

THE UNLIKELY UNDERDOG

American mills hope to come out swinging in the latest trade cases against foreign importers including China, India, Italy, South Korea and Taiwan.

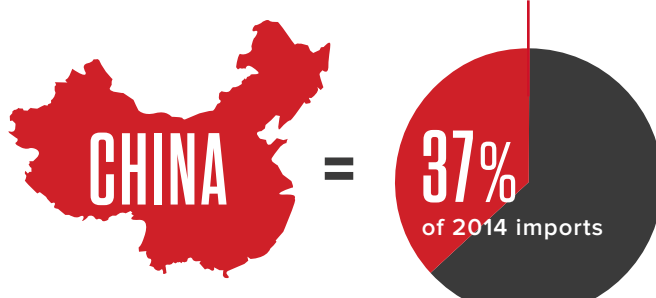
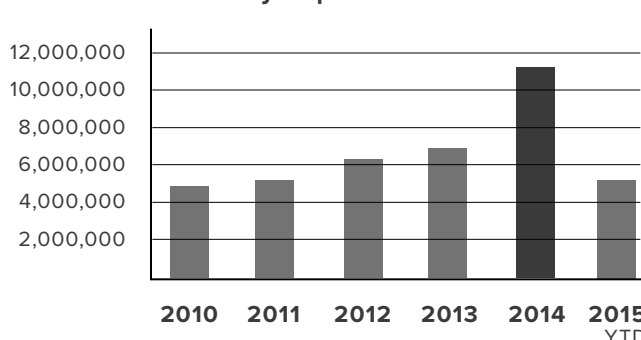
STEEL IMPORTS TO THE U.S.

In 2014, imports increased

↑60%



Country Imports in Standard Tons



Imports by Country Increase

↑2013-2014



U.S. domestic mill shipments decreased from 2013 to 2014, as countries increased their imports. China led this swell, increasing imports from roughly **590,000 to 1.8 million tons in just one year.**

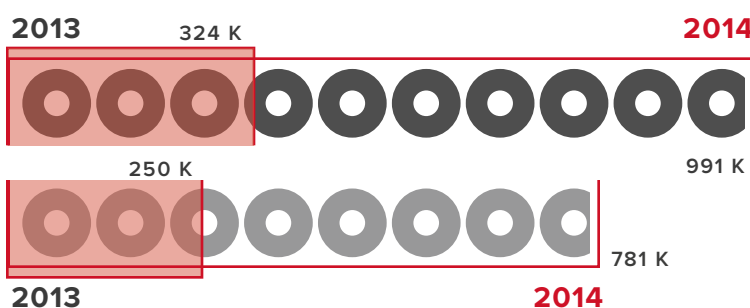
DOMESTIC SHIPMENTS

↓10%
through April

IN 2013, CHINESE IMPORTS OF HDG DOUBLED AND COLD ROLLED TRIPLED

● = 100 TONS HOT DIPPED GALVANIZED

○ = 100 TONS COLD ROLLED



2015 YEAR-TO-DATE STEEL PRODUCTION

US ↓ 47 millions tons
43 millions tons

CHINA

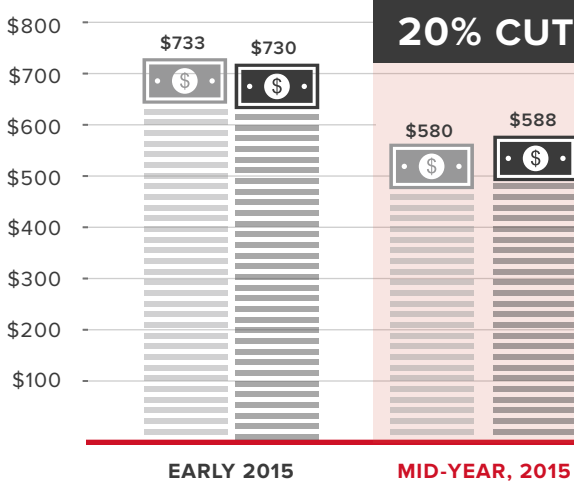
CHINA'S PRODUCTION COULD REACH 1.1 BILLION TONS BY 2020

DOMESTIC MILLS HAVE DECREASED PRICING TO REMAIN COMPETITIVE

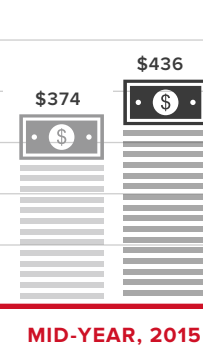
2015 PRICE PER TON

● COLD ROLLED ● HOT DIPPED GALVANIZED

US PRICE



CHINA PRICE



CHINA PRICE 30% CHEAPER

HOW CAN CHINA PRICE SO LOW?

Many factors, including government subsidies, allow China to sell cheaper product.

CONTINUED IMPORTS AT THIS LEVEL COULD RESULT IN U.S. TROUBLE

LAY-OFFS

LOST REVENUE

MILL CLOSURES

SOURCES

CRU - www.crugroup.com
Platt's Market Center - Pmc.platts.com
American Iron and Steel Institute - Steel.org
U.S. Department of Labor - www.dol.gov