

# SMU Community Chat

July 22, 2020

Starting at 11 AM Eastern

John Packard, President & CEO of Steel Market Update

Estelle Tran, Analyst, CRU



[SteelMarketUpdate.com/Blog/SMU-Community-Chat-Webinars](https://www.steelmarketupdate.com/blog/smu-community-chat-webinars)

Steel Market Update founder and CEO will provide details regarding the results from our latest flat rolled and plate steel survey.

We will also discuss the results of the just completed analysis of service center shipments, inventories and steel on order and what we believe our results means for the market.

John Packard has 43 years of experience in the industry, with 31 of those years as an active seller of flat rolled steel.



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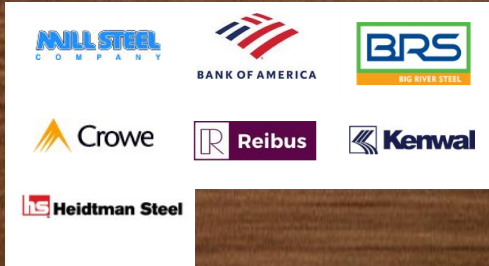
Paul joined CRU in 2011 and works as a Sponsorship and Exhibition Manager across a number of CRU's flagship conferences. He works closely with a large number of customers, tailoring packages to help them meet their marketing objectives and increase their network of influential contacts. With over 15 years' events sponsorship and marketing experience, Paul has worked on over 400 live events and a rapidly increasing number of virtual events



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**SMU Steel Summit 2020**  
VIRTUAL CONFERENCE  
August 24-26, 2020

**EXHIBIT HALL** ↓



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**THEATER** ↓

Upcoming Sessions (British Summer Time)

6:00 - 6:40 Jul 22

**Energy Cable Leadership Panel: Energy Cable in the Recovery**

[RSVP](#)



We are pleased to announce the 2nd annual [SMU NexGen Leadership Award](#), sponsored by the Steel Manufacturers Association. The Award is designed to recognize and celebrate the excellence of emerging leaders within the greater steel community.

SMU is dedicated to helping businesses recruit, train and retain the next generation of talent. Any young motivated employee under the age of 35 who is currently employed by an organization that utilizes carbon steel as part of its core business function is eligible for this award.

**This is a great opportunity to shine the light on the hard work of the people in your organization, and celebrate it with the greater steel industry.**

**The winner will get:** a mentorship day with **Chuck Schmitt, President of SSAB Americas**; a free pass to a SMU Steel 101 Workshops; and a free pass to the next SMU Steel Summit.

**Nomination details will be announced by SMU in the coming days.**

## Steel Mill CEOs

**David Burritt**, U.S. Steel  
**Mark Millett**, Steel Dynamics  
**Leon Topalian**, Nucor  
**Lourenco Goncalves**, Cleveland-Cliffs/AK Steel  
**Maximo Vedoya**, Ternium

## Economists & Analysts

**Dr. Alan Beaulieu**, ITR Economics  
**John Anton**, IHS Markit  
**Timna Tanners**, Bank of America  
**Paul Lowrey**, Steel Research Associates  
**Ken Simonson**, Associated General Contractors  
**Steven Brown**, Fitch Ratings  
**Ryan Smith**, CRU  
**Chris Houlden**, CRU  
**Josh Spoores**, CRU

## Steel Buyers

**Tom Valvo**, MiTek  
**Frank Ruane**, Olympic Steel  
**Steve Sukup**, Sukup Manufacturing

## Industry Experts

**Rick Preckel**, Preston Pipe  
**Michael Setterdahl**, GFG Alliance  
**Philip Bell**, Steel Manufacturers Association  
**Jose Gasca**, Mettrading International AG  
**Ryan McKinley**, CRU  
**Lewis Leibowitz**, The Law Offices of Lewis E. Leibowitz

## Special Program on Youth and the Industry

**Ryan Avery**, AveryToday, Inc.  
**Todd Leebow**, Majestic Steel  
**Jim Vincent**, Big Ass Fans  
**David Everett**, Hamline University

## Special Program on 2020 Presidential & Congressional Elections

**Dr. David Schultz**, Hamline University,  
University of Minnesota Law School

## Your Host

**John Packard**, Steel Market Update

# Estelle Tran, CRU

Estelle Tran joined CRU as a steel and ferroalloy prices analyst in October 2017. She covers the US sheet steel market as well as the North American bulk ferroalloys market.

Prior to joining CRU, Estelle worked at S&P Global Platts, reporting on flat rolled steel, long steel, primary aluminum and trade issues. She earned a B.A. in English writing and history from the University of Pittsburgh.

Estelle is also president of the Pittsburgh chapter of the Association of Women in the Metal Industries.



