

# Economic & Industry Update

**July 20, 2015**

**Bob Costello**

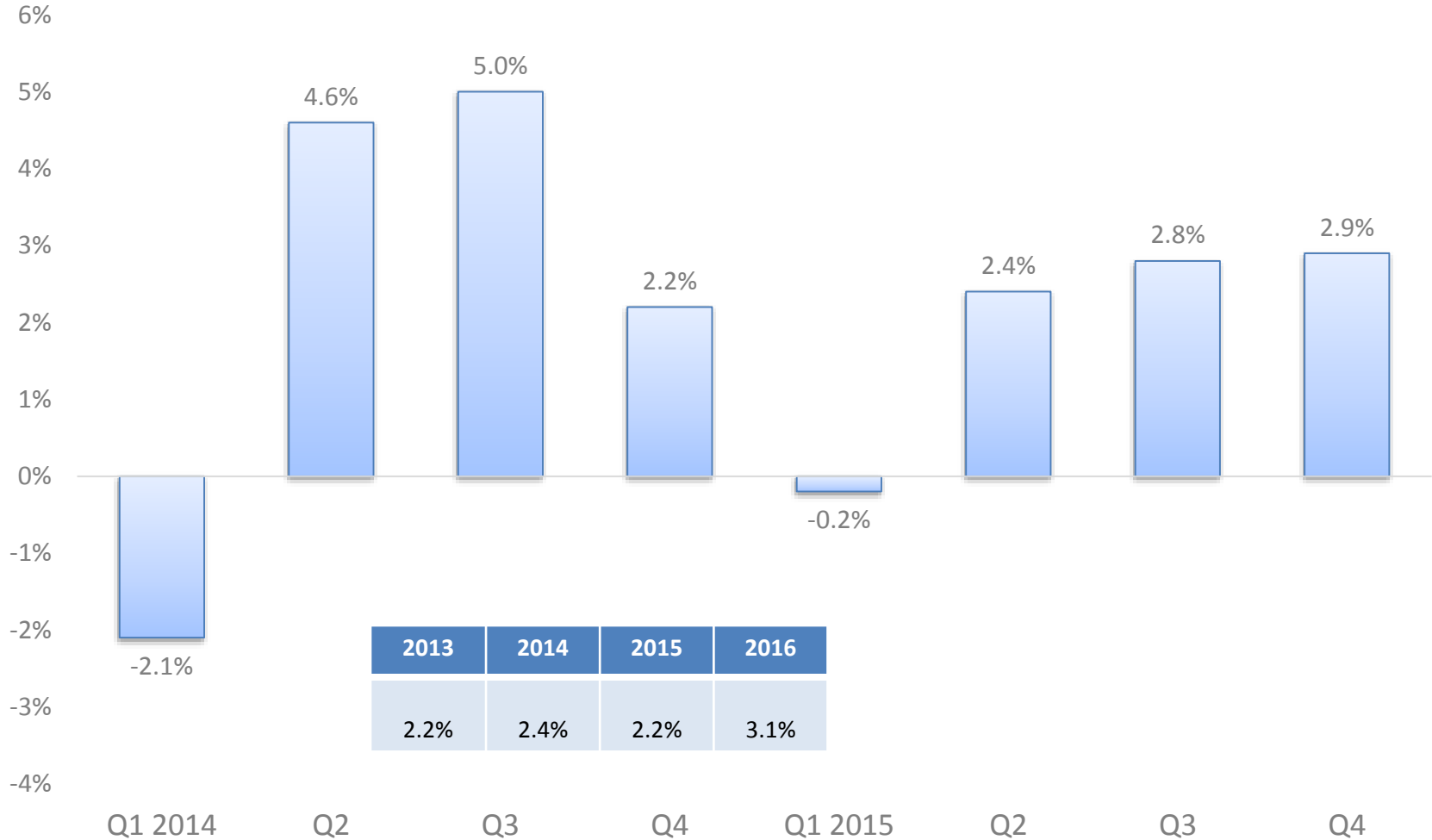
**Senior Vice President & Chief Economist**

