

NEWS



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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Latest U.S. Market Watch Data Released by Specialty Steel Industry

(Washington DC) (January 16, 2004) – The Specialty Steel Industry of North America (SSINA) today released data on imports, domestic consumption and import penetration covering year-to-date October 2003. (Unless otherwise noted, all comparisons are with the corresponding period in the previous year.)

The statistics reflect that imports of total specialty steel (stainless steel, alloy tool steel, electrical steel) have decreased 2% to 552,516 tons. Similarly, U.S. consumption has decreased 2% to 2,172,705 tons. Ten-month import penetration was unchanged at 25%.

Imports of total stainless steel, the largest product line, have dropped 7% to 413,721 tons, while consumption has declined 2% to 1,783,953 tons. The industry lost 23% U.S. market share to imports, down one percentage point.

By product line, stainless sheet/strip imports have increased 2% to 253,990 tons. U.S. consumption has fallen 2% to 1,315,948 tons. Import penetration remained essentially the same at 19%.

Imports of stainless steel plate have declined 15% to 41,584 tons. U.S. demand has risen 10% to 237,012 tons. Import penetration dropped five percentage points from last year to 18%.

Imports of stainless steel rod and stainless steel bar have decreased significantly. Both products were covered by the recently terminated import relief program that President Bush instituted in March 2002. While imports of stainless steel rod have dropped 38% to 30,746 tons, U.S. consumption has decreased 26% to 55,686 tons. Imports still control 55% U.S. market share, down eleven percentage points from YTD October 2002. Stainless steel bar imports have declined 14% to 59,208 tons. U.S. consumption has decreased 7% to 154,876 tons, while ten-month import penetration was down three percentage points to 38%.

Imports have increased for stainless steel wire, alloy tool steel and electrical steel. (See attached table for additional import, consumption and market penetration data for these and other product lines covering YTD October 2003/2002/2001.)

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SSINA is a Washington, DC-based trade association representing virtually all continental specialty steel producers. Specialty steels are high technology, high value stainless and other specialty alloy products.

David A. Hartquist, an international trade attorney with the Washington, DC law firm Collier Shannon Scott, PLLC, serves as lead counsel to SSINA.

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**U.S. Imports, Consumption and Market Penetration Data 1/
For Specialty Steel Product Lines
2003/2002/2001**

Specialty Steel Product Lines	Imports			U.S. Consumption			Ten Month Import Penetration	
	Month Oct 2003	YTD Oct 2003	Increase/Decrease YTD 2003-02	Month Oct 2003	YTD Oct 2003	Increase/Decrease YTD 2003-02	YTD Oct. 2003	YTD Oct. 2002
Stainless Sheet/Strip	27,865	253,990	2%	137,020	1,315,948	-2%	19%	19%
Stainless Plate	5,799	41,584	-15%	27,445	237,012	10%	18%	23%
Stainless Bar	5,716	59,208	-14%	16,322	154,876	-7%	38%	41%
Stainless Rod	2,098	30,746	-38%	3,995	55,686	-26%	55%	66%
Stainless Wire 2/	2,813	28,193	8%	NC	NC	NC	NC	NC
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	44,291	413,721	-7%	186,866	1,783,953	-2%	23%	24%
Alloy Tool Steel 2/	6,800	71,984	16%	NC	NC	NC	NC	NC
Electrical Steel	6,931	66,810	15%	33,949	331,242	-7%	20%	16%
Total Specialty	58,022	552,516	-2%	226,271	2,172,705	-2%	25%	25%

2002 and 2001 statistical data in tons follow:

Specialty Steel Product Lines	Imports		U.S. Consumption		Twelve Month Import Penetration	
	2002	Increase/Decrease 2002 vs. 2001	2002	Increase/Decrease 02 vs. 01	2002	2001
Stainless Sheet/Strip	298,538	12%	1,594,657	3%	19%	17%
Stainless Plate	60,002	30%	251,093	9%	24%	20%
Stainless Bar	84,350	-17%	200,747	-10%	42%	46%
Stainless Rod	58,078	-7%	89,898	13%	65%	78%
Stainless Wire	32,711	7%	NC	NC	NC	NC
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	533,679	5%	2,157,962	2%	25%	24%
Alloy Tool Steel	77,006	6%	NC	NC	NC	NC
Electrical Steel	70,895	-35%	424,856	-12%	17%	23%
Total Specialty	681,580	-1%	2,635,311	0%	26%	26%

NOTE: Changes in import penetration are percentage point changes.

1/ Imports adjusted to exclude hot bands imported for re-rolling and reported under shipments.

2/ Shipments of Stainless Wire and Alloy Tool Steel unavailable, hence consumption and import penetration not calculable.

NC = Not calculable.

Prepared by Georgetown Economic Services for the Specialty Steel Industry of North America

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