JUNE
2026

STATE OF THE INDUSTRY

REPORT

SUPPLY CHAIN | DEDICATED TRANSPORTATION | FLEET MANAGEMENT SOLUTIONS

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Roadchecked

May 19 , 2026 | 1 p.m. ET

Overview

After showing seasonal signs of stabilization in late April and early May, the truckload market reminded everyone that it remains on uneven ground, as Roadcheck pushed spot and tender rejection rates to new annual highs. The inspection period was actually milder than last year, with 46,500 inspections compared to over 76,000 in 2025. The out-of-service rate rose to ~19% from ~18% in 2025, according to SearchCarriers.

Demand was relatively flat over the past month, with low volatility across rail and trucking. All of the disruption appeared to stem from supply-side dynamics.

Inflation remains the top economic concern, as the April CPI print came in well above the Fed's 2% target at 3.8%. Possibly more concerning is the PPI, which came in at 6% year-over-year growth. As expected, much of the increase was driven by energy costs, which many still consider temporary. The longer the conflict with Iran persists, the more problematic inflation becomes for consumers and businesses.

The labor market broadly is reading better than last year, but gains are heavily skewed toward the healthcare and social services sectors. Transportation employment has increased in recent months, though manufacturing job growth remains negative.

The manufacturing sector is showing some growth, with ISM new orders expanding for another month. Respondent comments were largely still negative, however, as inflation concerns weigh heavily on expectations.

Consumer spending is holding up well despite strongly negative sentiment — possibly reflecting some weariness over the blending of politics into economic headlines.

While the housing market continues to crawl along the floor, data center construction remains a standout growth driver, fueling a significant boom in the flatbed space.

Macro indicators	**(y/y change)**
Feb. industrial prod. change	+0.73% (+1.23%)
Feb. retail sales change	+0.6%(+3.7%)
Mar. U.S. Class 8 orders	31,582 (+125%)
Mar. U.S. trailer orders	12,012 (-8%)

Truckload indicators	**(y/y change)**
Tender rejection rate	15.8% (+1006 bps)
Average dry van spot rate[1]	$3.49/mi (+51.3%)
LAX to DAL spot rate[2]	$2.99/mi (+45.9%)
CHI to ATL spot rate	$3.29/mi (+45.6%)

Tender volumes	**(y/y change)**
Atlanta	386.49 (+4.2%)
Dallas	404.67 (+19.8%)
Los Angeles	274.4(+22.7%)
Chicago	167.81(-4.1%)

Tender rejections	**(y/y change)**
Atlanta	15.78% (+719 bps)
Dallas	15.24% (+886 bps)
Los Angeles	9.95% (+700 bps)
Chicago	13.79% (+957 bps)

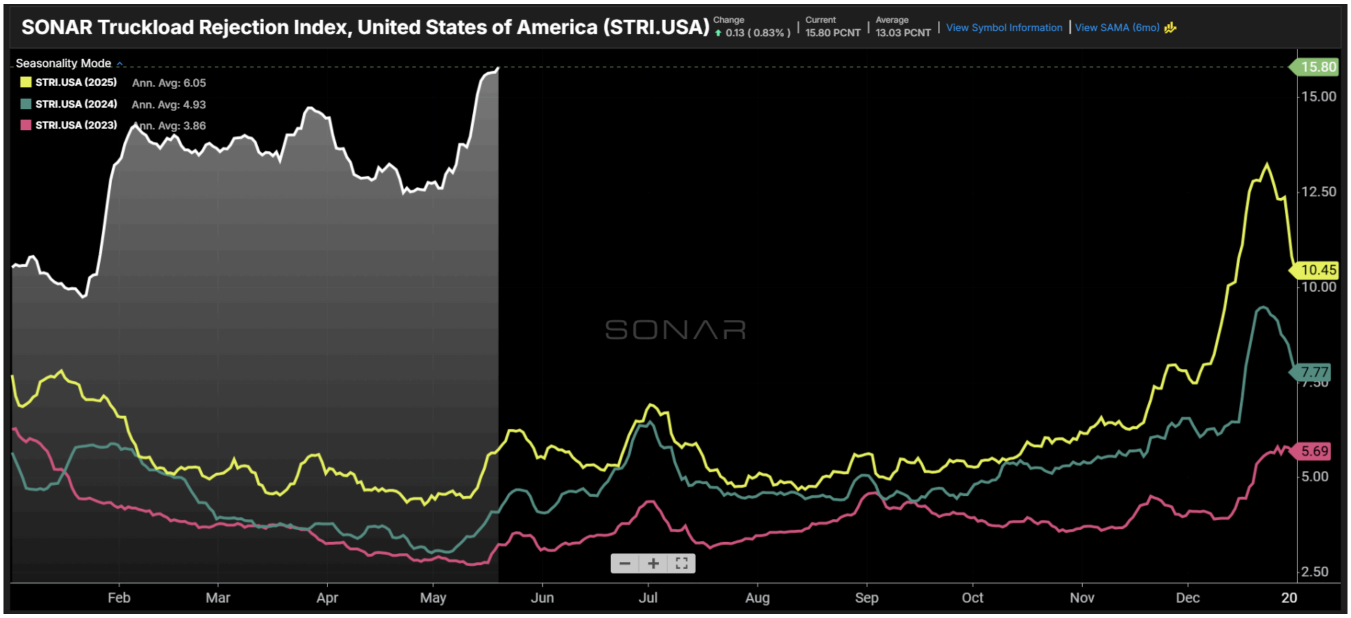
Zach Strickland
Director of Market Intelligence

Mike Baudendistel
Head of Intermodal Solutions

[1] FreightWaves National Truckload Index
[2] FreightWaves TRAC spot rate

Truckload markets

Tender rejection rates trended lower throughout April and reversed course in early May before increasing sharply the week of May 10, with Roadcheck starting on May 12 and ending on the 14th. The pre-emptive rise in rejections the week leading up to the inspection period was a nuance that does not always occur. The SONAR Truckload Rejection Index (STRI) started increasing on May 5, over a week in front of the inspection. In 2025, the STRI did not begin to rise until the day prior.



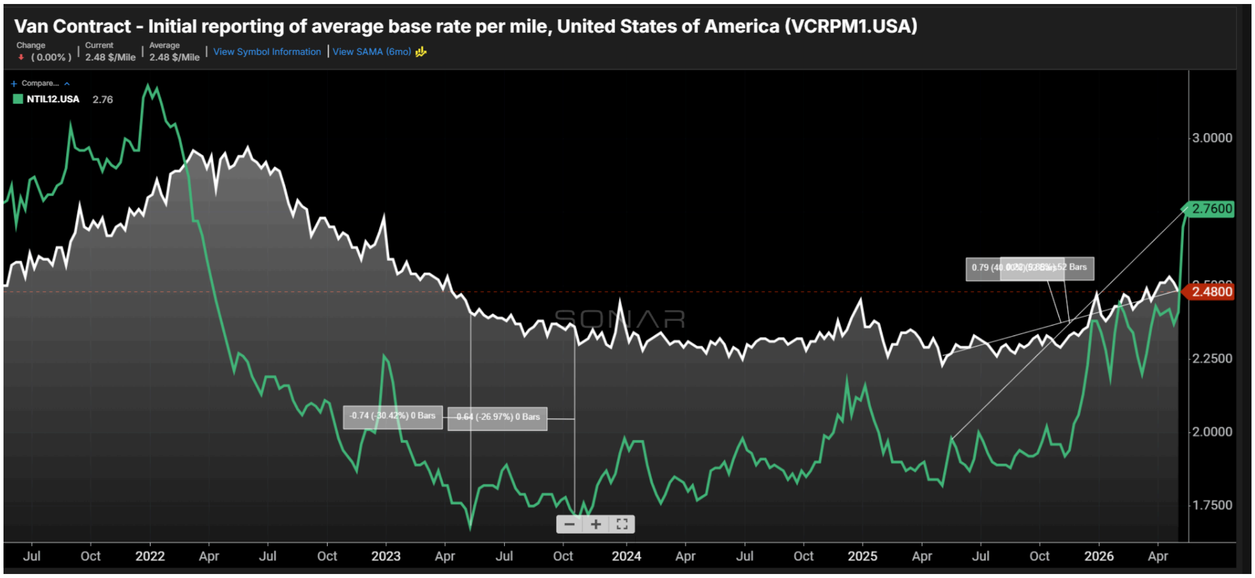
Source: SONAR Truckload Rejection Index: 2026 (white),2025 (yellow), 2024 (blue) and 2023 (pink)

The big takeaway is that the STRI was pushed to new multi-year highs during the week, breaking the 15% barrier for the first time since March of 2022. This proved that the market was still extremely unstable and responsive to any catalyst. The sensitivity of rejection rates was somewhat surprising given their contracted nature and bias towards larger fleets.