**ATA**

**Twitter: @ATAEconBob**



# Quarterly Real GDP & Forecasts

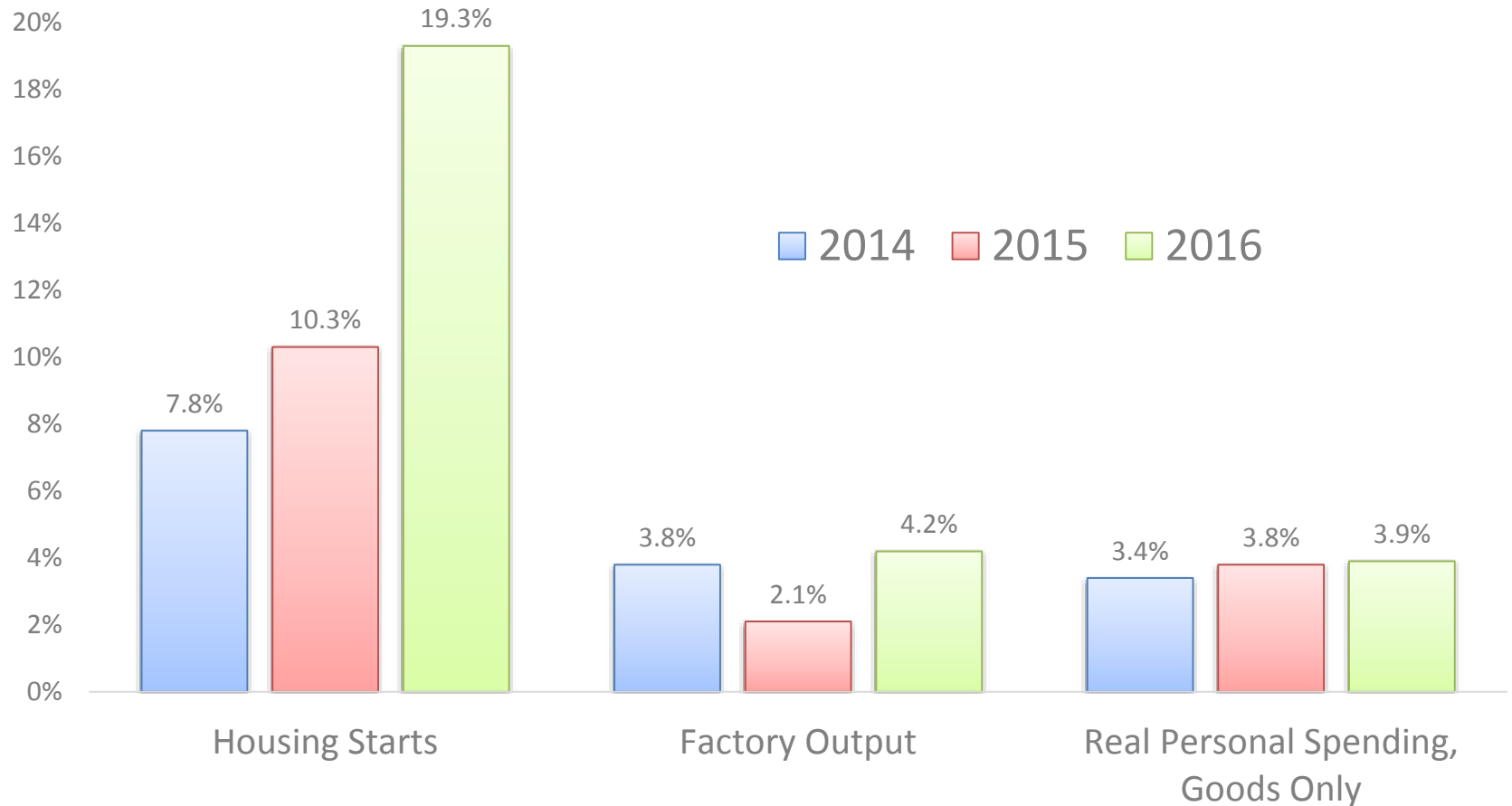


Sources: BEA & ATA



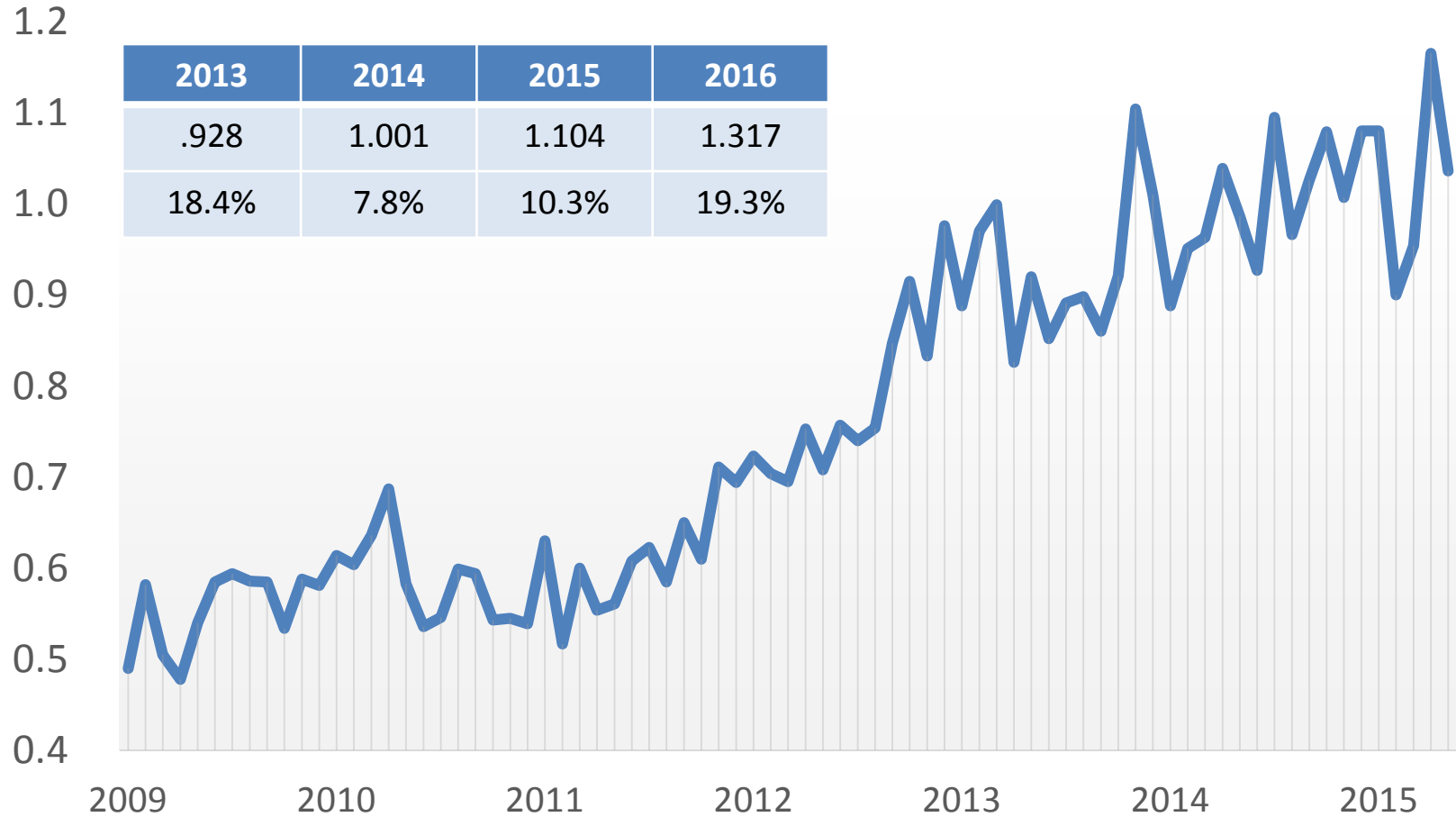
# Key Economic Indicators for Trucking

## Year-Over-Year Percent Change



# Housing Starts

Millions of Units; Seasonally Adjusted Annualized Rate



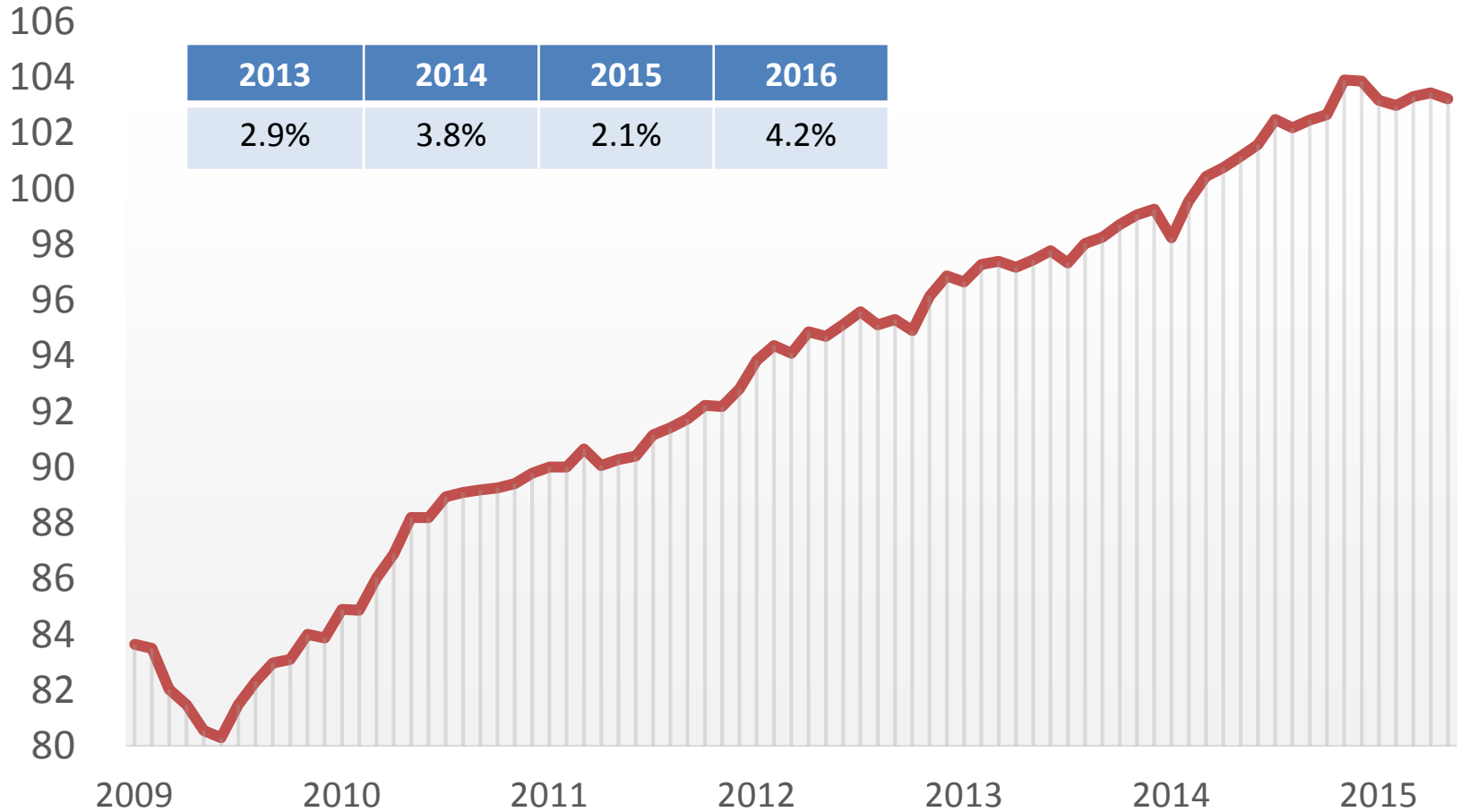
*Includes single-family and multi-family units*

