

Have Oil Prices Peaked?

Any attempt to out guess the market can be a risky venture. However, there are signs that the price easing that began in late August may continue. Consider these facts: the peak demand period (summer driving season) has ended; reports are indicating supplies of crude oil and gasoline are building; some areas of the Mideast are experiencing relative calm; and the hurricane season has been relatively uneventful.

Plenty of factors could result in a return to spiraling prices. Continuing uncertainty with Korea and Iran's nuclear program, the ongoing irritation of Venezuela's regime with western countries—especially the United States, and continuing turmoil in Iraq are chief among the concerns.



A recent development, the detection of a possible vast petroleum pool beneath the Gulf of Mexico, while a long ways from being available, is welcome news for a nation that has been battered with high energy costs.

What About Base Metals Pricing?

A recent report published by the global investment bank and asset management firm UBS states that

while current base metal supplies are tight, the world is not on the verge of running out of ore for some time. That said, the demand for base metals will drive the need for new mining and processing capacity because production at current levels will not keep pace with demand.



UBS analysts Klaus Wellerhoff and Kurt Reinman state in their

report *Commodities: Scarcity of Abundance*, that "natural resources supplies are thinly stretched. Commodity prices have risen to reflect this. Rising per capital incomes in highly populated emerging market countries suggests this trend has only just begun."

According to the report, factors that explain macroeconomic demand for natural resources are population, higher levels of gross domestic product (GDP), and commodity prices.

"In the coming decades our projections show that the weight of emerging markets will increase.... and the income of an average citizen in an emerging market country will improve relative to that of an average citizen in developed countries."

"As emerging markets, such as China and India develop it will increase demand for both energy and base metals," the report continues. China was cited as an example in particular. Despite

past successes towards market-orientated reforms, the key to future growth and stability in China depends on further reforms including reform of the banking system, establishing a safety net and improving farmers living conditions, a buildup of the economic infrastructure and upgrading industries, lifting energy consumption efficiency and maintaining sustainable growth.

The researchers refer to a pattern among developing countries. Based on that pattern the conclusion is for continued demand for base metals as developing countries “transition to a more advanced phase of economic development and greater manufacturing capabilities.”

TrusSteel Expanding High Strength Chord Offerings

The TrusSteel cold-formed steel truss product line is growing. The 4” large chord section is now available in both 14 and 12 gauge thicknesses. This significant development will allow for greater span capacities at increased on-center spacing. In addition, it may result in some multi-ply girders being reduced to a single member. “With building material costs on the rise, innovation is required in order to stay competitive,” states Dave Dunbar, TrusSteel General Manager. “The net effect for the building owner is a more cost-effective, value engineered roof system than what could have been previously delivered.”

Photo Gallery

The subject of our Photo Gallery for this issue approaches the use cold-formed steel trusses from a different point of view—literally.

MSI General is a design build contractor from Oconomowoc, Wisconsin. Several projects that MSI General has recently built have made use of cold-formed steel trusses. John Pluta P.E., chief engineer for MSI General, explains, “The communities we are building in want the new facilities to reflect the nature of the existing architecture in the area, to better blend in with their surroundings. Therefore, we have been using more sloping roofs in the design and construction of these new buildings.”



Market Place at Pabst Farms, Oconomowoc, WI. image submitted by MSI General

He continues, “Building officials also want the use of non-combustible materials. Cold-formed steel trusses allow for design flexibility in a non-combustible material—it’s a good choice for us.”

“We have utilized Cascade Mfg Co to provide recommendations that can be incorporated into our construction drawings. Cascade has been very accommodating by providing practical ideas in making the various structural elements such as bar joists, roof decking, and cold-formed steel trusses to interface with one another successfully.”



Newport West, Lake Geneva, WI. image submitted by MSI General

Do you maintain a database of suppliers to email bid invitations?
Please use our direct email address:
steel@cascade-mfg-co.com.
We look forward to bidding your next project!