September 2026

# Q3 Market Update Report

Uber Freight

Overview

# Executive summary

## Three forces are shaping the freight market heading into Q4:

### 1 — Capacity is not recovering as fast as one would expect for a tight market.

About 20,000 Mexican drivers lost US visas in the year to April, more than 48,000 non-compliant drivers have exited industry-wide, and Class 8 backlogs run about nine months of production with the rest of 2026 oversubscribed. Van contract linehaul rose 18% year over year in July, and van spot, easing since early July as the seasonal peak unwound, is still 35.6% above last year.

### 2 — Diesel dropped, but rebounded to a 2026 high

After falling from $5.64 in mid-May to $4.58 in early July, the U.S. national average reached $5.652 the week of August 24, a new 2026 high and 52% above a year ago

### 3 — Tariff policy changed three times in one quarter

Section 122 expired July 24 and Section 301 duties replaced it, Section 338 put a 50% duty on about $20 billion of Canadian goods on August 22 and Canada matched it dollar for dollar on September 8, and CBP has paid $100 billion of the $166 billion in IEEPA refunds. The US also declined to renew USMCA at the July 1 review, moving the agreement to annual reviews while it stays in force.

**Truckload has stabilized after two quarters of inflation,** most visibly in the Southeast, and the spillover has moved to LTL, where the rate index is at an all-time high, and to intermodal, where Q2 conversions absorbed spare rail capacity and surcharges arrived two months early, so it still saves on linehaul and fuel but by a narrower margin than in the spring. Cross-border Mexico has eased from its Q2 peak but stays far above last year, and shippers are moving from direct-trailer reliance to hybrid transload networks at Laredo and El Paso.

**Shippers still sourcing week to week are the most exposed to a Q4 surge.** The routing guides that broke in the spring are being rebuilt through targeted mini-bids on rejecting lanes rather than annual RFPs, and carriers are seeking double-digit contract increases this year and next. The TD Cowen-AFS index forecasts Q3 truckload rates 11.7 points above last year and LTL adding to its record. That repair work, done now, decides who has covered capacity when Q4 volume arrives.

*"Transportation decisions carry more weight than ever before. Conditions can change quickly, and the cost of reacting too late is often higher than expected.*

*The companies navigating this best don't wait for disruption to show up in the numbers. They pay attention to what's changing around them, make decisions early, and stay flexible as the market evolves."*

**Rebecca Tinucci**

CEO, Uber Freight

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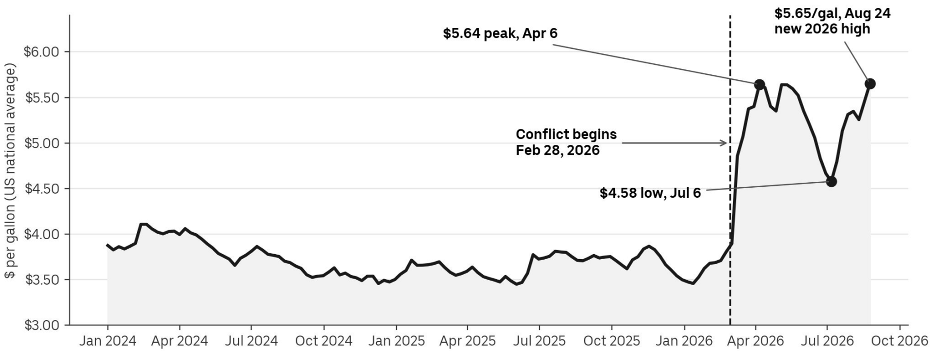
# Market Disruptions

Overview

# Diesel reaches a new 2026 high in August after a July low

## What we're seeing in the network

US Weekly Retail Diesel Price




*Source: EIA weekly retail diesel, US average*

**US national diesel prices:** The US average hit $5.652 per gallon the week of August 24, above the April 6 peak of $5.643 and the highest reading since the week of July 4, 2022. The same week a year earlier was $3.708, so the price is up 52.4%.

**Cross-mode propagation:** Van fuel surcharges averaged 62 cents per mile in July, 20 to 23 cents above a year ago. Union Pacific's domestic intermodal fuel surcharge ran at 50% for July. LTL fuel surcharges in the TD Cowen-AFS dataset ran more than 60% above the June 2025 benchmark, and because LTL surcharge tables step up with diesel, carriers gained margin on the way up. Europe is moving the other way: EU weighted-average diesel eased to €2.03 per litre by mid-August while tolls and compliance costs rise.

**Carrier behavior:** Small truckload carriers on tight margins may park trucks and wait for fuel to revert rather than run at a loss. On the border, a sudden spike inflates linehaul surcharges while a sharp drop compresses small-carrier margins and pushes marginal B1 capacity out. If diesel holds near the August high into bid season, the rate increases carriers seek will be larger.

### Key actions for shippers

- Audit fuel surcharge clauses against the August index.
- Shorten surcharge review cycles to weekly, index-linked adjustments.
- Keep fuel and toll as separate contract lines where per-kilometre tolling applies.
- Track the PADD 3 and PADD 5 spread on long-haul lanes out of Texas and California.

Trade Policy

# Section 122 tariffs expire as Section 301 and 338 duties take effect

## What we're seeing in the industry

**The July 24 handoff:** Section 122's 10% global tariff, in place since February 24, expired at 12:01 a.m. on July 24, 150 days after it began. Section 301 duties of 10% to 12.5% on 60 economies, about 99% of US imports, took effect the same minute under a forced-labor determination, with Section 232 goods and USMCA duty-free entries exempt. The Court of International Trade ruled against Section 122 in May, and the appeal now pending could open a second refund window.

**USMCA moved to annual reviews:** At the July 1 joint review the US declined to renew the agreement in its current form. USMCA stays fully in force with preferential treatment unchanged, but the review now runs every year, rules of origin and Chinese content requirements are on the table, and the administration has signaled a possible bilateral track with Mexico and Canada separately.

**Canada:** Three proclamations signed July 20 under Section 338 imposed a 50% additional duty on roughly $20 billion of Canadian imports effective August 22, the first presidential use of the statute. USMCA-qualifying origin doesn't exempt covered goods, and the annexes extend well beyond the autos, alcohol, and dairy sectors cited as triggers. Canada's dollar-for-dollar retaliation took effect September 8: 15% to 50% on more than 700 US products covering C$27.6 billion, with US steel, aluminum, furniture and clothing at the top rate and the existing 25% on US autos still in place.

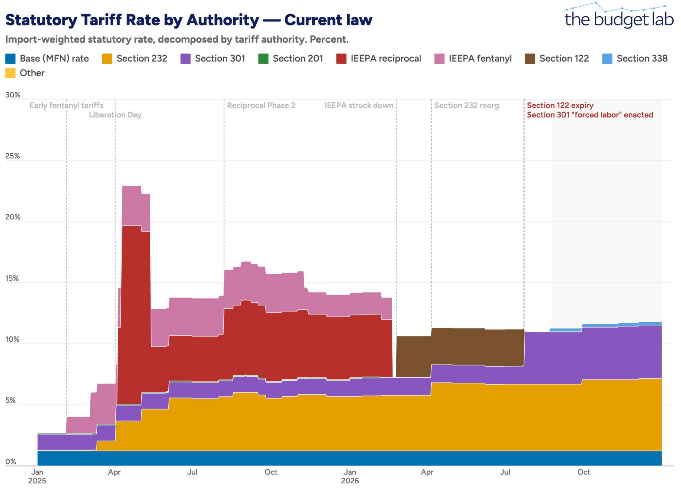
**Refunds and enforcement:** After the Supreme Court invalidated the IEEPA tariffs on February 20, CBP opened the CAPE refund portal on April 20 and had paid $100 billion of the roughly $166 billion by July 31, with $128.68 billion accepted across more than 75,000 CAPE declarations. Executive Order 14411, signed June 3, requires foreign importers of record to be CTPAT-validated or to file through a validated broker by early December.