Sources: ATA & Census Bureau



# Factory Output

Millions; Seasonally Adjusted Annualized Rate



Sources: ATA & Census Bureau



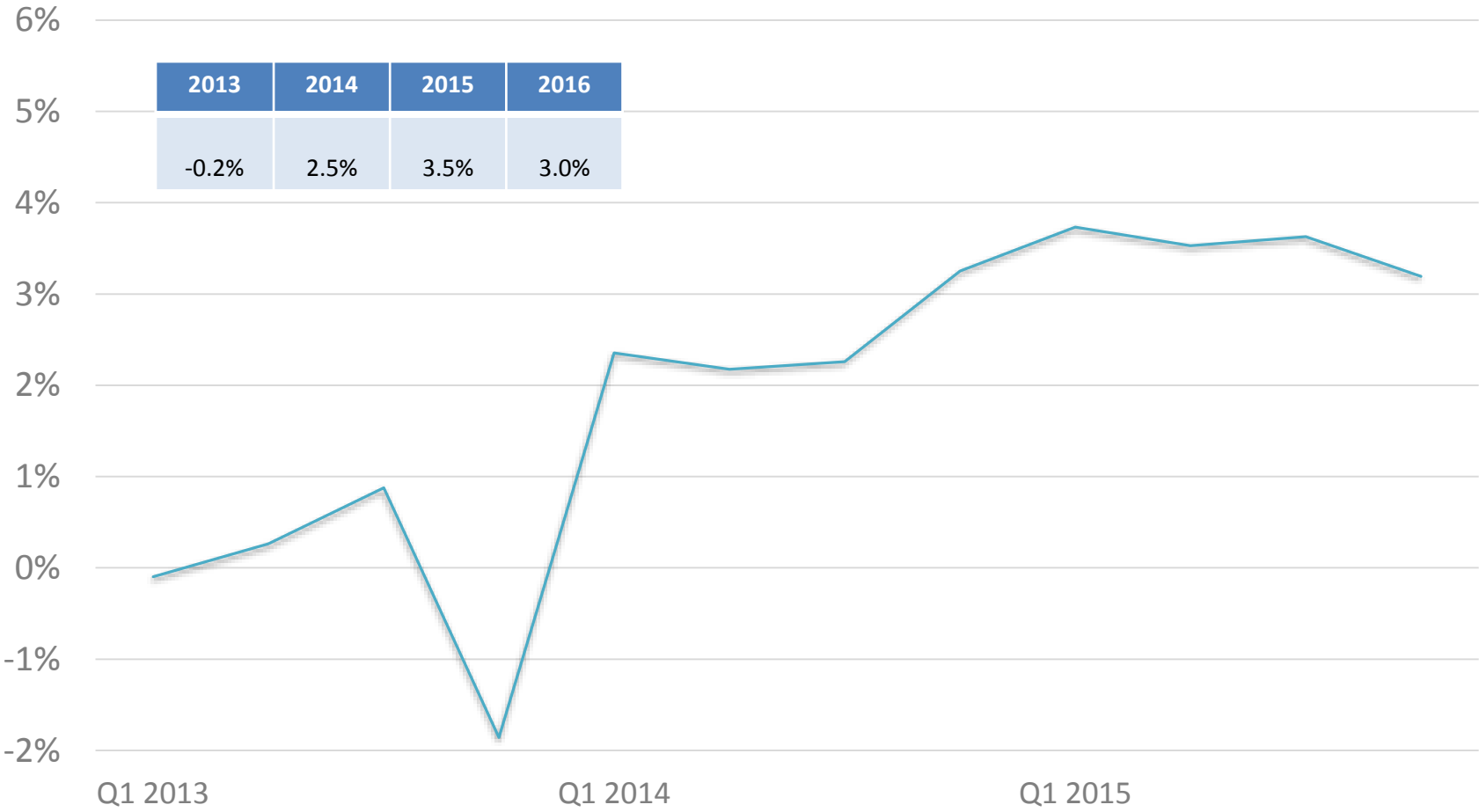
# Real Consumer Spending on Goods Only



Sources: BEA & ATA



# Real Disposable Income (Year-over-Year Increase)

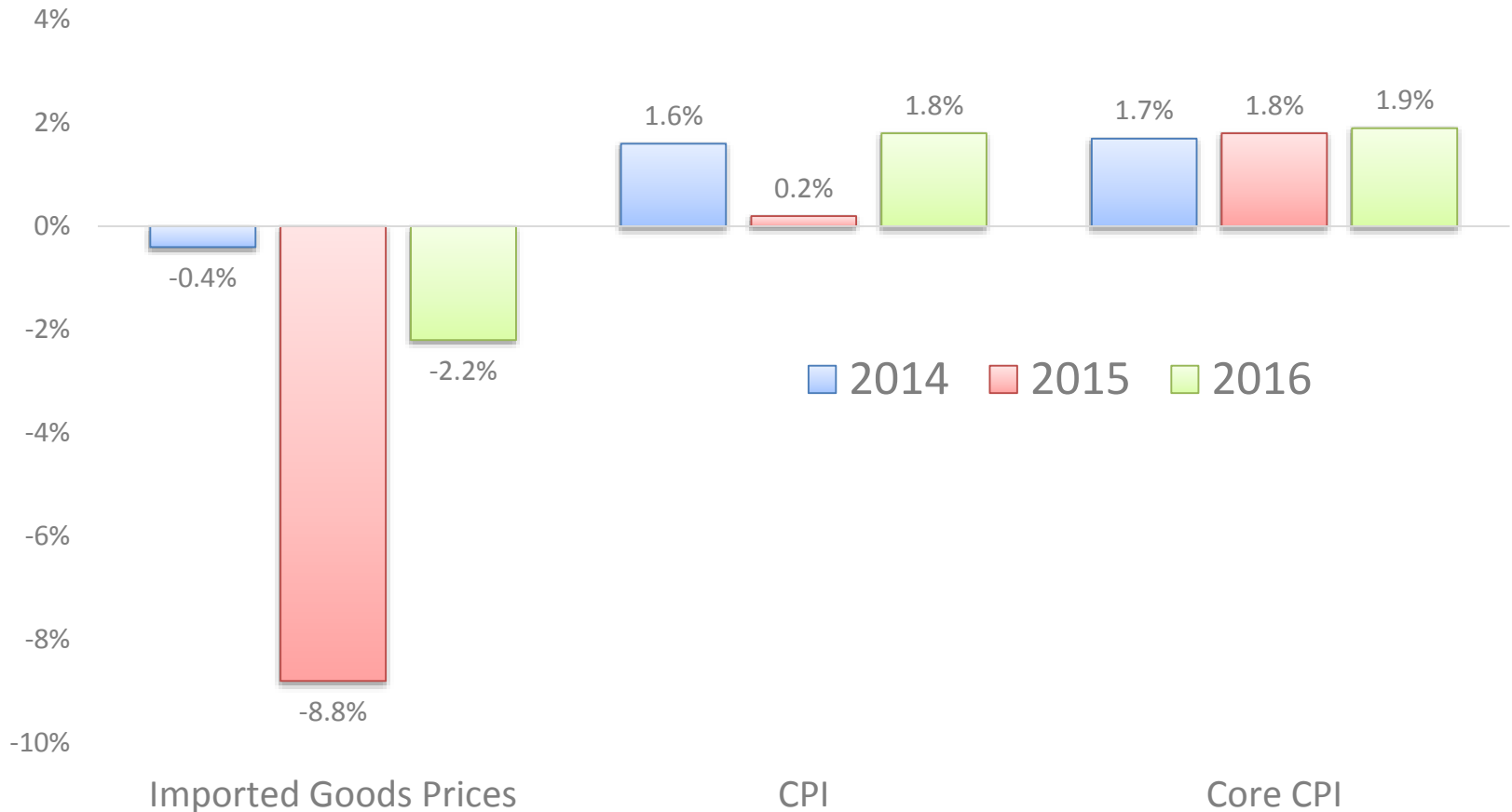


