

Overall Summary

-0.57% Demand (Loads)

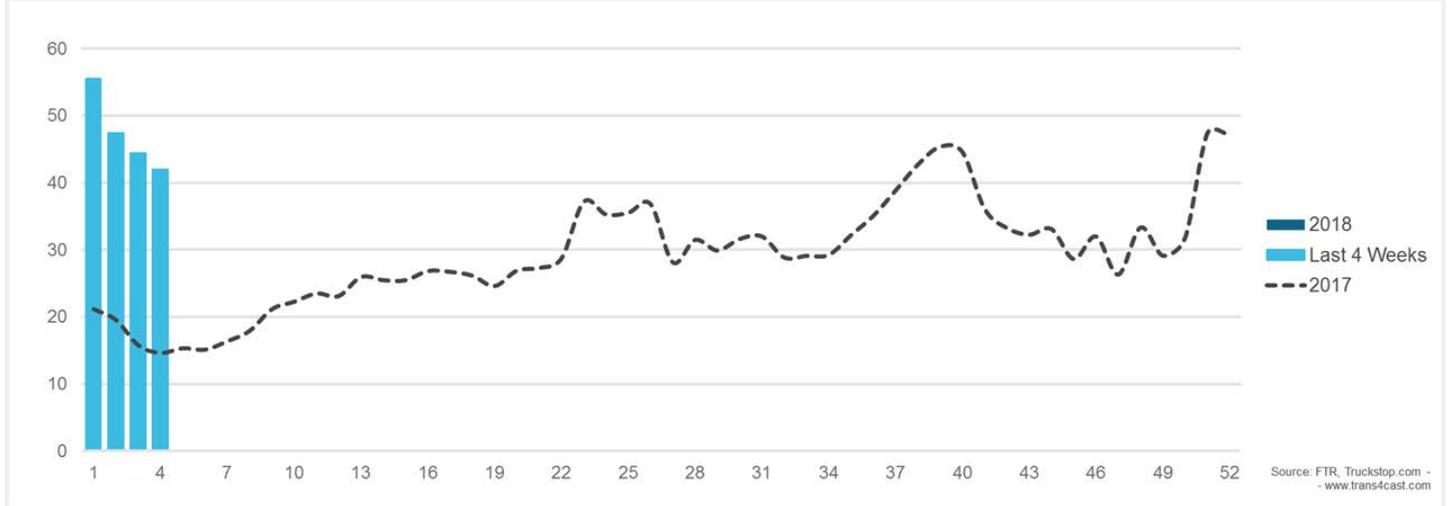
5.2% Supply (Trucks)

