

# Mastering Tariffs, Trade & Next-Gen Supply Chain

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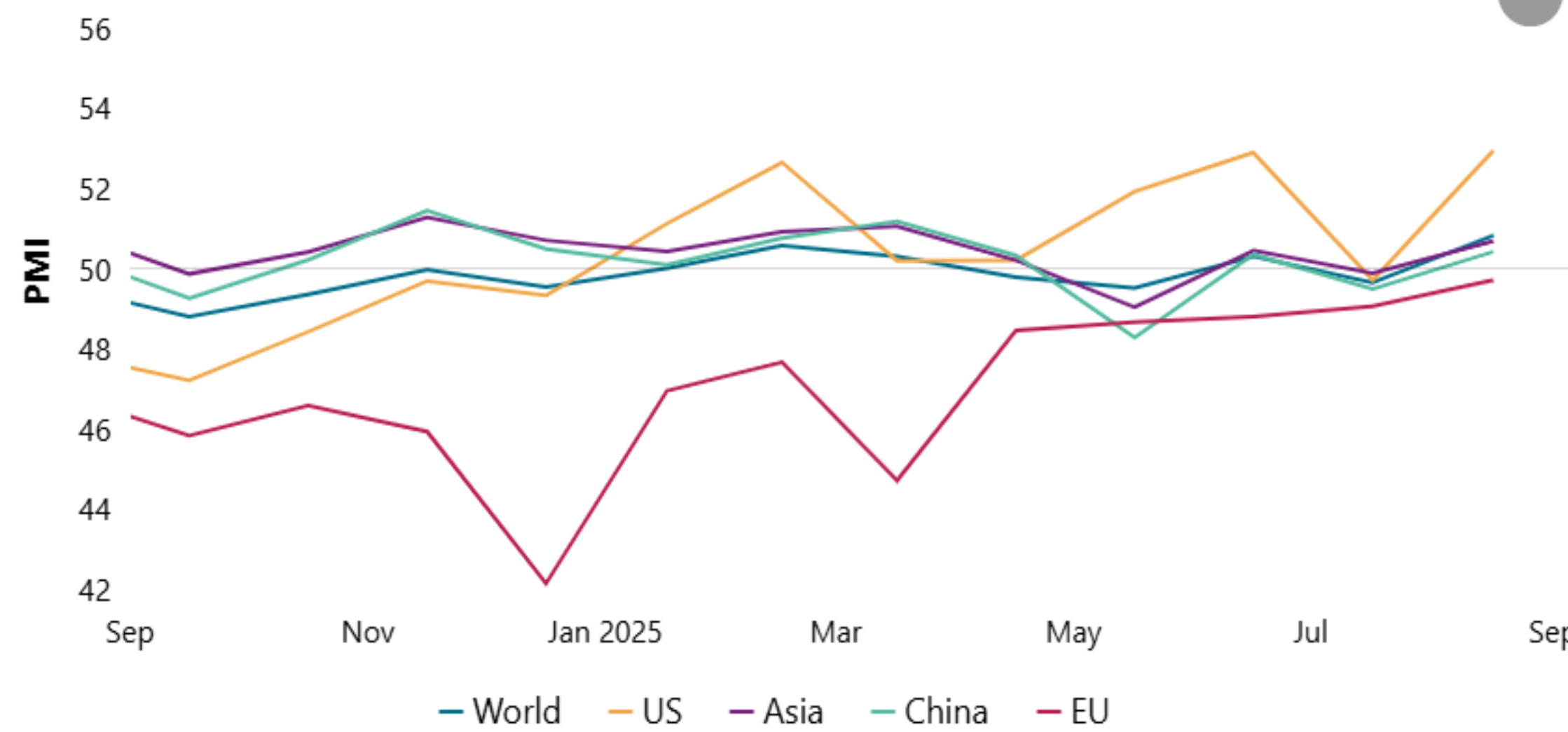
NIA Fall Summit  
Oct. 29, 2025



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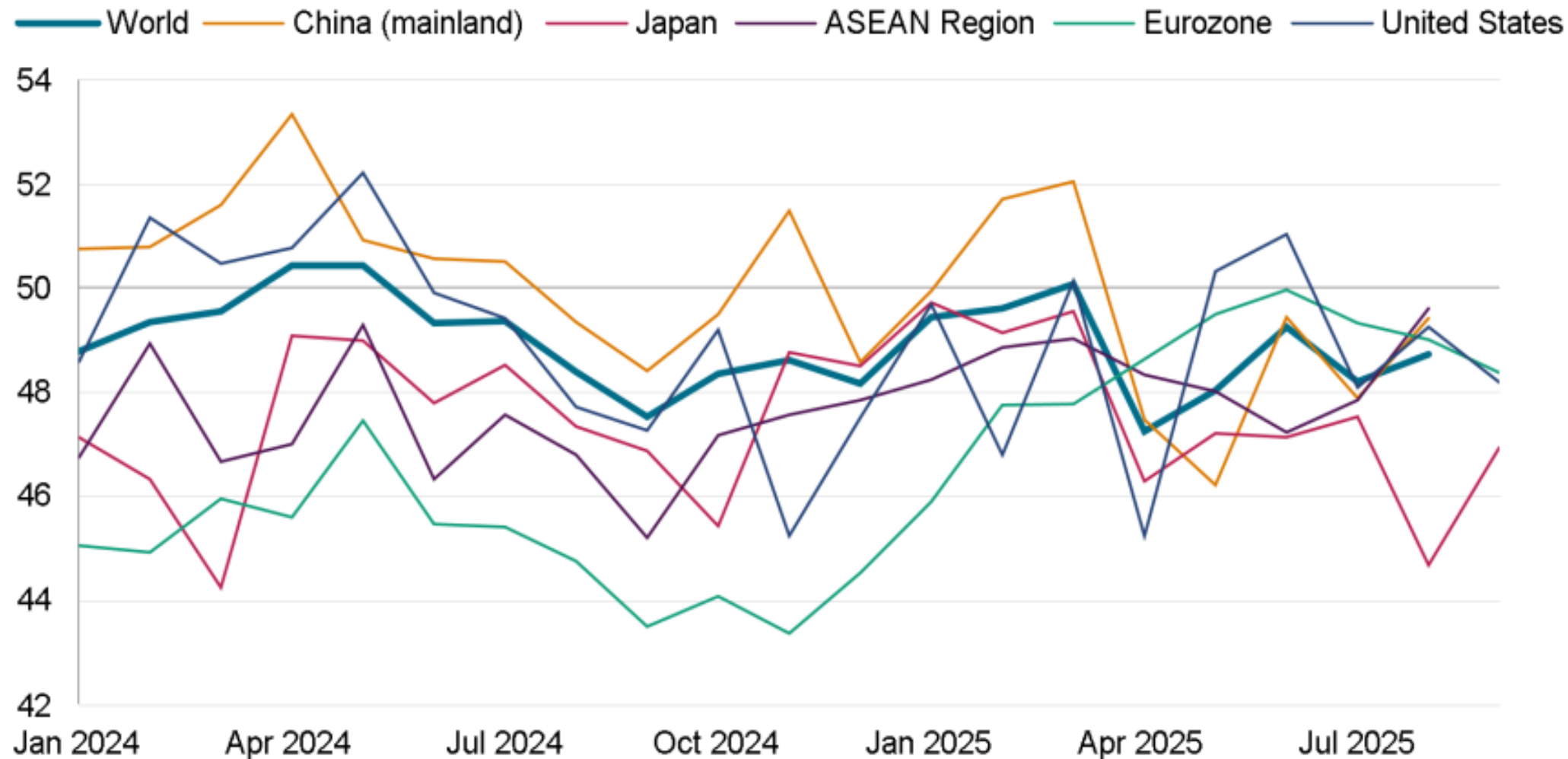
**S&P Global**  
Market Intelligence

