

State of Trade and Product Review

Heavy section: Heavy section demand stable. Too much stock in the UK putting ex stock prices under pressure. Cautious optimism moving forward.

Plate: Heavy Plate again stockholders in the main overstocked due to excess buying in quarter 4. Sadly this putting ex stock prices under pressure. Liberty are producing plate in Scotland.

Strip mill: Strip Mill demand fine. Stock less of an issue with this product. Price increases expected quarter 2.

Hollow section: Hollow section too much stock about at the moment Prices could rise by £60 by the end of Quarter 2.

Merchant bar: Merchant bar demand stable. UK mills finding it hard work to implement price increases at the moment. Hopefully this will change during quarter 2.

General view

It was widely thought on most of the products reviewed that during November and December 2016 Stockholders bought heavily forward at the old prices to avoid the increases that were anticipated in Q1 2017.

Demand as flattened a little in January and February this year which has led to an oversupply situation both in the Stockholders warehouses and at the docks as the material bought late last year has turned up, this is particularly prevalent in Structural Sections and Galvanised Coil.

It was thought this situation would correct itself in the coming couple of months as the stock is used up and the Stockholders have been reluctant to place new forward business. Although there are many influences on price these days, raw materials, exchange rates, Brexit etc nobody is expecting the cost of any steel products to take a significant fall and the general feeling was that prices would nudge upwards in the near future.

Other Issues

Credit Control Meeting : Graydon UK run stockholder credit control meetings every quarter at [Tankersley Manor Barnsley](#), they are well attended and [Graydon](#) are happy to throw them open to any members of Neass who wish to attend.

Scheduled meeting dates for the rest of 2017 as follows:

13/6

12/9

12/12

The format of the meetings are quite relaxed but very informative. They are run on behalf of attendees who very much set the agenda. In many cases various guest speakers are brought in on a variety of subjects, again dictated by the attendees and these could include experts on ROT, Insurance broking and general insurers. Whatever the attendees want as long as it's relevant.

Website: We are looking to update the website to include a Members Area it could include a link to Members websites. We are also looking at offer advertising there would be a charge for this.

Mill Visit : Spartan have kindly agreed to organise a visit/visits around the Mill, if you or a member of your staff would like to attend please let me know. We also hope to arrange visits to other mills in the future.

Training : NASS organise quite a few training and seminars during the year. NEASS members are welcome to attend any of them. We think it's a great opportunity for NEASS members to train and educate their staff on steel/steel stockholder issues.

NASS Training 2017

- 16/17-May [Health and Safety Passport Plus](#) (NASS Office, Birmingham)
21-Jun [NASS Safety and Health Awareness Day](#) (EEF Training Hub, Aston)
19/20-Sept [NASS Essentials for Inside Sales](#) (NASS Office, Birmingham)
26-Sept [Introduction to Steel Metallurgy](#) (NASS Office, Birmingham)

AOB:

Heather Moorhouse SM Thompson a former chairperson has just retired. In the early days of Neass Heather was our first and only lady chairman. She has continued to support Neass for over 30 years. We would like to thank her for all her support and wish her a long and prosperous retirement.

Neass Membership Certificate: On payment we will be issuing a certificate to all members.

Neass Forthcoming Events:

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| 22-June 2017 | Ripon Races (Ripon) |
| 1- September 2017 | Golf and ladies spa day Mottram Hall (Cheshire) |
| 2-November 2017 | NASS and Nass meeting Cedar Court (Wakefield) |
| 2-February 2018 | Annual Dinner Old Swan (Harrogate) |

For and on behalf of



C Ellis

M: 07939 031468 E: Cathyllisneass@outlook.com

W:neass.co.uk

Facebook: neass steel stockholders