## Key actions for shippers

- File remaining CAPE claims now.
- Confirm your customs broker's CTPAT status before December.
- Map Section 338 exposure by HTS line and plan by US entry date.
- Get change-in-law and duty pass-through language into contracts.

**Statutory Tariff Rate by Authority — Current law**

Import-weighted statutory rate, decomposed by tariff authority. Percent.




**Source:** The Budget Lab analysis.

Driver Supply

# Driver enforcement tightens capacity and raises tender rejections

## What we're seeing in the network

**Capacity isn't rebuilding at a tight market's usual pace:** About 20,000 Mexican drivers had US visas revoked between April 2025 and April 2026, and more than 48,000 non-compliant drivers have been forced out industry-wide over the past year. On August 31 the Departments of Transportation, Homeland Security and Justice launched the Joint Task Force Crossroads of America, removing 110 CDL training schools tied to more than 5,000 drivers who failed English proficiency tests, opening inspections at 200 more schools in 23 states, and starting a nationwide audit of CDL skills testers. Class 8 orders were up 75% year over year in July, but backlogs run about nine months of production and the remaining 2026 build slots are oversubscribed by 35,000 units, so new tractors won't close the gap this year.

**Routing guides broke in the spring and are being rebuilt lane by lane:** Contract rates set early in the 2026 bid season proved too low, mini-bid activity spiked, and some shippers rebid their entire book as tender rejections surged. Carriers are seeking double-digit contract increases this year and next. Primary tender acceptance in the Uber Freight network rose from 76% in July to 78% in August as repriced guides began to hold and the spot market softened with the season, but it remains well below the 90 to 94% seen in the prior three years.

**Repair as we prepare:** Targeted mini-bids on high rejection rate lanes are restoring routing guide compliance faster than annual network RFPs. Being a shipper carriers want to haul for, with prompt communication and facility flexibility, is what separates the accounts that get covered.

| DRIVERS REMOVED |
|---|
| **48,000+** |
| *non-compliant drivers out industry-wide in a year, plus 20,000 B1 visas revoked* |

| PRIMARY TENDER ACCEPTANCE |
|---|
| **78%** |
| *78% in August, up from 76% in July, against 90 to 94% in the prior three years* |

### Key actions for shippers

- Run weekly or monthly mini-bids on underperforming lanes rather than launching an annual RFP early.
- Give carriers 48 to 72 hours of lead time.
- Adopt shipper-of-choice practices at the facility.
- Build a core network of trusted brokers with strong vetting to cover the gaps.

# September and October are the window to fix lanes before peak

## What we're seeing in the network

**The quiet window:** Outside the Pacific Northwest, September and October are relatively stable months, and the useful work is reviewing the lanes that failed in the year's tight stretches (DOT inspection week, the July 4 run-up, and the week of March 16 when FMCSA's non-domiciled CDL rule took effect) and fixing them before peak arrives in late October. Shippers are still quoting and securing capacity week to week instead of locking seasonal capacity months ahead, while asset carriers stay very conservative about allocating capacity and brokers stay aggressive on spot.

**The exceptions run early**: Intermodal peak surcharges started in early July, two months ahead of normal, the import peak ended early with volumes expected to trend down through the rest of 2026, and LTL is set up for stronger peak pricing, GRIs and strict yield management. In Europe, tariff pull-forward has fragmented the curve, so volume arrives in bursts tied to policy dates rather than the retail calendar.

**Who is most exposed:** High-volume exporters relying on week-to-week spot sourcing or single-option direct B1 capacity, shippers whose networks are concentrated in the Pacific Northwest, where markets tighten most in this window, shippers on annual fixed awards with no bandwidth clause, anyone dependent on scarce equipment such as tank, ADR, or reefer, and retail and CPG accounts tied to promotional timing. If a sudden Q4 surge lands while shippers are still operating week to week, uncommitted freight will compete for the same limited capacity and spot rates will spike quickly.

### Key actions for shippers

- Establish committed baseline capacity before Q4 volume arrives, and integrate transloading alongside direct contracts on the border.
- Confirm constrained-equipment commitments in writing.
- Pressure-test forecast accuracy against the last two quarters of actuals, and build a surge playbook with backup carriers and a trigger rule.
- Ask accounts what already shipped early, since that's the best predictor of what won't ship in Q4.
- Secure intermodal capacity before the heart of peak.

| Mode | Severity | Timing |
|---|---|---|
| **Truckload** | High | Late October |
| **Mexico** | High, weather-dependent | Late October into peak |
| **Intermodal** | Medium | Already happening |
| **Canada** | Medium | Next 30 days |
| **Europe** | Medium. High for tank, ADR, reefer | Q4 |
| **LTL** | Stronger pricing and yield management | Q4 |

# Fraud

Fraud

# Q3 Snapshot

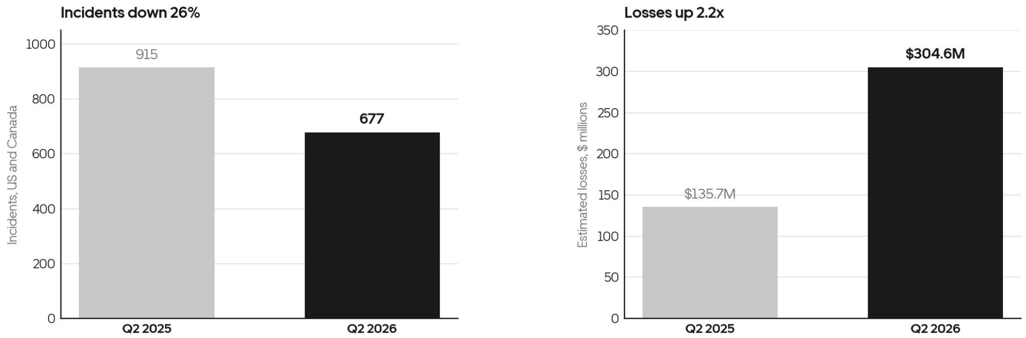
**Fewer incidents, more than double the losses.** Verisk CargoNet documented 677 supply chain incidents, theft and fraud combined, across the US and Canada in Q2, down 26% from a year earlier and 14% from Q1's 767. Estimated losses reached $304.6 million, up from $135.7 million in Q2 2025, and the average loss per incident where a commodity value was reported hit $564,009, pulled up by a small number of multimillion-dollar thefts. CargoNet's read is that lower incident volume shouldn't be mistaken for lower risk.

**The decline came from physical theft while fraud held steady.** Events classified as theft fell from 488 to 378, while fictitious pickups barely moved, from 165 to 158. Organized theft of unattended loaded trailers and non-delivery schemes involving recently acquired motor carriers fell significantly, especially in California and Texas. Business email compromise and shipment misdirection continued at the same pace.

**Metals and enterprise technology are the targets.** Metal theft rose from 54 to 80 incidents, with copper the most frequently taken. Organized groups continued to target enterprise-grade computer and networking equipment, components, and cryptocurrency mining hardware, shipments that move as conventional dry freight with an ordinary security profile. Food and beverage thefts declined.

**Fewer incidents, more than double the losses**

Organized groups are selecting high-value shipments rather than stealing more freight




Source: Verisk CargoNet, Q2 2026 supply chain risk trends. Incidents include theft and fraud.

