



Disposable Gloves Market Report

April 2022



Disposable glove markets continue to be volatile, further impacted by geopolitical and supply chain issues.

Oil prices and shipping costs will likely drive the majority of economic impact on disposable gloves for the rest of 2022. Another factor is the labor force, which may still feel the economic effects of the pandemic—it has not gone away entirely, nor is it likely to.

The disposable glove market continues to see positive post-pandemic developments, as both inventory and demand are strong. AMMEX's distributor partners are in a great position to secure business.

VOLATILITY IN THE DISPOSABLE GLOVE MARKET

Beyond the crisis caused by the war in Ukraine, global trade still faces numerous other challenges driven by oil prices and supply chain. The good news for disposable glove distributors is that no factory-driven capacity shortfalls of product are anticipated and demand is expected to remain robust.

Glove prices had begun to stabilize after significant declines over the past nine months, but will be increasingly impacted by the rising price of oil. Oil is a key component in the making of nitrile and vinyl gloves, accounting for up to 60% of production costs.

Brent crude, the international benchmark, [cost about \\$65 a barrel](#) in December. It reached a high of \$130 in early March before dropping and climbing, [settling in](#) between \$115 and \$120. Most analysts expect high oil prices to continue for the foreseeable future.

TRANSPORTATION & LOGISTICS COSTS—IMPACT ON DISPOSABLE GLOVES

Because most disposable gloves are made in Southeast Asia and China, transportation and logistics costs will impact the price of gloves. While the supply chain issues have ebbed, the price of shipping containers from Malaysia, Thailand, and China continues to rise. This is expected to continue as old shipping contracts are expiring in Q2 and new contracted rates will be one to two times higher.

Another factor is general inflation across all goods and services, as prices on everything are rising at the highest rate in four decades. The Labor Department reported earlier this month that the [consumer price index rose 7.9%](#) in February from the previous year, marking the fastest increase since January 1982, when inflation hit 8.4%.

Every part of logistics is impacted. Companies must pay more for labor, maintenance, equipment, and insurance. More than that, the days of consistently optimizing the supply chain by cutting logistical inefficiencies may be gone, or at least on hold. Instead, learning from the impact of the pandemic, companies are building up inventories and adding cushion to transit and processing times. All of this is pushing up costs.

COVID WILL CONTINUE TO IMPACT THE DISPOSABLE GLOVE MARKET

Two years removed from the start of the pandemic, countries have been lifting restrictions imposed to slow its spread—including rules governing travel, socializing, mask wearing, and self-isolation.

At the same time, disposable glove manufacturers have built up capacity, refined their product lines, and developed operational efficiencies. There is sufficient capacity to produce disposable gloves at the factories, but the marketplace is still sorting out how to procure the right gloves for all applications. Coupled with supply chain challenges, this issue will likely persist.

Compared with the last 18 months, the pandemic is no longer the main driver of the disposable glove market but will continue to impact it. While some counties, such as the U.S. and U.K., are lifting restrictions, others may still be dealing with COVID for months to come. The psychological impact of the pandemic will also continue to place disposable gloves at the heart of any health, hygiene, and safety conversation, driving awareness even if the worst is over.

As a result, the demand for disposable gloves will remain high—especially in healthcare environments, of course, but also for industrial applications as employees return to the workplace in far greater numbers.

GOING BACK TO THE OFFICE

A flurry of return-to-office plans have rolled out in recent weeks. American Express, Goldman Sachs, JPMorgan Chase, and Microsoft are a few companies calling some workers back.

Employers are embracing [a workplace atmosphere](#) reminiscent of pre-pandemic times—elevators jammed, snack tables brimming, face coverings optional—even as the [BA.2](#) variant spurs concerns about health and safety. Across the country, office occupancy has hit a pandemic high, 40 percent, reached just once before in early December, at the same time that indoor mask mandates drop.

This return to work will support demand for gloves in industrial applications.

GLOVE MARKET CONDITIONS—OPPORTUNITIES CONTINUE TO GROW

The market continues to stabilize, a good thing for consumers but also for distributors who are looking to sell more gloves. Price stability will create opportunities to bid on business. Overall, most analysts expect demand for disposable gloves in North America to continue growing at 10%+ rates, as it has been averaging for over 40 years.

AMMEX is in a great position in terms of glove availability. It has substantial inventory, especially of Gloveworks nitrile with Raised Diamond Texture, with more on the way. Now is a fortuitous time for distributors to emphasize RDT in their offerings.

There are actions that distributor partners can take to reduce their pain points and maximize their sales.

Don't wait for glove prices to drop further: The market is not returning to pre-pandemic pricing, now or in the near future. Anticipating your customers' needs and buying accordingly will allow you to maintain an inventory level that provides essential flexibility. Increased inventory levels will help distributors drive market penetration.

Emphasize the gloves that matter the most: Gloveworks nitrile with Raised Diamond Texture are best-selling gloves that deliver excellent value and margins. Whether 8-mil orange and green or 6-mil black and royal blue, these gloves present a “try them once and never want to buy anything else” opportunity. Customers who have for years been dedicated users of our 5-mil black nitrile gloves have almost universally switched for good once they tried RDT.

Talk to us—we're here to help you sell more gloves: We want to hear from you. We want you to use our sales tools and tell us what works and what doesn't. We want to know in detail how our Online Portal helps you (and what we should change). Put our product samples program to the test and let your customers try before they buy.

Disposable gloves remain an excellent opportunity for distributors in automotive, food processing and food service, jan/san, manufacturing, and countless other industries. Connect with AMMEX and let us help you secure more business.

ABOUT AMMEX

From a one-man operation in a basement office in Bellevue, Washington to 275-plus team members in 10 cities worldwide, AMMEX has become a global leader in products that enhance health, hygiene, and safety across a wide spectrum of industries. Thousands of organizations, from small distributors and retailers to Fortune 500 businesses, in a variety of industries, deploy our tools and programs to help customers buy disposable gloves.

Learn more at ammex.com.

