

Better volumes and prices for US tinsplate producers

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They are gloating over price increases whilst UK Shoppers pay the Increased prices for food due to can increases. Reusa-Can

A market survey by American Metal Market indicates that US tinsplate suppliers have been able to achieve higher contract prices for 2009 and are also looking forward to increased sales next year. The scale of price increases is however limited by the recent sharp fall in the price of hot rolled coil used to make tinsplate and the threat of increased imports, especially from Asia.

AMM did not obtain official confirmation from the two main producers, US Steel and ArcelorMittal USA, but reported that "interviews with multiple industry sources indicate that mills have been successful in pushing through price increases ranging from 15 percent to more than 35 percent on many contracts."

"Canned food sales are performing very well," according to Rich Tavoletti, director of the container market program at the American Iron and Steel Institute, Washington. U.S. tin mill product shipments this year have increased from 2007 levels, the AISI reported. Shipments through August, the last month for which data is available, were up about 13 percent from the same period last year, Tavoletti said.

"Supplies are still tight," another market source told AMM. "A 3-5 percent increase in can demand is counter-recessive, but puts mills in a great position to increase prices for '09. Mills are in a position to get price increases for '09 because they have reduced capacity at a time when tinsplate demand is a little stronger. But they (the mills) can't ignore that the hot-rolled price has dropped."