**The trend runs back through 2025.** Full-year 2025 losses reached nearly $725 million, up 60% from 2024, on a stable incident count. Q2 continues the pattern, with the groups driving the largest losses selecting the right shipment rather than stealing more of them.

Fraud

# What we're seeing across the industry

**Half of freight fraud now starts in the inbox.** Communication-based attacks, meaning compromised inboxes, spoofed emails, account takeovers, and impersonation calls, accounted for 50% of classified fraud vectors in Q2, up from 42.7% in Q1. Highway, a carrier identity and compliance platform used by brokers, blocked 784,201 fraudulent inbound emails during the quarter, 48.5% more than Q1, and intercepted 109,995 spoofed phone calls, up 53.2% from Q1.

**Fraud has moved from fake identities to borrowed trust.** Regulatory changes have tightened carrier verification at registration, so fraudsters are exploiting relationships that already exist rather than creating new ones. Impersonation attempts targeting Highway's own brand rose 282% quarter over quarter. The National Insurance Crime Bureau reports the same pattern nationally.

**Operating authority changes are where the alerts aren't firing.** Bad actors are buying the carrier itself, its authority, logins and passwords, and sometimes its phones and computers, rather than the trucks. Ownership-change fraud accounted for 25.6% of reported incidents in Q2, up from 23.0%, even as ownership discrepancy alerts fell 40.9% over the same period. Highway introduced Ownership Attestation in response, requiring historically associated owners to affirm any material ownership change before it appears in traditional data sources.

**FRAUDULENT EMAILS BLOCKED**

**784,201**

*in Q2, up 48.5% from Q1*

**OWNERSHIP-CHANGE FRAUD**

**25.6%**

*of reported incidents, up from 23.0%*

**ATTACK VECTORS**

**50%**

*of classified fraud vectors are communication-based, up from 42.7%*

Fraud

# Key actions for shippers

### Lock down inboxes and accounts

Business email compromise is the entry point for the most sophisticated schemes of the quarter. Enforce multi-factor authentication, verify any reroute or payment change by phone on a known number, and expect impersonation of platforms and vendors as well as carriers.

### Verify across the full shipment lifecycle

Tender-stage controls aren't enough when the attack lands after pickup. Verification has to cover reroute communications, after-hours requests for load details, and delivery confirmation, since the fraud that held steady in Q2 is the kind that happens mid-move.

### Validate ownership changes before booking

With ownership-change fraud at a quarter of reported incidents and discrepancy alerts falling, a clean MC number no longer clears a carrier. Treat any recent authority transfer as elevated risk and require attestation from the prior owner.

### Match security to shipment value

Copper, enterprise networking gear, and crypto mining hardware move as ordinary dry van loads and are stolen because of it. For those shipments, prioritize daytime transit, engage escorts, and maintain continuous communication with trusted partners.

Fraud

# Uber Freight is the recipient of the 2026 Fraud Fighter award by Freightwaves

Uber Freight was recognized for its comprehensive Fraud Solution, which fuses advanced technology, specialized human expertise, and extensive industry collaboration.

# Full Truckload

FTL

# Q3 Snapshot: Supply, demand & policy at a glance

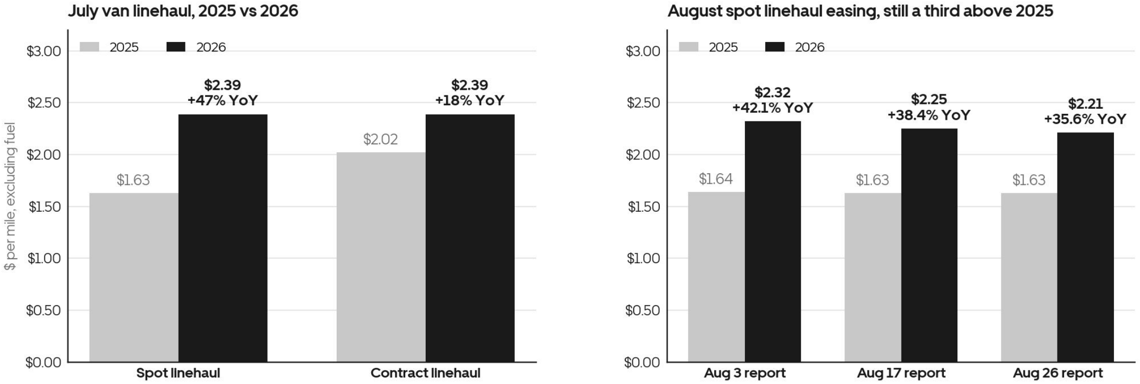
**Contract rates are repricing quickly.** National average van contract linehaul reached $2.39 per mile in July, up 13 cents from June, the largest June-to-July increase on record, and 37 cents (18%) above July 2025. Van spot linehaul averaged $2.39 in July, 76 cents (47%) above a year earlier. DAT's van volume index was 3% below July 2025, against a weak comparison year.

**Spot has cooled for seven weeks but sits a third above last year.** Van spot linehaul averaged $2.21 per mile the week of August 26, down every week since early July, partly the normal unwind after the July 4 peak, and still 35.6% above the same week in 2025 and 23.8% above the nine-year seasonal average. DAT's 35-day forecast puts mid-September at $2.24. Fuel surcharges averaged 62 cents per mile for van in July, 20 to 23 cents above a year ago.

**Contract repricing is under way and carriers want more.** DAT's average van contract linehaul is up 18% year over year and ACT Research puts aggregate contract rates up 17%, while the TD Cowen-AFS truckload rate-per-mile index hit a 14-quarter high in Q2 with Q3 forecast higher. Carriers are seeking double-digit increases this year and next. Primary tender acceptance in the Uber Freight network rose from 76% in July to 78% in August as repriced routing guides began to hold and the spot market softened with the season, still well below the 90 to 94% of the prior three years.

**Dry van linehaul: contract and spot both well above last year, spot cooling since July**

Contract up 18% and spot up 47% year over year in July. The August easing is partly the seasonal unwind after July 4




*Source: DAT Freight and Analytics*

**Demand is firming while supply stays constrained.** The ISM Manufacturing PMI reached 55.6 in July, the highest since May 2022, while more than 48,000 non-compliant drivers have left the market in a year and Class 8 backlogs run about nine months of production with the remaining 2026 build slots oversubscribed by 35,000 units.

FTL

# What we’re seeing in the network

**The Southeast has stabilized after two quarters of inflation.** Truckload conditions in Q3 have settled compared with the rapid rate increases of Q1 and Q2, most visibly in the Southeast. Asset carriers remain very conservative about how they allocate capacity, while brokers stay aggressive on the spot market.

**Tightening is starting in the Northeast and Pacific Northwest,** where load-to-truck ratios and spot rates have turned up over the past month while the national market eases.

**Fuel-inclusive spot is holding near $2.95.** National van spot averaged $2.91 to $2.95 per mile including fuel in mid-August, up 46.8% year over year on a fuel-inclusive basis, mostly on August’s diesel rebound, which keeps uncommitted freight expensive even as linehaul eases.

Into peak, the three signals to watch are driver employment, primary tender acceptance, and shipper bid activity.

**CUSTOMER EXAMPLE: LEAD TIME AS THE LEVER**

A CPG shipper moved tender lead time from 24 to 48 hours for targeted business units and held orders to build consolidation. Truckload utilization rose 6%, average LTL weight per load rose 250 pounds, loads created per day fell by 70, mostly LTL, and routing guide compliance improved 8 points.

# Key actions for shippers

### Give carriers 48 to 72 hours of lead time

Short-lead tenders are the loads asset carriers reject first when they're rationing capacity. Building two to three days into tender timing lowers rejection exposure and opens consolidation options. The OE planning module shows where lead time runs short by lane.

