



# SMU Flat Rolled Market Trends Analysis

June 5-7, 2023, Market Survey Results

# Legal Notice

---

This presentation is private and confidential. It must not be disclosed in whole or in part, directly or indirectly, or in any other format without the prior written permission of Steel Market Update and parent CRU International Limited.

CRU International Limited's responsibility is solely to its clients and its liability is limited to the amount of the fees actually paid for professional services.

Although reasonable care and diligence have been used in the preparation of this presentation, we do not guarantee the accuracy of any data, assumptions, forecasts, or other forward-looking statements. We accept no liability to third parties, howsoever arising.

CRU takes information security seriously and currently holds the UK Government approved Cyber Essentials certification. This certifies that we have the appropriate security controls across our organization and third-party suppliers to protect our information assets. CRU also has a privacy policy in place that explains how we handle personal data on our customers.



**Where the steel community  
comes together.**

# Steel Market Update Team



**Michael Cowden**  
Chicago, Ill.  
**Managing Editor**



**David Schollaert**  
Pittsburgh, Pa.  
**Senior Analyst**



**Laura Miller**  
Erie, Pa.  
**Reporter / Editor**



**Becca Moczygemba**  
Houston, Texas  
**Reporter / Editor**



**Ethan Bernard**  
Austin, Texas  
**Reporter / Editor**



**Jill Waldman**  
Steamboat Springs, Colo.  
**Spons./Expo. Sales Mgr.**



**Lindsey Fox**  
Austin, Texas  
**Account Executive**

The SMU newsletter was developed for active buyers and sellers of flat-rolled steel.

**Prices | Momentum | Sentiment | Trends | Analysis**

For more information visit [www.steelmarketupdate.com](http://www.steelmarketupdate.com)

# SMU Flat Rolled Market Trends Analysis



Steel 101 Workshop 2012, Dearborn, Mich.

Our goal is to provide quality information to the flat-rolled steel industry.

Our survey is by invitation only. More than 900 companies, mostly in the manufacturing or distribution industries, are asked to participate.

All responses are kept confidential and are never attributed to the individual or company responding.

To become a data provider, contact:  
[david@steelmarketupdate.com](mailto:david@steelmarketupdate.com)

# Upcoming Events



**SMU Steel Summit 2023**  
 August 21-23, 2023 | Atlanta, Ga.  
 Georgia International Convention Center



**35th Tampa Steel Conference 2024**  
 January 28-30, 2024 | Tampa, Fla.  
 JW Marriott Tampa Water Street

If you would like more information about any of our workshops and/or conferences, you may visit [steelmarketupdate.com/events](https://steelmarketupdate.com/events) or e-mail our team at [events@steelmarketupdate.com](mailto:events@steelmarketupdate.com)



