Steel Founders' Society of America

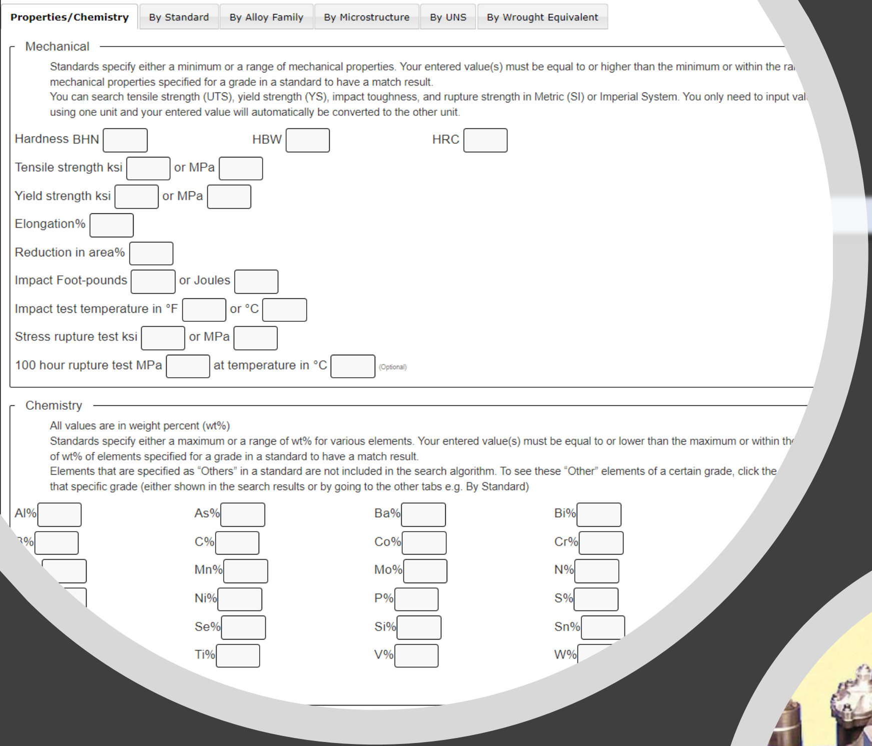
Steel Founders' Society of America

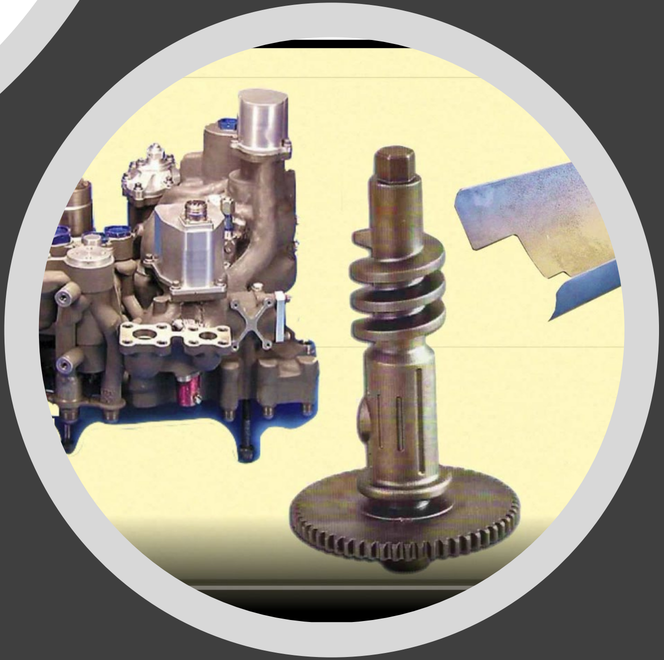
2026 Industry Market Forecast

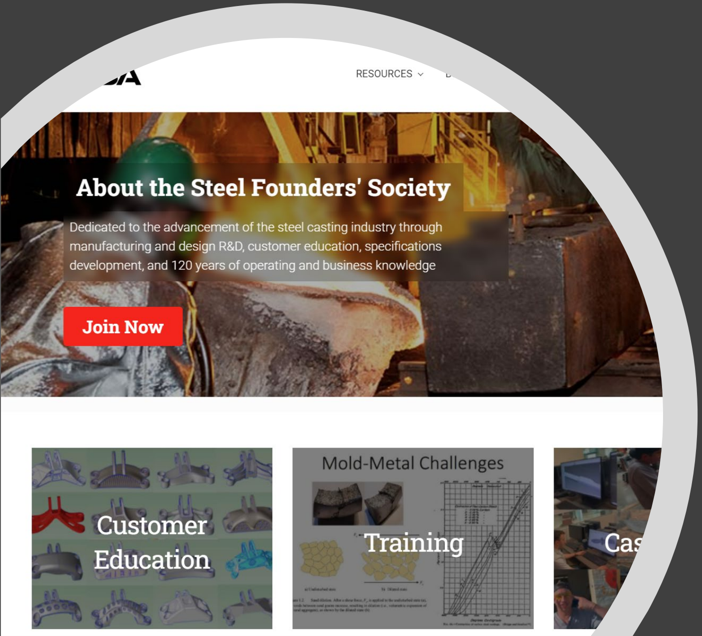
Marketing Committee Role

The function of the Marketing Committee is to **broaden the market for and promote the use of steel castings** by investigating and developing new markets, developing and implementing an effective marketing program, and communicating the advantages of steel castings to present and prospective consumers in an effective manner.

To carry out its mission, the committee maintains liaison with other committees of the Society through the staff, identifies technical, business and market topics of interest to customers and SFSA members, directs development of the material and delivery of the information. The committee develops the deliverables for the marketing program such as messaging, competitive input, target market, and specific planning, The committee also performs related market research to help guide the work of the Society and **prepares each year for the Society an annual forecast of steel casting demand**…..







Steel Founders' Society of America

Customer Education Resources

- Steel Foundry Directory
- Free SFSA Publications
- Online Specification/Material Database
- Customer Webinars
- White Papers
- Foundry Glossary
- Steel Casting Design Videos
- Handbook Supplement 6 Update
- Steel Casting NDT Methods
- **Making Steel Castings – Customer Series**