The National Truckload Index (NTI), which is a measure of all-in aggregated dry van spot rates, was more reactive than it has been, jumping from $3.14 on May 12 to $3.45 a week later. The rate of increase was one of the strongest in the index's history and was close to surpassing COVID-era highs.

The sharp increase in spot rates relative to contract rates could help explain why rejection rates increased more than they had historically during this period. Many contract rates are still relatively low and have not had time to be renegotiated as the market has turned. This puts them at a strong discount to the spot market in many lanes, and likely pulled some capacity out of the contracted space.

Spot jumps above contract



Source: SONAR. National Truckload Index excluding fuel costs above $1.20/gal (white) and initially reported dry van contract rates (green).

Looking at the NTIL12 compared to contract rates (VCRPM1) — both of which remove the influence of a standard fuel surcharge — spot rates crossed above contract rates for the first time meaningfully since the end of 2021. Contract rates, despite a 10% year-over-year increase, remained approximately 9.5% below spot rates on average during the week. This surge helps explain why tender rejections increased as carriers diverted capacity to more lucrative freight, potentially at the expense of contracted loads.

One of the trends to watch as the year progresses is the relationship between spot and contract rates as the broker liability ruling disproportionately impacts the spot market. Arguably, there will be a continuation of pressure on smaller carriers and operators who lack history or have questionable safety records. This will extend the period of capacity bleeding out of the market that was able to offer low rates as a tradeoff. This will further remove the floor of the rate environment, which will be inflationary over the longer term. The spread between spot and contract rates should theoretically narrow as well, as many larger brokers tighten their selection standards to avoid liability.

The SCOTUS ruling in *Montgomery v. Caribe* will be both directly and indirectly inflationary, though the extent remains uncertain. It will increase insurance and legal costs for brokerages nationwide, with smaller brokerages potentially feeling these impacts disproportionately given the size of their liabilities relative to revenue. Larger brokerages will be better positioned to absorb these costs, but will likely also be targeted more frequently due to their size.

Carrier vetting processes will need to be sharpened as well, which will indirectly reduce the pool of carriers brokers are willing to use — particularly those with limited or questionable safety histories, a factor that received less scrutiny in recent years. This will simultaneously compress capacity and raise the barrier to entry for carriers, both of which are also inflationary.

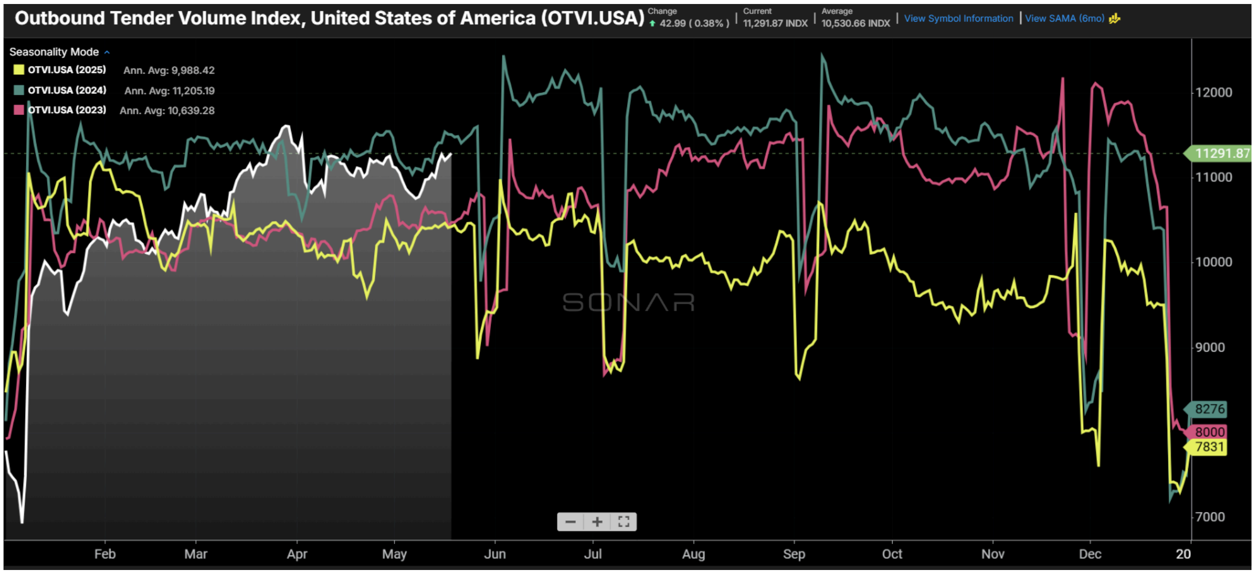


Chart: Outbound Tender Volume Index: 2026 (white),2025 (yellow), 2024 (blue) and 2023 (pink).

Tender volumes were fairly stable over the past month, declining temporarily in the beginning of May. While demand remains better than it was last year, it is not strong from a historical perspective. Imports are still largely absent and economic concerns resulting from upstream inflation are keeping shippers from ordering aggressively. Flatbed demand is benefitting from the data center construction boom, with future demand growth expected in the dry van and reefer sectors as some of the centers and power grids get built out. Housing remains weak with little data supporting a change in trend. Consumers are still purchasing, but there are questions about how long that will continue.

Possibly the largest looming threat to future demand is upstream inflation, as many producers are absorbing input cost increases — transportation included — that are not being passed along to the end user. PPI was 6% in April compared to the 3.8% CPI reading for final demand goods.

June is expected to be a strong month, but not breakout worthy until more clarity exists on the conflict in the Middle East. For now, a flat demand market is a good market from a transportation provider perspective. If demand were to increase, there is little evidence the available capacity could handle it.

