

# Industrial Trade Report

By GCP Industrial Products

## Report Highlights

- December saw the ISM<sup>®</sup> Prices Index rise, marking the third consecutive month of price increases for raw materials and 11 out of 12 months in 2024.
- Rubber futures continued their climb, surpassing 200 US cents per kilogram to reach their highest level since mid-December 2024.
- Global economic expansion accelerated in December, but manufacturing output contracted for the first time in three months due to weak demand and concerns over potential U.S. tariffs.
- 8 of the 9 industrial and materials sectors recorded lower output in December. The fastest growth was recorded in transportation.
- U.S. ports are projected to process 25.6 million TEUs in 2024, up 15.2% from 2023.
- Global ocean schedule reliability (measuring 60+ carriers) rose to 54.8%, the highest of the year.
- An agreement was reached between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX) avoiding a potential strike at East and Gulf coast ports.
- Yemen's Houthi rebels announced they will cease attacks on merchant shipping in the Red Sea. Ocean carriers are monitoring developments but no timeline for resuming regular schedules has been provided.
- President Trump stated he aims to impose a 25% tariff on Mexico and Canada by February 1st and mentioned that a 10% tariff on China is also being considered.
- What exact actions the administration will take remains unclear; theoretically tariffs can be imposed immediately, though past procedures have typically allowed up to 90 days' notice.

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## Raw Material Pricing

Institute for Supply Management (IMS®) Price Index					
Month	Prices Higher	Prices Same	Prices Lower	Net	Index
Dec 2024	14.4%	76.1%	9.5%	+4.9	52.5
Nov 2024	12.2%	76.1%	11.7%	+0.5	50.3
Oct 2024	19.8%	69.9%	10.3%	+9.5	54.8
Sept 2024	12.9 %	70.7 %	16.4 %	-3.5	48.3
Aug 2024	21.4%	65.2%	13.4%	+8.0	54.0
Jul 2024	22.6%	60.5%	16.9%	+5.7	52.9
Jun 2024	20.2%	63.8%	16.0%	+4.2	52.1
May 2024	25.5%	63.0%	11.5%	+14.0	57.0
Apr 2024	30.8%	60.1%	9.1%	+21.7	60.9
Mar 2024	23.6%	64.4%	12.0%	+11.6	55.8
Feb 2024	18.3%	68.3%	13.4%	+4.9	52.5
Jan 2024	19.5%	66.7%	13.8%	+5.7	52.9
2023 Index Average Jan.-Dec.					46.6
2022 Index Average Jan.-Dec.					64.7
2021 Index Average May-Dec.					82.8

Price index under 50 means prices are decreasing	
Price index above 50 means prices are increasing	

### Key Takeaways:

- In December, the ISM® Prices Index rose to 52.5%, up 2.2 percentage points from November's 50.3%. This marks the third consecutive month of price increases for raw materials and 11 out of 12 months in 2024.
- Specific materials that saw price increases include aluminum, basic chemicals, copper, and natural gas. Materials with decreased prices included steel, plastic resins, and diesel fuel.
- 14% of companies reported paying higher prices in December, compared to 12% in November.
- The seven industries that reported price increases for raw materials in December (in order) are: Primary Metals, Wood Products, Food Beverage & Tobacco Products, Miscellaneous Manufacturing, Machinery, Computer & Electronic Products, Electrical Equipment Appliances & Components.
- Three industries reported price decreases in December: **Plastics & Rubber Products**, Chemical Products, Fabricated Metal Products.
- Eight industries reported no price change compared to November.

## Commodity Pricing

IMS® Commodity Price Change	
Prices Up	Prices Down
Aluminum (13)	Diesel Fuel (2)
Caustic Soda (2)	Plastic Resin (2)
Copper (3)	Polypropylene Resin
Electronic Components	Solvents (2)
Labor - Temporary	Steel - General*
Methanol	Steel - Hot Rolled (2)
Natural Gas (3)	Steel - Scrap
Packaging Materials	Steel-Making Elements*
Steel - General*	
Steel - High Carbon	
Steel-Making Elements*	

IMS® Commodities in Short Supply
Electrical Components (51)
Electronic Components (9)
Labor - Construction Services & Skilled

*The number in brackets after each item indicates the number of consecutive months the commodity has been listed up or down.*

*\* Indicates those commodities both up and down in price.*

## U.S. Natural Rubber Pricing (cents/kg)



### Key Takeaways:

- Rubber futures continued their climb, surpassing 200 US cents per kilogram to reach their highest level since mid-December 2024. The lack of immediate U.S. trade tariffs on China helped alleviate pressure on the country's growth prospects, enhancing the demand outlook.
- Meanwhile, the Vietnam Rubber Association (VRA) is optimistic about the industry's prospects for 2025, forecasting a 10% annual growth in export revenue to over \$11 billion.

## Global PMI Manufacturing Heatmap

Included components for calculating the manufacturing conditions of each country are; Production output, new orders, new export orders, backlogs of work, employment, input prices, output prices, future expectations, quantity of purchases, suppliers’ delivery times, stocks of purchases, stocks of finished goods.

