



**Aluminum Market Dynamics: March 2025**

# Overview

As you may know, the White House issued Proclamation 9704 on February 10, 2025, which amends the tariffs on all steel (25%) and aluminum (10%) products imported into the U.S.

Based on our understanding, the Presidential Proclamation has the following impacts on aluminum imports into the U.S., effective March 12, 2025, at 12:01 a.m.:

1. Universal 25% tariff on all aluminum products including ingot, sheet and foil
2. No exemptions
3. Termination of free trade/quota system
4. All imports of derivative aluminum products will be subject to a 25% tariff, applied to the aluminum content of the derivative product

In addition to the tariff increase above on steel and aluminum, the U.S. has initiated other tariffs directed at Canada and Mexico due to border security and fentanyl production. All these tariffs will be stacked together and, in some cases, driving the increase in the aluminum from tariff 25%-70%. We have a chart later in this presentation listing the tariff impact by each country on aluminum sheet and foil.

All Foils is closely monitoring this situation and will provide updates as new information becomes available. Should any changes occur, we will promptly notify our customers. In the meantime, please contact your sales representative to discuss the status of your current orders.

# Summary

<b>Rising Costs of Feedstocks</b>	<ul style="list-style-type: none"> <li>Aluminum Domestic (MWP)</li> <li>What impact will this tariff have on LME?</li> <li>No Russian or Chinese re-roll aluminum</li> </ul>
<b>PLUS</b>	
<b>Tariff Increases</b>	<ul style="list-style-type: none"> <li>25% on all aluminum imported into USA effective 3/12/25</li> <li>25% fentanyl &amp; border tariff for Canada &amp; Mexico (IEEPA)</li> <li>25% Section 301 plus 20% IEEPA tariffs for China</li> <li>Reciprocal tariff info expected on 4/1/25</li> </ul>
<b>PLUS</b>	
<b>Changing Supply &amp; Demand Dynamics</b>	<ul style="list-style-type: none"> <li>North American demand is expected to increase in 2025 &amp; 2026</li> <li>Canada &amp; Mexico export 75% of all Ingot into the U.S.</li> <li>Russia &amp; China excluded for any supply into U.S.</li> </ul>
<b>PLUS</b>	
<b>Uncertainty</b>	<ul style="list-style-type: none"> <li>How long will these tariffs stay in effect?</li> <li>Will there be exceptions or quotas?</li> <li>Will domestic mills add capacity and when?</li> </ul>
<b>EQUALS</b>	
<b>Tight Supply &amp; Rising Raw Material Prices</b>	<ul style="list-style-type: none"> <li>Rising prices for aluminum</li> </ul>

## Glossary of Terms

### **IEEPA**

International Emergency Economic Powers Act.

### **London Mercantile Exchange (LME)**

The world center for global metal trading. The index that drives the input cost for aluminum internationally.

### **Midwest Premium (MWP)**

The actual cost of aluminum used by domestic aluminum producers as an input to their market pricing.

### **Section 232 of the Trade Expansion Act**

This act will be used to determine the effects on national security due to aluminum imports.

### **Section 301 of the Trade Expansion Act**

Additional taxes or duties imposed on imports from other than the U.S. believes are violating trade agreements.