-5.55% Market Pressure

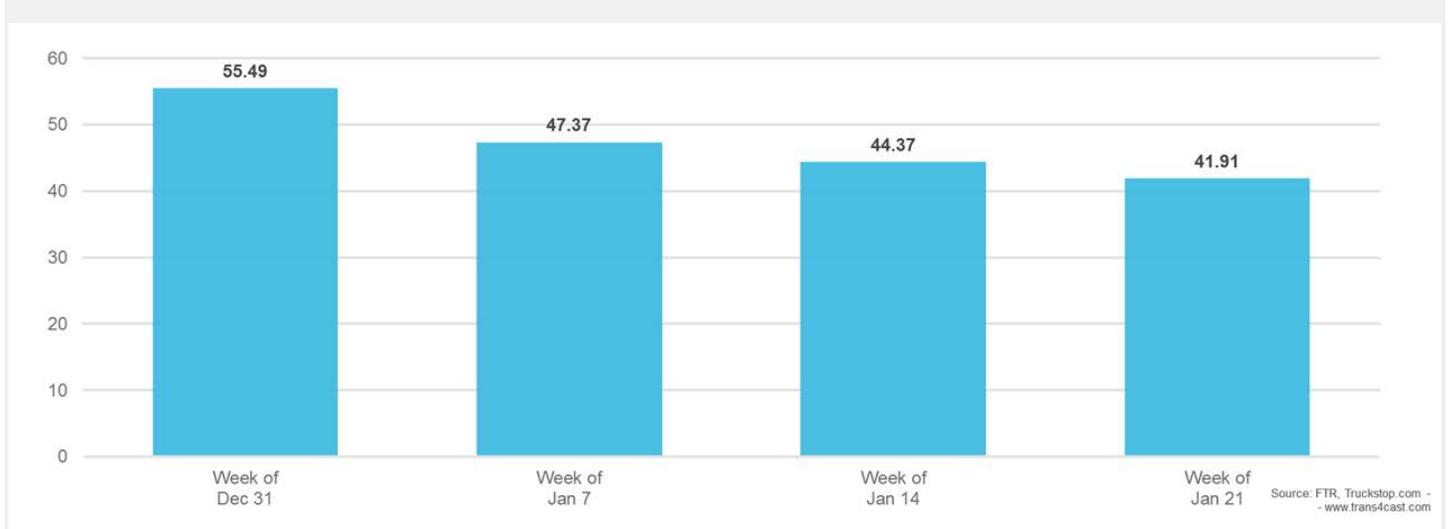
-2.51% Rates

Weekly Market Demand Index (MDI)

Down 2.5 points from the previous week.