Sources: BEA & ATA



# Key Inflation Indicators

## Year-Over-Year Percent Change

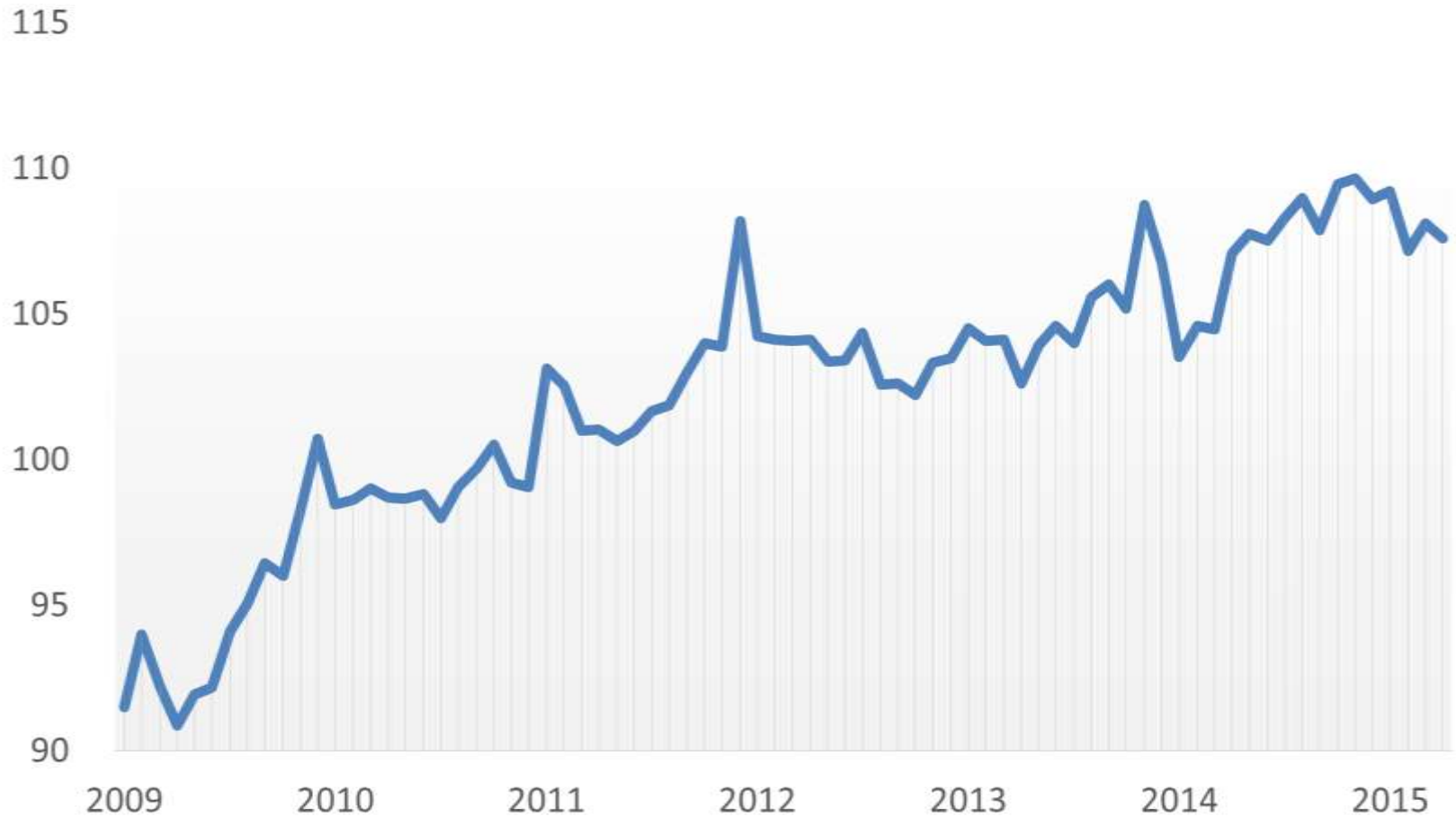




# Truck Freight Trends

# For-Hire Truckload Loads

Index: 2000=100; Seasonally Adjusted



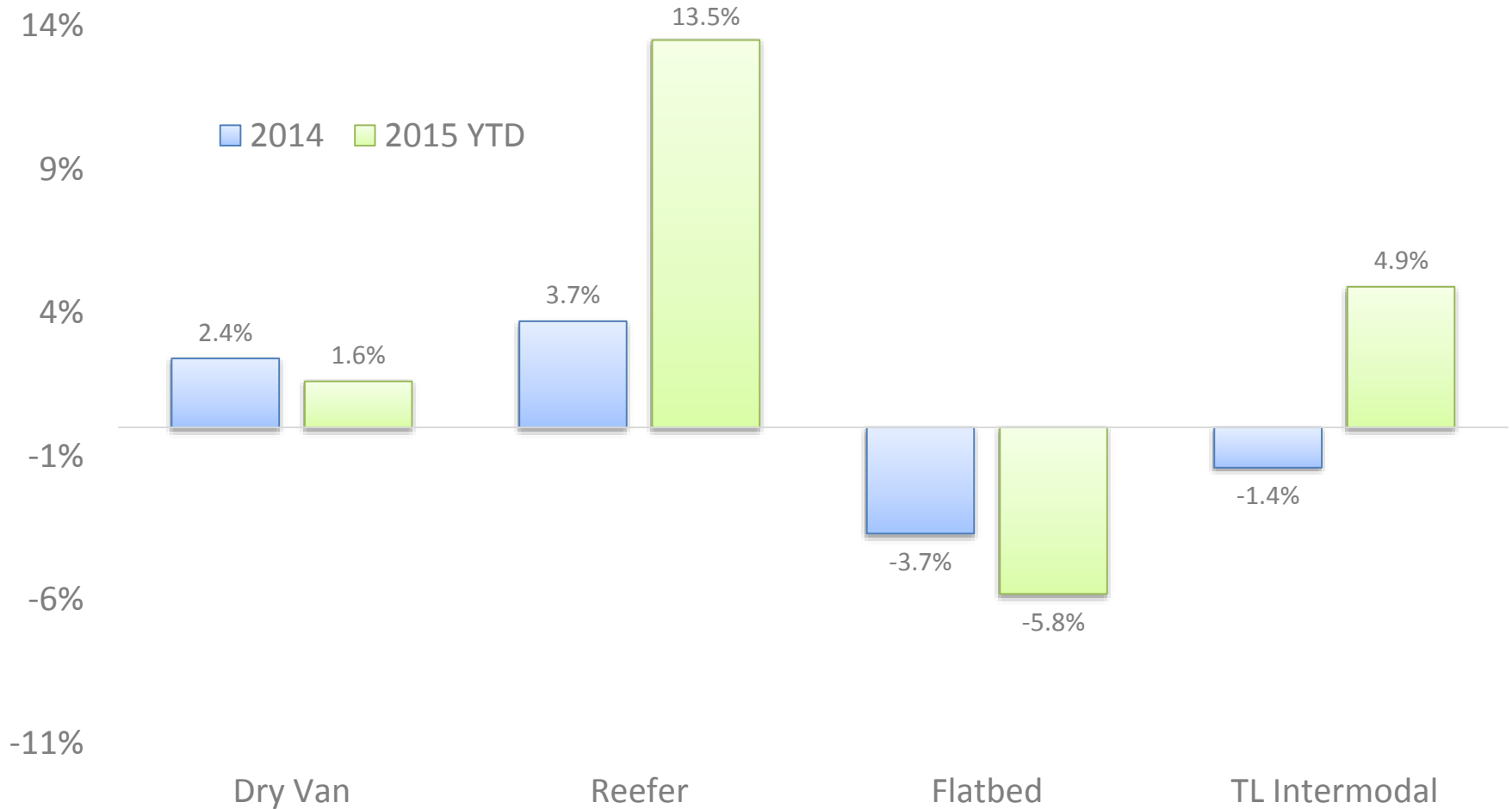
TL Data is a mix of contract and spot freight.

