

Recent Price Trends in the Metal Industry



www.bls.gov



U.S. Import and Export Price Indexes contain data on changes in the prices of nonmilitary goods and services traded between the United States and the world. The U.S. Bureau of Labor Statistics produces these indexes, which are Principal Federal Economic Indicators.

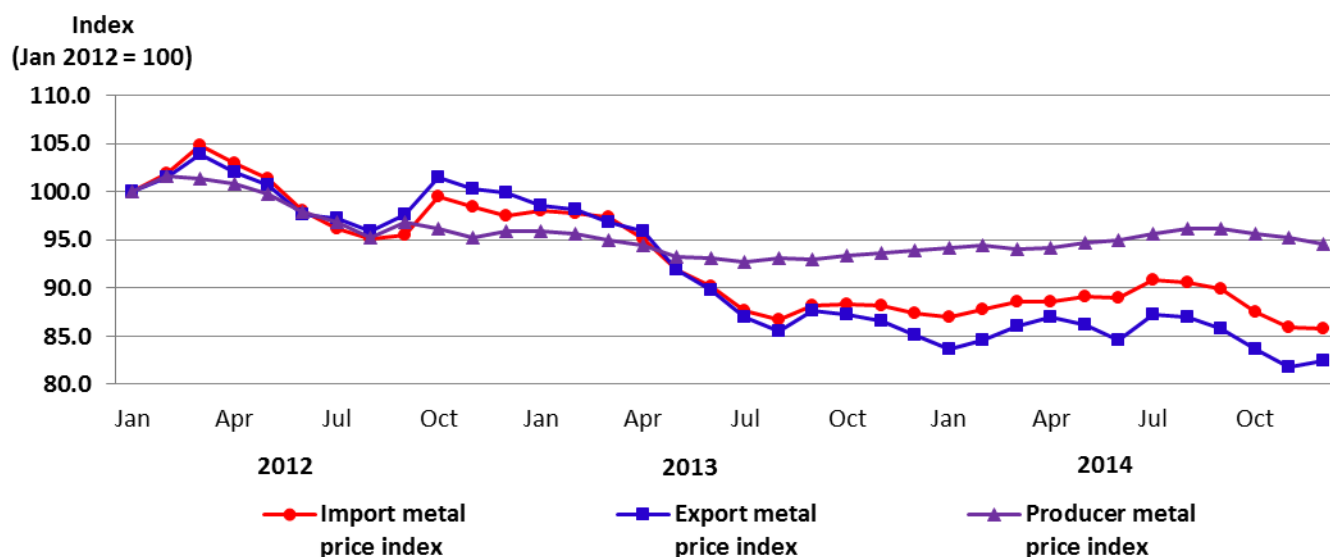
Q: How have import metal prices trended over the 2012–2014 period? (See chart 1.)

- The price index for metal imports rose in the first three months of 2012, up 4.8 percent. Thereafter, import metal prices fell 15.3 percent between May 2012 and December 2014, with the steepest decline of 12.9 percent from October 2012 to August 2013 for the 2012-2014 period.
- Over the 3 year period, a weak global demand combined with robust supplies attributed to the decline in import metal prices. In recent years, lower prices for nonferrous metal imports such as gold contributed to the overall decrease in the index.

Q: How did import metal prices compare with other economic data?

- Import metal prices trended higher than domestic prices between January 2012 and April 2013, falling 4.8 percent and 5.6 percent, respectively. Between May 2013 and December 2014, import metal prices decreased more than producer metal prices, falling 6.6 percent compared to a 1.6-percent decline in domestic prices.
- The trade dollar value of imported metals edged down 0.2 percent, from \$101.8 billion to \$100.6 billion, over the 3-year period while the trade value of metal exports fell 17.7 percent, from \$78.3 billion to \$64.4 billion, over the same period.

Chart 1. Import, export, and producer metal price indexes



Source: U.S. Bureau of Labor Statistics



Q: How have export metal prices trended over the 2012–2014 period? (See chart 1.)

- Exports metal prices declined 17.5 percent during the 2012-2014 period. Between May 2013 and December 2014, export metal prices fell 10.2 percent, falling more than both domestic and import prices.
- Weakening demand from Turkey and Southeast Asia and cheaper products from China contributed to the falling U.S. export metal prices during the 2012-2014 period.