Steel Founders' Society of America

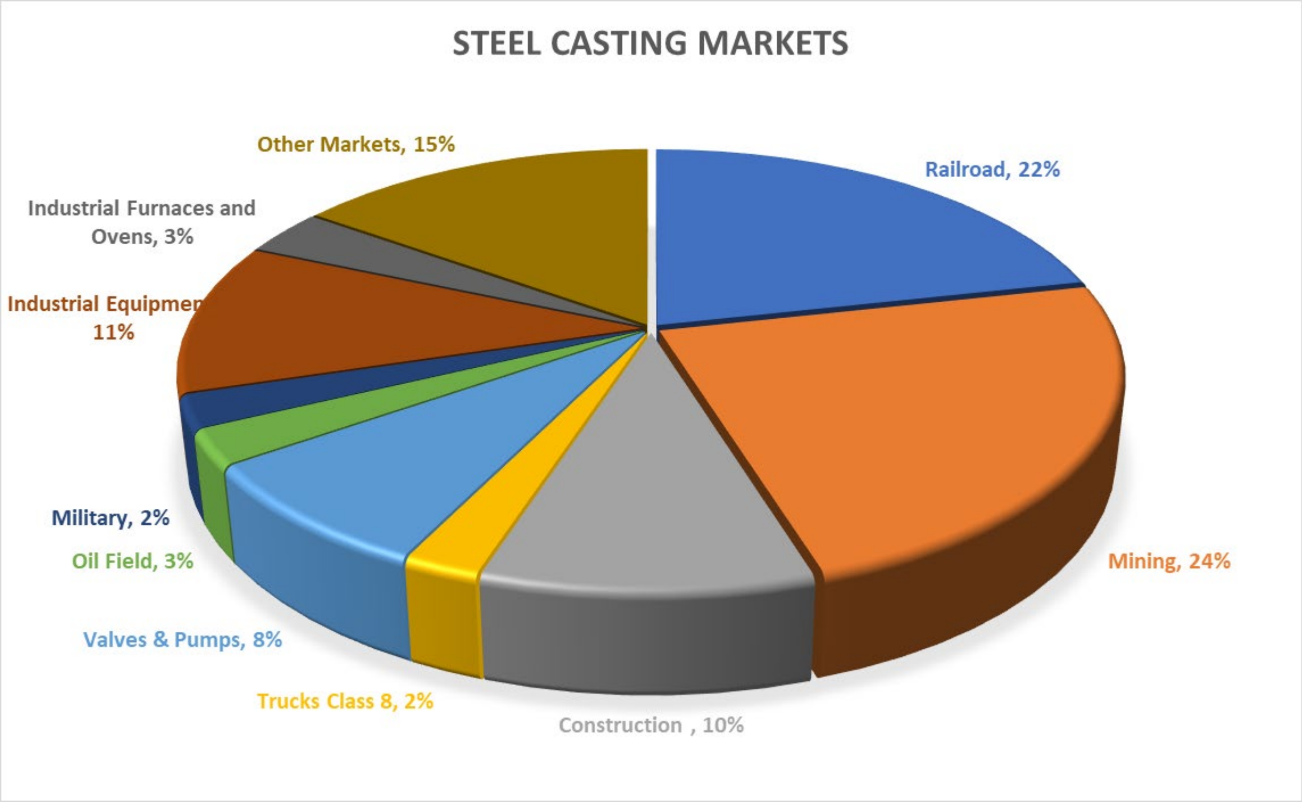
Steel Markets Survey

SFSA Markets	Steel Casting Examples
Rail/Transit	frames, couplings, bolsters, track components
Mining - Equipment	axle housing, frame components, suspension, gear case
Mining - Consumables	G.E.T., liners, hammers, grate plates, cement and aggregate components
Construction Equipment	axle components, sprocket, end caps, transmission housing
Truck - Class 8	suspension brackets, brake components, axle spindles, fifth wheels
Pump	housing, impeller, covers, bowls
Valve	strainer bodies, bonnets, butterfly valves
Oil & Gas	port adapters, brackets, levers, slip linkages
Military	ground vehicle and maritime components
Industrial Furnace and Oven Mfg.	Furnace, heat treat, steel mill components - rollers, links, baskets
Industrial Machinery	Industrial equipment parts - pulp & paper, food, shotblast - plates, wheels, sprockets, flanges
OTHER MARKETS	
Agricultural Implement Manufacturing	Agricultural Products - Hitch Links, Sprockets
Electric Power Generation	Power Generation - Coreforms, deflector blocks
Aerospace Product and Parts Manufacturing	Aerospace bearing supports, combustor cases, compressor cases, exhaust diffusers, stationary inlet guides, swirlers
Engine, Turbine, and Power Transmission Equipment	Turbine engine - compressor cases, combustor basket
Special Die and Tool Manufacturing	Dies, Tooling, fixtures

Steel Founders' Society of America

Forecast Process

- Segmented primary markets
- Identified key customers and users in each market
- Analyze customer top line sales
- Market survey to members
- Leverage customer associations
  - Pumps, Valves, Rail, Equip. Mfg.
- Review analyst reports



Steel Founders' Society of America

North America Market Segments – Annual Production

Market	Industry	% of total market prod.	North America SFSA Members	% of Industry Production
Railroad	160,100	21%	33,300	21%
Mining	205,800	27%	139,900	68%
Valve and Pump	61,000	8%	26,200	43%
Oil & Gas	22,900	3%	11,300	49%
Construction	68,600	9%	14,800	22%
Trucks	15,300	2%	1,300	8%
Military	22,900	3%	15,400	67%
Industrial Equip.	83,800	11%	32,100	38%
Industrial Furn.	24,300	3%	15,800	65%
Other Industrial	99,100	13%	44,600	45%
Total	763,800		334,700	44%

SFSA Trends Report

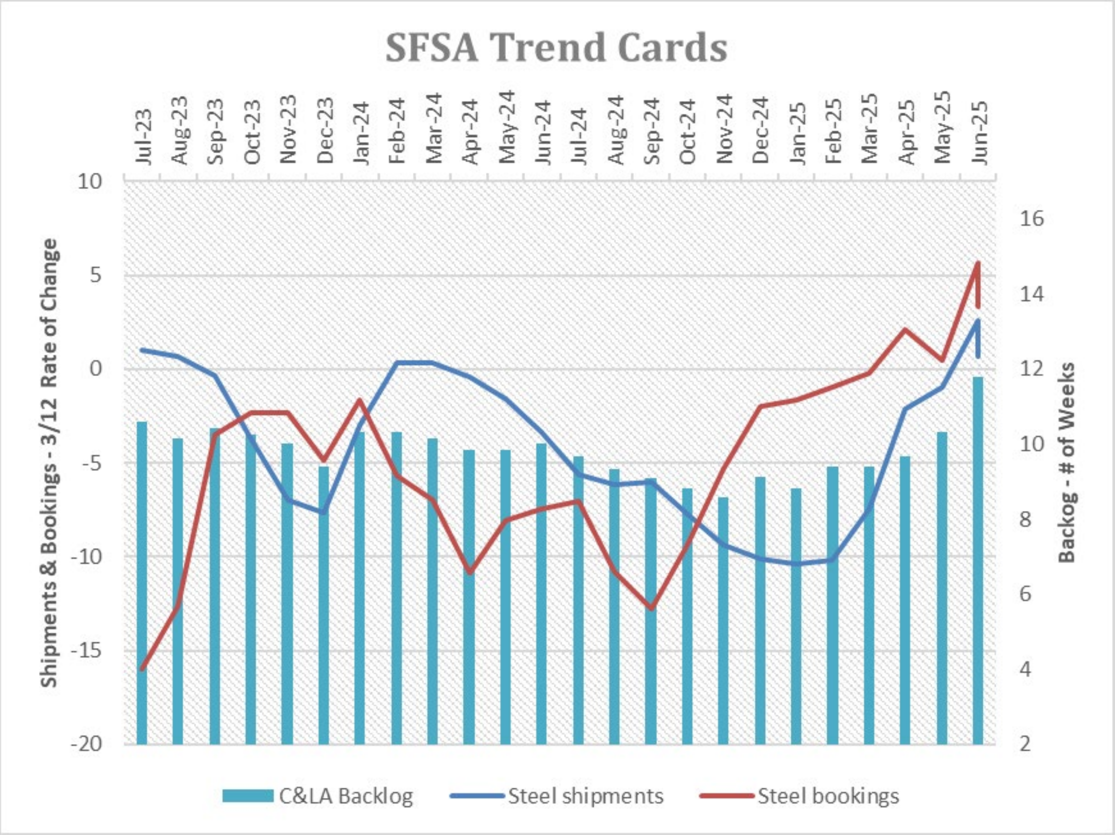
Steel Founders' Society of America

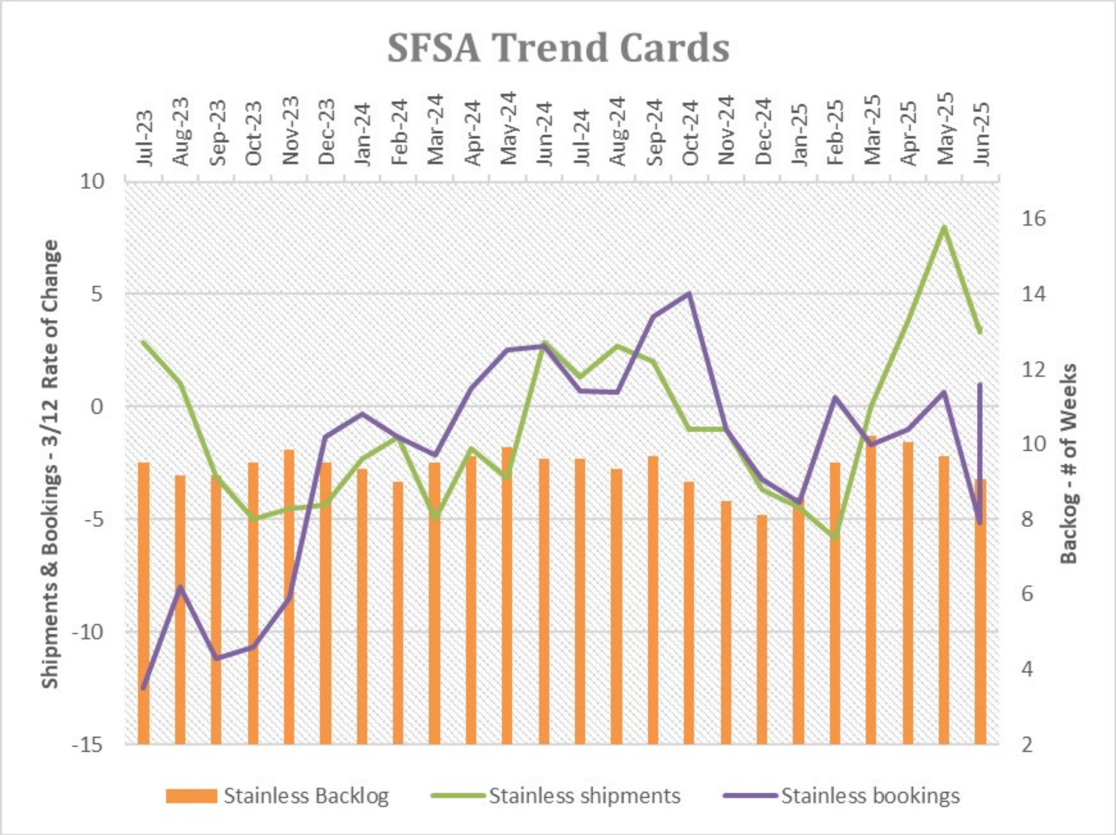
Monthly Business Trends Survey

- YoY comparison of C&LA and stainless shipments and bookings
  - YoY comparison of C&LA and stainless backlog
    - Business bookings – 3-month outlook
      - Workforce – 3-month outlook

2025 Changes

- Summary results no longer published in the Casteel Reporter
- Survey link posted in the Market News of Casteel Reporter