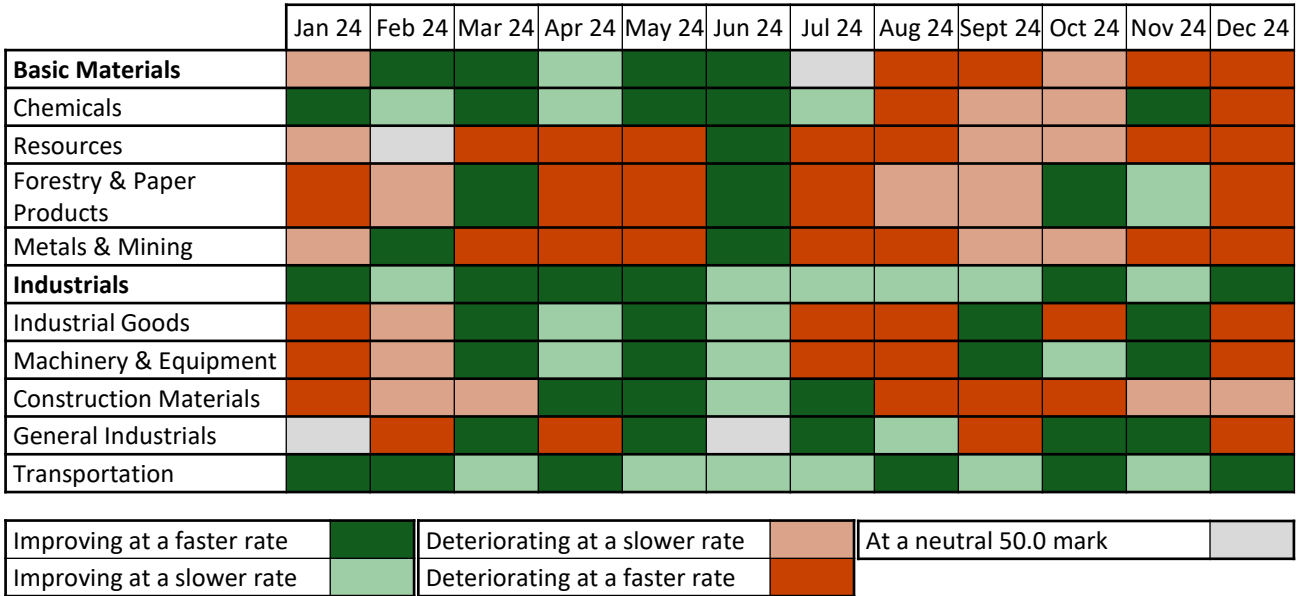
		Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sept 24	Oct 24	Nov 24	Dec 24
Global	Global												
Americas	Brazil												
	Canada												
	Mexico												
	United States												
Europe	Eurozone												
	France												
	Germany												
	Italy												
	Netherlands												
	Poland												
	Spain												
	UK												
Asia Pacific	China												
	India												
	Indonesia												
	Japan												
	Philippines												
	South Korea												
	Taiwan												
	Thailand												
	Vietnam												
	ASEAN												

Improving at a faster rate		Deteriorating at a slower rate		At a neutral 50.0 mark	
Improving at a slower rate		Deteriorating at a faster rate			

### Key Takeaways:

- At the end of 2024, global economic expansion accelerated, but manufacturing output contracted for the first time in three months due to weak demand and concerns over potential U.S. tariffs impacting global trade.
- Higher new business supported global business growth, with the volume of new business inflows rising at the fastest pace in seven months, though primarily driven by increased services.

## Global Sectors Heatmap

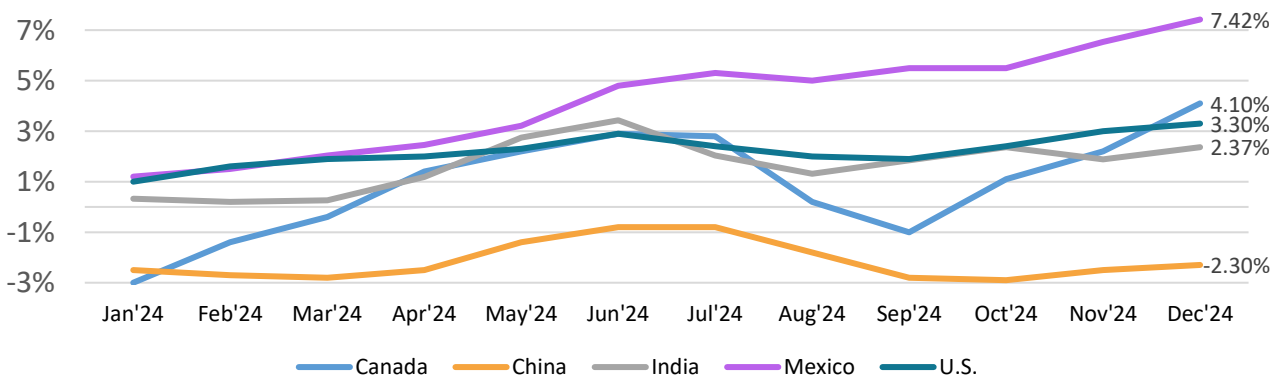


### Key Takeaways:

- The latest S&P Global Sector data indicated that Industrials accelerated growth in December, while Basic Materials remained in contraction.
- Drilling down further, 8 of the 9 detailed sectors recorded lower output in December. The fastest growth was recorded in transportation. Manufacturing sectors such as Metals & Mining and Machinery & Equipment were among the worst performers for the month.

