



Disposable Glove Market Special Report

January 2022



As we head into 2022, we pause to thank our customers for a successful 2021. We are grateful for the partnerships that sustain us as we look forward to a productive year.

There is both the hope and the expectation that some level of normalcy will return to the disposable glove marketplace, but no one can predict precisely how or when that will happen.

The global economy remains a long way from being settled due to the supply chain challenges facing every continent. Shipments from Asia to the U.S. are slow and unpredictable, although [slightly less expensive](#) and quicker than they have been. The overloaded ports and shortages of land transport in the U.S. remain at subpar levels, which may continue throughout 2022.

Two years in, the novel coronavirus continues to be a roller-coaster ride with waves of outbreaks throughout the world, mostly from variants posing a direct challenge to the vaccines distributed in mass quantities in 2021. In sum, COVID-19 is not going away—expect it to be around for years as it evolves from pandemic to endemic—and seasonal spikes will be with us for some time.

In terms of disposable gloves, the outlook for distributors and consumers is improving. Demand remains high for exam-grade gloves in the healthcare sector and industrial-grade gloves across a broad spectrum of businesses. Pricing continues to stabilize; no one will see 2019 levels on the shelves for a while, but prices will grow increasingly competitive. In addition, a continued focus on general health, hygiene, and safety will ensure disposable gloves maintain their importance.

In the new year, it is prudent to prepare for more twists and turns in the economy and circumstances involving COVID. This pandemic continues to be a developing story, and we cannot consistently and accurately predict what will happen.

CHALLENGES REMAIN IN THE SUPPLY CHAIN

Disrupted for the better part of two years, the flow of products from Asia to the U.S. encountered numerous obstacles in 2021. These range from a shortage of containers and ships to [longer lead times](#) in transporting products to North America to [logistical challenges](#) at U.S. ports to carrier issues from points of arrival to warehouses. All of this has resulted in remarkably higher costs for shipping gloves.

Because of their production environment in Southeast Asia, disposable gloves are especially vulnerable to fluctuations in market factors, from sourcing to ocean crossing to labor and last-mile delivery. In the U.S., booming demand for all products has put pressure on port and warehouse capacity, while labor shortages have meant fewer drivers on the road and fewer products delivered on time.

Logistical problems are likely to linger well into 2022. The record volume of cargo moving through the U.S.'s busiest port complex of Long Beach and Los Angeles [is expected to continue](#) amid high demand for goods.

Even after containers are unloaded from ships, road and rail transportation delays cause further problems. Truck drivers [have been in short supply](#) for years, further exacerbating the issue. These shipping constraints cost money, which drives up the price of all goods, including disposable gloves.

PANDEMIC WILL CONTINUE INTO 2022

We are all learning to live with yet another new normal. As evidenced by the emergence of [Omicron](#), there will be further issues to address.

In Malaysia, which produces 80% of the world's disposable gloves, COVID cases had been on the decline—marked by an [easing of travel restrictions](#)—until [an uptick](#) in early December. The nation [delayed transitioning](#) to the endemic phase of the coronavirus because of uncertainty surrounding Omicron.

Most glove factories in Malaysia suffered production limits related to [the spread of](#) the Delta variant in factory workers and [movement control orders](#) throughout 2021. Production capacity is returning, which has increased the supply of gloves across all product lines compared with last year.

Some predict that COVID-19 will [begin to fade away](#) in 2022, marked by local and seasonal flare-ups instead of mass outbreaks. However, as long as the pandemic continues, it will continue to impact the disposable glove production and cost of gloves at the factory level.

GLOVE DEMAND WILL REMAIN STRONG

Since the spike in demand during the AIDS epidemic in the 1980s, the disposable glove industry has been growing for 30-plus years, a trend projected to continue. Despite all the manufacturing hurdles placed in front of the industry—from [workforces devastated by COVID](#) to [movement control orders](#) to labor and manufacturing [restrictions](#)—glove makers still [notched impressive growth](#) in 2021 as demand remained high.

In 2022, production will continue to grow as more limits are relaxed, and Malaysian export of disposable gloves is [expected to increase](#) further. A substantial growth driver is a global emphasis on health, hygiene, and safety.

Since the explosion of the coronavirus in March 2020, thicker gloves—especially those of industrial-grade—have been [in short supply](#). Glove manufacturers were not prepared for the enormous surge in demand, and the immediate need was for thinner, medical-grade gloves at healthcare facilities. That situation is beginning to change: AMMEX has added thicker gloves back to inventory, including [Gloveworks](#) 8-mil nitrile gloves in [orange](#) and [green](#), and 6-mil nitrile in [black](#) and [royal blue](#).

Overall, for our distributor partners, selling disposable gloves continues to be a strategically excellent place to be. The disposable glove business will remain a growth opportunity in 2022.

PREPARE FOR THE YEAR AHEAD

Our advice to distributor partners is threefold:

Maintain flexibility: Plan for various scenarios because experts and their predictions continue to be imprecise. As a result, we must plan for the unexpected when it comes to the demand for disposable gloves.

Align your and your customers' expectations: Planning is essential, but customer focus is critical. What should you do to get and retain business? Staying close to your customers and monitoring their needs is vital to maintaining the correct inventory levels.

Talk to us—we want to help you sell more: We want your feedback. AMMEX has several sales tools that make growing and managing your disposable glove business easier. For example, in the AMMEX online portal, you will find specification sheets, flyer templates, and print-quality images for all of our products. Plus, you can order top product samples online on-demand to let your customers try before they buy.

As 2022 begins, AMMEX has more gloves available than it had for most of 2021, especially heavy-duty nitrile. These products have been in great demand and short supply; they have seen their prices rise quickly for the better part of two years. End-users are looking to buy them at competitive prices. AMMEX is committed to offering our distributors the most competitive prices possible.

Throughout 2022, disposable gloves will remain an excellent opportunity for distributors across a broad spectrum of industries. We look forward to helping you grow your disposable glove business and finding the right glove at the right price for your customers.

Connect with your sales rep or visit our online portal to ensure you get 2022 off to a great start.