



Q2 2025 national freight market overview



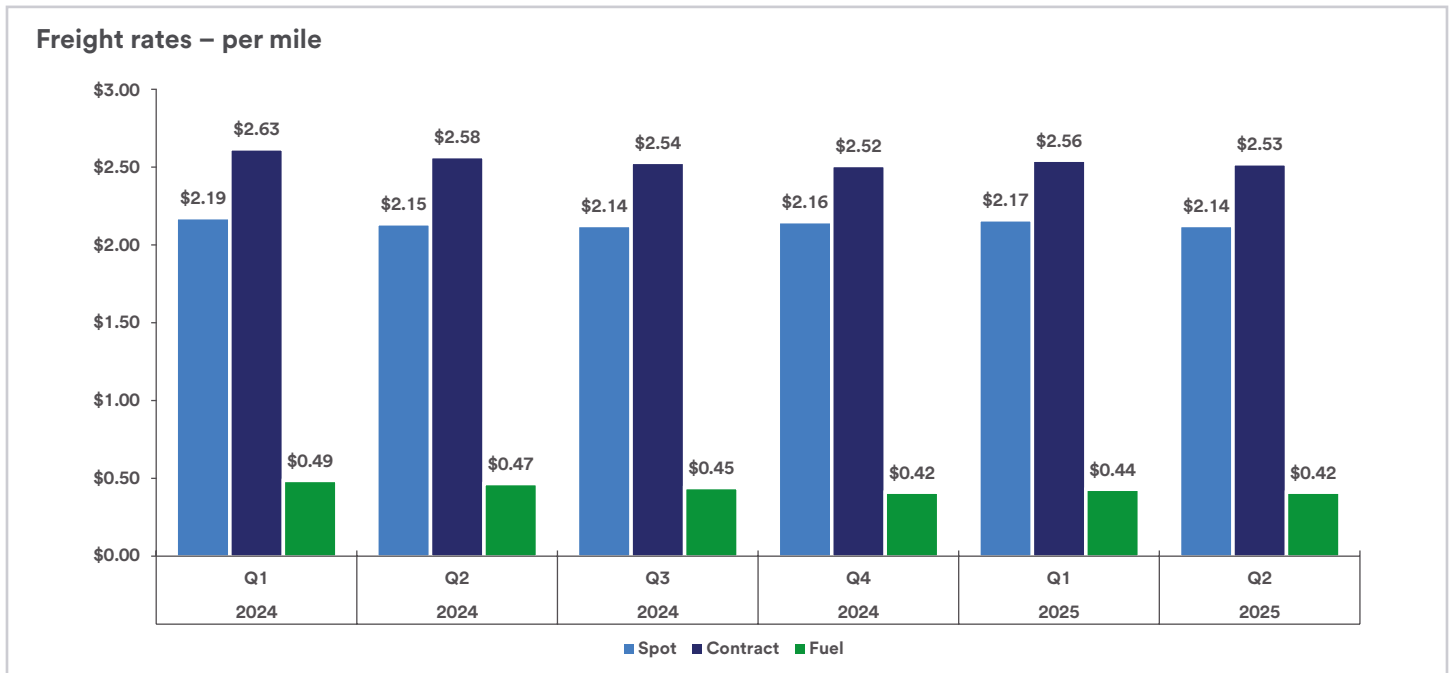
Despite uncertainty around international trade and other economic trends, the national truck freight market grew sequentially during the second quarter. These were the first quarter-to-quarter gains in three years. However, the market is likely to remain uncertain until there is more clarity and direction on the tariff front.

Generally, economic activity was very mixed in the second quarter, especially for those that impact truck freight. For example, manufacturing activity in the five regions was mixed, and nationally was up just slightly, compared with the first quarter.¹ Consumer spending was up, but only slightly from the first three months of the year.² Housing activity metrics were erratic, but generally down over the same period.³ Port volumes, both U.S. land ports of entry and seaports, were also uneven during the second quarter.

Based on all of these factors, shipments increased. However, it is likely that shipments and spend were up because capacity tightened in the quarter. Some fleets exited the industry, while many existing carriers have been working on right-sizing their fleets to bring capacity in line with demand.

As shippers deal with carrier failures and exits, they move their freight to other fleets. As a result, carriers that remained in the market likely saw some improvement in freight levels. This was less because freight surged, but more because there was less capacity to meet that demand. While it is too early to say the freight market has definitively turned the corner, the second quarter of 2025 was a very good step in the right direction.