## Producer Prices by Country

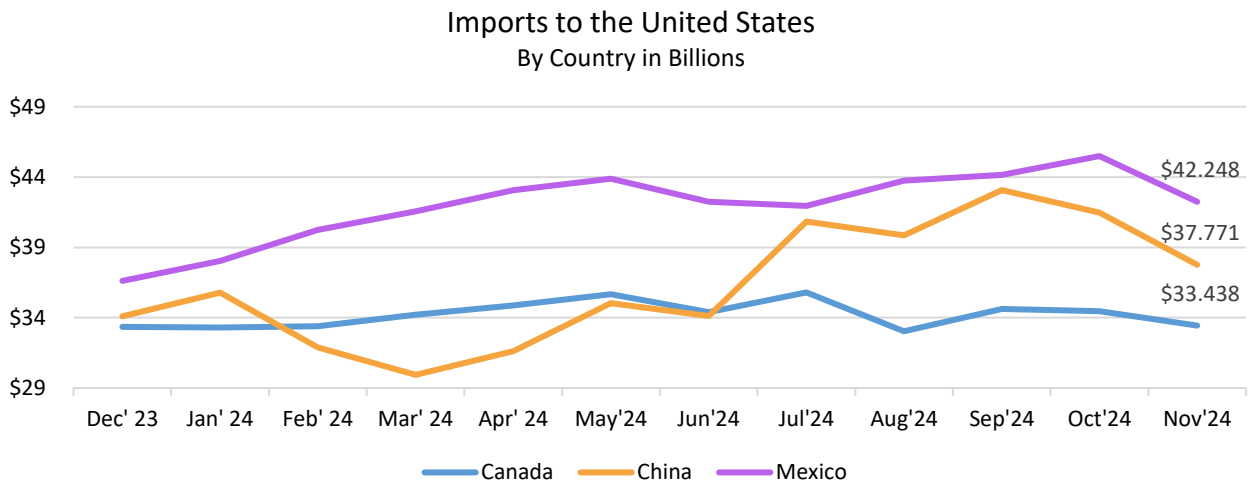
Producer Prices by Country  
Percent Change Per Month Year Over Year



## Key Takeaways:

- U.S. producer prices rose 3.3% year-over-year (YOY), closing out the year with a more subdued pace, but still significantly above the Fed's 2% inflation target, ensuring that inflation remains a key focus for the Federal Reserve in 2025.
- China's producer prices shrank by -2.3% YOY in December, it was the 27th straight month of producer deflation but the softest reading since August amid continued efforts from Beijing to stimulate demand at the end of the year.
- India's wholesale prices increased by 2.37% YOY in December, marking the 14th consecutive month of wholesale inflation and the fastest pace since June, due to faster rises in manufacturing prices amid a softer fall in fuel prices.

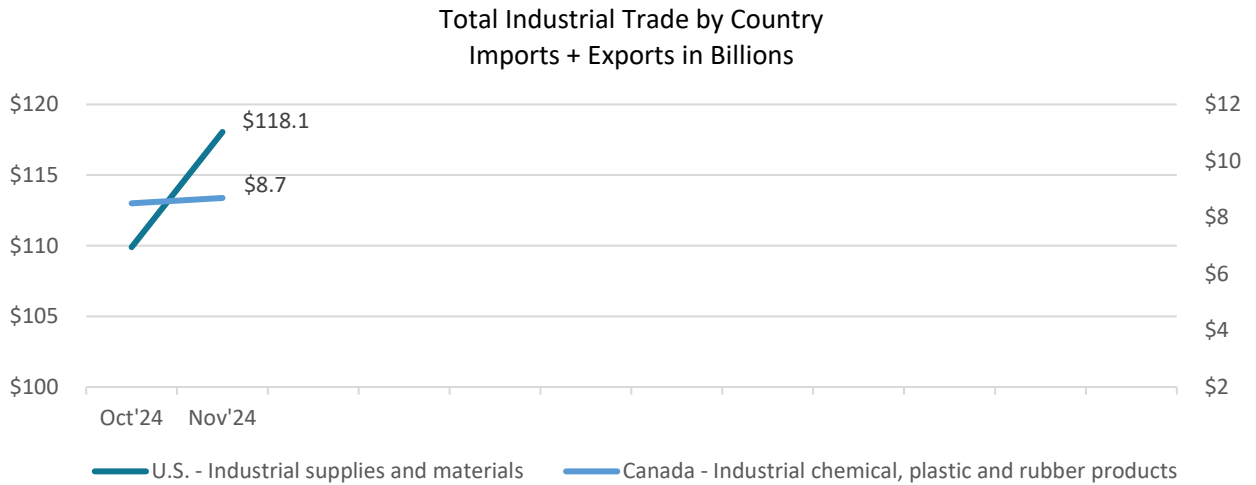
## Imports to the United States



## Key Takeaways:

- Significant trade tensions exist between the U.S. and its largest trading partners (China, Mexico, and Canada) primarily due to proposed tariffs.
- Amid potential U.S. tariffs, Mexico and the European Union have revived a previously stalled trade deal. This agreement aims to diversify Mexico's trade partnerships and reduce dependency on the U.S., potentially affecting Mexican exports to the U.S.
- In efforts to address U.S. concerns over border security and trade practices, Canada has proposed enhanced surveillance measures along the Canada-U.S. border. These initiatives aim to prevent the imposition of new tariffs and ensure the smooth flow of exports to the U.S.

## Total Trade Volume



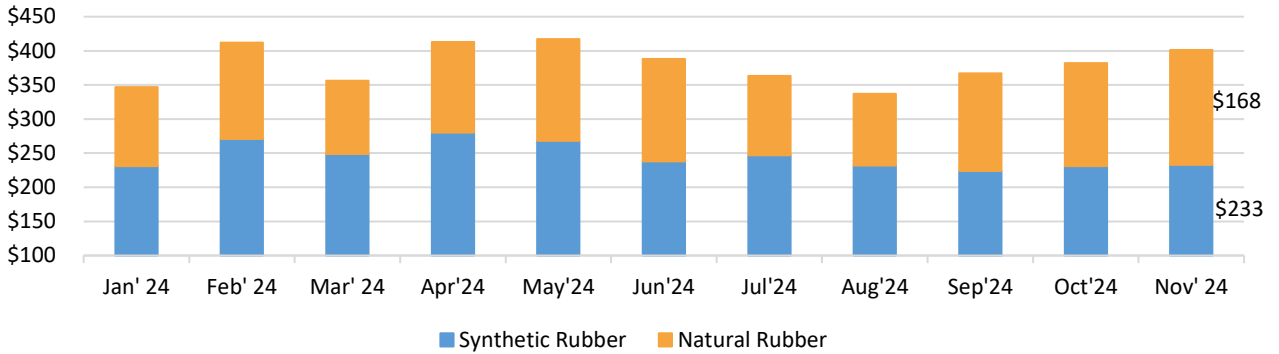
### Key Takeaways:

- Combining both imports and exports provide insights into the overall health and dynamics of that country or sector. If the totals are growing, it indicates a healthy, expanding economy or marketplace benefiting from both strong domestic and international markets.
- For the U.S., the export of industrial supplies and materials grew \$4.3 billion, while imports also grew \$3.7 billion.
- In Canada, exports of the industrial chemical, plastic and rubber products sector, shrank -4.2%, while imports grew 4.3%.

