

## Aluminum Situation

August 2019

This report contains information reported to the Association by the domestic producers, which is aggregated by the Association and expanded to represent the total industry. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision. For further information, contact Hank Sattleight, Manager, Statistical Programs at 1-703-358-2985 or email [hsattleight@aluminum.org](mailto:hsattleight@aluminum.org). © The Aluminum Association, Inc. All rights reserved.

### Summary

## Aluminum Demand Increased an Estimated 0.7% YTD H1 2019

Preliminary estimates indicate that aluminum demand in the United States and Canada (shipments by domestic producers plus imports) totaled an estimated 14,258 million pounds through June of 2019, an increase of seven-tenths of one percent over the year-to-date 2018 total. Demand for semi-fabricated (mill) products totaled 10,413 million pounds, up 2.2 percent. Apparent consumption (demand less exports) in domestic markets totaled an estimated 12,753 million pounds, up 2.2 percent year-over-year.

Exports of aluminum ingot and mill products from the U.S. and Canada (excluding cross-border trade) totaled 1,505 million pounds through the first half of 2019, off 10.1 percent from the like-2018 total, while imports advanced two-tenths of one percent to 4,550 million pounds.

| June<br>(millions of pounds)                   | ----2019*---- |        | % Chg vs 2018 |       |
|------------------------------------------------|---------------|--------|---------------|-------|
|                                                | June          | Total  | June          | Total |
| <b>U.S. &amp; Canada Shipments<sup>1</sup></b> |               |        |               |       |
| Total Demand                                   | 2,255         | 14,258 | -1.2          | 0.7   |
| Mill Products                                  | 1,699         | 10,413 | 1.0           | 2.2   |
| Domestic Markets                               | 2,039         | 12,753 | 1.8           | 2.2   |

### Foreign Trade (U.S. & CN less cross border trade)

|         |     |       |       |       |
|---------|-----|-------|-------|-------|
| Exports | 216 | 1,505 | -23.2 | -10.1 |
| Imports | 704 | 4,550 | 28.0  | 0.2   |

1) U.S. & Canada producer shipments plus imports to consumers.

\*) Figures are preliminary. Cumulative data include revisions to previous periods.

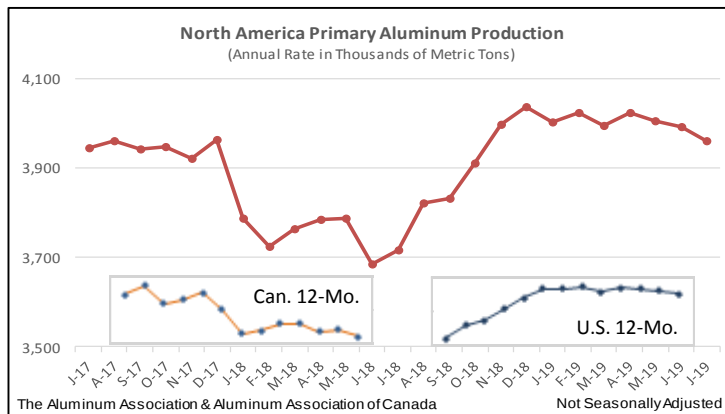
Source: Shipment statistics based on Aluminum Association surveys. Import and Export data are derived from reports published by the U.S. Bureau of the Census and Statistics Canada.

Access the Detailed Data File by Clicking [HERE](#)

### Primary Production

## N.A. Primary Production Rate Up 6.6% Y/Y in July 2019

The Aluminum Association, in cooperation with the Aluminium Association of Canada, reported primary aluminum production in North America (U.S. and Canada) was at an annual rate of 3,959,885 tonnes during July 2019, declining 32,071 tpy (-0.8%) from the June 2019 rate of 3,991,956 tonnes. The production rate in the U.S. was off 1.8 percent m/m, while the Canadian rate fell four-tenths of one percent. Compared to a year ago, the North American annual rate was 6.6 percent above the July 2018 rate of 3,715,688 tonnes. Actual production in July 2019 totaled 336,319 tonnes.



For additional information, [click here](#).

