August 2025

Industrial Trade Report

By GCP Industrial Products

Report Highlights

- As of August 7th, a 10% minimum tariff has been applied to all countries. A further 95 countries face a 10% to 41% reciprocal tariff with specific rates for all nonexempted goods.
- In July, raw material prices continued to rise, although at a slower rate than the previous month.
- Natural rubber prices continue to hover around 170 US cents per kilogram as key rubber producing regions in Southeast Asia enter their peak production season.
- U.S. trade policy is playing a key role in driving global prices higher. Consequently, business optimism further eased in July reaching the lowest level since the pandemic.
- U.S. producer prices increased 0.9% to 3.3% in July, the largest monthly increase in more than three years.
- In July, U.S. ports processed 2.3 million Twenty-Foot Equivalent Units (TEUs), the highest volume in a year, up 11.6% from June and down just 0.5% year-over-year (YoY).
- Container volumes at the top 10 U.S. ports rose by 20.4% month-on-month (MOM), the growth was broad-based, with significant increases at both West Coast and East/Gulf Coast ports.
- Trans-Pacific ocean freight rates have continued sliding downward, on both the U.S. West Coast (USWC) corridor, and U.S. East Coast (USEC) services as well.
- It is expected carries will introduce a general rate increase (GRI) for September 1st; however, carriers have not announced the amount yet.
- Truckload spot rates dipped slightly after holding mostly flat during the traditional summer peak shipping season.

Contents

U.S. Tariffs – August Summary

- The

Date	Countries / Goods Affected	Event / Action	Details
Aug 1	Global	Copper Tariffs Introduced	50% tariff on semi-finished copper; raw copper exempt
Aug 1	Canada	Energy & Potash plus non-compliant USMCA goods.	35% on all goods except 10% on energy and potash; exemptions for USMCA conforming goods.
Aug 6	Brazil	Tariffs on Brazil	Up to 50% total tariff (10% reciprocal + 40% IEEPA based)
Aug7	Global	Reciprocal Tariffs	10% minimum for all countries, then specific rates for all nonexempted goods; 10% to 41% for 95 countries.
Aug 19	Global	Section 232 Tariffs Expanded	Steel/aluminum tariffs extended to 407 more product codes incl. furniture, construction materials.
Aug 27	India	India Tariffs Doubled	Raised from 25% to 50% over Russian oil trade.
Aug 29	Global (e-commerce goods)	End of De Minimis Tariff Exemption	Low-value imports (under $800) now face new duties or flat fees
Aug (ongoing)	EU	U.S./EU Tariff Deal Finalized	EU agrees to buy U.S. LNG & AI chips; U.S. imposes 15% tariff on EU goods (incl. pharma, autos).
Aug (ongoing)	UK, France, Italy, Spain, Canada, South Korea, Brazil	Tariff Threats over Digital Taxes	U.S. threatens tariffs on countries taxing U.S. tech companies.
Aug (ongoing)	China	Rare-Earth Magnet Tariff Threat	U.S. threatens 200% tariff if China restricts rare-earth magnet exports.
Aug (ongoing)	Brazil, global food exporters	Agriculture Sector Requests Exemptions	Food groups lobby for carve-outs; some granted (e.g., Brazil nuts), many still impacted (e.g., coffee).

Raw Material Pricing

Institute for Supply Management (IMS®) Price Index					
Month	Prices Higher	Prices Same	Prices Lower	Net	Index
July 2025	35.4%	58.8%	5.8%	+29.6	64.8
June 2025	45.6%	48.1%	6.3%	+39.3	69.7
May 2025	45.1%	48.5%	6.4%	+38.7	69.4
Apr 2025	49.2%	41.1%	9.7%	+39.5	69.8
Mar 2025	46.0%	46.7%	7.3%	+38.7	69.4
Feb 2025	31.4%	61.9%	6.7%	+24.7	62.4
Jan 2025	20.7%	68.3%	11.0%	+9.7	54.9
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
2024 Index Average Jan.-Dec.					53.6
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 July, raw material prices continued to rise, although at a slower rate than the previous month. The index dropped by 4.9%, but it remains well above the 50 threshold, which signals the point at which prices typically begin to decrease. The last price drop occurred in September 2024.

- All six of the largest manufacturing industries: Machinery; Chemical Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; Petroleum & Coal Products; and Transportation Equipment, reported price increases in July.

- The Index reading continues to be driven by price increases in steel and aluminum that impact the entire value chain, as well as tariffs applied to many imported goods.

- In June, 16 of the 18 industries reported paying increased prices for raw materials, in order, they are: Nonmetallic Mineral Products; Textile Mills; Furniture & Related Products; Primary Metals; **Plastics & Rubber Products**; Machinery; Wood Products; Electrical Equipment, Appliances & Components; Fabricated Metal Products; Miscellaneous Manufacturing; Chemical Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; Petroleum & Coal Products; Paper Products; and Transportation Equipment. No industries reported paying decreased prices for raw materials.

Commodity Pricing

IMS® Commodity Price Change	
Prices Up	
Aluminum (20)	Fabricated Metal
Aluminum Products	Components
Brass Products	Freight
Copper	Polypropylene
Copper Products	Steel (6)
Corrugated Boxes (5)	Steel - Stainless (5)
Electrical Components (6)	Steel Products (5)
Electronic Components (6)	Wire Products

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

IMS® Commodity Price Change
Prices Down
Corn
Natural Gas
Ocean Freight
Soybean Meal

IMS® Commodities in Short Supply
Electrical Components
Electronic Components (5)
Rare Earth Magnets

