



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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Specialty Steel Industry Trade Group Releases Latest U.S. Market Data

(Washington, DC) (February 17, 2004) – The Specialty Steel Industry of North America (SSINA) today released statistics covering U.S. imports, consumption and market penetration for January through November 2003.

Year-to-date imports through November 2003 of total specialty steel (stainless steel, alloy tool steel, electrical steel) have decreased 1% to 610,898 tons compared to the same 2002 period. (All comparisons are with the corresponding period in the previous year unless otherwise noted.) Concurrently, U.S. consumption of total specialty steel has decreased 2% to 2,382,214. The net result is that import penetration has increased one percentage point to 26% year on year.

Imports and U.S. consumption of stainless steel, the industry's largest product line, have decreased. Imports have declined 7% to 454,349 tons. Domestic consumption also has decreased, but a lesser rate, dropping 2% to 1,954,959 tons. Eleven-month import penetration was 23%, a two percentage point decrease.

Stainless steel sheet/strip import penetration remained at 19% year on year. Imports have increased 2% to 279,781 tons, while consumption has decreased 2% to 1,443,322 tons.

Stainless steel plate import penetration has dropped five percentage points to 18% year on year. Imports have declined 13% to 47,109 tons. At the same time, U.S. consumption has increased 11% to 260,788 tons.

Imports of stainless steel bar and stainless steel rod have decreased dramatically year on year. Both products were covered by the Bush Administration's import relief program, which was in effect until December 2003 when the President announced its early termination.

Stainless steel bar import penetration has decreased four percentage points to 38%. Total imports of stainless steel bar have dropped 18% to 63,294 tons, while domestic consumption during the same period has decreased 8% to 168,714 tons.

Stainless steel rod import penetration has decreased nine percentage points year on year to 56%. Imports of stainless steel rod have dropped 39% to 33,111 tons, while consumption has fallen 28% to 59,639 tons.

Import levels of stainless steel wire have increased 6% year on year to 31,054 tons. Alloy tool steel and electrical steel import levels have increased 14% and 25%, respectively, year on year. Import penetration of electrical steel increased five percentage points to 21% in YTD November 2003. (See attached table for additional imports, consumption and market penetration data for these and other product lines covering YTD November 2003 and annual 2002 and 2001.)

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			Eleven Month Import Penetration	
	Month Nov. 2003	YTD Nov. 2003	Increase/Decrease YTD 2003-02	Month Nov. 2003	YTD Nov. 2003	Increase/Decrease YTD 2003-02	YTD Nov. 2003	YTD Nov. 2002
Stainless Sheet/Strip	25,791	279,781	2%	127,370	1,443,322	-2%	19%	19%
Stainless Plate	5,525	47,109	-13%	23,763	260,788	11%	18%	23%
Stainless Bar	4,086	63,294	-18%	13,837	168,714	-8%	38%	42%
Stainless Rod	2,365	33,111	-39%	3,952	59,639	-28%	56%	65%
Stainless Wire 2/	2,860	31,054	6%	NC	NC	NC	NC	NC
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	40,628	454,349	-7%	170,989	1,954,959	-2%	23%	25%
Alloy Tool Steel 2/	6,996	78,980	14%	NC	NC	NC	NC	NC
Electrical Steel	10,759	77,569	25%	32,794	363,495	-7%	21%	16%
Total Specialty	58,382	610,898	-1%	210,033	2,382,214	-2%	26%	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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