



⊙ SPOT IRON ORE¹

Spot iron ore ticked down slightly for the second consecutive week.

Spot iron ore pricing ended the week at \$98.05/mt, down from \$99.80/mt a week ago.

· This is the lowest price for iron ore since September.

The ongoing trade war is expected to weigh on China's steel production, iron ore purchases, and exports.

IRON ORE COST



WEEKLY ZINC PRICING



△ZINC²

Zinc pricing rebounded this week after dropping slightly last week.

Zinc pricing ended the week at \$2,620/mt (\$1.188/lb), up from \$2,581/mt (\$1.171/lb) previously.

 China's Labour Day holiday, which ran from May 1-5, held the zinc market relatively steady, although the ongoing trade war between the U.S. and China remains a headwind in the short term.

Global zinc inventory dropped for the third consecutive week.

- LME warehouse inventory dropped for the third consecutive week, sliding from 173,900 metric tons to 170,650 metric tons.
- Shanghai warehouse inventory slipped as well this week, dropping from 48,477 metric tons to 47,102 metric tons.

⊙ COKING COAL³

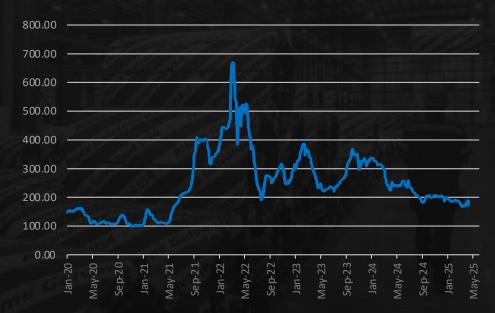
Coking coal pricing dipped this week, after climbing five out of the previous six weeks.

Coking coal settled at \$190.50/mt, down slightly from \$193.00/mt last week.

 Despite the drop, coal pricing is still up over 14% in the last month.

While India continues to stockpile coking coal, China's purchases have slowed sharply amid the ongoing trade war.

COKING COAL PRICE



WEEKLY DOMESTIC PRODUCTION



■ WEEKLY DOMESTIC STEEL PRODUCTION⁴

Domestic raw steel production increased sharply again last week, now up four out of the last five weeks.

U.S. mills produced an estimated 1,725k tons at a 76.8% utilization rate; this is up from 1,706k tons and a 76.0% rate previously.

 This is now the highest weekly output since early September.

Production rose in all five regions, with the largest increase (in tons) coming from the Southern region.

 Production from the Southern region increased from 729k tons to 737k tons.

Year-to-date production is now down 2.4% compared to the same timeframe from last year.

○ LIGHT VEHICLE INVENTORY⁵

U.S. light vehicle inventory continued to decline throughout April and is now down in back-to-back months.

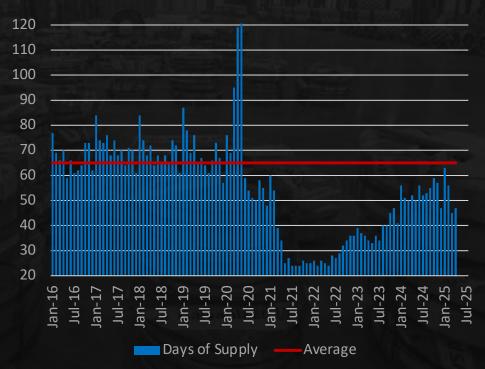
U.S. light vehicle inventory ended April at 2.62 million units, down 2.6% from the end of March.

 Inventory was down on a year-over-year basis as well, sliding 5.7% from 2.78 million units at the end of April 2024.

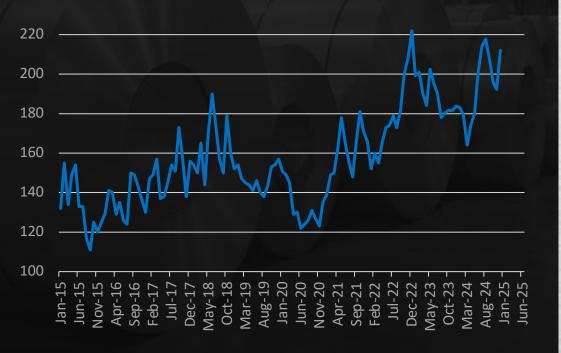
The current inventory, when combined with April's sales pace, equates to 47 days of supply, up slightly from the 45 days at the end of March.

There was a rush of sales in late March/early April as buyers anticipated price increases due to tariffs, helping to push inventories lower.

U.S. LIGHT VEHICLE DAYS OF SUPPLY



DODGE MOMENTUM INDEX



△ DODGE MOMENTUM INDEX⁶

A key leading indicator for nonresidential construction spending increased slightly after a sharp slowdown in March.

The April Dodge Momentum Index came in at 205.1, up slightly from the 203.1 reading in March.

 Within the index a 3.3% increase in commercial planning helped to overcome the 4.2% decline in institutional planning.