Source: ATA's *Trucking Activity Report*



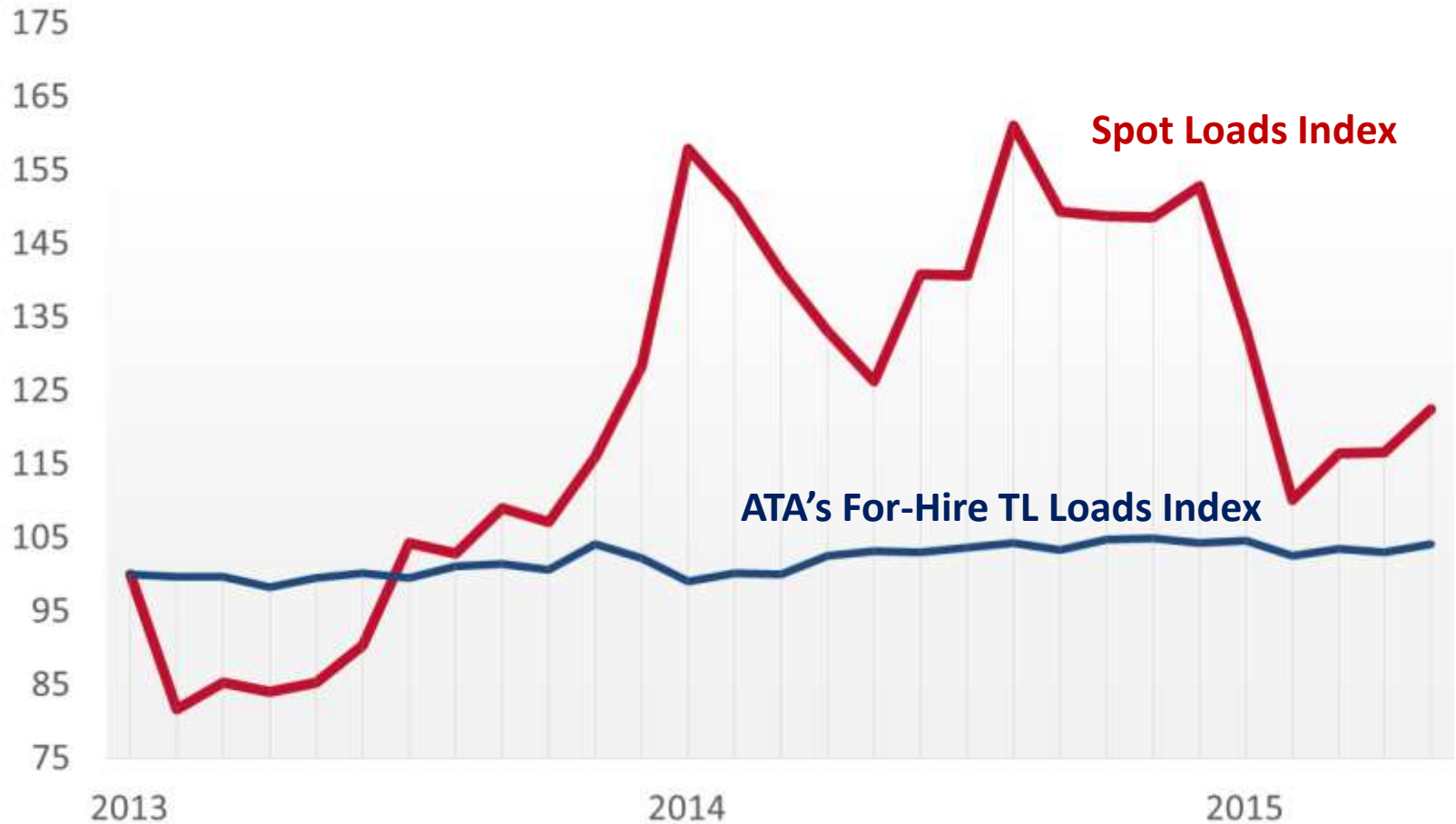
# For-Hire TL Loads

Year-Over-Year Percent Change



# Spot Loads Market

January 2013 = 100



ATA's TL Data is a mix of contract and spot freight.

