesel was \$6.60 on the same date, the highest among all EIA regions.¹²

West region shipments rose to their highest level since late 2023, supported by steadier manufacturing and port activity.



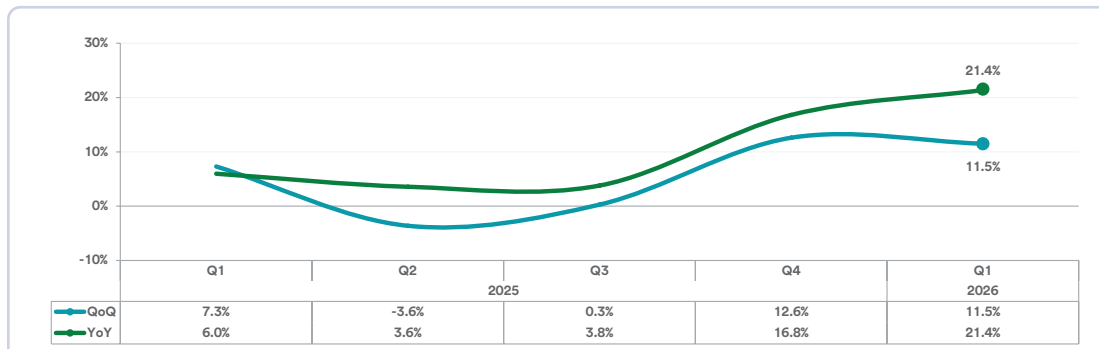
Southwest shipments

Last four quarterly index values (starting w/ current quarter): **69.7 | 77.1 | 73.2 | 86.8**



Southwest spending

Last four quarterly values (starting w/ current quarter): **261.6 | 234.7 | 208.4 | 207.8**



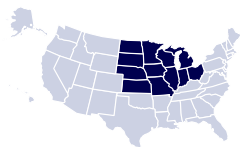
Southwest regional shipments and spending – quarter-over-quarter, year-over-year

Southwest freight activity has trended lower for more than two years after previously outperforming the other four regions. The Southwest Regional Shipments Index fell 9.6% from Q4 and down 14.3% versus Q1 2025. The decline does not appear to be driven by any single factor, but slower population growth may be weighing on the region's underlying freight demand. In-migration has continued—particularly into Texas and Arizona—but at a more moderate pace. The region also likely felt the effects of stricter federal immigration enforcement over the past year, which reduced population levels and, in turn, constrained household spending.

On a positive note, inbound truck freight from Mexico improved in the first two months of 2026 after posting the first non-recession decline since 2005. Inbound volumes rose 1.1% from the Q4 average and increased 3.0% from the same two months in 2025.¹³

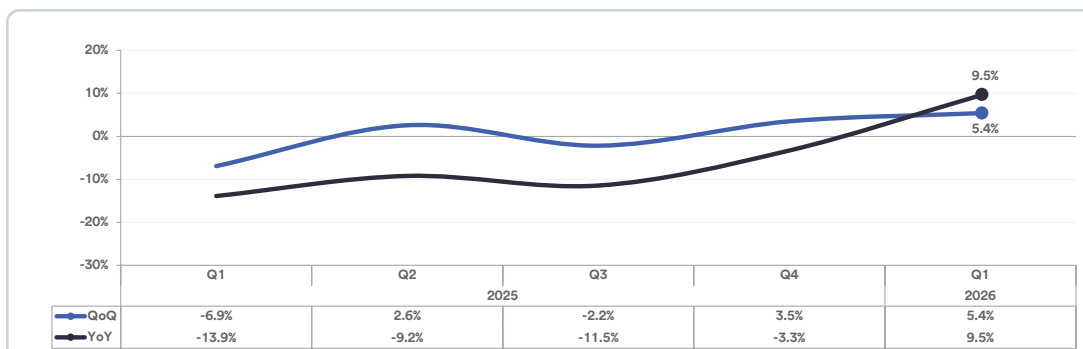
Despite recent shipments weakness, this region saw the second largest sequential gain in shipper spending after the Midwest. The Southwest Regional Spend Index jumped 11.5% after surging 12.6% in the previous quarter. Compared with the first quarter of 2025, shipper spending grew 21.4%. These gains, with the backdrop of softer volumes, are clear evidence of tight capacity in the region.

The Southwest logged its tenth consecutive quarter of double-digit annual shipment declines, though the rate of contraction slowed versus the previous four quarters.



