

Uber Freight

Chemical Current
Supply chain newsletter for
chemical shippers

April 2025



Voice of the carrier

In effort to let the “Voice of the Carrier” be heard, Uber Freight has developed a quarterly bulk carrier survey. Designed for bulk transportation carriers to gauge industry sentiment and provide valuable insights into their management of operations. By examining how carriers are navigating the current market dynamics, we aim to uncover key challenges, emerging trends, and strategies that are shaping the future of bulk transportation. This survey serves as a valuable resource for understanding the evolving landscape that is bulk transportation and offers a closer look at the strategies that are helping companies succeed in an increasingly complex environment. Stay tuned for May’s edition of the *Chemical Current* to review results & insights!



April 2025



Executive summary

Manufacturing activity contracted in March as *ISM's Manufacturing PMI* registered 49% for the month. The 1.3% month-over-month decline comes after two consecutive months of expansion. Chemicals were one of seven industries that contracted as production, backlogs, new orders, export orders, & imports all declined.

Manufacturing PMI: Global and U.S.

ISM Manufacturing PMI® (U.S.), J.P.Morgan Global Manufacturing PMI®



Source: Institute for Supply Management (ISM), J.P.Morgan

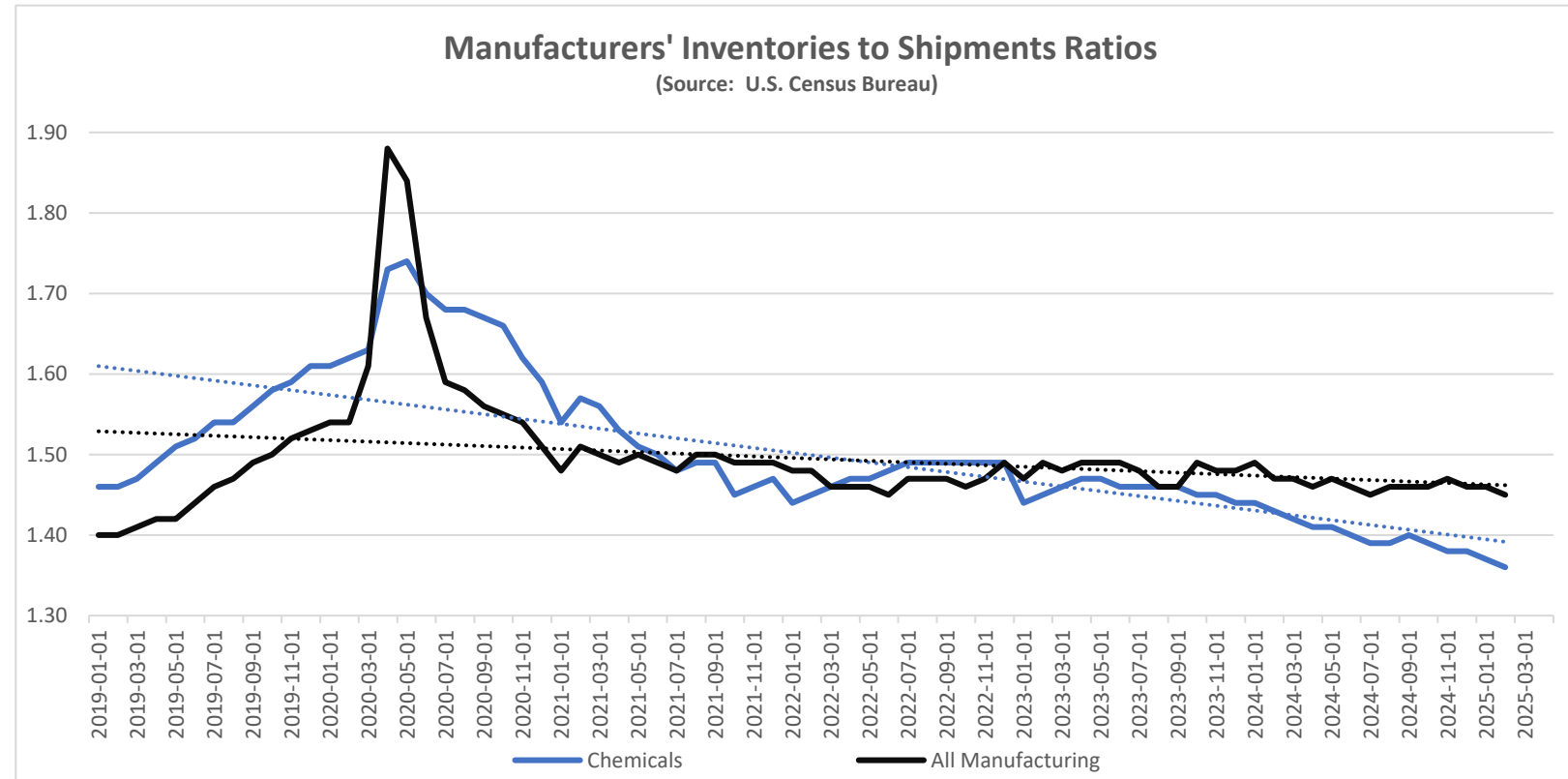
As the industry sifts through the fallout from the latest tariffs, optimism has vanished as uncertainty takes front and center once again. With project costs rising rapidly along with substantial increases in equipment, the outlook for chemical manufacturers has turned negative.