Fuel prices stable but high

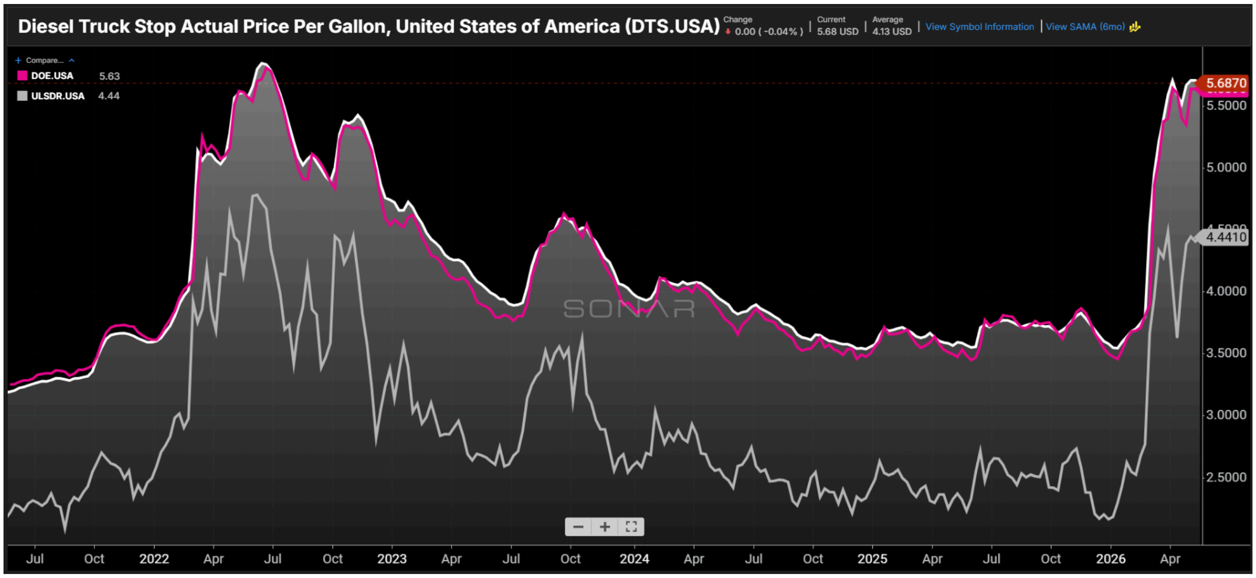
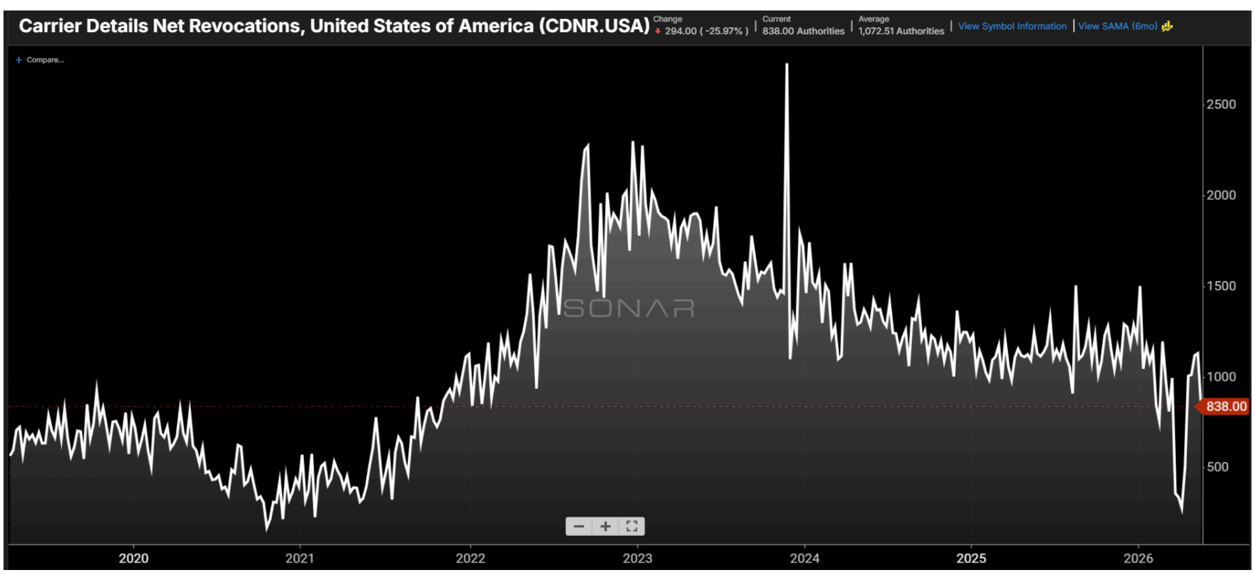


Chart: Diesel Truck Stop (DTS - white), DOE weekly ULSD price (pink), wholesale price ULSDR (grey)

Fuel prices remained steady at elevated levels after bouncing in mid-April. The fuel market appeared to adjust to the uncertainty generated by the conflict in the Middle East by keeping prices elevated, which meant that there was no additional pressure on spot rates from fuel beyond what already existed over the past month. It should be noted that input costs like fuel are not always passed along to the customer on the spot market due to competitive pressures. The current market is allowing most input cost inflation to be passed along. The reduction in volatility is a positive for carriers and shippers who can plan with increased reliability. The conflict has no clear end in sight, but fuel prices are expected to deflate rapidly once it ends.

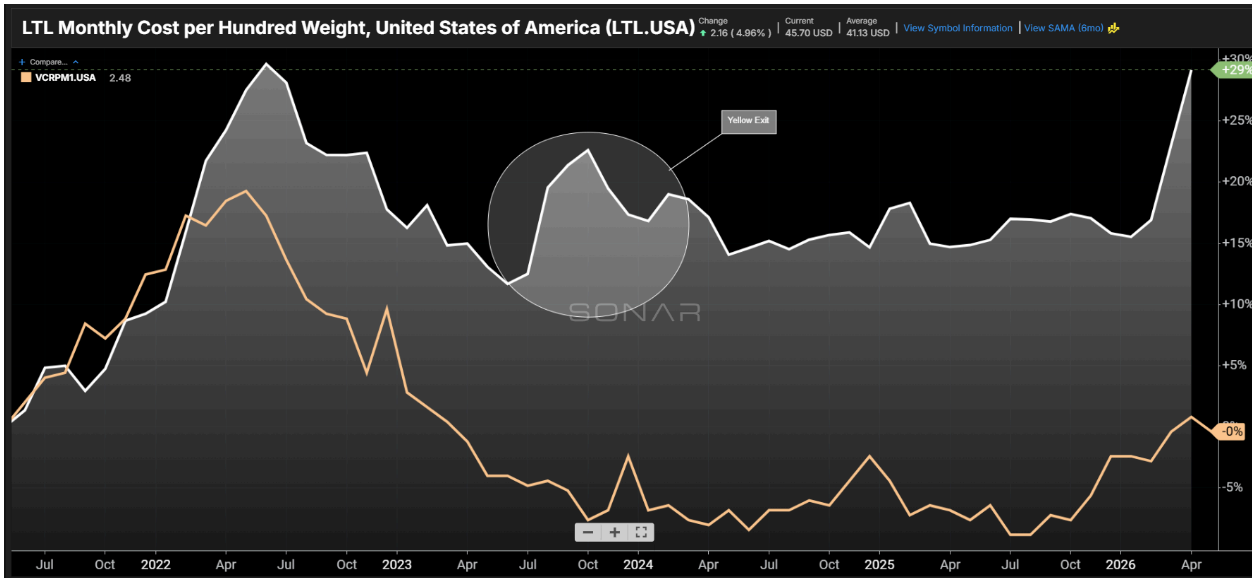
Carrier exits rebound



Carrier Details Net Revocations - Measure of carrier's exiting the market

While carrier exits appear to have slowed over the past few months, they remain elevated from a historical perspective. The read is that fuel volatility combined with the multi-year freight recession are still weighing on carriers. Net revocations are not reflective of non-domiciled operators or many that have been put out of service for English language requirement violations. Those rarely get reported in a timely manner. Revocations tend to measure those that have self-reported or have had no active miles over the past year, making it a relatively sluggish indicator. The broker liability ruling is expected to exacerbate this process as carrier vetting becomes more rigorous in the coming months.

LTL rate resurgence



Source: SONAR. LTL monthly cost per hundred weight (white) compared to dry van contract (orange) - national indices

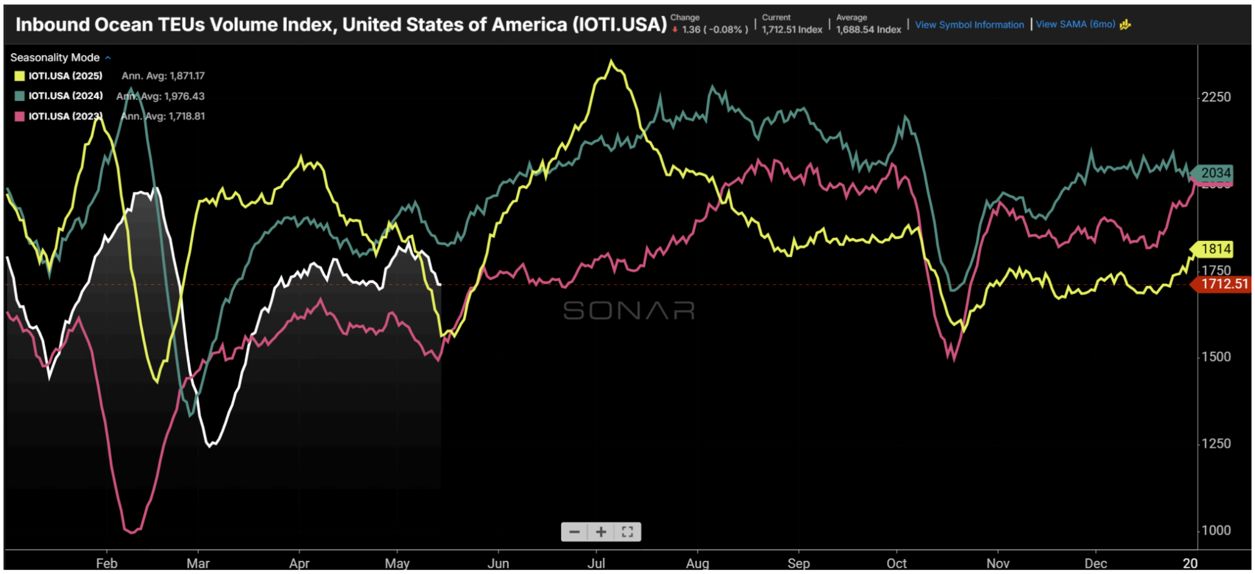
LTL rates continued to show signs of increasing in April as many rates came in higher. Regionally, the West Coast led the way while the Midwest showed to be the most competitive — the opposite of what is seen in the truckload data. Shorter lengths of haul along with denser freight out of the central U.S. are contributing factors to the regional rate divergence and are not necessarily representative of broader market conditions.