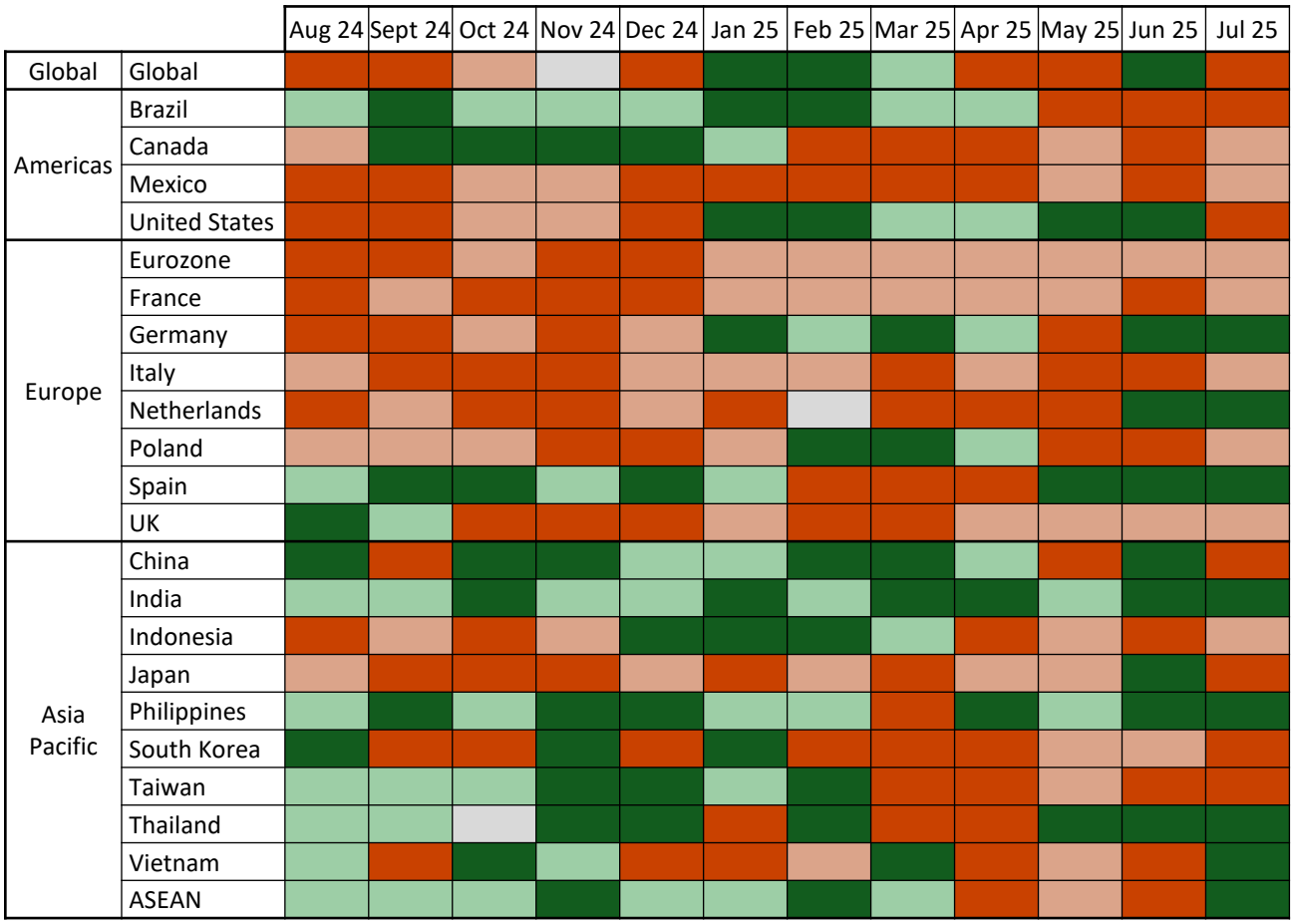
U.S. Natural Rubber Pricing (cents/kg)

Key Takeaways:

- Natural rubber prices continue to hover around 170 US cents per kilogram. While key rubber producing regions in Southeast Asia are gradually entering their peak production, persistent heavy rains and flood warnings in top producer Thailand have raised concerns over potential supply shortages. Meanwhile, recent weak Chinese economic data spurred concerns over slowing demand in the world's largest consumer of natural rubber.

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.



Key Takeaways:

- Despite an extension of the tariff deadlines to early August, the latest PMI data showed that the boost from front-loading activity faded in July as U.S. stock-building slowed and worldwide manufacturing production slipped into contraction.

- Changes in trade policy are influencing price trends, with the U.S. playing a key role in driving global prices higher. Consequently, business optimism further eased in July reaching the lowest level since the pandemic, potentially indicating slower growth for the months ahead.

Global Sectors Heatmap

	Aug 24	Sept 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25
Basic Materials												
Chemicals												
Resources												
Forestry & Paper Products												
Metals & Mining												
Industrials												
Industrial Goods												
Machinery & Equipment												
Construction Materials												
General Industrials												
Transportation												

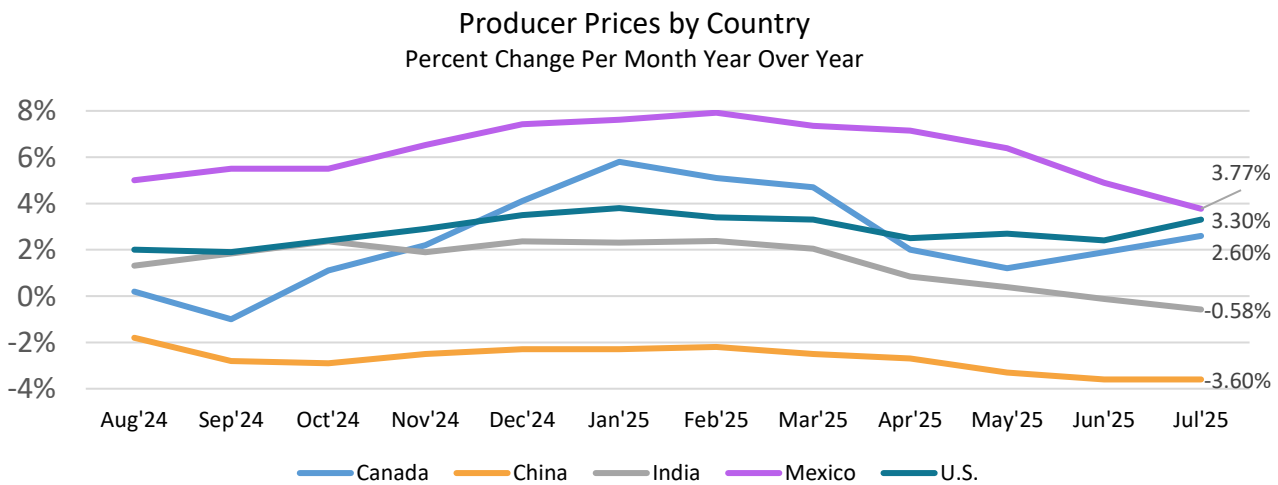
Improving at a faster rate		Deteriorating at a slower rate		At a neutral 50.0 mark	
Improving at a slower rate		Deteriorating at a faster rate			

