

The [American Supply Association \(ASA\)](#) and its [Industrial Piping Division \(IPD\)](#) is the national organization serving wholesaler-distributors and their suppliers in the industrial and mechanical pipe-valve-fitting industry. As a powerful alliance of channel partners, we provide a forum for your upstream trading partners to exchange critical information and address key issues.

In particular, ASA's IPD members constantly check the pulse of the materials and commodities they proudly supply to you. ASA's IPD members are knowledgeable industry leaders, and those who volunteer their service on the IPD Executive Council compile and prepare the *IPD Commodity Reports*. The *Reports* contain some of the most current and qualified market data and information available from the industry's leading manufacturers and distributors about emerging trends and other price-influencing actions and events.

This information is an example of how ASA's IPD manufacturer and distributor [members](#) are constantly looking ahead to ensure you have information and resources you need to be successful. Learn more at www.asa.net.

Oil and Fuel Outlook

West Texas Intermediate (WTI) was essentially flat at the time of writing due to easing global demand and stable inventories.

Oil was trading at \$71.01 (\$71.28 a barrel in last month's report). It was up by 1.5% year-to-date. And it remained just 0.3% higher vs. December of 2023 (1.6% lower last month). Brent North Sea Crude was lower at \$74.20 (down from \$75.19 a barrel last month). This was 0.15% YTD and was 1.91% lower over the past 12 months.

Fuel prices were slightly lower month-over-month at the time of writing. Diesel prices were marginally lower at \$3.47 a gallon at the time of writing (\$3.54 a gallon in the last briefing) (Source: AAA), which was \$0.53 per gallon lower than last year.

Gasoline was slightly lower and was nationally \$3.02 a gallon (\$3.06 per gallon in last month's briefing), which is 5 cents per gallon lower from a year ago. Analysts still expect gasoline prices to approach \$3.00 a gallon by year end at this pace.

Crude oil prices are expected to average \$76.51 a barrel in 2024 (\$77.00 in the last update and they were \$77.58 in 2023) according to the EIA. For 2025, prices are expected to average \$69.12 (sharply lower than \$71.60 in the last update). The EIA latest forecast now includes potential impacts from the election and changes in the forecast as a result.

Gasoline prices are expected to average \$3.31 a gallon in 2024 and \$3.19 in 2025 (versus \$3.52 average in 2023). Diesel prices as reported by the EIA will average \$3.76 a gallon in 2024 (also \$3.76 in last month's outlook and were \$4.22 in 2023). The outlook for 2025 currently shows diesel prices at \$3.61 (\$3.59 in the last update) through 2025.

Total U.S. oil production was expected to average 13.53 million barrels per day (revised) through the fourth quarter, that would be up from 13.25 in Q3. Inventories were 1.622 billion barrels in Q4, that was down slightly from 1.633 at the end of November but up slightly from 1.613 billion from a year ago. The EIA expects production to approach 13.52 million barrels per day in 2025 (13.53 in the last update).

What ASA PVF Distributors Are Saying

Feedback from ASA member PVF distributors on current market conditions and trends they are seeing.

"We have seen some strength as we head to the end of the year and are cautiously optimistic for the start of 2025."

"Optimistic due to a lot of good smaller remodeling, commercial & industrial projects underway."

“Concerns: Interest rates continue to create soft demand on the housing market. The threat of port strikes and tariffs is also causing concerns from a price and supply standpoint.”

“Our November and December results are significantly better than our 2023 results for the same period, which I believe is due to building confidence in our government’s direction and leadership!”

“Sales are down for the month but, overall, we had a nice year.”

“Sales for December are running 2% below last year. We are bidding a lot of jobs.”

“There is a lot of uncertainty in how to attack large-scale projects due to the impending tariff changes with the new presidency; also combined with the possible dock workers strike still pending, there is just an uneasy feeling on handling anything prior to Inauguration Day.”

“We are optimistic heading into 2025 because a lot of decent jobs opened in fourth-quarter 2024 and will be strong through first three quarters of 2025. Both industrial and infrastructure work are keeping us busy, and as we expand our footprint, we expect to be much busier.”