Steel Founders' Society of America

ITR's US Economy Summary

	Historical 3/12	Historical 3MMA	Current 3/12	2025	2026	2027	Highlights
US Real Gross Domestic Product			2.0	2.5	2.1	2.1	Beneath dramatic swings in trade and change in inventories, consumer activity rose, albeit mildly.
US Industrial Production Index			0.6	1.4	1.5	1.3	Expect general, mild rise in the 12MMA through at least 2027. The drag of policy uncertainty is showing signs of easing.
US Private Sector Employment			1.1	1.0	1.9	1.7	Employment figures remain solid despite negative headlines. We expect 12MMA rise through 2027.
US Nondefense Capital Goods New Orders (excluding aircraft)			1.4	2.1	3.2	0.8	The bulk of leading indicator evidence supports the outlook for mild growth through 2026.
US Total Retail Sales			3.6	3.5	4.8	3.0	Growth lies ahead, but the pace may be muted by sticky interest rates, and inflation may hinder volume growth.
US Wholesale Trade of Durable Goods			6.2	3.7	3.7	1.5	The 12MMT will rise through at least 2027. Tariffs and strength from electronics and electrical goods present upside risks.
US Wholesale Trade of Nondurable Goods			1.0	-0.2	6.1	3.2	Wholesale Trade will rise in 2026 and 2027. Leading indicators generally support that growth will be mild in the near term.

Legend

Source: ITR Trends Report

Data Trend - 3MMT, 12MMT, 3MMA, or 12MMA data trend value

Rate-of-Change - 3/12 or 12/12 rate-of-change value

Rate-of-Change Graph

Data Trend Graph

A RECOVERY

B ACCELERATING GROWTH

C SLOWING GROWTH

D RECESSION

Steel Founders' Society of America

ITR's Manufacturing US Economy Summary

	Historical 12/12	Historical 12MMA	Current 12/12	2025	2026	2027	Highlights
US Chemicals and Chemical Products Production Index			4.1	4.3	0.2	0.5	Production is headed for a slowdown. The 12MMA will rise into mid-2026 at a slowing pace, then plateau into mid-2027.
US Civilian Aircraft Equipment Production Index			8.9	4.1	2.4	5.3	The 12MMA will plateau into mid-2026 due to supply and labor constraints. Rising orders support Production rise thereafter.
US Food Production Index			0.7	1.9	0.7	-0.1	Mild rise is on the horizon, as rising incomes will support demand for food, though there are supply-side risks.
US Heavy-Duty Truck Production Index			-19.4	-17.9	13.9	3.1	We lowered the forecast by 6.1% to 9.3% due to prolonged tariff uncertainty compounding the chilling effect of interest rates.
US Medical Equipment and Supplies Production Index			-5.0	-2.3	3.3	0.0	Medical revenue trends signal that rise will take hold in the near term, extending into early 2027. Dental is a bright spot.
US Mining Production Index (excluding oil and gas)			-0.1	3.1	-0.8	-4.6	Atypical strength in mining is unlikely to last. Soft residential construction suggests downside pressures next year.
US Oil and Gas Extraction Production Index			2.3	2.2	4.2	2.7	Production will accelerate late this year. However, weak E&P investment could limit future growth.

Legend

Source: ITR Trends Report

Data Trend - 3MMT, 12MMT, 3MMA, or 12MMA data trend value

Rate-of-Change - 3/12 or 12/12 rate-of-change value

Rate-of-Change Graph

Data Trend Graph

A RECOVERY

B ACCELERATING GROWTH

C SLOWING GROWTH

D RECESSION

Steel Founders' Society of America

ITR's Manufacturing US Economy Summary

	Historical 12/12	Historical 12MMT	Current 12/12	2025	2026	2027	Highlights
North America Light Vehicle Production			-2.1	-3.1	3.2	0.6	Utilization rates signal upcoming recovery. The 12MMT will rise in the near term through 2026, then plateau in 2027.
US Computers and Electronics New Orders			3.1	4.0	3.8	1.1	We lifted the New Orders outlook to account for inflationary pressures and rapid AI adoption. The 12MMT will rise by around 7.0% into mid-2027.
US Construction Machinery New Orders			0.5	6.8	3.7	0.9	The New Orders 12MMT will generally rise through 2027, except for a brief dip in the first half of 2027.
US Defense Capital Goods New Orders			20.6	9.6	4.4	10.1	New Orders transitioned to Phase C, corroborated by leading indicators. We expect general New Orders rise through 2027.
US Electrical Equipment New Orders			1.2	2.1	6.1	0.5	Leading Indicators point to further New Orders 12/12 rise ahead, but we are monitoring some potential downside risks.
US Machinery New Orders			1.1	2.4	4.1	0.4	The 12MMT will rise through 2026 before plateauing for much of 2027; leading indicators signal machinery demand ahead.
US Metalworking Machinery New Orders			-0.6	-0.5	6.0	0.1	Rise will persist through 2026, bolstered by an expanding industrial sector. A plateau will follow.