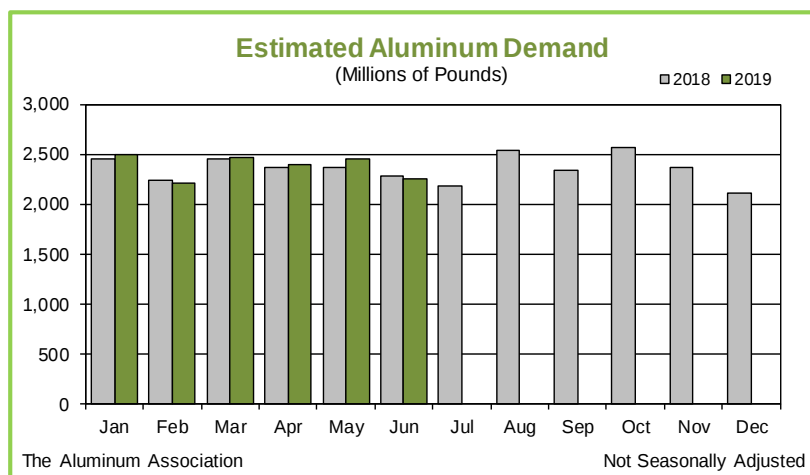
## Shipments &amp; Inventory Levels

## Apparent Consumption Up 2.2% YTD in June

Demand for aluminum semi-fabricated (mill) products in the United States and Canada (measured in shipments by domestic producers plus imports) totaled an estimated 1,699 million pounds in June, up 1.0 percent over June 2018. Shipments of aluminum sheet and plate totaled 968 million pounds, an increase of 6.0 percent year-over-year. Extruded product shipments declined 7.5 percent year-over-year to 480 million pounds. Estimated shipments of aluminum ingot for castings, exports and other uses totaled 556 million pounds in June, off 7.5 percent from a year ago. Apparent consumption in domestic U.S. and Canadian markets totaled 2,039 million pounds in June, advancing 1.8 percent over June 2018. Through the first half of 2019, apparent consumption was up an estimated 2.2 percent over the year-to-date 2018 total.

Producer inventories totaled 3,592 million pounds in June, a decline of two-tenths of one percent from the May 2019 revised level of 3,600 million pounds. Compared to a year ago, producer inventories were up an estimated 10.4 percent.

*Note: For additional Association statistics on producer shipments, [click here](#).*

U.S. & CANADA SHIPMENTS<sup>1</sup>

(Millions of Pounds)

|                                 | June           |                | % Chg       | May            | % Chg       | Year-to-Date    |                 | % Chg      |
|---------------------------------|----------------|----------------|-------------|----------------|-------------|-----------------|-----------------|------------|
|                                 | 2019*          | 2018           | Jun/Jun     | 2019           | Jun/May     | 2019*           | 2018            | 19/18      |
| Sheet & Plate                   | 968.4          | 913.4          | 6.0         | 1,017.1        | -4.8        | 5,941.2         | 5,632.5         | 5.5        |
| Foil                            | 128.3          | 122.9          | 4.4         | 142.1          | -9.7        | 796.0           | 732.2           | 8.7        |
| Extruded Products <sup>2</sup>  | 480.4          | 519.4          | -7.5        | 497.8          | -3.5        | 2,960.1         | 3,060.0         | -3.3       |
| Electrical Wire & Cable         | 70.7           | 65.1           | 8.5         | 75.0           | -5.7        | 372.4           | 408.1           | -8.7       |
| Other <sup>3</sup>              | 51.2           | 61.6           | -16.9       | 57.5           | -11.0       | 343.6           | 358.6           | -4.2       |
| <b>Total Mill Products</b>      | <b>1,699.0</b> | <b>1,682.3</b> | <b>1.0</b>  | <b>1,789.6</b> | <b>-5.1</b> | <b>10,413.4</b> | <b>10,191.4</b> | <b>2.2</b> |
| Ingot <sup>4</sup>              | 555.9          | 601.0          | -7.5        | 656.4          | -15.3       | 3,844.8         | 3,965.2         | -3.0       |
| <b>Total Demand</b>             | <b>2,254.9</b> | <b>2,283.3</b> | <b>-1.2</b> | <b>2,446.0</b> | <b>-7.8</b> | <b>14,258.2</b> | <b>14,156.5</b> | <b>0.7</b> |
| Exports of ingot and mill prod. | 215.5          | 280.7          | -23.2       | 248.4          | -13.2       | 1,505.4         | 1,675.3         | -10.1      |
| <b>Apparent Consumption</b>     | <b>2,039.4</b> | <b>2,002.6</b> | <b>1.8</b>  | <b>2,197.6</b> | <b>-7.2</b> | <b>12,752.8</b> | <b>12,481.3</b> | <b>2.2</b> |

