
Steel shipments and inventories continue their slide in US and Canada

Saturday, 20 Oct, 2007

US based Metals Service Center Institute in its latest Metals Activity Report said that demand for metals in the United States and Canada softened further in September and metals service centers continued to reduce inventories to bring supplies into better alignment with the weaker than expected economy and seasonal low order rates. It added that September shipments of steel declined from year ago levels in both US and Canada.

Shipments of steel products from US metals service centers totaled 4.02 million tonnes in September 2007 down by 8.1% YoY from September 2006 and the 13th consecutive month of year over year shipment declines. Year to date steel shipments of 40.1 million tons are 7.9% lower than the first nine months of last year.

At the end of September 2007, US steel product inventories totaled 12.56 million tonnes, the lowest level since November 2005 and 24.3% lower than inventories in September 2006. At current shipping rates, that represents a 3.1 month supply.

Canadian steel shipments of 296,100 tons were 8.9% below year earlier totals, marking the 14th consecutive month of year over year declines there. Canadian steel shipments during the first nine months of the year totaled 2.8 million tonnes down by 8.1% YoY from the 2006 period.

Canadian inventories of 1.13 million tonnes were 23.4% lower at the end of September than a year earlier, but at current shipping rates, still represented a 3.8 month supply.

The Metals Activity Report, based on data from metals service centers in the United States and Canada, is produced by the Metals Service Center Institute and a third party econometrics and strategy firm, McCoy, Scott & Co.

Founded in 1909, the Metals Service Center Institute has more than 420 members operating from about 1,200 locations in the US, Canada, Mexico, and elsewhere in the world. Together, MSCI members constitute the largest single group of metals purchasers in North America, amounting each year to more than 65 million tons of steel, aluminum, and other metals, with about 300,000 manufacturers and fabricators as customers.

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