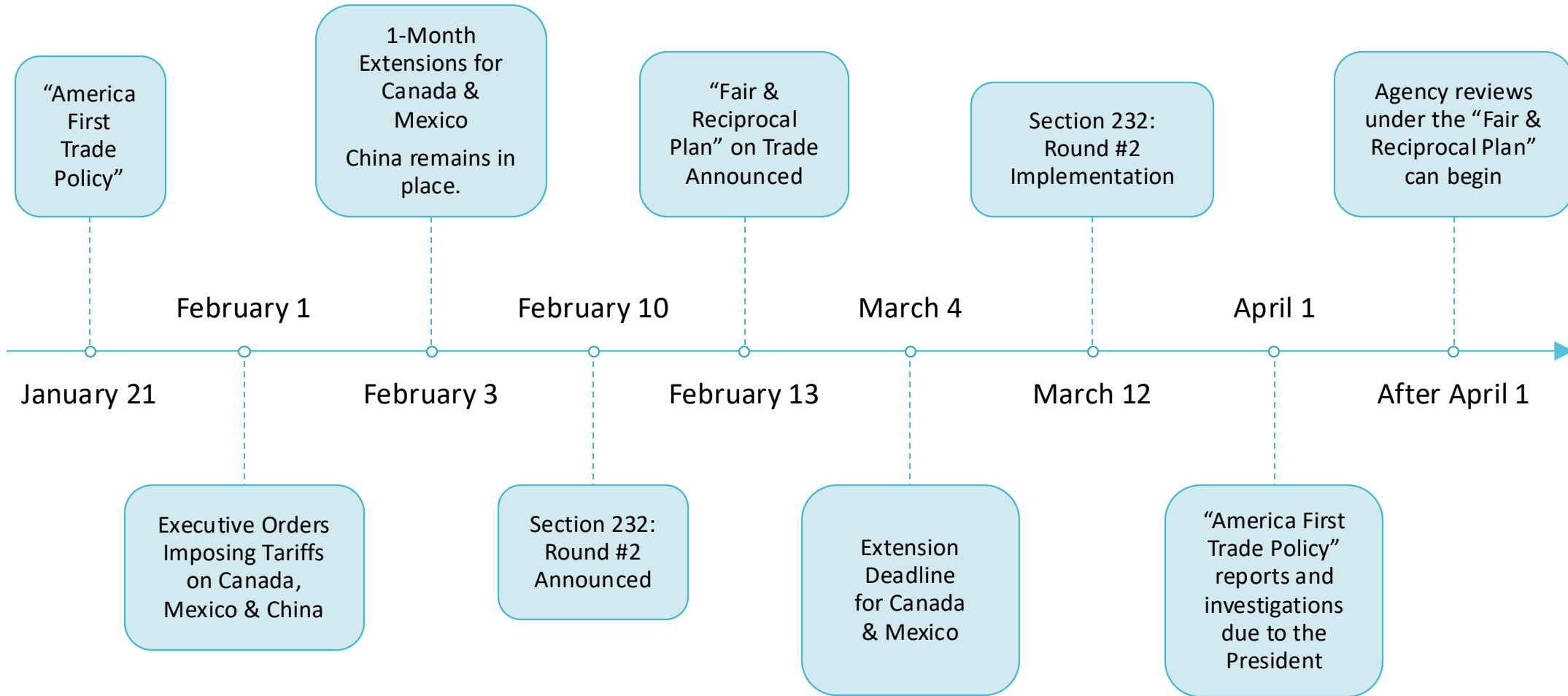
### **Tariff**

Tax imposed by the government of a country on imported or exported goods.

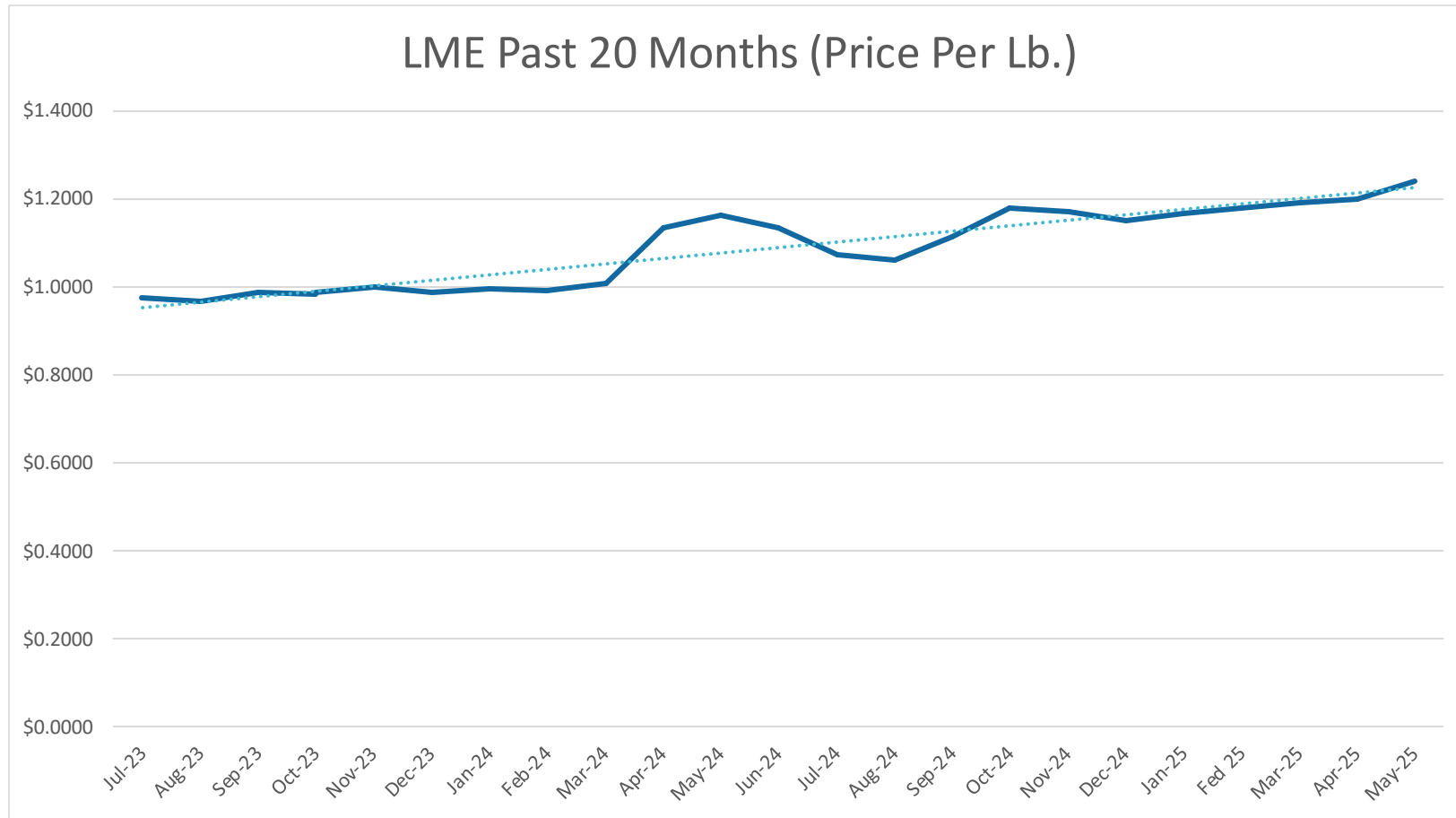
# Tariff Breakdown – Aluminum Sheet & Foil

Country	Section 301	Section 232	IEEPA	Total
China	25%	10% today 25% on 3/12	10% on 2/4 20% on 3/4	45% today 55% on 3/4 70% on 3/12
Canada	0%	0% today 25% on 3/12	10/25% on 3/4	0% today 10/25% on 3/4 35%/50% on 3/12
Mexico	0%	0% today 25% on 3/12	25% on 3/4	0% today 25% on 3/4 50% on 3/12
All Other Countries	0%	10% today 25% on 3/12	0%	10% today 25% on 3/12

# Timeline



# Aluminum Pricing - LME



# Aluminum Pricing - MWP