For the first time since the second quarter of 2022, the U.S. Bank Freight Payment National Shipment and Spend Indexes revealed quarterly shipment and spend volume increases.



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**

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

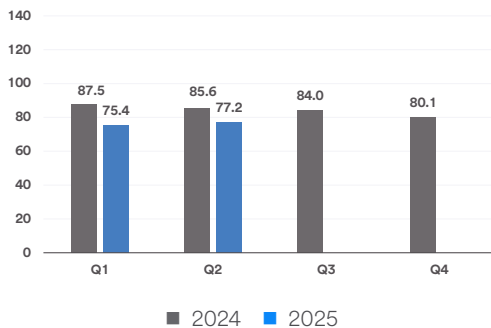
DAT's data confirms a couple of trends seen in the U.S. Bank data. First, spending was likely softer than shipments on a sequential basis because of lower fuel surcharges. DAT's data shows that fuel spend was down \$.02 cents per mile or 4.5% from the first quarter of the year.

In addition, DAT's contract freight rate data shows it was flat from the first quarter. While contract rates were unchanged from the previous quarter, DAT data revealed that spot market rates were down 1.4%, or three cents per mile.

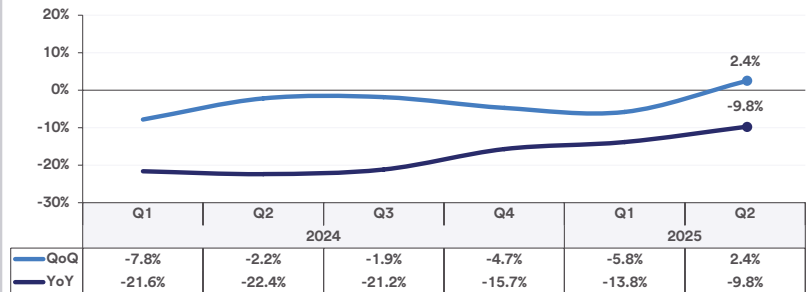
Compared with a year earlier, all three metrics were down. Spot rates fell the least, contracting 0.5%. Contract rates were down 1.6% largely due to declines in the third and fourth quarters of last year. Finally, fuel outlays were off 10.6% as the price of diesel was down from a year ago.

Spot, contract and fuel prices all showed modest declines in Q2 compared to Q1, reversing the price increases that all three experienced in the first quarter.

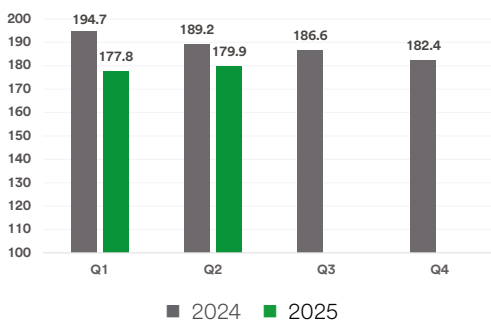
Shipments – index value



Shipments – % change



Spend – index value



Spend – % change



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

During the second quarter of 2025, the U.S. Bank National Shipments Index rose 2.4% from the first quarter, which was the first sequential gain in three years, and the largest rise in four years. While there was a nice increase in freight levels from the first quarter, compared with the same period in 2024, the shipments index contracted 9.8%. This decrease from a year earlier was the smallest since the third quarter of 2023.

Shippers had to spend more in the second quarter moving their freight, but the sequential increase was half as much as the gain in volumes, as the U.S. Bank National Spend Index rose 1.2% last quarter. Spend generally rises as shipment volumes rise, but this difference in these metrics was likely due, at least in part, to a couple of factors. One is that rates overall were unchanged. The second is that shippers spent less on fuel surcharges as fleets saw declines in the national average price of diesel fuel. The \$3.558 average per-gallon price during the second quarter was 1.9% below the first quarter, despite a surge in prices in late June.⁴

While shippers spent slightly more to move freight in the second quarter than they did in the first quarter, they did still see lower spend from a year earlier. Specifically, the U.S. Bank National Spend Index was down 4.9% from the second quarter of 2024. The average price of diesel fuel was off 7.8% over that same period. In addition, volumes contracted more than spending over this period. This suggests modest rate gains, especially when coupled with the reduction in fuel costs. These year-over-year trends point to a market that is tighter compared with a year ago, as struggling fleets continue to exit the industry, or carriers cut capacity.

From a year-over-year perspective the U.S. Bank Freight Payment National Shipment and Spend Indexes were down, however the declines were the smallest since Q1 2023.

