

# Reactions and remedies

Supply Chain Outlook

S&P Global Market Intelligence

Q1 2025



# Agenda

- **Rivalries and friendships:** Trump 2.0; Trump's tariffs not the only game in town
- **Finding a logistics balance:** Trade growth is expected to slow and shipping capacity will rise
- **Deploying the playbook:** We've been here before, but the cost-cutting imperative leads the way

# Rivalries and friendships

## Trump 2.0

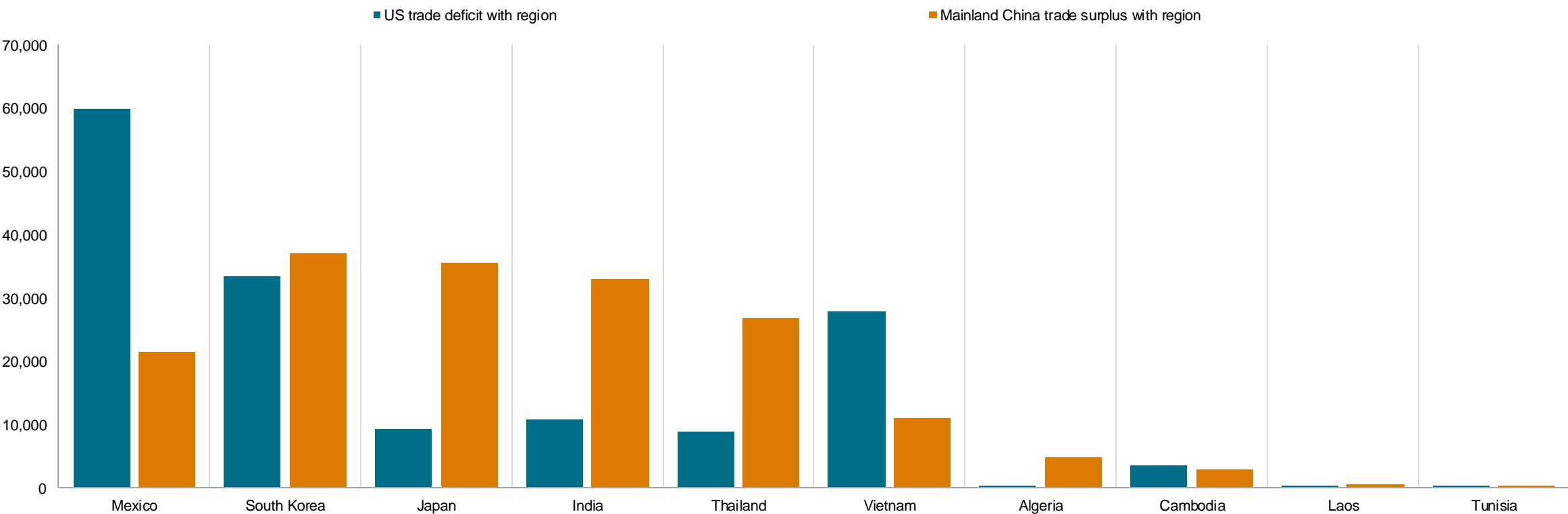
# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Trade protectionism is set to be the defining factor of 2025

President Trump’s targeting driven by trade deficits; transactional approach

### US trade deficit building at same time as China trade surplus

Change in net merchandise trade position, US\$M in 12 months to Sep. 30, 2024 versus 2021



Data compiled Nov. 11, 2024.

Source: S&P Global Market Intelligence.

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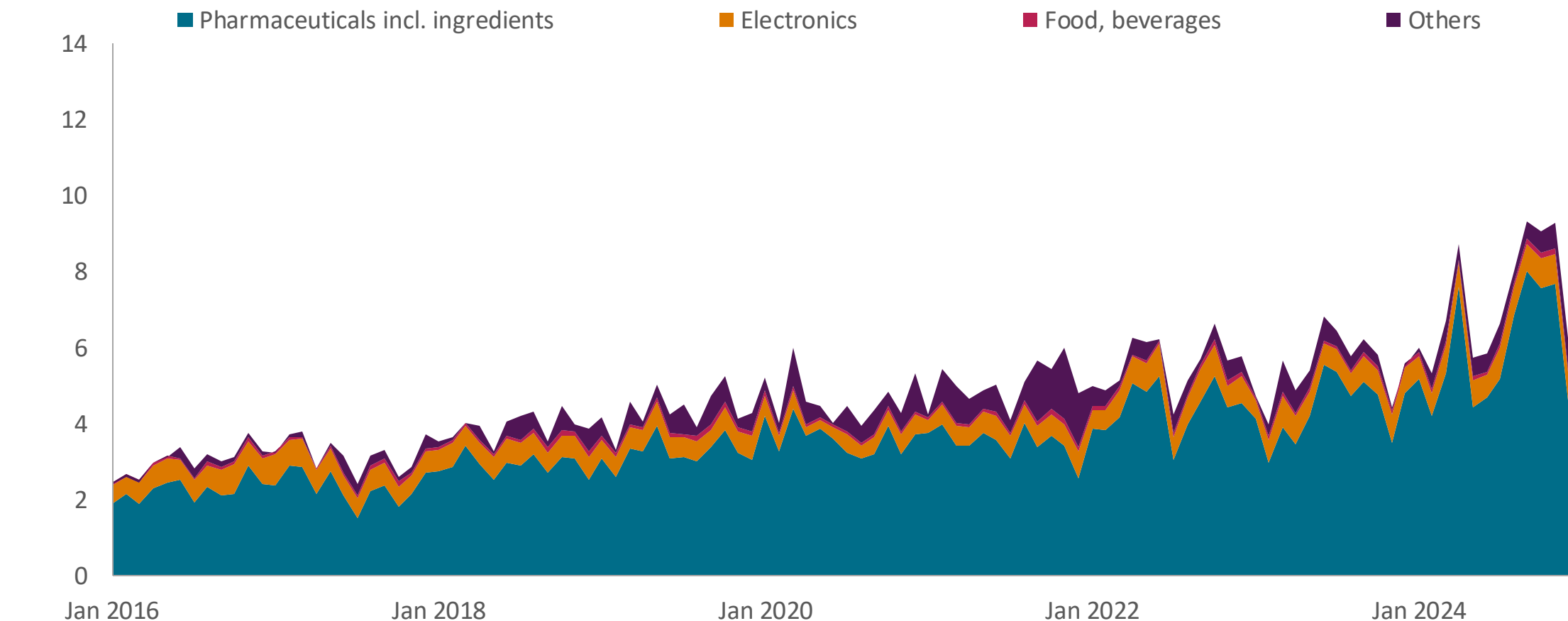
# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Ireland particularly exposed thanks to diet drug shipments

### US trade deficit with Ireland reaches US\$93B, up by 54% since 2021

**Diet drugs drive US trade deficit with Ireland to record high**

US trade-in-goods sector deficit with Ireland, US\$B



Data compiled Mar. 21, 2025.  
Source: S&P Global Market Intelligence.  
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# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Something for everyone

