

Increased Steel Prices

Because of the demand for scrap and new steel, the used railcar market prices have risen accordingly. This means we have to

raise our prices to reflect the demand. Please bear with us.

Take care and keep railroading!

Boxcar Services LLC

US scrap prices seen likely to rise again

Monday, 14 April 2008

As North American steelmakers struggle to keep pace with the rising cost of raw materials, sources are suggesting that more scrap price increases are imminent.

A handful of sources concur that scrap prices will rise again, bucking the historical trend of price relaxation from May through November. No one is indicating the degree of an increase, but it looks as though scrap dealers will not be giving anything back next month, Steel Business Briefing learns. Shredded scrap jumped 38% in April and is selling for \$560 a long ton, delivered to mills.

"Inventories are low throughout the system. Small dealers that sell us material are low," says an eastern US processor. "Our inventory as well as most scrap processors' is low. Steel mills do not have huge scrap inventories and their finished product inventory is low. Service centers are in the same position."

Another eastern scrap dealer who sells to Nucor's David J Joseph Co says material is flowing at a brisk pace but there is still a deficit due to strong demand. "There is no excess scrap," he notes.

The record selling prices have widened the peddle trade, which now includes homeowners who, after hearing what scrap dealers are paying for obsolete goods, are hauling discarded appliances and any other metals lying around their homes.

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