Key Takeaways:

- The basic materials sectors emerged as the fastest-declining broad sector in July, with companies citing reduced demand for raw materials, and slowing inventory restocking activity.

- The industrials sector witnessed a slight growth in output, overcoming the broader weakening in manufacturing for the month. Industrial Goods, Machinery & Equipment and Construction Materials, all tied to capital expenditures, showed significant declines, suggesting a fragile global outlook.

Producer Prices by Country



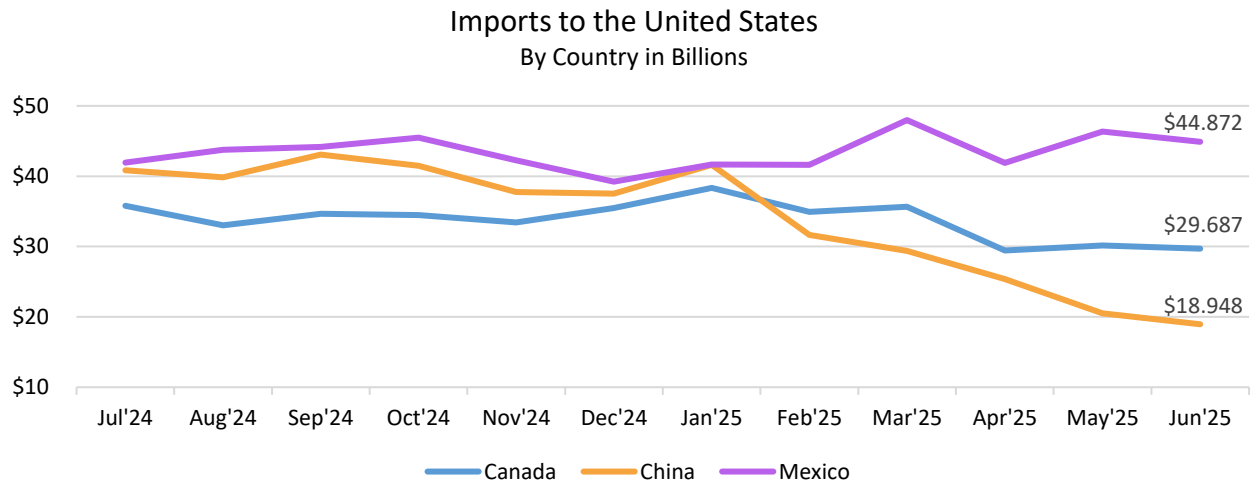
Key Takeaways:

- U.S. producer prices increased 0.9% to 3.3% in July, the largest monthly increase in more than three years. In the past year, prices for goods are up 1.9%, reigniting inflationary pressures at the wholesale level, driven by tariffs, supply-chain costs, and rising service margins.

- China's producer prices shrank -3.6% YOY in July, marking the 34th consecutive month of producer deflation and remaining the steepest fall since July 2023. The decline reflects persistently weak domestic demand, and the ongoing uncertain trade relations with the U.S.

- India's wholesale price inflation fell by -0.58% YOY, marking the second consecutive month of annual decline and the sharpest drop since July 2023 as well. Meanwhile, manufacturing inflation accelerated slightly to 2.05% in July, up from 1.97% in June, marking the fastest rise in three months.

Imports to the United States



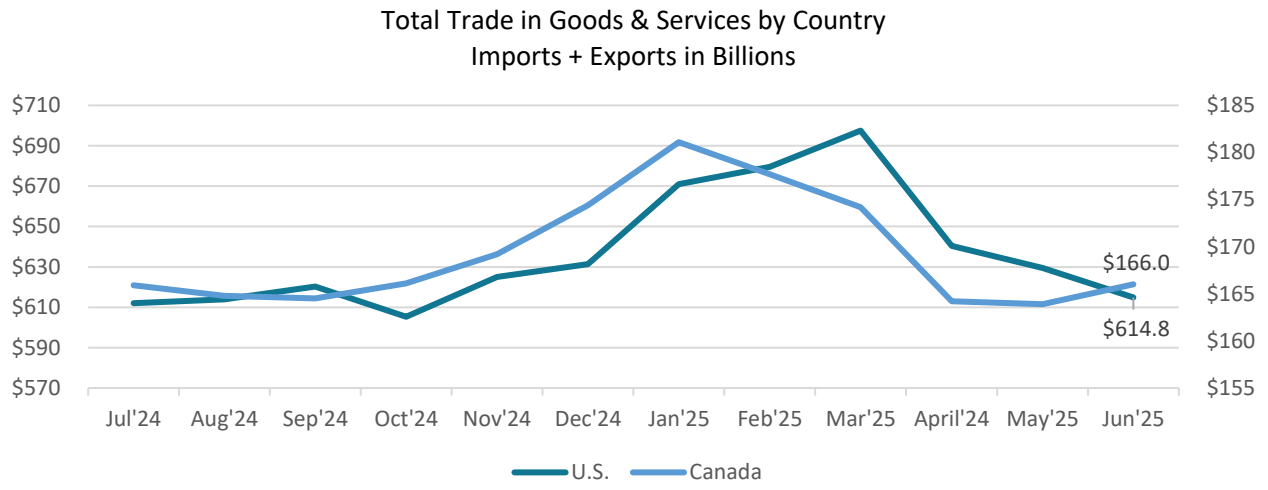
Key Takeaways:

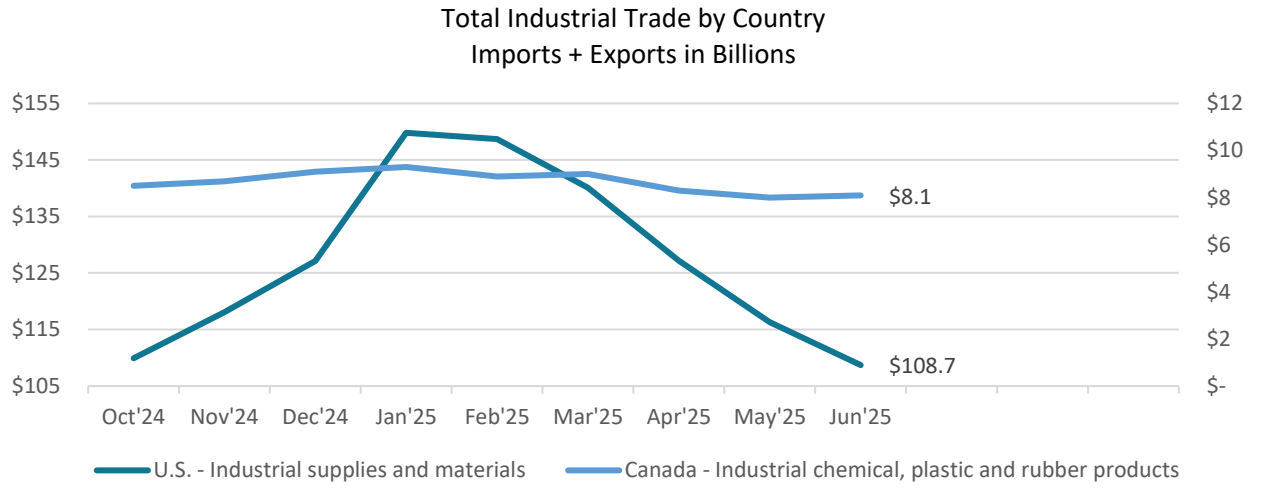
- Canadian exports to the U.S. declined slightly from the pervious month but have largely been flat sine April. Weakness in the metals and vehicle sectors, due to U.S. tariffs, including a mid-June increase to 50% on steel and aluminum remains a large reason for the decline.

- June's data revealed some softness in U.S. imports from China, reflecting the carryover impact of elevated U.S. tariffs and aggressive trade policy from April/May. Across nearly all major categories (furniture, plastics, machinery, electronics, toys, textiles, apparel, and vehicles) imports fell, signaling the continued diversification of supply chains.

- Mexico remains the near-term winner for the diversification away from China, although 25% tariffs on goods not covered by the USMCA deal continues to suppress imports.

Total Trade Volume





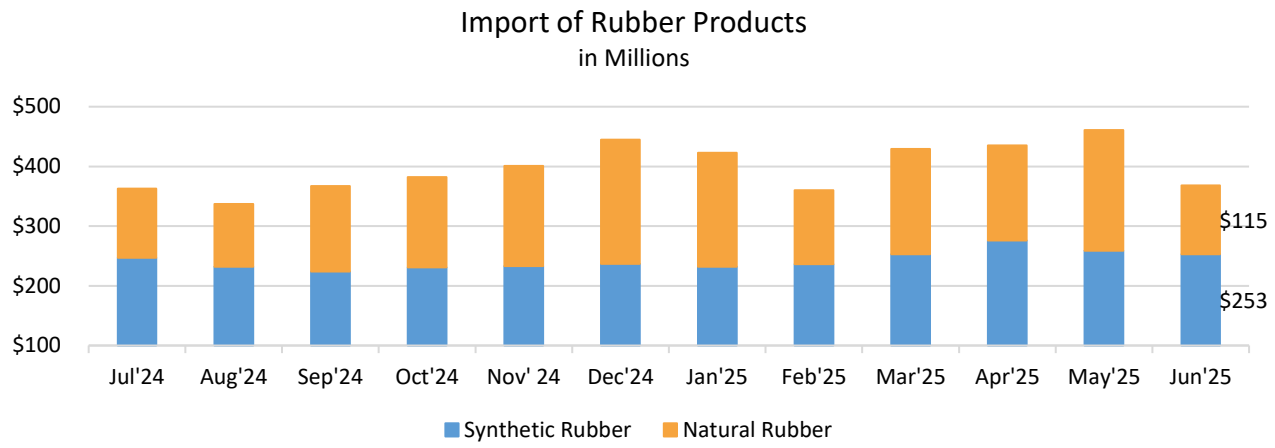
Key Takeaways:

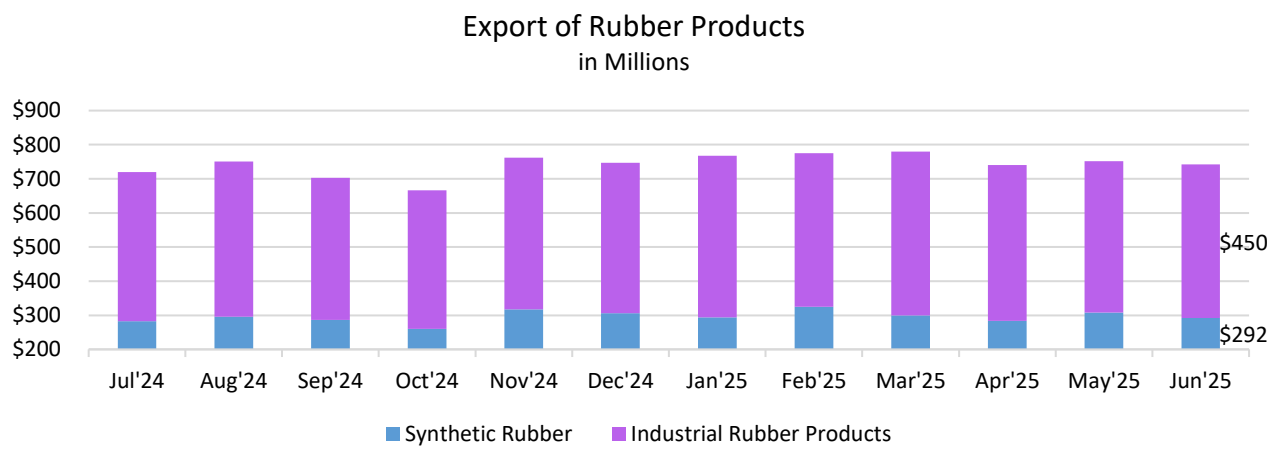
- Combining both imports and exports provide insights into the overall health and dynamics of that country or sector. If the totals are growing, it indicates a healthy, expanding economy or marketplace benefiting from both strong domestic and international markets.

- For the U.S., the export of industrial supplies and materials reduced -7.35% MOM, while imports dropped -5.24% for the third consecutive month.

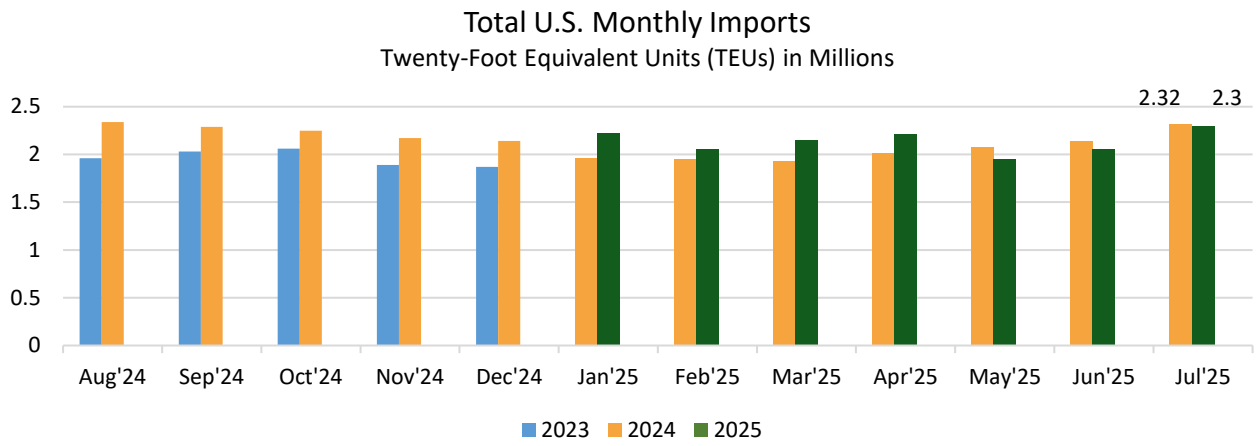
- In Canada, exports of the industrial chemical, plastic and rubber products sector, reversed its recent trend growing slightly at 1.2% MOM while imports declined -0.4% for the month.

U.S. Rubber Import & Export Stats





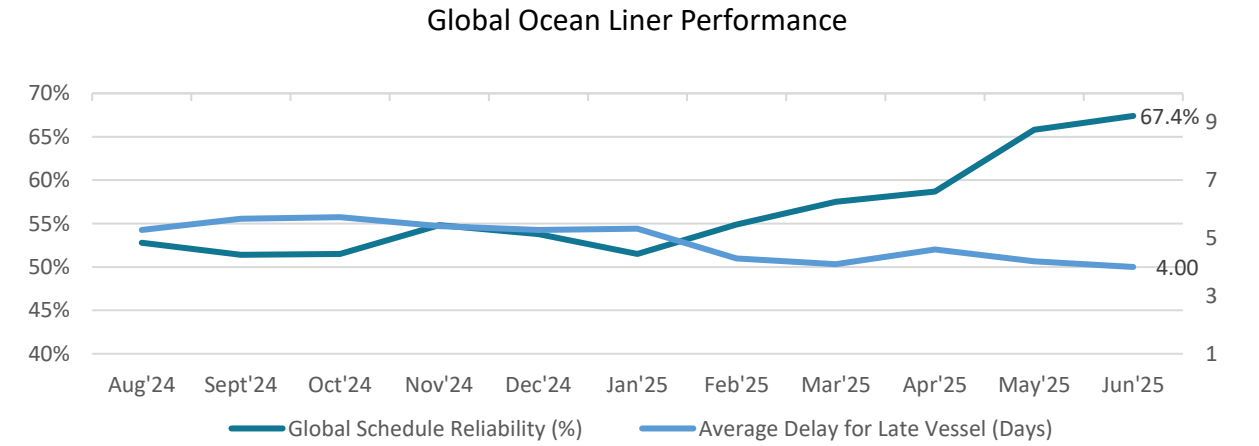
Monthly U.S. Imports



Key Takeaways:

- U.S. ports in July processed 2.3 million TEUs which is the highest number in a year, up 11.6% from June and down just 0.5% YOY.
- The first half of 2025 totals were adjusted down slightly to 12.53 million TEUs, which is up 3.6% YOY. Volumes forecasted for the remainder of the year would bring 2025 totals to 24.1 million TEUs, down 5.6% from 25.5 million TEUs in 2024.

Global Ocean Schedule Reliability



Key Takeaways:

- Global ocean schedule reliability (measuring 60+ carriers) continues the trend of consistent improvement since the start of the year after recording a 1.6% rise MOM to reach 67.4%. Additionally, the average arrival delay of late vessels also improved to 4.0 days, which continues its downward trend from April.