| Trump Administration's Announced Tariff Plans Since Jan 20, 2025                                |           |        |                         |                     |  |
|---|-----------|--------|-------------------------|---------------------|--|
| Plans announced or defined threats identified   |           |        |                         |                     |  |
| Measure<br>Regions  | Mechanism | Rate   | Date applied            | Imports, US\$B 2024 | % US<br>imports Notes  |
| Canada  | IEEPA     | 25%    | Mar 4 2025              | 412.7               | 12.6%USMCA products free until April 2, 10% on energy products; De minimis shipping rights removed |
| Canada  | TBC       | 25%    | Mar 12 2025             | 11.5                | 0.4%Steel and aluminum products  |
| Mexico  | IEEPA     | 25%    | Mar 4 2025              | 505.9               | 15.5%USMCA products free until April 2 De minimis shipping rights removed                          |
| Mainland China  | IEEPA     | 10%    | Feb 04 2025             | 438.9               | 13.4%  |
| Mainland China  | IEEPA     | 10%    | Mar 04 2025             | 438.9               | 13.4%  |
| Mainland China  | IEEPA     | na     | Delayed                 | na                  | naDe minimis shipping rights removed subject to systems review                                     |
| European Union  | tbc       | 25%    | tbc                     | 605.8               | 18.5%  |
| Colombia  | tbc       | 25%    | Suspended               | 17.7                | 0.5%Deal reached on immigration  |
| Russia  | tbc       | tbc    | tbc                     | 3.0                 | 0.1%Threatened as part of peace talks  |
| BRICS   | tbc       | 100%   | tbc                     | na                  | naThreatened with regards to currency  |
| <b>Products</b>   |           |        |                         |                     |  |
| Steel, derivatives  | 232       | 25%    | Mar 12 2025             | 85.3                | 2.6%Includes full value of derivatives   |
| Aluminum, derivatives   | 232       | 25%    | Mar 12 2025             | 120.1               | 3.7%Includes full value of derivatives   |
| Copper, derivatives   | 232       | tbc    | Review: Feb.<br>25 2025 | 15.8                | 0.5%Standard case up to 270 days before report   |
| Forestry products   | 232       | tbc    | Review: Mar 1<br>2025   | 46.3                | 1.4%Standard case up to 270 days includes all wood furniture                                       |
| Semiconductors  | tbc       | >= 25% | tbc                     | 40.2                | 1.2%Includes packaging   |
| Pharmaceuticals   | tbc       | >= 25% | tbc                     | 263.6               | 8.1%Includes APIs  |
| Autos   | tbc       | 25%    | tbc                     | 439.6               | 13.5%Includes vehicles, parts, could leverage prior 232 case                                       |
| Digital services  | tbc       | tbc    | tbc                     | na                  | naCould leverage prior 301 case  |
| Chinese shipping  | 301       | tbc    | Mar 24 2025             | na                  | naVaries by shipowner and portfolio  |
| Fair and Reciprocal Plan  | tbc       | tbc    | From Apr 02<br>2025     | na                  | naCould include VAT as well as tariff assessment   |
| IEEPA = International Emergency Economic Powers Act; tbc = to be confirmed; NA = not available. |           |        |                         |                     |  |
| Data as of Mar. 11, 2025  |           |        |                         |                     |  |
| Source: S&P Global Market Intelligence  |           |        |                         |                     |  |
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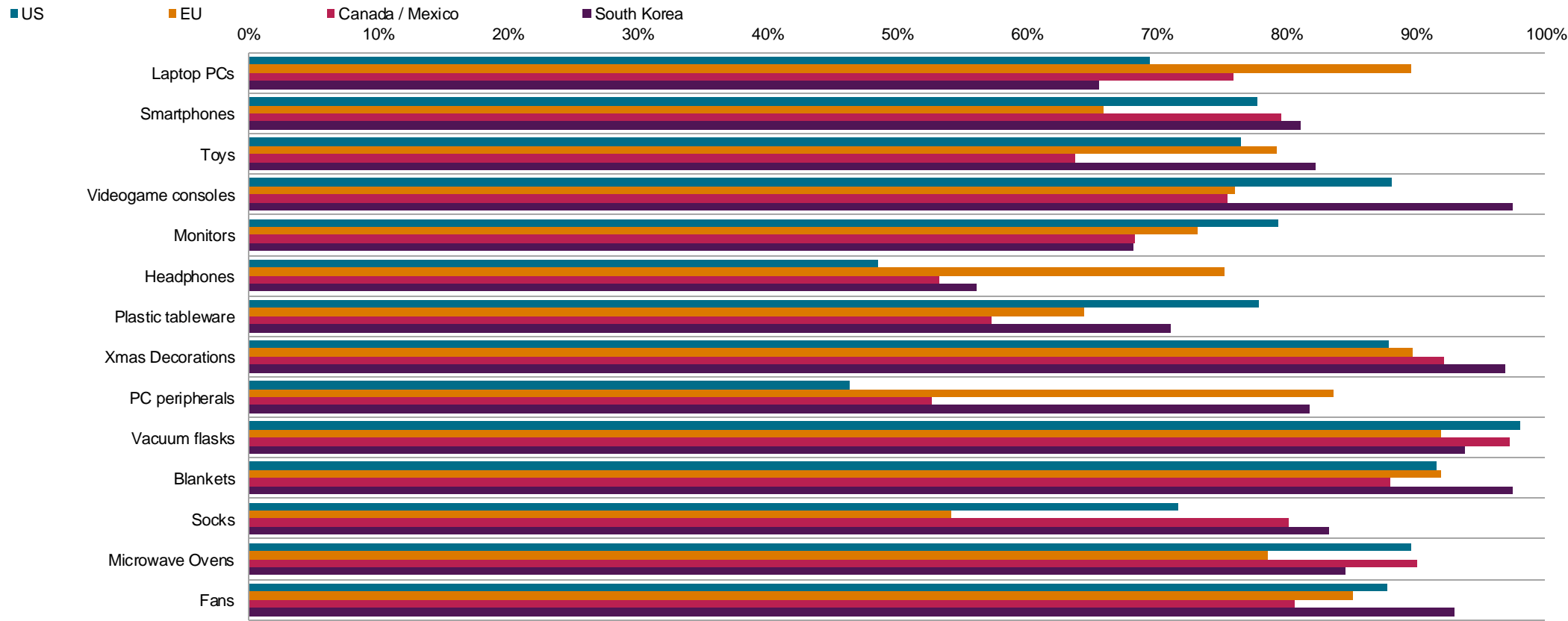
# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Trump's early actions to be followed by deeper dives in April

### 20% China tariff hike causes potential for price pressures

#### Mainland China's existing dominance leaves few other markets if US tariffs rise

Share of imports accounted for by mainland China, 12 months to June 30, 2024



Data compiled Nov. 18, 2024.  
Source: S&P Global Market Intelligence.  
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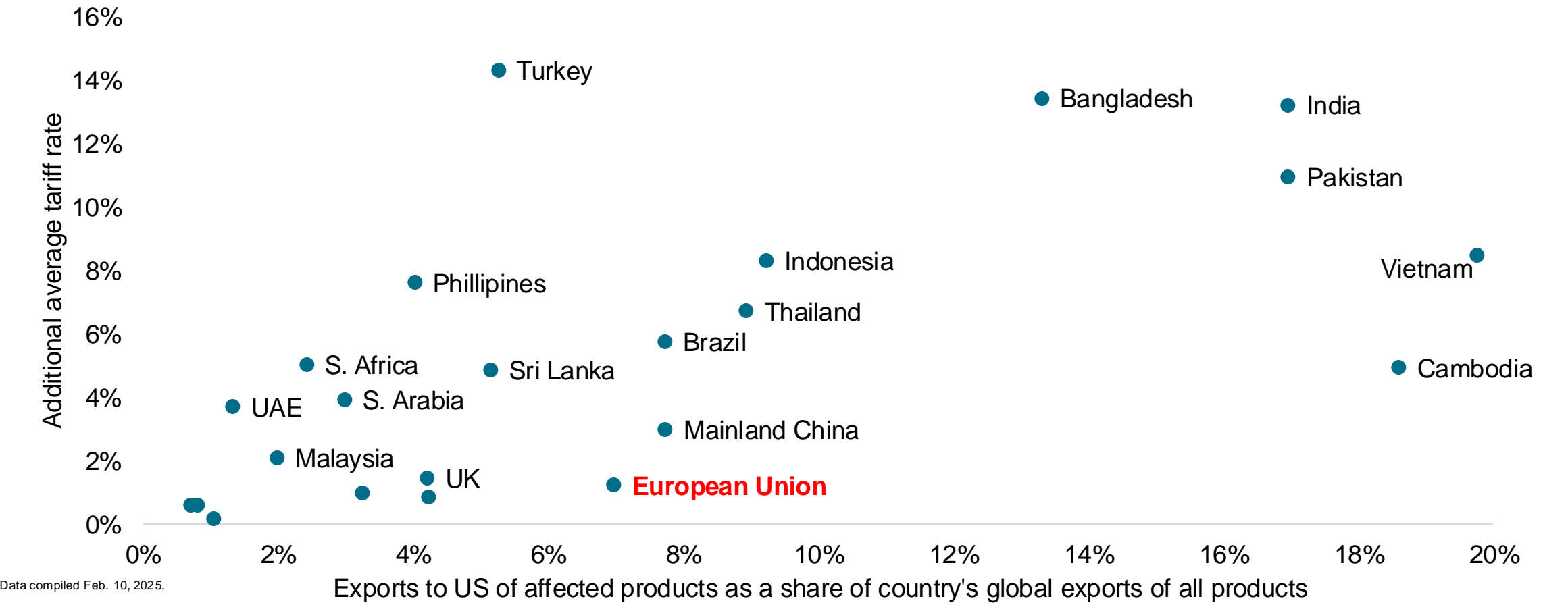
# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