Chemical transportation trends



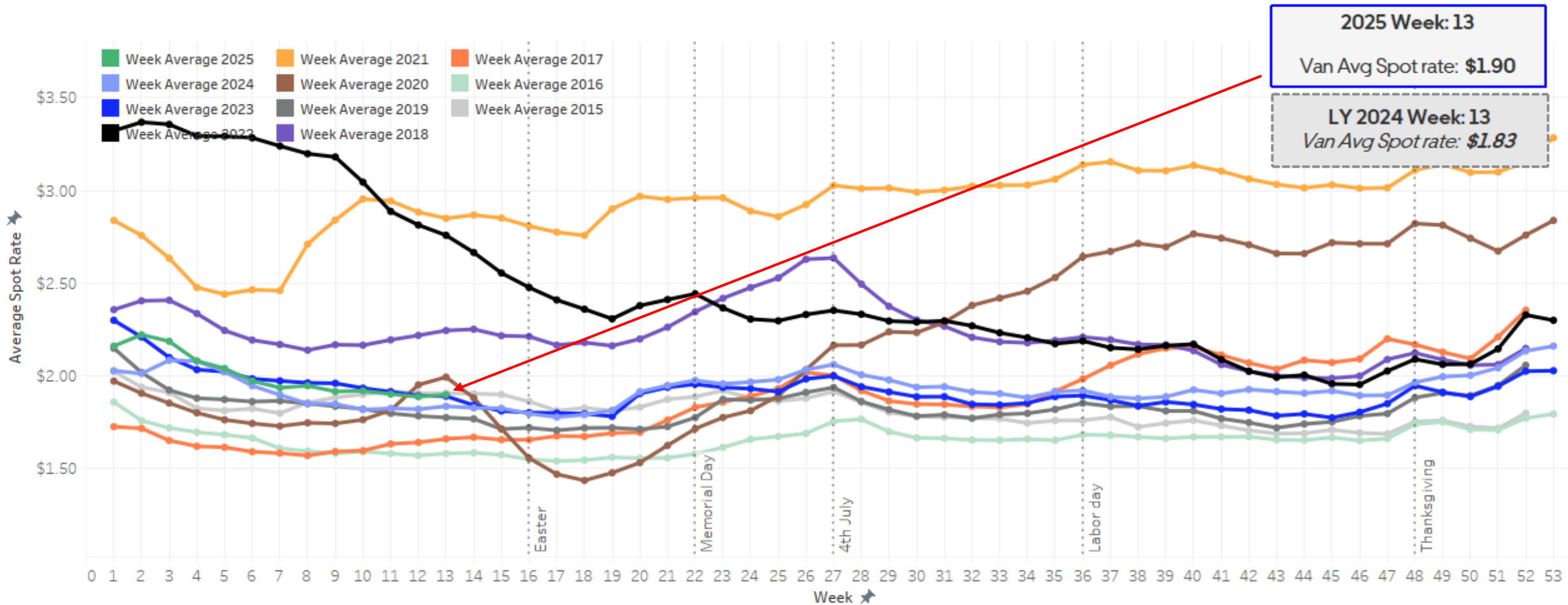
Inventory levels

- All manufacturing inventory remains rangebound, currently sitting -5.8% lower than pre-pandemic levels
- Inventory to shipment levels for All Manufacturers down -1.4% YoY
- Chemical inventories down -4.9% YoY
- Surge in chemical buying from the pull-forward of inventory in anticipation of tariffs has retreated
- Raw materials inventories expanded at a slower pace per ACC
- Customer inventories considered excessively low