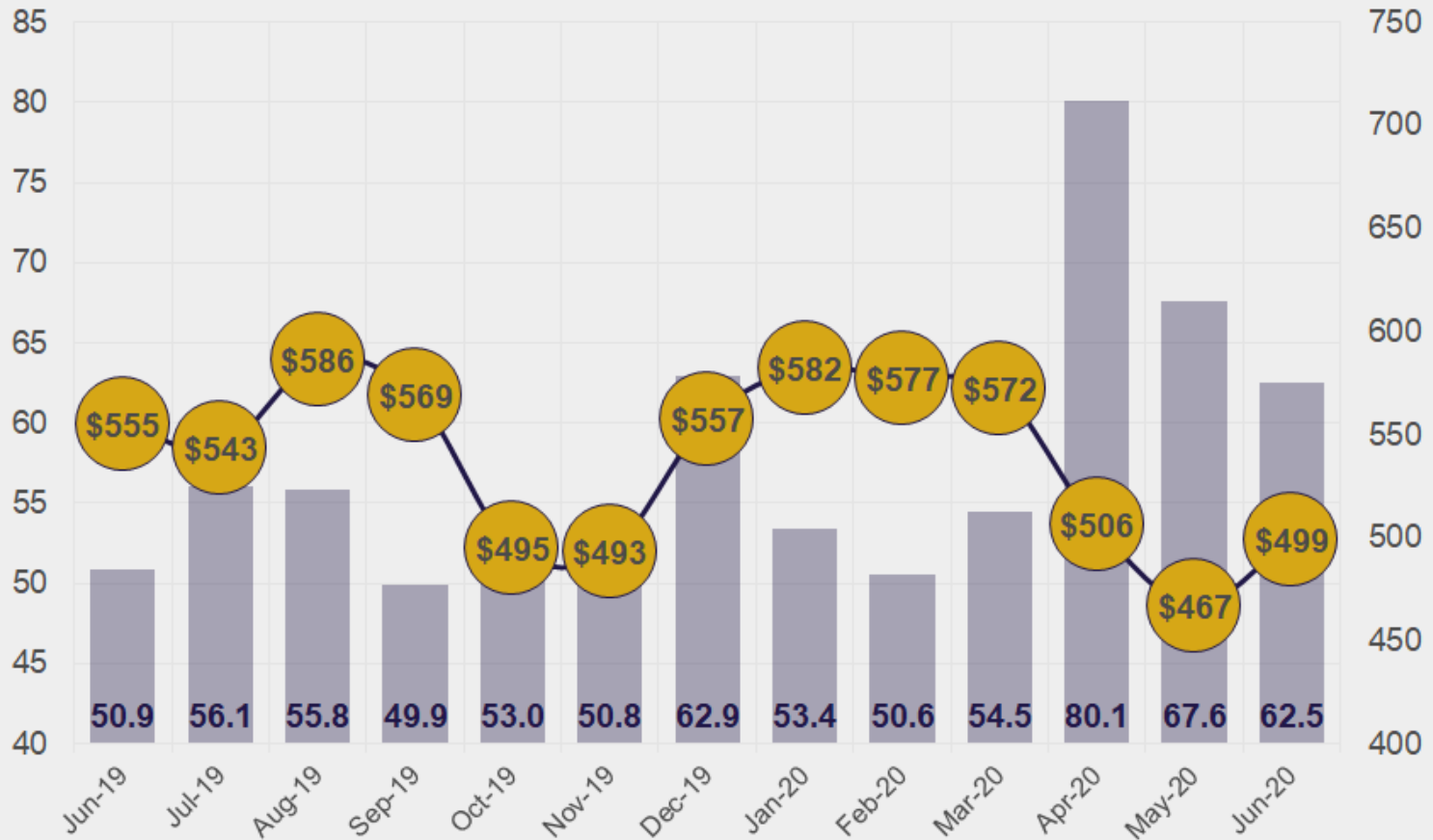
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# Service Center Inventories

Left axis:  
Shipping days of supply in inventory (unadjusted data)

Right axis:  
HRC price \$ /s.ton

Sheet supply and monthly average CRU HRC price





# Service Center Inventories

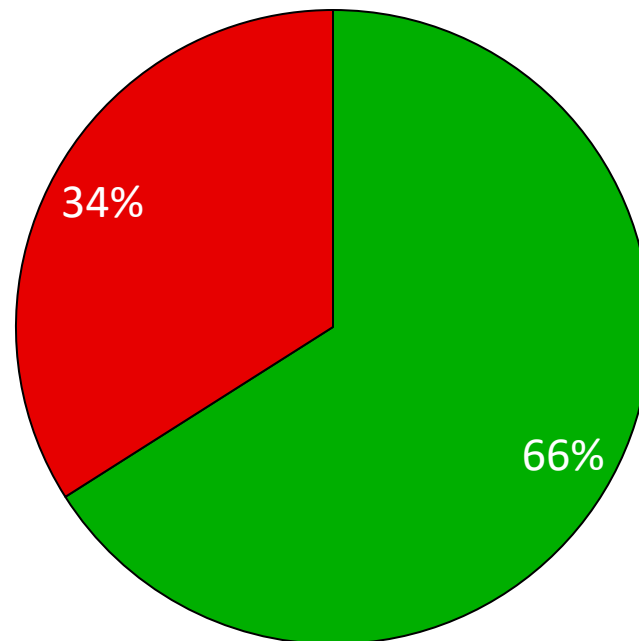
<b>Steel Market Update Inventories Report - Sheet</b>					
	Inventory	Shipments	Shipping Days	Shipping Days of Supply	Months of Supply
Apr-20	1,593,358	419,609	22	83.5	3.80
* Apr-20	1,958,775	537,816	22	80.1	3.64
May-20	1,594,904	453,262	20	70.4	3.52
* May-20	1,915,781	566,801	20	67.6	3.38
Jun-20	1,550,285	568,239	22	60.0	2.73
* Jun-20	1,852,552	651,657	22	62.5	2.84
*Adjusted data					

<b>Steel Market Update Inventories Report - Plate</b>					
	Inventory	Shipments	Shipping Days	Shipping Days of Supply	Months of Supply
Apr-20	257,574	79,408	22	71.4	3.24
May-20	238,735	78,319	20	61.0	3.05
Jun-20	222,982	83,561	22	58.7	2.67