Q: What are the top six exporting states and territories for Metals Manufacturing? (See chart 2.)

- The United States exported over \$64.3 billion of metals in 2014 and over half of the \$64.3 billion in US metal exports came from six states.
- New York ranked first in the United States in 2014 for metal exports with \$10.7 billion, accounting for 16.6 percent of total U.S. metal export trade.
- Texas came in second with \$7.5 billion of metal exports, making up 11.7 percent of metal export trade.
- The next top four exporting states accounted for a combined 23.1 percent of total metal exports in 2014.

Q: How are import and export price indexes useful to you?

Import and export price indexes can provide a new perspective for your trade analyses. Although many sources report domestic market prices and trade volume, IPP data are unique in measuring import and export price inflation.

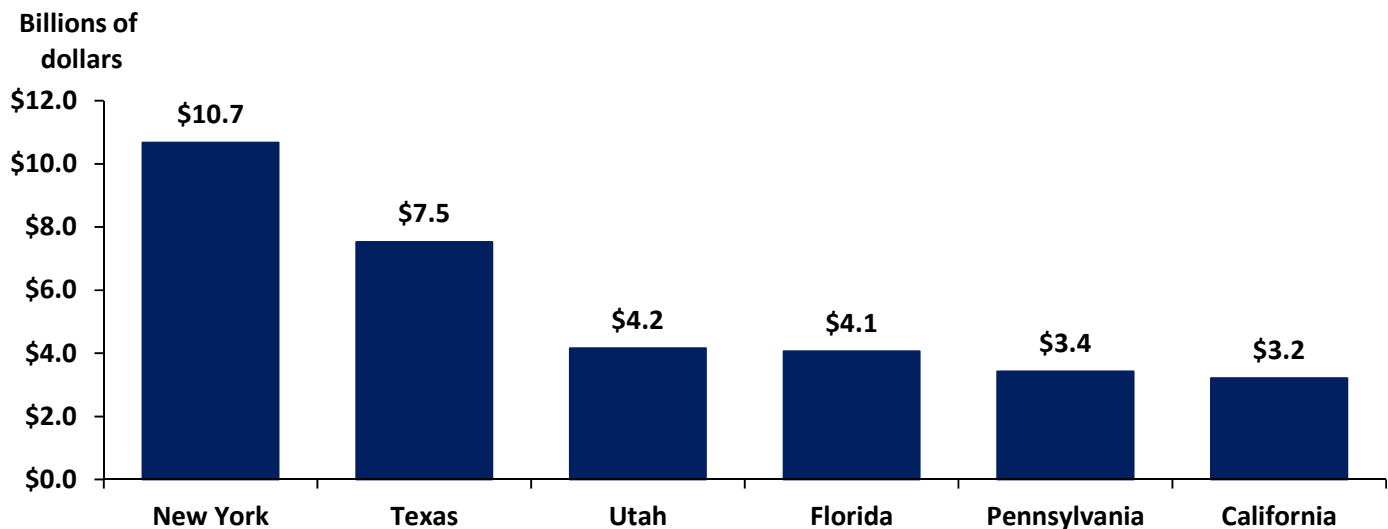
For example, if you are involved in the metal industry and you are considering conducting business overseas, BLS metal indexes can supplement your industry research by providing long-term import and export price trends.

Q: How are import and export price indexes used?

Import and export price indexes are used for a variety of purposes:

- In the conversion of U.S. trade figures from current dollars to constant dollars in U.S. trade statistics including the Bureau of Economic Analysis' Quarterly Gross Domestic Product and the Census Bureau's monthly U.S. trade statistics.
- To assess the impact of international trade on domestic inflation and the competitive position of the United States.
- As a tool for analyzing fiscal and monetary policy, measuring the impact of exchange rates, and escalating trade contracts.
- To identify industry-specific and global price trends.

Chart 2. Top six exporting states and territories for Metals Manufacturing in 2014



Source: U.S. Census Bureau, Foreign Trade Statistics.

Last Modified Date: August 27, 2015