Midwest shipments

Last four quarterly index values (starting w/ current quarter): **66.6 | 63.2 | 61.0 | 62.4**



Midwest spending

Last four quarterly values (starting w/ current quarter): **163.1 | 136.4 | 129.9 | 131.7**



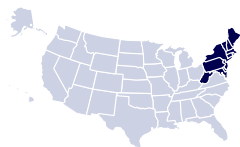
Midwest regional shipments and spending – quarter-over-quarter, year-over-year

The Midwest led all regions in Q1, posting the strongest gains in both shipments and spending on a sequential and year-over-year basis. Shipments rose 5.4% from Q4—its third increase in four quarters—pushing volumes to the highest level since Q3 2024. Volumes also increased 9.5% from a year earlier, marking the first year-over-year gain in six years.¹⁴ The quarterly gains are even more notable given the storms that hit the region this winter; missed shipping days are rarely recovered with higher throughput after conditions improve.

Auto production provided a tailwind for Midwest freight early in the quarter. Motor vehicles and parts output rose in the first two months of 2026, and Midwest states account for more than half of U.S. production value for motor vehicles, bodies, trailers, and parts.¹⁵ Output over the first two months increased 3.3% from the Q4 average and 3.0% from a year earlier.¹⁶ Heavy-duty truck production was also a positive for freight in the region as motor carriers replace aging fleets. Plus, defense manufacturing in the region started to ramp up production in the back half of the quarter as the conflict in Iran continued. While these supported the region, cross-border freight did not, as inbound truck volumes from Canada fell 6.7% from Q4 and declined 12.2% from a year earlier.¹⁷

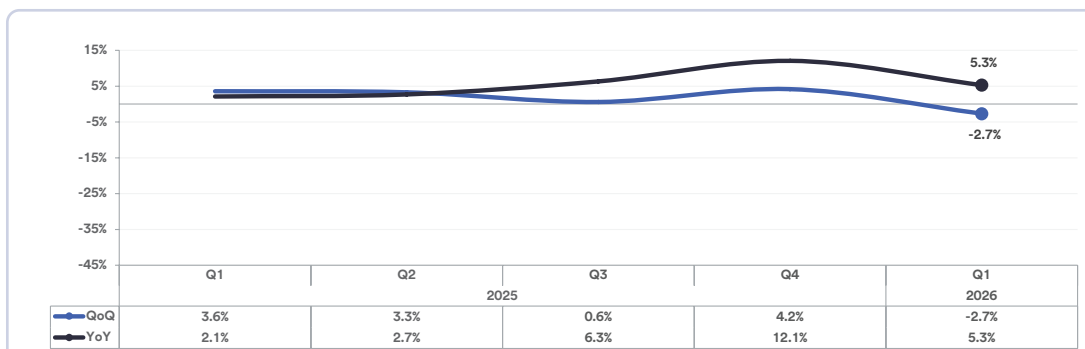
The Midwest also saw the steepest increase in what shippers paid to move their freight. Spending surged 19.6% from Q4 and 26.7% from a year earlier, reaching its highest level since Q4 2023. While the March jump in diesel prices contributed, it does not explain the full increase; higher rates account for most of the gain as industry capacity tightens.

The Midwest recorded its strongest quarter since the first quarter of 2018, with shipments and spending rising across the board.



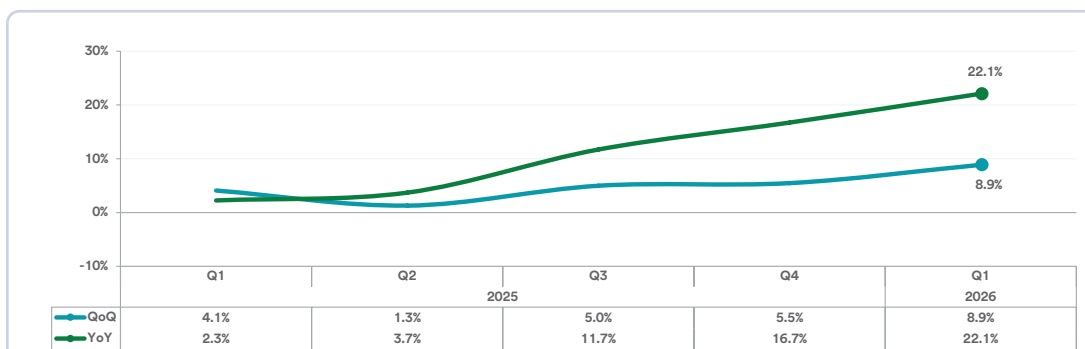
Northeast shipments

Last four quarterly index values (starting w/ current quarter): **60.4 | 62.1 | 59.6 | 59.3**