The traditional pattern of denser freight classes remaining more competitive than lighter, less dense classes remained intact. The average weight per shipment increased roughly 11% over the past few months as well, suggesting consolidation was taking place, or that truckload shipments were being broken into smaller pieces and pushed through LTL networks for guaranteed capacity, even at a higher unit cost. This tactic is common during a tightening truckload market. The outlook for LTL is less directly tied to the broker liability ruling, though it will certainly have an indirect impact on rates at a lower magnitude. The LTL market looks poised for rate increases on any bids moving forward, regardless of demand.

Maritime spot rates at odds with a structurally oversupplied market

The Trump Administration replaced the IEEPA tariffs with 10% tariffs (the Administration later said those could be increased to 15%) under Section 122 of the Trade Act of 1974, which are only in effect for 150 days, through July 24th, after which it would need Congressional approval. The Administration has several other legal avenues for imposing tariffs, so it seems like tariffs are likely to continue in some form, but tariffs remain a major area of uncertainty.

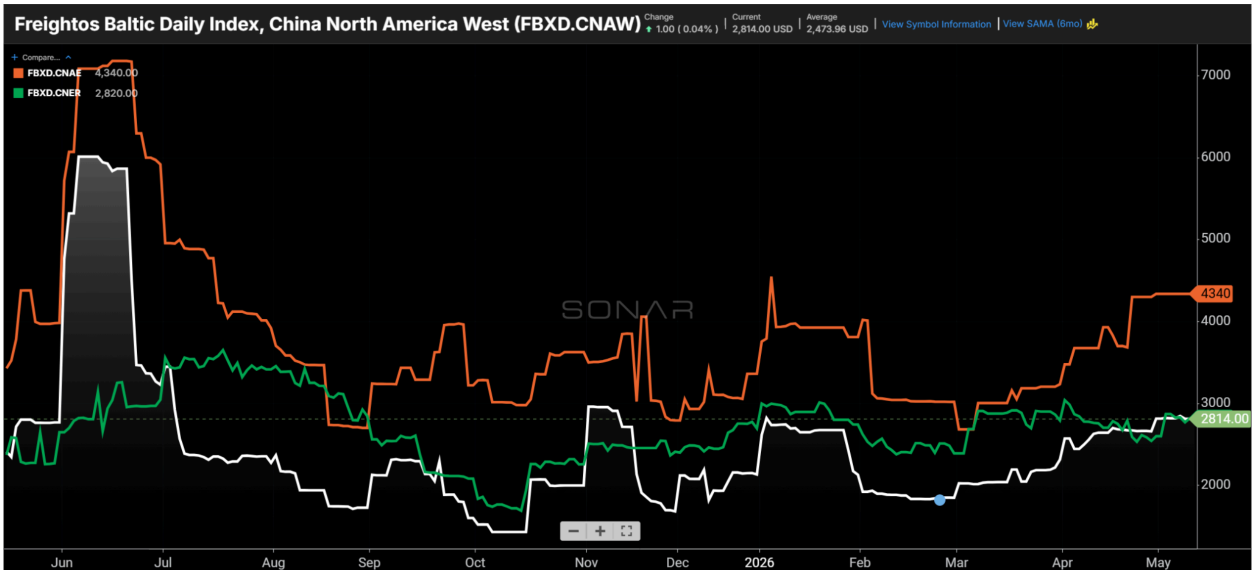
Amid an uncertain tariff backdrop, ocean booking volume for U.S. imports has recovered, holding up better than many industry players anticipated. Despite all the concern that higher fuel prices might impair consumer spending, retail imports drove the second-best April for the Port of LA, up 5.7% year over year for the month. Year to date, its volumes were 2% ahead of its five-year average.



Source: SONAR. The Inbound Ocean TEU Volume Index, a measure of ocean demand taken at the point of overseas origin for 2026 (white), 2025 (yellow), 2024 (green), and 2023 (pink).

Even with demand improving, the container shipping market remains structurally oversupplied as scheduled ship builds (Flexport estimates vessel builds could equal 5%, 9.5%, and 10% of total capacity in 2026, 2027, and 2028, respectively), which far exceeds the expected growth in global demand of 3%-4%. Excess capacity has returned container ship carriers to reporting losses, a reversal from the days of windfall profits during the pandemic.

Ocean spot rates, however, don't look like they are coming from an industry that is oversupplied. The spot rates in the China to US West Coast and China to US East Coast lanes are up 17% and 27%, respectively, year over year. That is partly due to volatility from geopolitical events that are causing operational disruption, such as the continued avoidance of the Red Sea. In addition, many shippers are reluctant to enter into new contracts because of the possibility that prevailing rates may fall sharply once geopolitical risk subsides. That is pushing more volume to the spot market, helping to support rates. Still, container ship spot rates remain below where they were before the Red Sea attacks started in late 2023. A full return to the Red Sea, which the global lines appear to be avoiding, could potentially increase global containership capacity by 4%-8%, according to estimates, likely leading to a sharp decline in ocean rates.



Source: SONAR. Freightos Baltic Daily Index: China to North American West Coast (white), China to North American East Coast (orange), and China to North Europe (green).

Intermodal/Rail

Rates are rising in headhaul lanes

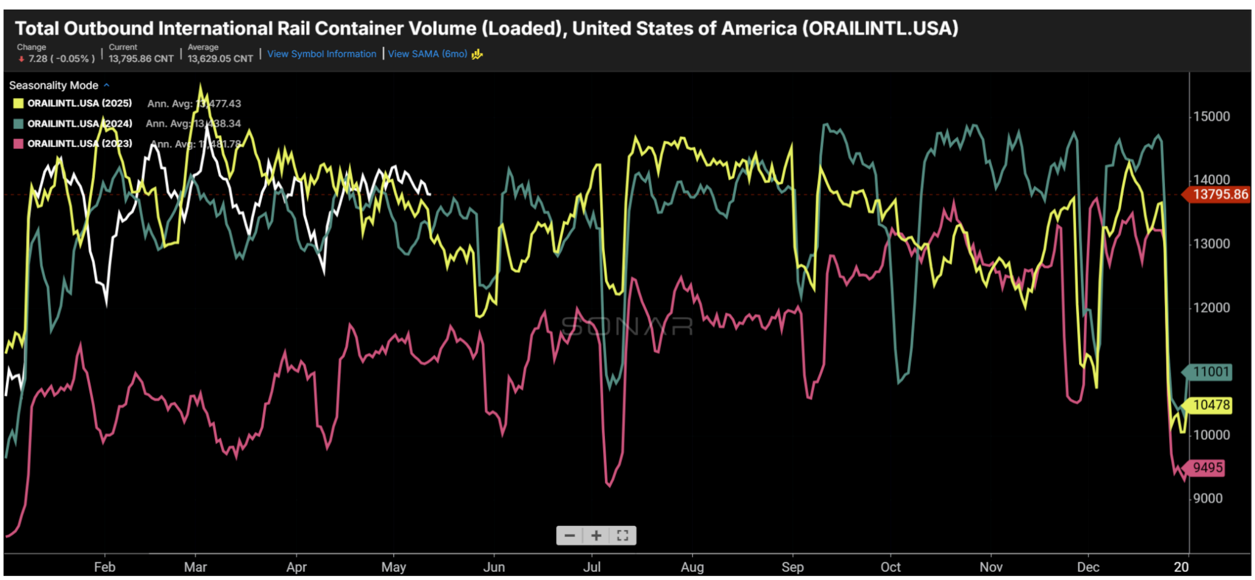


Chart: SONAR. Loaded international intermodal container volumes for 2026 (white), 2025 (yellow), 2024 (green), and 2023 (pink).

Intermodal volume has been strong year-to-date, particularly in the domestic containerized segment. International intermodal volume, which had been posting volume growth rates lagging those of domestic, has improved and is currently trending about 5% above year-ago levels.