### Fill trailers before you add trucks

Raise trailer utilization and consolidate where volume allows so the network needs less capacity to move the same freight. Network flow trends by lane, load count per week and pickup day of week, show where the opportunity sits.

### Normalize shipment flow patterns

Predictable weekly and daily volume is what carriers price for, and uneven flow is what pushes freight to spot. Holding orders to smooth pickups, as the CPG example shows, improves both utilization and compliance.

### Use mini-bids for problem lanes

Address network changes and subpar carrier performance with targeted bids rather than a full network RFP, and space them to avoid carrier bid fatigue. Managed Transportation shippers have a dedicated carrier manager for this work, and Uber Freight Exchange, the brokerage spot marketplace, covers the gaps in between.

# LTL

LTL

# Q3 Snapshot: Supply, demand & policy at a glance

**LTL pricing is at an all-time high and forecast to go higher.** The TD Cowen-AFS LTL rate-per-pound index reached 76.5% above its 2018 baseline in Q2, up 9.6 points from Q1 and 13.3 points year over year, with Q3 forecast to add another 30 basis points. Fuel surcharges in the dataset ran more than 60% above the June 2025 benchmark, and because LTL surcharge tables step up as diesel rises, the fuel spike added margin rather than just passing through.

**Carriers are taking yield over volume.** The LTL producer price index was up about 11% year over year in July, and ACT Research shows LTL tonnage turning positive year over year for the first time in years, up 3.5% in July. The carrier prints show the same pattern: Old Dominion's revenue per hundredweight rose 15.2% in Q2 (5.5% excluding fuel) while tons per day fell 4.1%, and Saia grew tonnage 8.4% while revenue per hundredweight excluding fuel slipped 2.2%.

**General rate increases arrived early and larger.** Carriers pulled GRIs forward and raised them: ArcBest's 5.9% on June 22 came six weeks ahead of last year's timing, and Saia's 7.1% on July 6 was 120 basis points higher and three months earlier than its 2025 increase. Contract renewals are landing in the mid to high single digits.

**LTL pricing discipline: weight is down, price is holding**

Shippers are sending lighter shipments and carriers are not discounting to match


*Source: TD Cowen/AFS Freight Index, Q3 2026 release*

**Truckload spillover and industrial demand are filling terminals.** LTL carriers reported stronger Q2 demand as truckload capacity tightened and expect it to continue through the back half. Two-year stacked tonnage turned positive for public carriers in May, and manufacturing has now expanded for seven straight months. FedEx Freight's narrowed focus and Amazon's full entry into LTL are the flagged headwinds to pricing.

LTL

# What we're seeing in the network

**The window to negotiate concessions is closing.** Carriers have reclaimed pricing power across contract and spot, and renewals in the mid to high single digits are now the norm. Shippers who built 2026 budgets around rate-reduction strategies need to replace them.

**Truckload prices are pushing freight into LTL networks.** Excess and deferred truckload freight is landing at LTL carriers, tightening capacity, and national carrier terminal networks are overwhelmed enough that standard transit times are slipping. When truckload tightens, the spillover overwhelms an LTL market that shrank structurally after 2023.

**Density and mix decide the price**. Carriers are pricing for freight mix rather than filling trucks, with strict dimensional pricing and minimum charges penalizing inefficient freight, and accessorials such as residential delivery, liftgate, and reweighs used as yield levers.

**The pivot to watch is industrial demand.** A manufacturing slowdown would weaken carrier demand and ease rates. Continued recovery, which is what the PMI currently shows, sets up aggressive pricing and strict yield management through the Q4 peak. The signals are manufacturing PMI, industrial production, and carrier tonnage trends.

**CONTRACT RENEWALS**

**Mid to high single digits**

*now the norm as carriers hold pricing power*

LTL

# Key actions for shippers

### Consolidate and improve packaging density now

Group shipments into fewer, heavier loads and tighten packaging so freight clears minimum charges and avoids dimensional pricing penalties. OptiPro, Uber Freight's optimization service, handles consolidation and mode selection across the network.

### Evaluate the alternatives to standard LTL now

Volume LTL, partial truckload, and parcel each bypass rising standard LTL contract rates on the right freight profile. Run the comparison regularly rather than once at bid time, since the crossover points move with the truckload market.

### Audit and control accessorials now

Residential, liftgate, and reweigh charges are where carriers are adding yield. Strict auditing and origin-level control of the conditions that trigger them is a direct cost lever.

### Broaden the carrier base over three to six months

Add regional LTLs and run targeted, lane-level bids instead of asking incumbents for blanket discounts. Uber Freight's LTL Procurement team procures networks for shippers of all sizes and balances service and cost by segment.

# Bulk

Bulk

# Q3 Snapshot: Supply, demand & policy at a glance

**Cost increases have slowed but haven't reversed.** Bulk trailer costs rose sharply over the past three years and are leveling off in 2026. Tank wash costs remain elevated on supply costs and EPA requirements, and labor shortages at wash facilities are adding to driver delays. Insurance, maintenance, and compliance costs stay high, and higher financing costs are slowing new fleet growth.

**Carriers are prioritizing utilization over fleet growth.** Capacity will stay disciplined through 2026 as carriers prioritize profitability. Average bulk lead time has moved from 24 to 72 hours to 7 to 10 days. The one-way reloadable market of the past three-plus years is moving back to dedicated models, and the high concentration of owner-operators in bulk keeps utilization the deciding factor.

**Equipment lead times are improving but still long.** Specialized bulk trailers continue to carry longer replacement cycles on cost, production constraints, and regulatory requirements, and trailer production still lags, especially for specialized equipment.

**Contracted rates have increased.** Bulk linehaul rates per mile in the Uber Freight network have increased through 2026, and the average sits at its highest point since 2022. The August diesel rebound reverses the June relief. Chemical demand is holding up in the dollar data: Census puts chemical product shipments 7.7% above July 2025 and 6.2% higher year to date, though part of that is price after the oil shock, and July's ISM contraction for Chemical Products was a single month, so rail chemical carloads in the table are the volume check.

| H2 2026 watch table | Outlook | Impact on bulk truck |
| --- | --- | --- |
| **Rail chemical carloads** | Stable to slight growth | Neutral to positive |
| **Rail service reliability** | Improving | Fewer emergency truck moves |
| **Industrial production** | Improving | Higher truck demand |
| **Dedicated tank capacity** | Tight | Supports firm pricing |
| **Driver availability** | Tight | Limits capacity growth |
| **Nearshoring (Mexico)** | Growing | Additional truck demand |
| **Gulf Coast petrochemical** | Growing | More bulk demand |

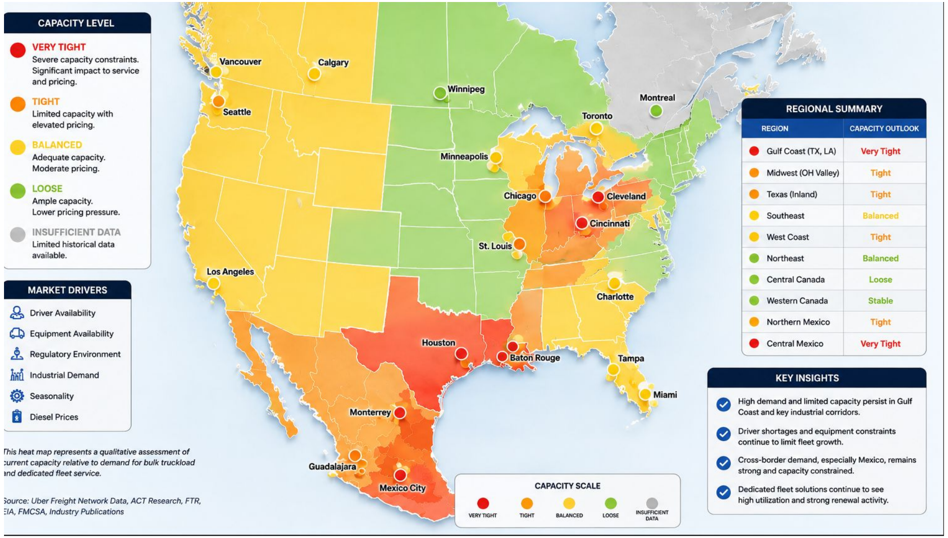
Bulk

# What we’re seeing in the network

**Demand signals are mixed but improving.** FTR’s bulk loadings forecast has moved to +2.0% year over year from +0.6%, a sharp improvement over the past couple of months that has also been volatile. Chemical rail traffic is running about 3% above last year’s pace year to date, though weekly comparisons swing with maintenance schedules and customer production. Petroleum products remain positive year over year.

