April 20, 2020

In order to help industry stakeholders stay better up-to-date on rapidly evolving economic developments, AISI will issue this update on the first business day of each week until further notice. It is intended to briefly summarize in one-place the latest steel-relevant industry and economic data. Please direct questions or comments to Tim Gill, AISI Chief Economist at tgill@steel.org.

**Leading Economic Indicators**

The Conference Board’s **Leading Economic Index** declined sharply in March, falling 6.7 percent from February. The index had declined 0.2 percent in February but increased 0.4 percent in January. March’s decline was the largest in the 60-year history of the index according to the Conference Board.

**Jobless Claims**

Initial **jobless claims** measured 5.245 million for **the week ending April 11**, down from levels approaching 7 million per week in each of the last two weeks. Nonetheless, claims remain extraordinarily high, and have totaled more than 22 million in the last four weeks.
### Industrial Production

Manufacturing sector industrial production (IP) dropped by 6.3 percent on a month-over-month basis in March and was down 6.4 percent from the same month in 2019. The monthly decline was the largest since 1946 when the U.S. economy was transitioning back to peacetime production from a wartime footing.

### Light Vehicle Production

Light vehicle output plunged 37 percent month-over-month in March, falling to an annualized pace of 6.963 million units from 10.996 million units in February. Output was 34 percent below its March 2019 level. Auto output fell 35 percent month-over-month in March to an annualized 1.696 million units, while light truck and SUV production declined 37 percent to an annualized 5.267 million units. Automobile unit output was down 28 percent on a year-over-year basis in March, while light truck and SUV unit output was down 35 percent.
Housing Starts

Housing starts declined 22 percent on a month-over-month basis in March to an annualized 1.216 million units. Single-unit starts fell 18 percent while multi-unit starts declined 32 percent month-over-month. Total housing starts were 1.4 percent higher than their year-ago level in March. Single-unit starts were up 2.8 percent year-over-year while multi-unit starts were down 1.6 percent.

Rig Counts

Baker Hughes’ count of active drilling rigs measured 529 during the week ending April 17, down from 602 the prior week, 772 four weeks ago and 1,012 in the comparable week last year. The oil rig count averaged 438 during week ended April 17, down from 504 the prior week, 664 four weeks ago and 825 in the comparable week last year.

Weekly Raw Steel Production

Raw steel production inched upward during the week ending April 18, increasing 1.7 percent week-over-week. However, production was 33 percent below its level during the comparable week last year. Raw steelmaking capacity utilization measured 57.0 percent for the week ending April 18, compared to 56.1 percent in the previous week and 81.3 percent during the same week in 2019.