Legend

Source: ITR Trends Report

Data Trend - 3MMT, 12MMT, 3MMA, or 12MMA data trend value

Rate-of-Change - 3/12 or 12/12 rate-of-change value

Rate-of-Change Graph

Data Trend Graph

A RECOVERY

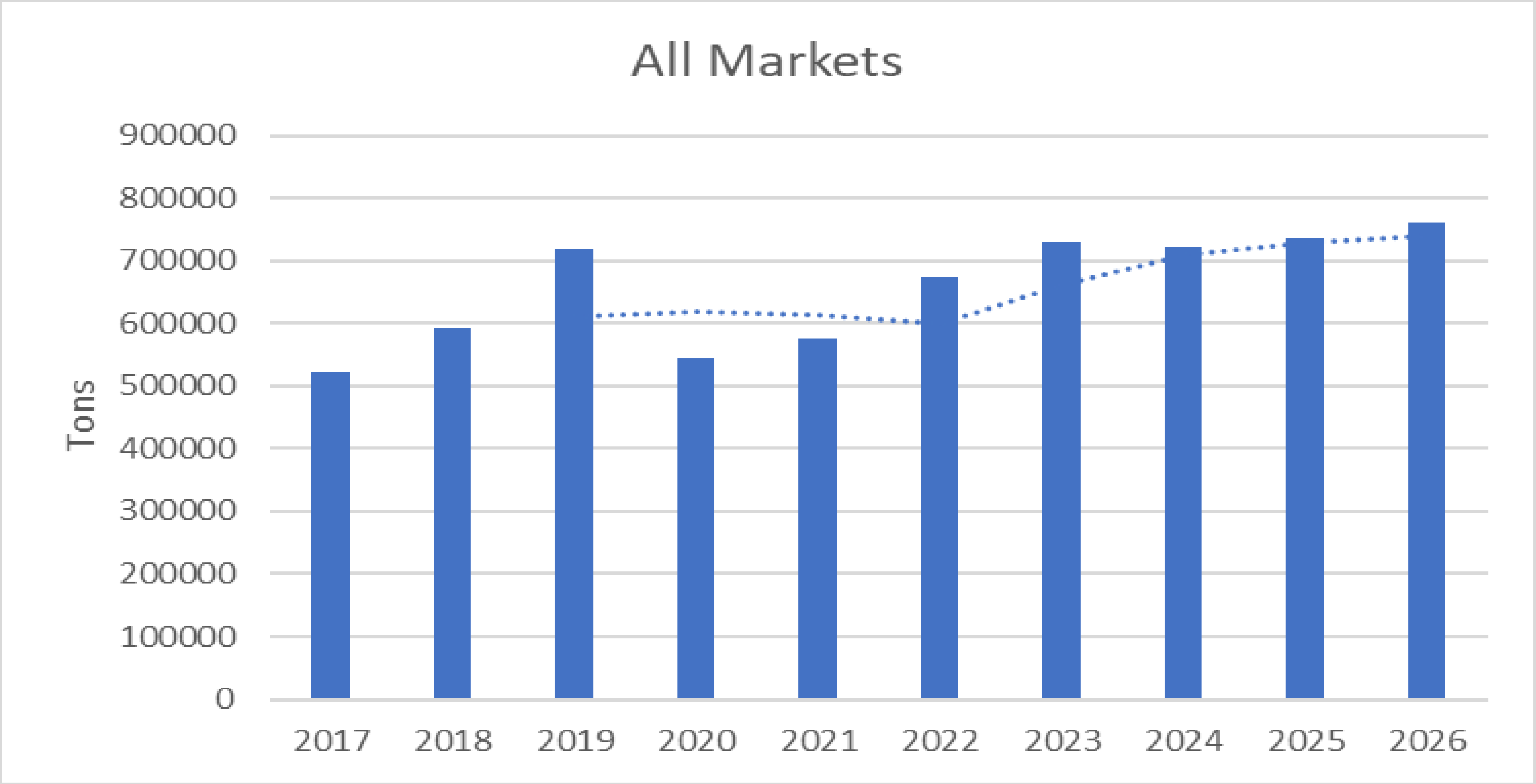
B ACCELERATING GROWTH

C SLOWING GROWTH

D RECESSION

Total Steel Castings Market

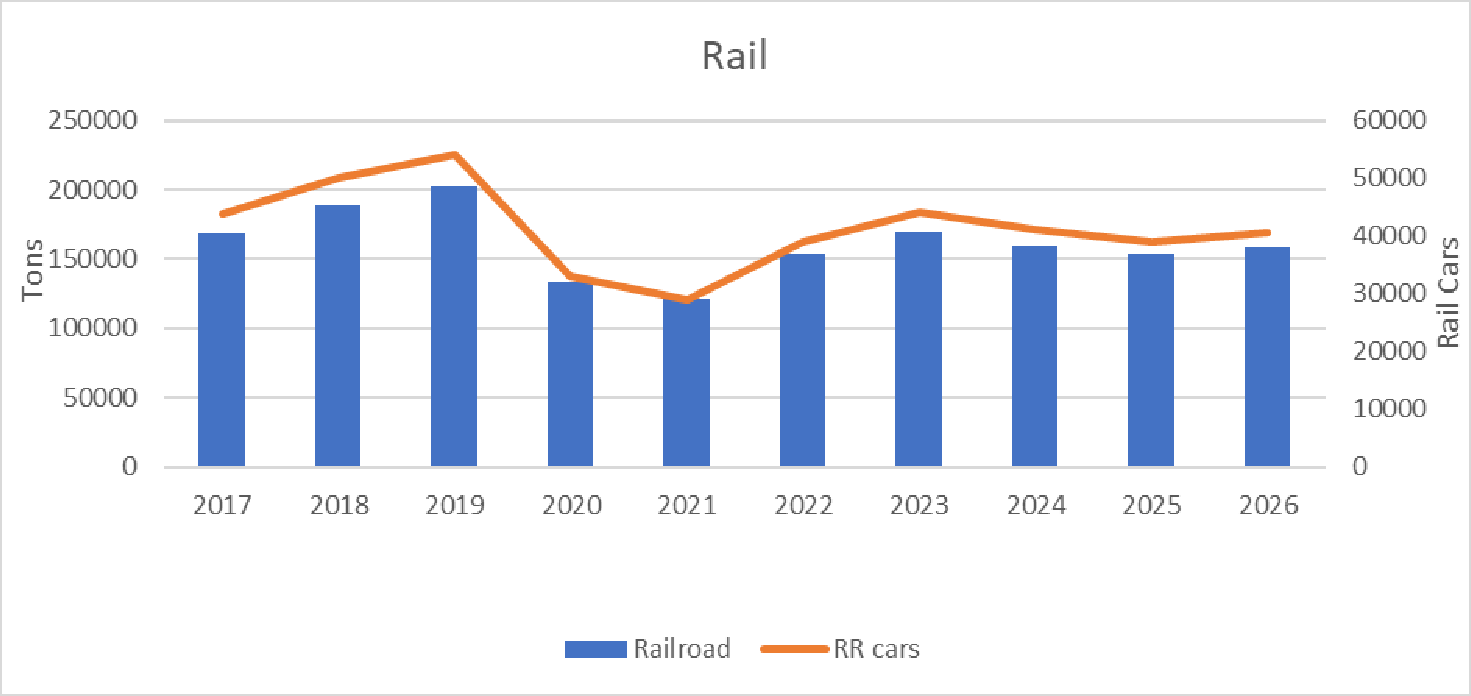
Steel Founders' Society of America



2025	2026
2%	4%

Steel Founders' Society of America

Rail Forecast



2025	2026
-4%	3%

Projected Car Deliveries

2024 – 41,000

2025 – 39,000

2026 – 40,500

Steel Founders' Society of America

Customer Market Sales Forecast

% change from prior year

Railroad	2023	2024	2025f	2026f
Railroads (sales)	-1.6%	0.5%	1.8%	4.3%
Equipment (sales)	24.1%	5.3%	-3.4%	7.2%
SFSA Forecast (tonnage)	5%	-2%	-4%	3%

Note: Customer market data is YoY percentage change in sales, SFSA forecast is YoY percentage change in tonnage.

Mining Forecast

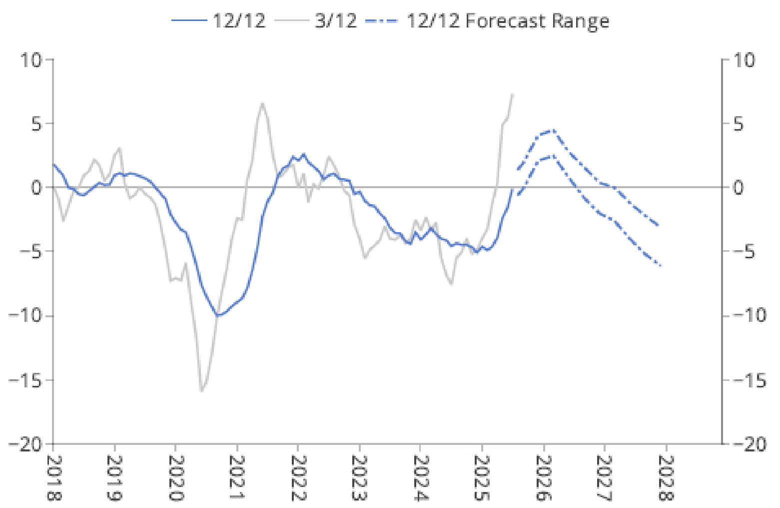
Steel Founders' Society of America

2025	2026
6%	5%

Equipment
- 2025 Projection – up 7%
- 2026 Forecast – up 6%

Consumables
- 2025 Projection – up 5%
- 2026 Forecast – up 5%

RATE-OF-CHANGE



Source: ITR Trends Report

Steel Founders' Society of America

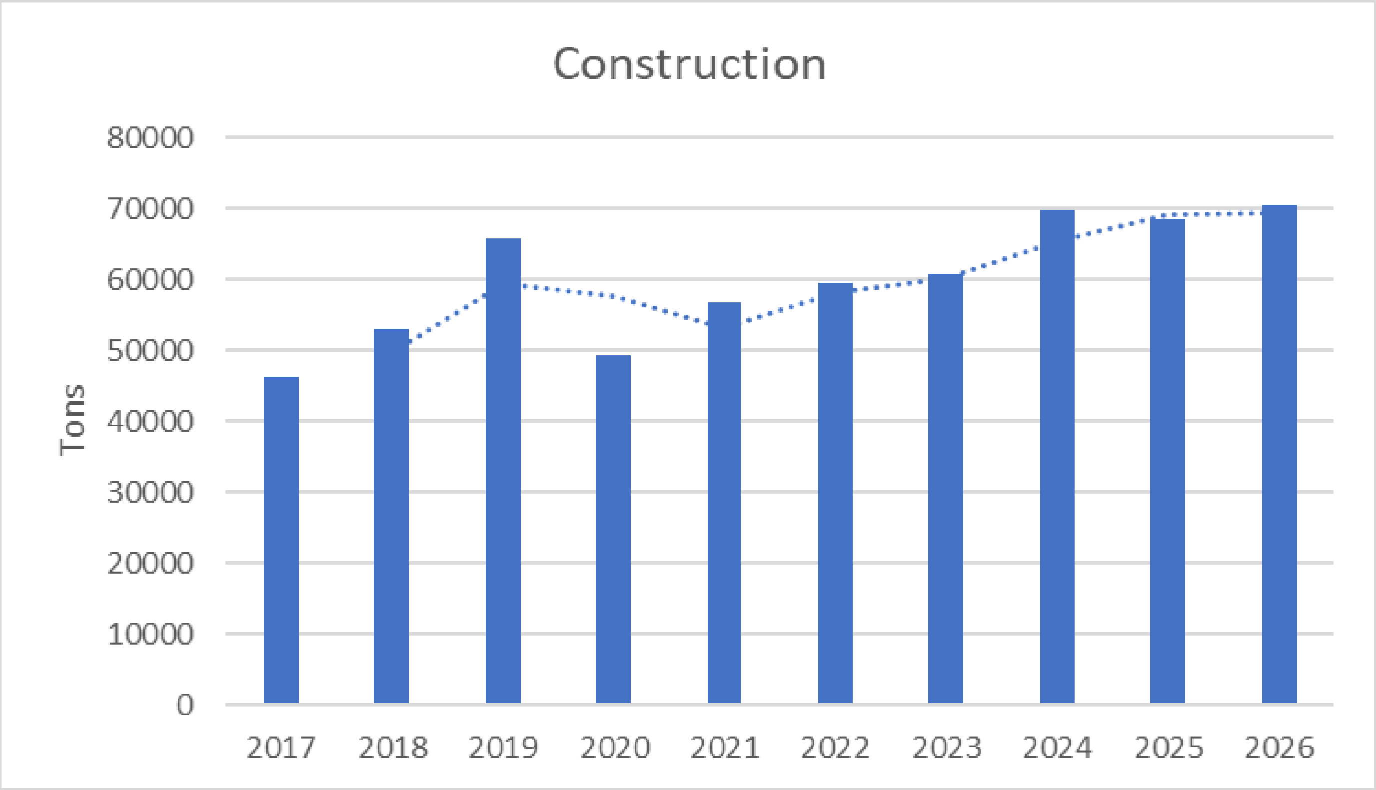
Customer Market Sales Forecast

% change from prior year

Mining	2023	2024	2025f	2026f
Mines (sales)	-3.7%	1.4%	-1.6%	2.4%
Equipment (sales)	12.8%	-2.9%	-1.6%	6%
SFSA Consumables (tonnage)	10%	0%	5%	5%
SFSA Equipment (tonnage)	0%	-4%	7%	6%

