



## Nucor sees modest steel market improvement



**N**ucor Corp. expects its fourth-quarter earnings to benefit from a “modest improvement” in steel market conditions, though its per-share profit outlook missed analysts’ expectations.

The Charlotte, N.C. company also said that while global market conditions remain uncertain, that it expects its 2016 profitability will improve slightly over last year, driven by improved performance in its steel mills and steel products businesses.

Nucor projected per-share earnings of 20 cents to 25 cents for the three months ending April 2, compared with the 21 cents a share the company posted for the year-earlier period. Analysts polled by Thomson Reuters expected a per-share profit of 29 cents.

Nucor said the operating performance in its steel mills business is expected to benefit from lower inventory costs and positive market trends, including a small decline in import volumes and more balanced inventory levels at service-center customers.

Nucor and other U.S. steelmakers, facing a slew of imports that have weighed on steel prices, have said they are the victims of illegal trade practices and have sought help from the government.

The Department of Commerce recently imposed preliminary duties on imports of cold-rolled steel, used to make auto parts, appliances and shipping containers, from seven countries including China, whose steelmakers were slapped with a massive tariff.

Nucor stated in its news release that it is confident that final decisions by the U.S. Commerce Department will fully address all dumping and subsidies related to continuing trade cases.

## Dongkuk steel starts Spooled Coil production at Pohang Works

**D**ongkuk Steel Pohang Works goes heavier with the first coil produced and with the newly designed spooling machines to accommodate 3.5 tons coil weight at the production speed of 37.8 m/s. The Korean steel producer is now entering the market with its heavy spooled coils produced through the latest design of spooling equipment process and technology supplied by Danieli. After the hot start up period, the Final Acceptance Certificate was released on March 2nd, 2016, at the completion of the activities. Danieli Automation is taking care of the whole automation system integrating the line into the rolling mill already supplied by Danieli in 1994.



## Great Lakes lock could cripple US steel industry

**B**etween Lake Superior and the Great Lakes of North America lies a narrow canal, just 1.6 miles long. Each year some 10,000 ships pass through the Soo Locks of St Marys Fall canal, nearly all the iron ore used in the US passes through and millions of American jobs depend on them staying open. But age and neglect could soon put those jobs under threat.



Consider a day in the life of the average American. It’s an existence that rides upon a figurative highway of steel – steel appliances, steel cutlery and tools, and most important to the US economy, steel-bodied automobiles. That’s a lot of steel, and most of the ore it’s made of comes from mines in Minnesota and northern Michigan.

Now the transportation network that connects manufacturers with the raw materials they need may be hanging by a thread, suggests a Department of Homeland Security report unearthed by the Detroit Free Press.

The report focuses on the economic impacts of a shutdown of the nearly 50-year-old Poe Lock – a vital waterway transportation link for huge cargo ships that carry raw materials and supplies back and forth across the Great Lakes and says that a six-month closure of the lock could cost America 11 million jobs, crippling automakers and other manufacturers in the process.

“The Soo Locks represent a critical link in the steel supply chain, giving them a disproportionate influence on vehicle manufacturing and the entire steel industry,” Karl Brauer, an analyst at Kelley Blue Book, an automotive industry research firm, said.

More than half of America’s locks are over 50 years old, according to the American Society of Civil Engineers, which estimates some \$3.6tn is needed to repair the US’s antiquated waterways.

Few locks are more vital than Poe Lock, the largest among the four US army corps of engineers-operated Soo Locks, which connect Lake Superior to the lower Great Lakes. The water level in Lake Superior is more than 20ft higher than Lake Huron, and requires the use of locks to move ships from one lake to the other without having to encounter a treacherous mile of rapids between the two. At 1,200ft long, 100ft wide and 32ft deep, Poe is the only lock along that section of the St. Marys river that can accommodate the dozen massive lake freighters that can each carry nearly 70,000 tons of iron ore from mine to mill.