**Growth is concentrated in a few chemical segments.** The segment outlook is in the table at right.

**Capacity is tightest where industrial demand is highest.** The July capacity heat map shows the Gulf Coast and Central Mexico as very tight, with the Midwest Ohio Valley, inland Texas, the West Coast, and Northern Mexico tight. The Southeast and Northeast are balanced, Western Canada is stable, and Central Canada is loose. Cross-border demand from Mexico remains strong and constrained, and dedicated fleets are seeing high utilization and strong renewal activity.




| Chemical segment | Outlook |
|---|---|
| **Specialty chemicals** | Growing |
| **Semiconductor chemicals** | Growing strongly |
| **Agricultural chemicals** | Seasonal growth |
| **Petchem, water treatment, coatings, gases** | Stable |

Bulk

# Key actions for shippers

### Plan tenders around 7 to 10 day lead times

Bulk lead time has moved from one to three days to seven to ten. Shippers still tendering on the old window are the ones losing capacity to carriers' preferred accounts.

### Evaluate dedicated for reload-dense freight

With the reloadable market moving back to dedicated models and dedicated fleets renewing at high utilization, freight with predictable reload opportunities and network density is what carriers are pricing to keep.

### Test intermodal and ISO tank on applicable lanes

Rail use for bulk has increased 120% in the Uber Freight network, and rail service reliability is improving, which reduces emergency truck moves. Lanes into and out of the very-tight Gulf Coast and Central Mexico corridors are the first place to look.

# Intermodal

Uber Freight

Intermodal

# Q3 Snapshot: Supply, demand & policy at a glance

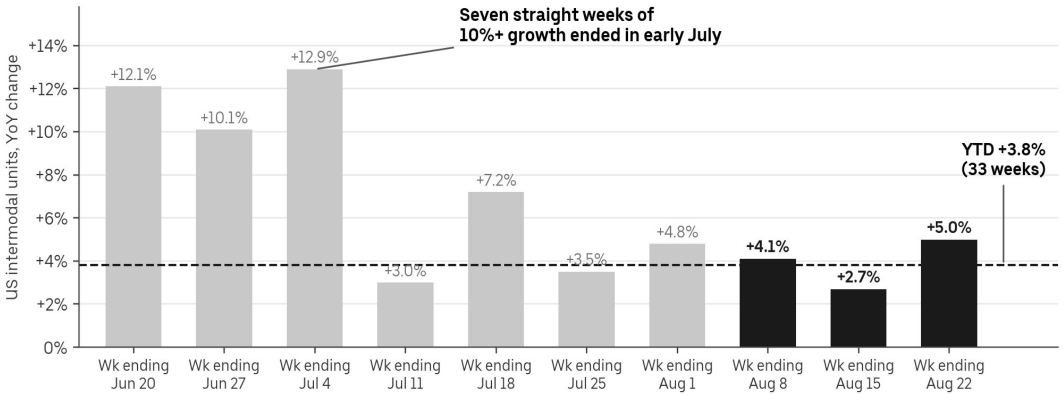
**Volume growth has held through the summer.** US intermodal units are up 3.8% year to date through August 22, with July averaging 286,647 containers and trailers a week, up 6.1% year over year for a sixth straight monthly gain. The IANA Intermodal Volume Index read 106.8 in July against a 2017 to 2019 baseline of 100. Domestic containers are doing the work, up 7.4% in the first half, while international containers fell 1.9%.

**Peak surcharges arrived early and out of California they're steep.** Providers began implementing peak season surcharges in early July, about two months ahead of the normal intermodal timeframe. Union Pacific has raised its California peak surcharge to $1,000 per box on spot freight and on shippers moving fewer than 10 loads a week, and $500 on contract business.

**Rates are up double digits where capacity is tightest.** Intermodal rates have increased 10% or more, concentrated in Los Angeles and Laredo, with peak surcharges out of LA ranging from $500 to $1,000 and peak expected to run through the end of the year. The pull is coming from truckload: longer truckload hauls moved to cheaper intermodal in Q2.

**US intermodal volume: early summer surge settling into steady growth**

Weekly containers and trailers versus the same week in 2025. July averaged 286,647 units a week, up 6.1%




*Sources: AAR weekly rail traffic, IANA Intermodal Volume Index*

**Railroads are adding equipment for the first time since 2018.** The railroads have unstacked all of their owned assets, some idle since 2018, and are beginning to add to their fleets. Mexican rail volume is up 8.5% year to date, with intermodal up 33.5% in the week of August 22.

Intermodal

# What we're seeing in the network

**Intermodal still saves, by a narrower margin than in spring.** Truckload tightening continues to push demand into intermodal across the network, but the wave of conversions shippers executed in Q2 absorbed much of the capacity that made the spring so favorable. Against a truckload market up double digits year over year, intermodal still delivers savings on linehaul and fuel, with the gap narrower than it was in the spring.

**Bulk shippers are finding rail too.** Use of intermodal and ISO tank containers to move bulk product by rail has increased 120% in the Uber Freight network, as tank truck capacity stays tight in the Gulf Coast and Midwest corridors.

The inflection point is fuel heading into bid season. If diesel holds near its August high, the rate increases carriers seek at bid will be larger, and over-the-road capacity availability will keep setting the pace for intermodal demand and rates.

**RATES**

**+10% or more**

*concentrated in Los Angeles and Laredo*

**PEAK SURCHARGE**

**$500 to $1,000**

*per box out of LA, in place two months early*

# Key actions for shippers

### Secure capacity before the heart of peak

Peak started two months early and providers are already allocating boxes. Commit volume now on the lanes where you need intermodal to hold service through Q4.

### Lock long-term rates before Q4 and 2027 increases

Rates are rising and bid season will price in fuel and truckload conditions. Contracted intermodal capacity at current levels is worth more than spot access as the year closes.

### Diversify providers to deepen the routing guide

More providers means more capacity options as the guide is worked. Uber Freight Intermodal uses every major Class I railroad in North America.

# Mexico

Mexico

# Q3 Snapshot: Supply, demand & policy at a glance

**Driver enforcement has removed a large slice of B1 capacity.** About 20,000 Mexican drivers lost their US visas between April 2025 and April 2026, according to Mexico's national freight chamber, and US officials put cabotage-related revocations since January at roughly 3,200. Mexican carrier groups are now asking Washington for uniform enforcement standards. FMCSA data shows 6.3% fewer active Mexican-domiciled southern border carriers in late June than in late December. On August 31 a new federal task force removed 110 CDL training schools from the registry, opened inspections at 200 more across 23 states, and began a nationwide audit of skills testers, which puts more pressure on the carrier base moving cross-border freight on the US side and points to the need for more cross-docking flexibility.