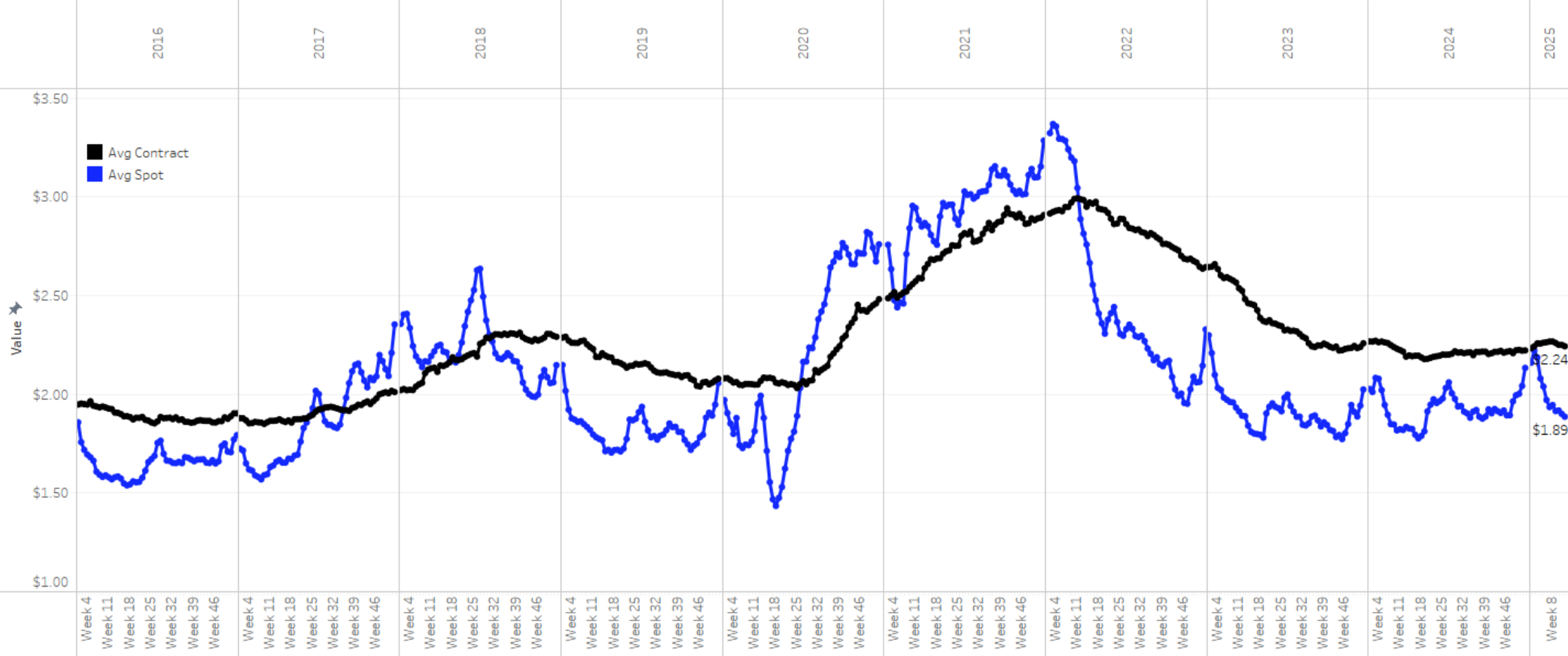
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Weekly Average Van Spot Rate



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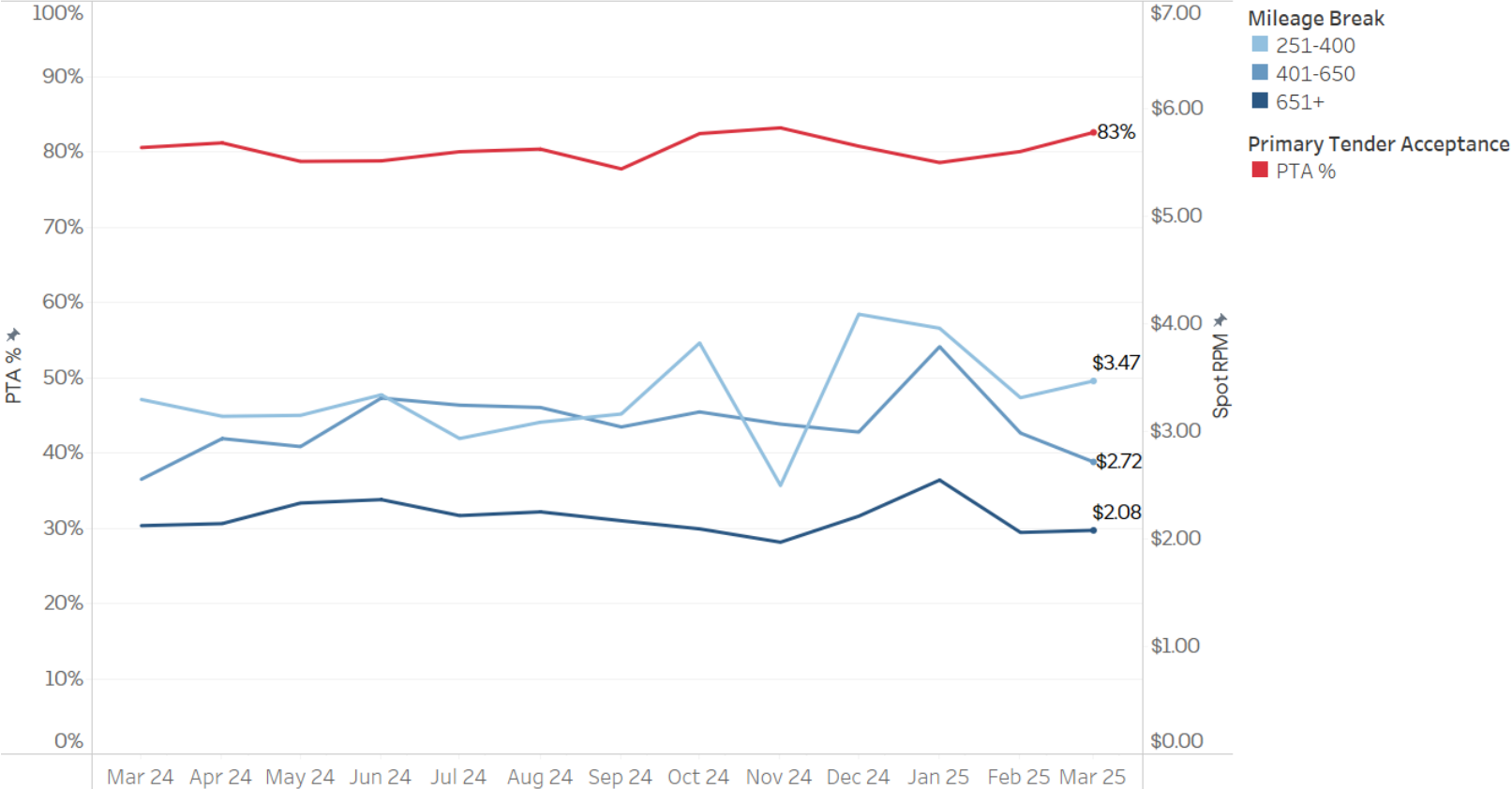
Weekly Average Van Spot vs Contract rates



