

# Nucor corporation analysis

Business



This particular driving force can and has adversely affected the steel industry. There were new opportunities that arose from the innovative uses of steel such as residential, conservation, acoustical uses as well as sound barrier mandates. The use of steel has been marketed to building owners, architects, and contractors for commercial building since 2005, which accounts for 34% of the construction spending.

But, the forward thinking to incorporate steel in the building of homes has become a favorable force in steel production.

In 2006, the rise in demand has the potential growth for 3.25 million tons of new steel to be produced annually. The construction of homes using steel equates to half of the steel construction market at 50%. Lastly, constructing homes using steel serves a dual purpose in building the strength of homes through steel framing and steel roofs.

The final force that is correlated to the innovative uses of steel is the increase in worldwide demand, which rose by 6% since 2000. Although, growth has been experienced throughout the 6 year span between 2000-2006 demand still fell short of capacity of steel products.

Worldwide sales of steel products were in the high seven hundred billions ranging from \$770-\$790 billion. This upward trend in increased demand is a favorable trend in the steel industry. The chart below depicts the inequality in trading amongst the steel industry and the volatility of the consumption of steel.