# World, US, Asia, China and EU manufacturing PMIs (S&P Global)



## Export orders continue to indicate slowing US trade

S&P Global Manufacturing export orders PMI (50 = unchanged on month earlier)



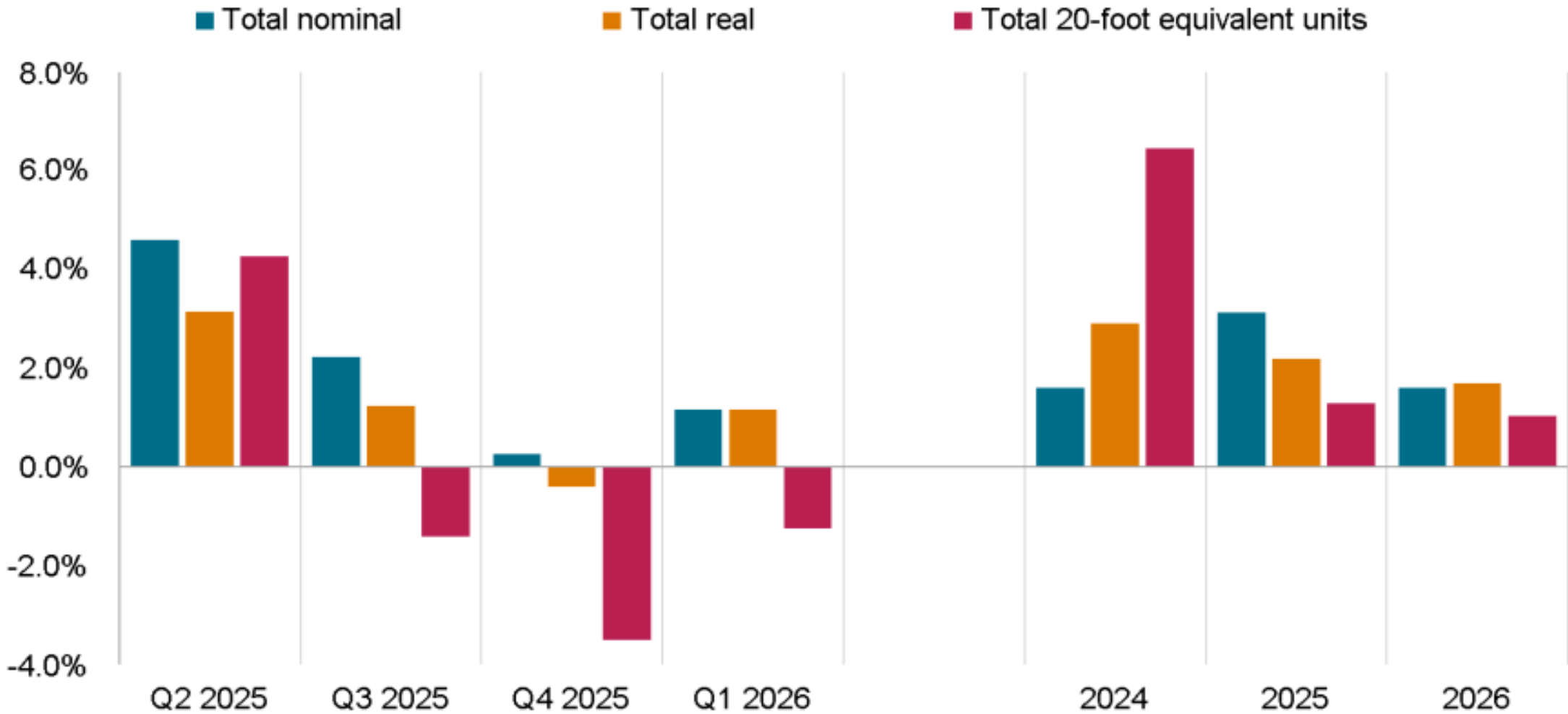
Data compiled Sept. 29, 2025.

Source: S&P Global Market Intelligence.

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# US tariffs drag on trade volumes through 2025, recovery in 2026

