EAST COAST METALS
Precision Manufacturing. Quality Products. Reliable Service.
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Price Increase Notification

Dear Valued Customer,

Throughout 2026, the cost of the raw materials, coatings, and freight behind every product we manufacture has continued to climb due to market forces beyond our control. Since our May adjustment we have worked hard to absorb these increases, but sustained pressure across the following areas now makes a company-wide price adjustment necessary:

- **Steel:** U.S. hot-rolled coil reached $1,290 per short ton in late October, a four-year high and more than 50% above last year. The 50% Section 232 tariff has left U.S. steel at roughly 1.5 times to 3x foreign mills, and domestic mills have raised prices every week since September. Galvanized and coated substrate is especially tight.
- **Aluminum:** The U.S. Midwest Premium reached approximately $2,390 per metric ton in mid-October, a record spread over global prices, after the full 50% tariff was extended to Canadian aluminum on August 22, 2026. Aluminum mill shape prices are up 25.2% year over year and 58% since early 2025.
- **Copper and Zinc:** Copper set an all-time high of $14,875 per metric ton in September and continues to trade near $14,500, with copper and brass mill shapes up 30.0% year over year. Zinc, critical to our galvanized and coated substrates, is roughly 25% higher than a year ago on falling inventories and high energy costs.
- **Fuel and Freight:** U.S. diesel averaged $6.28 per gallon in mid-October, $2.66 above a year ago, and wholesale diesel prices have more than doubled in 12 months. Truck freight costs are up 19.3%, and construction input prices overall are up 11.2%, the largest annual increase in nearly four years.

Market Outlook for 2027

We do not expect near-term relief. Steel futures are pricing hot-rolled coil near $1,295 per ton through year-end, and with domestic mills largely sold out for 2026, we expect firm pricing and tight availability on coated products into the first half of 2027. Tariffs on steel, aluminum, and copper products remain at 50%, keeping U.S. metal costs well above global levels, and a proposed new tariff on refined copper beginning January 2027 remains under consideration. Major forecasters project copper prices to average even higher in 2027. While diesel is expected to ease gradually, the refinery-driven shortage is not expected to resolve meaningfully before the second half of 2027.

Price Adjustment for All Product Lines

Effective on all orders delivered on or after **January 1, 2027**, prices on **all East Coast Metals product lines will increase 5%–7%**. Updated pricing for your account will be provided ahead of the effective date, and we encourage you to plan upcoming projects with your sales representative early. This adjustment reflects only a portion of our actual cost increases and allows us to continue providing the quality and service you depend on.

We appreciate your business and understanding. Please contact us with any questions about your specific orders or upcoming projects. Thank you for your continued trust in East Coast Metals.

Sincerely,

Andrew Castellanos
Vice President
East Coast Metals