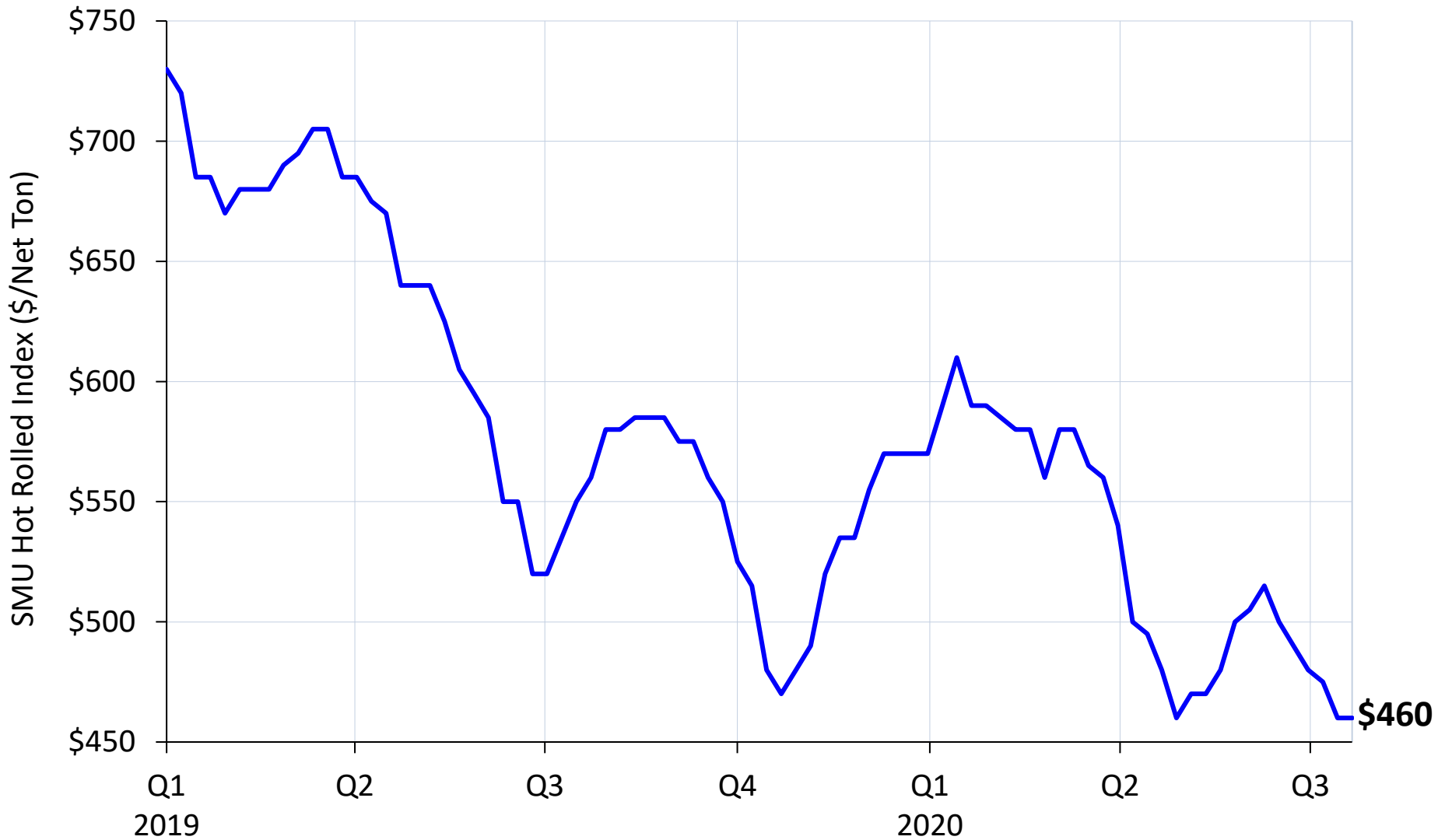
- Yesterday U.S. Steel, UPI and AK Steel announced a \$40 per ton (\$2.00/cwt) price increase on flat rolled products. ArcelorMittal matched the increase this morning.
- The EAF and conversion mills have (so far) taken a wait and see approach to the increase.
- SMU is moving our Price Momentum Indicator to “Neutral” until we see how EAF mills are going to react.
- So far, the reaction we have gotten from steel buyers is the increase is DOA (dead on arrival).

Do you believe flat rolled steel prices are at or near a bottom?