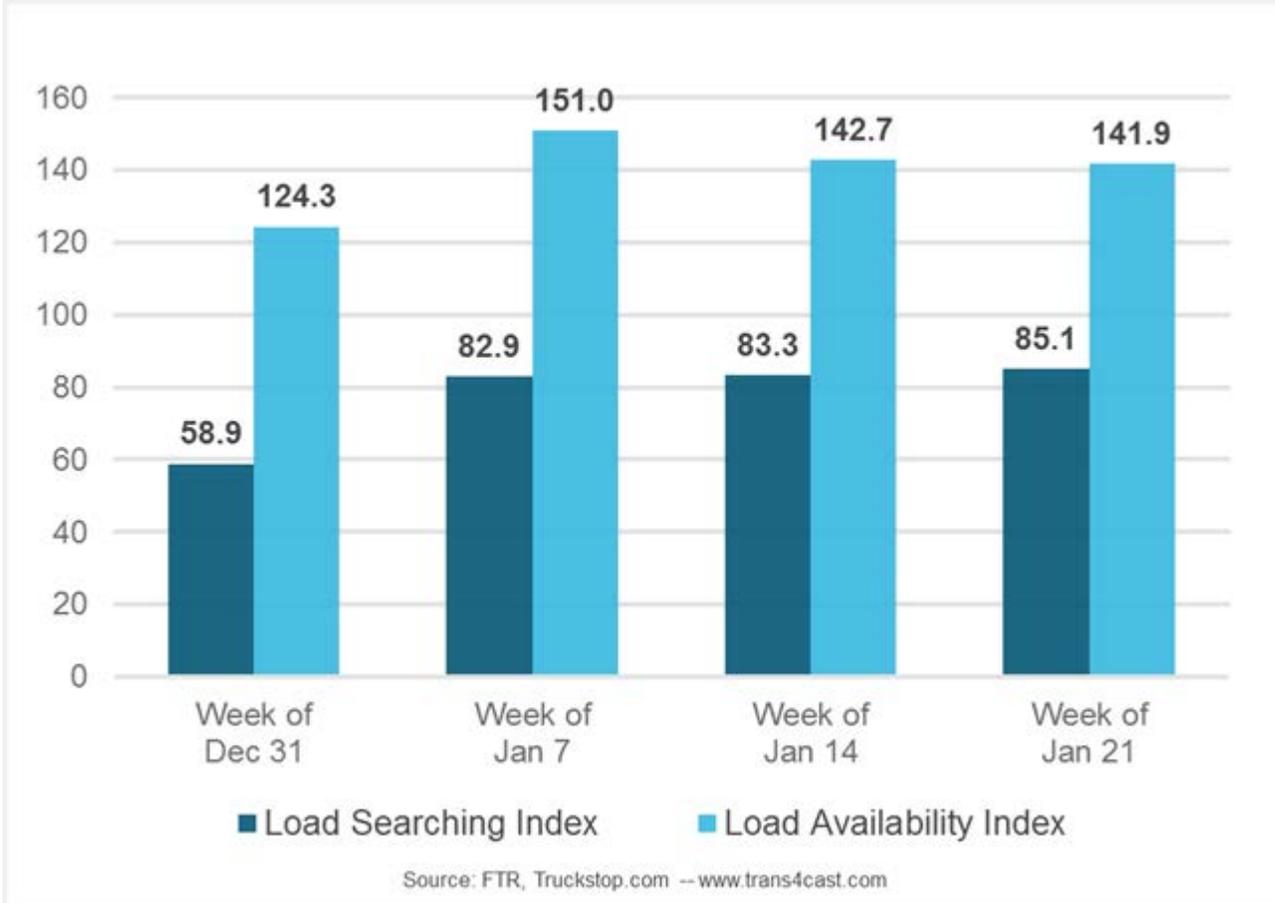


Last Four Weeks



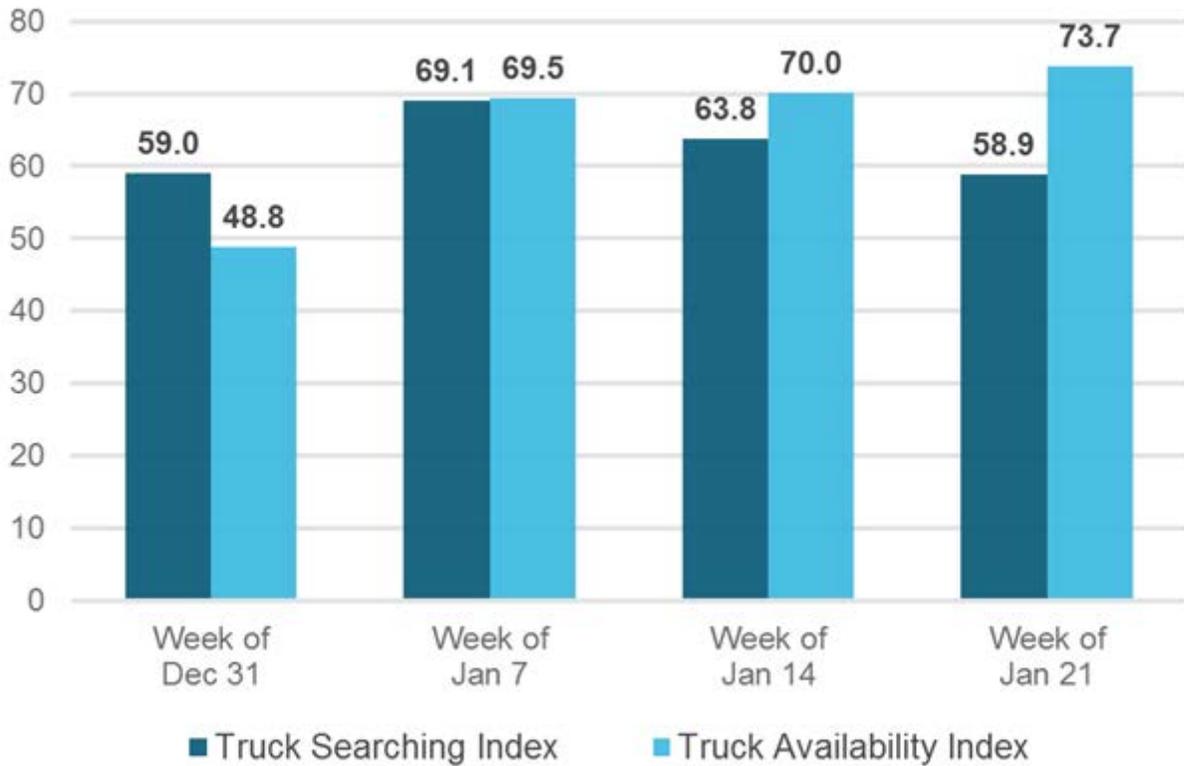
What is the Market Demand Index? The Market Demand Index (MDI) is a measure of relative truck demand in the spot market. It compares load availability to truck availability. Over the last four weeks MDI has on average **decreased 1.3 points**. The latest week shows MDI is **down 2.5 from the previous week to 41.9**. **At this point last year MDI was 14.6**.