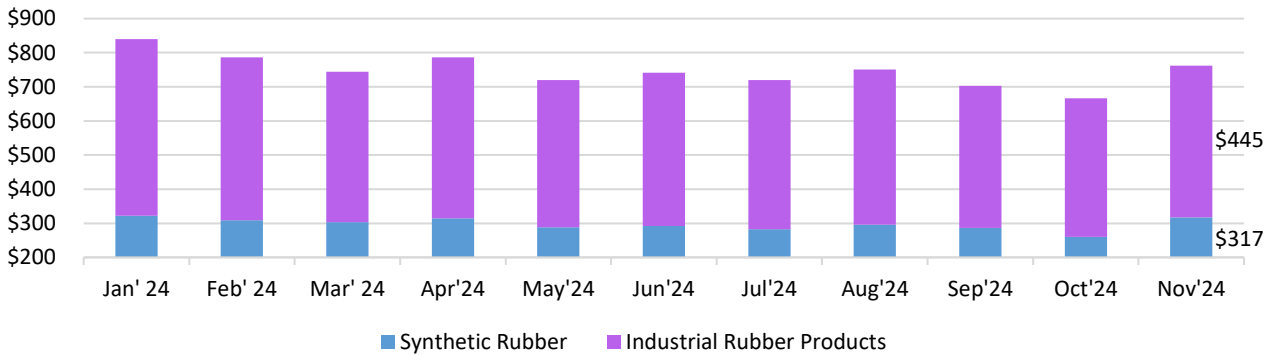


## U.S. Rubber Import & Export Stats

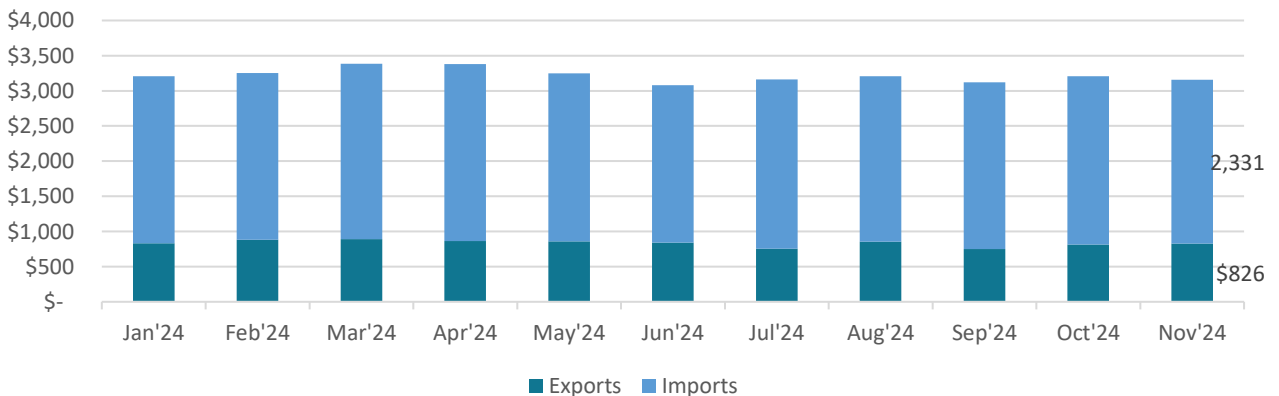
### Import of Rubber Products in Millions