Year-over-year trade in global trade volumes

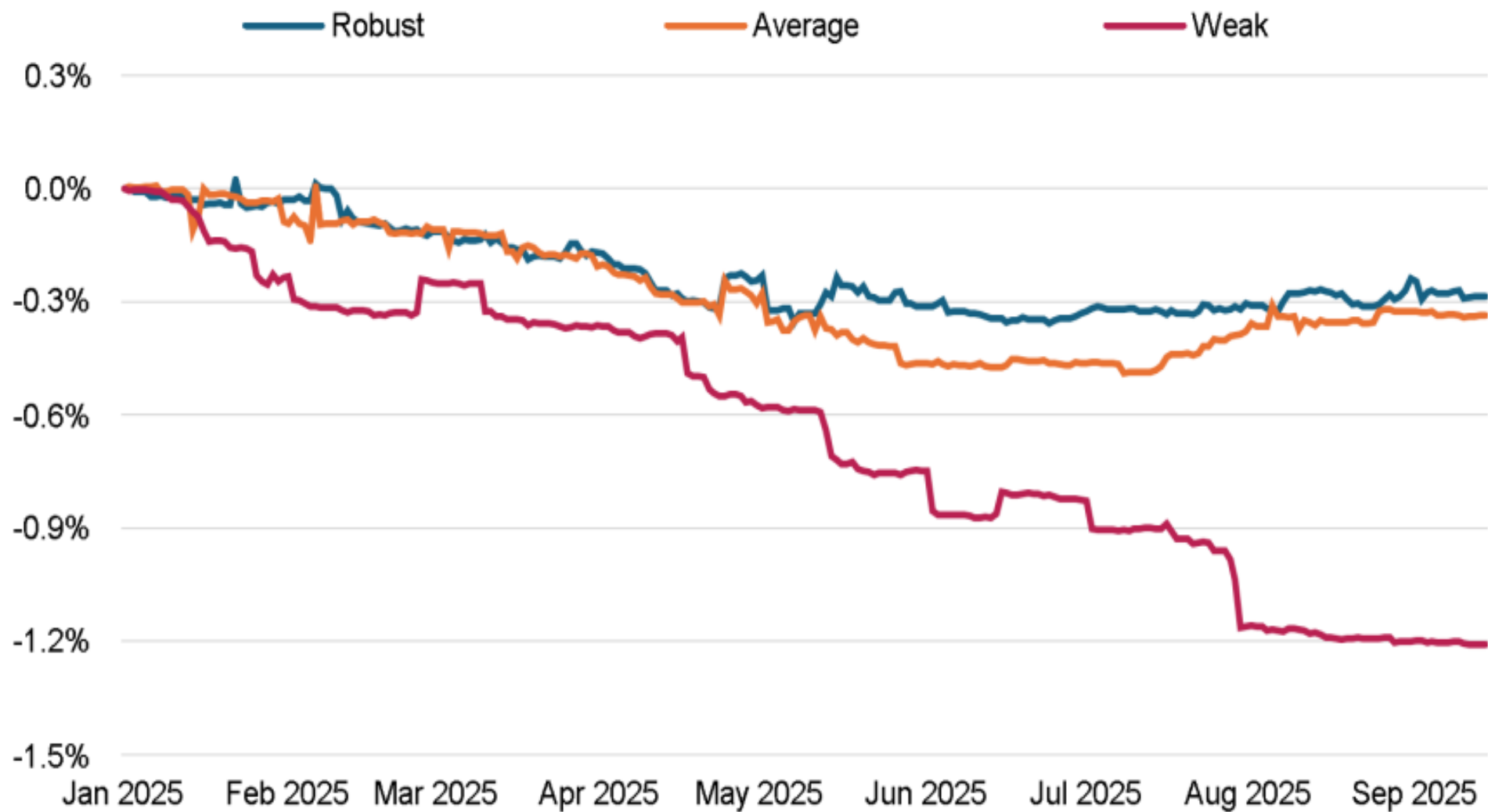


Data compiled June 20, 2025.  
Source: S&P Global Market Intelligence.  
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## Firms with impacted supply chains see margin expectations fall

Change in 2025 profit margin expectation, by forecast date, segmented by 'supply chain contagion' exposure



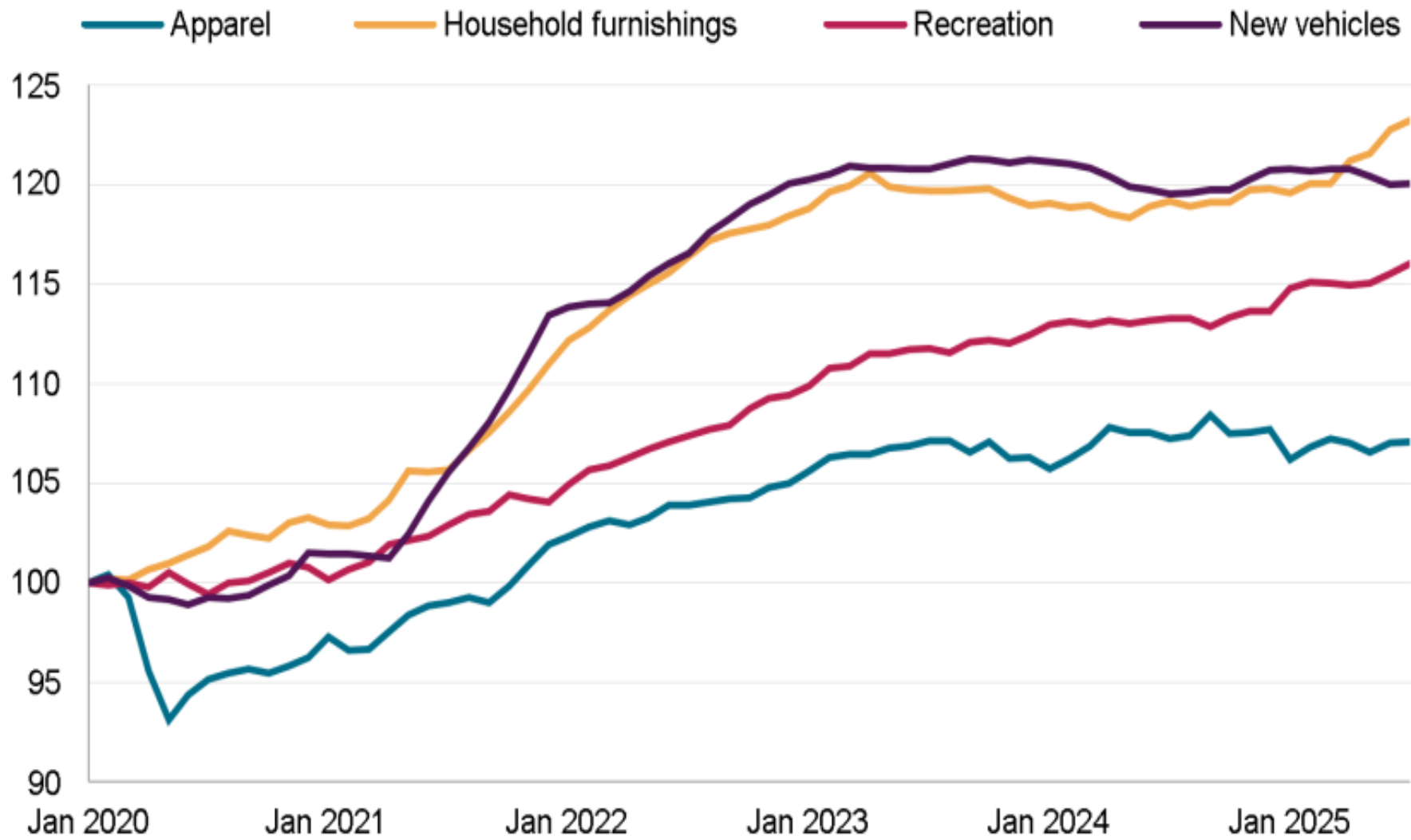
Data compiled Sept. 14, 2025.

Source: S&P Global Market Intelligence.

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# US consumers see higher prices on furnishings, recreation

US CPI; all urban consumers; seasonally adjusted; selected sectors; index: 100 = Jan 2020



Data compiled Sept. 30, 2025.