PRODUCER INVENTORIES<sup>5</sup>

|       | 2019*   | 2018    | % Chg | 2019    | % Chg |
|-------|---------|---------|-------|---------|-------|
| Ingot | 1,128.8 | 934.6   | 20.8  | 1,153.5 | -2.1  |
| Scrap | 929.7   | 823.6   | 12.9  | 934.1   | -0.5  |
| Other | 1,532.9 | 1,494.6 | 2.6   | 1,512.8 | 1.3   |

Note:

1) U.S. & Canadian producer shipments plus imports of mill products. Data include adjustments to published government import and export statistics.

2) Extruded Products – extruded rod and bar, shapes and pipe and tube

3) Other mill products – drawing stock, bare wire, forgings and impacts, and powder and paste.

4) Net ingot shipments for foundry castings, export, and destructive uses.

5) Inventory levels reflect U.S. and Canadian producers.

\*) Figures are preliminary. Cumulative data include revisions to previous periods.

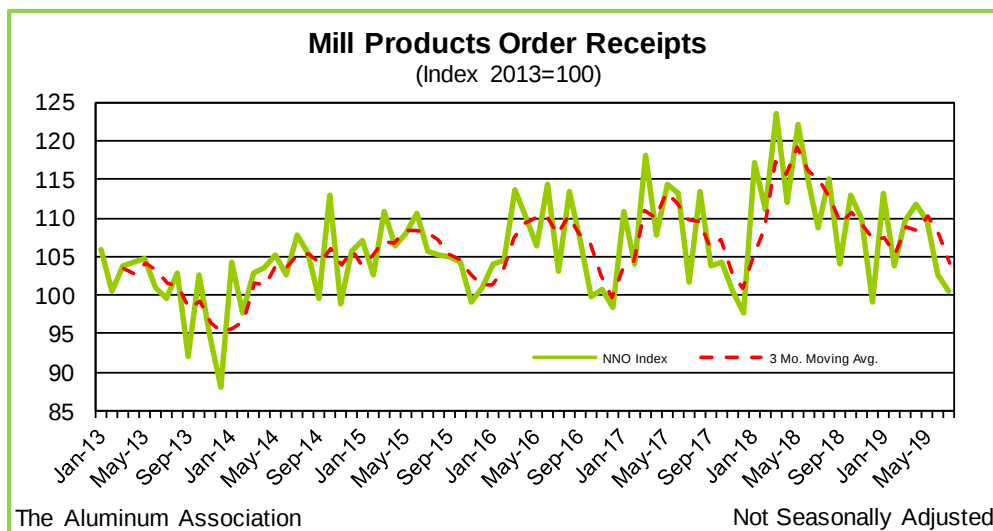
Source: The Aluminum Association Inc.

## New Orders

## Orders of Aluminum Mill Products Off 7.1% YTD in July 2019

The Association's "Index of Net New Orders of Aluminum Mill Products" for July 2019 declined 2.0 percent from June 2019. Orders for flat roll products (sheet, plate, can stock and foil) were off 1.3 percent from the previous month, while orders for extruded products were down 3.2 percent and orders for redraw rod decreased 12.0 percent. Compared to July 2018, total orders were off 7.5 percent. On average, orders recorded by domestic producers through July 2019 were down 7.1 percent from year-to-date 2018.