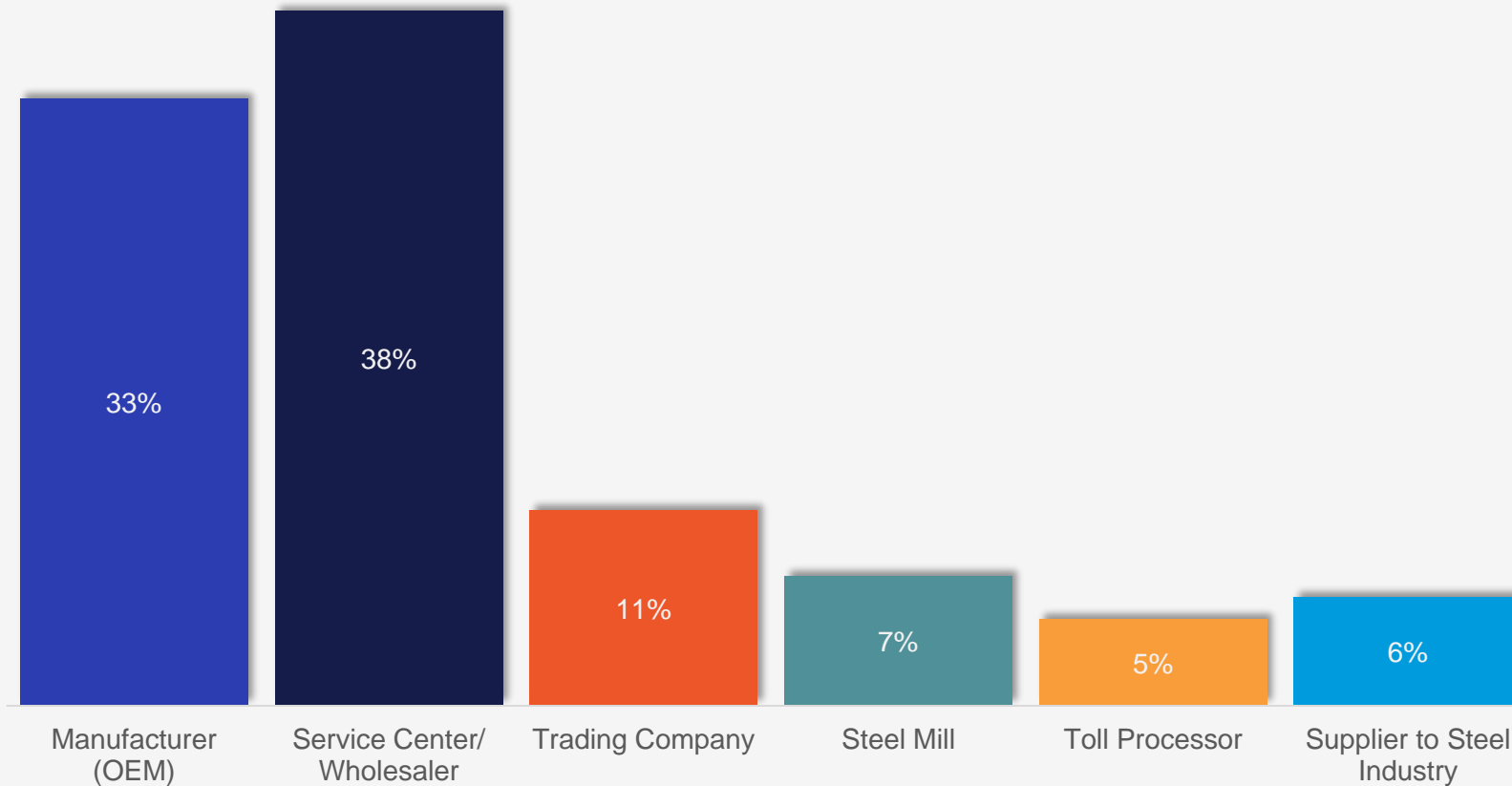
Don't just read our data,  
**see your company's  
experience reflected in it.**

Contact [info@steelmarketupdate.com](mailto:info@steelmarketupdate.com) for participation information.



# Survey Participants

Our survey is by invitation only. Over 800 companies, mostly in the manufacturing or distribution industries are asked to participate. Here are the percentages of participation in this week's survey by market sector.