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

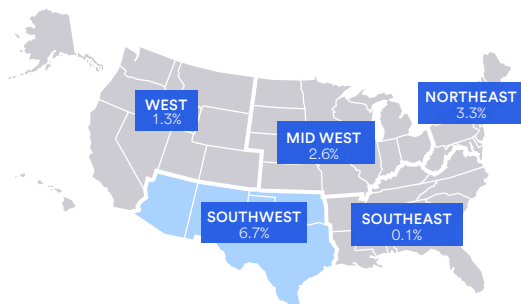
Second quarter regional outcomes were more consistent compared with the very mixed bag of results during the first quarter of the year. To begin, all five regions posted sequential shipments gains, ranging from a robust 6.7% increase in the Southwest to a scant 0.1% gain in the Southeast. Shipments have not risen in all five regions during a single quarter since the second quarter of 2021.

Compared with the same period in 2024, results were more mixed though. Three regions saw declines from the second quarter last year, with the largest shipments decrease (-26.0%) being registered in the Southwest. The best year-over-year shipments gain was in the Northeast (2.7%). Spend also saw mixed sequential results in the second quarter, with three regions posting gains and two regions witnessing declines.

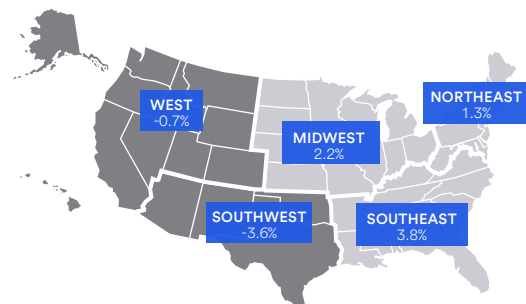
The largest increase in spending was 3.8% in the Southeast, while the largest drop (-3.6%) was in the Southwest. Compared with the same period last year, spending results were also varied. For example, despite the largest increase sequentially, the Southeast reported the largest decrease from a year earlier at 12.9%. The largest year-over-year gain for spending in the second quarter was 3.7% in the Northeast.

Despite plenty of regional positivity (all five regions posted QoQ shipment increases for the first time in four years), it may be too soon to say if the market has turned a corner or if the increases are the result of tariff volatility and uncertainty.

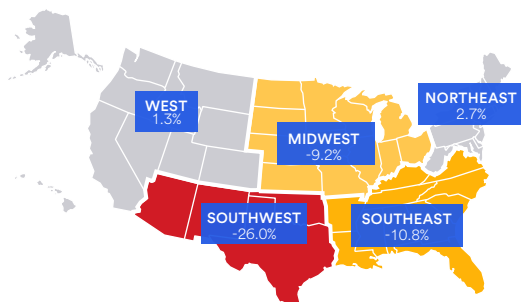
Shipments – regional quarter-over-quarter % change



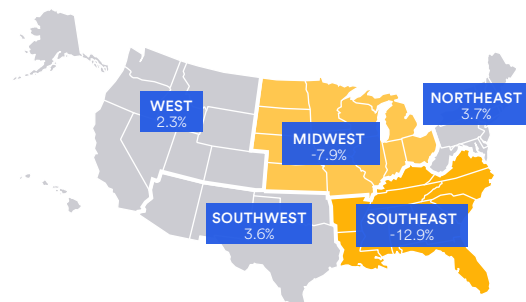
Spend – regional quarter-over-quarter % change



