
Nucor outlook for Q4

Friday, 23 Oct, 2009

Nucor Corporation while releasing results for Q3 of 2009 gave a very cautious outlook

The release said that “While overall steel mill utilization increased from 46% in the second quarter to 69% in the third quarter, the increase was primarily due to the end of customer destocking.”

It added that “Our view remains that there has been little improvement in real demand and the uncertainty in our economy is still very high. We also continue to believe that real demand is in for a long, slow recovery.”

It said that “The fourth quarter presents its own seasonal issues that are separate of the general economic slowdown due to the holidays and year-end plant shutdowns by some of our customers. While our fourth quarter results will benefit from a significant improvement in raw material costs, our results could be negatively impacted by the potential of lower operating volumes/rates in both sheet and bar products. Customers are currently taking advantage of shortened mill lead times adding to the difficulty of forecasting volumes for the fourth quarter.”

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