Sources: DAT.com & ATA's *Trucking Activity Report*

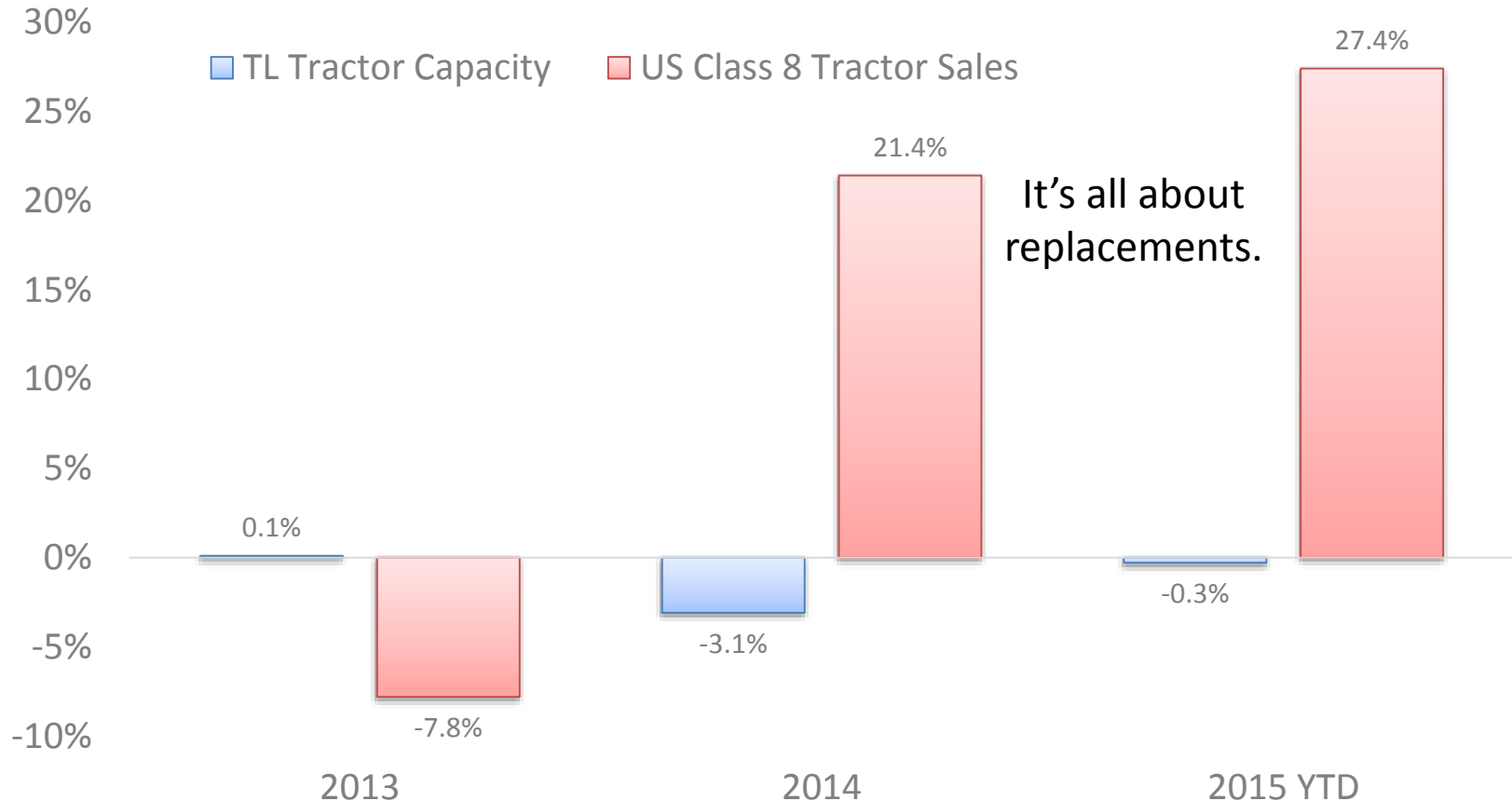


**TRUCKING**  
Moves America Forward

# Truck Capacity Trends:

*Fleets want to add more trucks,  
but they can't find enough drivers.*

# For-Hire Tractor Changes & Class 8 Tractor Sales



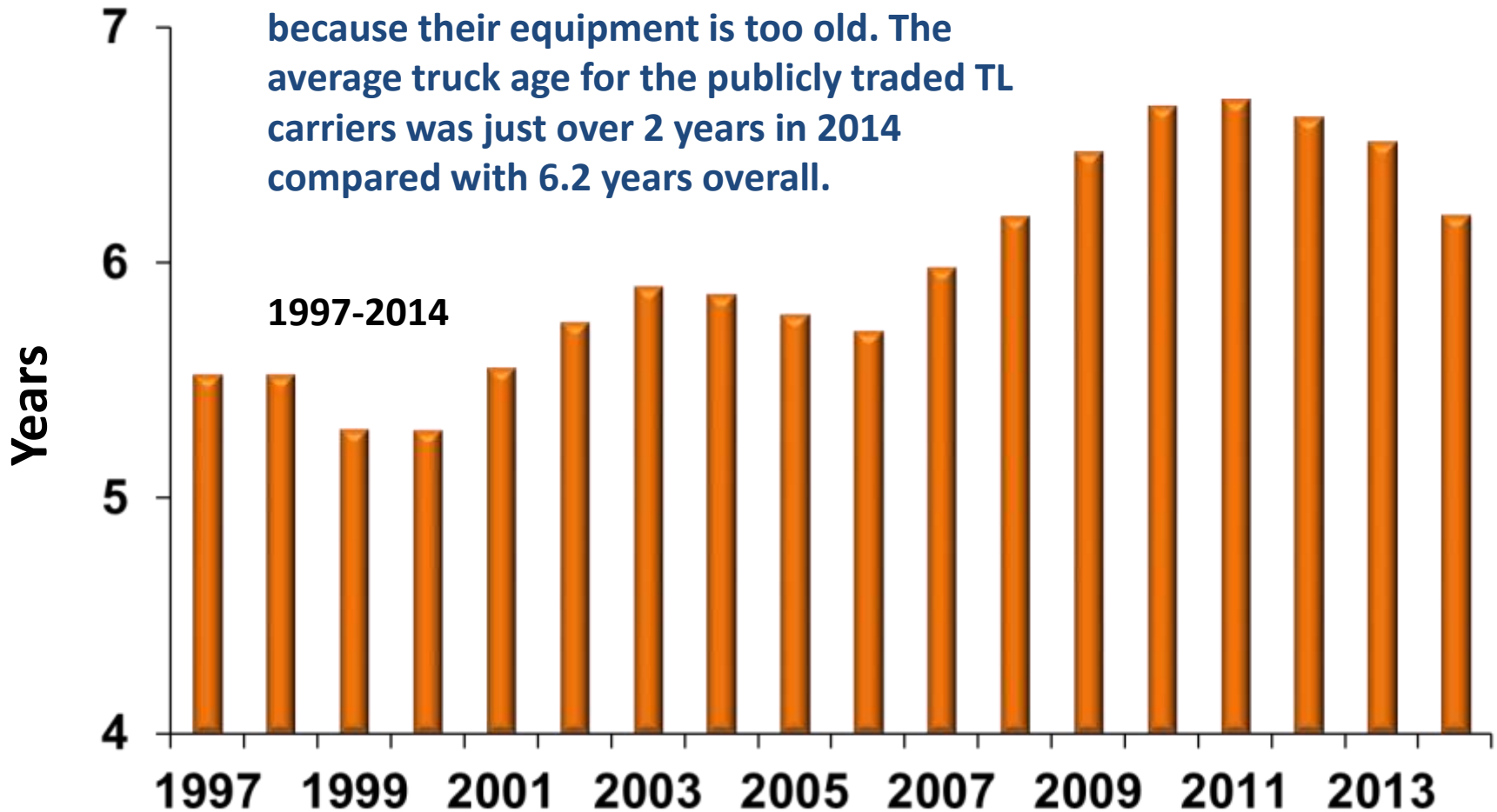
Tractor capacity includes employee and independent contractor tractors  
**2015 outlook for tractor sales remains strong; Lots of replacement activity**

Source: ATA's *Trucking Activity Report* and ACT Research



# U.S. Class 8 Trucks: Average Age

Some fleets are/were losing good drivers because their equipment is too old. The average truck age for the publicly traded TL carriers was just over 2 years in 2014 compared with 6.2 years overall.

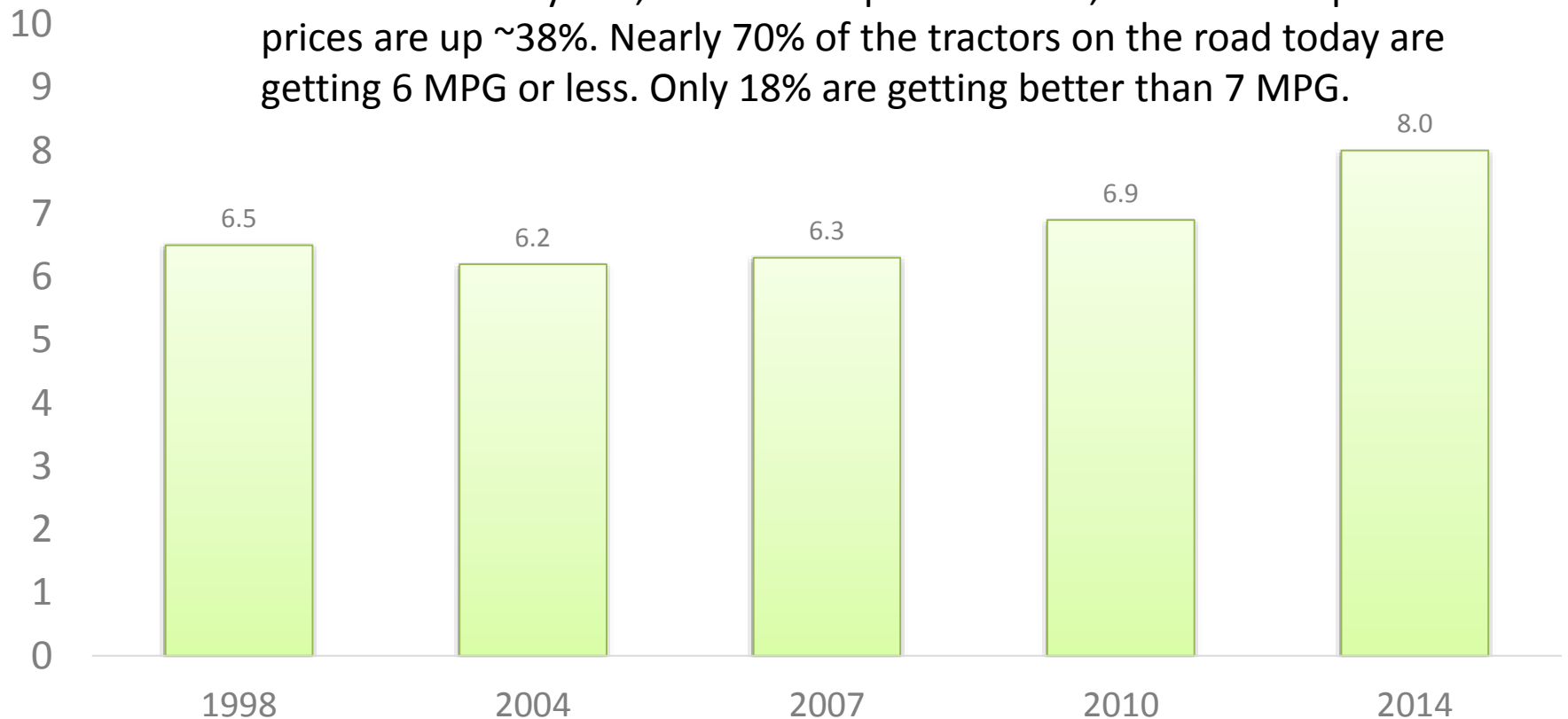


Source: ACT Research

# Today's Tractors Are More Fuel Efficient, But At A Cost

Starting MPG

Over the last 10 years, MPG has improved ~29%, but new sleeper prices are up ~38%. Nearly 70% of the tractors on the road today are getting 6 MPG or less. Only 18% are getting better than 7 MPG.