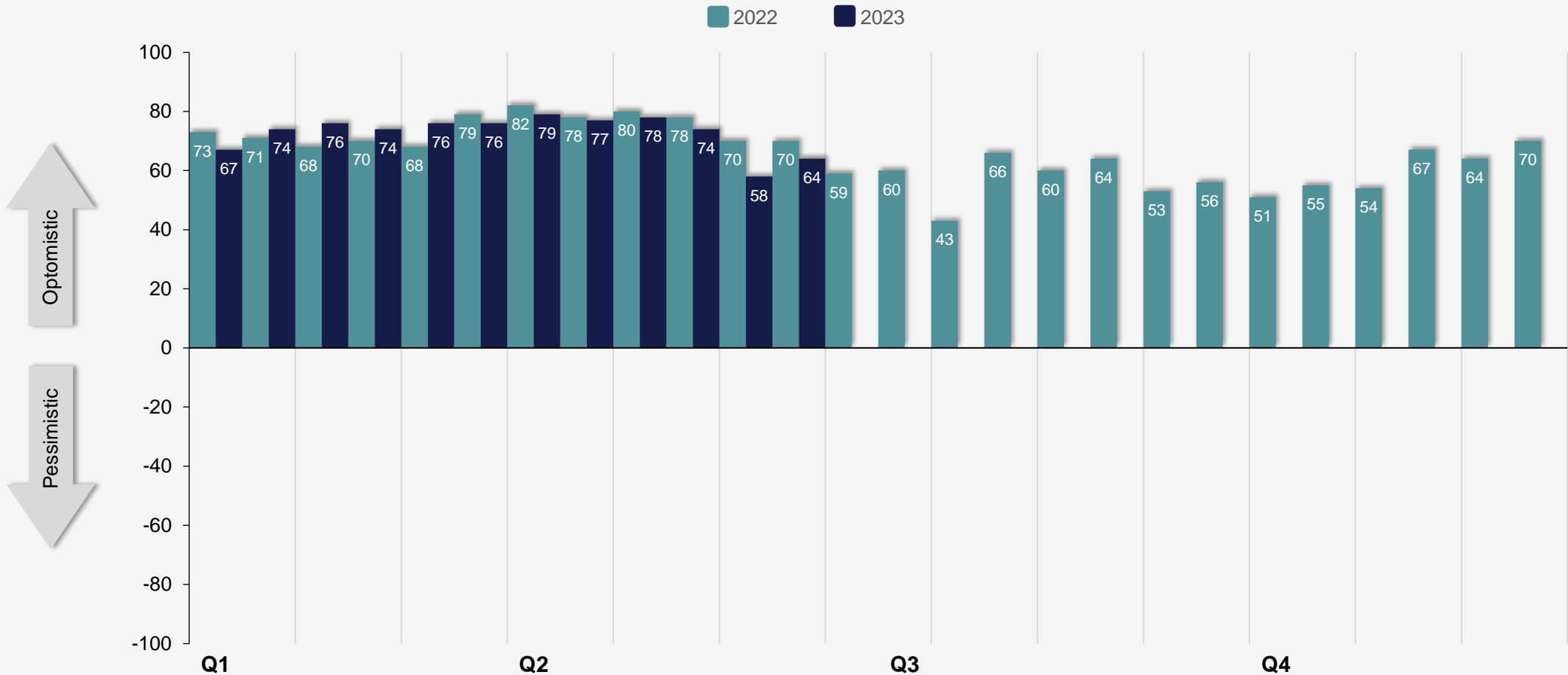




# Steel Buyers Sentiment

*Up 6 points to +64*

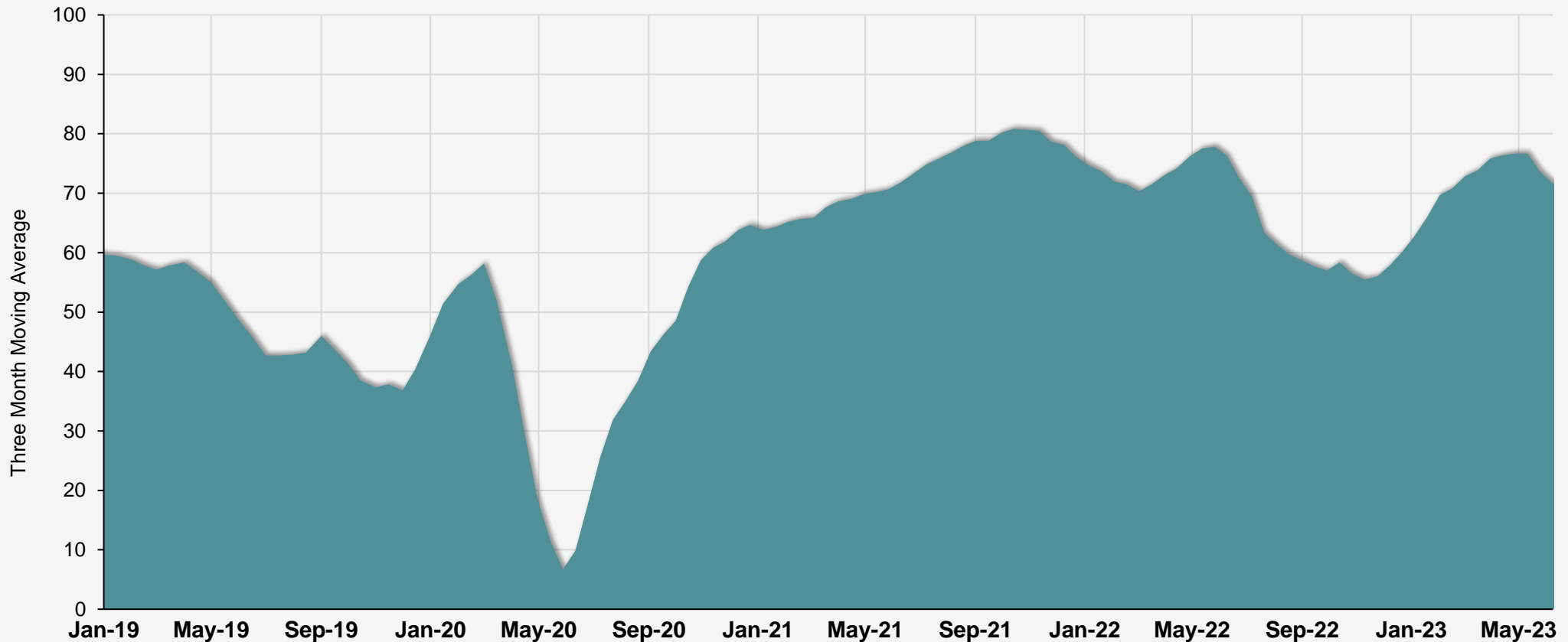
SMU's current steel buyers sentiment index, with data through June 7, 2023.