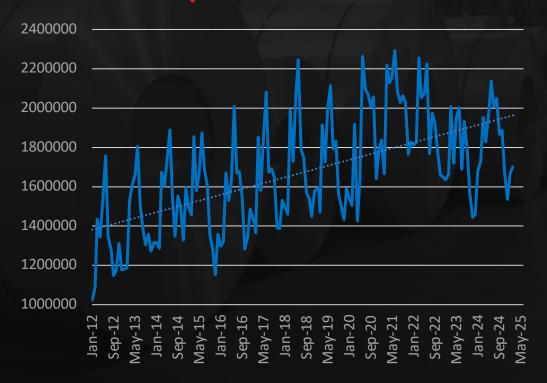
The boost in commercial project planning almost solely came from data center projects, without data centers, the commercial planning component would have declined by 2.3%.

 Office and hotel planning dropped sharply in April, which negatively impacted commercial planning.

Within institutional project planning, planning slowed for education, healthcare, and government buildings.

The Dodge Momentum Index is a leading indicator for nonresidential projects 9-12 months out.

HVAC EQUIPMENT SHIPMENTS



△ HEATING & COOLING EQUIPMENT

Shipments of heating and cooling equipment increased in March, now up for the third consecutive month.

HVAC equipment shipments totaled 2.037 million units in March, up 19.8% from February and up 4.3% from 1.952 million units in March 2024.

 The year-over-year increase in March ended a string of back-to-back yearly declines.

Looking at a year-over-year basis, to help smooth seasonality, a sharp jump in furnace (+20.1%) shipments led the way.

 While water heater (+6.2%) shipments increased as well, A/C & heat pump (-2.4%) shipments slipped.

Year-to-date shipments are now up 0.9% compared to the same timeframe last year.

⊙ CARBON STEEL CONSUMPTION⁸

Carbon steel consumption slipped in March, sliding to its lowest daily rate of 2025.

March daily carbon sheet consumption came in at a 149.1k ton/day rate, down 2.9% from February but was up 2.6% from the 145.4k tons/day rate in March 2024.

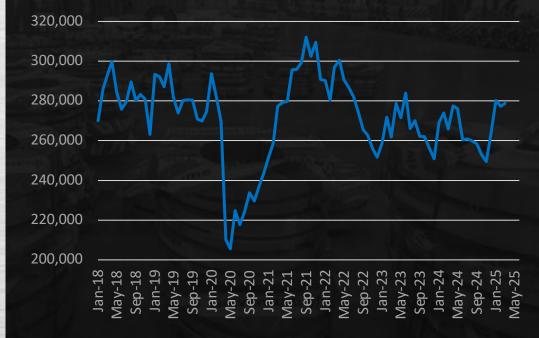
 A drop in daily mill shipments and import rates outweighed the slight decline in sheet exports.

Coated sheet consumption declined on both a m/m and y/y basis in March, sliding 6.7% and 3.5%, respectively.

 Year-to-date total coated sheet consumption is down 4.6% compared to Q1 2024.

The current flat rolled import penetration (10.6%) is the lowest since 2020 and likely negatively impacting total consumption.

DAILY SHEET CONSUMPTION



ECONOMIC

■ WEEKLY INITIAL JOBLESS CLAIMS

The number of Americans filing new claims for unemployment benefits dropped last week after hitting the highest level since February.

The Department of Labor's Weekly Initial Jobless Claims report came in at 228,000 claims, down from 241,000 claims previously.

· The four-week moving average, considered a better measure of the labor market as it irons out week-toweek volatility, increased to 227,000.

Continuing claims, or claims lasting longer than one week, dropped after hitting the highest level since November of 2021.

· Continuing claims came in at 1.879 million claims, down from 1.908 million claims previously.

The increase in claims were largely driven by government layoffs linked to the Department of Government Efficiency.

WEEKLY INITIAL JOBLESS CLAIMS 25,000 23.000 5150 21,000 19,000 4150 17,000 15.000 3150 13,000 11,000 2150 9,000 7,000 1150 5,000 3,000 150 1.000 May-25 Jan-20 May-20 Sep-20 Jan-22 Sep-22 Jan-25

——Continuing Claims

Sep-21

——Initial Claims

SOURCES

- 1 Platts, Spot Iron Ore: May 9, 2025.
- London Metal Exchange, Weekly Zinc Price and Inventory Report: May 9, 2025.
 Shanghai Futures Exchange, Weekly Zinc Inventory Report: May 9, 2025.
- 3 Platts, Coking Coal Price: May 9, 2025.
- American Iron & Steel Institute, Weekly Domestic Steel Production: May 6, 2025.
- 5 WardsAuto, U.S. Light Vehicle Inventory: April 2025.
- 6 Dodge Construction Network, Dodge Momentum Index: April 2025.
- ⁷ A/C Heating & Refrigeration Institute, HVAC Equipment Shipments: March 2025.
- 8 American Iron & Steel Institute, Carbon Steel Consumption: March 2025.
- Department of Labor, Weekly Initial Jobless Claims: May 8, 2025.

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