Hazardous materials tendering trends

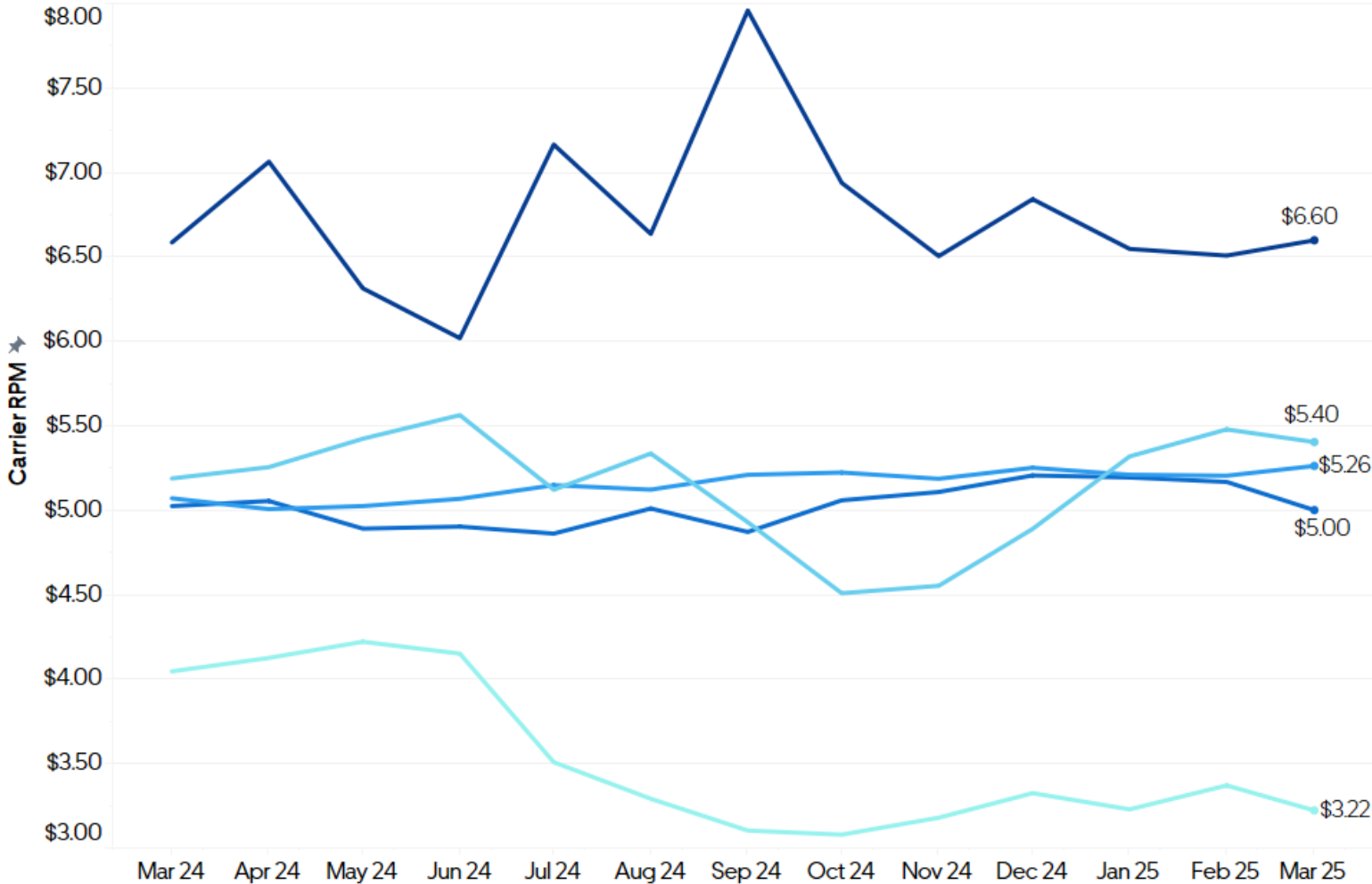
- After a sharp decline from the January high, Spot Rate per Mile (RPM) for long haul (> 650 miles) dry van Truckload (TL) Hazmat has seen consecutive months of stability, closing out March at \$2.08/mile, a 9.47% premium over Non-Haz TL RPM.
- Primary Tender Acceptance (PTA) for Hazmat Truckload (TL) continues it's climb, finishing March at 83%