### Export of Rubber Products in Millions

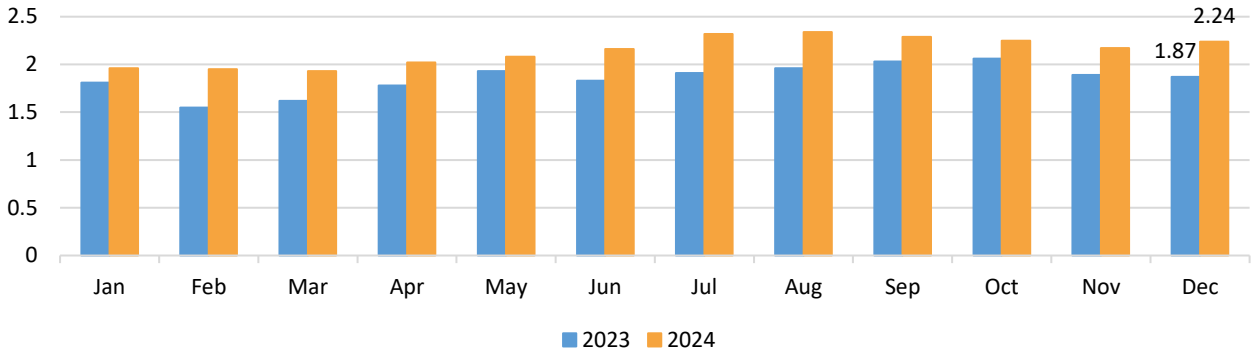


### Rubber Manufactured Goods in Millions



## Monthly U.S. Imports

Total U.S. Monthly Imports  
Twenty-Foot Equivalent Units (TEUs) in Millions

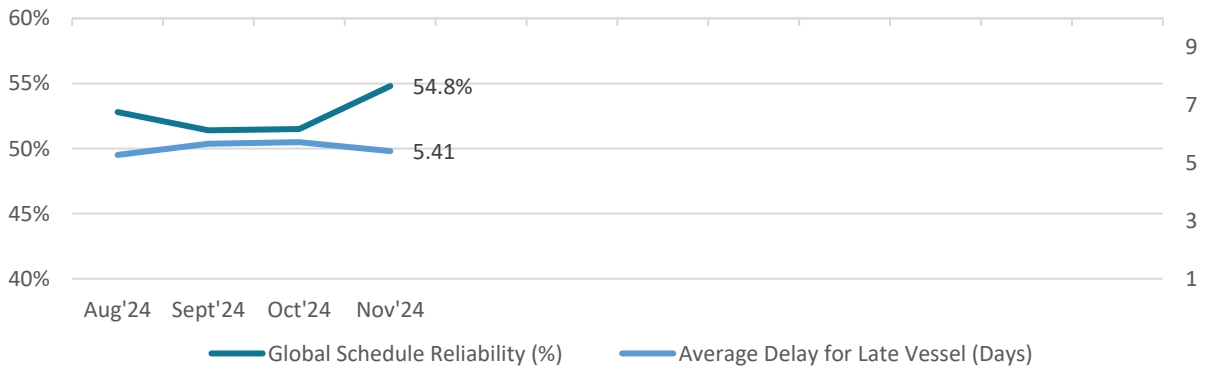


### Key Takeaways:

- U.S. ports are projected to process 2.24 million TEUs in December, up 19.2% YOY. That would bring 2024 total to 25.6 million TEUs, up 15.2% from 2023.
- Before the October port contract extension and the November election results, December had been forecast at 1.88 million TEUs, while the total for 2024 was forecast at 24.9 million TEUs.

## Global Ocean Schedule Reliability

Global Ocean Liner Performance



### Key Takeaways:

- Global ocean schedule reliability (measuring 60+ carriers) rose to 54.8%, the highest of the year. Despite this, it has remained mostly within the 50%-55% range for 2024. The average delay for late vessel arrivals improved to 5.41 days, although still extremely high vs. non pandemic times.

## Port Operations

Current North America Vessel Dwell Times				
Region	Port	Vessels Waiting	Average Wait for Birth	Rail Dwell Times
U.S. West Coast	LA/LB	6	0 days	9 days
	OAK	4	4 days	11 days
	SEA/TAC	9	0 days	7 days
Canada West Coast	Van	4	9 days	8 days
	PRR	4	14 days	7 days
U.S. East Coast / Gulf Coast	NY/NJ	2	5 days	5 days
	BAL	10	2 days	7 days
	NOR	5	4 days	3 days
	CHS	3	2 days	4 days
	SAV	2	5 days	3 days
	HOU	1	4 days	6 days

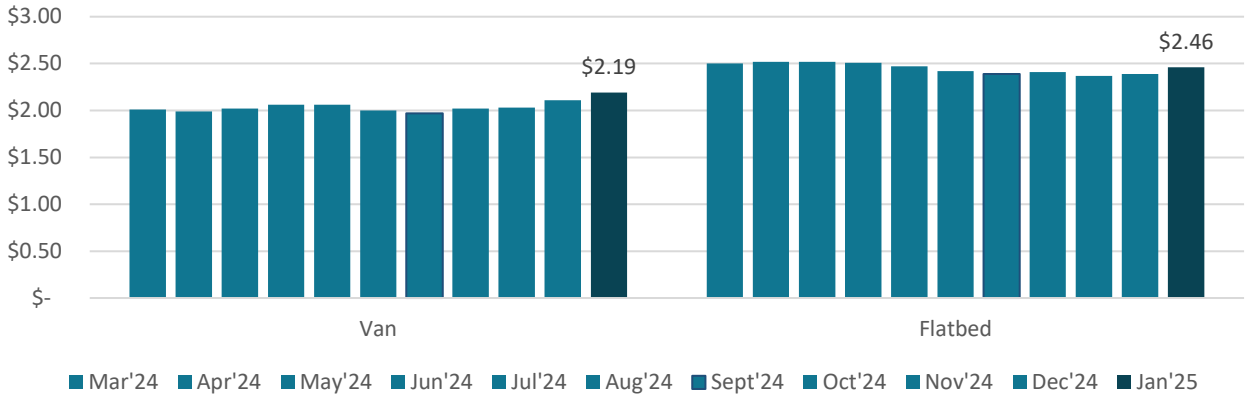
Improving over last month	Consistent over last month	Deteriorating over last month
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### Key Takeaways:

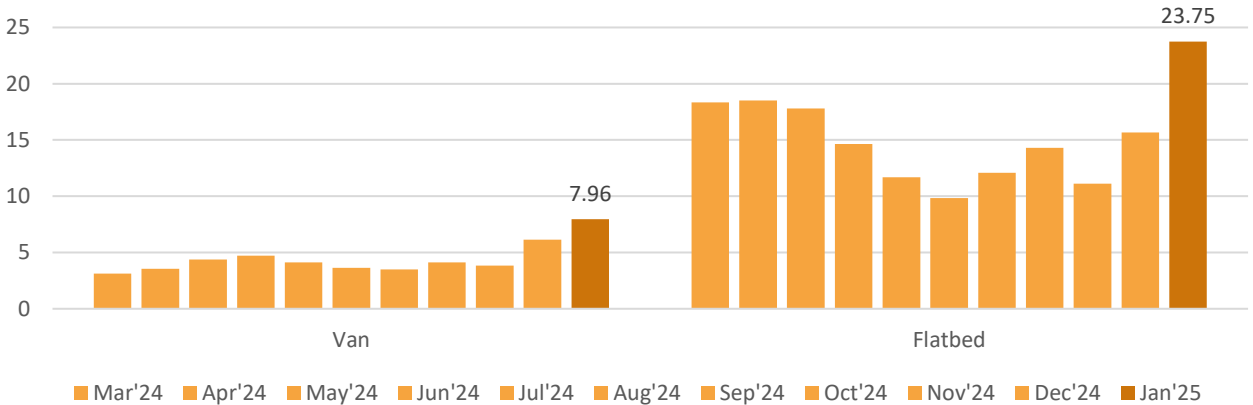
- A tentative agreement was reached between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX) avoiding a potential strike.
- The agreement protects current ILA jobs and establishes a framework for implementing technologies that will create more jobs while modernizing East and Gulf coast ports, making them safer and more efficient while creating more capacity.
- The Port of Long Beach set a record in 2024, handling 9.6 million cargo containers without any disruptions or backlogs. The record performance represents a 20.3% increase from the previous year and surpasses the port's 2021 pandemic record of 9.38 million TEUs by 2.8%.
- In other news, U.S. Gulf ports suspended operations in various lengths from Jan. 21-25 due to a bitter winter storm sweeping through the region.
- In Asia, waiting times in Shanghai, Ningbo and Qingdao are still elevated as of mid-January due to congestion. Ahead of the Chinese New Year, about 160 vessels are currently anchored in the Shanghai-Ningbo area and 19 outside Qingdao.