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	1	0 days	8 days
	OAK	3	0 days	5 days
	SEA/TAC	0	0 days	7 days
Canada West Coast	Van	2	1 day	5 days
	PRR	3	0 days	5 days
U.S. East Coast / Gulf Coast	NY/NJ	3	0 days	2 days
	BAL	6	0 days	1 day
	NOR	3	1 day	3 days
	CHS	0	0 days	4 days
	SAV	2	3 days	2 days
	HOU	0	4 days	9 days

Improving over last month	Consistent over last month	Deteriorating over last month

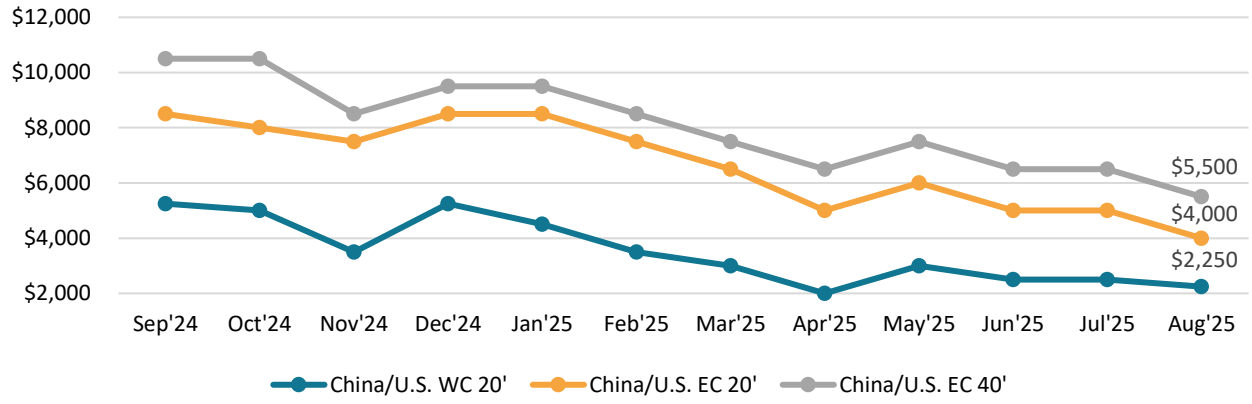
Key Takeaways:

- Reversing slower activity in May and June, July volumes climbed 11.6% from June, finishing just shy of the record set in May 2022.
- While consistent with the normal rise in peak season ocean freight that has occurred over the last nine years, July 2025 volumes also reflect the suspected tariff-driven frontloading by U.S. importers ahead of impending trade policy shifts.
- U.S. containerized imports from China rose sharply to 923,075 TEUs in July 2025, a dramatic 44.4% increase over June and marking the strongest monthly volume since January. China's share of total U.S. imports also rose to 35.2%, it's highest since early 2025 but still trails the record 41.5% share seen in February 2022.
- Container volumes at the top 10 U.S. ports rose by 20.4% MOM, with significant increases at both West Coast and East/Gulf Coast ports.
- Despite a dramatic increase in July import volumes at top U.S. ports, transit time delays decreased, indicating that gateways are absorbing the added pressure without major disruptions.

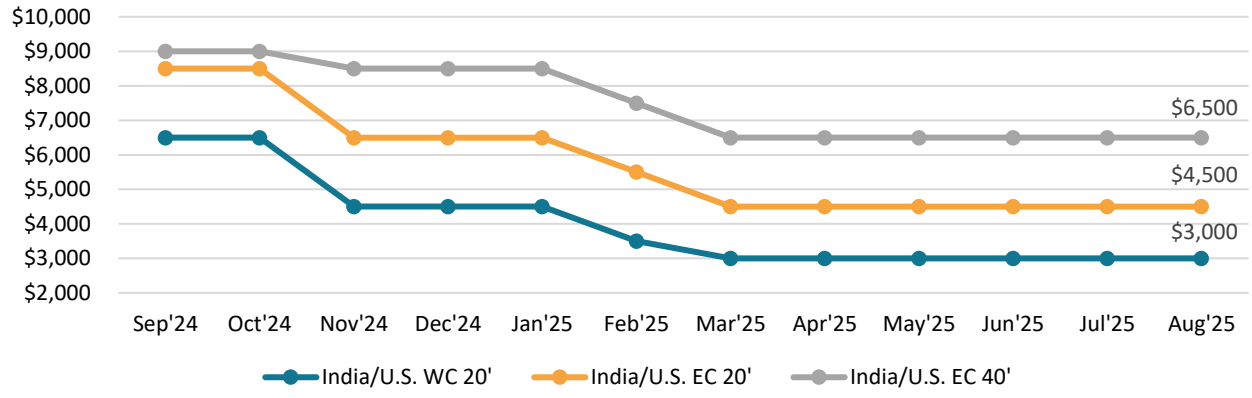
Ocean Freight

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:

- Ocean freight pricing is trying to find its footing. Carriers are removing capacity in response to weaker demand following changes to U.S. reciprocal tariffs that were announced August 1 and went into effect August 7, 2025.

- Additional ad-hoc blank sailings are expected to be implemented across multiple trade lanes as booking levels fall short of carrier projections. The goal is to create tighter space availability for shippers even as overall U.S. import demand softens.

- Trans-Pacific rates have continued sliding downward, particularly on the U.S. West Coast (USWC) corridor, with this decline spreading to U.S. East Coast (USEC) services as well.

- Carriers had announced rate increases effective August, but the proposed hikes were ultimately not implemented, as demand turned out to be lower than the capacity they had allocated.