Tractor Model Year

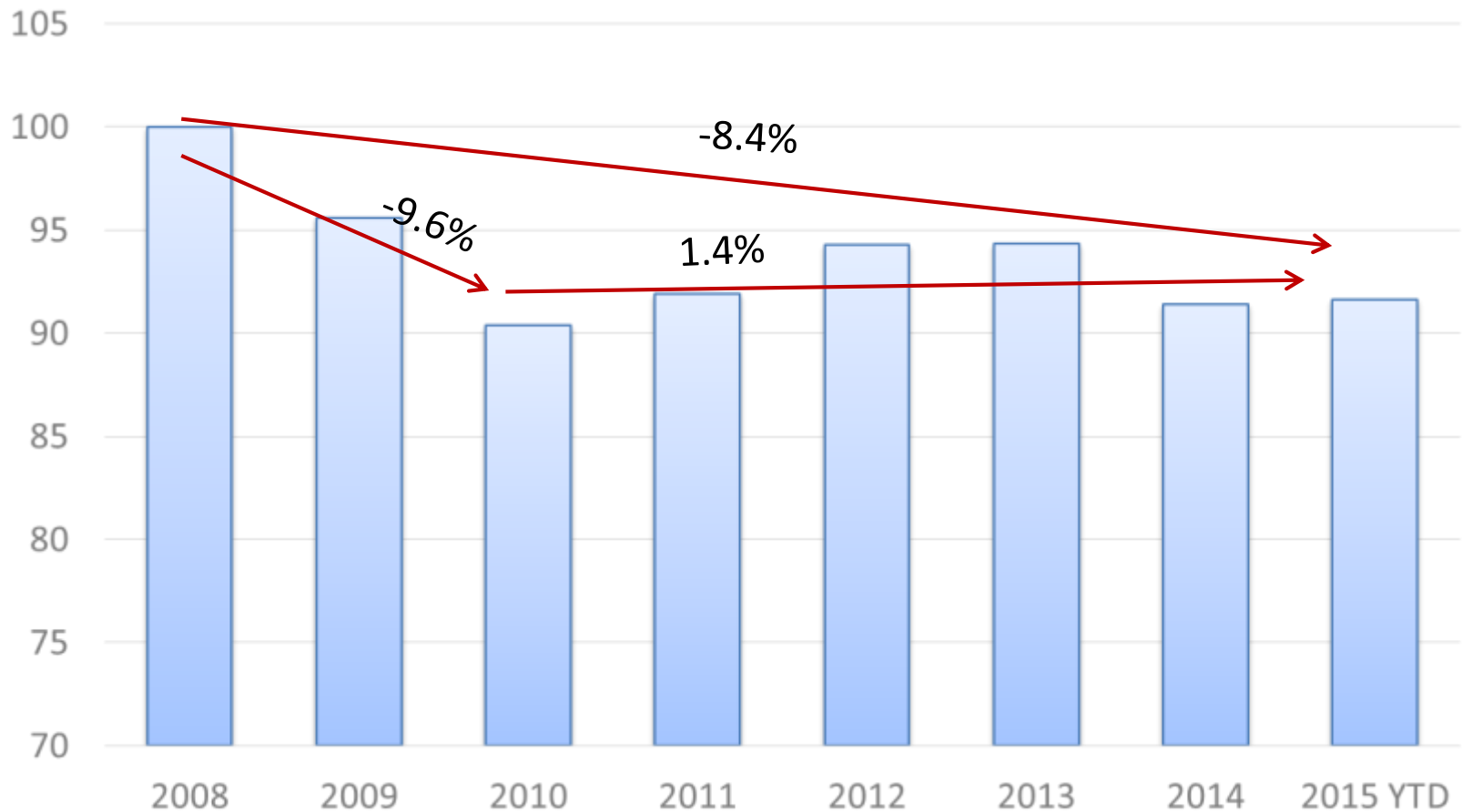
Sources: ACT Research & ATA





# For-Hire TL Tractor Capacity

Index Level (2008=100)



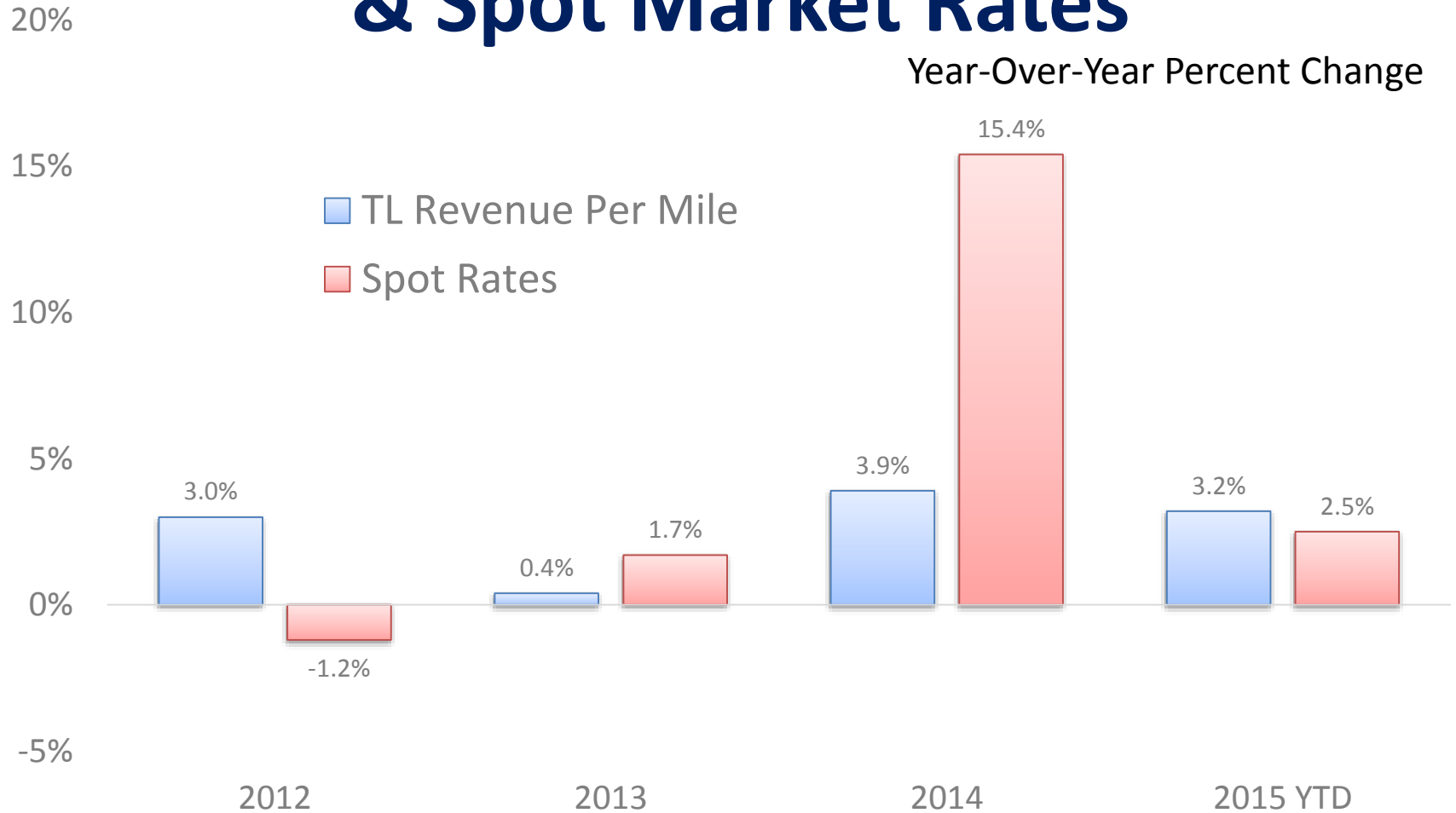
*Includes employee and leased on independent contractor tractors.*

