



Aluminum Highlights:

An update on industry activity and economic indicators

November 6, 2009

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 Nick Adams, V.P., Statistics and Business Information at 1-703-358-2984 or email <nadams@aluminum.org>. © The Aluminum Association, Inc. All rights reserved.

Market View:

Last week's GDP report signaled the end of the U.S. recession, but stronger aluminum demand depends on consumers buying more new homes and vehicles. Unemployment is now at 10.2 percent. Wages are stagnant, as evidenced by the very moderate 1.07 percent year-on-year increase in real disposable income in September. The housing market may get some help thanks to the extension of the home buyer tax credit which will now include existing home owners, and those

with higher incomes. Although this may help to reduce the pool of existing homes on the market, it does not guarantee an increase in new housing starts. While the permits data are off their April trough, they show little new momentum. Given what we know today, an improvement in demand is six to nine months away.

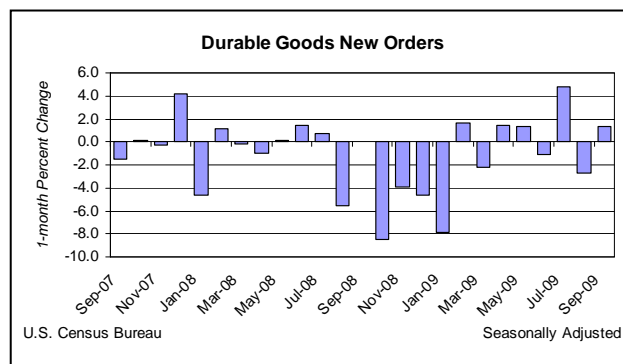
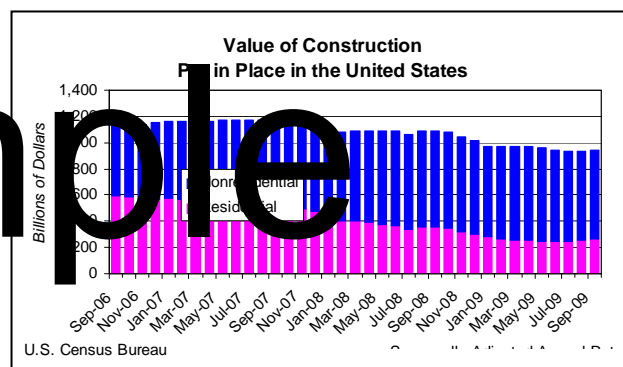
[Lisa Morrison](#), Principal Economic Risk Advisor
CRU | Price Risk Management

Economic Indicators

November 2 – The U.S. Census Bureau of the Department of Commerce announced that **construction spending** during September 2009 was estimated at a seasonally adjusted annual rate of \$940.3 billion, eight-tenths of one percent above the revised August estimate of \$933.1 billion. The September figure is 13.0 percent below the September 2008 estimate of \$1,081.2 billion. Residential construction was at a seasonally adjusted annual rate of \$264.1 billion in September, up 3.9 percent over the previous month, while nonresidential construction declined four-tenths of one percent to \$676.2 billion. During nine months of this year, spending amounted to \$715.2 billion, 12.1 percent below the \$813.3 billion for the same period in 2008.

November 3 – **New orders for manufactured durable goods** in September, up two of the last three months, increased \$2.2 billion or 1.4 percent to \$166.2 billion, the U.S. Bureau of the Census reported, noting that this followed a decrease of 2.7 percent in August. Machinery, up five of the last six months, had the largest increase, \$1.7 billion or 7.9 percent to \$23.5 billion. New orders for manufactured nondurable goods increased \$1.1 billion or six-tenths of one percent to \$189.9 billion. Shipments of manufactured durable goods in September, up three of the last four months, increased \$1.8 billion or 1.1 percent to \$173.2 billion.

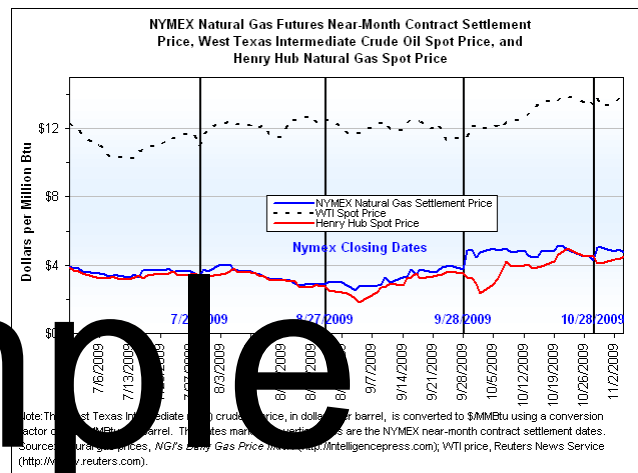
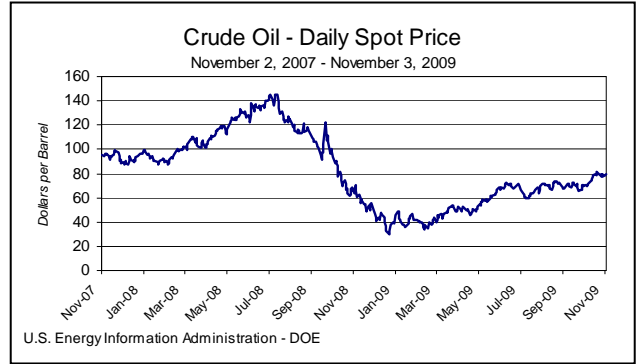
Sample



Energy

November 4 – The Energy Information Administration reported that the **daily spot price of crude oil** (Cushing, OK WTI Spot Price FOB) rose \$0.13 (0.2%) over the previous week to \$79.58 per barrel on Tuesday, November 3 (latest EIA data). Compared to four weeks prior, the daily spot price of crude oil was 14.3 percent above the October 7 price of \$69.6 per barrel.

November 5 – In its **Natural Gas Weekly Update**, EIA reported that natural gas spot prices fell over the week at most market locations, declining an average 16 cents per million Btu (MMBtu). Decreases ranged between two cents and 77 cents per MMBtu. In the few trading locations where prices rose, increases were modest, ranging between one and four cents per MMBtu. The Henry Hub natural gas spot price fell 10 cents on the week, closing at \$4.49 per MMBtu. At the New York Mercantile Exchange (NYMEX), the December 2009 natural gas contract fell 34 cents per MMBtu, or 7 percent. The November contract expired on Wednesday, October 28, at \$4.289 per MMBtu.



Sample

[The Aluminum Association](#), based in Arlington, Virginia, works globally to aggressively promote aluminum as the most sustainable and recyclable automotive, packaging and construction material in today's market. The Association represents U.S. and foreign-based primary producers of aluminum, aluminum recyclers and producers of fabricated products, as well as industry suppliers. Member companies operate more than 200 plants in the United States, with many conducting 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, safety, inventories and castings shipments. The Association's foreign trade reports are based on government customs data.

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 – U.S. and Canada (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)
Electrical Conductor Shipments (Monthly)
Extruded Products Shipments and Price Inflation (Monthly)
Flat Roll Capacity (Annual)
Foil Shipments (Monthly)
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 (Quarterly)
Sheet and Plate Shipments by End Use (Quarterly)

Castings

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

Recycling

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

Foreign Trade

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

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