Northeast spending

Last four quarterly values (starting w/ current quarter): **191.9 | 176.3 | 167.2 | 159.2**



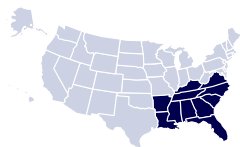
Northeast regional shipments and spending – quarter-over-quarter, year-over-year

After four straight quarterly gains, The Northeast Regional Shipments Index edged down 2.7% from Q4 2025 as repeated winter storms disrupted freight activity early in the quarter. Several systems in January and February, including one that dropped more than a foot of snow in parts of the region—kept trucks off the road until conditions improved, and those missed shipping days are typically not recovered. Against that backdrop, the modest sequential decline—and the 5.3% year-over-year increase—was a notably resilient outcome.

Winter weather also impacted economic activity in the region, not just the ability of trucks to deliver and pick up freight. For example, the Federal Reserve Bank of New York reported that, “...harsh winter weather kept many consumers at home...however, spending at food and beverage stores ticked up somewhat.”¹⁸ The latter likely reflects pre-storm stockpiling. The bank also reported that some manufacturers faced supply-chain disruptions that constrained operations, tied to tariffs and geopolitical events.¹⁹ Further north in the Boston region, retailers reported mixed consumer spending in January and February, while manufacturing activity improved modestly over the same period.²⁰

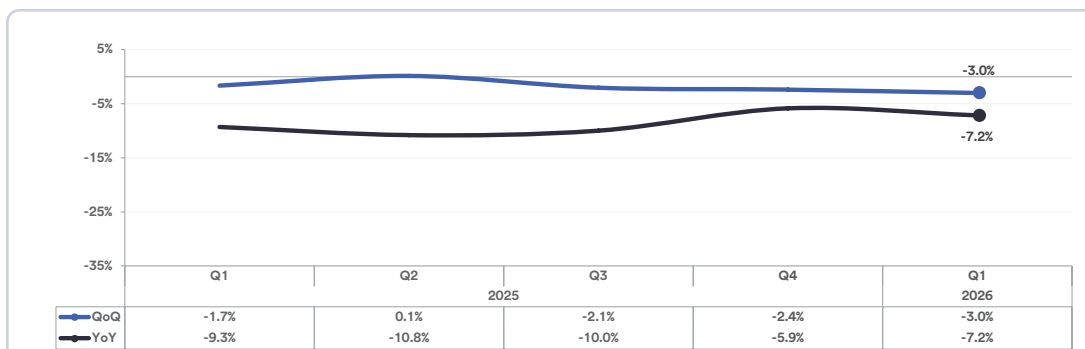
Despite softer volumes, The Northeast Regional Spend Index increased 8.9% from Q4, extending a run of six straight quarterly gains totaling 28.3% and pushing the index to its highest level since Q4 2023. Fuel surcharges contributed amid higher diesel prices, but most of the increase reflected rising rates as capacity tightened. Compared with a year earlier, spend in the Northeast was up 22.1%.

Severe winter storms disrupted freight early in the quarter, ending the Northeast region’s run of sequential shipment gains since Q1 2025.



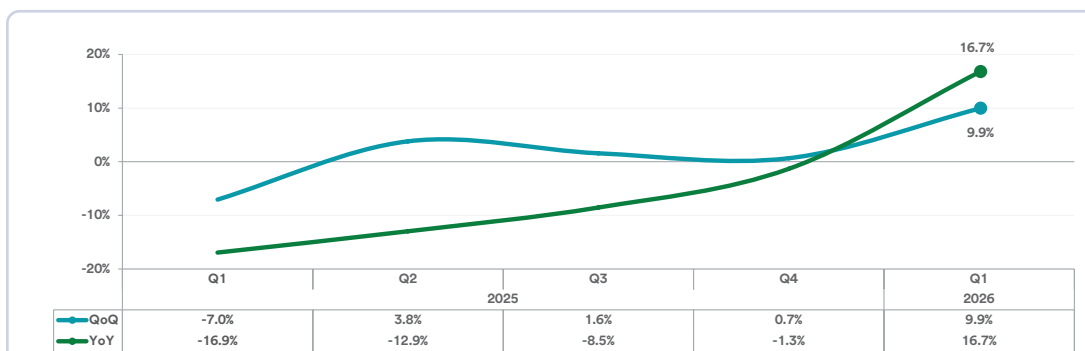
Southeast shipments

Last four quarterly index values (starting w/ current quarter): **77.0 | 79.4 | 81.3 | 83.0**