“Lots of optimism in our core segments of power and oil & gas...since the U.S. elections. Our October and November sales/profits were two of our best months this year to date. We typically see a downturn in December, but this December is looking robust (as of today). I do not expect this December to be as good as our Oct. & Nov, but it is surprisingly looking to be not that far off!”

“My personal feeling was that our core business (power/oil & gas) customers were waiting to see how the elections fared. One party wanted electric, solar and windmills....and the other party wanted fossil fuels. Both admirable causes but had an impact on the business climate.”

“Depending on the outcome – our clients would invest their money more towards that area. The uncertainty before the elections caused us to have a very “flat” year – up to that point. Now that the political climate is known, our clients are taking action. The only negative concern is the question of how tariffs could take effect. But being that we weathered tariffs in the previous administration – it is not a “major” negative concern.”

“From a recruitment perspective, seeing more college-age students have an interest in the trades and/or sales. This has been an interesting shift over the past year. Additionally, more students seem curious about looking at all different types of opportunities, not just what they majored in during their college years.”

“Hearing from my managers and leadership team that we need more outside sales hires. Potential is there for growth moving forward!”

“From a market condition standpoint, we are seeing positive signs and are bullish about 2025. We had record sales in 2024 and anticipate that to continue.”

“The enormous demand from data center work is having a significant impact on valve supply in the market which is creating supply issues as well as creating huge sales opportunities. We also saw significant growth in 2024 in our “core” business of schools, hospitals, etc.”

“We feel very good about the direction of 2025 in the market.”

“Market conditions are strong, with a mix of concern about cuts in government funding for large scale projects in the battery plant/chips plant area, while also optimistic on the energy side, and that the new administration will cut red tape holding up other projects.”

“This is always a hard month to gauge because of the holidays. OEM and industrials were slow last month but seem to be picking up a little this month. We are optimistic about this upcoming year. We have some good projects and potential OEM contracts.”

“Customers are reporting slower activity in December. Some of the slowdown is distributors reluctant to build inventory as we approach year end. There is very strong optimism that the new administration and forecasted lower interest rates will boost activity in 2025. There is concern that tariff discussions will impact supply chains.”

“The election regardless of party finally gave us direction after the noise died down. Numbers year to date are flat and November was not a robust month overall. One positive was GP% was up. Showroom business is strong in certain regions but down overall.”

“Order backlog is very strong again in some regions, yet not overall. Tariffs is a concern from the field.”

“Market conditions in the southeast remain cautiously optimistic as federal tax credits, grants, and stimulus payments continue to fund EV projects and new construction. Data centers, to support the demand of AI, are quickly coming off the ground, which also directly affects local power, and municipal (water) infrastructures. As the new administration is preparing to move back to Washington, D.C., we have prepared for another run for oil and gas, creating greater demand for industrial PVF, which could cause future price increases. All in all, business is solid, and it seems that it will continue in this direction, at least, for the next six months, barring war, unexpected natural disasters, and/or poor decisions by future leadership.”

Copper/Plastics

Copper comex has been stable so far in December. Plastics resin is the same — no major changes. In the market, we have seen plastics demand being stable. Copper demand has gone up.

Cast-Iron

There have been no price or market change announcements from McWane (Tyler Pipe) and/or Charlotte Pipe and Foundry for cast-iron pipe and fittings for the months of November/December, and no announcements for a price increase for January 2025.

Forged Steel Pipe Fittings and Branch Connections

High-pressure forged steel fittings and branch connections have had no price increase announcements throughout the fourth quarter. Carbon and stainless-steel bars remain readily available. Raw material prices have remained stable. Some anxiety over the proposed tariffs but no impact yet on prices. Finished high-pressure forged steel fittings and branch connections are available for delivery from stock to 2 weeks.

Stainless Steel Pipe & Fittings

The stainless fittings market continues to reflect the overall metals market, which remains soft. While there appears to be expectations for surging projects in most fossil fuel and industrial sectors, there is still another month before the new administration takes power. Most in the industrial PVF sector are looking ahead to an active several years of unhindered growth.