
Production pruning - US steel mills operating at 41% capacity

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American Iron & Steel Industries reported that in the week ended February 28th 2009, domestic raw steel production declined by 1.8% WoW to 0.990 million tonnes from the previous week's total of 0.998 million tonnes. The current week's total was less than half the volume of 2.186 million tonnes produced in the same week a year ago, when steel mills were running near full capacity.

US mills operated at an estimated 41.1% of capacity last week, versus an estimated 91.6% a year ago. The US steel industry has been following a roller coaster cycle at the beginning of 2009, increasing production in the first week of the new year, falling back in the next three weeks, increasing again in weeks five and six, and then plummeting nearly 10% in weeks seven and eight.

Total production in the first eight weeks of 2009 was 8.65 million tonnes, down by 52.7% YoY from 18.28 million tonnes produced during the same period a year ago. There were some volatile swings in production last week among the eight reporting regions.

District wise production for the week ending February 28th 2009

1. Northeast Coast: 70,000
2. Pittsburgh/Youngstown: 91,000
3. Lake Erie: 9,000
4. Detroit: 38,000
5. Indiana/Chicago: 298,000
6. Midwest: 100,000
7. Southern: 322,000
8. Western: 52,000

(In tonnes)

AISI's estimate is based on reports from companies representing about 75% of the US's raw steel capability and includes revisions for previous months.

(Sourced from AISI)

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