Source: S&P Global Market Intelligence.

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# Tariffs a Headwind, but Not the Only One

- Construction labor pool constrained by immigration crackdown
- Interest rates creating investment reluctance
- Pullback on some infrastructure spending (high speed rail/wind farms, etc.)
- Electronics manufacturing has been strong but now declining (EV batteries/chips)
- Data centers driving virtually all construction growth



# Summary of New Projects Announced in the Past 30 Days

- For August 2025:
  - 143 new industrial manufacturing projects announced
  - 400 total planned industrial construction projects
  - 124 new manufacturing/production facilities (19 other industrial projects warehouses, DC's, etc.)
    - 42 new construction projects
    - 34 expansions
    - 48 other types (relocations, renovations, equipment installations, etc.)
  - 16 projects valued at \$100+ million
- Top states by project count:
  - Texas: 27 projects
  - New York: 26 projects
  - California: 23 projects
  - Michigan: 22 projects
  - Georgia: 20 projects
  - Indiana: 20 projects
  - Ohio: 20 projects

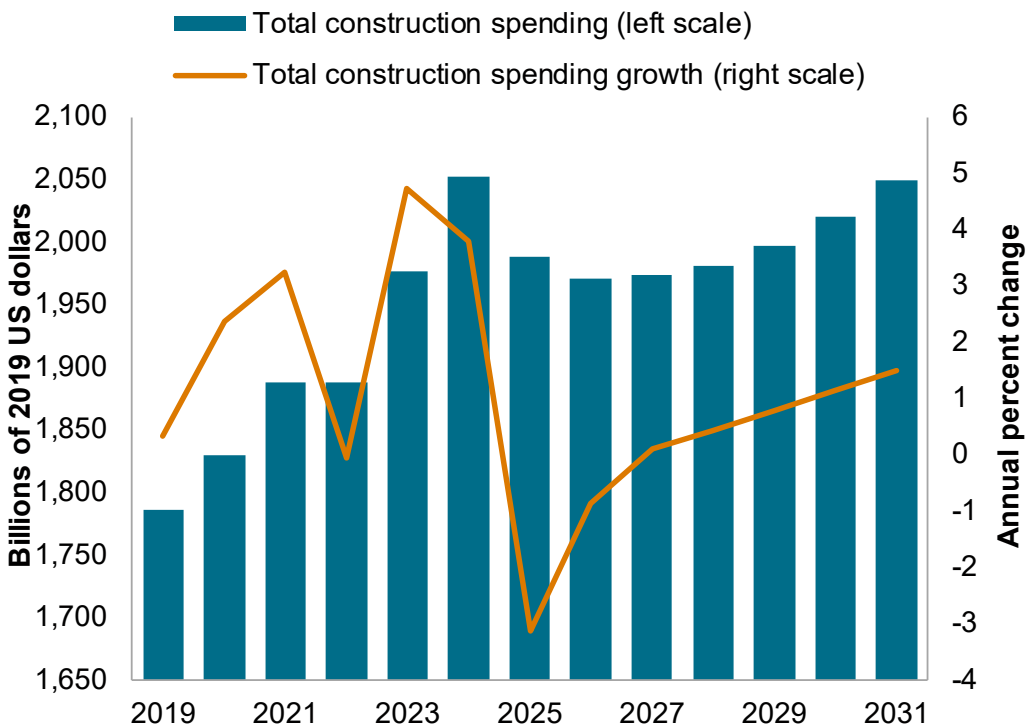
**Watch driver availability,  
carload, and bulk capacity.**