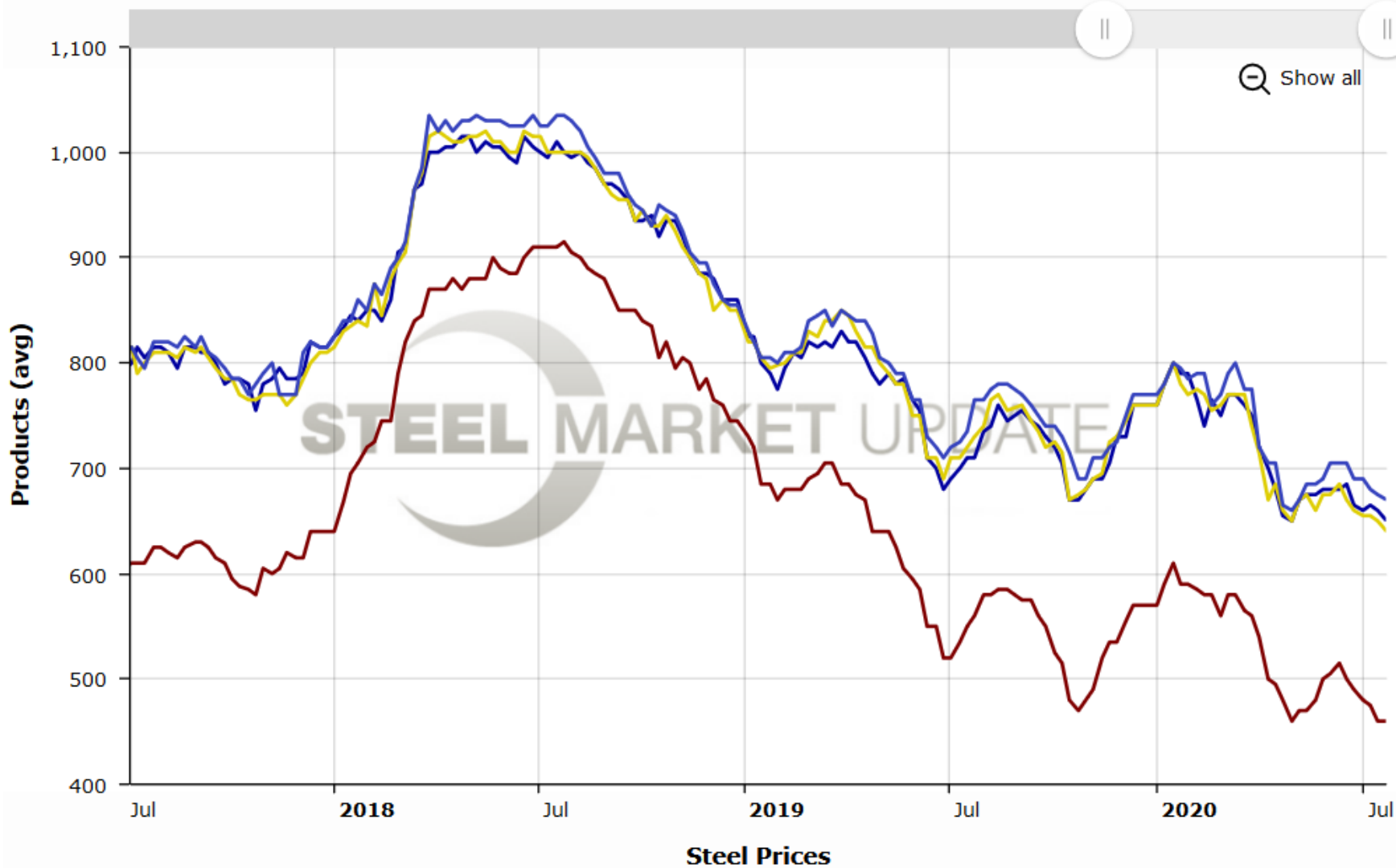
 Yes  No



# SMU Hot Rolled Price Index



# SMU Price Indices



Hot Rolled

Cold Rolled

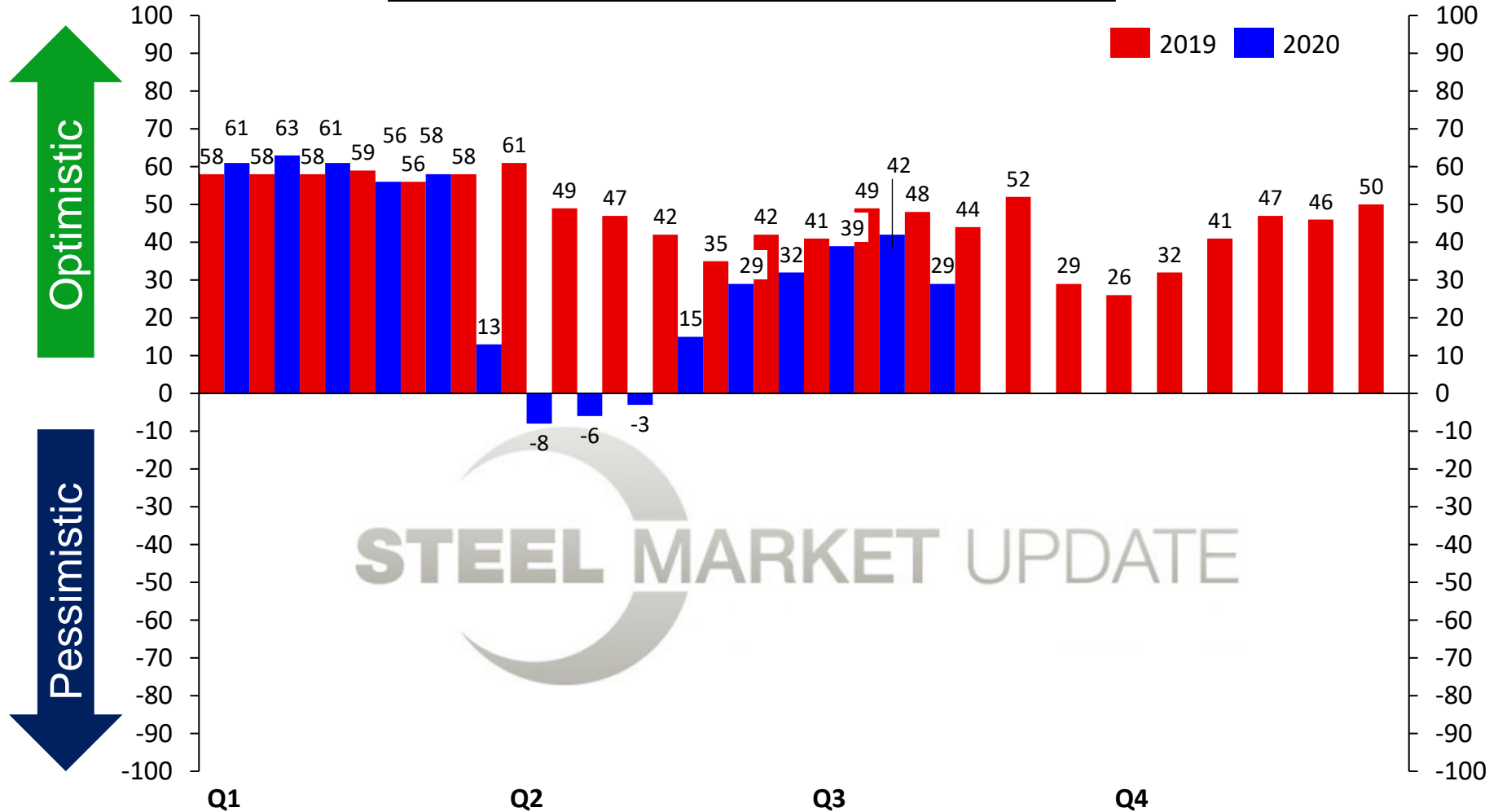