# Steel Buyers Sentiment

*Three Month Moving Average at +71.67*

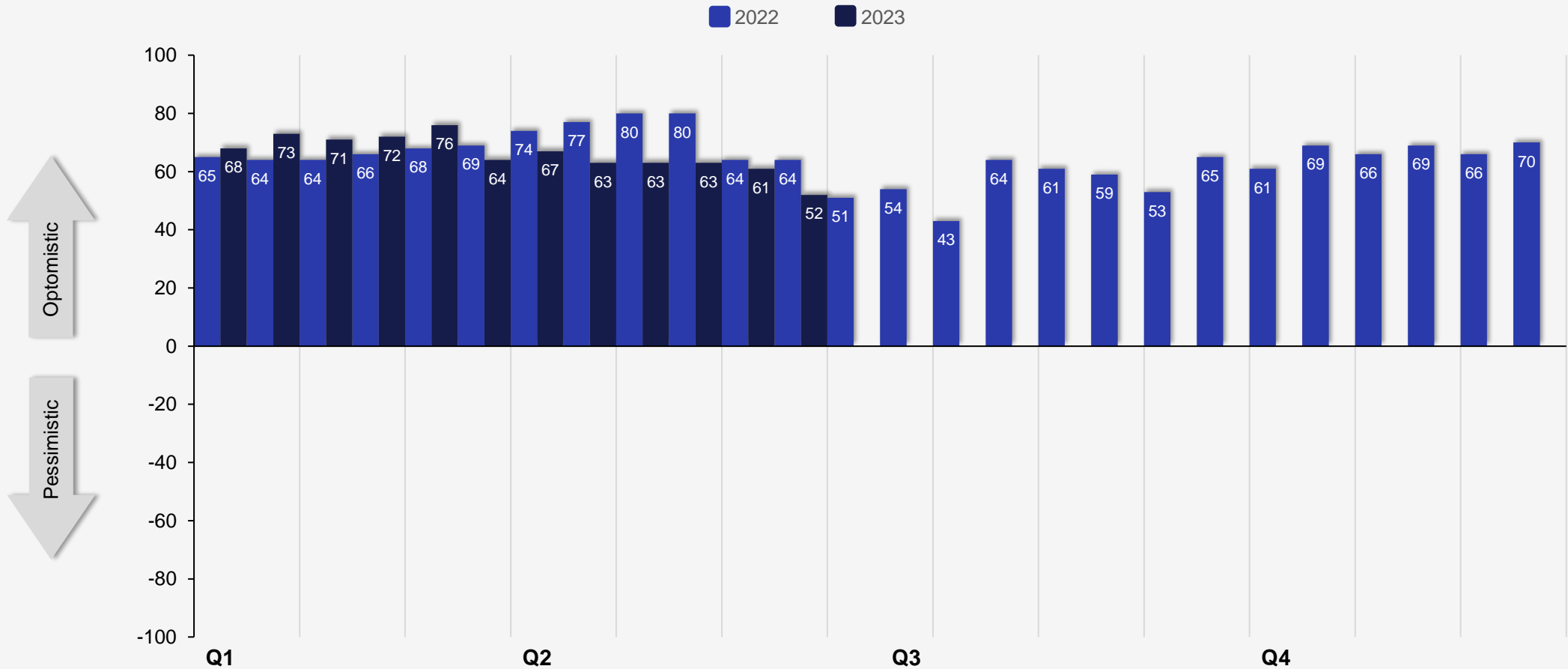
SMU's current 3MMA steel buyers sentiment index, with data through June 7, 2023.



