

ACE STEEL SUPPLY METAL MANIA



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VETERAN
OWNED BUSINESS

SLAB SHORTAGE BEHIND ROCKETING FLAT STEEL TAGS

A global shortage of steel slab is a key factor in rocketing flat steel prices.



Customers from Italy and Turkey noticed a reduction in the availability of steel slab originating in the CIS region - Commonwealth of Independent States in the second half of March.

Russian slab suppliers are selling free volumes to China and the US, but not to Europe. Mills in Asia and Brazil have been booking CIS slab, so availability is limited.

Right now, there is a big demand for everything in Brazil. Also, the Brazilian Mills are selling their slab to the United -

States under quota, without Section 232 tariffs. So, Brazil imports from other countries to make up the balance. They sell expensively to the US and Canada and then buy relatively cheaply from Ukraine, Russia and Asian Producers.

A source in Latin America suggested that reduced availability of slab from the CIS to Turkey and Italy could also be because NLMK USA is buying more slab from its parent company in Russia than last year - ever since reaching a settlement with the US government about Section 232 tariffs last year.

ArcelorMittal Mexico will start a 2.5 million-tpy hot strip mill at its Lazaro Cardenas asset, which currently produces only merchant slab and long steel. This was expected to come on stream in mid-2020, but commissioning was delayed until the end of 2021 because of the Covid-19 pandemic.

Ternium, which is the major importer of slab in Mexico, has the capacity to produce more than 6.4 million tpy of finished flat steel products and just 2.3 million tpy of slab and it is to start up a new 4.1 million-tpy hot-rolling mill in Pesqueria in June, with slab supplies expected to come from Ternium's former CSA facility in Brazil's Rio de Janeiro state.

The climbing prices are largely due to the uncertainty over whether China will reduce or remove export rebates for flat steel products such as HRC, cold-rolled coil and HDG coils.

The HRC market is largely expected to see significant price increases in the near term, especially if China announces rebate cuts and Chinese suppliers withdraw from the spot market and cause a shortage of HRC.



HERE'S A MONEY SAVING IDEA

Some of Ace Steel Supply's customers are getting creative and have found a way to save some money during these times where prices on steel have risen astronomically. They have found a way to incorporate secondary materials into their business model to increase profits. Although Ace Steel Supply does not focus on secondary material, we end up with our fair share of secondary material through natural causes, primarily condensation.

Certain customers can use water-stained material if the sheets will be powder coated or wrapped in plastic. Riddle Metal Works stocked up on a truckload of 18GA Galvanized secondary sheets with water stains to build these very nice mobile Covid testing trailers. Since they were wrapping the trailer in plastic the water-stained surface would not be visible. Congratulations on a job well done, the units came out great and you saved money by using secondary steel! Contact your salesperson to see how we can save your company money by using secondary material or creativity.



LEADERSHIP MATTERS

GETTING IT DONE

This is the time of year when we turn our focus to implementation. We have closed out the previous year, we have set our goals for the current year, and now we need to get things done.

Some people believe that implementation is not a critical part of leadership; that leaders are "vision" people. They may set the course, but they look to others to implement. To change the order of things for the better, to solve problems, leaders must get things done. They do not have to do it all themselves - in truth they cannot do it all themselves - but they must achieve results. Execution without vision is just more of the same, but vision without execution is a pipe dream.

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Many of us want to go from goals to achievement, from talking to doing. So why do so many organizations and people fail to achieve all they set out to accomplish when they start moving from talking to doing? There are four common pitfalls we face when trying to get things done.

First, we get stuck in the status quo. The way things are is powerful and it is easier to keep doing things the way they have always been done. If your goals are ambitious and real problems need to be confronted, then the status quo will not get you the results you want. Change is hard though because change always invites criticism and resistance. So often, complacency is easier. And so, we give up on those ambitious goals.

The second pitfall is we try to do too many things at once. However, success is not found in doing everything or the biggest number of things. Success is found in doing the right number of things - the ones that will have the most impact - at the right time and in the right order. Prioritization is vital.

Third, we may not be systematic about our goals. We think about things haphazardly, or incompletely and we fail to consider all that is necessary to get something done. We must be systematic. What needs to get done, who is going to get it done, how will we measure that it is getting done, and how do we hold ourselves accountable if it does not get done?

And finally, we fail to achieve our goals because we are not realistic. So often we plan for the best case, and then we get distracted and discouraged when things do not go as planned in a world of conflicting, competing priorities and unexpected events. We should plan for the most-likely case. We should think about how we will regroup and recover in the worst case.