*Note: The 22 companies that participate in the survey represent between 80-85 percent of industry shipments, however these companies may not be representative of the entire industry. Figures in the attached report are not adjusted to account for work days.*

**INDEX OF INDUSTRY NET NEW ORDERS OF ALUMINUM MILL PRODUCTS<sup>1</sup>**

2013=100

| <u>Year</u>           | <u>Month</u>                    | <u>Flat Rolled<br/>Products</u> | <u>Extruded<br/>Products</u> | <u>Drawing<br/>Stock</u> | <u>Total</u> |
|-----------------------|---------------------------------|---------------------------------|------------------------------|--------------------------|--------------|
| 2018                  | Jul                             | 110.8                           | 107.0                        | 85.1                     | 108.7        |
|                       | Year to date                    | 115.0                           | 124.6                        | 92.8                     | 115.6        |
| 2019                  | May                             | 114.3                           | 109.6                        | 46.0                     | 109.7        |
| 2019                  | Jun                             | 104.5                           | 110.3                        | 49.8                     | 102.6        |
| 2019                  | Jul                             | 103.1                           | 106.7                        | 43.8                     | 100.6        |
|                       | Year to date                    | 109.9                           | 112.3                        | 54.8                     | 107.3        |
| <u>Percent Change</u> |                                 |                                 |                              |                          |              |
|                       | Current Month vs Year Ago       | -6.9                            | -0.2                         | -48.5                    | -7.5         |
|                       | Current Month vs Previous Month | -1.3                            | -3.2                         | -12.0                    | -2.0         |
|                       | Year-to-Date                    | -4.4                            | -9.8                         | -40.9                    | -7.1         |

Note:

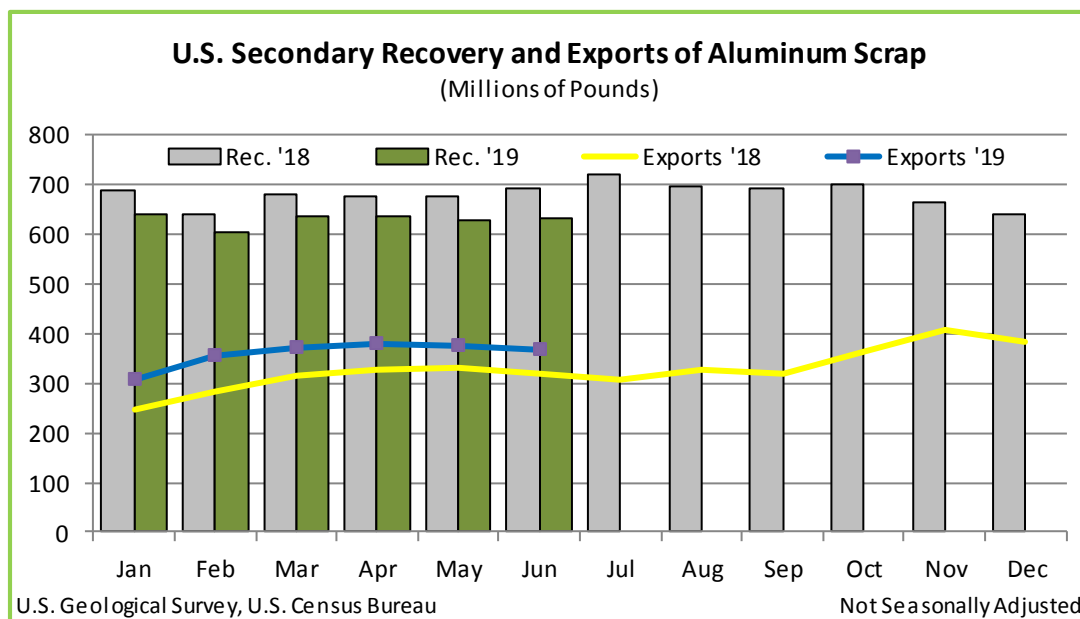
- 1) The Association index is based on reports by 23 participants of new orders (less cancellations) of flat roll products, extrusions and drawing stock received for the previous month and are not adjusted for workdays. Figures exclude forgings, powder and electrical wire and cable. Participating companies represent 80-85 percent of total industry shipments in U.S. and Canada but are not intended to be representative of the entire industry. The index is based on a calendar month and is not adjusted for the actual number of working days. While the Association believes that its statistical procedures and methods are reliable, it cannot, of course, guarantee the accuracy or completeness of the data. The Aluminum Association makes every attempt to ensure the data are as representative of current market conditions as possible. All data contained herein are subject to revision. The base 100 equals the average month in 2013.