Reciprocal tariffs put everything on the agenda, but potentially at low rates

Style of targeting matters critically, leaves room for country-by-country deals

**Vietnam, Cambodia and south Asia most exposed to reciprocal tariffs**

Merchandise trade with the US where country's import tariff is higher than US's, last 12 months



Data compiled Feb. 10, 2025.

Source: S&P Global Market Intelligence.

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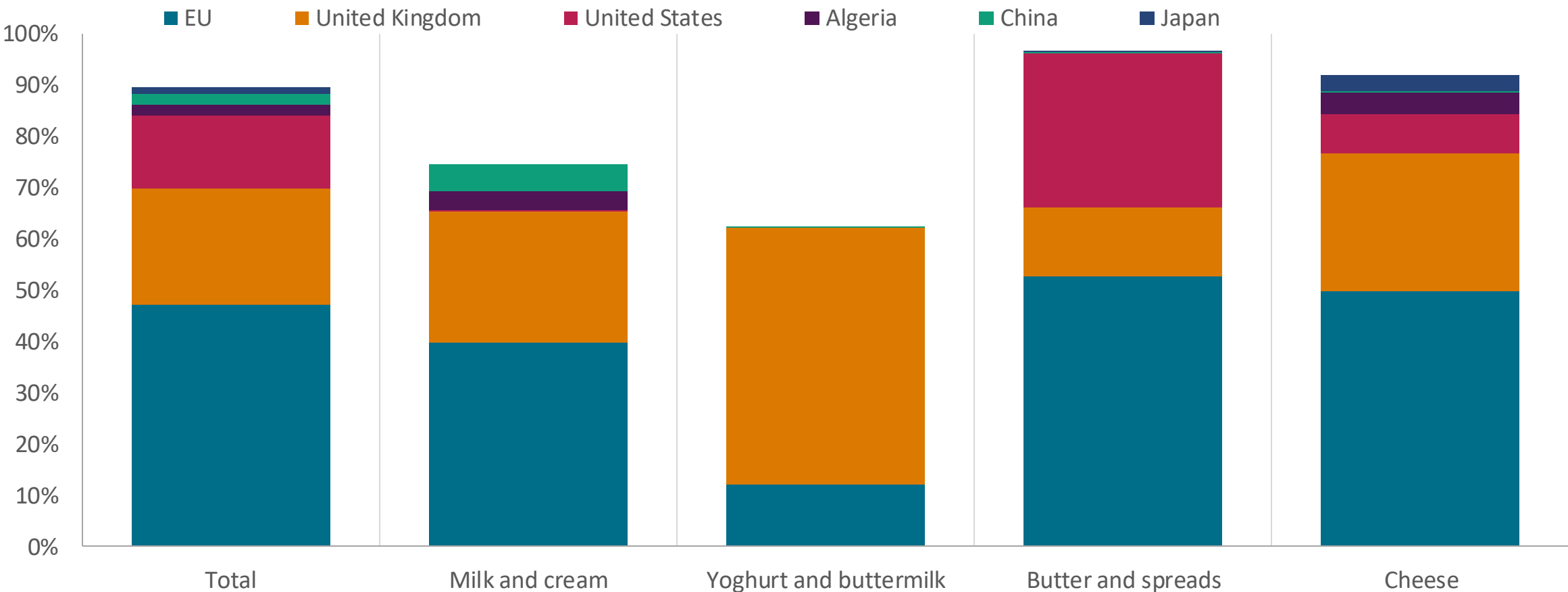


# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Irish dairy industry heavily exposed to the US as key market outside Europe

US the most important market after Europe, focused on butter

Share of Irish exports, 2024, denominated in euros



Data compiled Mar. 21, 2025.  
Source: S&P Global Market Intelligence.  
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# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

Reciprocal tariffs put everything on the agenda, but potentially at low rates

Retaliation, appropriation, cooperation all options – not mutually exclusive

Top 17 buyers account for 80% of US exports of all products

Share of top 50 most valuable US exports by destination, 12-months to Sep. 30, 2024