**Later: Boost to LTL**



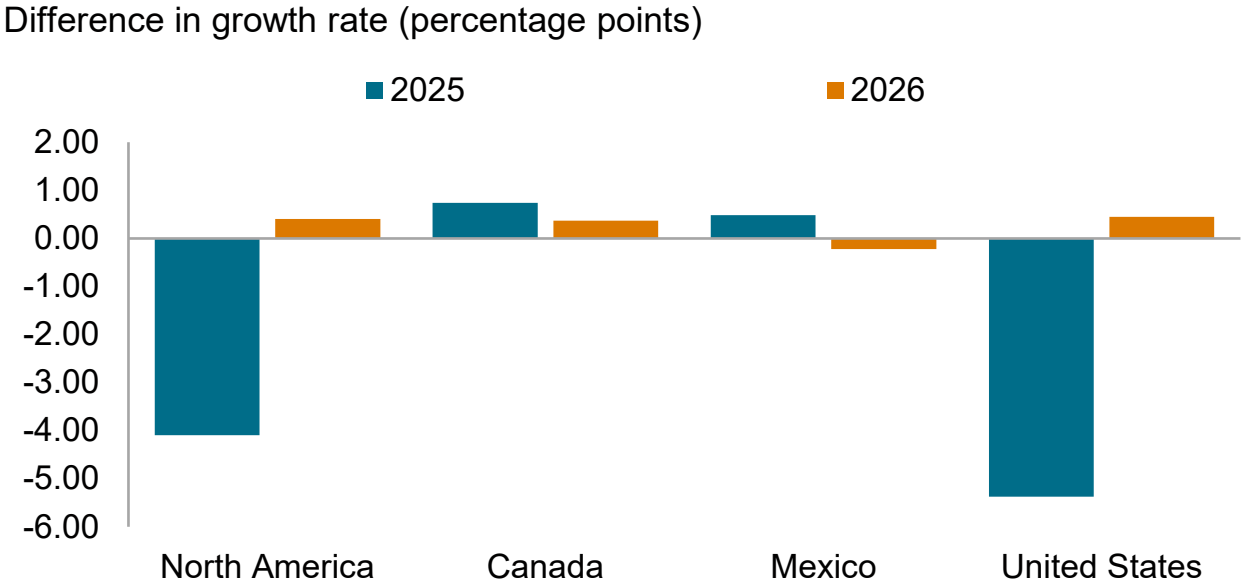
# North America

North America: Total construction spending



Data compiled October 2025.  
Source: S&P Global Market Intelligence.  
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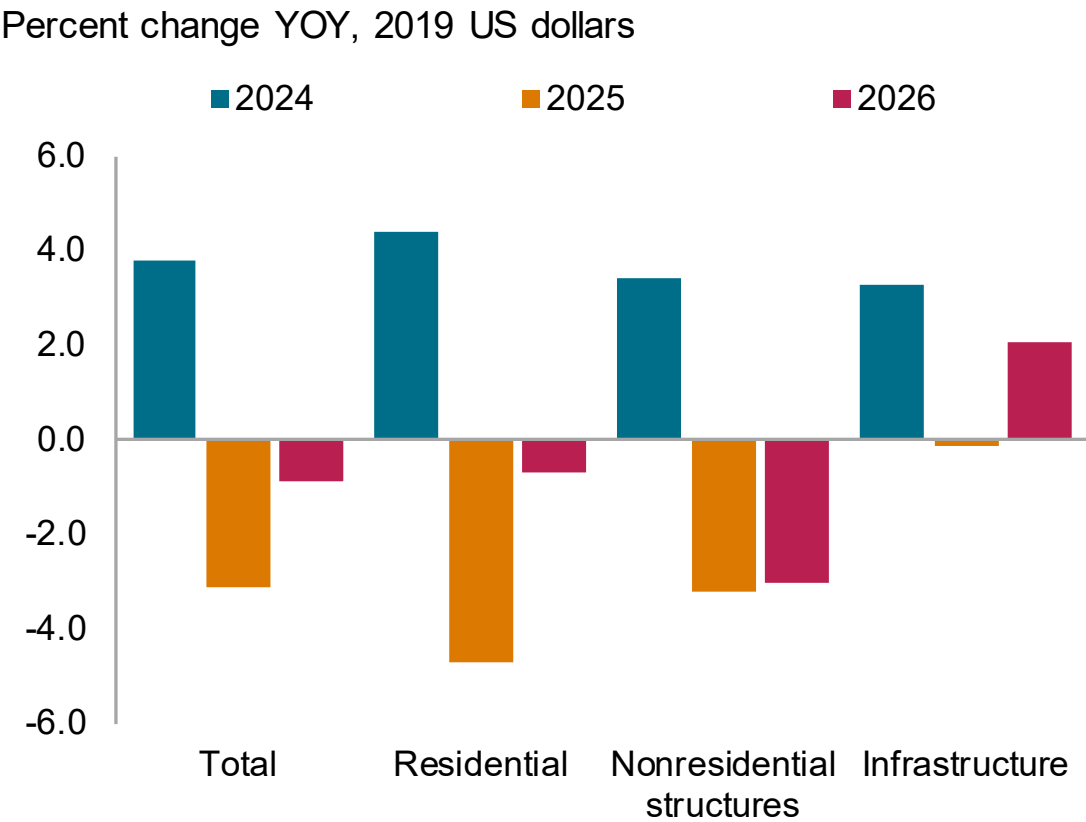
Changes from last forecast - North America



Data compiled October 2025.  
Source: S&P Global Market Intelligence.  
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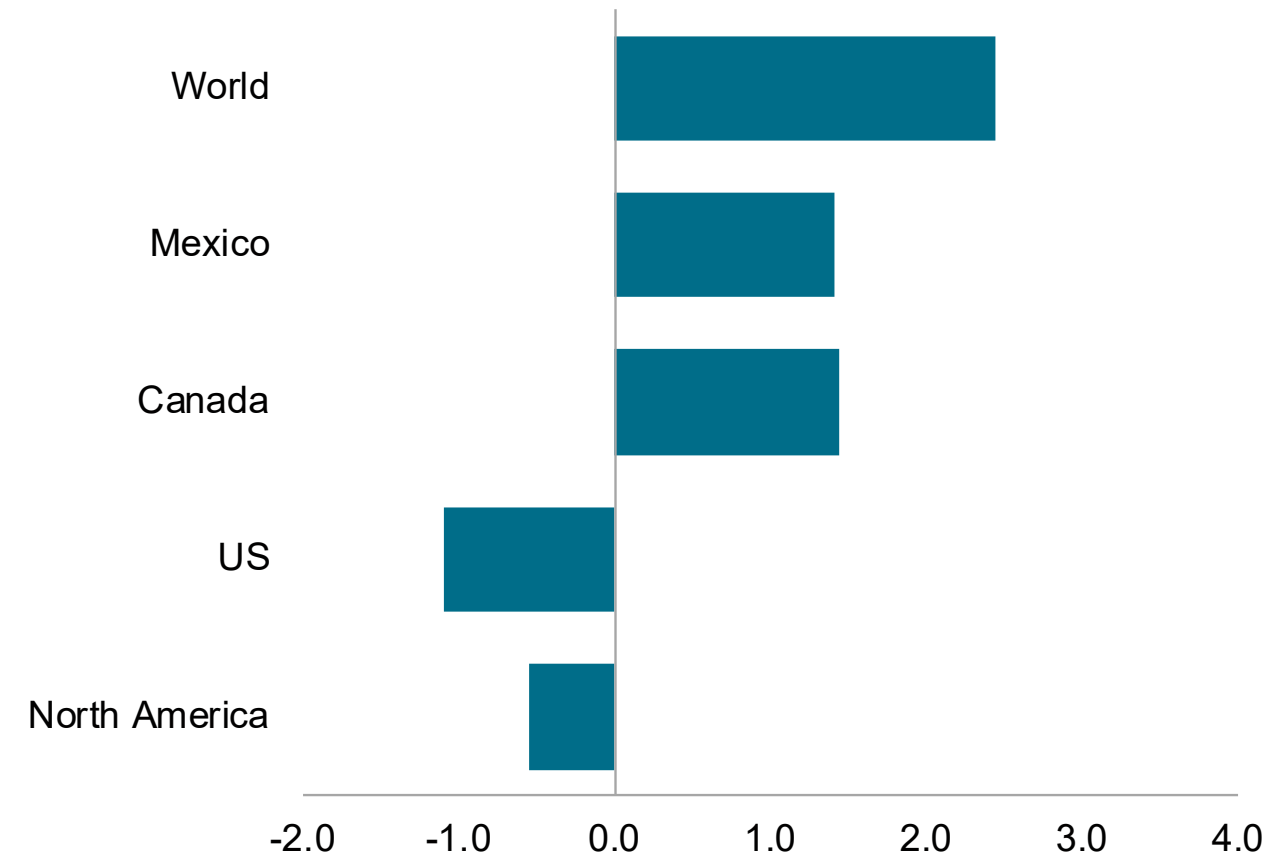
# North America

North America: Total annual construction growth by segment



Data compiled October 2025.  
YOY = year over year.  
Source: S&P Global Market Intelligence.  
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North America: Total construction spending CAGR, 2019 US dollars, 2024-29