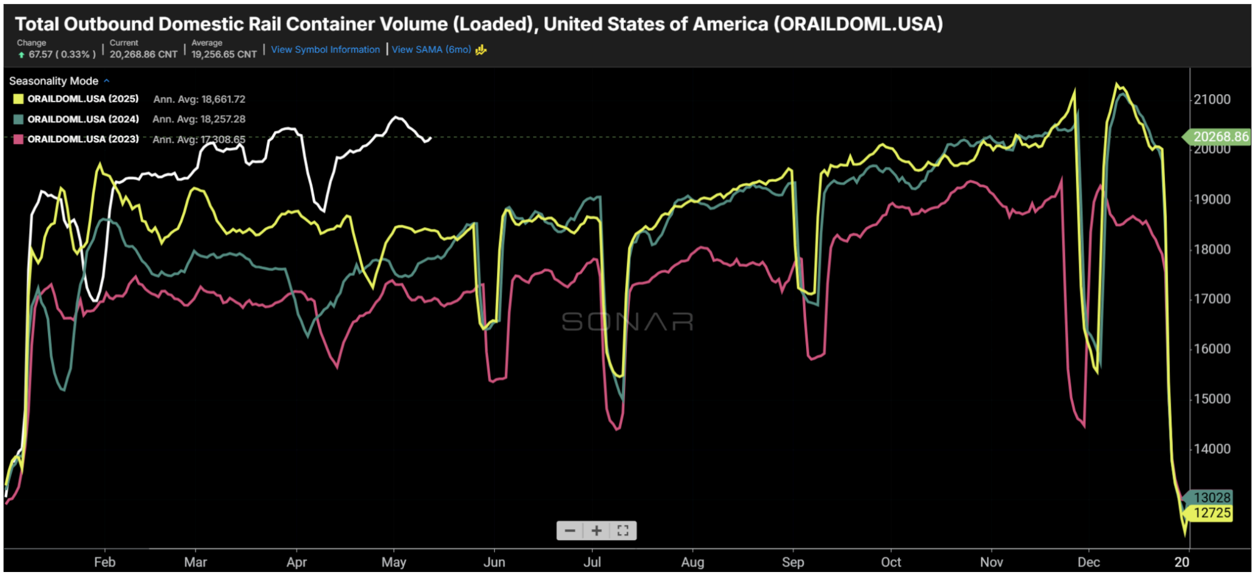


Chart: SONAR. Loaded domestic intermodal container volumes for 2026 (white), 2025 (yellow), 2024 (green), and 2023 (pink).

Meanwhile, building upon the fourth quarter peak, domestic intermodal volume posted a strong 1Q, up 3.6% year over year, with acceleration in March, which was one of the highest volume months on record. April volume remained strong as well and, as of May 13th, containerized domestic intermodal volumes were higher by 10.2% year over year, using a seven-day moving average.

Growth in domestic rail intermodal volume reflects numerous factors, including favorable service levels, a generally wide spread in rates between intermodal and truckload contract rates, ample 53' container availability, a tightening truckload market, and higher fuel prices (intermodal has about half the fuel surcharge of truckload). In addition, domestic intermodal carriers and railroads are expanding service into and out of locations that have historically not been well served by intermodal, and intermodal service offerings have been enhanced by newly established rail partnerships between Class I railroads as a competitive response to UP's pending acquisition of Norfolk Southern. As a result, Norfolk Southern lost some intermodal market share to CSX, a trend that is expected to continue.

The presence of excess domestic intermodal capacity has been highlighted in the past few quarters by comments made by multimodal carriers J.B. Hunt, Hub Group, and Schneider, which have all indicated that they could handle about 20% additional intermodal volume with their current fleet of domestic containers. That excess capacity is contributing to competition between carriers looking to make productive use of containers, and a reason why the change in intermodal contract rates is likely to lag that of truckload.

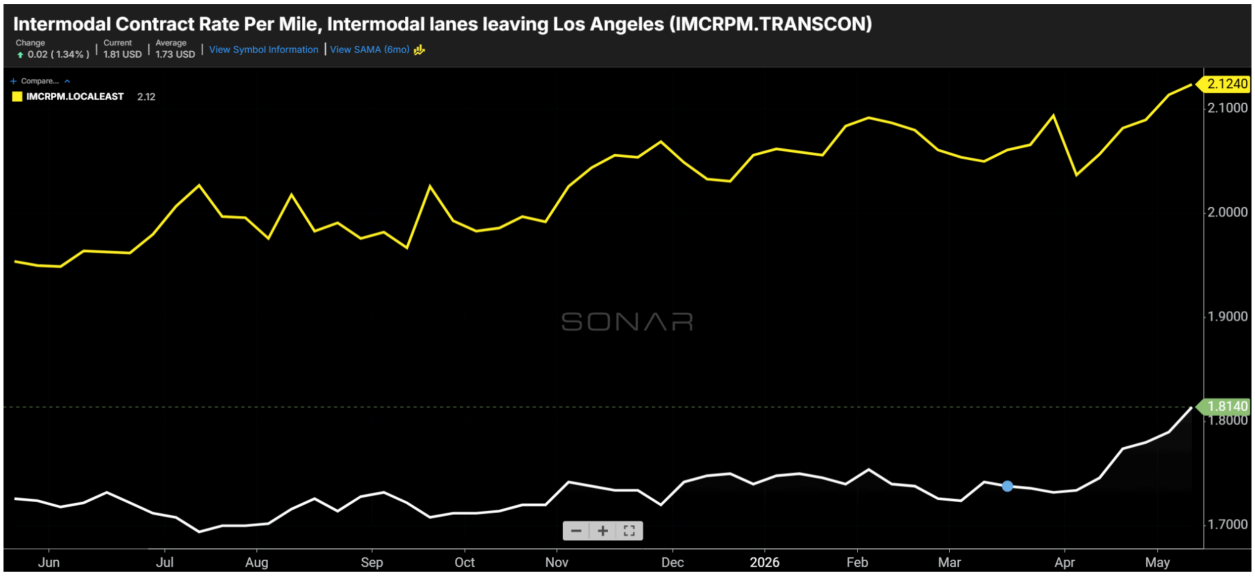


Chart: FreightWaves SONAR. Average domestic intermodal contract rates for an average of five long-haul transcontinental lanes (white) and nine "local east" lanes (yellow). Rates include fuel surcharges, but exclude all other accessorials.

The tightening truckload market is impacting intermodal rates, but more so in shorter-haul lanes that are competitive with truckload, such as "local east" lanes. At a recent Wall Street conference, J.B. Hunt's management said that it is getting rate increases on headhaul lanes, but rates are declining somewhat on backhaul lanes. Carriers are competing for backhaul loads that will reposition their containers to headhaul locations while also producing some amount of revenue. In addition, there is a high degree of competition in transcontinental lanes due to competition between the domestic intermodal companies; those lanes are relatively insulated from truckload competition, both during times of market tightening and loosening.

Intermodal contract rates historically move on a lag compared to how quickly they move in truckload, due to annual intermodal bid cycles with far fewer shorter-term rate adjustments. As a result, SONAR intermodal contract rate data hasn't moved much yet, but appreciation should become more noticeable in the second half of this year and become more significant when contracts are again repriced in 2027. However, intermodal spot rates have risen noticeably in recent weeks, bringing them to parity with truckload spot rates in many lanes. While not much intermodal volume moves on the spot market, the rising rates still indicate that carriers are becoming more judicious about accepting incremental loads and where they are positioning equipment. Intermodal spot rates are higher year over year in about 90% of lanes, and the largest spot rate increases have been in headhaul. SONAR data shows the Local East and Transcon intermodal price indexes up 8.7% and 5.1%, respectively (including fuel and excluding all other accessorials).

