

# Increased consumer spending drives latest upgrade for US import growth: retailers



*Most ports will see solid import volumes this peak season, although growth at West Coast ports is expected to be stronger than at East and Gulf coast gateways. Photo caption: simonkr / gettyimages.*

**Bill Mongelluzzo, Senior Editor | Jun 10, 2024, 4:17 PM EDT**

US retailers have yet again upgraded their forecast for imports for each month through September, saying Monday consumer spending is projected to increase this year between 2.5% and 3.5% over 2023.

“Consumers are continuing to spend more than last year, and retailers are stocking up to meet demand, especially as we head into peak shipping season,” Jonathan Gold, vice president for supply chain and customs policy at the National Retail Federation (NRF), said in the June Global Port Tracker (GPT).

The GPT, published monthly by the NRF and Hackett Associates, issued its first forecast for October, with US imports expected to decline 2.3% year over year. But

October was the busiest month of 2023 for imports from Asia, according to PIERS, a sister product of the *Journal of Commerce* within S&P Global.

GPT is now forecasting that June imports will increase 15.2% year over year, up from the 10.7% jump predicted in last month's report. Imports in July are expected to grow 9.5% from July 2023 compared with the previous forecast of a 5.5% gain. Upgrades were also made for August imports (10.6% year-over-year growth vs. 7.1% forecast in last month's GPT), and September (1.7% growth vs. 0.5%).

US imports from Asia declined almost 13% in 2023 compared with 2022, according to PIERS, with the largest declines registered in the first half of the year. Imports began to increase last fall and have continued to grow so far this year. Beginning this September, year-over-year comparisons will be more modest as they will be benchmarked against last fall's strong import volumes.

## Longer, flatter peak season this year

US retailers also said Monday they expect an extended peak season this year.

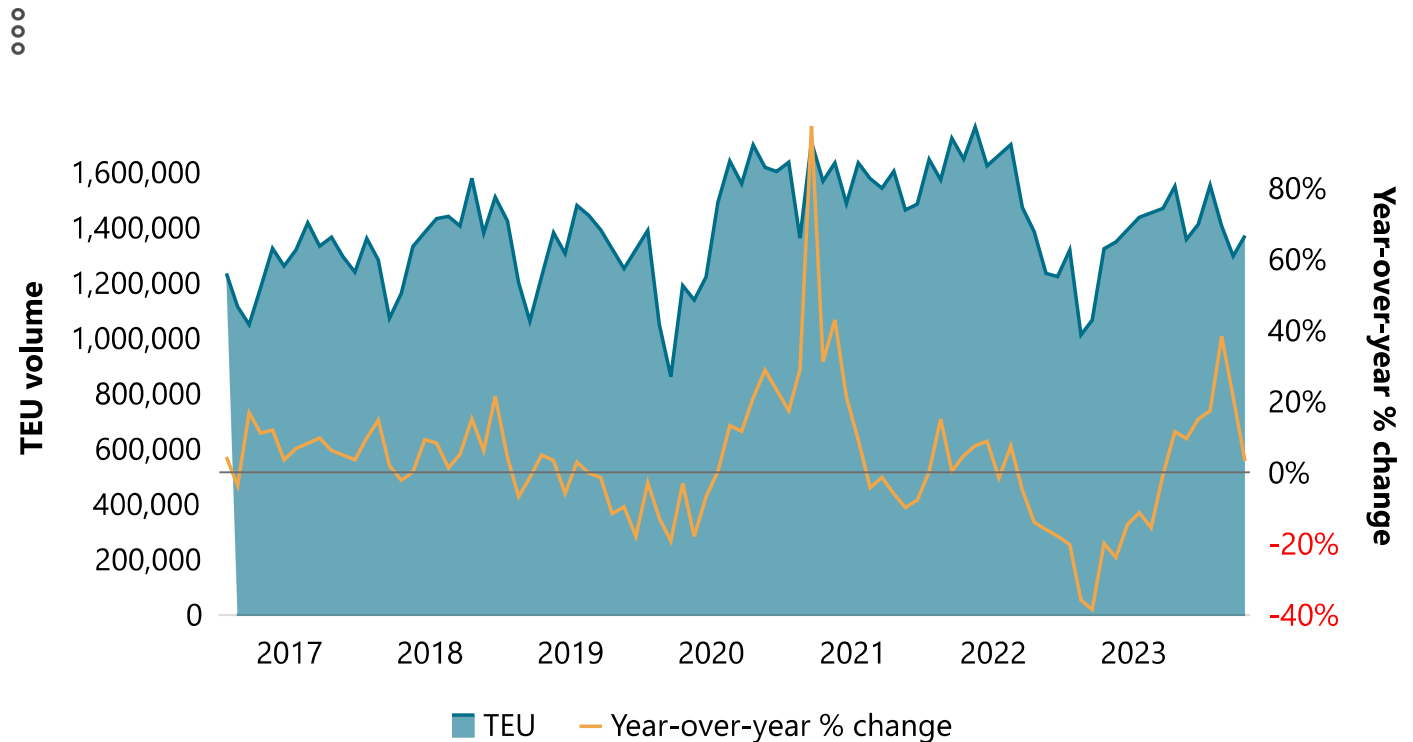
"In the last couple of years, we have witnessed a flattened peak season that has stretched out the volume of imports over extra months versus the strong, consolidated surge in the past," said Ben Hackett, founder of Hackett Associates.

Hackett listed several factors driving the lengthened peak shipping season this year.

"Reasons range from retailers restocking following strong sales after the pandemic to trying to get ahead of increased tariffs on goods from China set to take effect in August and ensuring sufficient inventories for the holiday season amid strong consumer demand," he said.

## US imports from Asia up year on year since October

Total monthly TEU volume of US containerized imports from Asia, with year-over-year change



Source: S&P Global

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While US imports will be at peak-season levels at most major ports, West Coast ports are experiencing the strongest growth. Imports through the East and Gulf coasts are being compromised due to drought limitations at the Panama Canal and ongoing diversions away from the Red Sea and Suez Canal, both of which impact all-water services from Asia.

Uncertainties over the state of negotiations between the International Longshoremen's Association and employers on the East and Gulf coasts for a new labor contract have resulted in some discretionary cargo being routed through the West Coast.

"Imports of containerized goods at US ports are booming, with particularly strong growth on the West Coast," Hackett said.

The West Coast's share of US imports from Asia in April was 59.1%, up from 54.3% in March and 56.4% in April 2023, according to PIERS.

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