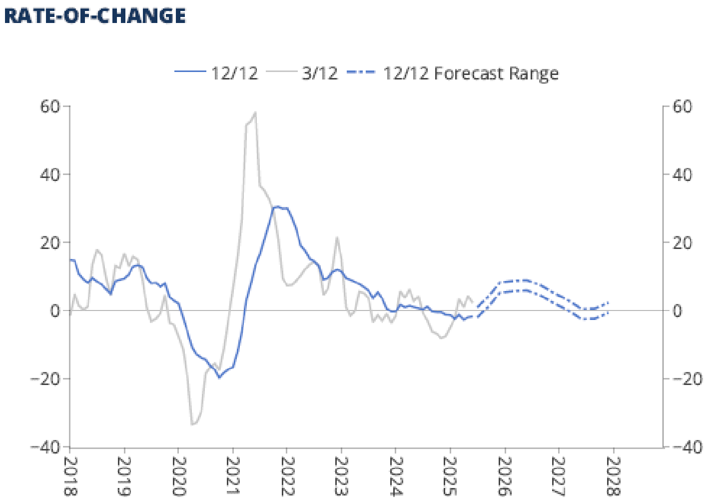
Steel Founders' Society of America

Construction Forecast



2025	2026
-2%	3%

- Easing supply chain constraints, rising interest in capital-driven efficiency gains, and higher prices are likely supporting a revival in New Orders



Source: ITR Trends Report

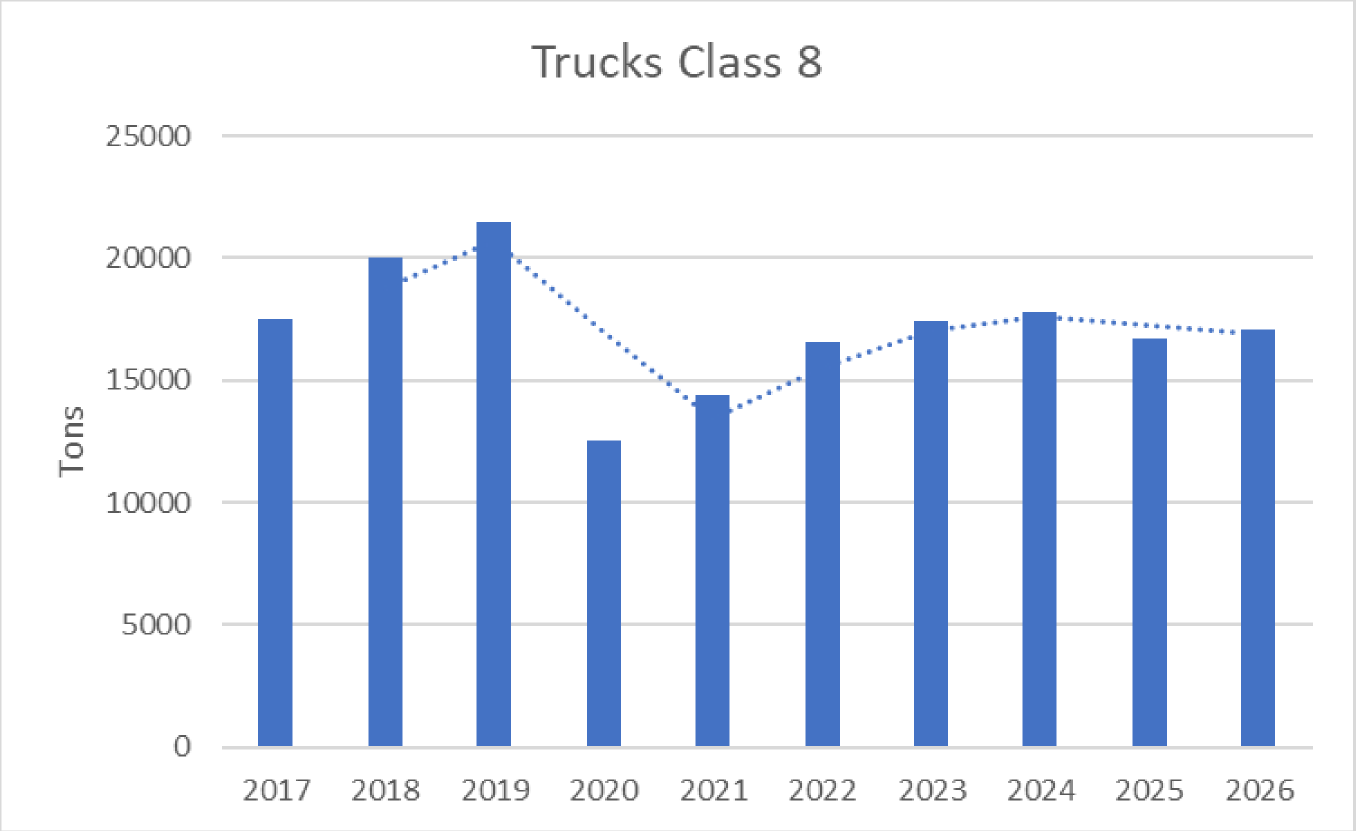
Customer Market Sales Forecast

% change from prior year

Construction	2023	2024	2025f	2026f
Equipment (sales)	14.4%	-3.1%	-1.3%	5.7%
SFSA Forecast (tonnage)	2%	13%	-2%	3%