Source: ATA's *Trucking Activity Report*



# Revenue Trends

# Truckload Revenue/Mile & Spot Market Rates



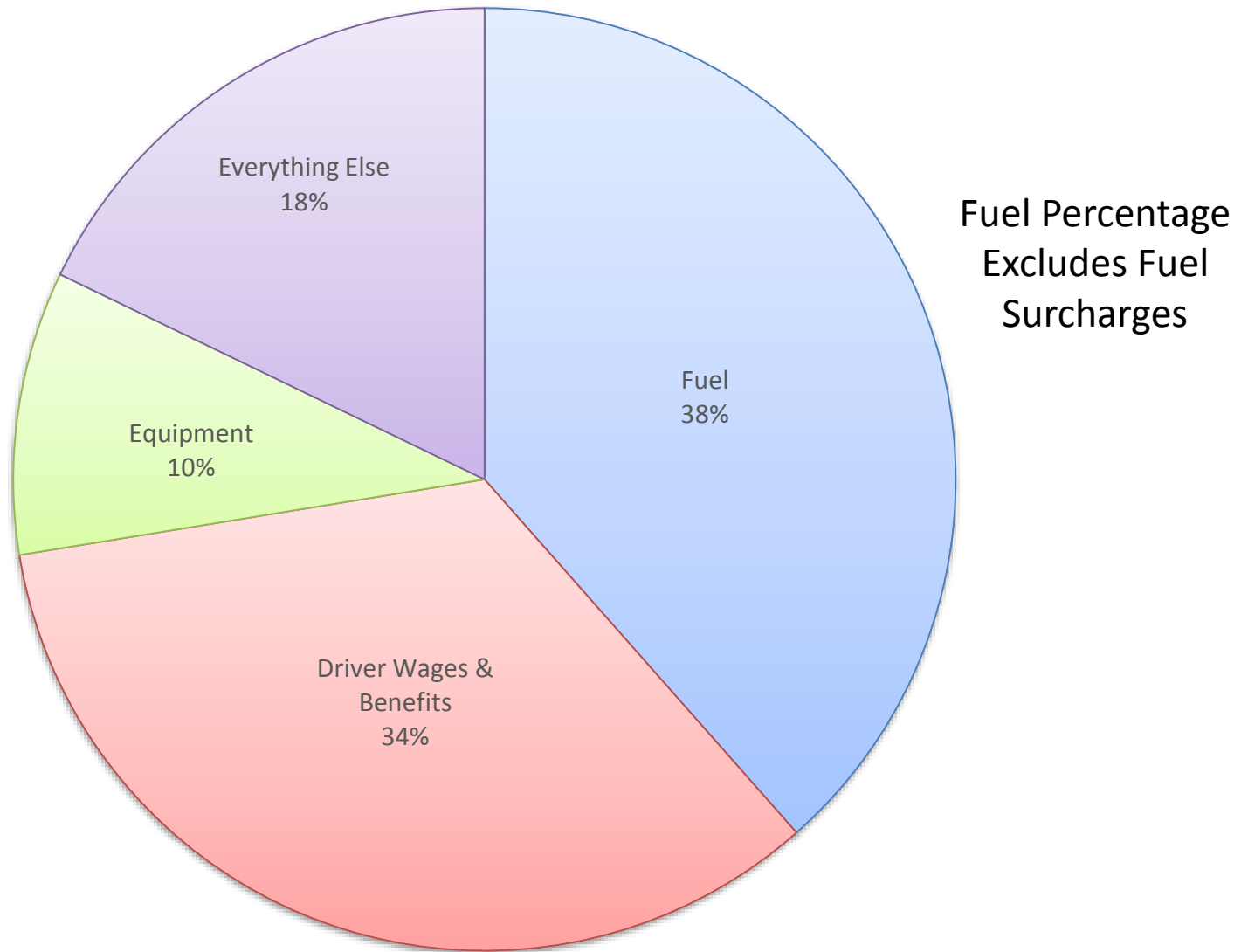
TL Data is a mix of contract and spot freight. Excludes FSC.

Sources: ATA's *Trucking Activity Report* & *DAT.com*



# Cost Trends

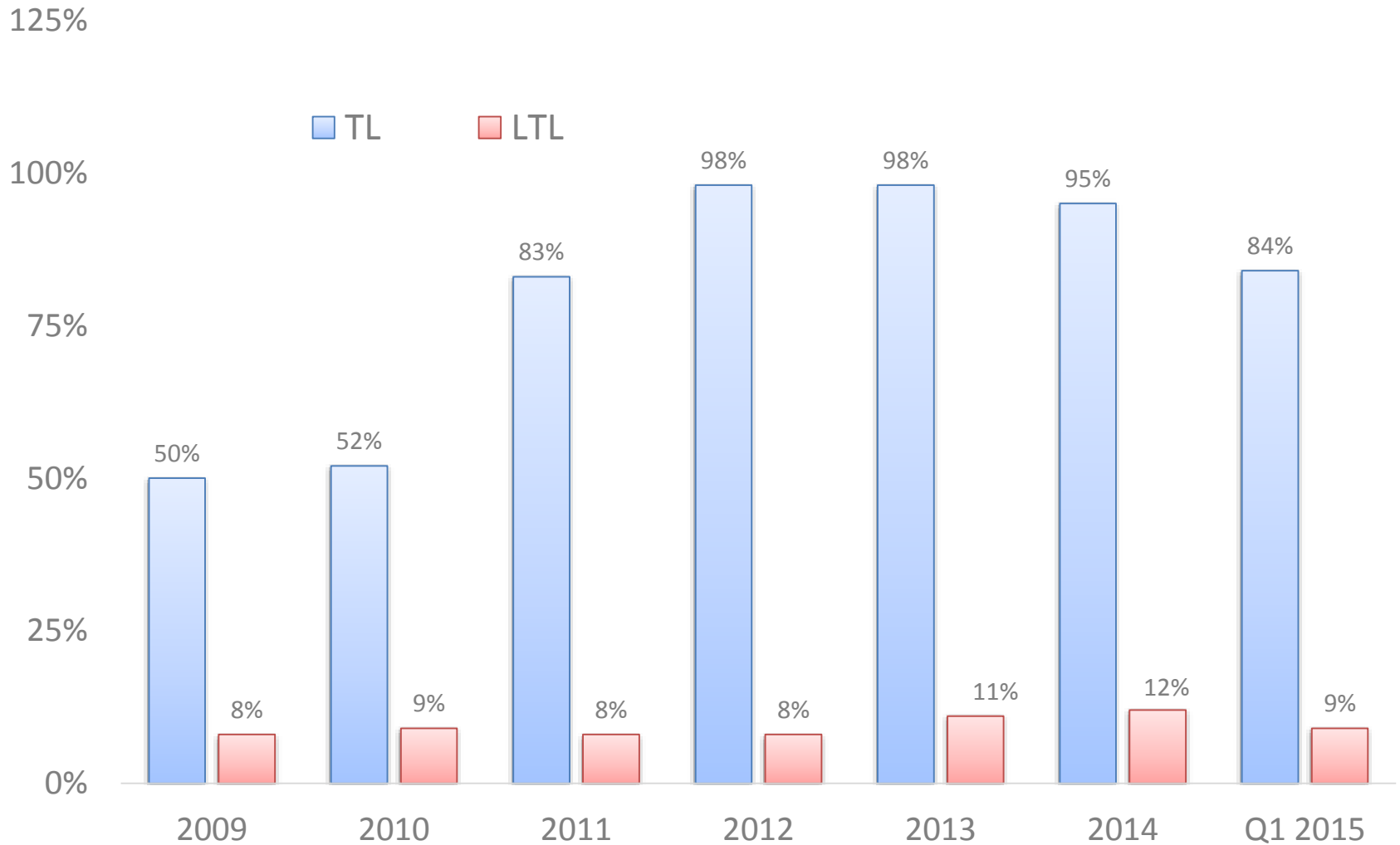
# Operational per Mile Costs of Trucking: 2013



Source: ATRI Analysis of the Operational Cost of Trucking

# Driver Trends

# Truck Driver Turnover Rates



Source: ATA

# DRIVER SHORTAGE

At current trends, the shortage could balloon to 240,000 – We are in big trouble if it gets there and don't expect it to.