Galvanized

Galvalume

# SMU Buyers Sentiment Index

Down 13 points to +29

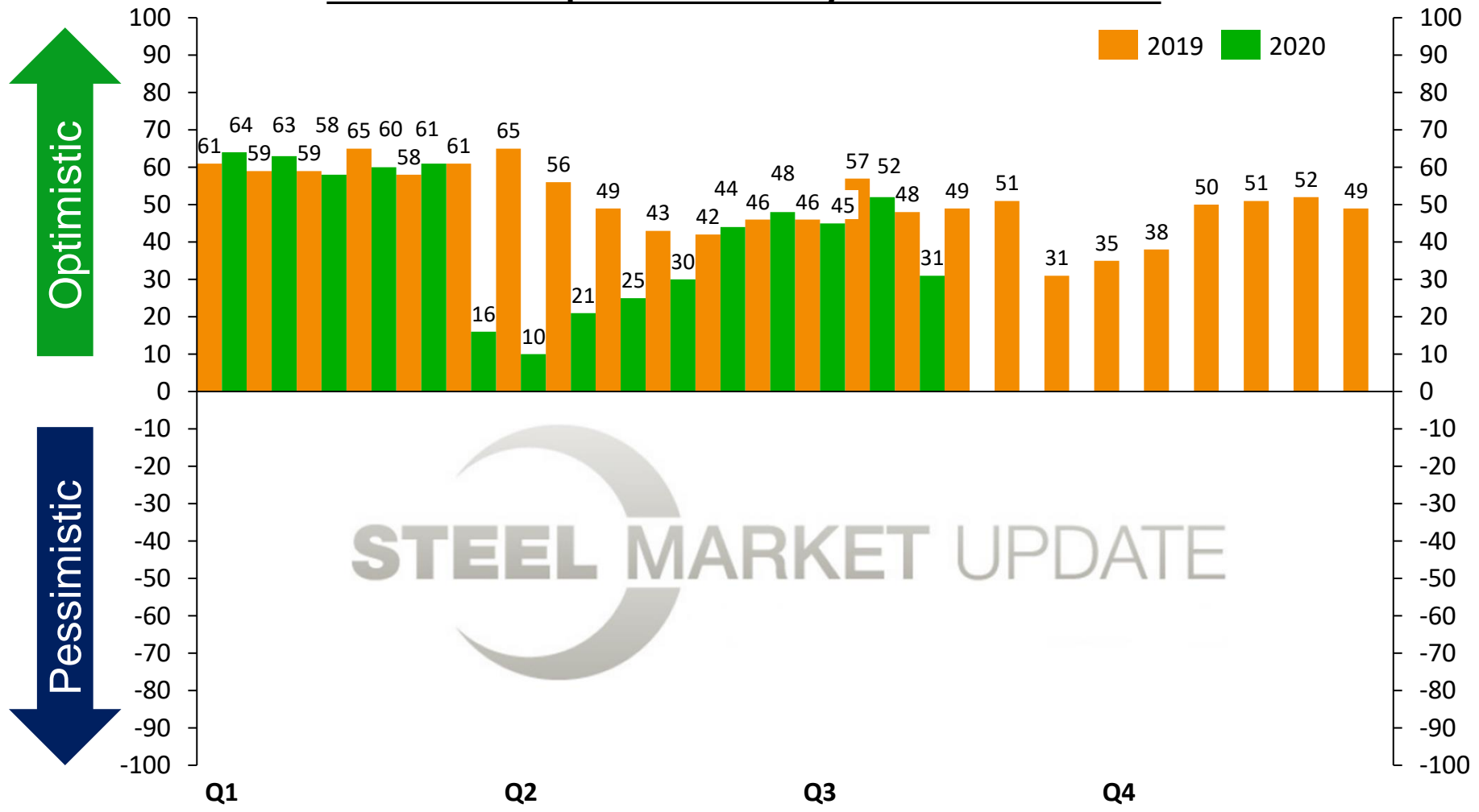
## Steel Market Update Buyers Sentiment Index



