

NEWSLETTER

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US UNEMPLOYMENT RATE HITS 25 YEAR HIGH

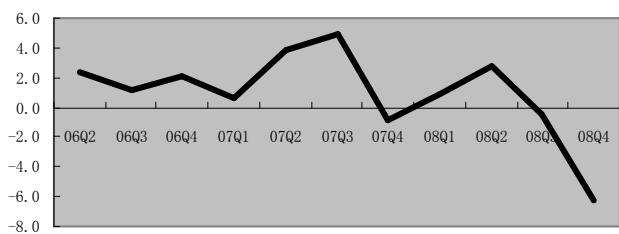
According to the U.S. Labor Department's monthly jobs report, nonfarm payroll employment continued to fall sharply in February (-651,000) and the unemployment rate rose from 7.6 to 8.1 percent. Payroll employment has declined by 2.6 million in the past 4 months. In February, job losses were large and widespread across nearly all major industry sectors.

The number of unemployed persons increased by 851,000 to 12.5 million in February, and the unemployment rate rose to 8.1 percent.

Over the past 12 months, the number of unemployed persons has increased by about 5.0 million, and the unemployment rate has risen by 3.3 percentage points.

Since the recession began in December 2007, about 4.4 million jobs have been lost, with more than half (2.6 million) of the decrease occurring in the last 4 months. In February, employment declined in most major industry sectors, with the largest lost occurring in professional and business services, manufacturing, and construction. Health care continued to add jobs over the month

US Real GDP Growth



Source: US Department of Commerce

Real US gross domestic product (GDP) declined 6.3 percent in the fourth quarter of 2008 after declining 0.5 percent in the third quarter, according to the final estimates from the Bureau of Economic Analysis.

The drop is the biggest one-quarter decline in this key measure since the first three months of 1982.

The decrease in real GDP reflected; a sharp downturn in exports, a continuing decline in consumer spending, a larger decrease in business investment, mainly in equipment and software, and a continuing decline in housing.

Fourth quarter corporate profits fell 16.5 percent, the largest decline since the fourth quarter of 1953. Financial profits corporate profit fell 59 percent; non-financial corporate profits fell 11 percent.

STEEL INDUSTRY STATISTICS

Preliminary U.S. February 2009 steel imports were \$1.8 billion

The U.S. Census Bureau announced that preliminary February steel imports were \$1.8 billion (1.4 million metric tons). This was a decrease of \$1.1 billion (0.7 million metric tons) from the preliminary January totals of \$2.9 billion (2.1 million metric tons).

The February change in steel imports based on metric tonnage reflected decreases primarily in oil country goods. Monthly changes in steel imports reflected decreases primarily with China, Russia, and Korea.

The year to date final statistics through January 2009 showed steel imports of 2.4 million metric tons compared to 2.4 million metric tons through January 2008. The largest commodity decreases were in blooms, billets, and slabs; and hot rolled sheets. The largest commodity increase was in oil country goods. The largest country decrease was with Canada. The largest country increases were with Russia and China.

January steel shipment down 50.5 percent from last year

According to the American Iron and Steel Institute, U.S. steel mills shipped 4,576,000 net tons in January 2009, recording 50.5 percent from the same period last year, and 0.8 percent decline compared to the previous month.

The decrease was caused by decreases in following major market classifications; service centers and distributors, down

55.9 percent; automotive, down 58.3 percent, construction and contractors' products, down 59.6 percent; and oil and gas, down 20.2 percent.

In January, total crude steel production for the 66 countries reporting to the IISI was estimated to be 85.8 million tonnes.

The world crude steel production for January represents a 24% decline compare to the same period of 2008. If China is excluded, the remaining 65 countries showed a 39% fall in crude steel production.

In the European Union crude steel production for the 27 in January fell by 46% on January 2008 to 9.5 million tones. In Germany, steel production was down 35.6% to 2.7 million tones, while Italian production was down 46.7% to 858 thousand tones. Spanish steel production was down by 53.5% to 730 thousand tones, while in the UK the drop was 45% to 652 thousand tones.

Outside of the European Union, steel production in Turkey decreased by 13.1% to 1.95 million tones, while in Serbia production fell by 73% to 44 thousand tones.

In Russia, crude steel production was 49% down compared to January 2008, to 3.3 million tones, with Ukrainian production down by 45% to 2 million tones. Steel production in Kazakhstan dropped by 47%. Russian exports of all steel in 2008 were down on 2007 at 28.4 million tonnes.

In North America, January crude steel production was

down 51.2%, with US production down 52.7% to 4.1 million tonnes. Canadian steel production decreased by 46% to 770 thousand tonnes, while Mexican production fell by 49.3% to 810 thousand tonnes.

While US imports of steel in 2008 were down by 3.8% to 30.2 million tonnes, US exports rose by 23.2% 13.4 million tonnes. 51.5% of this total went to Canada.

South American crude steel production decreased by 41.4% in January, with Brazilian production down by 45.6% to 1.6 million tonnes. Venezuelan steel production fell by 20.4% to 300 thousand tonnes, while Argentinian production was down 32% to 284 thousand tonnes.

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WISCO America Company Ltd., wholly owned by Wuhan Iron & Steel (Group) Corp., was established in 2007 in California, USA. WISCO America is the headquarters for various [Wuhan](#) Steel Group subsidiaries in American Continent.

As an important window for [Wuhan](#) Steel Group's international trading business in America, WISCO America Company Ltd. mainly deals with exporting steel products, and importing raw materials for its parent company. In addition, WISCO America is planning to expand trading services to various items, including textiles, energy, metals, food, and beverages. WISCO America is also planning to form a joint venture with other leading steel companies to acquire iron ore mines in American continent.

WISCO America's goal is to constantly pursue ambitious growth and become number one or two in each of the market it serves.

*As a WISCO community member,
we encourage you to contribute your
story. Send your story to
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