Hazmat TL: PTA % vs Spot RPM by Mileage Break (Trailing 13 Months)



Bulk pricing trends

Bulk Rate per Mile by Equipment Type(Trailing 13 Months)



- **Multi-Compartment & Liquid Bulk Tankers** see continued stability
- **Dry Bulk Tanker** continues to search for a bottom
- **ISO Tank/Intermodal** stable for after 4 consecutive months of increase

Bulk Equipment Type

- Dry Bulk Tanker
- ISO Tank/Intermodal Container
- Liquid Bulk Tanker
- Multi-Compartment Bulk Trailer
- Specialized

Diesel fuel pricing trends



Current national diesel price - **\$3.592/gal**
(As of 4/7/25)



Brent Crude - **\$64.50 (\$/bbl)**
(As of 4/7/25)



WTI Crude - **\$61.01 (\$/bbl)**
(As of 4/7/25)

Current dry van fuel surcharge



Fuel Surcharge

\$0.39 (\$0.00)

Source: DAT (as of 4/7/25)

→ Rate is neutral

Current reefer fuel surcharge



Fuel Surcharge

\$0.43 (\$0.01)

Source: DAT (as of 4/7/25)

↗ Rate is increasing

1 Year national diesel fuel averages



Source: DAT

- Fuel prices are flat week-over-week after 2 consecutive weeks of increases
- Oil prices collapse to 2021 lows on fears of recession & global trade war resulting from the latest trade tariffs.
- Saudi Arabia disclosed cuts on crude oil prices for Asian buyers in anticipation of weaker demand.

Chemical supply chain overview

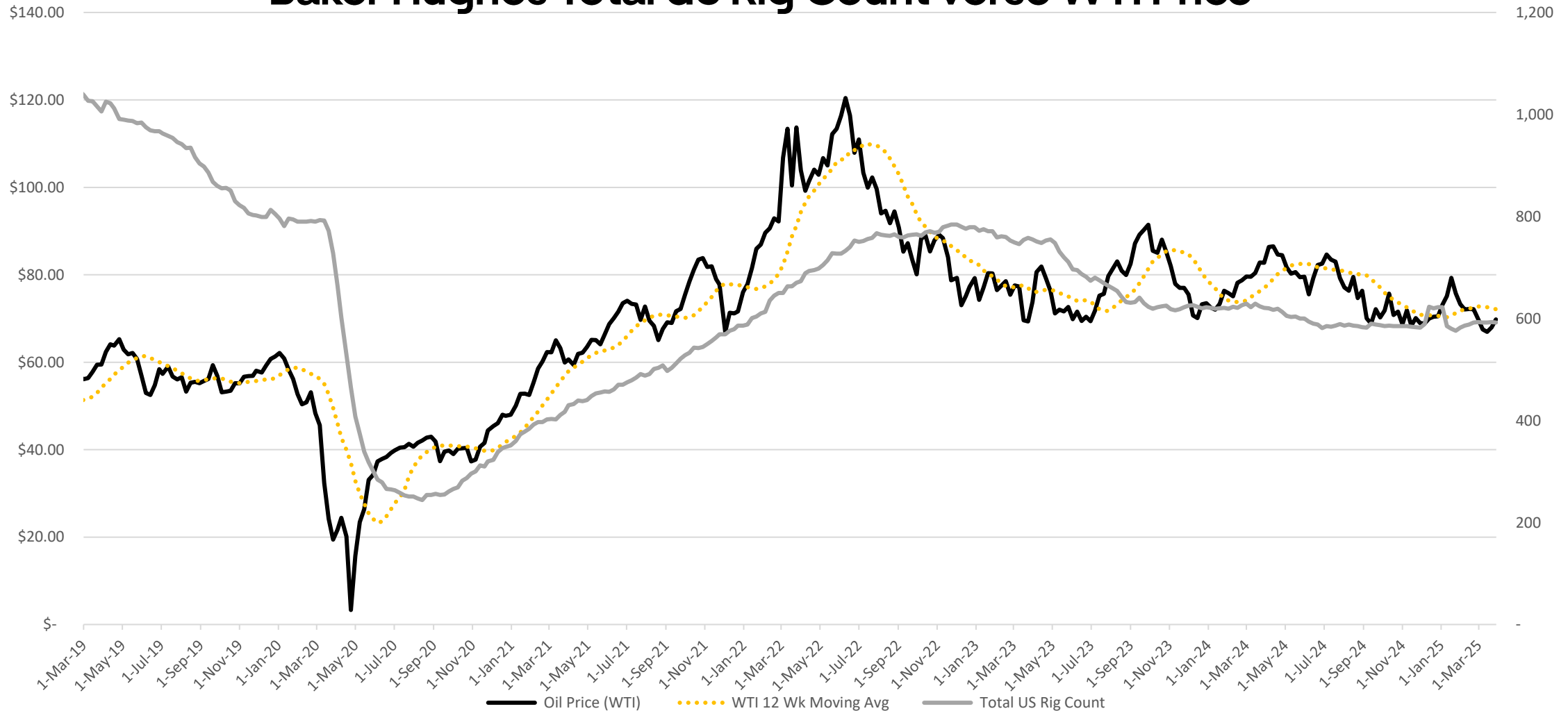


Chemical industry news and updates: Energy

*12-week moving average of WTI prices and US Rig Counts have historic correlation