Truck Forecast

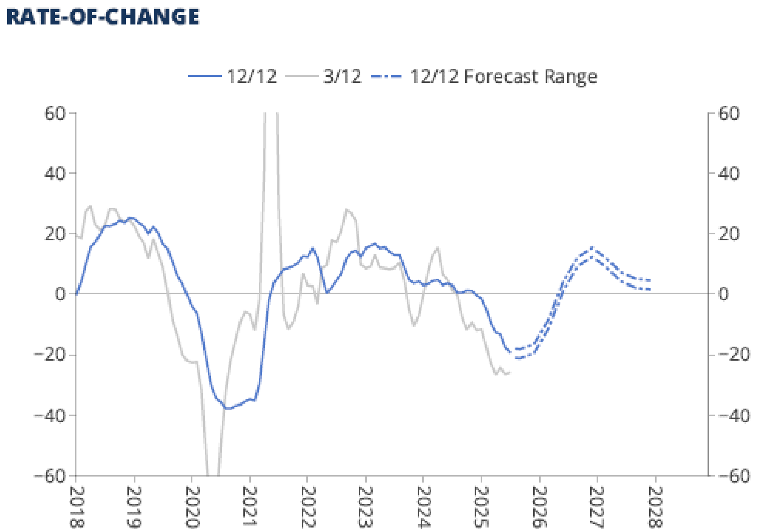
Steel Founders' Society of America



2025	2026
-6%	2%

Class 8 Truck Shipments

	2024	2025f	2026f
Class 8	324,000	301,000	310,000
% Change	2.7%	-7%	3%



Source: ITR Trends Report

Steel Founders' Society of America

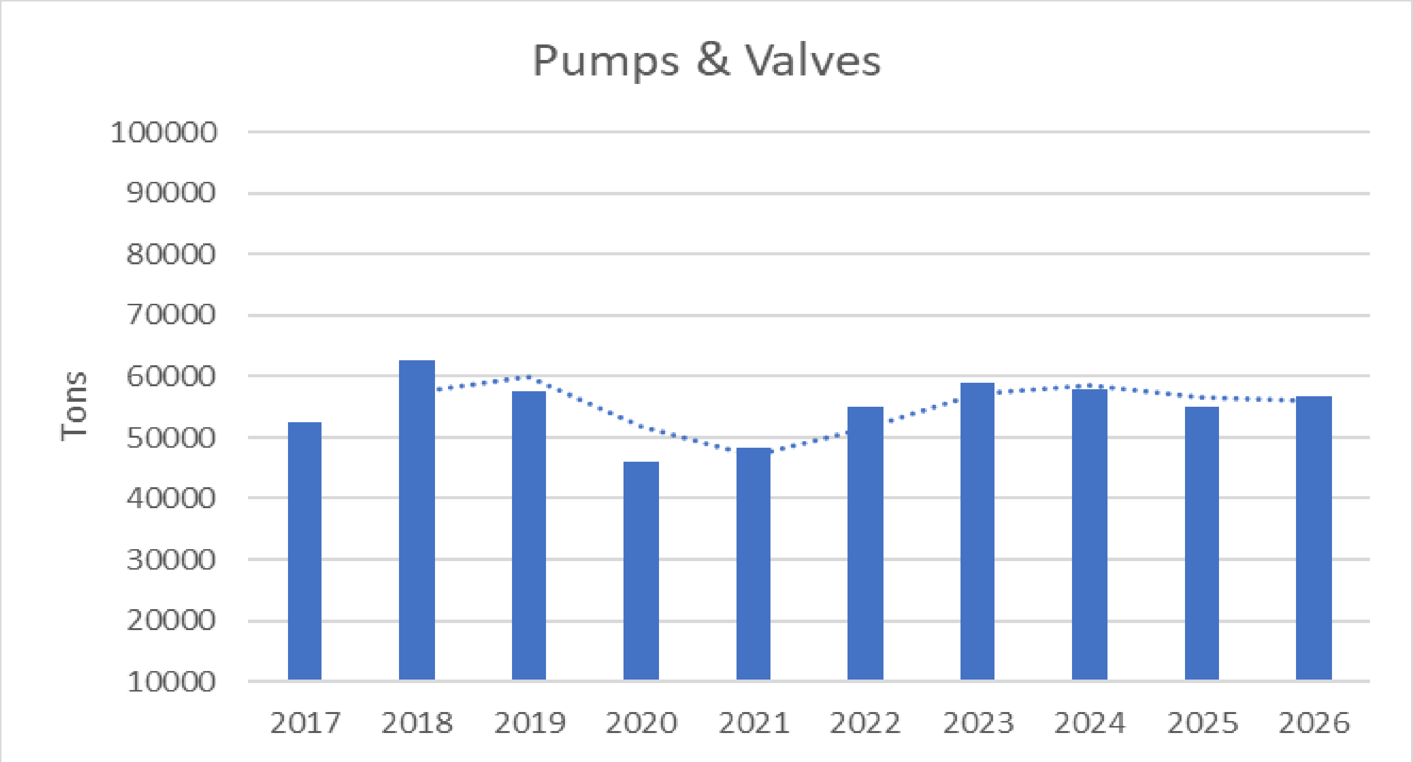
Customer Market Sales Forecast

% change from prior year

Trucks	2023	2024	2025f	2026f
Manufacturers (sales)	16.6%	-3.2%	-6.2%	5.8%
SFSA Forecast (tonnage)	5%	2%	-6%	2%

Steel Founders' Society of America

Pump and Valve Forecast



2025	2026
-5%	3%

Projected 2025 vs. 2024 Tonnage

- Pumps: -5%
- Valves: -4.5%

2026 Forecast

- Pumps: 3%
- Valves: 0%

- Customer Forecasts
- Nuclear Pump Market Growth

Steel Founders' Society of America

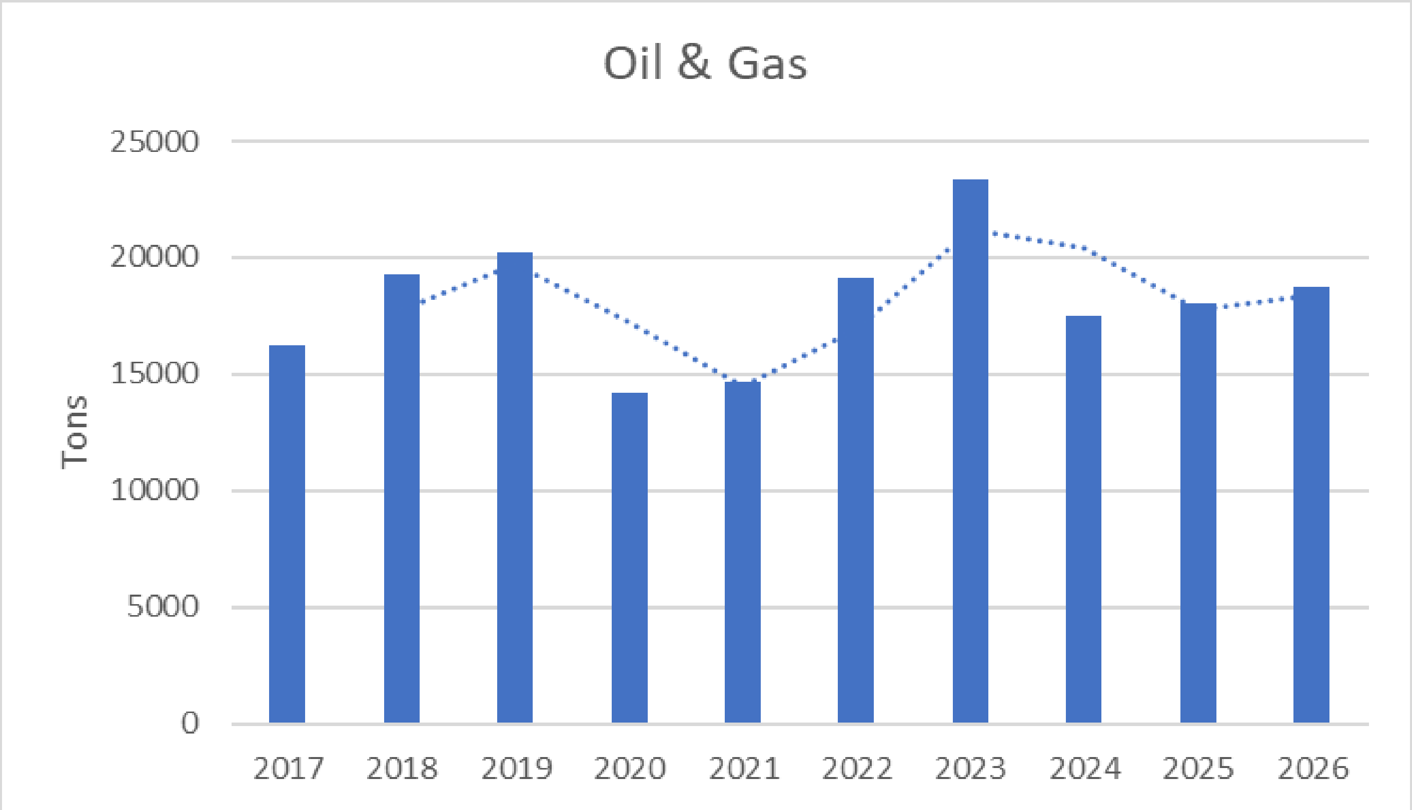
Customer Market Sales Forecast

% change from prior year

Pumps and Valves	2023	2024	2025f	2026f
Manufacturers (sales)	6.6%	5.3%	3.4%	5.4%
SFSA Forecast (tonnage)	8%	2%	-5%	3%

Steel Founders' Society of America

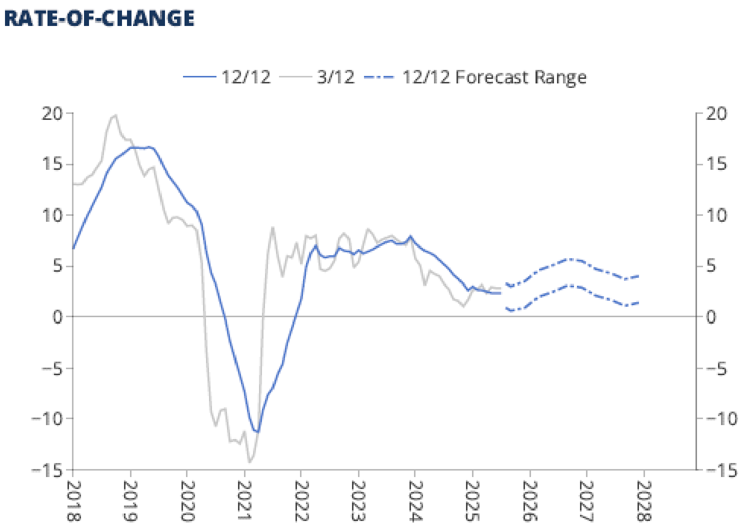
Oil Field Forecast



2025	2026
3%	4%

US Crude Oil Spot Prices Forecast Range

Sep 2025:	\$66.59 - \$72.59
Dec 2025:	\$66.97 - \$72.97
Mar 2026:	\$73.57 - \$79.57
Jun 2026:	\$72.77 - \$78.77