Shipments – regional year-over-year % change



Spend – regional year-over-year % change

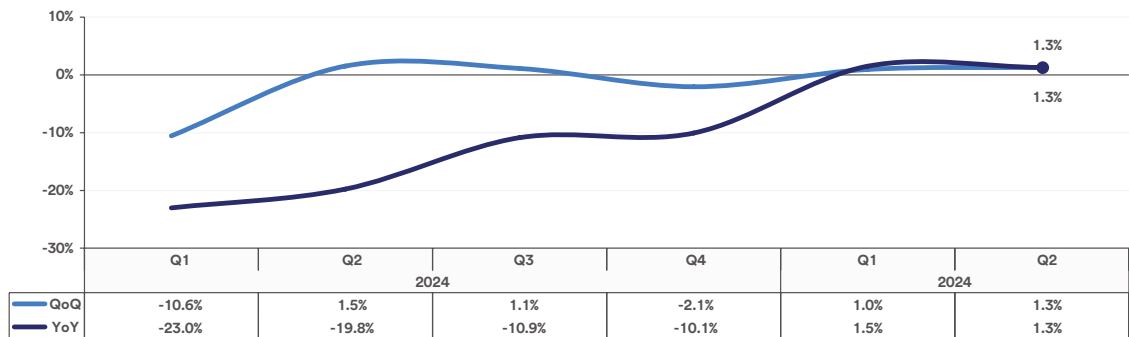




West regional shipments and spending – quarter-over-quarter, year-over-year

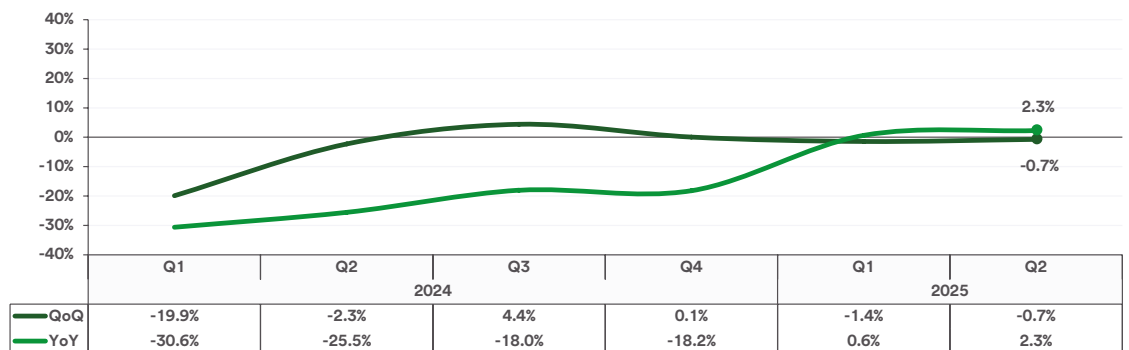
Shipments

Last four quarterly index values (starting w/ current quarter): 102.2 | 100.9 | 99.9 | 102.0



Spend

Last four quarterly values (starting w/ current quarter): 228.4 | 230.1 | 233.4 | 233.3



For the second straight quarter, the U.S. Bank West Regional Shipments Index saw increases in shipments both sequentially and from a year earlier. In the second quarter, volumes in this region were up 1.3%, slightly better than the 1.0% gain in the first quarter, on a quarter-to-quarter basis. Compared with a year earlier, volumes were also up 1.3%, but this was slightly below the 1.5% gain in the first quarter.

Despite huge monthly fluctuations in port volumes on the West Coast during the quarter, overall volumes were up, thus helping freight levels in the region.⁵ Likewise, during the first quarter, volumes in the region were helped by large increases in imports as shippers pulled forward cargo imports in an attempt to avoid paying, or otherwise mitigate, the cost of new tariffs. West Coast second quarter shipments were likely helped by leftover movements from the surge in the first quarter as well. Many importers accelerated imports from Asia in the first quarter even though they may not have necessarily had buyers for the goods, or the buyers didn't have storage space.

The U.S. Bank West Regional Spend Index was down just 0.7%, for moving 1.3% more goods in the second quarter. This is partly explained by the drop in diesel fuel prices. Compared with a year earlier, spend was up 2.3%, the second straight year-over-year gain. All this data in total suggests that capacity in the region is likely continuing to right-size.

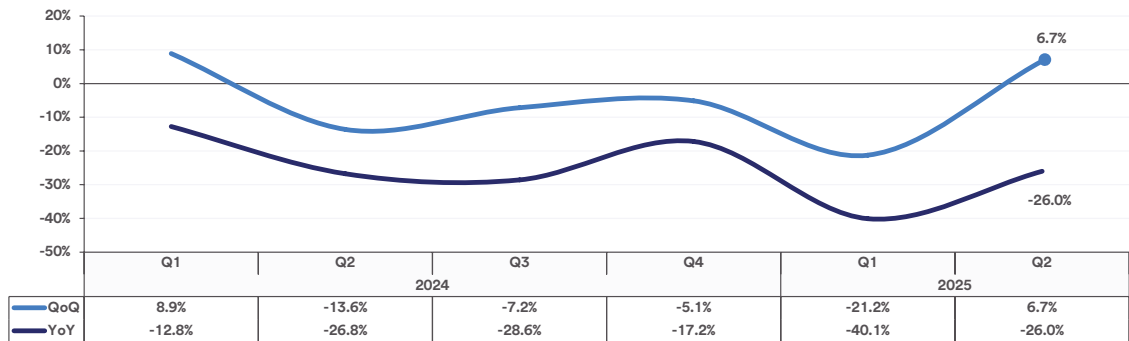
Despite significant fluctuations in coastal seaport volume activity, the West region posted modest increases in quarterly and yearly shipments for the second consecutive quarter.