# Steel Buyers Future Sentiment

*Down 9 points to +52*

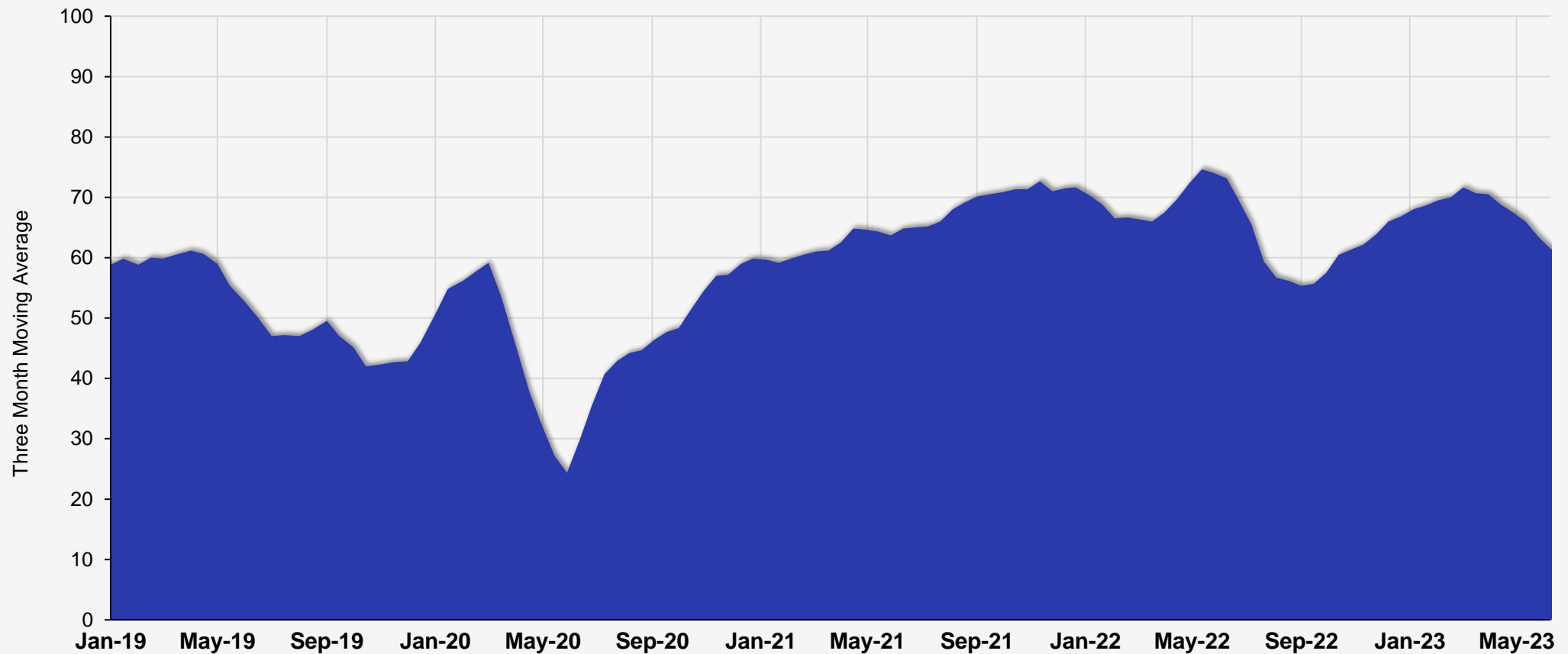
SMU's future steel buyers sentiment index, with data through June 7, 2023.