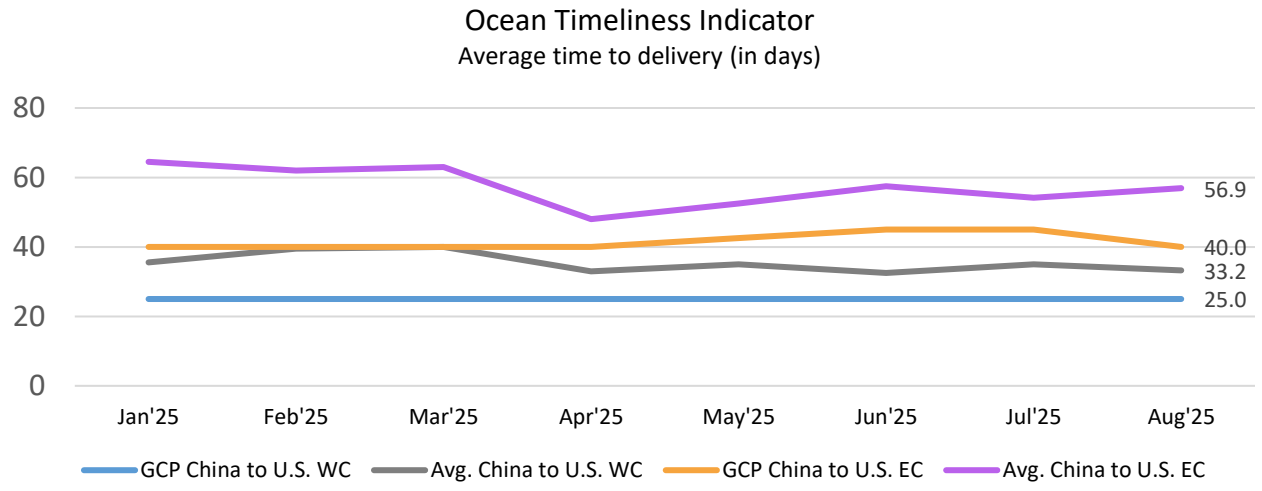
- Similarly, there is a planed GRI for September 1st, however carriers have not announced the amount yet.

- Panama's main ports are experiencing congestion, impacting cargo moving through the canal zone. This affects not only shipments destined for Panama and the Caribbean but also creates delays for Asian cargo bound for USEC, which rely on Panama as a key transshipment hub.

- Houthi-related threats continue to divert carriers from the Suez Canal, extending transit times and raising shipping costs as vessels reroute around the Cape of Good Hope. The cease fire agreed to earlier this year has collapsed, with Houthi forces launching a new wave of attacks in July.

- Forecasts (outside of a GRI) indicate that rates will likely soften through late 2025, with added pressure from new U.S. tariffs and restrictions on Chinese vessels due to be applied in October.

Ocean Timeliness Indicator

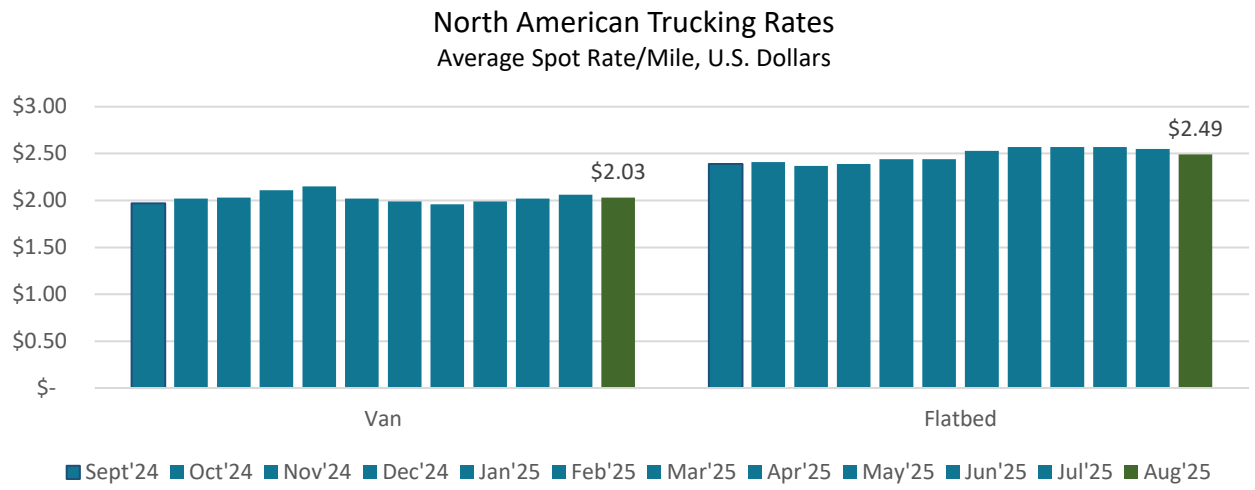


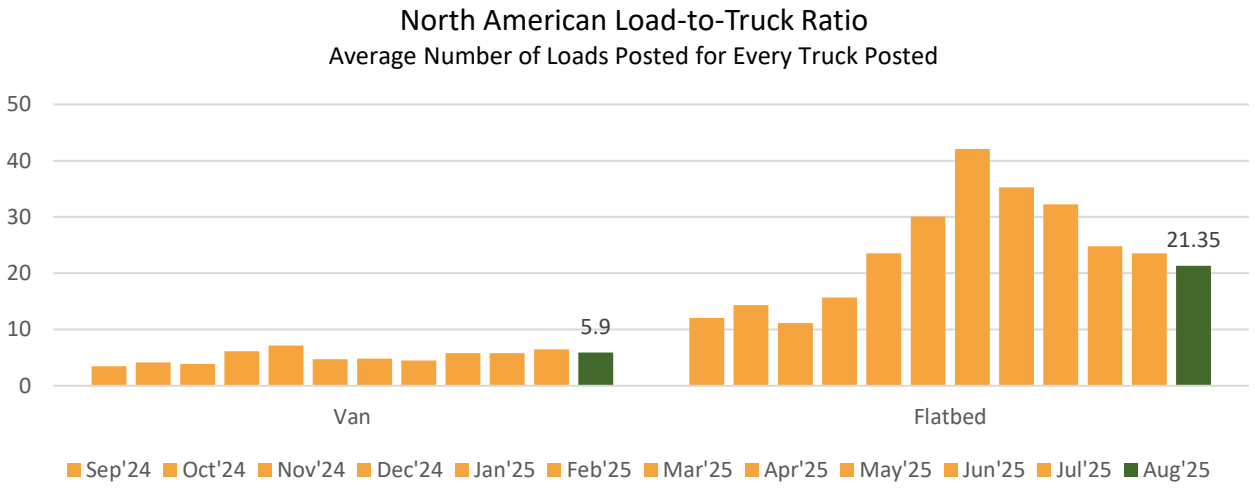
Key Takeaways:

- 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.

