Steel Market Updates From

MIDSTEEL FLANGES & FITTINGS

Part of the PETROCHEM GROUP

Your One-Stop Supply Partner

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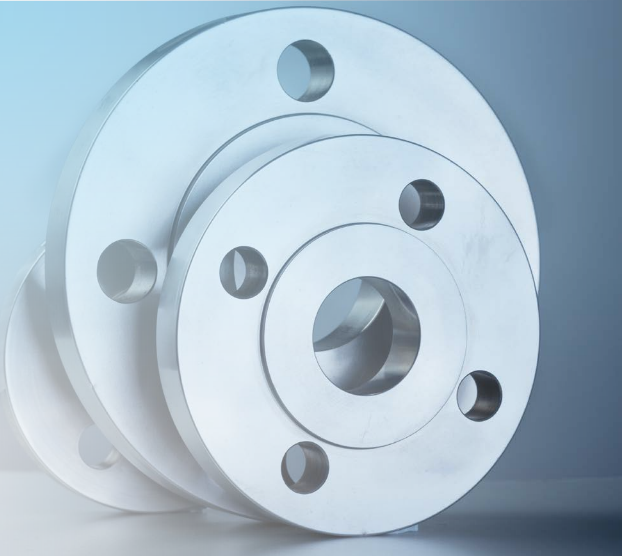

We want to keep all our valued customers up to speed with new developments, not only within Midsteel but also within the steel marketplace during these challenging times. To receive the latest steel supply chain information and up-to-date steel prices, please 'opt-in'.

OPT IN

Welcome to your new Steel Market Updates newsletter which brings you the latest information on steel supply and pricing.

In this first edition, we explore what 2022 has in store for the steel market and feature our substantial new product offerings in stainless pipes and butt weld fittings following Midsteel's acquisition by the Petrochem Group. We hope you will join us on this journey and enjoy the benefits of having the latest information first.

Midsteel becomes 'one-stop supply centre' as part of Petrochem Group

Midsteel Flanges and Fittings has become part of the Petrochem Group following its acquisition by Ireland's largest independently-owned stockholder of stainless and carbon steel pipes, fittings, and flanges.

Petrochem's acquisition of Midsteel Flanges and Fittings Ltd aims to establish the West Midland's company as a 'one-stop supply partner' of piping, flanges and fittings for the oil, gas, petrochemical, fire protection and power generation industries.

The two independently-owned have enjoyed a trading partnership that dates back many decades.

Managing Director of the Irish-based Petrochem Group Ltd, Keith O'Shea, says:

"The addition to the Petrochem family of Midsteel Fittings & Flanges is a perfect match for the growth of both businesses. The acquisition gives the Petrochem Group major reach into the UK market, while also providing very significant investment into Midsteel's existing stock ranges. Furthermore, this move has opened up exciting new business opportunities for Midsteel, with a vastly-expanded product offering of stainless steel pipes and fittings from Petrochem.

"Both businesses are independently run entities, which have been doing business together since 1988. Both are valued for their open, family-inspired culture of trust, transparency and dedication to teamwork. We are extremely excited about our future together and we look forward to supporting Midsteel's continued growth as a major, independent, multi-metal stockist in the UK."

Commercial Sales Manager of the Dudley-based Midsteel Fittings & Flanges Ltd, James Street, described the acquisition.

"This really is a perfect match of two family-owned businesses with strong traditional values that our customers can rely on. Both my father, Alan Street who was a co-owner of Midsteel, and Keith's father Mick O'Shea, who founded Petrochem, enjoyed a strong working relationship across four decades. The Petrochem team and ours both know well what each company is all about and how bringing our family-business values together will result in strong growth through the provision of a fully-rounded supply service to our clients across all of the sectors we operate in. The fundamental way both businesses have worked over the years means the company cultures are very similar and that is important to us as we move forward together," says Mr Street.

He adds: "Petrochem's product ranges are significantly vast, allowing Midsteel to not only continue to service our customers consistently on schedule, but also to offer them the added convenience of having everything they need in stock, when they need it. We now have the ability to service daily demands in one stop, whether customers require valves, carbon material, stainless material or more exotic alloys."

Declan Murphy, General Manager at Midsteel, who has worked with Petrochem for a number of years, said: "With our experienced team at Midsteel and the additional investment in complementary product lines, I'm really excited for the future at Midsteel. We have a tremendously supportive customer base built up over many years and look forward to building on this and welcoming new customers as we progress."

NEW
PRODUCT RANGES LAUNCHED

1. ASTM A312 Stainless Steel Welded And Seamless Pipes

ASTM A312 is a specification for both welded and seamless austenitic stainless steel pipes that perform well in corrosive and high-temperature environments.