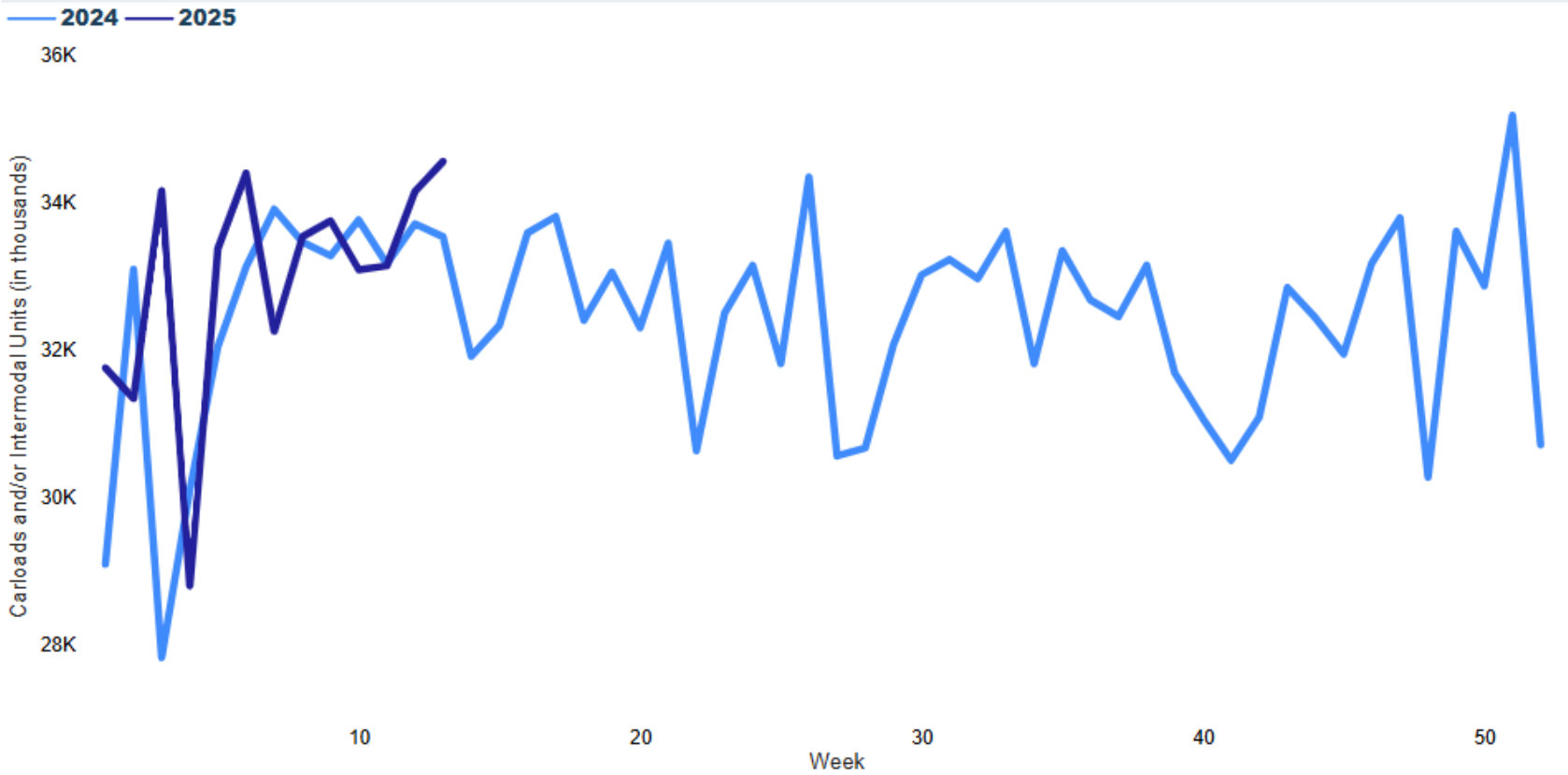
- Baker Hughes Rig Count down just 1 for week ending 3/28
- Oil prices closed March with stability but have since experienced a sharp decline on concerns of a global economic slowdown