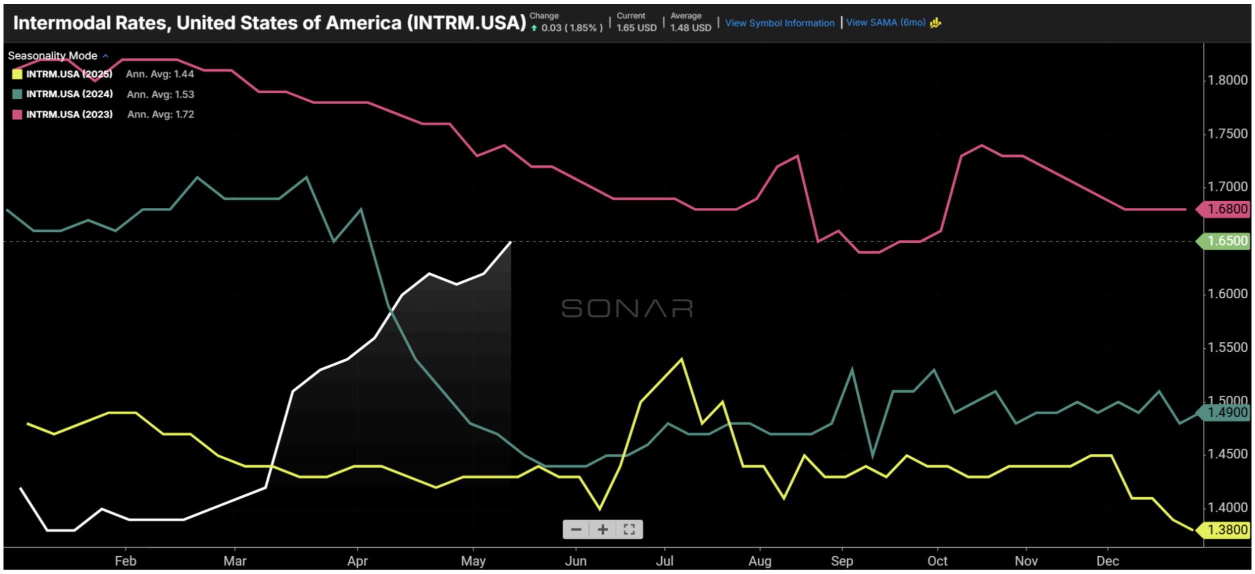


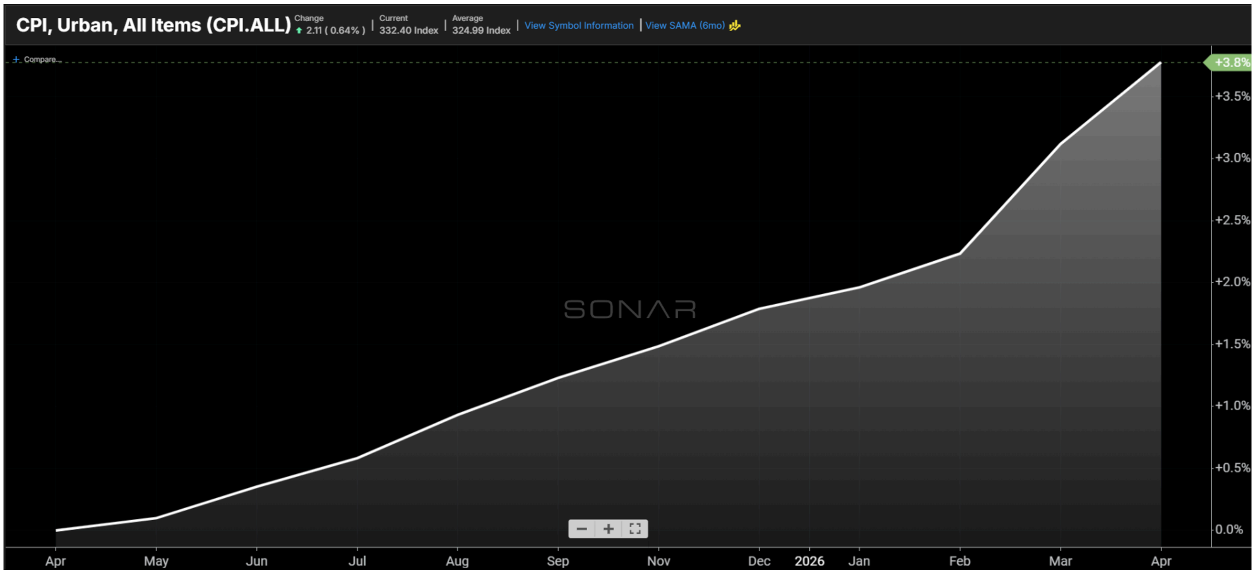
Chart: SONAR. *Average intermodal spot rates to move 53-foot containers door to door, including fuel surcharges for 2026 (white), 2025 (yellow), 2024 (green), and 2023 (pink).*

Macro Trends and Other Events We're Watching

Inflation grows as Iranian conflict persists

Inflation has taken the top spot among rising concerns for many economists as the conflict in Iran shows no clear end in sight, despite messaging to the contrary. The headline CPI figure increased to 3.8% from 3.3% in March, well above the Fed's 2% target.

The primary driver of the increase was, as expected, energy. Gasoline prices in April were 28% higher than the prior year, while electricity was up 6%. Food prices were also a contributor, with fruits and vegetables coming in 6.1% higher and non-alcoholic beverages following at a 5.1% annual increase. Rising transportation costs are a component of these increases, driven in part by fuel but more significantly by a lack of capacity.

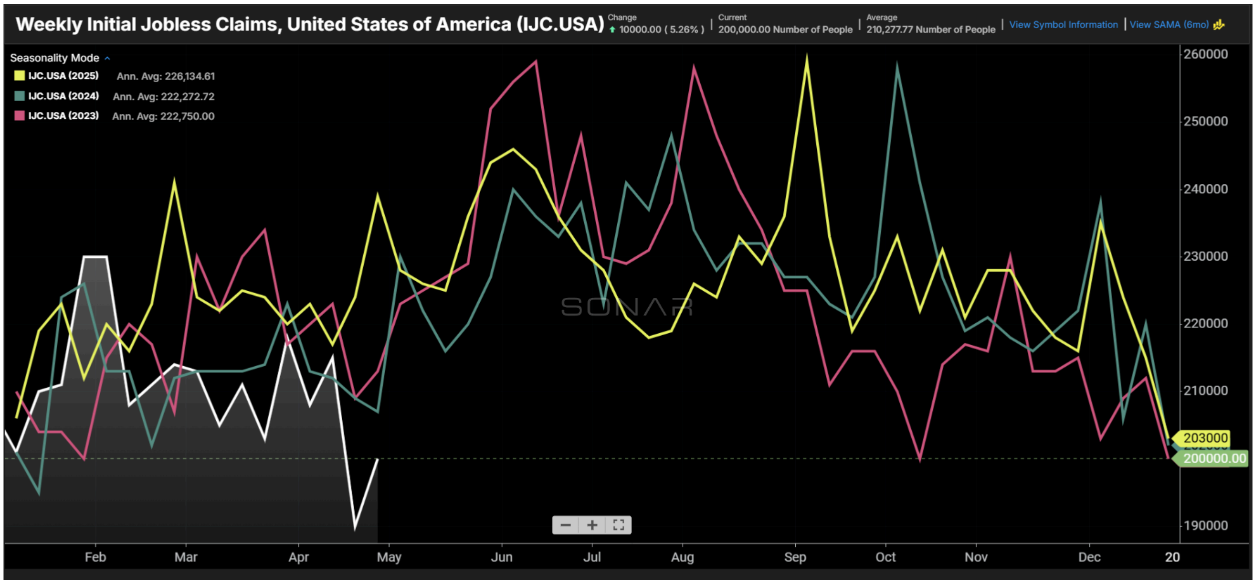


In other categories, airline fares were up over 20%, while motor vehicle maintenance and, somewhat surprisingly, apparel all showed stronger-than-average increases. The housing component, which has drawn criticism for being too slow to reflect real-world conditions, came in above target but softer than many other components at 2.8%.

Possibly more concerning is the accelerating growth in the Producer Price Index (PPI), which rose a seasonally adjusted 1.4% month-over-month and 6% year-over-year in April — the highest annual growth reading since December 2022. Energy was again a strong driver, but core PPI excluding food and energy rose 1% over March, well above the 0.4% expectation.

There are other price pressures developing with no direct connection to the conflict in Iran. Trade services increased 2.7%, suggesting some lagging tariff inflation may be coming into play. Machinery and equipment wholesaling increased 3.5%, pointing to a more structural and persistent inflationary pressure.

The other component of the Fed's dual mandate, the labor market, showed continued resilience despite ongoing negative sentiment. The 115,000 jobs added in April greatly exceeded expectations, though those expectations were historically low at 55,000. Unemployment held at a stable 4.3%, though that figure does not capture the continued decline in labor force participation driven by reduced immigration and workers exiting the workforce for various reasons.