**Laredo has eased from the Q2 peak but stays far above last year.** The Laredo van load-to-truck ratio sits at 8.0 to 8.5 in mid-August, down from around 10:1 in Q2 and still 61.9% above a year ago. Spot rates on MX-US long-haul lanes remain 8 to 15% above the pre-conflict baseline in mid-February, with critical corridors up to 30%, unchanged from the Q2 read. Volumes are holding through it: produce exports through Laredo rose 8% year over year in Q2, and Port Laredo trade value rose 19.4% in May.

**Fuel is back near its spring high.** US national average diesel reached $5.652 per gallon the week of August 24, above the April peak and 52% higher than a year ago, after falling to $4.578 in early July. Long-haul lanes out of California and Texas carry the most exposure, and the spread between PADD 3 and PADD 5 retail prices is the figure to watch.

**Executive Order 14411 changes who can file entries.** The order requires foreign importers of record to be CTPAT-validated or to file through a validated broker, with CBP's window closing in early December.

**B1 VISAS REVOKED**

**20,000**

*revoked between April 2025 and April 2026*

**LAREDO LOAD-TO-TRUCK**

**8.0 to 8.5**

*in mid-August, still +61.9% YoY*

**CROSS-BORDER SPOT**

**+8 to 15%**

*above the pre-conflict mid-February baseline, critical corridors up to 30%*

Mexico

# What we're seeing in the network

**Transloading is moving from workaround to network design.** Shippers who relied on direct-trailer B1 capacity are building cross-dock transload options into their core networks at Laredo, and for the first time asking about the service in El Paso, which historically handled very little transload volume.

**Capacity has loosened since Q2, with a higher cost floor.** After a very tight second quarter, Laredo capacity has opened up and rates and service have normalized, though the floor sits well above where 2026 started. Holidays on either side of the border have become the stress test. Memorial Day produced a sustained backlog while July 4 was a brief blip, which suggests the balance between through-trailer and transload is holding. July flooding at Laredo ran a heavier version of the same test, backing up processing and pushing congestion to alternate crossings before clearing.

**Shippers are holding inventory at the border rather than in US warehouses.** Public coverage focuses on stockpiling ahead of tariff changes. On the ground, shippers are cross-docking at border hubs to keep flexibility over when and how goods enter the US, which shows up as demand spikes at Laredo and El Paso followed by quiet stretches.

**CUSTOMER EXAMPLE: HYBRID BORDER NETWORK**

A major beverage manufacturer relying only on direct B1 capacity was missing delivery appointments at Nuevo Laredo, exposing it to retail penalties that exceeded emergency freight costs. Uber Freight rerouted critical shipments through a Laredo cross-dock using South Texas capacity to hold appointments, and is now designing a permanent hybrid network with time-sensitive freight on the cross-dock model and direct B1 reserved for flexible lanes.

**BROKERAGE VOLUME**

**235+ loads per day**

*across Mexico, cross-border and intra-Mexico, through Uber Freight brokerage*

Mexico

# Key actions for shippers

### Build a hybrid border model now

Integrate transloading alongside direct B1 contracts so volume can move between the two as border wait times and equipment availability change. Single-option reliance is what produced the missed appointments this quarter. With both options in the network, cost and service improve together rather than trading off.

### Move from week-to-week spot to proactive sourcing

Over the next one to three months, use lane-level pricing data to position outbound capacity before Q4 volume arrives. Shippers still quoting week to week will compete for the same limited B1 capacity when the surge hits.

### Run joint lane-level reviews

Over three to six months, review carrier mix, modal options, and facility utilization across Central Mexico, Texas, and California corridors to protect margin against fuel swings and capture procurement value.

### Decide cost or speed before the backlog

Both matter, but when trailers stack up at the border, knowing which one wins on a given shipment tells your carriers how to handle it. Keep carrier and broker partners close, since they see the leading indicators first.

# International

International

# Q3 Snapshot: Supply, demand & policy at a glance

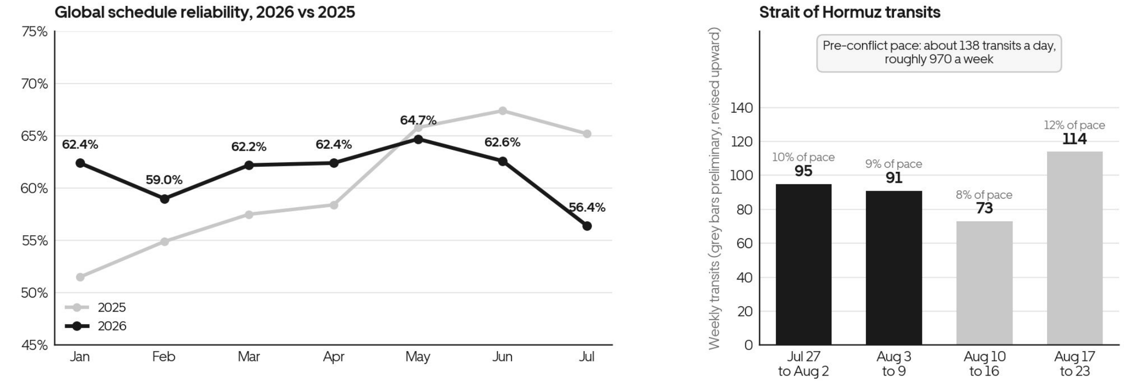
**Import volumes are holding above pre-pandemic levels as an early peak winds down.** US container imports reached 2,508,310 TEU in July, up 4.5% from June and down 4.3% against a front-loaded July 2025, the fourth-highest July on record. China-origin volume rose 7.2% from June to 873,129 TEU, the highest monthly China figure in a year. The NRF and Hackett Global Port Tracker expects imports to trend down over the balance of 2026.

**Schedule reliability fell to its lowest level of 2026.** Global container schedule reliability dropped 6.1 points in July to 56.4%, the weakest reading since February 2025 and 8.8 points below a year ago. The average delay for late vessels rose to 6.06 days, the highest since January 2024. Maersk led the top 13 carriers at 73.7% and Hapag-Lloyd was the only other carrier above 60%.

**The Strait of Hormuz is open to a fraction of normal traffic.** The US-Iran memorandum collapsed in July, leaving 65 vessels that entered during the calm stranded alongside more than 70 in the Gulf since February. Weekly transits ran between 73 and 114 through August, against roughly 138 a day before the conflict. Container Trades Statistics estimates 1.8 to 2 million TEU of global volume was lost to Gulf disruption in the first half. Marine insurers put claims at $1.5 to 2 billion.

### Reliability at a 2026 low while Hormuz runs at a fraction of normal

July reliability fell 6.1 points to 56.4% as Gulf transits stayed far below the pre-conflict pace




Sources: Sea-Intelligence Global Liner Performance report, issue 180. Lloyd's List Intelligence weekly transit counts and pre-conflict pace.

**The Red Sea is reopening at the margin.** MSC has begun restoring Suez transits on a limited number of East-West services, the first step toward major carriers returning to the route. Red Sea disruption, tighter Panama Canal draft restrictions, and Hormuz risk remain the three routing variables flagged for the second half.

# What we're seeing in the network

**The tariff regime changed three times in one quarter.** Section 122's 10% global tariff expired at 12:01 a.m. on July 24, and Section 301 duties of 10% to 12.5% on 60 economies took effect the same minute, with goods already under Section 232 exempt. Section 338 duties on Canada followed on August 22. The Court of International Trade ruled against Section 122 in May and the appeal is pending, which could open a second refund window. Shippers are front-loading ahead of effective dates and then de-stocking in six-to-ten-week whipsaws, and buying optionality through shorter award cycles, more mini-bids, and change-in-law clauses.