# Steel Buyers Future Sentiment

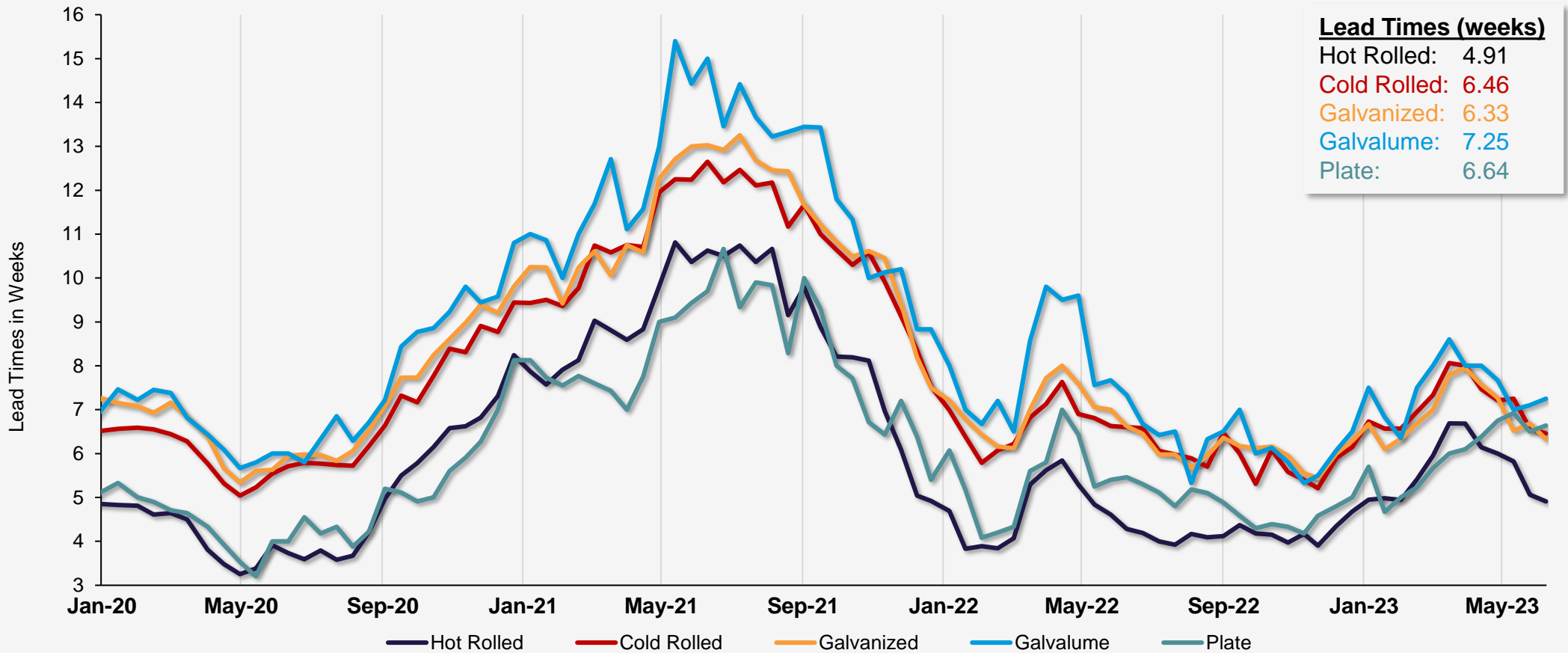
*Three Month Moving Average at +61.50*

SMU's future 3MMA steel buyers sentiment index, with data through June 7, 2023.



# Steel Mill Lead Times by Product

SMU lead times on new steel orders by product through June 7, 2023.