Job creation has been erratic so far in 2026 but is outpacing 2025 by a wide margin. Healthcare once again led sector growth, continuing a recurring theme over the past year. Initial jobless claims averaged approximately 18,000 fewer per week in April compared to 2025, further supporting the narrative of a "low hire, low fire" labor market.

Taken together, the data paints a picture of overall stability — one that would support the Fed holding rates flat or moving toward hikes later in the year if current conditions persist.

Manufacturing

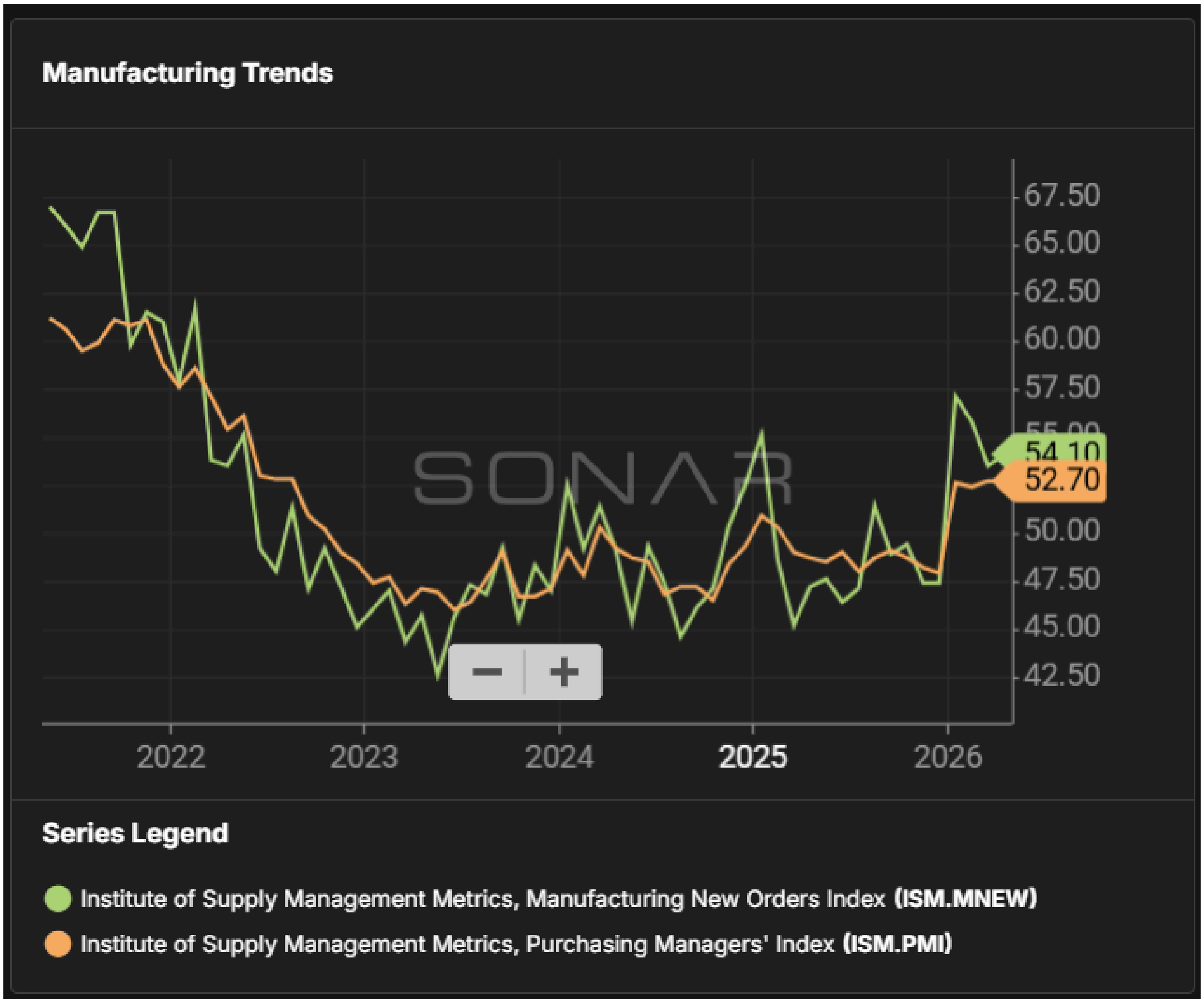
The industrial economy continues to expand, but manufacturers are being pressured by commodity prices

The Institute of Supply Management (ISM), Purchasing Managers' Index (ISM.PMI), shows manufacturing activity in expansion. The ISM.PMI ticked reading was 52.7 in April, the same reading as the previous month, indicating growth in the industrial economy for the fourth consecutive month. The recent growth likely reflects some pent-up demand; since prior to January 2026, the ISM showed that the industrial economy had been in contraction for 26 consecutive months.

The Institute for Supply Management also continued to provide optimistic readings in the forward-looking New Orders Index, which was 54.1, showing expansion in new orders, and a pick-up from 53.5 in February. The Backlog of Orders Index also showed expansion with a reading of 51.4, down 3 percentage points from the prior month. Meanwhile, inventory metrics showed a further decline, with the Inventory Index of 49 percent. The inventory index was higher than it had been in the prior two months, but still points to a need for replenishment. The combination of rising new orders and declining inventory levels suggests industrial freight demand should remain strong in the coming months.

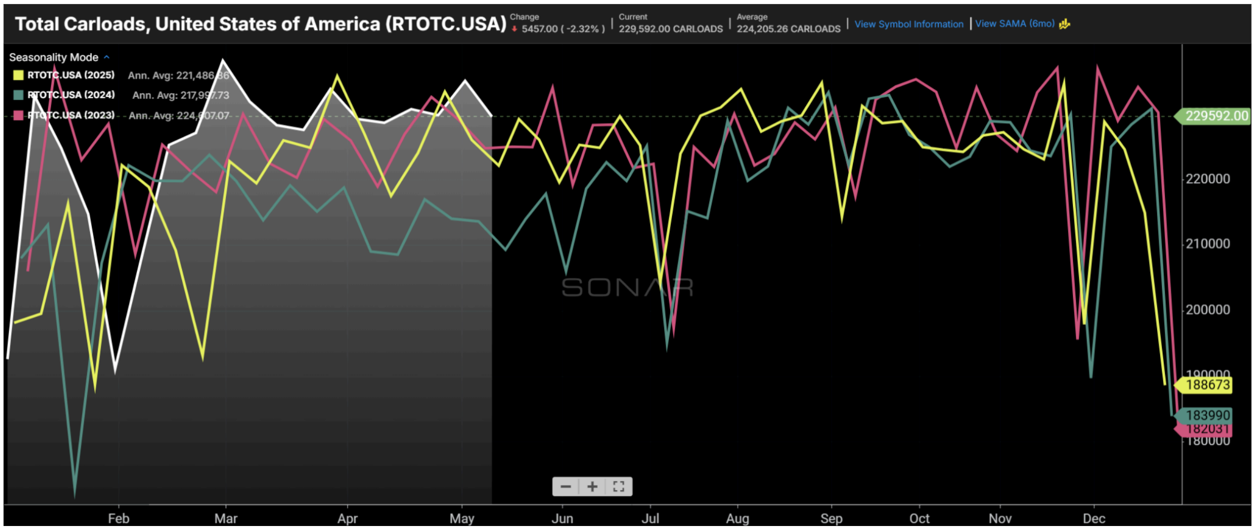
Respondents to the ISM survey generally provided comments that were more guarded (negative comments outnumbered positive comments 2.2 to 1) than ISM readings would suggest. Despite the

Supreme Court overruling the IEEPA tariffs, respondents continue to cite tariff concerns as well as the impact that the Iran war is having on commodity costs. As a result, industrial companies are managing headcount tightly. Some companies have recalibrated supply chain expectations in response to higher energy prices and higher prices of other commodities. With the exception of natural gas, virtually all other industrial commodities are experiencing inflation.



The most recent Federal Reserve Board of Governors data on Industrial Production and Capacity Utilization, released May 15th, shows that industrial production grew 1.4% year over year in April with growth in most categories.