Southeast spending

Last four quarterly values (starting w/ current quarter): **251.1 | 228.5 | 227.0 | 223.4**



Southeast regional shipments and spending – quarter-over-quarter, year-over-year

Southeast freight activity remained weak in Q1, and the Southeast Regional Shipments Index was down 3.0% from Q4—the third consecutive quarterly decline and a cumulative 7.3% drop over that span. Shipments were also down 7.2% year over year. The softness reflected a blend of mixed-to-weaker manufacturing activity, slower seaport volumes, subdued consumer spending, and softer tourism demand, with severe winter weather further disrupting freight flows for several days.

For example, Federal Reserve contacts reported that seaports in the region saw lower volumes due to “sluggish demand” and winter weather disruptions that slowed cargo loading and unloading. For manufacturers, extreme cold and ice storms also weighed on output, delaying inbound shipments and keeping some employees at home.²¹ Further south, some retailers reported modest sales gains—especially at discount stores—as consumers grew more concerned about higher prices.²² The Federal Reserve Bank of Atlanta also noted that motor carriers saw lower volumes year over year; however, freight tied to data center construction remained strong.²³ This is true in much of the country.

Despite falling volumes, the Southeast Regional Spend Index rose 9.9% from Q4, driven by higher rates and fuel costs. Over the past three quarters, volumes fell 7.3%, yet spending increased 16.7% over the past four quarters (the year-over-year change), underscoring materially tighter capacity. As noted above, the squeeze reflects both market forces and federal policy changes affecting driver qualifications.

For the third consecutive quarter, the Southeast was the only region to post quarterly and year-over-year shipment declines.

About the index

The U.S. Bank Freight Payment Index is a quarterly publication representing freight shipping and spend volumes on national and regional levels. The U.S. Bank Freight Payment Index source data is based on the actual transaction payment date, contains our highest-volume domestic freight modes of truckload and less-than-truckload, and is both seasonally and calendar adjusted. The first-quarter 2010 base point is 100. The chain-based index point for each subsequent quarter represents that quarter's volume in relation to the immediately preceding quarter.

For more than 25 years, U.S. Bank Freight Payment has been a trusted, neutral steward between shippers and carriers—protecting capital flow, payment accuracy, data integrity and relationships with bank-grade standards. We audit invoices line-by-line, pay securely and on time, and deliver clean, decision-grade reporting, with \$46 billion in freight payments processed annually. We keep innovating—advancing automation, analytics and workflows that turn freight spend into action. Our experts lean in to resolve issues and optimize working capital—reducing friction, extending terms and moving supply chains forward with clarity, confidence and certainty.

**25+ years of
experience**

**\$46 billion in global
freight payments
annually**

About the index commentary partner, Bob Costello

Bob Costello is the chief economist & senior vice president of International Trade & Security Policy for the American Trucking Associations (ATA), the national trade association for the trucking industry. As Chief Economist, he manages ATA's collection, analysis and dissemination of trucking economic information. This includes several monthly trucking economic indicators, motor carrier financial and operating data, an annual freight transportation forecast, driver wage studies, weekly diesel fuel price and economic reports, and a yearly trucking almanac.

Bob also conducts economic analyses of proposed regulations and legislation affecting the trucking industry and heads up ATA's International Trade Policy and Cross Border Operations Department. In this capacity, he works on issues related to USMCA, tariffs, customs, and immigration. He is often cited in the news media as an expert on trucking economics and serves on the 45-member Advisory Committee on Supply Chain Competitiveness to provide the Secretary of Commerce with detailed advice on the elements of a comprehensive, national freight infrastructure and freight policy.

He is on the Board of Directors for the Border Trade Alliance and is also a member of the National Association for Business Economics and a member of the Industrial Economists Group at Harvard University. Prior to joining ATA in 1997, Bob was an economist with Joel Popkin & Company in Washington D.C., an economic consulting firm that specializes in the analysis of wages, inflation, and economic trends.