## Aluminum Scrap

## Secondary Recovery Declined 7.0% YTD in June 2019

**Note: The Aluminum Association publishes the most recent release of the U.S. Geological Survey's (USGS) Aluminum Mineral Industry Survey. The data provided below were included in the July 3<sup>rd</sup> release (April data):**

The U.S. aluminum industry purchased<sup>1</sup> an estimated 710 million pounds of aluminum scrap during June 2019, according to aluminum recycling statistics published by the U.S. Geological Survey, Department of Interior, declining 7.9 percent from the June 2018 total. USGS estimates that recovery of aluminum and aluminum alloys totaled 630 million pounds, falling 9.1 percent year-over-year. Through the first half of 2019, preliminary data indicate that recovery of aluminum from scrap totaled an estimated 3,773 million pounds, a decline of 7.0 percent from like-2018. U.S. exports of scrap, not included in the government's consumption statistics, totaled 2,154 million pounds through June, up 18.3 percent over the 1,820 million pounds year-to-date in 2018.



| RECYCLING<br>(Millions of Pounds)     | June  |       | % Chg<br>Jun/Jun | May   |         | Year-to-Date |         | % Chg<br>19/18 |
|---------------------------------------|-------|-------|------------------|-------|---------|--------------|---------|----------------|
|                                       | 2019* | 2018  |                  | 2019  | Jun/May | 2019*        | 2018    |                |
| <b>Scrap Consumption</b> <sup>1</sup> | 710.2 | 771.5 | -7.9             | 708.8 | 0.2     | 4,248.2      | 4,488.0 | -5.3           |
| <b>Metallic Recovery</b>              | 630.3 | 693.6 | -9.1             | 627.4 | 0.5     | 3,772.5      | 4,055.9 | -7.0           |
| New Scrap                             | 351.0 | 398.3 | -11.9            | 348.9 | 0.6     | 2,123.0      | 2,334.9 | -9.1           |
| Old Scrap                             | 281.1 | 297.2 | -5.4             | 280.3 | 0.3     | 1,660.0      | 1,732.2 | -4.2           |
| <b>U.S. Exports of Scrap</b>          | 365.6 | 319.2 | 14.5             | 375.4 | -2.6    | 2,153.9      | 1,820.2 | 18.3           |

Note:

1) Gross weight of aluminum scrap from all sources of purchased new and old scrap including imports. The figure does not include in-plant turnaround.

\*) Current month figures are preliminary. Cumulative data include revisions for previous periods.

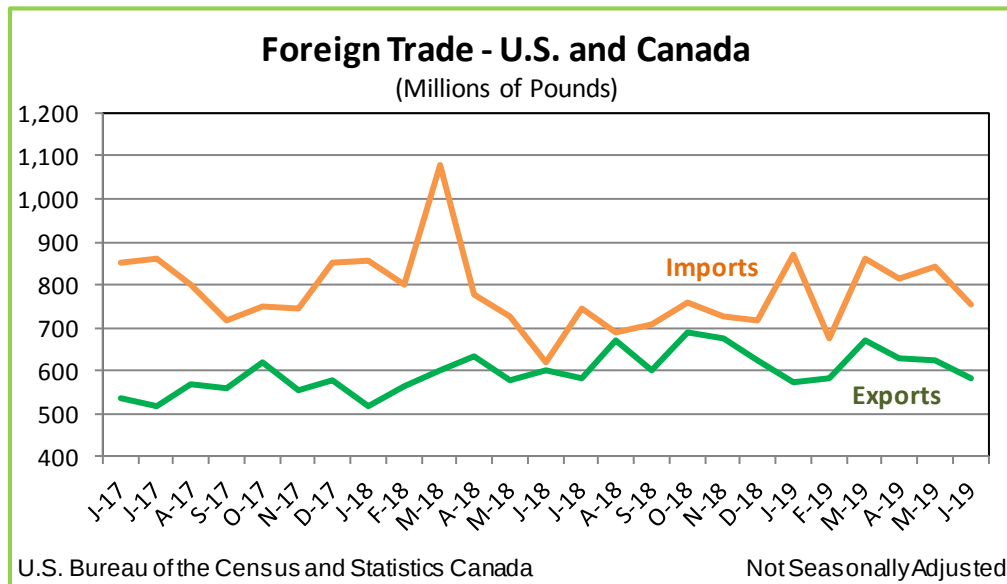
Source: [U.S. Geological Survey, U.S. Department of Interior](#)