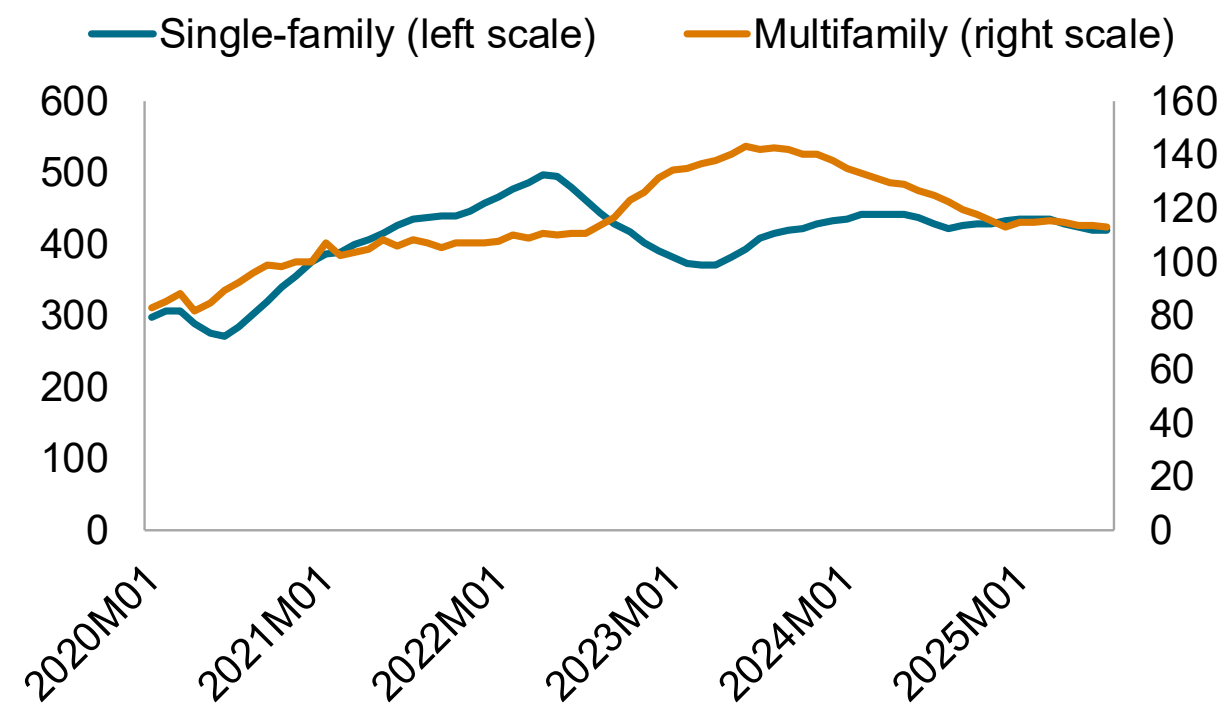


Data compiled October 2025.  
CAGR = compound annual growth rate.  
Source: S&P Global Market Intelligence.  
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# United States

## Residential construction spending

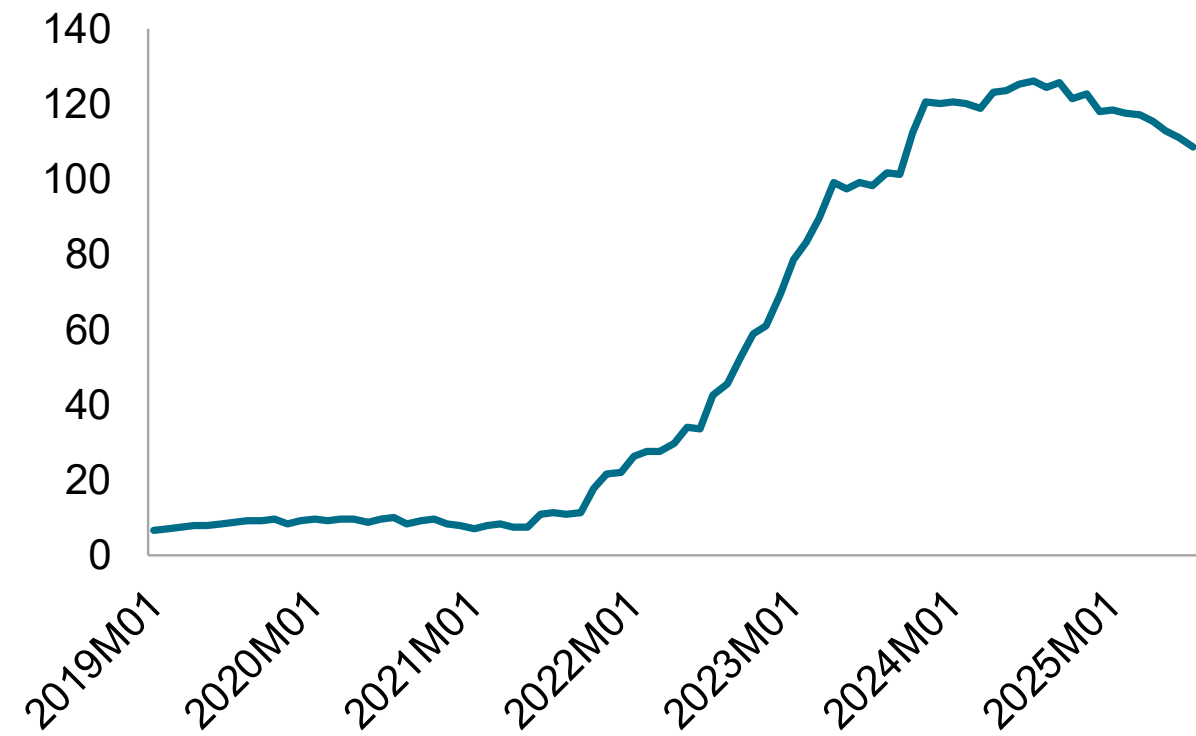
Billions US dollars



Data compiled October 2025.  
Source: S&P Global Market Intelligence, US Census Bureau.  
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## Computer and electronics manufacturing