# SMU Future Buyers Sentiment Index

Down 21 points to +31

## Steel Market Update Future Buyers Sentiment Index

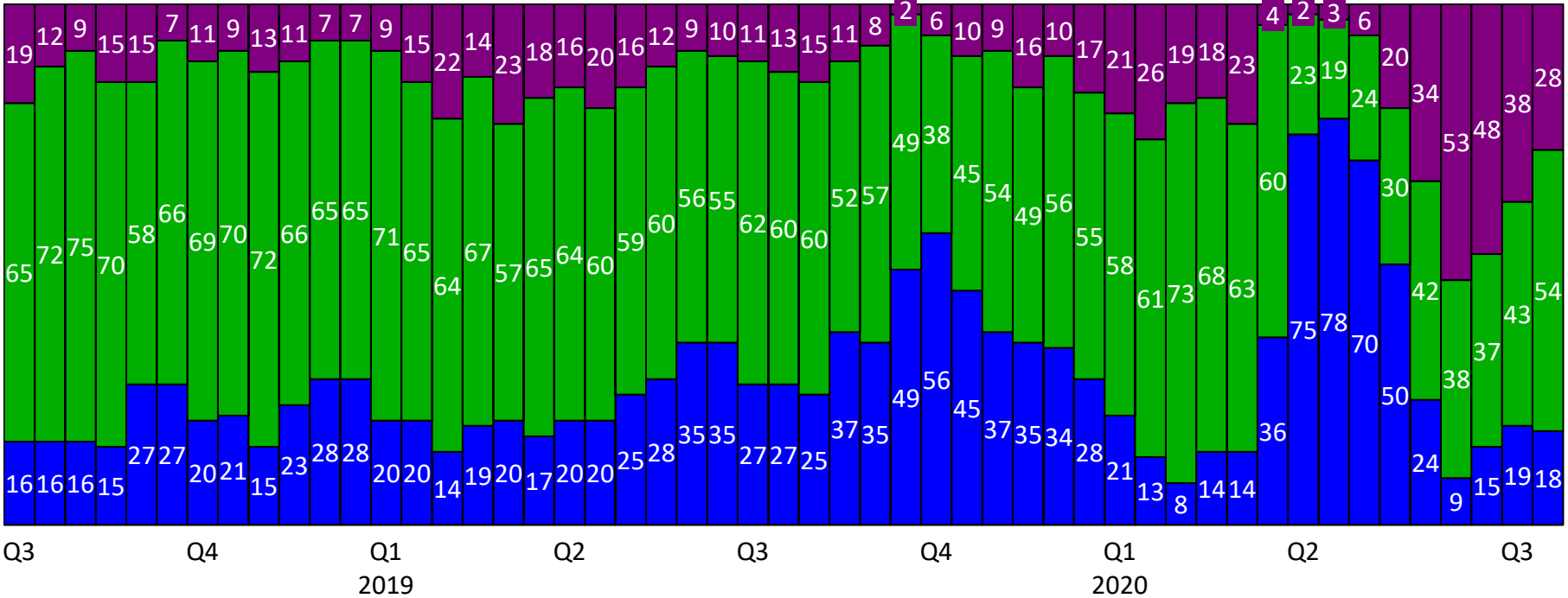


# Overall Demand History

Are you seeing demand for your products improving, remaining the same or declining?