**IEEPA refunds have crossed $100 billion.** As of July 31, CBP had paid $100 billion of the roughly $166 billion in invalidated IEEPA duties, with $128.68 billion accepted for processing across more than 75,000 CAPE declarations. The reconciliation-flagged phase opened June 29 and the phase for finally liquidated entries has not. Underlying North American freight volumes in the Uber Freight network have stayed steady through the churn.

**Foreign importers have until December to find a validated broker.** Executive Order 14411 requires foreign importers of record to be CTPAT-validated or to file through a CTPAT-validated licensed customs broker, closes informal entry to foreign importers, and restricts continuous bonds. CBP's August 13 alert lays out the due diligence those brokers must perform, which means brokers will take on fewer foreign accounts. About a quarter of customs brokers hold CTPAT validation.

**IEEPA REFUNDS**

**$100B of $166B**

*paid by CBP as of July 31, across 75,000+ CAPE declarations*

**CVCB DEADLINE**

**Early December**

*for foreign importers to hold CTPAT validation or file through a validated broker*

International

# Key actions for shippers

### File remaining CAPE claims and watch for the last phase

Sixty percent of the refund pool has been paid. Importers with finally liquidated entries are waiting on a phase CBP hasn't opened, and the Section 122 appeal could add a second window. Uber Freight provides CAPE filing services and ACE account guidance.

### Confirm your customs broker's CTPAT status before December

If you are a foreign importer of record, decide now between pursuing CTPAT validation and moving entries to a validated broker, since brokers will take on fewer foreign clients as the deadline nears.

### Map duty exposure by HS code and audit Incoterms

Most shippers can't state duty as a share of landed cost by lane. DDP terms concentrate duty volatility on the seller. Get change-in-law and duty pass-through language into contracts, and check bonded warehousing, inward processing relief, and drawback.

### Stress-test landed cost under Section 301 and 338

Rerun sourcing and routing assumptions with the replacement tariffs in place rather than the expired Section 122 rate, and pull forward orders where effective rates remain lower.

# Europe

# Q3 Snapshot: Supply, demand & policy at a glance

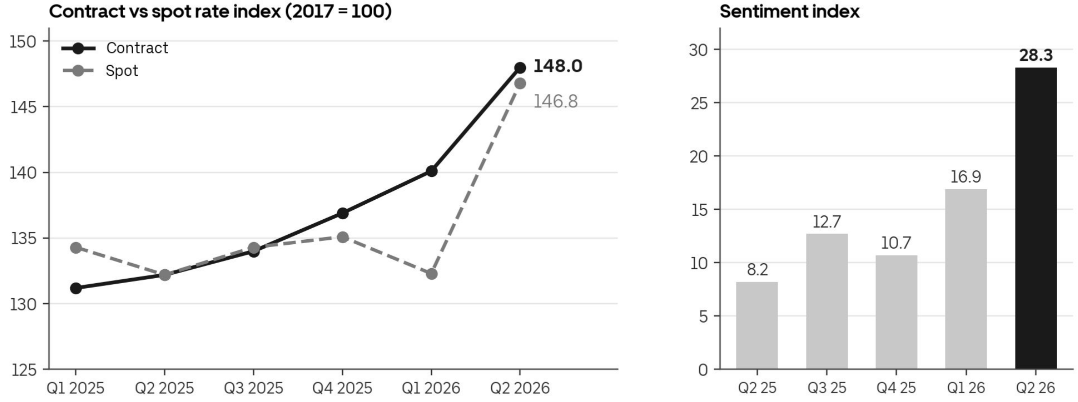
**Contract and spot are rising together for the first time in a year.** The Ti, Upply, and IRU contract rate index reached 148.0 in Q2, up 7.9 points from Q1 and 15.2 year over year. Spot climbed faster, up 14.6 points to 146.8, closing almost all of the gap with contract. The sentiment index rose 11.4 points to 28.3, its highest reading on record, and the share of respondents expecting a substantial increase went from 4.9% to 31.9%. Fuel is the dominant driver on both curves.

**Demand is stabilizing at a low level.** Road trade volumes between major EU economies fell 1.6% year over year in Q2 after an 8% drop in Q1, and IRU's 2026 forecast is about 1% growth in tonne-kilometres. The European Commission cut its 2026 EU growth forecast to 1.1%, with Germany at 0.6% and inflation at 3.1% on the energy shock.

**The chemical base is shrinking at an accelerating rate.** European chemical plant closures reached 37 million tonnes of capacity between 2022 and 2025, about 9% of the total, with the annual pace rising sixfold. Germany accounts for 8.8 million tonnes and the Netherlands 7.2 million. On chemical accounts the planning risk is structural: a plant closure removes the lane outright, which can't be hedged or renegotiated the way a rate change can.

## European contract and spot rates rising together, sentiment at a record

Fuel has been the dominant driver on both curves




*Source: Ti, Upply and IRU European Road Freight Rate Index*

**Regulation and tolls are raising the cost base while diesel eases.** Since July 1, vans of 2.5 to 3.5 tonnes in international work fall under EU driving and rest limits, tachograph, and posting rules. The Netherlands replaced the Eurovignette with a per-kilometre toll averaging €0.191, discounted 22.3% through December 31, and Dutch domestic contracted rates rose 6% to 8% in early July. Thirteen percent of European driver positions, about 502,000, are unfilled.

Europe

# What we're seeing in the network

**Peak severity splits by equipment.** Demand is adequate rather than strong, with no restock cycle to power a classic peak. Years of low rates thinned carrier ranks less than the cycle usually demands, especially in EU dry van with its Central and Eastern European cost base. Tightening is confined to barrier-to-entry equipment: tank, ADR, reefer, and cross-border Mexico. General-market rates are floor-bound, but constrained equipment and capacity-limited nodes such as ports and border crossings can spike sharply and briefly.

**Tariffs are now structural, and the pain lands on service rather than rate.** US Section 232 measures on steel and aluminium at 50%, autos, and copper stack with EU-side pressure: CBAM's definitive phase, a tightened steel safeguard, and the de minimis phase-out. Volumes relocate rather than disappear, and in a soft market the cost shows up in service consistency and cost-to-serve. Chemicals and industrial accounts concentrated in Benelux, Germany, and the Rhine corridor are most exposed.

**Network data is moving six to ten weeks ahead of the public indices.** Eurostat runs six to ten weeks behind and spot-weighted indices underread a pull-forward peak. Tender acceptance by equipment and lane, volume-versus-forecast variance, mini-bid frequency, award-cycle length, origin substitution, and border dwell all move first, and none is available publicly.

The inflection point is January 1, 2027, when the Dutch toll discount expires and the toll line steps up about 29%. Falling bid density or lengthening time-to-cover on toll-exposed corridors in November and December would confirm carriers treat the step as structural.

**SENTIMENT INDEX**

**28.3**

*highest reading on record, up 11.4 points in Q2*

# Key actions for shippers

### Check your exposure to per-kilometre road charging

Road charging across Europe is moving from flat fees to per-kilometre, with cleaner trucks paying less. The Netherlands is the newest case, its discount ends December 31, and any surcharge or index built on Q4 numbers will under-price 2027. Rebase before renewals close.

### Keep fuel and toll as separate lines in every contract

Diesel is down since April while tolls and compliance costs are rising. If fuel floats but the toll sits inside the base rate, you hand back the fuel saving and absorb the toll increase.

### Review carriers by mileage intensity and emission class

Wherever per-kilometre charging applies, cost rises with kilometres driven and falls with cleaner trucks, so which carriers run your Dutch and transit lanes now directly sets your cost.