Baker Hughes Total US Rig Count verse WTI Price



Weekly rail traffic - Chemicals

United States*** | Chemicals
Originated Rail Traffic



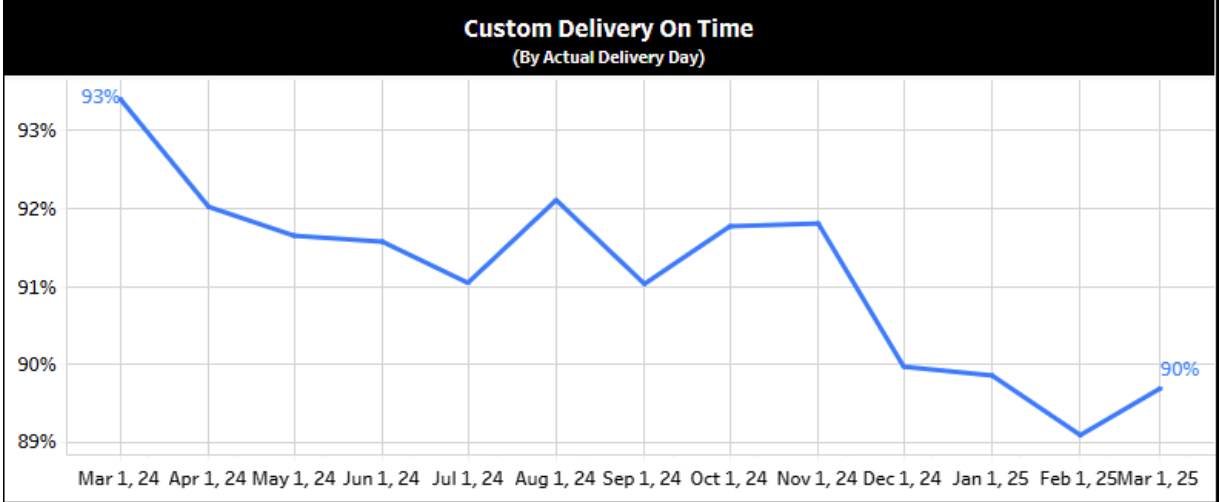
Data from the Association of American Railroads shows that chemical railcar loadings reached 34,548 for the week ending March 29. This represents a 3.1% year-over-year increase (13-week moving average), a 2.0% rise in year-to-date figures, and a consistent upward trend over nine of the last 13 weeks

*Canadian traffic includes the U.S. operations of Canadian railroads.
**Mexican traffic includes the U.S. operations of Mexican railroads.
***United States traffic excludes the U.S. operations of Canadian and Mexican railroads.
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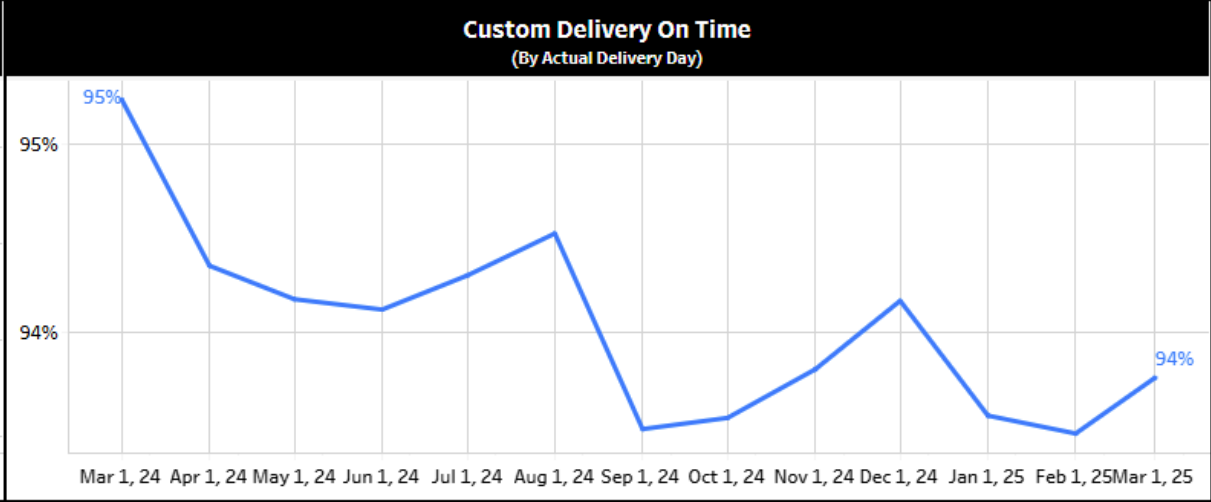