|                         | CA           | MX           | CN          | EU           | JP          | UK          | SK          | BR          | SG          | TW          | IN          | AUS         | HK          | SWZ         | UAE         | VN          | PN          |
|-------------------------|--------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>All exports</b>      | <b>17.0%</b> | <b>16.2%</b> | <b>7.1%</b> | <b>13.6%</b> | <b>3.8%</b> | <b>3.7%</b> | <b>3.3%</b> | <b>2.3%</b> | <b>2.3%</b> | <b>2.0%</b> | <b>2.0%</b> | <b>1.7%</b> | <b>1.4%</b> | <b>1.3%</b> | <b>1.3%</b> | <b>0.6%</b> | <b>0.5%</b> |
| Aircraft                | 6.8%         | 4.7%         | 8.4%        | 25.0%        | 3.8%        | 7.8%        | 2.1%        | 7.5%        | 5.3%        | 1.8%        | 2.6%        | 1.9%        | 1.3%        | 1.0%        | 3.0%        | 0.2%        | 0.5%        |
| Crude oil               | 8.7%         | 0.0%         | 6.7%        | 20.0%        | 1.0%        | 6.4%        | 12.0%       | 1.4%        | 6.4%        | 5.6%        | 5.0%        | 0.4%        | 0.0%        | 0.0%        | 0.0%        | 0.1%        | 1.0%        |
| Refined oil             | 11.1%        | 29.1%        | 0.3%        | 4.9%         | 0.6%        | 3.1%        | 0.4%        | 3.2%        | 1.1%        | 0.1%        | 0.6%        | 0.1%        | 0.0%        | 0.1%        | 0.1%        | 0.0%        | 3.6%        |
| Cars                    | 26.9%        | 7.6%         | 9.5%        | 19.3%        | 1.6%        | 1.5%        | 3.5%        | 0.6%        | 0.0%        | 1.3%        | 0.1%        | 2.1%        | 0.1%        | 0.1%        | 6.7%        | 0.0%        | 0.1%        |
| Natural gas             | 2.9%         | 11.1%        | 9.1%        | 19.6%        | 14.3%       | 3.4%        | 6.9%        | 1.7%        | 1.3%        | 1.4%        | 2.2%        | 0.2%        | 0.0%        | 0.1%        | 0.0%        | 0.1%        | 0.4%        |
| Vaccines                | 4.5%         | 2.8%         | 12.8%       | 35.6%        | 8.3%        | 2.9%        | 1.9%        | 1.9%        | 2.1%        | 0.6%        | 0.6%        | 2.9%        | 0.3%        | 4.5%        | 0.6%        | 0.2%        | 0.4%        |
| Auto parts              | 32.1%        | 43.4%        | 3.2%        | 5.6%         | 0.9%        | 0.5%        | 0.4%        | 1.3%        | 0.3%        | 0.1%        | 0.9%        | 2.0%        | 0.1%        | 0.0%        | 0.7%        | 0.1%        | 0.1%        |
| Semiconductors          | 1.9%         | 24.6%        | 15.8%       | 4.9%         | 0.8%        | 0.6%        | 5.1%        | 2.6%        | 1.5%        | 9.0%        | 0.4%        | 0.1%        | 6.1%        | 0.1%        | 0.0%        | 5.3%        | 0.0%        |
| Pharmaceuticals         | 11.0%        | 4.1%         | 7.9%        | 25.1%        | 9.4%        | 13.4%       | 2.8%        | 3.1%        | 1.5%        | 0.7%        | 0.6%        | 2.1%        | 0.3%        | 1.5%        | 1.4%        | 0.2%        | 0.4%        |
| Gold                    | 2.0%         | 0.3%         | 0.0%        | 1.3%         | 0.0%        | 32.8%       | 0.0%        | 0.0%        | 10.9%       | 0.3%        | 4.9%        | 4.1%        | 3.0%        | 35.5%       | 2.6%        | 0.0%        | 0.0%        |
| Computers               | 16.8%        | 11.9%        | 2.6%        | 10.8%        | 5.4%        | 3.1%        | 1.1%        | 1.8%        | 4.2%        | 3.5%        | 2.5%        | 2.8%        | 2.5%        | 0.3%        | 4.3%        | 0.4%        | 0.3%        |
| Comms equipment         | 11.8%        | 12.5%        | 2.5%        | 8.8%         | 2.0%        | 2.7%        | 0.9%        | 2.3%        | 3.1%        | 1.3%        | 1.4%        | 3.0%        | 10.3%       | 0.3%        | 5.6%        | 2.0%        | 0.3%        |
| Medical instruments     | 8.7%         | 12.5%        | 9.4%        | 18.6%        | 7.4%        | 1.6%        | 2.2%        | 1.8%        | 2.2%        | 1.2%        | 1.7%        | 3.1%        | 0.7%        | 0.9%        | 0.4%        | 0.2%        | 0.1%        |
| Commercial vehicles     | 72.4%        | 8.6%         | 0.6%        | 1.4%         | 0.0%        | 0.0%        | 0.1%        | 0.8%        | 0.0%        | 0.0%        | 0.0%        | 6.0%        | 0.0%        | 0.2%        | 1.0%        | 0.0%        | 0.1%        |
| Soybeans                | 0.5%         | 10.1%        | 53.6%       | 9.2%         | 4.6%        | 0.2%        | 1.3%        | 0.0%        | 0.0%        | 2.2%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 1.6%        | 0.1%        |
| Computer parts          | 3.1%         | 54.9%        | 2.7%        | 5.8%         | 0.6%        | 0.5%        | 1.0%        | 0.8%        | 1.7%        | 12.0%       | 0.5%        | 0.3%        | 2.9%        | 0.1%        | 0.7%        | 0.1%        | 0.1%        |
| Semiconductor equipment | 0.2%         | 0.6%         | 24.2%       | 9.5%         | 8.2%        | 0.4%        | 19.8%       | 0.0%        | 7.7%        | 14.8%       | 0.1%        | 0.0%        | 0.3%        | 0.1%        | 0.0%        | 0.1%        | 0.0%        |
| Polyethylene            | 9.3%         | 15.1%        | 15.9%       | 13.5%        | 0.5%        | 1.0%        | 0.9%        | 10.3%       | 1.7%        | 1.4%        | 1.5%        | 0.2%        | 0.2%        | 0.3%        | 0.4%        | 1.4%        | 0.1%        |
| Valves                  | 19.9%        | 17.7%        | 6.4%        | 14.1%        | 3.3%        | 4.7%        | 2.3%        | 3.5%        | 2.9%        | 1.7%        | 1.4%        | 2.0%        | 0.5%        | 0.4%        | 2.3%        | 0.2%        | 0.3%        |
| Coal                    | 4.8%         | 0.0%         | 9.6%        | 16.2%        | 9.3%        | 0.3%        | 2.1%        | 9.1%        | 0.6%        | 0.0%        | 24.2%       | 0.0%        | 0.0%        | 0.0%        | 0.1%        | 0.3%        | 0.0%        |
| Corn                    | 5.5%         | 40.7%        | 3.9%        | 1.8%         | 18.3%       | 0.2%        | 4.0%        | 0.0%        | 0.0%        | 3.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.8%        |
| Power switches          | 15.2%        | 38.7%        | 4.5%        | 8.8%         | 1.9%        | 2.9%        | 2.3%        | 1.2%        | 1.9%        | 1.5%        | 1.7%        | 0.9%        | 2.0%        | 0.3%        | 0.5%        | 0.5%        | 0.1%        |
| Centrifuges             | 22.7%        | 16.5%        | 7.9%        | 13.7%        | 3.6%        | 2.8%        | 2.6%        | 2.5%        | 2.9%        | 1.8%        | 1.5%        | 2.6%        | 0.4%        | 0.4%        | 1.5%        | 0.1%        | 0.2%        |
| Fiber optics            | 22.5%        | 35.0%        | 3.3%        | 8.2%         | 1.4%        | 2.7%        | 1.0%        | 1.7%        | 1.8%        | 1.0%        | 1.1%        | 1.4%        | 1.0%        | 0.2%        | 0.8%        | 0.3%        | 0.1%        |
| Diamonds                | 1.1%         | 0.6%         | 0.4%        | 17.7%        | 0.5%        | 3.2%        | 0.0%        | 0.1%        | 0.3%        | 0.6%        | 19.9%       | 0.2%        | 20.1%       | 5.2%        | 6.7%        | 0.3%        | 0.0%        |
| Jet engines             | 9.3%         | 9.5%         | 2.0%        | 25.4%        | 4.7%        | 3.4%        | 4.2%        | 2.7%        | 6.0%        | 2.1%        | 0.4%        | 2.7%        | 0.3%        | 0.6%        | 3.1%        | 0.3%        | 0.0%        |
| Jewelry                 | 6.4%         | 3.6%         | 4.3%        | 6.5%         | 6.1%        | 5.5%        | 1.9%        | 0.5%        | 2.1%        | 2.0%        | 5.2%        | 1.3%        | 19.9%       | 11.4%       | 3.7%        | 0.3%        | 0.1%        |
| Medical devices         | 9.1%         | 5.6%         | 7.0%        | 21.1%        | 7.1%        | 1.3%        | 1.5%        | 1.2%        | 3.1%        | 1.1%        | 1.1%        | 3.3%        | 1.0%        | 5.2%        | 0.4%        | 0.2%        | 0.1%        |
| Diagnostic agents       | 8.2%         | 3.4%         | 13.0%       | 29.8%        | 7.6%        | 3.4%        | 2.9%        | 2.8%        | 2.9%        | 1.3%        | 2.1%        | 2.9%        | 1.0%        | 0.5%        | 0.2%        | 0.3%        | 0.1%        |
| Hormones                | 0.3%         | 0.0%         | 2.9%        | 95.6%        | 0.1%        | 0.2%        | 0.1%        | 0.0%        | 0.0%        | 0.0%        | 0.2%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        |
| Chemistry equipment     | 7.6%         | 5.5%         | 14.0%       | 20.7%        | 5.4%        | 3.2%        | 3.9%        | 2.9%        | 6.5%        | 2.1%        | 2.8%        | 1.4%        | 1.2%        | 0.9%        | 0.6%        | 0.6%        | 0.1%        |
| Transmission shafts     | 27.0%        | 17.9%        | 7.2%        | 14.2%        | 2.4%        | 3.5%        | 1.2%        | 5.5%        | 2.6%        | 0.5%        | 1.3%        | 2.7%        | 0.3%        | 0.5%        | 1.1%        | 0.1%        | 0.1%        |
| Batteries               | 21.6%        | 40.5%        | 0.9%        | 6.3%         | 1.8%        | 2.7%        | 2.6%        | 0.8%        | 0.4%        | 1.6%        | 0.2%        | 12.1%       | 0.3%        | 0.1%        | 0.3%        | 0.1%        | 0.2%        |
| Plastics, other         | 16.5%        | 36.4%        | 5.9%        | 10.0%        | 2.6%        | 3.0%        | 2.1%        | 1.5%        | 2.1%        | 1.3%        | 1.1%        | 1.5%        | 0.5%        | 0.5%        | 0.9%        | 0.2%        | 0.2%        |
| Water pumps             | 24.5%        | 16.4%        | 5.3%        | 11.7%        | 2.2%        | 3.8%        | 2.6%        | 2.9%        | 2.1%        | 0.7%        | 1.8%        | 3.1%        | 0.2%        | 0.2%        | 2.2%        | 0.2%        | 0.2%        |
| Unrecorded media        | 8.5%         | 52.2%        | 3.9%        | 10.0%        | 2.2%        | 1.5%        | 1.2%        | 1.7%        | 1.8%        | 2.0%        | 1.2%        | 0.9%        | 1.9%        | 0.3%        | 0.6%        | 0.1%        | 0.0%        |
| Art                     | 1.0%         | 1.0%         | 1.4%        | 28.7%        | 1.9%        | 22.4%       | 3.1%        | 0.5%        | 2.1%        | 0.5%        | 0.8%        | 0.5%        | 12.0%       | 19.2%       | 0.5%        | 0.0%        | 0.0%        |
| Petrol engines          | 53.1%        | 31.3%        | 1.2%        | 4.1%         | 1.7%        | 0.3%        | 0.3%        | 1.0%        | 0.9%        | 0.0%        | 0.1%        | 1.1%        | 0.1%        | 0.0%        | 1.2%        | 0.1%        | 0.0%        |
| Measuring device parts  | 8.1%         | 9.8%         | 23.5%       | 12.3%        | 7.4%        | 2.2%        | 8.3%        | 1.4%        | 3.8%        | 7.9%        | 1.8%        | 1.2%        | 0.8%        | 0.6%        | 1.2%        | 0.4%        | 0.1%        |
| Diesel engines          | 17.1%        | 49.8%        | 4.0%        | 5.7%         | 0.9%        | 2.1%        | 0.3%        | 2.8%        | 0.9%        | 0.2%        | 1.5%        | 4.0%        | 0.2%        | 0.1%        | 0.7%        | 0.2%        | 0.0%        |
| Scrap precious metals   | 55.0%        | 0.0%         | 0.0%        | 21.7%        | 3.9%        | 7.5%        | 0.0%        | 0.0%        | 0.8%        | 0.0%        | 0.0%        | 0.0%        | 0.1%        | 1.0%        | 0.0%        | 0.0%        | 0.0%        |
| Power switch parts      | 21.3%        | 21.4%        | 5.6%        | 15.8%        | 2.3%        | 5.0%        | 1.9%        | 3.6%        | 2.5%        | 1.5%        | 1.4%        | 1.9%        | 0.6%        | 0.4%        | 1.4%        | 0.3%        | 0.1%        |
| Tractors                | 60.6%        | 6.0%         | 0.5%        | 8.8%         | 0.5%        | 1.0%        | 0.0%        | 2.3%        | 0.0%        | 0.1%        | 0.0%        | 11.1%       | 0.0%        | 0.0%        | 0.2%        | 0.1%        | 0.0%        |
| Nuts, other             | 3.9%         | 3.3%         | 11.9%       | 23.5%        | 3.5%        | 2.2%        | 2.9%        | 0.2%        | 0.2%        | 0.8%        | 13.3%       | 0.5%        | 1.9%        | 0.1%        | 6.0%        | 3.0%        | 0.0%        |
| Power transformers      | 20.6%        | 29.1%        | 4.4%        | 9.9%         | 2.0%        | 2.3%        | 2.3%        | 1.6%        | 2.7%        | 1.6%        | 1.1%        | 1.5%        | 1.4%        | 0.3%        | 0.8%        | 0.2%        | 0.2%        |
| Machine parts           | 18.9%        | 26.7%        | 4.0%        | 11.6%        | 3.9%        | 2.8%        | 1.7%        | 2.6%        | 2.4%        | 0.7%        | 1.3%        | 2.4%        | 0.3%        | 0.5%        | 1.6%        | 0.4%        | 0.1%        |
| Vacuum pumps            | 20.9%        | 31.2%        | 3.6%        | 10.0%        | 2.2%        | 4.8%        | 1.7%        | 1.6%        | 2.7%        | 0.8%        | 1.4%        | 2.4%        | 0.2%        | 0.2%        | 1.2%        | 0.1%        | 0.2%        |
| Plastic packaging       | 33.8%        | 41.4%        | 1.5%        | 7.8%         | 2.4%        | 1.5%        | 0.7%        | 0.6%        | 0.6%        | 0.5%        | 0.5%        | 0.6%        | 0.1%        | 0.3%        | 0.1%        | 0.1%        | 0.2%        |
| Steel, other            | 15.5%        | 53.4%        | 2.6%        | 8.2%         | 2.2%        | 2.1%        | 1.0%        | 1.2%        | 1.1%        | 0.4%        | 0.8%        | 0.9%        | 0.2%        | 0.2%        | 0.5%        | 0.3%        | 0.1%        |
| Acyclic hydrocarbons    | 7.9%         | 5.7%         | 17.7%       | 13.0%        | 3.8%        | 1.6%        | 6.7%        | 1.1%        | 1.2%        | 0.7%        | 3.6%        | 0.0%        | 0.2%        | 0.0%        | 0.0%        | 0.3%        | 0.1%        |