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

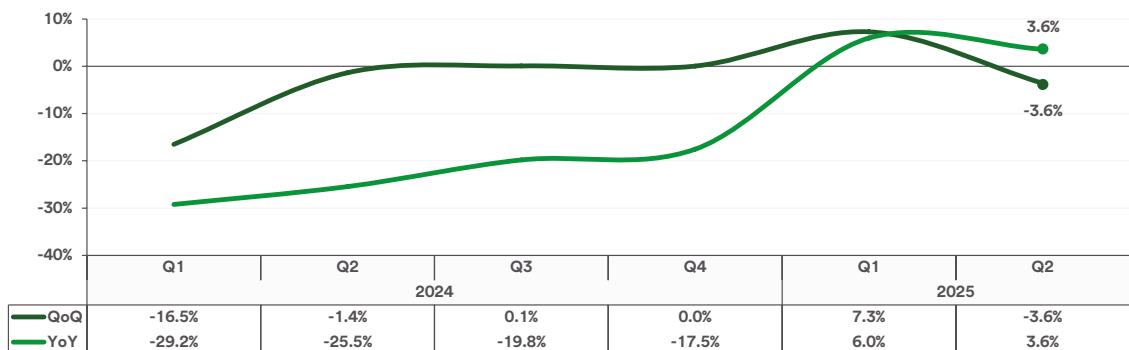
Shipments

Last four quarterly index values (starting w/ current quarter): **86.8 | 81.4 | 103.3 | 108.9**



Spend

Last four quarterly index values (starting w/ current quarter): **207.8 | 215.6 | 200.9 | 200.8**



The Southwest region also saw mixed results in the quarter, with volumes up sequentially, but down significantly from a year earlier. Conversely, spending in the region was down from the first quarter, but up from a year earlier. Beginning with freight levels, the U.S. Bank Southwest Regional Shipments Index jumped 6.7% over the first quarter, which was the largest gain since the first quarter of 2024. Shipments were off 26% from the second quarter last year.

Freight volumes were impacted by a few factors in the second quarter. For one, imports at the southern border have been on a seesaw pattern much like the imports at West Coast seaports, and for the same reasons. In April, inbound trucks from Mexico were off 4.5% from March, while increasing 3.7% in May.⁶ Early in the quarter, manufacturing activity was decent in the region, according to the Federal Reserve Bank of Dallas, “Machinery and nondurable goods manufacturing were bright spots...”⁷

After surging 7.3% sequentially in the first quarter, the U.S. Bank Southwest Regional Spend Index slowed 3.6% in the second quarter. However, unlike volumes, the spend index was up 3.6% in the second quarter from a year earlier, after rising 6% in the first quarter.

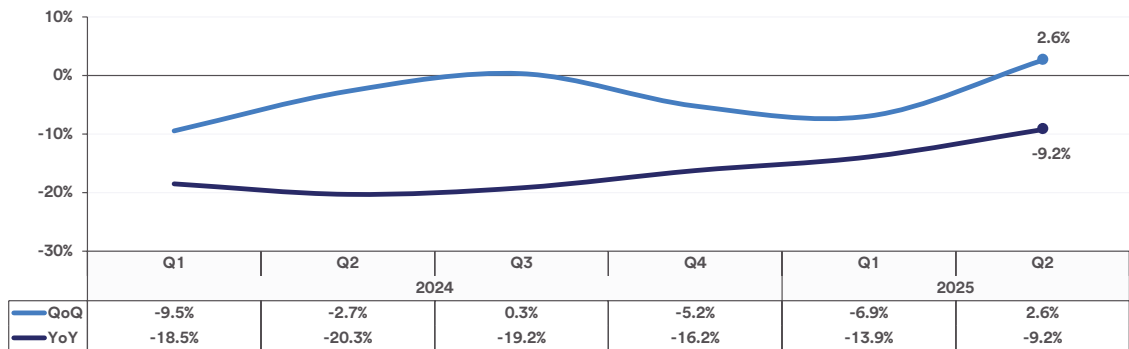
With cross-border trade down, decent manufacturing helped the Southwest region rebound from a poor Q1, with the largest quarterly gain in shipments (6.7%) among the five regions.