## Trucking Freight

North American Trucking Rates  
Average Spot Rate/Mile, U.S. Dollars



North American Load-to-Truck Ratio  
Average Number of Loads Posted for Every Truck Posted



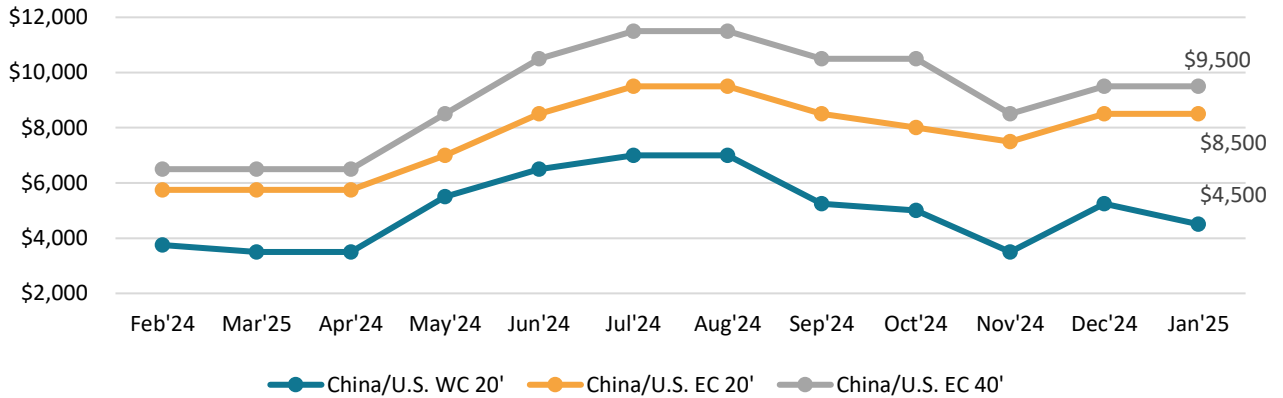
### Key Takeaways:

- The dry van cost per mile finalized 2024 -4% below 2023 levels. Looking ahead, the forecast for 2025 remains at +9% YOY compared to 2024.
- With the number of loads posted rising to start the year, spot rates are showing stickiness at elevated levels. While the increases aren't large, it shows that the market is attempting to shift back toward the carriers' favor.
- Carrier focus remains on cutting expenses, core lanes, staying disciplined, and leaning into other divisions/services to help work toward or maintain profitability.

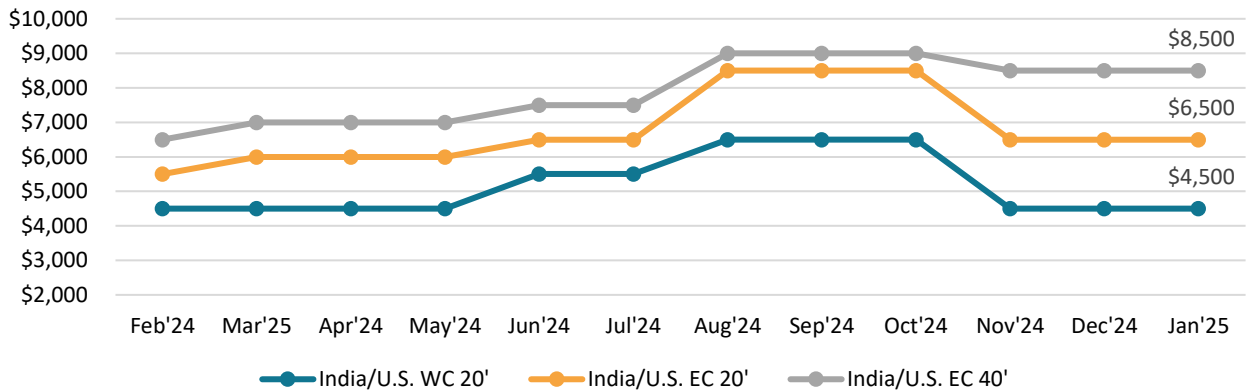
## Ocean Freight

All rates stated on this page are GCP’s port to door rates, fully delivered, inclusive of all fees.