Data compiled Jan. 20, 2025

Source: S&P Global Market Intelligence

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# Rivalries and friendships

## Trump's tariffs not the only game in town

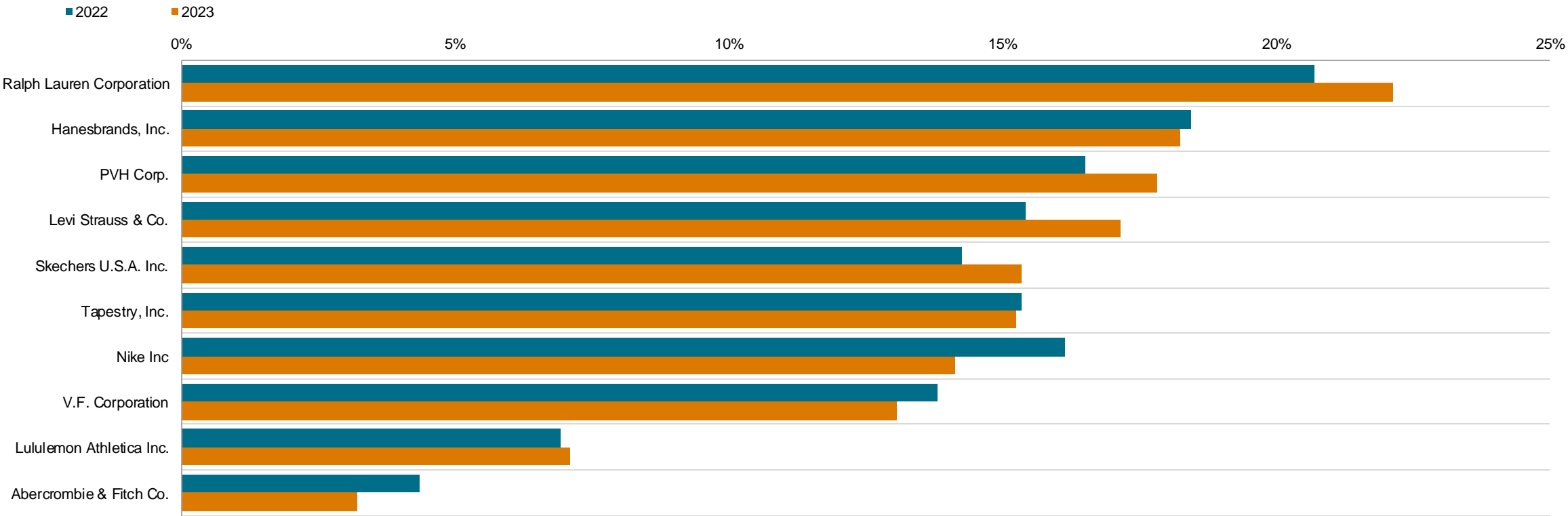
# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Mainland China's government is becoming more strident