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

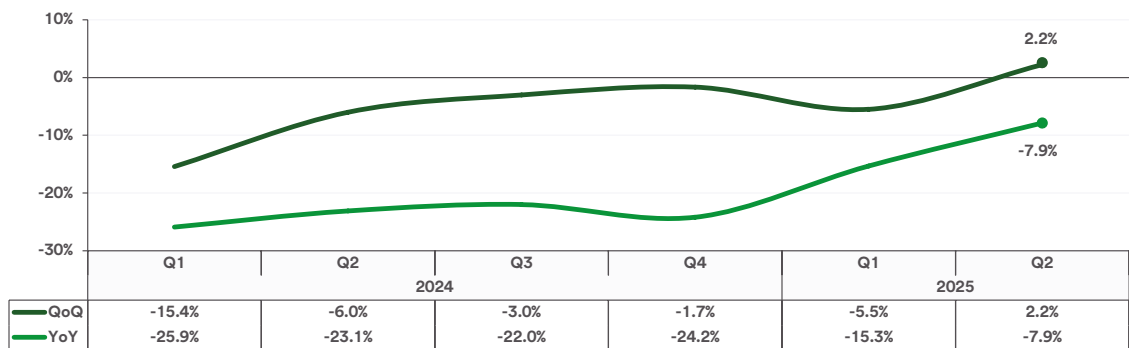
Shipments

Last four quarterly index values (starting w/ current quarter): **62.4 | 60.8 | 65.3 | 68.9**



Spend

Last four quarterly index values (starting w/ current quarter): **131.7 | 128.8 | 136.3 | 138.6**



The U.S. Bank Midwest Regional Shipments Index increased 2.6% over the first quarter, which was the first gain since the third quarter in 2024 and the region's largest quarter-to-quarter increase in three years. At the same time, the U.S. Bank Midwest Regional Spend Index increased 2.2% over the first quarter, which was the first gain since the final quarter in 2023 and the largest in three years.

While these sequential gains were good, because of recent softness in each metric, both shipments and spending were down from a year earlier. Volumes contracted 9.2% from a year earlier, although this was the smallest year-over-year decline since late 2023. Spend was down 7.9% from the second quarter last year, but that was the smallest decrease since the fourth quarter of 2022.

General economic activity in the region supporting truck freight volumes was mixed early in the quarter. For example, manufacturing activity seemed to be up in some areas and for some sectors, but down in others. Likewise, consumer spending was flat to down in much of the region at least for the first half of the quarter.⁸ However, home construction was up nicely in April and May, according to data from the U.S. Census Bureau.⁹

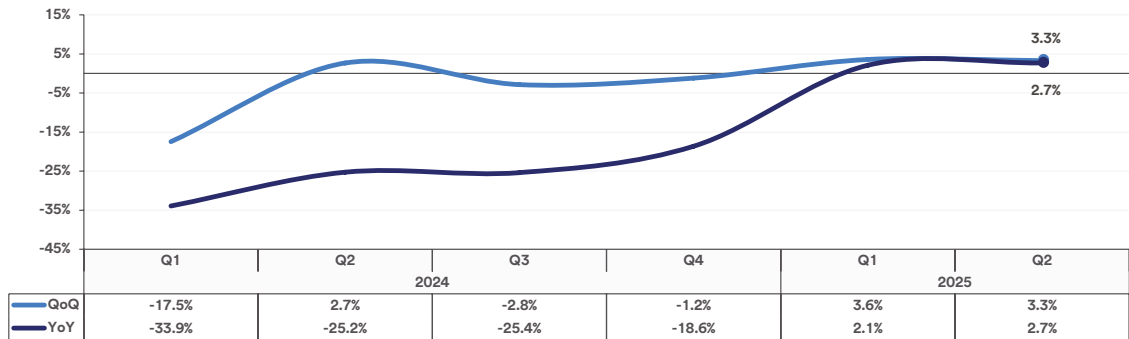
For the first time in three years the Midwest region posted quarterly gains in shipments and spend, while the region's yearly declines were its smallest in the last nine quarters.