About U.S. Bank

Headquartered in Minneapolis, U.S. Bancorp is the parent company of U.S. Bank National Association, the fifth-largest commercial bank in the United States. The company's three major business lines serve 15 million clients throughout the United States, Canada and Europe, and its team of nearly 70,000 people invest their hearts and minds to power human potential every day. Ranked 105th on the Fortune 500, U.S. Bancorp is deeply respected for its culture and long-term stewardship and admired for its diversified business mix and product capabilities. Visit usbank.com/about to learn more.

About DAT

DAT Freight & Analytics operates DAT One, North America's largest truckload freight marketplace; Convoy Platform, an automated freight-matching technology; DAT iQ, the industry's leading freight data analytics service; Trucker Tools, the leader in load visibility; and Outgo, the freight financial services platform. Shippers, transportation brokers, carriers, news organizations and industry analysts rely on DAT for market trends and data insights, informed by nearly 700,000 daily load posts and a database of more than \$1 trillion in freight market transactions. Founded in 1978, DAT is a business unit of Roper Technologies (Nasdaq: ROP), a constituent of the Nasdaq 100, S&P 500, and Fortune 1000. Headquartered in Beaverton, Oregon, DAT continues to set the standard for innovation in the trucking and logistics industry. Go to dat.com for more information.

› For more information:

CPSFreightPayment@usbank.com

usbank.com/transportation-solutions/freight

¹This is important because it has led smaller fleets to be more productive and thus sustained them longer than during previous downturns. If the driver or small fleet has to provide the trailer, the driver usually waits for that trailer to be loaded or unloaded. This historically has caused drivers to wait longer, thus reducing productivity and cash flow.

²Based on the Federal Reserve's manufacturing index (NAICS), which is part of industrial production. Industrial production also includes mining and utilities.

³Data is from the Census Bureau.

⁴Nominal means before adjusting for inflation.

⁵Calculations based on the Census Bureau retail sales figures.

⁶The spending index includes fuel surcharges. Typically, for contract freight, motor carriers don't recoup all of the additional cost for fuel, especially when prices are rising quickly. One reason is for most contracts, although this is negotiated between fleets and their customers, the surcharge resets once a week. So, if prices

are rising all week long, they are not getting that higher surcharge until the Energy Information Administration publishes the weekly average the next week.

⁷Data from the Energy Information Administration.

⁸Data from the Energy Information Administration.

⁹Statement based on the Federal Reserve Beige Book published March 4, 2026, reports from the Federal Reserve Bank of San Francisco.

¹⁰Port of Los Angeles press release, March 12, 2026.

¹¹Calculations from inbound truck volumes reported by the Bureau of Transportation Statistics. Q1 2026 data is for January and February. The sequential drop was monthly average in Q4 2025 versus the monthly average for January and February 2026. The year-over-year change was from the same two months in 2025.

¹²<https://www.eia.gov/petroleum/gasdiesel/>

¹³Calculations from on inbound truck volumes reported by the Bureau of Transportation Statistics. First quarter 2026 data is for January and February. The sequential percent change was monthly average in the fourth quarter versus the monthly average for January and February. The year-over-year change was from the same two months in 2025.

¹⁴In the first quarter of 2020, volumes grew 0.6%.

¹⁵Bureau of Economic Analysis. Gross domestic product of motor vehicles, bodies and trailers, and parts manufacturing in 2024 by state.

¹⁶Federal Reserve manufacturing data published in their Industrial production data.

¹⁷Bureau of Transportation Statistics data from Customs and Border Protection. 2026 data is for January and February. The percent change figures are from a monthly average this year and for the fourth quarter of last year. The year-over-year change is from the total in January and February in 2025 and 2026.

¹⁸Federal Reserve Beige Book published March 4, 2026, report from the Federal Reserve Bank of New York.

¹⁹Federal Reserve Beige Book published March 4, 2026, report from the Federal Reserve Bank of New York.

²⁰Federal Reserve Beige Book published March 4, 2026, report from the Federal Reserve Bank of Boston.

²¹Federal Reserve Beige Book published March 4, 2026, report from the Federal Reserve Bank of Richmond.

²²Statement based on comments in Federal Reserve Beige Book published March 4, 2026, report from the Federal Reserve Bank of Atlanta.

²³Federal Reserve Beige Book published March 4, 2026, report from the Federal Reserve Bank of Atlanta.