Load Searching vs. Load Availability



Load Availability decreased 0.6% from the previous week. **Growth in Load Availability in the most recent week was less than growth in Load Searching. Load Searching increased 2.1%** from the previous week.

Truck Searching vs. Truck Availability

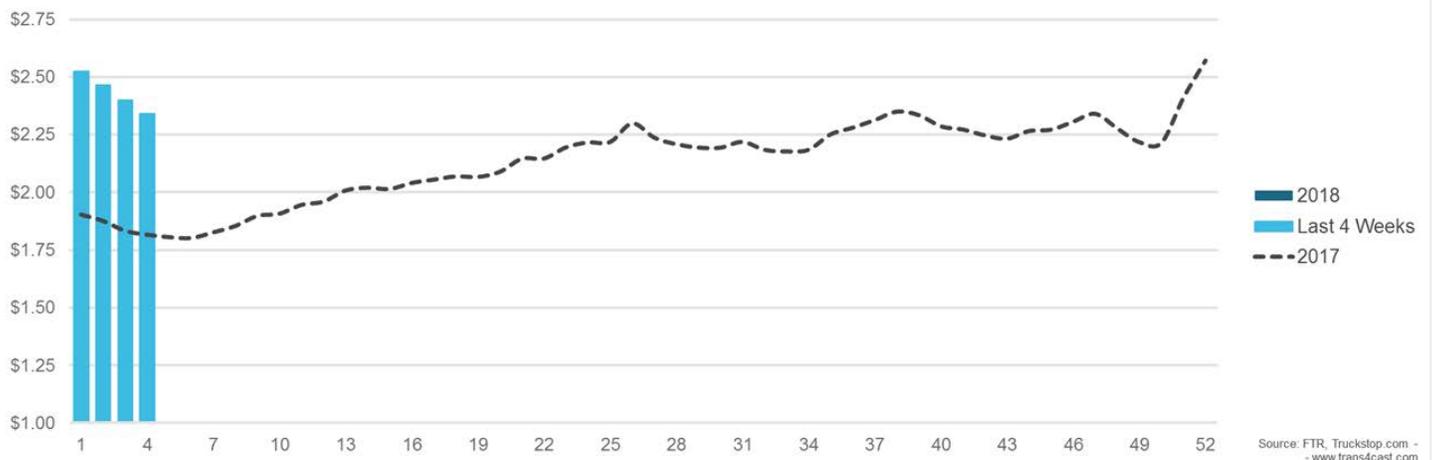


Source: FTR, Truckstop.com -- www.trans4cast.com

Truck

Availability increased 5.3% from the previous week. Growth in Truck Availability in the most recent week was more than growth in Truck Searching. Truck Searching decreased 7.8% from the previous week.