## Imports &amp; Exports

## Aluminum Exports Up 4.7%, Imports Off 0.7% YTD in June

Aluminum imports of ingot, scrap and mill products into the U.S. and Canada (excluding cross-border trade) totaled 753 million pounds in June 2019, an increase of 21.8 percent over the June 2018 total of 618 million pounds. Including scrap, which accounted for roughly 62.9 percent of reported aluminum exports in June, exports totaled 581 million pounds, falling 3.1 percent from a year ago. Excluding scrap, exports totaled 216 million pounds, off 23.2 percent from last year. Exports of scrap increased 14.5 percent year-over-year. Through the first half of 2019, imports were down seven-tenths of one percent to 4,818 million pounds, while exports were up 4.7 percent to 3,659 million pounds.

Statistics are derived from customs data released by the U.S. and Canadian governments.



| U.S. & CANADA <sup>1</sup><br>(Millions of Pounds) |               | June  |       | % Chg   | May   | % Chg   | Year-to-Date |         | % Chg |
|----------------------------------------------------|---------------|-------|-------|---------|-------|---------|--------------|---------|-------|
|                                                    |               | 2019* | 2018  | Jun/Jun | 2019  | Jun/May | 2019*        | 2018    | 19/18 |
| <b>IMPORTS</b>                                     | Mill Products | 371.0 | 261.6 | 41.8    | 395.3 | -6.1    | 2,273.6      | 1,874.3 | 21.3  |
|                                                    | Ingot         | 332.7 | 288.4 | 15.4    | 398.8 | -16.6   | 2,275.9      | 2,668.0 | -14.7 |
|                                                    | Total         | 703.8 | 550.0 | 28.0    | 794.1 | -11.4   | 4,549.5      | 4,542.3 | 0.2   |
|                                                    | Scrap         | 49.0  | 68.3  | -28.2   | 50.2  | -2.3    | 268.8        | 309.9   | -13.2 |
|                                                    | Grand Total   | 752.8 | 618.3 | 21.8    | 844.3 | -10.8   | 4,818.3      | 4,852.2 | -0.7  |
| <b>EXPORTS</b>                                     | Mill Products | 92.9  | 123.3 | -24.7   | 103.1 | -9.9    | 633.3        | 736.9   | -14.1 |
|                                                    | Ingot         | 122.6 | 157.4 | -22.1   | 145.3 | -15.6   | 872.1        | 938.4   | -7.1  |
|                                                    | Total         | 215.5 | 280.7 | -23.2   | 248.4 | -13.2   | 1,505.4      | 1,675.3 | -10.1 |
|                                                    | Scrap         | 365.6 | 319.2 | 14.5    | 375.4 | -2.6    | 2,153.9      | 1,820.2 | 18.3  |
|                                                    | Grand Total   | 581.2 | 599.9 | -3.1    | 623.8 | -6.8    | 3,659.3      | 3,495.5 | 4.7   |
| <b>Net Imports (excluding scrap)</b>               |               | 488.2 | 269.3 | -       | 545.7 | -       | 3,044.1      | 2,867.0 | -     |

Note:

1) Excludes cross-border trade.

\*) Current month figures are preliminary. Cumulative data include revisions to previous periods.