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

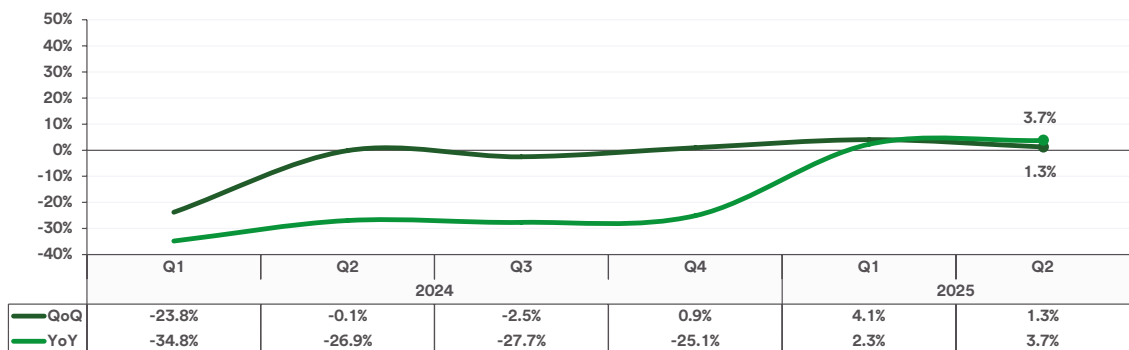
Shipments

Last four quarterly index values (starting w/ current quarter): **59.3 | 57.4 | 55.4 | 56.1**



Spend

Last four quarterly values (starting w/ current quarter): **159.2 | 157.2 | 151.1 | 149.6**

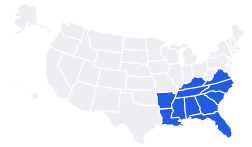


The Northeast saw the best quarter among the five regions, both from the previous quarter and a year earlier. Starting with shipments, the U.S. Bank Northeast Regional Shipments Index rose 3.3% over the first quarter, after a 3.6% increase in the fourth quarter of 2024. Furthermore, volumes in the region were up 2.7% from a year earlier, which was the largest year-over-year increase among all the regions and the second straight improvement.

However, it should be noted that this region also saw some of the largest total declines over the recent freight recession, muting some of these increases. For the third straight quarter, the U.S. Bank Northeast Regional Spend Index rose in the second quarter, gaining 1.3% over the previous quarter. Spend was up 3.7% from the second quarter of last year.

Housing starts in the Northeast have helped truck freight levels recently, with the average in April and May up over 11% from the first quarter average and up 39.3% from the April and May average last year.¹⁰ Beyond housing starts, economic activity was mixed, according to the Federal Reserve's Beige Book. Specifically, auto sales were solid with consumers trying to beat potential tariffs, but manufacturing activity in the Northeast was mixed.¹¹

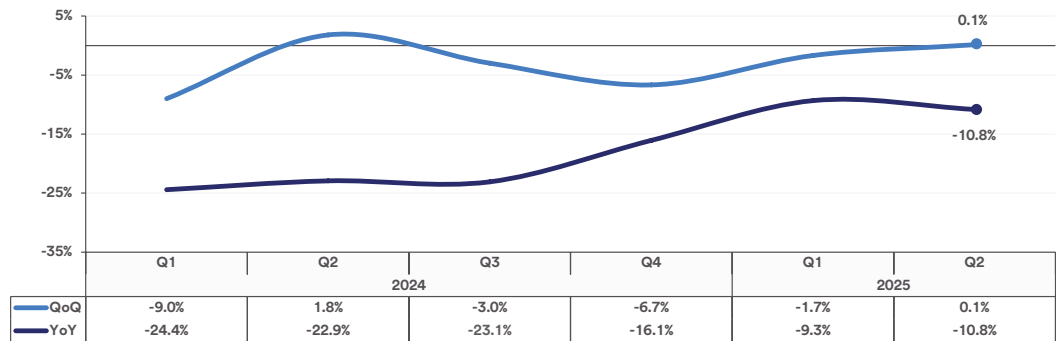
Strong retail sales and an uptick in import volumes helped the Northeast region post increases in QoQ and YoY shipments and spend, the best performance of the five regions.



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

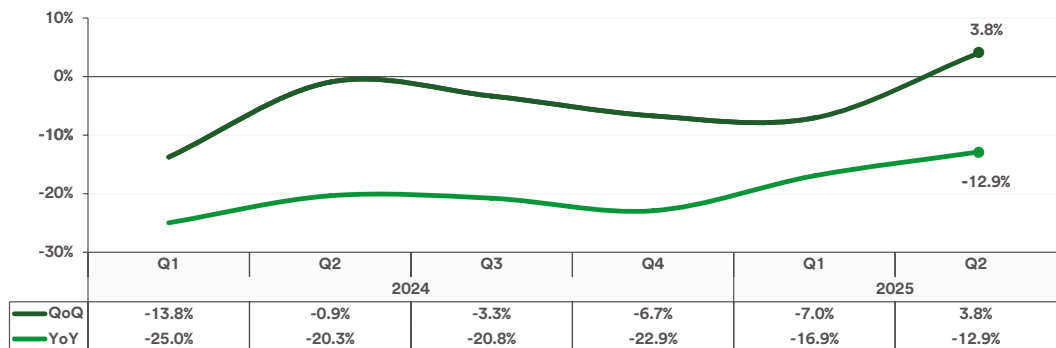
Shipments

Last four quarterly index values (starting w/ current quarter): **83.0 | 82.9 | 84.3 | 90.3**