Trucking Freight





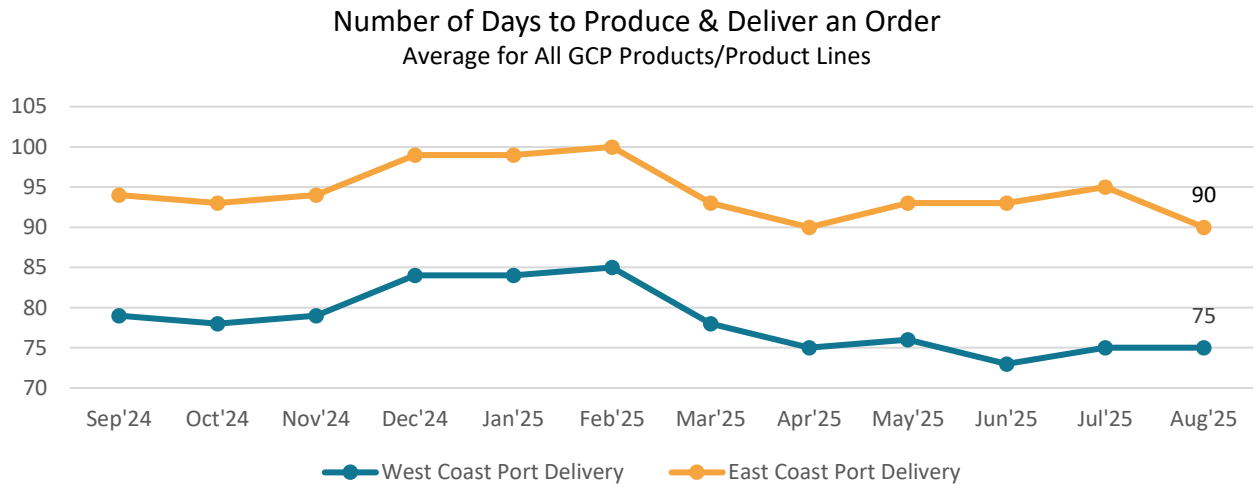
Key Takeaways:

- In the transportation sector, July freight volumes weakened and remained below historical averages, while truckload spot rates dipped slightly after holding mostly flat during the traditional summer peak shipping season.

- Tender rejections, however, remained above prior-year levels, underscoring the impact of ongoing capacity attrition.

- For the next few months this means the truckload market may remain generally balanced between supply and demand, but carrier cost pressures are likely to exert upward influence on rates, especially during periods of disruptions (holidays, new trade policy, changing economic conditions, natural disasters, etc.)

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 August 2025 production index. (View here)

Resources

Tariffs
- https://www.yqn.com/intro/blog/post/2025-august-freight-news
- https://dclcorp.com/blog/supply-chain/the-august-2025-tariffs-update/
- https://www.marketwatch.com/story/the-u-s-e-u-tariff-deal-is-now-on-paper-and-it-includes-lng-and-ai-chip-purchases-ca23602f
- https://www.reuters.com/world/india/steep-us-tariffs-set-hit-indian-exports-wednesday-2025-08-26/
- https://www.cbp.gov/sites/default/files/2025-08/20250820_tariff_factsheet_0.pdf

Raw Material Prices/Commodity Pricing
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Natural Rubber Pricing
- https://tradingeconomics.com/commodity/rubber
- https://businessanalytiq.com/procurementanalytics/index/natural-rubber-price-index/

Global PMI Manufacturing/Global Sectors Heatmap
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- 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.census.gov/foreign-trade/balance/c1220.html
- https://www.census.gov/foreign-trade/balance/c5700.html
- https://www.census.gov/foreign-trade/balance/c2010.html

Total Trade Volume
- https://www150.statcan.gc.ca/n1/daily-quotidien/250805/dq250805a-cansim-eng.htm
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U.S. Rubber Import & Export Stats
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Monthly U.S. Imports
- https://nrf.com/media-center/press-releases/2025-import-cargo-levels-expected-to-be-down-more-than-5-from-2024-amid-rising-tariffs

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- https://mykn.kuehne-nagel.com/news/article/on-time-performance-container-shipping-june25
- https://www.sea-intelligence.com/press-room/338-global-industry-schedule-reliability-continues-to-improve-in-june

Port Operations
- https://www.flexport.com/global-logistics-update/august-21-2025-us-expands-steel-and-aluminum-tariffs/
- https://www.descartes.com/resources/knowledge-center/global-shipping-report-July-2025-US-imports-near-record-high
- https://www.bloomberg.com/news/articles/2025-08-14/tariff-confusion-drives-record-volumes-at-los-angeles-port
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- https://www.flexport.com/global-logistics-update/august-21-2025-us-expands-steel-and-aluminum-tariffs/
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- https://www.ryantrans.com/news/august-2025-industry-update
- https://www.chrobinson.com/en-us/resources/insights-and-advisories/north-america-freight-insights/aug-2025-freight-market-update/

GCP Production Times
- https://www.gcpindustrial.com/production-times-updates/

678 Belmont Ave W #202
Kitchener | Ontario | Canada | N2M 1N6
Toll: 888-893-5427 | Phone: 519-893-8207
Fax: 866-527-1983
Web: www.gcpindustrial.com