

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.

Monthly Distributor Sales Update

From ASA's Monthly Sales Report, industrial PVF firms continue to endure declining sales. Year-over-year monthly sales dropped -5% and their year-to-date (YTD) and trailing 12-month totals were down -7% and -9%, respectively.

PHCP firms and Blended PHCP & PVF firms reported sales increases for September. PHCP firms reported sales increased 5% and PHCP & PVF firms reported an increase of more than 8%.

All respondents to ASA's Monthly Sales Report overall reported a median sales increase of nearly 5% for September 2024 vs. 2023. On a month-to-month basis (September vs. August 2024), sales decreased nearly 8%. Year-to-date (YTD) sales through September 30, 2024, vs. 2023 dropped -0.4%, while trailing twelve months (TTM) sales increased a modest 0.6%. Inventory increased 1.5% for September 2024 vs. September 2023. The median three-months average days sales outstanding dropped to 40 days for September.

What ASA PVF Distributors Are Saying

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

After a few big projects were put on hold earlier in the year, they seem to be bubbling up again. We're getting current numbers together and feel they'll start moving again by the 2nd quarter of 2025. It is the drop-in interest rates that has spurred this, as contractors know, by the time they can get these going, interest will likely drop another time or two. As much as we'd like for it to go faster, it is unrealistic. It takes months to get these things moving.

"Sales have been rather flat this year over last, but our margins are slightly up. 2025 is starting to look strong, based on this activity."

"Finding solid employees continues to be a frustrating problem."

"In our recent meetings with distributors the consensus appears to be caution. End users have slowed down as higher interest rates created a gap from previous projects to current. The ban on new projects for LNG negatively impacted many customers. The threat of the impact of a port strike has passed now. The upcoming election is getting a lot of attention from distributors and end users and is being blamed for the slowdown."

"Sales in October have increased slightly over 2024 and previous months. There is still political instability but that does not seem to affect the current market. Competition has been very aggressive in the Northeast, so margins have eroded slightly. We are very optimistic heading into 2025 with a lot of infrastructure work on the books."

"Sales are still trending off compared to last year. Profits have been trending up from last year. Not seeing very many projects starting right now. Could it be because of the election coming up?"

"The Midwest is strong when it comes to true commercial industrial work."

Distributor Comments Cont.

“The data center boom is creating significant opportunities.”

“As stated, the market is ‘soft,’ foot traffic is down substantially in the suburbs and county areas and in the big cities, foot traffic is also down but saturation of customers keeps stores afloat. The ‘DIY’ Market is taking a toll on the wholesaler as people are saving money doing it themselves and or hiring the ‘Home Depot Handyman.’ Their parking lots are always full. Pricing and the reaction to the softer market by some wholesalers has bitten them in the tail-end in the form of losing customer base. Repair/ re-model, re-pipes are on the back burner unless it is a dire emergency. Interest rates and inflation have finally been felt by the ‘sheep’ and all the ‘free Money’ from COIVD has finally dried up ... left is piles of wool and no buyers, nobody that wants to work, and business’ ‘bleating’ in both forms the pun and whining.”

“Things are wayyyyyy down in Buffalo this year. On top of election fears, inflationary pressures, and interest rates that the rest of the nation is facing we have also had all of our labor sucked up by the new Bills stadium and a new Amazon DC.”

“October is shaping up to be a solid month very similar to our 2023 October performance.”

“I forecast a double-digit growth year in 2025 and see strength through the end of 2027.”

“Food process, health and life sciences and data work will remain strong.”

“While we did encounter a late summer / early fall ‘lull’ in business, October has been a nice bounce-back month, and we expect conditions to stay relatively strong through the end of 2024. Our customers continue to have work that needs to be completed by EOY and the warm / dry conditions have helped boost our expectations.”

Carbon Steel Update

Carbon steel pricing continues 2024 trend and declines an additional 8% in October, 37% year-to-date.

Hot-rolled coil (HRC) slipped this month as industrial demand waned and over-supply at distributors reduced order backlogs for producers.

Industry giant, and vertically integrated producer Cleveland-Cliffs has indicated that the domestic steel industry is in a literal depression, as steel demand has been outpaced by rising labor and material costs. Declining consumer demand for automotive and construction products has caused a stagnation that will languish until interests move back down. Nucor, Steel Dynamics and

Cleveland-Cliffs are facing unique struggles, with Nucor in particular eyeing a 30% erosion in stock price year-to-date.

Copper

The copper Comex closed Monday, Oct. 28 at \$4.332 which is DOWN \$0.0075 from Friday’s close. The Comex average year-to-date price is \$4.2348 per pound and the LME is \$0.0752 below the Comex average year-to-date price.

Plastics pricing is relatively flat. These recently increased carbon steel prices will stick.

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 month of October.

Forged Steel Pipe Fittings and Branch Connections

High-pressure forged steel fittings and branch connections have had no price increase announcements throughout the third quarter. Carbon and stainless-steel bars remain readily available. Raw material prices have remained stable. Finished high-pressure forged-steel fittings and branch connections are available for delivery from stock to 2 weeks.

Stainless Steel Pipe & Fittings

Stainless weld fittings continue to remain flat with prices. Projects have become a bit more active, including the interest around data centers and how they might impact PVC products. Each data center requires tremendous power to operate, so there is increased activity between data companies and utility companies in building new facilities. This is the last report before the election. All fingers are crossed that we get a supportive administration elected that will help strengthen our major energy sectors including oil and gas.