Source: ITR Trends Report

Steel Founders' Society of America

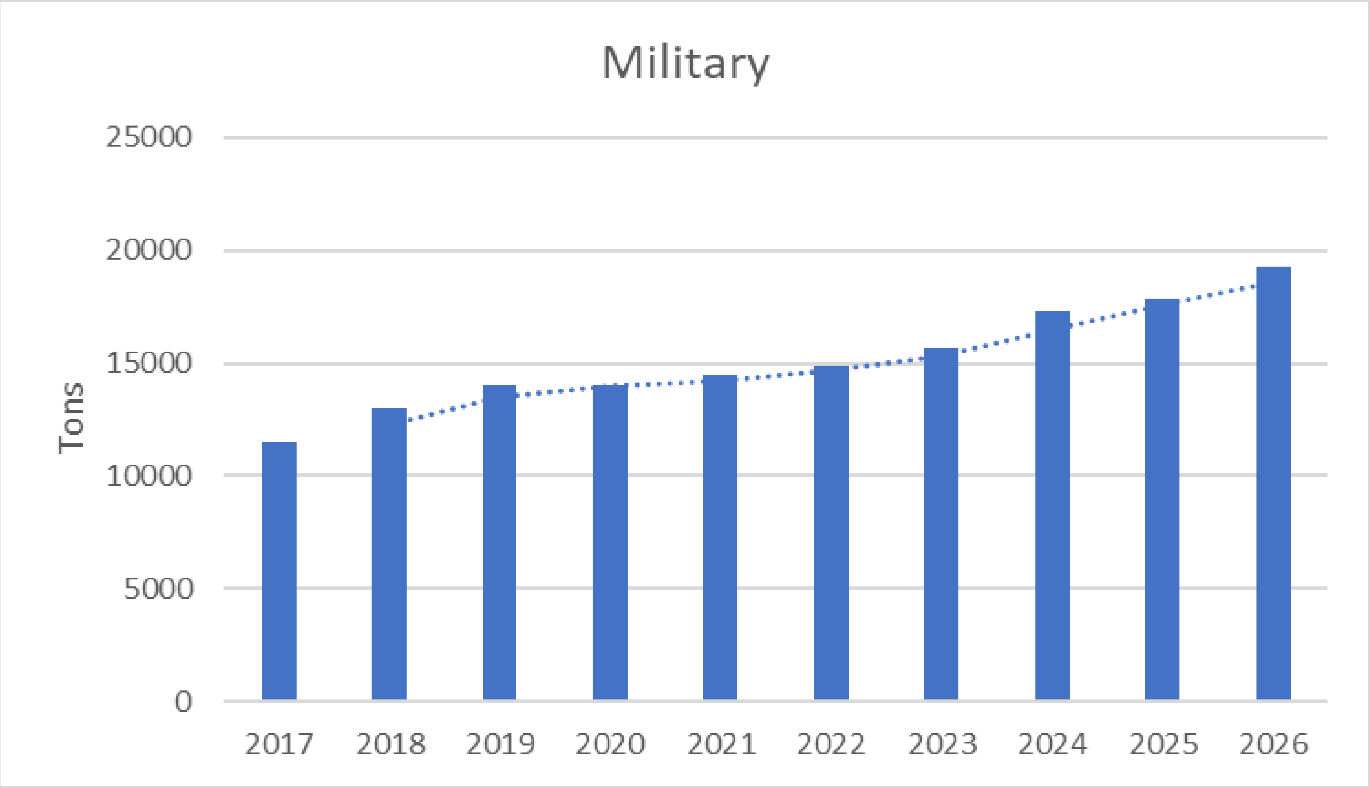
Customer Market Sales Forecast

% change from prior year

Oil Field	2023	2024	2025f	2026f
Manufacturers (sales)	13%	7.3%	-0.5%	3.1%
SFSA Forecast (tonnage)	22%	0%	3%	4%

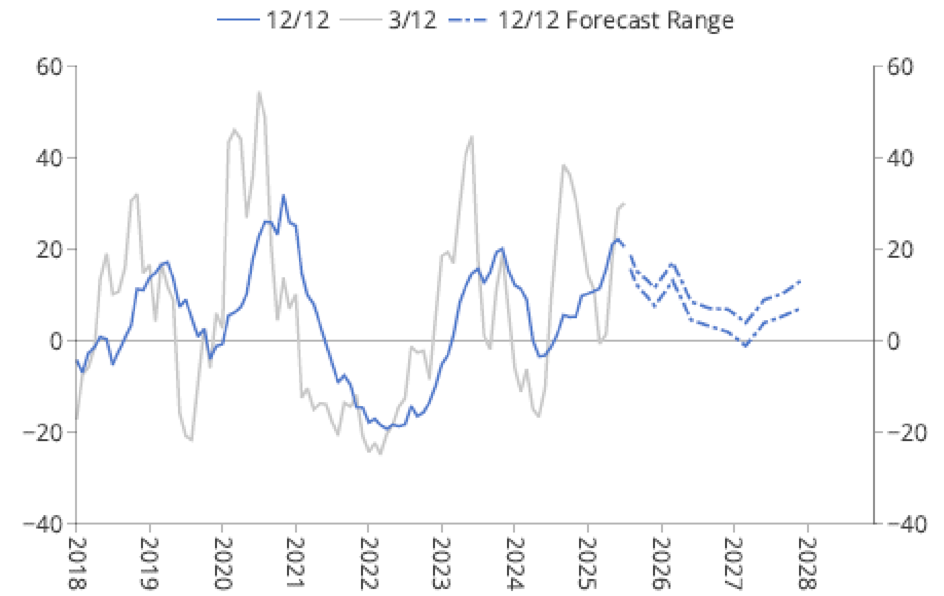
Steel Founders' Society of America

Military Forecast



2025	2026
3%	8%

RATE-OF-CHANGE



Source: ITR Trends Report

- Appropriations – New Platforms
- Geopolitical Tensions

Steel Founders' Society of America

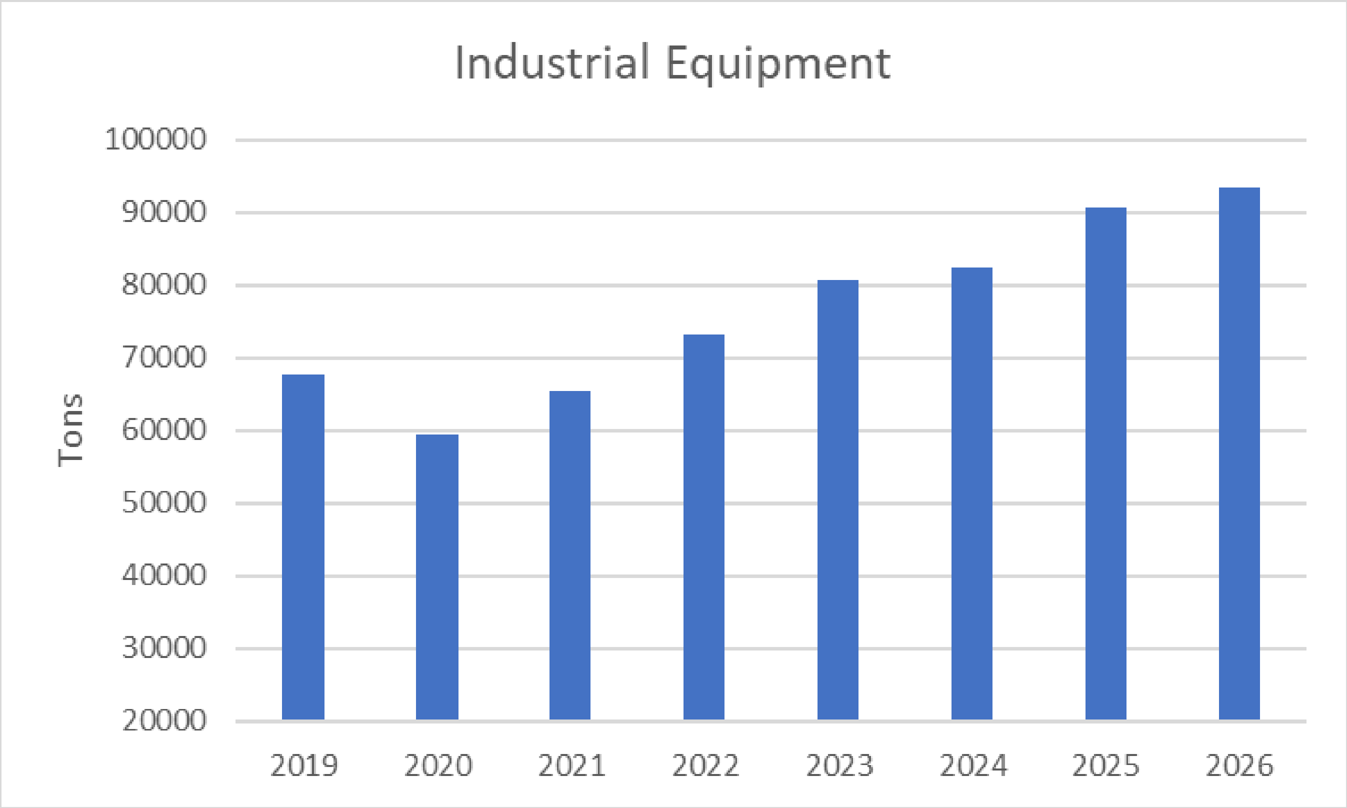
Customer Market Sales Forecast

% change from prior year

Military	2023	2024	2025f	2026f
Ground Systems (sales)	8.7%	12.1%	7.4%	5.2%
Naval Systems (sales)	7.3%	6.8%	5.6%	4.2%
SFSA Forecast (tonnage)	5%	10%	3%	8%