Rates 2018 YTD and 2017

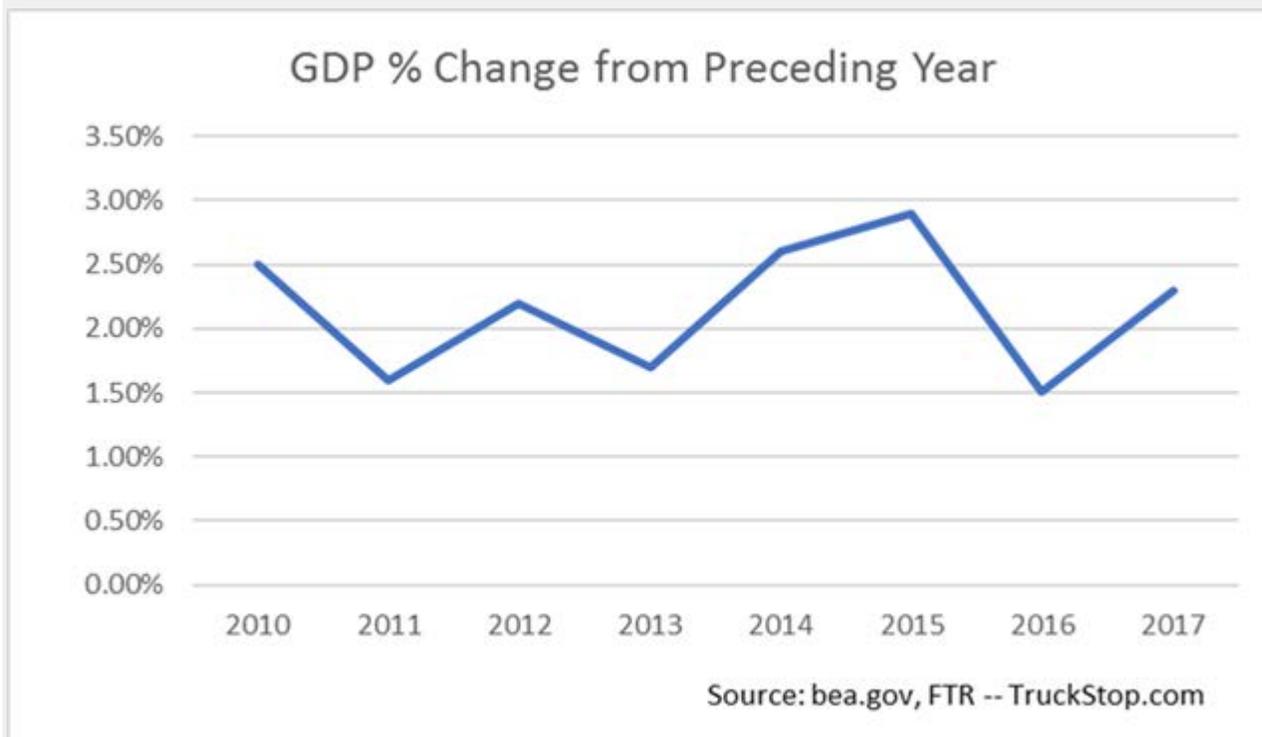


Last Four Weeks



Decreased 2.5% from previous week. This graph represents broker rates (including fuel) posted on the Truckstop.com load board. The latest week shows **rates were decreased 2.4% from the previous week to \$2.34.** **Over the last four weeks rates have averaged a decrease of 2.3%.** **Rates are 28.9% higher versus this time last year.**

Fourth Quarter GDP and the Outlook for 2018



On Friday, we got a glimpse of the fourth quarter GDP numbers – which sent some mixed signals. On one hand, we saw a quarterly gain (+2.6%) which was higher than our full year number for 2017 of 2.3%. A decent end to a decent year. On the other hand, many observers were expecting numbers in the 3.0% range to finish the year.

Takeaways from Q4 2017

- The holiday season was a saving grace for the Private Sector which increased 3.8%... unfortunately, it proved to be a double-edged sword in the fact that imports rose 13.9% in the quarter implying that a larger than normal amount of purchases were imported goods.
- Private Sector Business spending on Fixed Investments rose 7.9%. There was continued strength in investments of equipment.
- Fears of a government shut down and lack of clarity around the proposed (now passed) tax bill may have affected government spending for the quarter. The stronger private sector numbers were required in order make up for weakness here.
- Imports heavily outweighed exports for the quarter and accounted for a deduction of 1.1% for the Q4 numbers. This is a negative for GDP, but is generally a positive for transport demand.

What to expect for 2018

- Although the numbers for Q4 were a bit softer than expected, the lack of government spending for the quarter is less concerning than if the private sector had retrenched.
- Private Sector spending should remain steady as companies begin to understand how to make use of capital as we see tangible numbers from the tax reform and how it affects their bottom lines.

Will it be possible for the administration to achieve a 3.0% increase for the year? The first quarter of 2018 will be a telling quarter for sure but we don't think the less than stellar Q4 numbers are any cause for concern.

Atlanta Fed upgrades U.S. first-quarter GDP growth expectation to 5.4 percent

The U.S. economy is on track to grow at a 5.4 percent annualized rate in the first quarter following the latest data on manufacturing and construction spending, the Atlanta Federal Reserve's GDPNow forecast model showed on Thursday. The last time the economy grew that much was in the third quarter of 2003.