



Tariffs And Prices Are Still Up

Welcome to the Summer, it's a hot one this year! I know everyone has been frustrated this year with rising prices and tariffs that came on fast and furious after the first of the year. Even though we don't like it, I think the new higher prices are starting to settle into the marketplace as kind of the "new normal". Here's a basic run down on each product category and what's been happening.

Galvanized sheet: Historically, for most customers in this area, it's been a foreign product because it's several dollars cwt less than domestic. That still holds true today, although the tariff is now completely built into all new offerings from foreign mills. The only thing changed is prices have shifted higher. Most of the foreign galvanized is being offered from Vietnam and Taiwan, which is where it had been coming for the past couple of years. I've seen other countries, but those two seem to be dominating the foreign market to the US. I've paid tariffs on several shipments that have already arrived.

Galvanized Domestic Stenciled coil: This one, of course, is a domestic (United States) produced product and the trend has mostly been higher. I've been reading recently that domestic mills are considering another round of increases. I've seen it up almost every month for the past few months.

Stainless Sheet: Historically, for most customers in this area, stainless sheet has been a foreign product. Where it's coming from doesn't seem to have changed, it's only the price that has moved higher. Tariffs are being completely included into new offers and I've paid tariffs on several shipments that have already arrived.

Aluminum Sheet: Up until a little more than a year ago, most of the foreign aluminum sheet was coming from China. That stopped when there were anti-dumping suits put on them 1 ½ years ago, but we're still seeing mostly foreign aluminum in this market for most customers. Tariffs are being added to the offers and tariffs are being paid on aluminum.

Hot Rolled sheet and plate: Domestic mills are holding firm on higher prices and I've heard talk about another round of increases. On the foreign side, with Canada and Mexico not being competitive, I'm seeing offers from other countries that I normally don't see. Tariffs are being added to all new offers coming in from non-exempt countries, but remember even if a country was exempt and they had anti-dumping duties on them before, that still applies.

Up to 60" wide hot rolled: I've recently seen some offers that have been creeping down in price a little, but nobody has any of this steel right now. How long will it last? I don't know, and the prices aren't drastically lower, just a little.

Up to about 74" wide hot rolled: I haven't seen any lower prices for this size range. Some of the 60" wide mills that recently got a little more aggressive on price can't make the normal 72" – 74" wide that we need in this market. I think supply is getting a little tight on those sizes because of the limited availability now.

This statement from last month still applies: In my opinion I don't see anything on the horizon that could cause a significant price drop, other than a recession or a collapse in oil prices. A recession doesn't seem likely with the economy growing at better than 3% and faster than we've seen for a long time. Oil prices seem stable and improving with no reason they might collapse so I don't really see any reason that prices would drop. Even if the tariff was completely off the table, I don't see why the mills would lower prices. There are still all the anti-dumping duties in place if the tariffs went away.

In Summary, higher prices are here to stay and we need to get used to and adjust to the new normal of steel prices.

Adam Osborn
President
Ace Steel Supply

Grandma's Apple Pie

by Kara Osborn

This month I thought I'd mix it up a little and give you a great recipe. July wouldn't be complete without an Apple Pie Enjoy!!!

Ingredients:

- 1 recipe pastry for a 9 inch double crust pie
- ½ cup unsalted butter
- 3 Tbsp all-purpose flour
- ¼ cup water
- ½ cup white sugar
- ½ cup packed brown sugar
- 1 Tbsp ground cinnamon
- 8 Granny Smith apples – peeled, cored and sliced

Cooking Directions:

1. Preheat oven to 425 degrees F. Melt the butter in a saucepan, Stir in flour to form a paste. Add water, white sugar and brown sugar, and bring to a boil. Reduce temperature and let simmer.
2. Place the bottom crust in your pan. Mix cinnamon with apples. Fill with apples, mounded slightly. Cover with a lattice work crust. Gently pour the sugar and butter liquid over the crust. Pour slowly so that it does not run off.
3. Bake 15 minutes in the preheated oven. Reduce the temperature to 350 degrees F. Continue baking for 35-45 minutes, until apples are soft.
4. Serve warm with some ice cream!!!! Yum!!!



Chances Dog Rescue And Relocation

CAPE ANN ANIMAL AID ADOPTERS REUNION

On June 9, 2018, Cape Ann Animal Aid held their annual Adopters Reunion, and Chances Dog Rescue and Relocation was lucky to be included. Over 40 families and their pups who came from Chances were in attendance. Dogs from our very first transport in April of 2017 up to our May 28, 2018 transport were in attendance. Littermates reunited, and their adoptive families met and compared notes. Moms reunited with babies who were now grown. Some pups have become therapy dogs, some have become emotional support dogs, and some are just beloved family members. Smiles couldn't be contained, and all of our rescue efforts were validated when we saw how cherished each of the dogs are now.

We are lucky beyond measure to have such incredible Massachusetts partners and adoptive families, as well as Texan volunteers and donors. Without the entire team, these life changing transports (for both the dogs and their families) would not be possible.

If you want to help, please visit our website at www.chancesrescue.org or follow us on Facebook at www.facebook.com/chancesrescue.

Donations can also be mailed to:

Chances Dog Rescue and Relocation, 1102 Foster Xing, Richmond, TX 77406.

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**Barbara Pennington, Sales Manager
ACE STEEL SUPPLY
*Save a Life – Adopt a Homeless Dog!***



July 2018 Metal Prices

➔↑ **Stainless sheet: Prices are Flat to UP.** Stainless are flat to up. Surcharges are ticking up slightly.

➔↑ **Galvanized sheet: Prices are Flat to UP.** Prices flattened out for a few weeks, but new offers seem to be ticking up in price.

↑ **Galvanized 60" wide Domestic Stenciled: Prices are UP slightly.** Base prices went up slightly.

➔↑ **Hot Rolled: Prices are FLAT to UP.** With the tariffs back on for Canada, Mexico and the EU, availability is not as good. Time will tell if we stay flat or if we take another leg up.

Drilling Activity

Drilling Activity decreased from last month's newsletter.

US Rig Count. *AMM and Baker Hughes Data*

	*report date
July 2018 Newsletter 1052	July 6
June 2018 Newsletter 1060	June 4
May 2018 Newsletter 1032	May4
Apr 2018 Newsletter 995	Mar 26
Mar 2018 Newsletter 978	Feb 23
Feb 2018 Newsletter 947	Jan 29
Jan 2018 Newsletter 939	Jan 16



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