Chemical vertical on-time delivery by mode

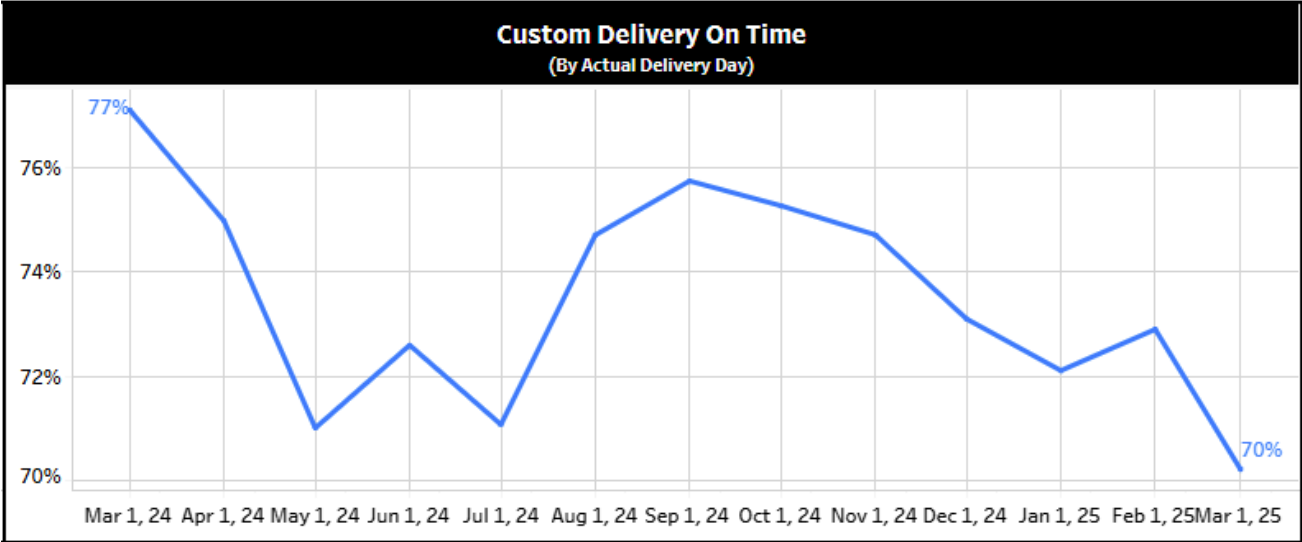
LTL



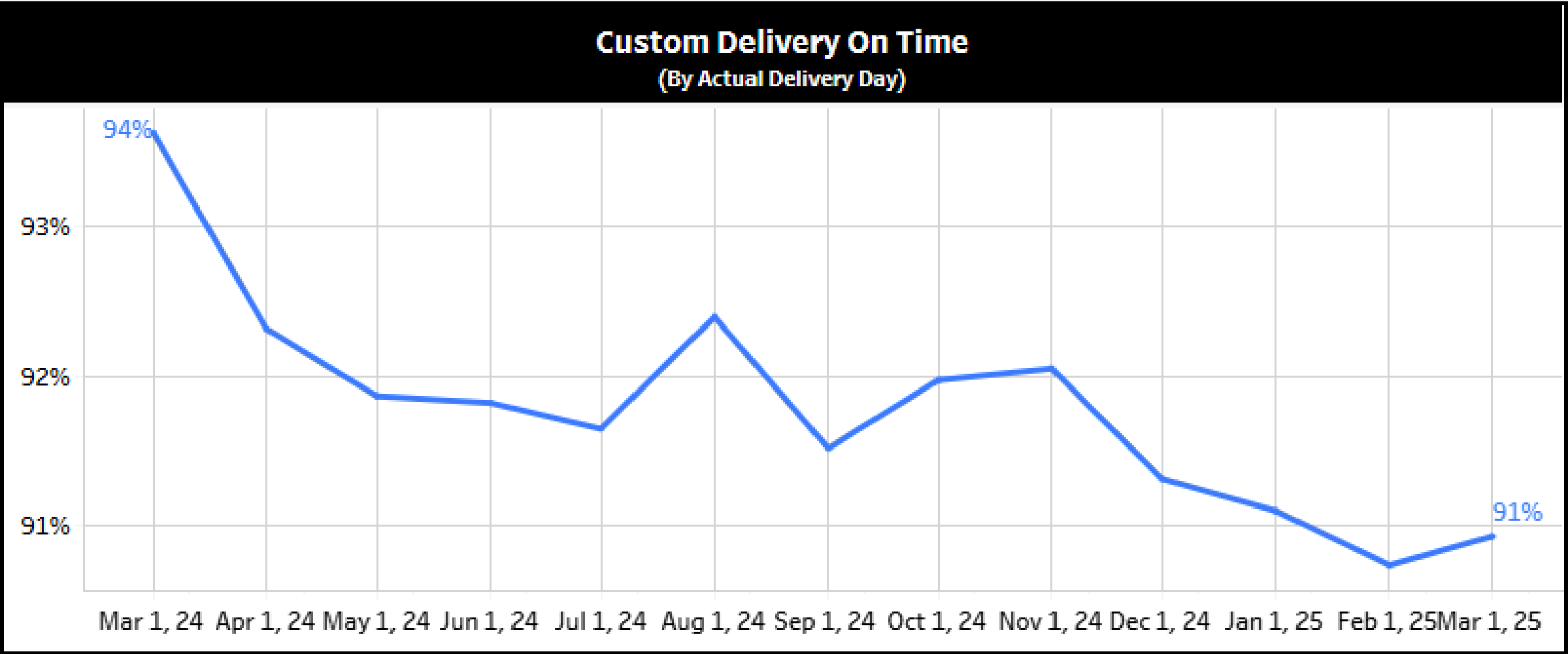
TL



Other



Chemical vertical on-time delivery*



*More than 170,000 shipments each month, including all modes and two-hour tolerance for delivery appointments

Upcoming LTL NMFC Class changes

The July 19th, 2025 NMFC update will move 40% of all NMFC items to density-based classification

What does this mean?

In order to properly rate & route LTL shipments containing density-based items, shippers must know accurate weight & dimensions

Without accurate shipment info or wide-band operational FAKs, LTL reclassifications within the FAP process will drastically increase resulting in higher-than-expected LTL charges



Get started with Uber Freight's supply chain solutions

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