- Demand is improving
- Demand is remaining the same
- Demand is declining

out of 100%

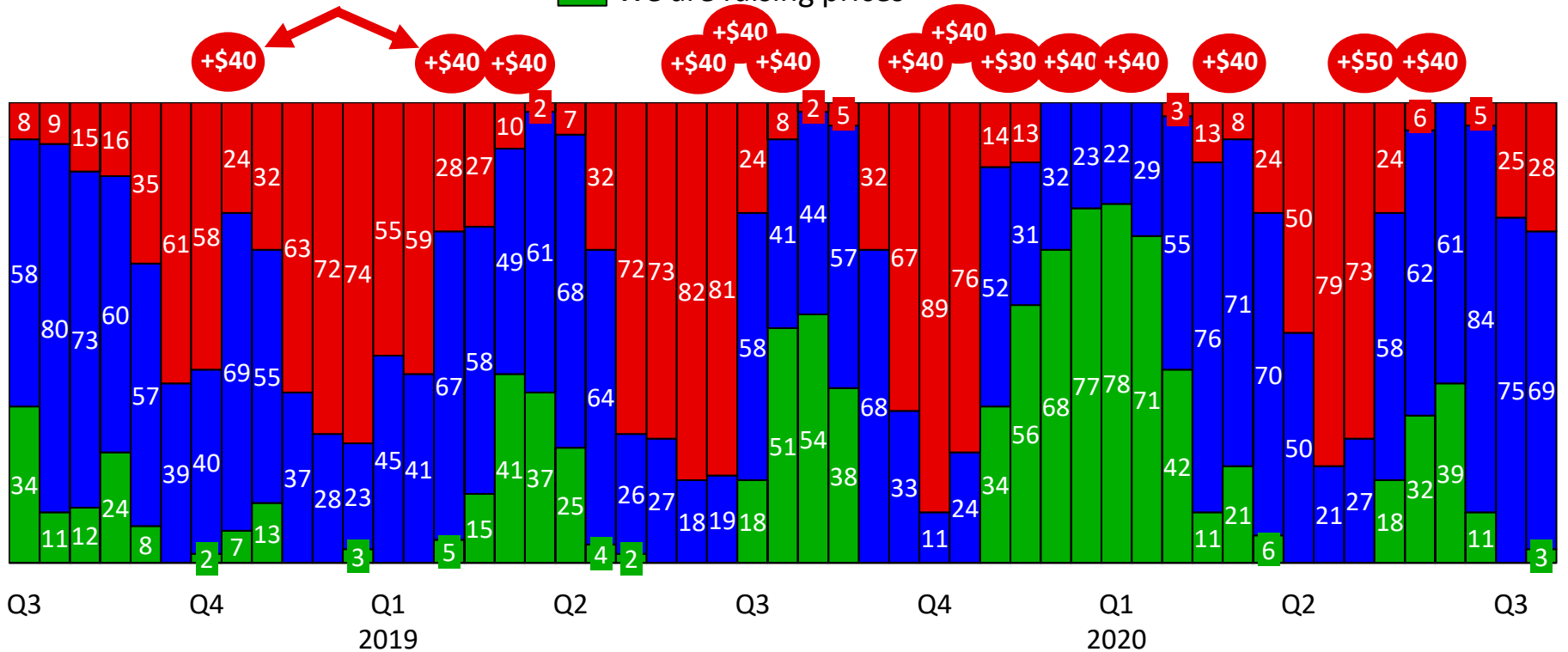




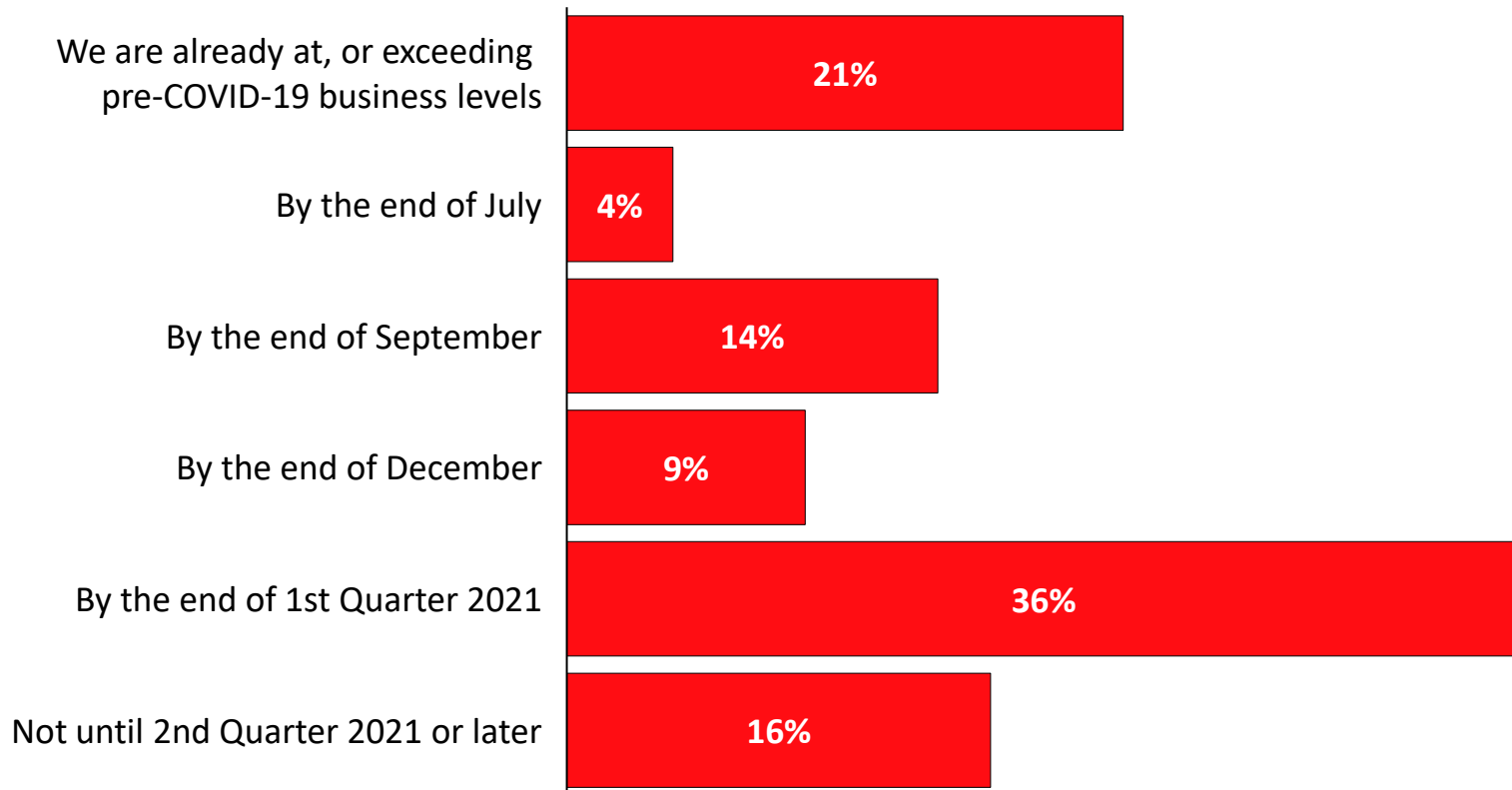
**Service Centers-** Compared to two weeks ago, how is your company handling spot pricing to your customers at this time?