Industrial Equipment Forecast

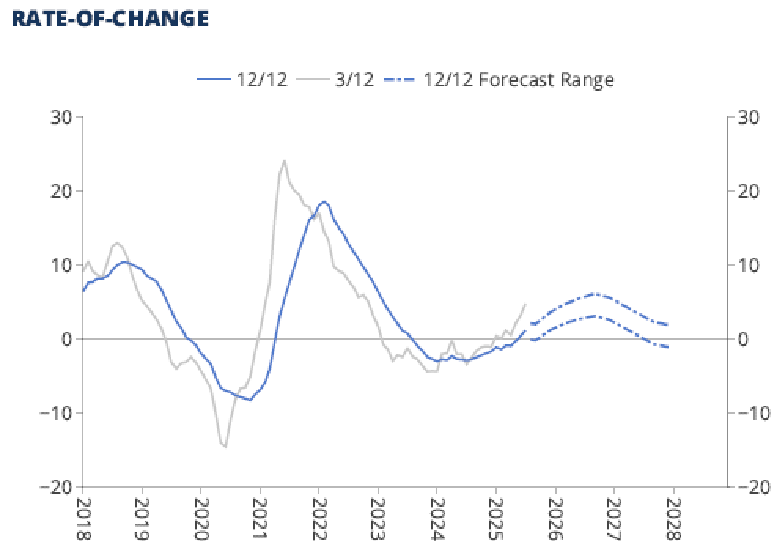
Steel Founders' Society of America



2025	2026
10%	3%

Industrial equipment parts - pulp & paper, food, shotblast - plates, wheels, sprockets, flanges

US Machinery New Orders

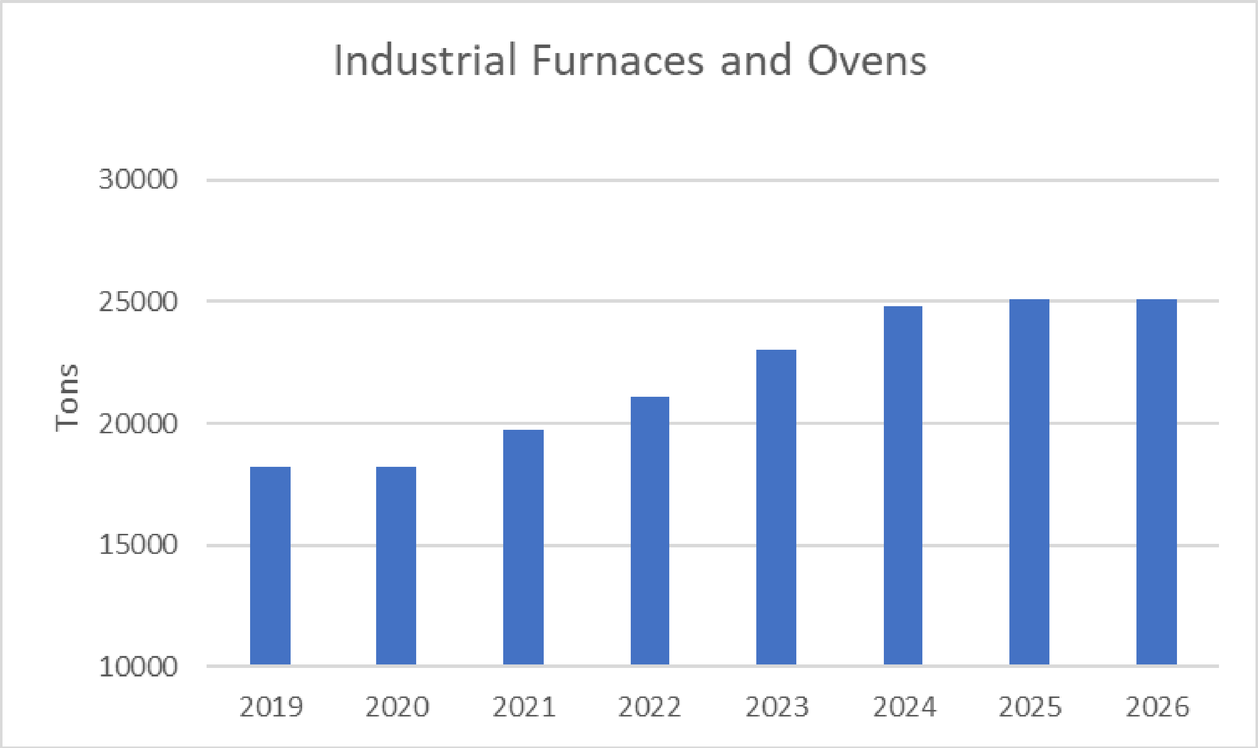


Source: ITR Trends Report

26

Industrial Furnace and Oven Mfg. Forecast

Steel Founders' Society of America

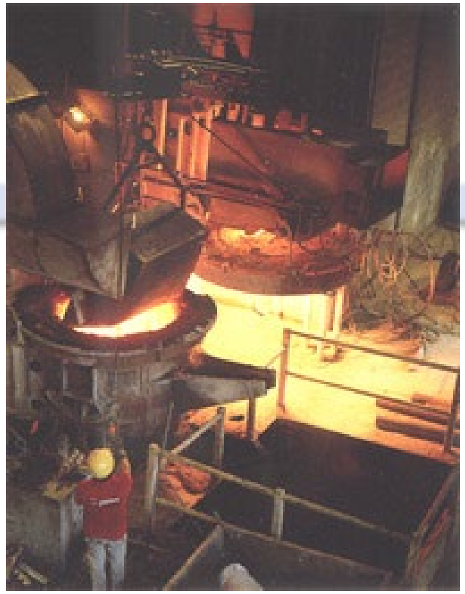


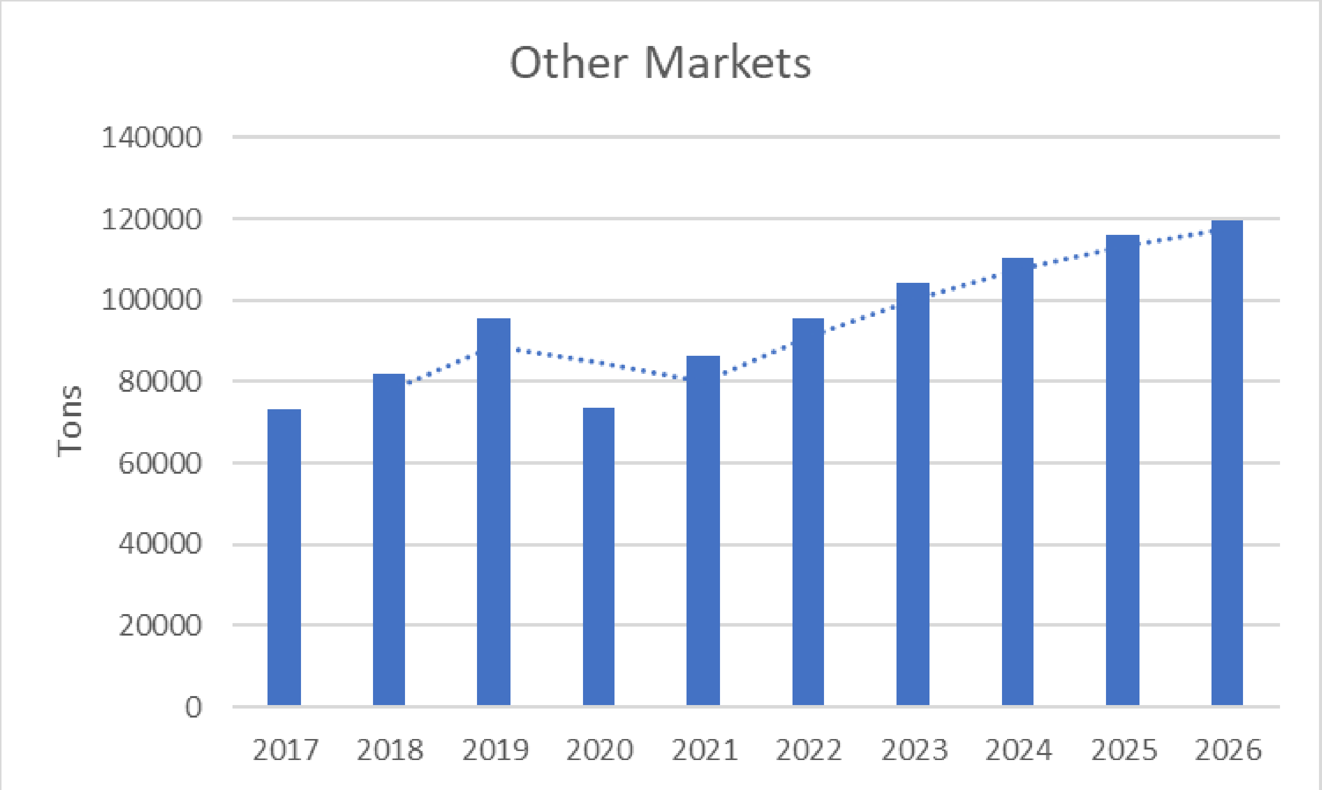
2025	2026
1%	0%

Industrial Process Ovens, Induction Heating, and Kilns - furnace, heat treat, steel mill components - rollers, links, baskets

- Customer forecast
- Market conditions

Other Markets Forecast





2025	2026
5%	3%

Markets included:

- Tooling
- Agriculture
- Cement
- Engine/Turbine
- Municipal
- Power Generation