Leaders set goals that are ambitious enough to require change but realistic enough to be achieved. They prioritize ruthlessly. Leaders are never haphazard, and they do not "fly by the seat of their pants". They are systematic and thorough in their approach.

US STAINLESS SUPPLY GET'S EVEN TIGHTER

The United Steelworkers Union voted on March 5th to authorize a strike at ATI. On 3/26 the union informed ATI it will strike beginning 3/30 with the 7:00 AM shift. An ATI spokesperson said ATI will re-start critical operations using salaried employees and interim replacement workers. This will make an already tight stainless market even more difficult to obtain commodity stainless flat rolled products.



Easter Saltine Toffee

Ingredients:

40 Saltine crackers	1 C. unsalted butter
1 C. brown sugar	2 C. chocolate chips
1 C. M&M's or other chocolate candies	Sprinkles!!

1. Preheat oven to 350 degrees F. Line a large baking sheet with a Silpat baking mat, parchment paper, or aluminum foil. If you are using aluminum foil, spray lightly with nonstick cooking spray. Place saltine crackers in a single layer, touching, on the large baking sheet. Set aside.
2. In a medium saucepan, melt butter and brown sugar together over medium-high heat. Bring butter and brown sugar mixture to a boil. Boil for 3-4 minutes, stirring constantly. Pour mixture evenly over saltine crackers. Bake for 8 minutes or until topping is bubbling.
3. Remove the pan from the oven and immediately sprinkle chocolate chips evenly over the top of the crackers. Let the chocolate chips sit for 2 minutes so they have a chance to melt. Spread melted chocolate with a knife or rubber spatula. Sprinkle with candy and sprinkles, if using.
4. Let the toffee sit for about 2 hours or until the chocolate hardens. You can refrigerate the toffee for an hour, or freeze for 30 minutes. When chocolate is set up, break the toffee into pieces and serve!

Note- You can top the toffee with chopped pecans or almonds. You can also mix up the candy and sprinkle colors for any holiday. The toffee will keep up to 2 weeks in an airtight container in the fridge or in the freezer for up to 2 months.



CHANCES DOG RESCUE & RELOCATION

THE DOGS AND HEROES OF WINTER STORM URI

With winter storm Uri behind us now, the state seems to be left picking up the pieces and once again trying to rebuild. So many individuals and families are displaced due to damage, and that means their canine family members are at risk and in need too.

There has been a HUGE influx of dogs of all ages and sizes requiring help since the storm. Some were taken in just before or during the freeze – literally saving their lives – but without an after-storm plan, and some are being surrendered by owners who no longer have the resources to care for them. Litters upon litters of young puppies are cropping up all around Houston too, and all need vaccines, TLC and a plan for their future.

Overwhelmed by the need, we put out a call for help to our northern partners and began strategizing. Northeast Animal Shelter in Salem, MA was the first to offer help. They rallied volunteers and scrambled to schedule a transport of 27 dogs that would meet us at a halfway point in Tennessee. Cape Ann Animal Aid was next to offer help, and scheduled flights and a van rental for two of their staff to fly to Houston and drive over 35 dogs up to Massachusetts the week after Northeast's transport. Our amazing transport partner, Homeward Bound Pups, also scheduled two Massachusetts-bound departures for us during the last week of March / first week of April. (They did this despite the owner and lead driver having sustained over \$30k in damage to his home from Uri.) Schedules were adjusted for quarantines in Massachusetts, and fosters were found to help with the influx. Buddy Dog Humane Society and Baypath Humane Society flexed their intake capacities, so they were able to accept more dogs too.

All in all, in less than 4 weeks Chances will be able to help over 120 dogs from the streets, shelters, partner rescues and individuals in Texas find safety and forever families in Massachusetts. It takes a village, and this time our "village," over 2500 miles away, mobilized to help us help the dogs. We could not be more thankful.

To follow and support us, check out our Facebook page at www.facebook.com/ChancesRescue.

We can all do something– Donate – Foster – Sponsor!



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RIG COUNT OVERVIEW & SUMMARY COUNT

Area	Last Count	Count	Change from Prior Count	Date of Prior Count	Change from Last Year	Date of Last Year's Count
U.S.	1 Apr 2021	430	+13	26 Mar 2021	-234	3 Apr 2020

MATERIAL COSTS APRIL 2021 (prices still increasing)



Stainless: Sheet highest since 2012



Galvanized sheet: Prices up



Domestic 60" Galvanized: Prices continue to increase



Hot Rolled: Increasing but slowly



Cold Rolled: Stable for the moment but scarce



Aluminum: Prices up

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