**Average GCP/China Container Cost, U.S. Dollars**



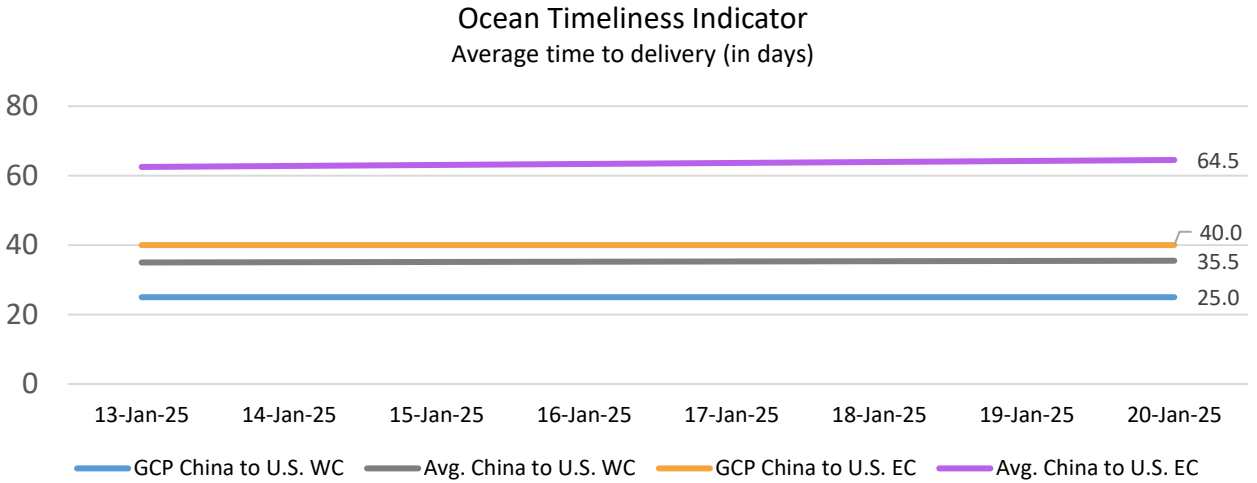
**Average GCP/India Container Cost, U.S. Dollars**



### Key Takeaways:

- Yemen’s Houthi rebels announced they will cease attacks on Israel and merchant shipping in the Red Sea. Ocean carriers have stated they are monitoring developments in the region but have not provided a timeline for resuming regular schedules.
- The diversions away from the Red Sea absorbed capacity and pushed up rates to cover higher operating expenses for voyages as much as two weeks longer than normal.
- A confluence of factors including; a return to less costly sailings through the Suez route, a lack of shipping demands (due to tariffs), fully operational Panama canal and deployment of new ships/capacity could all potentially moderate ocean rates in 2025.

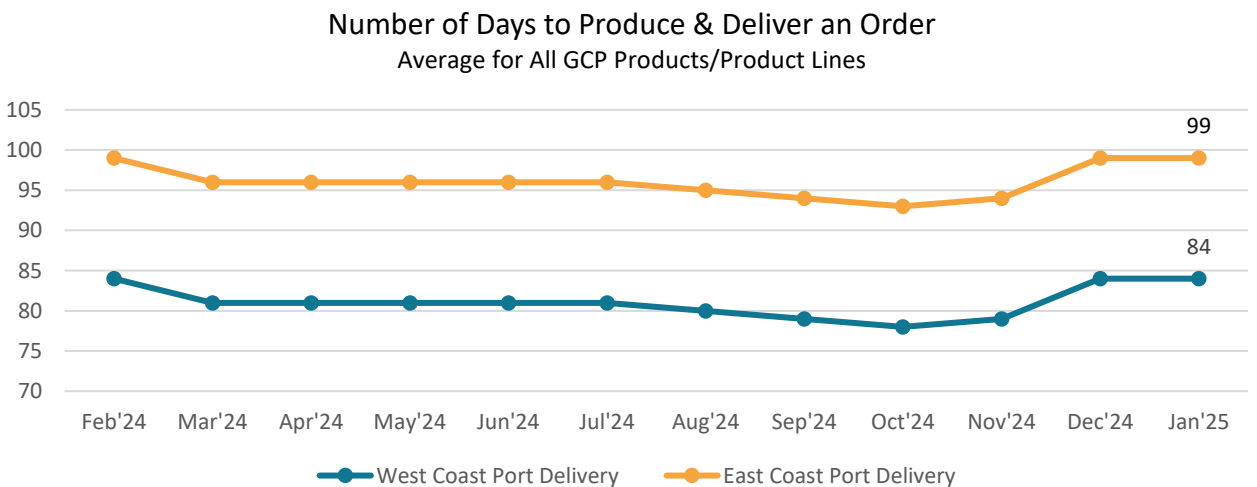
## Ocean Timeliness Indicator



### Key Takeaways:

- For the average calculations we use the Flexport’s Ocean Timeliness Indicator (OTI), which tracks transit time from the cargo ready date at the exporter’s factory or facility to departure from the destination port (EC - NY/NJ or WC - L.A./Long Beach).
- GCP’s delivery time uses our port-to-door transit time, tracking the days an average order takes to ship and be delivered to your location, including ocean and all other intermodal transit.

## GCP Production Times



### Key Takeaways:

- The chart above represents the aggregated time it takes for an average GCP order to be fulfilled, from submission of the purchase order to the delivery of the product. It consolidates data from all facilities into a single figure, including the time required to book a container—currently averaging 10.5 days—along with ocean shipping and all other transit times.
- For specific production times on each of our product lines and products, please see our January 2025 production index. ([View here](#))

## Tariffs

### Key Takeaways:

- Donald Trump's first week in office was an eventful one threatening tariffs for many different purposes.
- President Trump stated that he aims to impose the promised 25% tariff on Mexico and Canada by February 1st. The following day, he mentioned that they are considering a 10% tariff on China as well.
- These announcements differed from the executive memo *titled America First Trade Policy*, which President Trump signed on his first day in office. The memo called for a series of reports and reviews to be delivered by April 1
- The memo discussed the importance of maintaining and enhancing the U.S.-Canada-Mexico trade relationship, particularly through the United States-Mexico-Canada Agreement (USMCA), which is seen as a cornerstone of North American trade.
- Regarding China, the memo stated the administration remains focused on enforcing existing trade agreements with China and acting against economic threats posed by Chinese policies, including its state-driven approach to trade.
- The consequences of whether Trump delivers on his Feb. 1 threats are enormous. In the first 11 months of 2024, the combined value of total U.S. trade with Canada (\$699 billion), China (\$532 billion) and Mexico (\$776 billion) was worth \$2 trillion.
- What actions will be taken by the beginning of February remain unclear, but in theory, tariffs could be imposed immediately. In the past, however, procedures have called for importers to receive fair warning of a potential action, or up to 90 days' notice.