Billions, US dollars

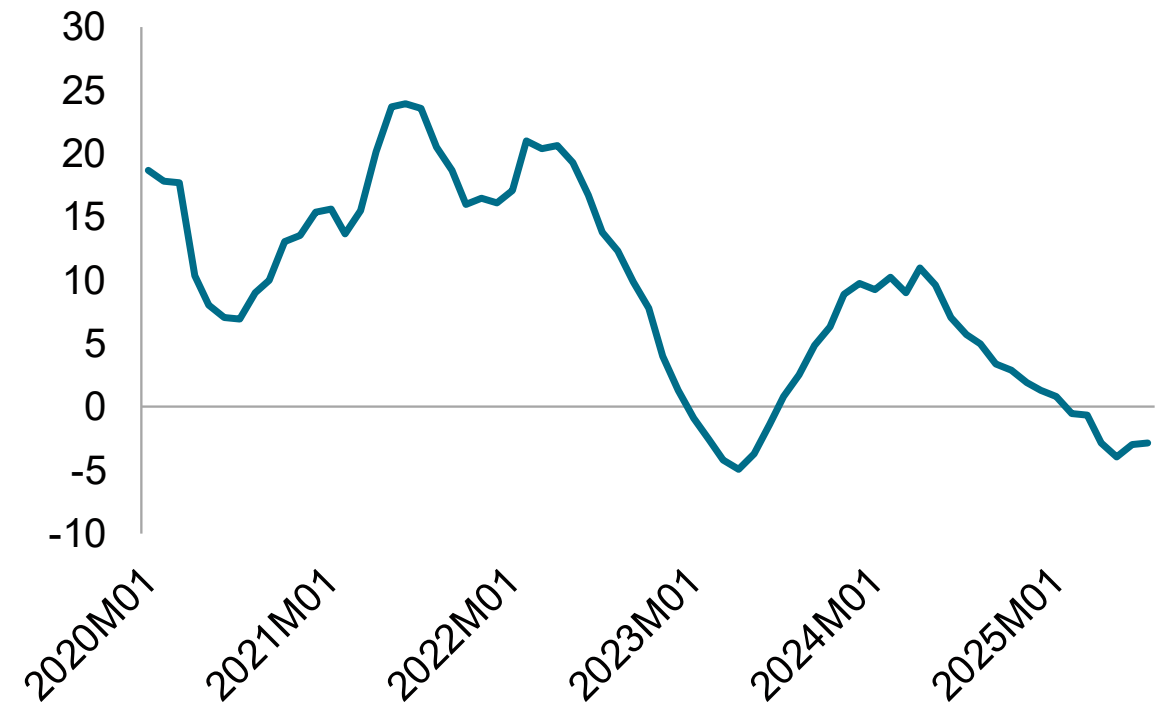


Data compiled October 2025.  
Source: S&P Global Market Intelligence, US Census Bureau.  
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# United States

## Infrastructure construction spending

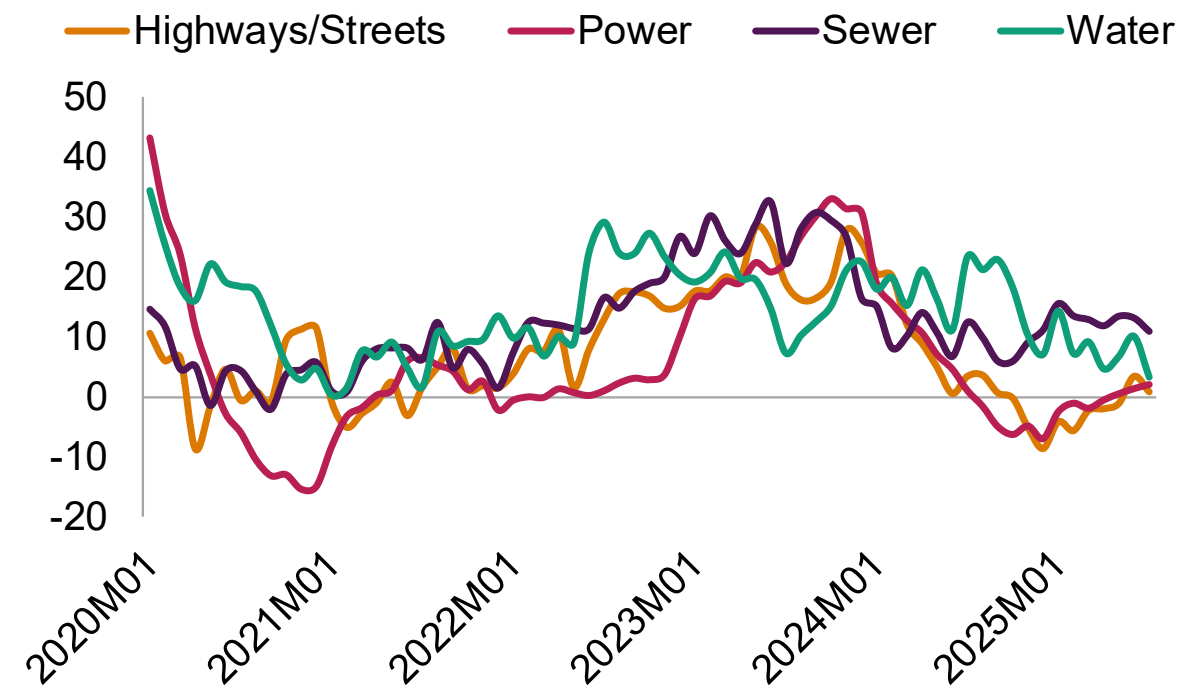
Percent change from year earlier



Data compiled October 2025.  
Source: S&P Global Market Intelligence.  
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## Infrastructure segments