Material: ASTM/ASME SA312 TP304/L and TP316/L
Specification: ASME B36.19 Sch 10s, Sch 40s, Sch 80s

2. ASTM A403 Stainless Steel Welded And Seamless Butt Weld Fittings

Midsteel offers a complete and comprehensive range of butt weld fittings to ASME B16.9 stainless steel.

This includes stainless steel ASTM/ASME SA403 WP304/L and WP316/L in welded or seamless form. All other pressure ratings and wall thicknesses are available upon request.

Seamless butt weld fittings
Material: ASTM/ASME SA403 WPS304/L and WPS316/L
Specifications: ASME B16.9 Sch10s, Sch 40s, Sch 80s, Sch 160, Sch XXS

Welded butt weld fittings
Material: ASTM/ASME SA403 WPW304/L and WPW316/L
Specifications: ASME B16.9 Sch10s, Sch 40s

3. ASTM A182 Stainless Steel Forged Fittings

We offer a full range of forged stainless steel fittings to ASME B16.11 in steel ASTM/ ASME SA182 F304/L and F316/L. All other pressure ratings not mentioned are available upon request.

Material: ASTM/ASME SA182 F304/L and F316/L
Specifications: ASME B16.11 3000# screwed NPT, BSPT, and SW

Stainless And Carbon Price Outlook for 2022

Since March 2020, steel prices have soared by a staggering 215%.

Steel mills eased off on production during the first onset of Covid-19 in 2020, amid fear of heading into a deep recession. However, the pace of re-bound while the corona pandemic remains on-going has caught all steel mills off guard.

In the EU, stainless steel coils mills are quoting lead times well into 2022, closing in on 6–7-month turnaround times.

The same question being asked by all those who are involved in either the purchase or the consumption of steel is: **“When will the prices come back to 2020 levels?”**

To answer this question, we are looking at a series of contributory factors and the impact these will have on prices going into 2022. The rate of price increase at the mills has eased in the interim but for 2022 we ask:

- Will China’s desire to cut steel production this year to reduce C02 emissions continue and remain a major factor in maintaining steel prices at their current high levels?
- New anti-dumping measures by the EU could be extended to new countries like India for example, further reducing availability which is also affected by threats of emission tariffs on countries not meeting their C02 targets.
- Container prices: 20 foot and 40 foot containers are close to eight times the prices that were issued in 2020 and a major contributory factor to increased cost of steel - will their prices drop in 2022 or will the major shipping lines continue to control the price?
- What new developments will unfold with the safeguard measures between the EU and section 232 tariffs in the USA? Talks of a quota system could increase demand on European manufacturers again.
- Will China continue its Zero Covid Policy approach despite it seeing some manufacturing regions and some of the largest sea ports in the world such as Ningbo Port shut down for weeks to contain a single Covid-19 Case?
- Will the shortage of HGV drivers in UK and indeed Europe alleviate in 2022?
- When will the backlog of production at South East Asia’s Covid-disrupted factories be cleared which has seen both stainless and carbon butt weld fittings reach up to ten-month lead times due to government enforced closures, and by extension creating massive fitting shortages in the UK and European markets?

These are all the questions that need to be asked and answered with a high degree of certainty in order to give an accurate outlook on the price and supply of stainless and carbon materials in 2022.

There is no doubt that there will be a correction in the marketplace at some stage, but with so many factors involved and contributing to these high material costs, it may not be until late 2022 or early 2023 when we see a price correction. When it does happen, it is unlikely to be severe like the price collapse in 2007, as the market will need to see any supply issues fully ironed out beforehand.

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GET IN TOUCH

Mandy Brookes and our knowledgeable team are always ready to help ensure you get the steel products you need, when you need them.

CALL US TODAY ON
01384 400 290

Stay up to date with the latest steel market supply and pricing information

Opt In

MIDSTEEL
PRODUCT RANGE

Midsteel's in-house machining capability and 40 years of industry experience enable us to manufacture and source scarce and unusual items in exotic grades at competitive prices.

As standard, all Midsteel products are ISO 9001, PED and 3.1 certified. Any specified testing or certification requirements can be provided upon request.

The benefits of using Midsteel products

- We source materials from the most competitive and accredited sources.
- We have considerable expertise and product knowledge, enabling us to meet the tightest deadlines.
- Any pressure ratings and wall thicknesses are available upon request.
- Combining the engineering expertise of our in-house machine shop with our high levels of stock, enables us to satisfy our customers' regular demands for consistent quality allied to our very competitive pricing strategy.

Midsteel is delighted to announce a considerable expansion to our products as we now stock:

1. ASTM A312 stainless steel welded and seamless pipes.
2. ASTM A403 stainless butt weld pipes in both welded and seamless.
3. ASTM A182 stainless steel forged fittings.

In addition to our existing products:

1. Stainless and carbon flanges.
2. Carbon forged fittings.
3. Carbon butt weld fittings.
4. Galvanised pipe, fittings and flanges for fire protection.

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