### Add volume bands and shorter reviews to chemical lanes

With 37 million tonnes of capacity closed since 2022 and closures still accelerating in Germany, Belgium, and the Netherlands, an origin site can disappear mid-contract. Volume bands and shorter review cycles beat fixed three-year lane commitments.

# Canada

Canada

# Q3 Snapshot: Supply, demand & policy at a glance

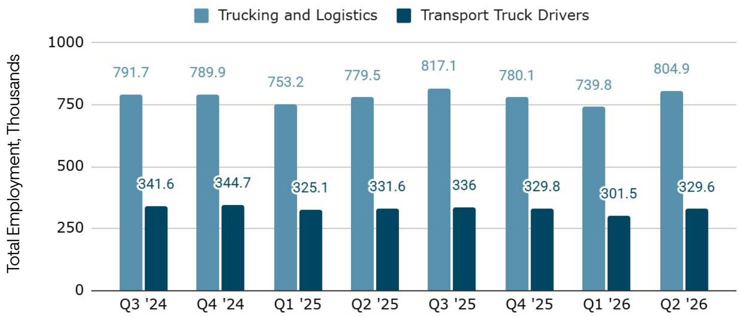
**A 50% tariff now applies to about $20 billion of Canadian goods, and Canada has matched it.** Three proclamations signed July 20 under Section 338 took effect August 22. The duty covers autos, alcohol, and dairy as the triggering sectors, but the annexes reach machinery, electrical equipment, textiles, wood products, cement, and furniture, and USMCA-qualifying origin does not exempt covered goods. Canada's counter-tariffs took effect September 8: 15% to 50% on more than 700 US products worth C$27.6 billion, concentrated in steel and aluminum, dairy, appliances, agricultural equipment, pulp and paper, plastics and electronics, with goods already in transit exempt. The July 1 USMCA non-renewal adds annual reviews on top.

**Manufacturing is near a four-year high while export orders fall.** The S&P Global Canada Manufacturing PMI eased to 53.0 in August from 53.5 in July, near the highest levels since June 2022 and a fifth straight month of expansion driven by domestic output. New export orders fell for a third successive month, and although input cost inflation remains historically elevated, it eased to a four-month low. S&P Global notes that most of the survey was collected before the collapse of US trade talks, so August may prove the high-water mark.

**Driver supply has turned from decline to growth.** Transport truck driver employment began signs of recovery in Q2 2026 following a year of decline. The stronger-than-seasonal recovery against the previous quarter was a welcome signal as enforcement in recent years coupled with immigration reduction had dampened outlook for the year.

**Equipment is on order but 2026 build is gone.** North American Class 8 net orders reached 22,000 in July, down 31% from June but up 75% year over year. Class 8 backlogs equal about 8.9 months of production, the remaining 2026 build slots are oversubscribed by 35,000 units, and 2027 order boards open in September, so new capacity arrives on OEM timelines rather than carrier demand.

**Driver supply shows signs of recovery heading into H2**




**SECTION 338**

**50% on ~$20B**

*of Canadian goods since August 22, matched by Canada on C$27.6B of US goods since September 8*

Canada

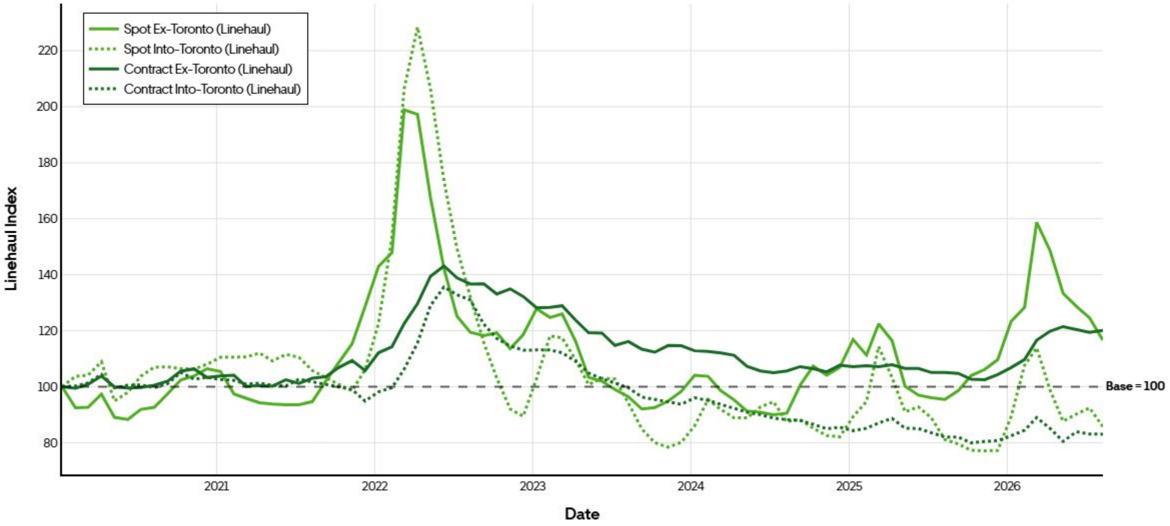
# What we're seeing in the network

**Carrier competition for spot freight escalates as SRGs improve.** Carrier engagement with freight auctions has risen through Q2 and into early Q3, and the share of loads awarded through auction in the Uber Freight shipper network has drawn down from 18.9% at week 21 to 13.7% at week 31 as more freight clears through routing guides. Routing guide integrity is recovering, though it remains below last year's level.

**Cross-border stays carrier-favorable while domestic Canada balances.** The Canada-US cross-border market is more volatile than domestic Canada. US enforcement and work visa issuance limit the pool of Canadian drivers able to run cross-border, southbound demand is outpacing northbound, and carriers are pricing downtime and deadhead into their rates.

**The southbound and northbound rate relationship has flipped.** Canada historically exported less than it imported, so southbound rates ran below northbound. That has changed recently, and Q4 could move it again depending on how active Canadian consumers are and where the currency sits.

Toronto Cross-Border Dryvan Lineahaul Indices




Source: Uber Freight, DAT Data | Base: January 2020 = 100

Canada

# Key actions for shippers

### Build out spot procurement strategy and processes

Auction award share is falling as carriers re-engage, but cross-border lanes remain volatile. Use TMS auction functionality for routing guide failures and give carriers the maximum lead time possible to secure commitments.

### Validate contract rates on Canada-US lanes

Southbound demand is outpacing northbound and carriers are pricing deadhead into rates. Monitor tender acceptance and have a spot playbook ready for rejections rather than scrambling lane by lane.

### Map Section 338 exposure before September 8

Check covered HTS lines in all three annexes rather than assuming USMCA protection, and plan by US entry date rather than ship date since CBP assesses duty on entry. Canadian retaliation on 700+ US products flows the other direction the same week.

### Price 2026 procurement for an inflationary market

Keep access to a broad, compliant carrier base and price stochastic, multi-stop freight for volatility rather than assuming 2024-25 conditions will return.

In this report, you've seen the freight market through a true multi-shipper network: billions of dollars in freight moving across industries, 18M+ shipments a year, and one of the largest multimodal carrier networks in North America. Powered by Uber Freight's multi-shipper network intelligence and AI, this view goes beyond spot anecdotes or single-shipper data to surface earlier signals on demand, capacity, facility performance, and carrier behavior, and to show how those signals translate into routing, procurement, and execution decisions.

With $17B+ in freight under management, 125,000+ truckload carriers, and relationships that help 1 in 3 Fortune 500 shippers run more predictable, resilient transportation networks, Uber Freight translates network-level patterns into market analysis that helps shippers plan budgets, navigate volatility, and unlock structural savings.

# Uber Freight