Industrial activity translates to freight demand through rail carload traffic, flatbed truckload demand, and LTL demand. Rail carload traffic, which is reported each week by the Association of American Railroads, historically grows when the industrial economy does, since it is industrial-heavy after excluding coal and agriculture.



Total U.S. carload traffic, as reported by the Association of American Railroads, is up 2.6% year over year, in the past four weeks (ending May 9th), and is up 3.6% year over year, year-to-date through the first 18 weeks of the year. In the past several weeks, chemicals and petroleum volume on the rails have picked up in response to the U.S.'s competitive advantage of having low natural gas prices. In the past four weeks, the chemicals and petroleum segments have been up 2.5% and 11.6%, year over year, respectively. The Class I railroads issued more optimistic commentary on their first quarter earnings calls than they had on their fourth quarter earnings calls, which called for total revenue increases in the mid single-digit range, almost entirely on price.

Consumer Conditions & Retail

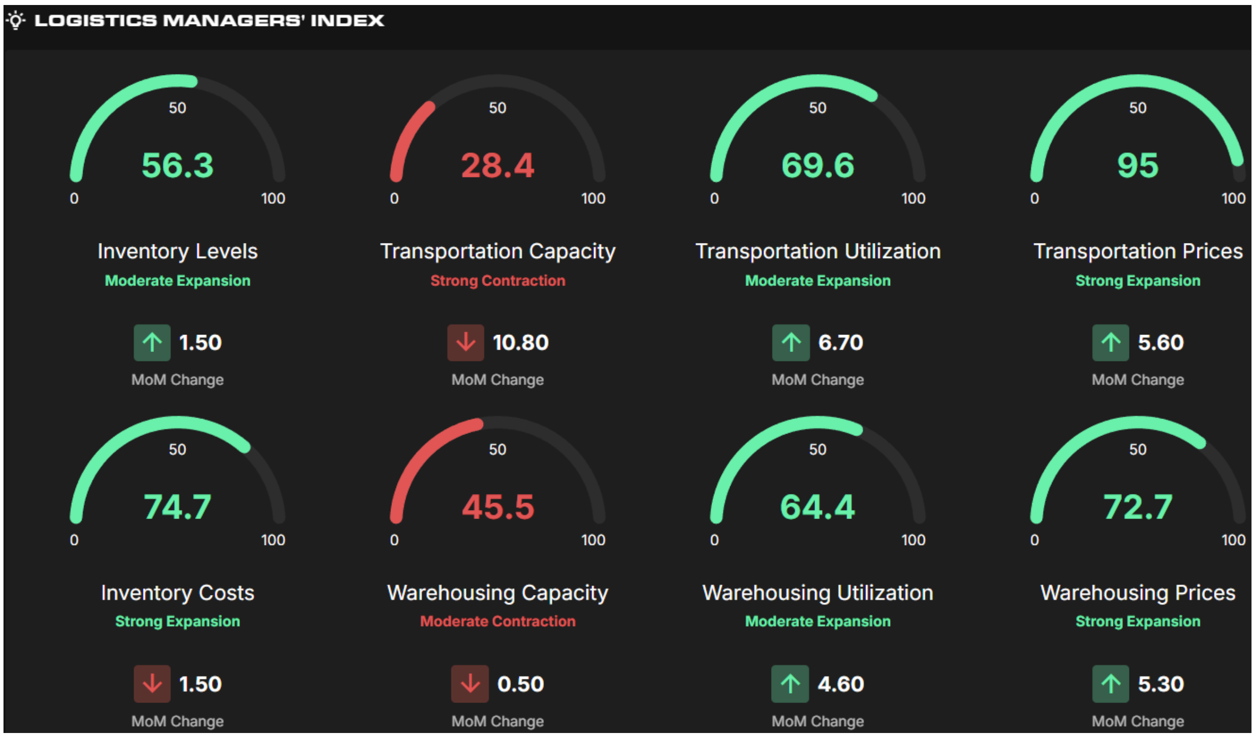
Inflation has hit consumer sentiment, but not overall spending levels

Data from the Bureau of Economic Analysis for February (released April 30th) shows that Personal Consumption Expenditures increased 3.5% from March 2025 and increased 3.2%, excluding food and energy. A rising CPI (3.8% annual rate in April) is leaving average households with slightly less disposable income. DPI (personal income less personal current taxes) increased 0.6% from the prior month. While personal consumption expenditures (up 0.2% at a monthly rate in March) continue to rise, many consumers are struggling, and some are pulling back in recreational equipment and experiences as well as food/beverages (GLP-1 drugs are also having an impact).

Consumer sentiment surveys, such as the University of Michigan sentiment survey, continue to deteriorate. The Michigan Index of Consumer Sentiment dropped from 49.8 in April to 48.2 in May. Consumers' assessment of current economic conditions declined more sharply, from 52.5 in April to 47.8 in May. Inflation and the affordability of big-ticket purchases continue to be consumers' greatest concerns – consumers' year-ahead inflation expectations average 4.5%.

CPG companies are feeling pressure from consumer behavior since their clientele comprises all income levels, including those that are disproportionately impacted by rising energy prices. The Kraft Heinz CEO made headlines by saying that its customers are running out of money by the end of the month. Consumers are shopping more for private label and in club stores. CPG companies have adjusted pack sizes, both by introducing more single-serving items for consumers, minimizing cash outflow, and offering bulk packs for consumers trying to minimize per-serving costs. CPG companies are also dealing with volatile ingredient markets across a range of inputs.

Companies are attempting to balance high warehousing costs with the ability to satisfy demand. After the Logistics Managers' Index reported one of the biggest declines in inventory in December, it rebounded to moderate expansion in each of the first four months of the year (with readings in January, February, March, and April of 53.9, 53.8, 54.8, and 56.3, respectively. That is still well below the LMI readings for Inventory Costs and Warehousing Prices, which were 74.7 and 72.7, respectively.



The NRF's latest Retail Monitor contends that consumer spending is holding up well in the face of higher energy prices. According to the NRF, total retail sales, excluding auto dealers and gas stations, increased 5.73% year over year. While that is a deceleration from 7.05% reported in March, it is still high given the recent increase in inflation and the continued poor consumer sentiment (if consumer sentiment is an actual meaningful indicator). The NRF attributes the growth to higher tax refunds (average of $3,521, up 11% y/y), which more than offset the negative impact of energy price inflation. The only NRF category that declined on a year-over-year basis is building and garden supplies, where where down 2.7% year over year.

Housing & Construction

Existing home sales came in 0.2% higher in April, essentially flat compared to a year ago and slightly below economist expectations. Sales have been hovering around the 4 million annualized pace since 2023, well below the historical norm of approximately 5 million units.

National median prices increased 0.9% in April, but that headline figure masks significant regional divergence. Many boomtown markets in Sun Belt states such as Florida, Texas, and Arizona have seen notable price declines, while several Rust Belt markets are posting some of the strongest increases in the country.

Inventory levels improved slightly but remained low. Unsold inventory rose 5.8% in April, though supply is still roughly one month below what is considered a healthy, balanced market.

Mortgage rates remain a key headwind for buyers, with most forecasts keeping them above 6% for the remainder of the year. Long-term Treasury yields have been pushed higher by the elevated risk environment stemming from the extended conflict in Iran, which has pulled mortgage rates higher in turn.

With prices and rates remaining elevated and the job market continuing to show little momentum, there is little reason to expect the housing sector to shift meaningfully in the near term, despite some underlying unevenness in the data.

From a freight perspective, the weakness in housing is not the significant drag it would normally be, given the outsized growth in data center construction across the country. The long-term buildout over the next approximately six years is expected to rival or exceed the scale of some of the largest infrastructure projects in the country's history.

THE SCALE

Measured by annual capital deployment, the AI data center build-out has already surpassed every infrastructure program in U.S. history — including the New Deal.

ANNUAL SPENDING RATE VS. PRIOR PROGRAMS

Program	Duration	Avg. Annual Rate (2026 $)
Interstate Highway System	35 years	~$18.8B/yr
FDR New Deal (peak years)	6 years	~$167B/yr
AI Data Center Build-Out	**6 years**	~$658B/yr

"The AI build-out spends the equivalent of the entire annual Interstate Highway budget every week and a half."

$4.16T
U.S. AI Infrastructure Investment 2025–2030

+190%
Data Center Construction Starts YoY (2025)

This buildout is driving substantial demand pressure in the flatbed space and shows no signs of slowing.

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