Source: U.S. Bureau of the Census and Statistics Canada

## Drivers, Etc...

|                                                            | Jul<br>2018 | Percent Change |             |                  |         |                             |
|------------------------------------------------------------|-------------|----------------|-------------|------------------|---------|-----------------------------|
|                                                            |             | Jun<br>2019    | Jul<br>2019 | Current Month vs |         | YTD <sup>nsa</sup><br>19/18 |
|                                                            |             |                |             | Last Mo          | Last Yr |                             |
| North Amer. Light Vehicle Production (thous.) <sup>1</sup> | 1,092       | 1,403          | 1,124       | -19.9            | 2.9     | -1.8                        |
| Housing Starts (thous.) <sup>sa 2</sup>                    | 1,184       | 1,241          | 1,191       | -4.0             | 0.6     | -3.1                        |
| New Construction (\$bil.) <sup>sa 2</sup>                  | 1,318       | 1,287          | n/a         | --               | -2.1    | -0.5                        |
| Industrial Prod. Index (2012=100) <sup>sa 3</sup>          | 108.7       | 109.4          | 109.2       | -0.2             | 0.5     | n/a                         |
| U.S. Consumer Price Index <sup>sa 4</sup>                  | 251.6       | 255.3          | 256.2       | 0.3              | 1.8     | n/a                         |
| Producer Price Index for Final Demand <sup>sa 5</sup>      | 116.5       | 118.3          | 118.5       | 0.2              | 1.7     | n/a                         |

Source:

- (1) [Ward's AutoInfoBank](#) (U.S., Canada and Mexico)
- (2) [U.S. Bureau of the Census](#)
- (3) [Federal Reserve Board](#)
- (4) [U.S. Bureau of Labor Statistics](#)
- (5) [U.S. Bureau of Labor Statistics](#)

Note:

(ar) Annual Rate

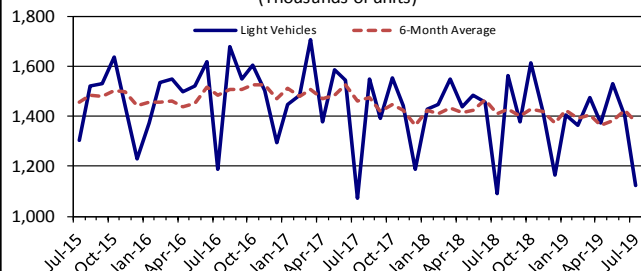
(sa) Seasonally adjusted

(saar) Seasonally adjusted, annual rate

(nsa) Not Seasonally Adjusted

(n/a) Not available at time of publication

**North American Light Vehicle Production**  
(Thousands of units)



WardsAuto and Autonews

Not Seasonally Adjusted

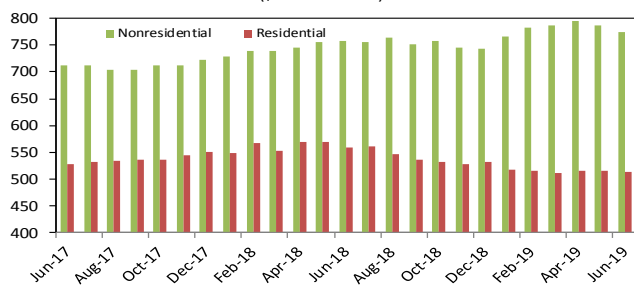
**US Privately-Owned Housing: Authorized Permits & Starts**  
(Thousands of Units)



U.S. Census Bureau

Seasonally Adjusted Annual Rate

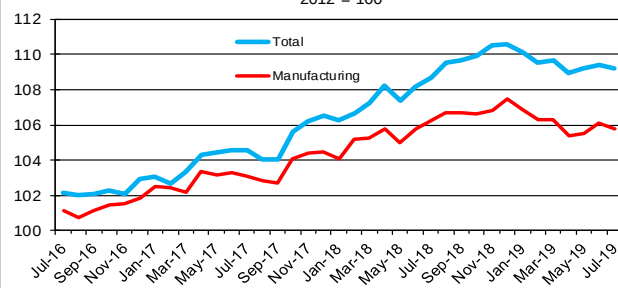
**U.S. Value of Construction Put in Place**  
(\$USD in billions)