### Unreliable Entities List to limit abilities to work both in and with China

#### American-domiciled apparel firms' exposure to Asian markets

Share of revenues in Asia Pacific or China



Data compiled Sep. 30, 2024.  
Source: S&P Global Market Intelligence.  
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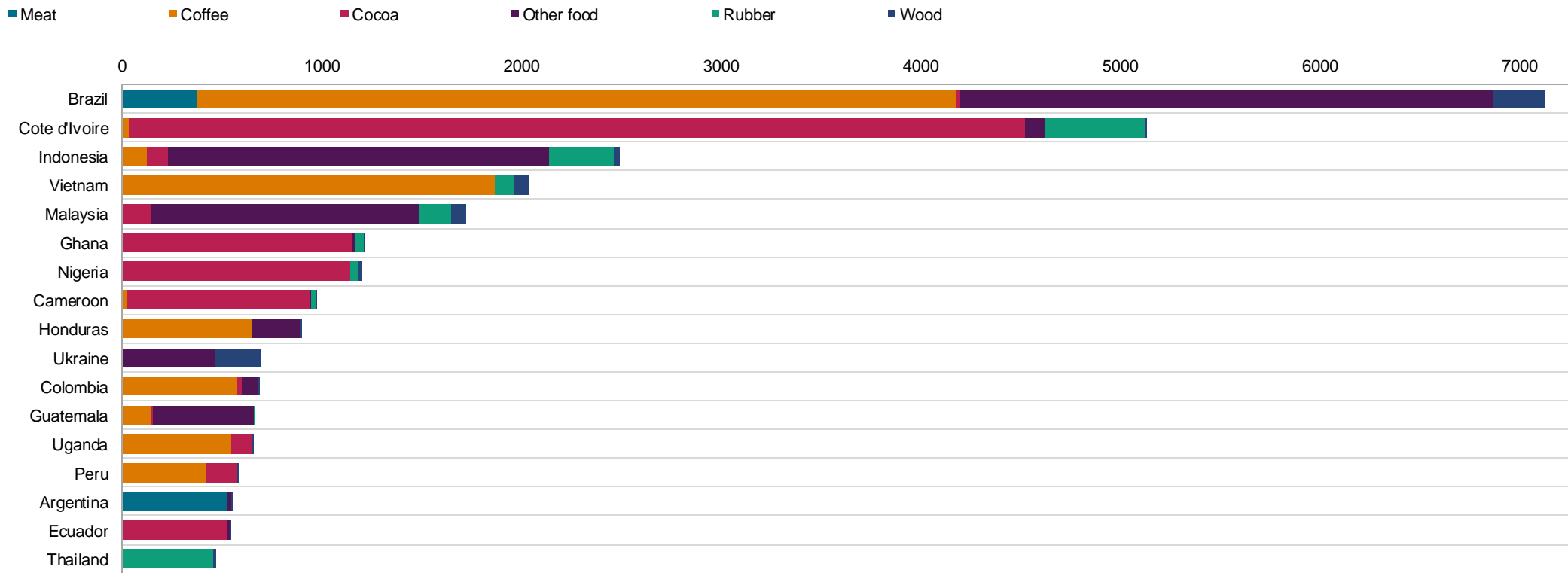
# Rivalries and friendship: Environmental regulatory risks and opportunities

## EU regulations to become clearer during the year

EUDR, CS3D delayed due to complications; CBAM under review; ETS proving less than effective

### Lots of ground to cover in EUDR classifications

EU imports of products covered by Deforestation Regulation, million euros



Data covers 12 months to Aug. 31, 2024.

Data compiled Dec. 17, 2024.

Source: S&P Global Market Intelligence.

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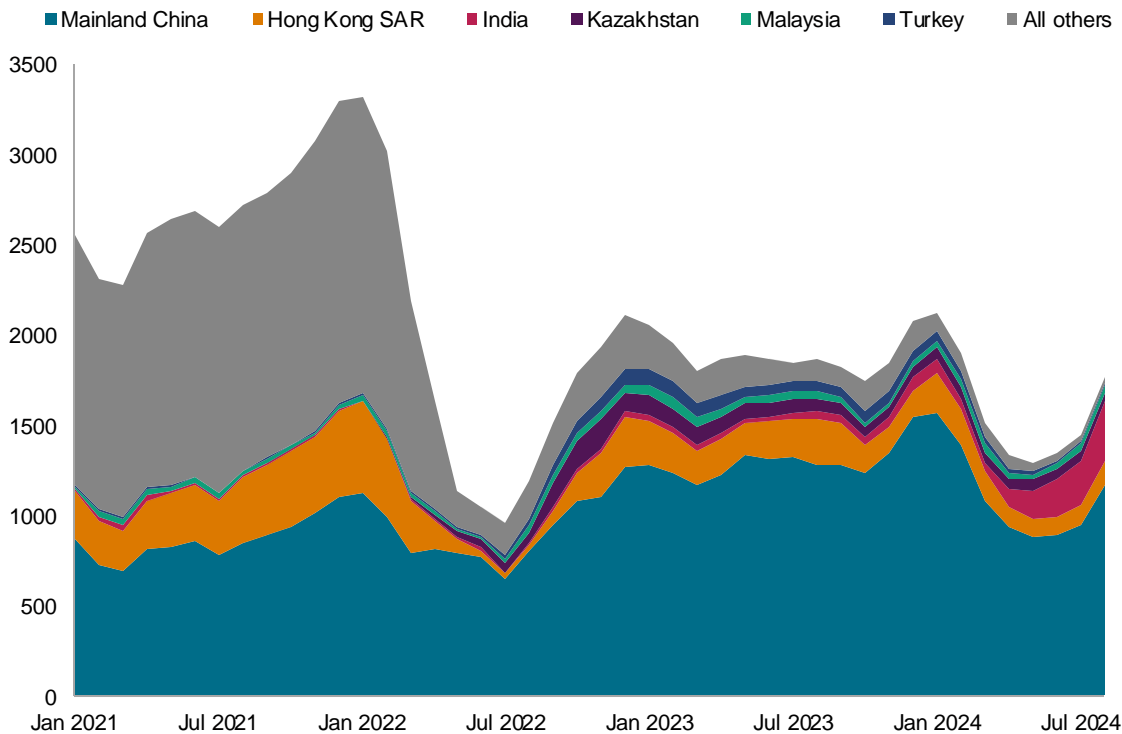
# Rivalries and friendships: Protectionism casts a shadow, creates opportunities