## Resources

### Raw Material Prices/Commodity Pricing

- <https://www.ismworld.org/supply-management-news-and-reports/reports/ism-report-on-business/pmi/December>

### Natural Rubber Pricing

- <https://tradingeconomics.com/commodity/rubber>
- <https://businessanalytiq.com/procurementanalytics/index/natural-rubber-price-index/>
- <https://www.chemanalyst.com/Pricing-data/natural-rubber-1327>

### Global PMI Manufacturing/Global Sectors Heatmap

- <https://www.spglobal.com/marketintelligence/en/mi/research-analysis/monthly-pmi-bulletin-january-2025.html>
- [https://cdn.ihsmarkit.com/www/pdf/0125/PMI\\_monthly\\_bulletin\\_2501\\_Cal.pdf](https://cdn.ihsmarkit.com/www/pdf/0125/PMI_monthly_bulletin_2501_Cal.pdf)

### Producer Prices

- <https://tradingeconomics.com/canada/producer-prices-change>
- <https://tradingeconomics.com/china/producer-prices-change>
- <https://tradingeconomics.com/india/producer-prices-change>
- <https://tradingeconomics.com/mexico/producer-prices-change>
- <https://tradingeconomics.com/united-states/producer-prices-change>

### Imports to the United States

- <https://www.ceicdata.com/en/united-states/imports-by-country-census-basis/imports-customs-canada>
- <https://www.ceicdata.com/en/united-states/imports-by-country-census-basis/imports-customs-mexico>
- <https://www.ceicdata.com/en/united-states/imports-by-country-census-basis/imports-1digit-china-cn>
- <https://www.usnews.com/news/world/articles/2025-01-17/eu-and-mexico-revive-stalled-trade-deal-as-trump-looms>
- <https://apnews.com/article/canada-us-trump-tariffs-3cb6adb6d61f9ceb839c6a2b15edc62e>

### Total Trade Volume

- <https://www150.statcan.gc.ca/n1/daily-quotidien/250107/dq250107a-eng.htm>
- <https://www150.statcan.gc.ca/n1/daily-quotidien/250107/t002a-eng.htm>
- <https://www.bea.gov/index.php/news/2025/us-international-trade-goods-and-services-november-2024>
- [https://www.census.gov/foreign-trade/Press-Release/current\\_press\\_release/ft900.pdf](https://www.census.gov/foreign-trade/Press-Release/current_press_release/ft900.pdf)

### U.S. Rubber Import & Export Stats

- [https://www.census.gov/foreign-trade/Press-Release/current\\_press\\_release/ft900.pdf](https://www.census.gov/foreign-trade/Press-Release/current_press_release/ft900.pdf)



### Monthly U.S. Imports

- <https://nrf.com/media-center/press-releases/import-cargo-to-remain-elevated-in-january>

### Ocean Schedule Reliability

- <https://www.sea-intelligence.com/press-room/303-marked-improvement-in-schedule-reliability-in-november-2024>

### Port Operations

- <https://www.flexport.com/market-updates/global-logistics-update-January-23-2025/>
- <https://www.hapag-lloyd.com/en/services-information/operational-updates/north-america.html>
- <https://www.reuters.com/world/us/us-dockworkers-port-employers-reach-tentative-agreement-2025-01-09/>
- <https://mykn.kuehne-nagel.com/news/article/port-operational-updates-from-around-the-worl-22-Jan-2025>
- <https://gcaptain.com/port-of-long-beach-shatters-record-with-9-6-million-teus-in-2024/>

### Trucking Freight

- <https://www.dat.com/trendlines>
- [https://www.freightwaves.com/news/truckload-market-tries-to-squash-seasonal-depression?oly\\_enc\\_id=9029B0672490J7T](https://www.freightwaves.com/news/truckload-market-tries-to-squash-seasonal-depression?oly_enc_id=9029B0672490J7T)
- <https://www.chrobinson.com/en-us/resources/insights-and-advisories/north-america-freight-insights/jan-2025-freight-market-update/key-freight-service-updates/na-truckload/>

### Ocean Freight

- <https://www.freightwaves.com/news/ocean-rates-could-fall-as-houthis-say-they-will-end-red-sea-attacks>
- <https://mykn.kuehne-nagel.com/news/article/houthis-announce-partial-stop-to-red-sea-atta-20-Jan-2025>
- <https://www.dhl.com/content/dam/dhl/global/dhl-global-forwarding/documents/pdf/glo-dgf-ocean-market-update.pdf>

### Ocean Timeliness Indicator

- <https://www.flexport.com/blog/flexport-ocean-timeliness-indicator/>

### GCP Production Times

- <https://www.gcpindustrial.com/production-times-updates/>

### Tariffs

- <https://www.whitehouse.gov/presidential-actions/2025/01/america-first-trade-policy/>
- <https://taxfoundation.org/research/all/federal/trump-tariffs-trade-war/>
- <https://www.bloomberg.com/news/articles/2025-01-20/trump-seen-sparing-china-targeted-tariffs-on-day-one-of-new-term>



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GCP Elastomeric Inc. cannot foresee all circumstances under which this information and our products in conjunction with other manufactures products may be used. Physical properties are typical values obtained from sample testing at Akron laboratories or GCP Approved Manufacturer™ laboratories. Actual production values may vary. It is the users' responsibility to ensure the products are appropriate for their application. We accept no responsibility for results obtained by the application of the information or the safety and suitability of our products, either alone or in combination with other products.