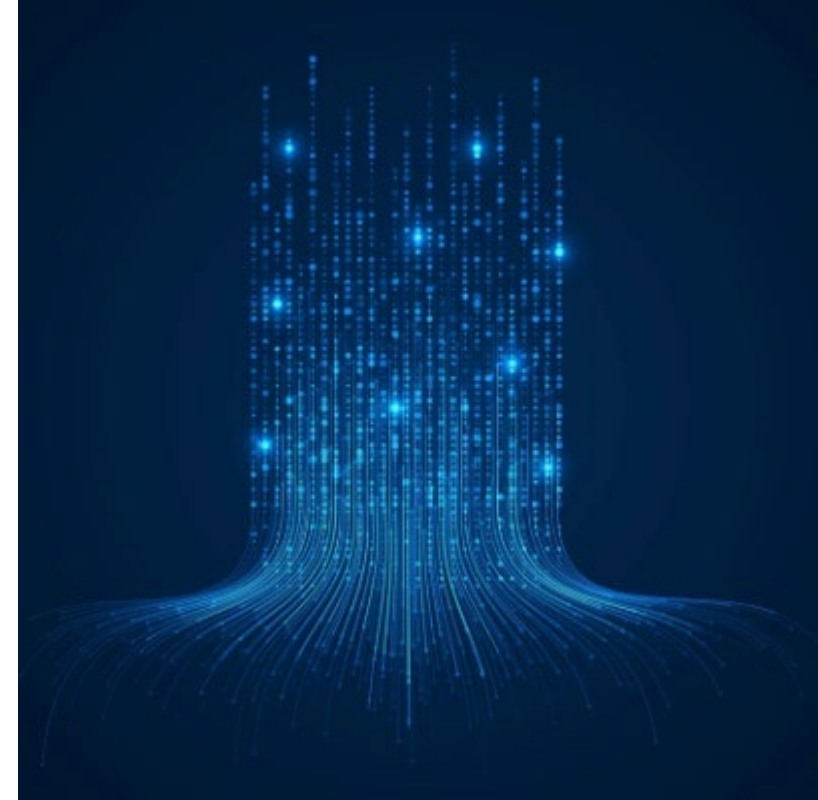
Percent change year earlier



Data compiled October 2025.  
Source: S&P Global Market Intelligence, US Census Bureau.  
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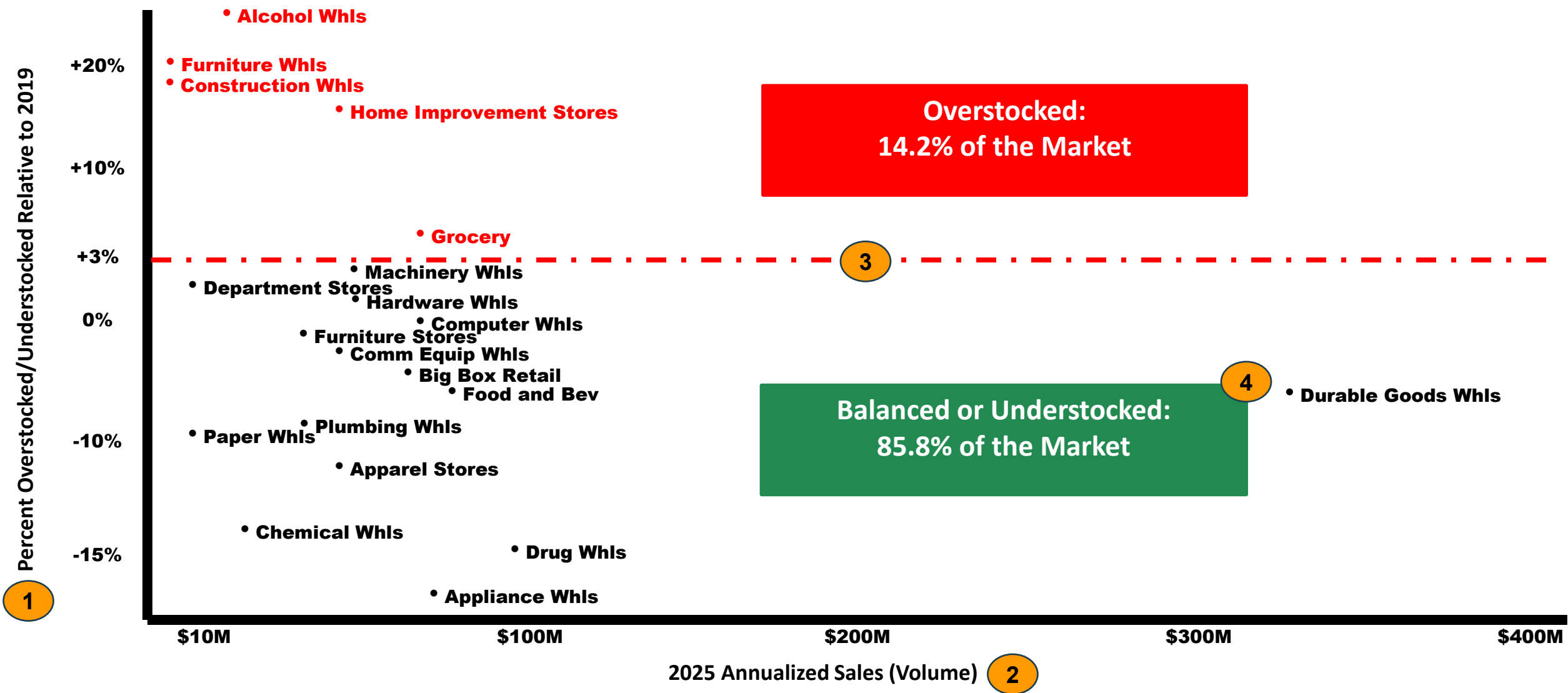
# Data centers...and everything else

- AI driving boom in demand for data centers
- “Holding up U.S. construction sector amid residential woes”  
– Allianz
- Data center construction up 30-40% yoy, according to S&P Global Market Intelligence





# Inventory-to-Sales Ratios vs. Levels from 2019



# Healthy Inventories = Lower Imports



Jason Miller • 1st

6d ••

Supply chain professor helping industry professionals better use data

**Peter Tirschwell**, I don't see a major rebound coming. Ratios of real inventories over real sales remain elevated for many wholesale trade sectors, especially container shipping centric wholesale trade sectors like furniture & home furnishings. Moreover, building material retailers are over-inventoried at the moment. When you then factor in higher tariff rate taking effect, the natural inclination is to order less per inventory theory principles.

Ratio of Real Inventories to Real Sales for Wholesale Trade Sectors			
Sector	2017	2025	2025 vs 2017
Motor vehicles, parts, and supplies wholesalers	1.57	1.62	3.3%
Furniture and home furnishings wholesalers	1.57	1.90	21.0%
Lumber and other construction materials wholesalers	1.09	1.51	37.9%
Professional and commercial equipment wholesalers	0.88	0.96	8.7%
Metal and mineral (except petroleum) wholesalers	2.33	2.56	10.2%
Electrical goods wholesalers	0.96	0.88	-7.5%
Hardware and plumbing and heating equipment wholesalers	1.96	2.23	14.1%
Machinery, equipment, and supplies wholesalers	2.76	3.07	11.1%
Miscellaneous durable goods wholesalers	1.48	1.45	-2.4%
Paper and paper products wholesalers	1.60	1.79	12.1%
Drugs and druggists' sundries wholesalers	1.35	1.22	-9.6%
Apparel, piece goods, and notions wholesalers	1.68	1.83	8.6%
Grocery and related products wholesalers	0.69	0.76	9.3%
Farm product raw material wholesalers	1.89	1.76	-6.5%
Chemical and allied products wholesalers	1.20	1.11	-7.1%
Petroleum and petroleum products wholesalers	0.47	0.38	-18.9%
Beer, wine, and distilled alcoholic beverages wholesalers	1.38	1.75	26.3%
Miscellaneous nondurable goods wholesalers	1.60	2.03	27.2%

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# Where Are the Tariffs Hitting?

- Reciprocal vs. national security vs. trade unfairness
- Steel and lumber
- Uncertainty on actual price of goods driving project cost uncertainty
- IEEPA case before SCOTUS
- Construction industry “lag” likely to feel impact in '26... “projects that have already begun will finish, but it’s future investment that will slow”



# Technology – A Challenge and Opportunity

- Never more platforms, but which one to use?
- Are your problems:
  - Transportation-related?
  - Warehouse-related?
  - Manufacturing-related?
  - Trade compliance-related?
  - Partner coordination-related?
  - Risk mitigation-related?
  - Or all of the above?





# AI Everywhere

- Agentic AI (essentially bots)
- Workflow automation
- Impact on jobs?
- 95% of enterprise AI projects have failed thus far...but why?