U.S. Census Bureau

Seasonally Adjusted Annual Rate

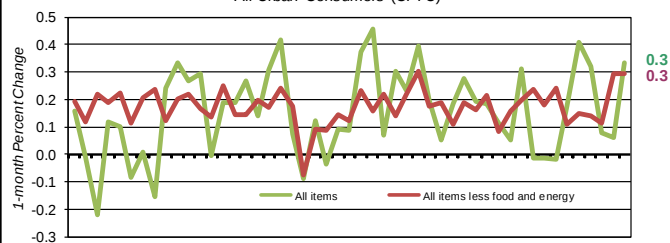
**U.S. Industrial Production Indexes**  
2012 = 100



Federal Reserve Board

Seasonally Adjusted

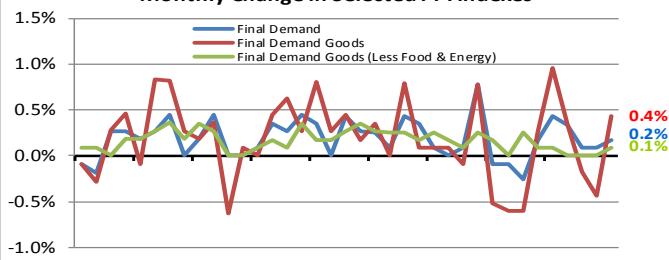
**U.S. Consumer Price Index**  
All Urban Consumers (CPI-U)



Bureau of Labor Statistics

Seasonally Adjusted

**Monthly Change in Selected PPI Indexes**



Bureau of Labor Statistics

Seasonally Adjusted

**The Aluminum Association**, founded in 1933, represents U.S. and foreign-based primary producers of aluminum, as well as recyclers, and producers of semi-fabricated products, foundries, distributors and suppliers. Member companies operate roughly 190 plants in North America and many conduct business worldwide.

### **Statistical Reports and Publications**

The Aluminum Association's statistical programs provide industry information on primary aluminum production, new orders of mill products, industry shipments, end use market estimates, inventories, recycling and foreign trade on a monthly, quarterly and annual basis. Special surveys provide data on specific subjects such as primary capacity, flat roll capacity, inventories and castings shipments. Custom reports are available on a for-fee basis and Webinars may be scheduled by contacting the Association.

### **Industry Overview**

Aluminum Statistical Review (Annual Fact Book)  
Aluminum Highlights (Weekly)  
Aluminum Situation (Monthly)  
Summary of Producer Shipments and Inventories (Monthly)

### **Primary Aluminum**

Primary Aluminum Production (Monthly)  
Primary Installed Capacity (Annual)  
Shipments of Primary Aluminum by Form (Quarterly)

### **Mill Products**

Index of Net New Order Receipts for Aluminum Mill Products (Monthly)  
Can Stock Shipments (Monthly)  
Extruded Products Shipments and Press Utilization (Monthly)  
Flat Roll Capacity (Annual)  
Forging and Impacts Shipments (Monthly)  
Rod, Bar, and Wire Shipments (Monthly)  
Sheet and Plate Shipments (Monthly)

### **End Use**

Extrusion Shipments by End Use (Quarterly)  
Fin Stock Shipments by End Use (Quarterly)  
Foil Shipments by End Use (Monthly)  
Sheet and Plate Shipments by End Use (Quarterly)

### **Castings**

U.S. Foundry Castings Shipments (Biannual)  
Canada Foundry Castings Shipments (Annual)

### **Recycling**

New Can Stock (Class) Scrap Receipts (Monthly)  
Used Beverage Can Reclamation (Annual)

### **Foreign Trade**

Summary of U.S. Imports and Exports (by Commodity), Monthly – U.S. and Canada  
Foreign Trade Online Database - U.S., Canada, Mexico, and China Exports & Imports of Aluminum (By Commodity, by Country)

For a complete list of statistical publications and reports visit our [website](#).

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