## Conflict in Ukraine and Middle East might end, effects may not

## Efficacy of sanctions in question, implementation under Trump uncertain

### China maintains CHPI shipments to Russia; India building up supplies

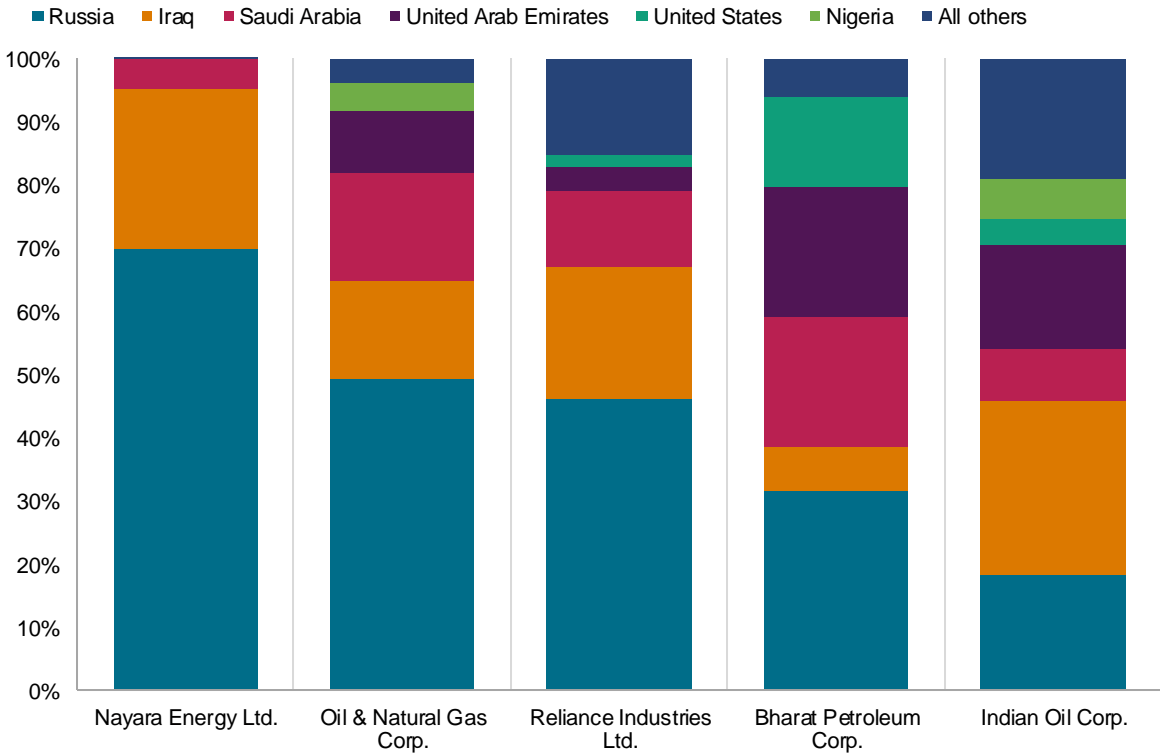
Exports of CHPIs to Russia, US\$M, three-month trailing total



Data compiled Dec. 16, 2024.  
Source: S&P Global Market Intelligence.  
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### Russia has become the leading supplier for most Indian crude oil importers

Share of Indian imports of crude oil by origin, three months to Nov. 30, 2024



Data compiled Jan. 14, 2025.  
Source: S&P Global Market Intelligence.  
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# Finding a logistics balance

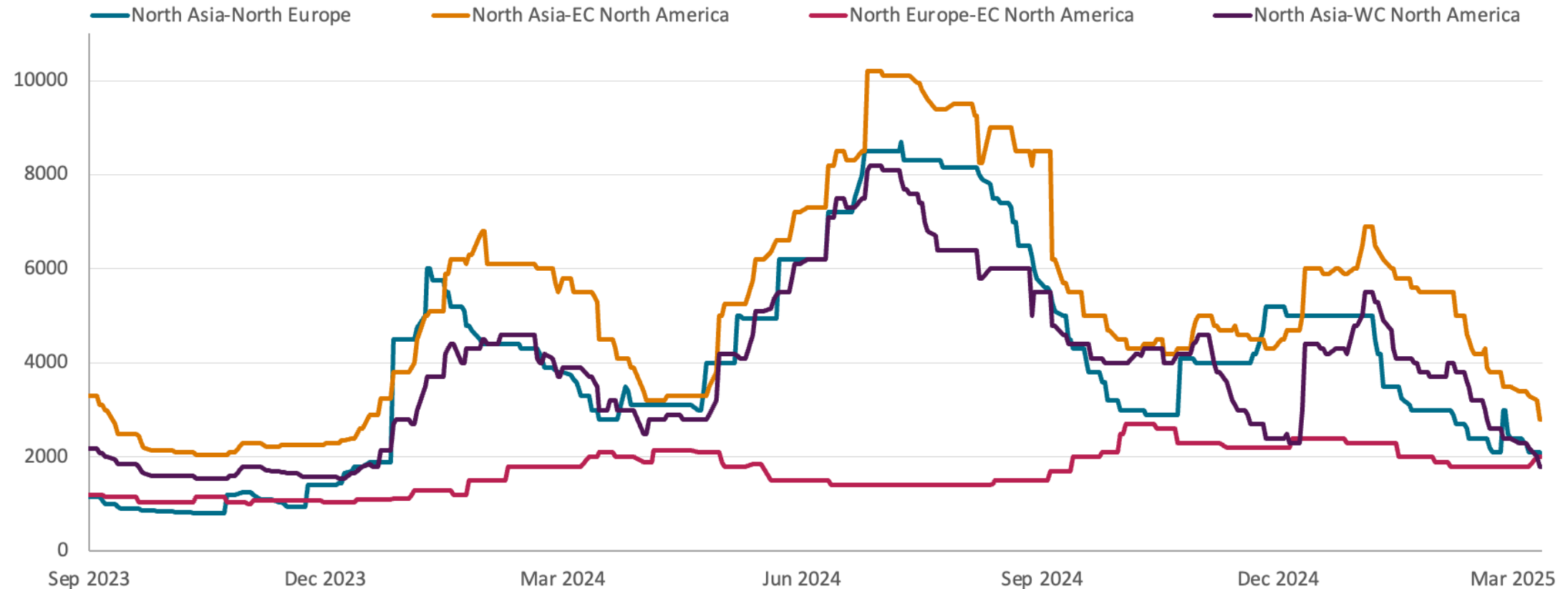
# Finding a logistics balance: Slow demand, fast capacity, more disruptions

## Supply chain decision-makers beset by volatile shipping rates

Downside risks from Red Sea access, fleet set to grow 6% annually in next three years

### Shipping rates balance capacity availability, weak demand, exogenous shocks

Container shipping rates, US\$ per forty-foot equivalent unit



Data compiled Mar. 13, 2025.

Source: S&P Global Market Intelligence.

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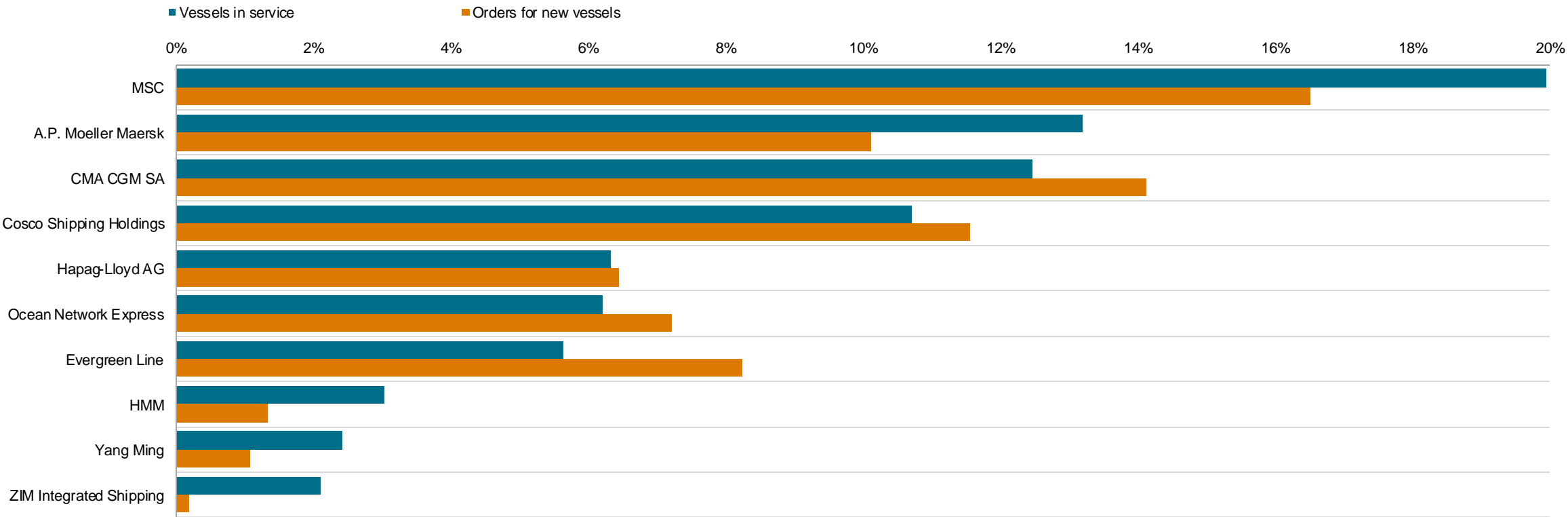
# Finding a logistics balance: Slow demand, fast capacity, more disruptions

## Structure of container shipping services is changing

Choice of network construction, regulatory uncertainty

**MSC largest stand-alone liner, set to retain position as orderbooks are rolled out**

Global container shipping fleet, 2024



Data compiled Dec. 16, 2024.