- We are lowering prices
- We are keeping prices the same
- We are raising prices

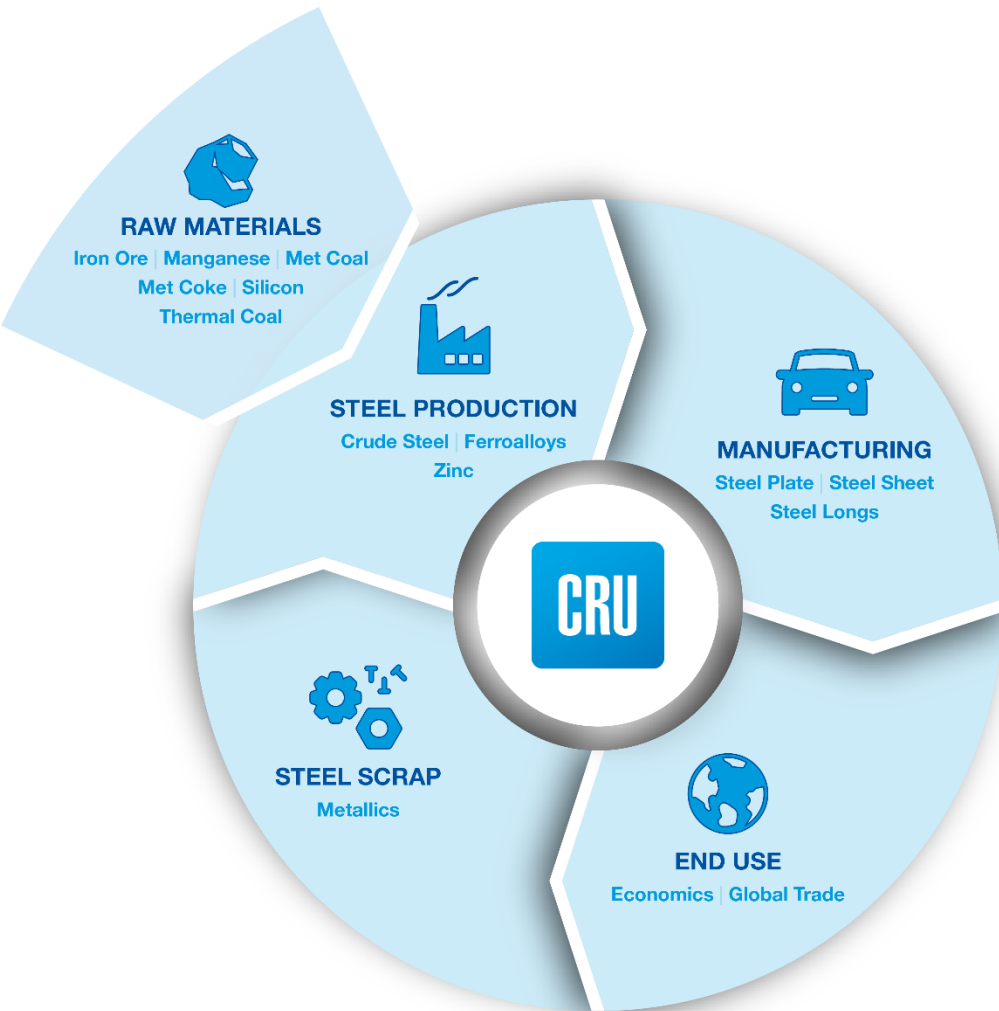
**Historical Nucor Flat Rolled Price Increase Announcements**



When will your company be back to pre-COVID-19 business levels?

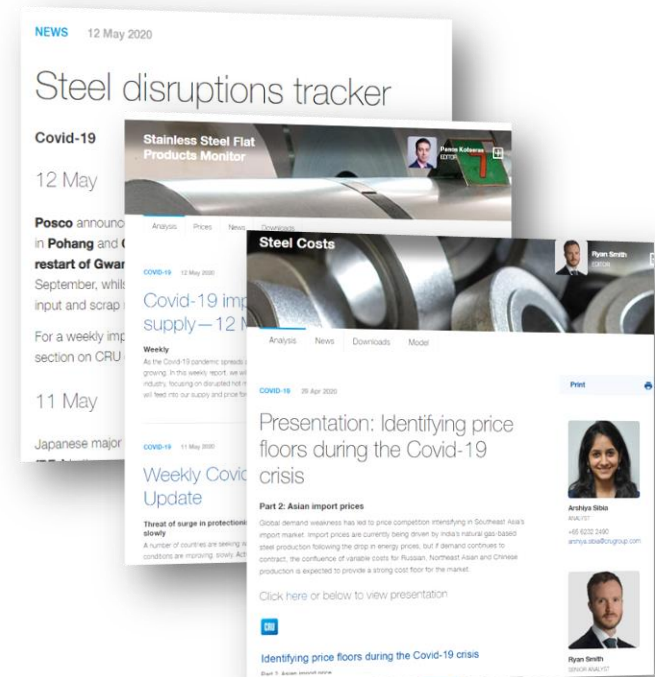


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[Get in touch](#) for more information or a demo

# Thank You

Thank you for attending our SMU Community Chat Webinar.

Our next webinar will be **Wednesday, July 29<sup>th</sup> at 11 AM ET.**

To contact John Packard – [John@SteelMarketUpdate.com](mailto:John@SteelMarketUpdate.com)

For information about subscribing to SMU contact Paige Mayhair at [Paige@SteelMarketUpdate.com](mailto:Paige@SteelMarketUpdate.com)

Stay safe and stay tuned to Steel Market Update.



# STEEL MARKET UPDATE

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