Spend

Last four quarterly index values (starting w/ current quarter): **223.4 | 215.2 | 231.5 | 248.1**



After falling a total of 10.9% in the previous three quarters, the U.S. Bank Southeast Regional Shipments Index edged up a modest 0.1%. This was the smallest sequential increase among all five regions. As small as it was, it was only the region's second gain since the third quarter of 2021. Freight levels in the region were down 10.8% from a year earlier.

A number of factors are impacting freight negatively in the region. Manufacturing activity in the first part of the quarter was soft, while both import and export levels were flat to down. Consumer activity was also soft.¹²

Despite the scant increase in volumes in the quarter, the U.S. Bank Southeast Regional Spend Index rose 3.8% from the first quarter. Fuel prices were, on average, down over the same period, meaning shippers were spending less on fuel surcharges. This could indicate that capacity is tightening. However, due to recent softness, spend was still off 12.9% from the second quarter in 2024.

The Southwest posted quarterly shipment and spend increases for the first time in four years, while its combined YoY decreases in both were the worst of the five regions.

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, organizations have turned to U.S. Bank Freight Payment for the service, reliability and security of a federally regulated financial institution and payments provider. The pioneer in electronic freight payment, U.S. Bank Freight Payment processes more than \$43 billion in freight payments annually, and we continue to innovate for our corporate and federal government clients. Through a comprehensive online solution, organizations can streamline and automate their freight audit and payment processes and obtain the business intelligence needed to maintain a competitive supply chain.

25+ years of experience

\$43 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 usbank.com

U.S. Bancorp, with approximately 70,000 employees and \$686 billion in assets as of June 30, 2025, is the parent company of U.S. Bank National Association. Headquartered in Minneapolis, the company serves millions of customers locally, nationally and globally through a diversified mix of businesses including consumer banking, business banking, commercial banking, institutional banking, payments and wealth management. U.S. Bancorp has been recognized for its approach to digital innovation, community partnerships and customer service, including being named one of the 2025 World's Most Ethical Companies and one of Fortune's most admired superregional banks. Learn more at usbank.com/about.

About DAT dat.com

DAT Freight & Analytics operates DAT One, North America's largest truckload freight marketplace, and DAT iQ, the industry's leading freight data analytics service. Shippers, transportation brokers, carriers, news organizations, and industry analysts rely on DAT for market trends and data insights based on more than 235 million annual load posts and a database of over \$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, Ore., DAT continues to set the standard for innovation in the trucking and logistics industry. Visit dat.com for more information.

For more information:

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usbank.com/transportation-solutions/freight

¹ Statements based on the Federal Reserve Beige Book published June 4, 2025, National Summary; Manufacturing output data from the Federal Reserve.

² Statements based on the Federal Reserve Beige Book published June 4, 2025, National Summary

³ Statements based on the Federal Reserve Beige Book published June 4, 2025, National Summary

⁴ According to data published by the U.S. Energy Information Administration.

⁵ As of the writing of this report, only April and May final data was available. However, the Port of Los Angeles' port optimizer data suggested a large gain in June import levels compared with May.

⁶ Based on data from the Bureau of Transportation Statistics, Border Crossing Data

⁷ Federal Reserve Beige Book published June 4, 2025. Federal Reserve Bank of Dallas. Durable goods are products with a usable life of less than three years.

⁸ Statements are based on the Federal Reserve Beige Book published June 4, 2025, reports from the Federal Reserve Banks of Cleveland, Chicago, and Minneapolis.

⁹ Housing starts data from the U.S. Census Bureau. Data is seasonally adjusted at annualized rates.

¹⁰ Housing starts data from the U.S. Census Bureau. Data is seasonally adjusted at annualized rates.

¹¹ Statements are based on the Federal Reserve Beige Book published June 4, 2025, reports from the Federal Reserve Banks of Boston, New York, and Philadelphia.

¹² Statements are based on the Federal Reserve Beige Book published June 4, 2025, reports from the Federal Reserve Banks of Richmond and Atlanta.

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