Source: S&P Global Market Intelligence.

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# Deploying the playbook

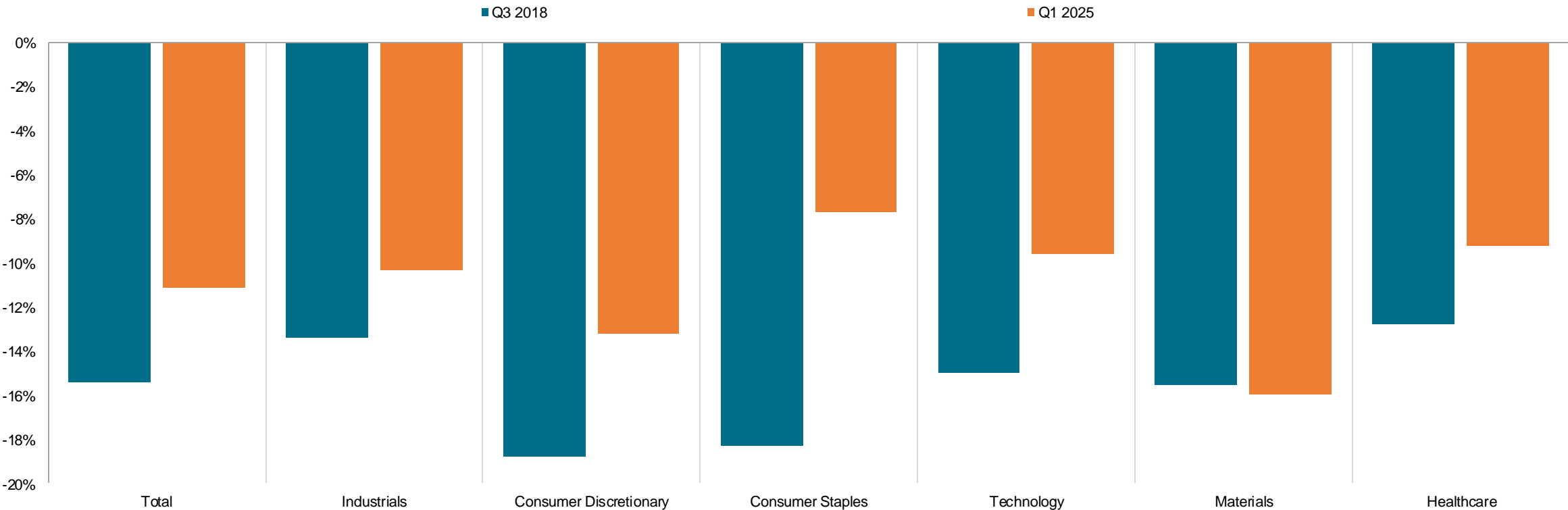
# Deploying the playbook: Corporate supply chain strategies

## Supply chain decision-makers revisit tariff-mitigation and resilience playbooks

### Less negative thanks to tactics of price/cost negotiations, inventory control and reshoring

#### Worries about tariffs less pronounced than prior tariff implementation period

Balance of positive and negative mentions of "tariffs" in corporate earnings calls



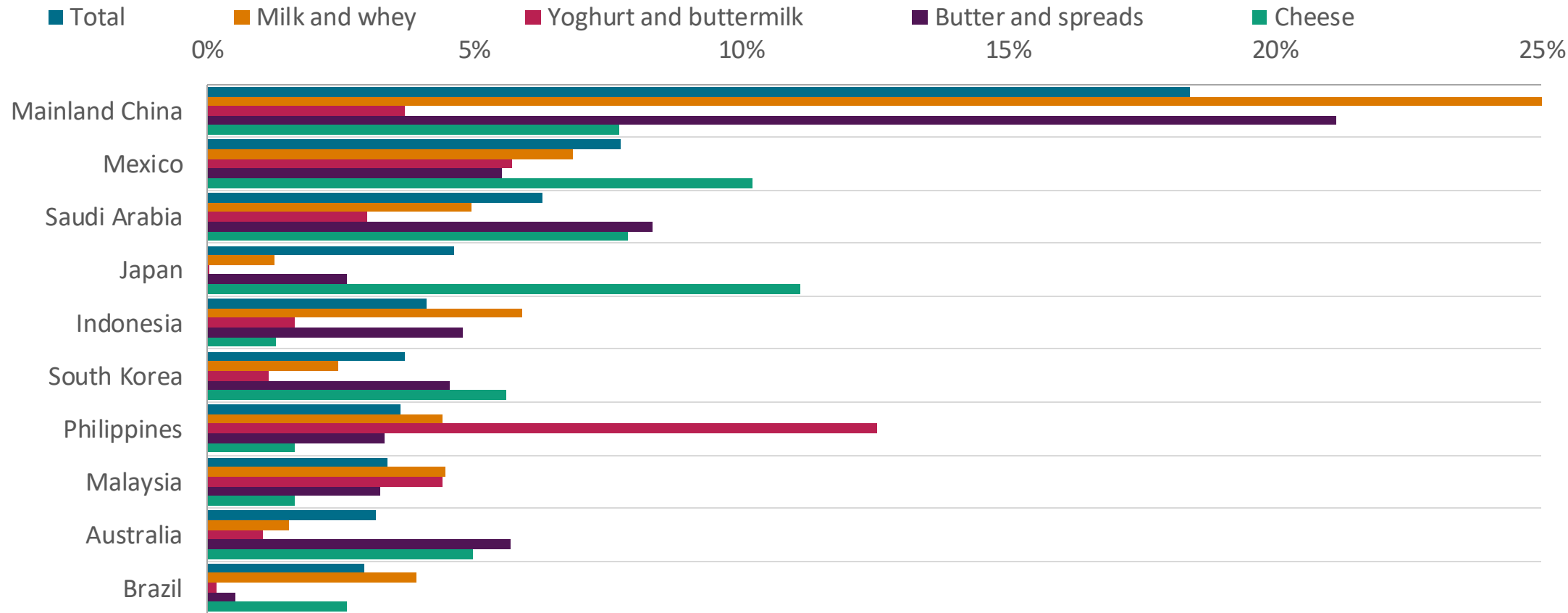
Data compiled Feb. 13, 2025.  
Source: S&P Global Market Intelligence, ProntoNLP.  
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# Deploying the playbook: Corporate supply chain strategies

Finding alternative markets a challenge need to access Suez Canal for most large export markets

## Asia-Pacific markets dominate global imports of dairy outside Europe, US

Share of global imports of milk-based products, 2024 denominated in US\$



Data compiled Mar. 21, 2025.  
Source: S&P Global Market Intelligence.  
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# In conclusion

- **Rivalries and friendships:** Protectionism rules the roost, but free trade deals will still happen
- **Finding a logistics balance:** Trade growth is expected to slow and shipping capacity will rise
- **Deploying the playbook:** We've been here before, but the cost-cutting imperative leads the way

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