



## Unanimous Support for UK Steel Charter

**B**ridgend County Borough Council has become the first authority in Wales to agree to support UK Steel's national charter for the production of sustainable British steel.

A motion to support the charter drew unanimous cross-party agreement after it was proposed at the February meeting of full Council by Newcastle ward member, Councillor David White: "Bridgend County Borough Council notes with deep concern the recent announcements by Tata Steel of the loss of jobs across South Wales and across the UK steel industry.

"The council urges Tata Steel, the trade unions, Welsh and UK Government and the European Union to work together to help build a sustainable future for the steel industry in Wales and the UK. "The council believes that all levels of government should support the UK steel industry, not only as a source of tens of thousands of jobs, but also given its role as a foundation industry of key

strategic importance to the wider and local economy.

"The council recognises that a sharp slowdown in the Chinese economy has sapped domestic demand, and that Chinese-sourced steel is sold on the world market at low prices. Equally, the cost of energy and European rules on carbon emissions makes the UK a challenging climate in which to produce steel. "The council is concerned that the impact on the steel industry if China was to be granted market economy status would result in the European Union being unable to impose tariffs on goods from China if it was found that they had been dumped at below-market prices, and this would result in the increase in



Chinese imports of steel into the European Union. "The council, therefore, resolves to support the Charter for Sustainable British Steel as promoted by the UK Steel organisation.

"The council also supports the proposals of UK Steel and Community regarding the EU emissions trading system proposals, which call for the steel sector to be helped to decarbonise in a way that ensures its future and the many thousands of valuable jobs it provides."

The council's support for the charter follows last month's announcement by Tata Steel UK Ltd that the nearby Port Talbot steelworks is to bear the brunt of more than a thousand job losses throughout the UK. Of the 1,050 jobs that are set to be cut, 750 will take place at the Port Talbot plant.

Tata have also confirmed that 596 residents of Bridgend County Borough are currently employed at the Port Talbot site. Council Leader Mel Nott OBE said: "It's plain to see that urgent action is needed to safeguard the British Steel industry and I have already written to David Cameron on this matter.

"With a total economic impact of £3.2 billion, Tata Steel is one of Wales' most significant employers. When you factor in the 10,000 full time equivalent jobs supported in the Tata supply chain and £2 billion inter-regional export revenues, it's clear that any disruption in the manufacturing of steel is going to have a major impact."

Councillor Charles Smith, Cabinet Member for Regeneration and Economic Development, added: "As a member authority of the Industrial Communities Alliance, I'm pleased that the motion for Bridgend County Borough Council to support the charter on sustainable British steel attracted unanimous cross-party support.

## US Hot-rolled Coil Remains Weakest of Steel Sheet Products



**P**rices for hot-rolled coil in the US were flat as buyers noted a lack of momentum for the product, while demand for cold-rolled coil and hot-dipped galvanized sheet remained strong.

A service center source said he believed that HRC pricing had stalled around \$410/st, and above being the norm for mills.

The cold-rolled coil and hot-dipped galvanized markets, while stronger, remained relatively anchored without HRC pricing moving up, according to a broker who believed the products' pricing spreads could

not get too out of whack.

He had recently purchased two separate Midwest HRC orders at \$400/st and \$410/st, each under 500 st individually. However, he believed those may be the last transactions at those prices.

"There's a pretty wide spread on HRC. Some people are quoting \$450/st and some people are quoting \$400/st. There are still people who will book at \$400-\$410/st depending on the product, the width and the thickness," he added.

The service center source agreed that there were HRC quotes well above the \$400/st level, with one mill pushing \$460/st. However, a second service center referred to quotes at that level as crazy numbers.

A mill source said the HDG market was red hot and they had seen their lead times shoot out but HRC had been a bit of a different story. It has not been terrible he said but there has not been nearly the urgency or the excitement for HDG and CRC."

End-use demand is still struggling from sectors which typically consume mainly HRC and HRC pickled and oil, such as mining, energy, heavy equipment and heavy agricultural, the mill source said.