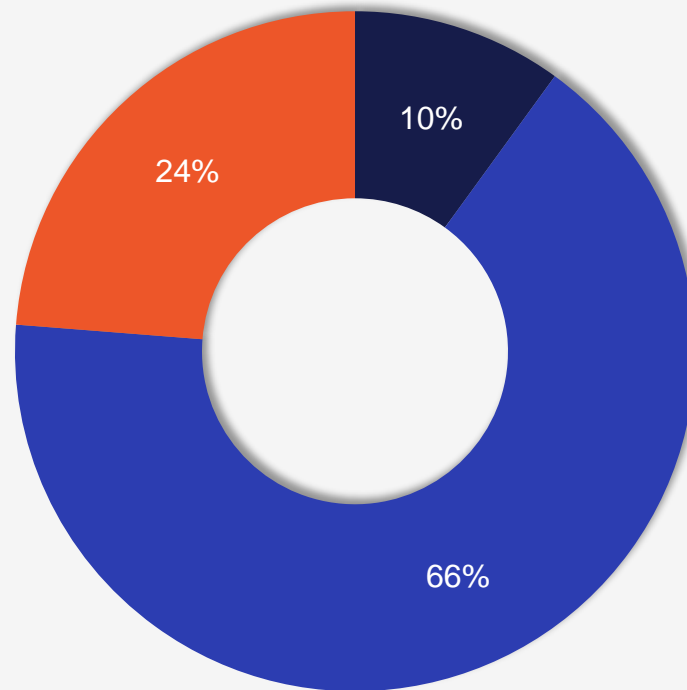


# Direction of Steel Mill Lead Times

Two months from now, will lead times be extending, flat, or contracting?

■ Extending   ■ Flat   ■ Contracting

June 7, 2023

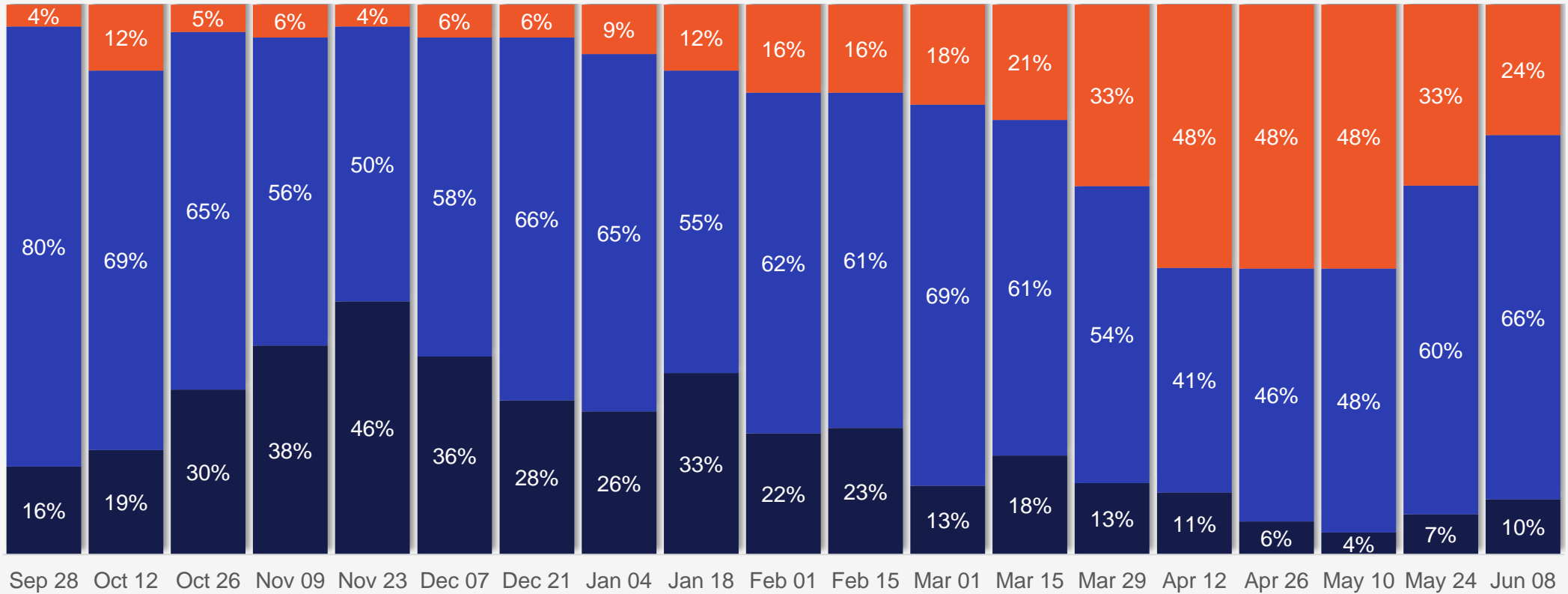


# Direction of Steel Mill Lead Times

Two months from now, will lead times be extending, flat, or contracting?

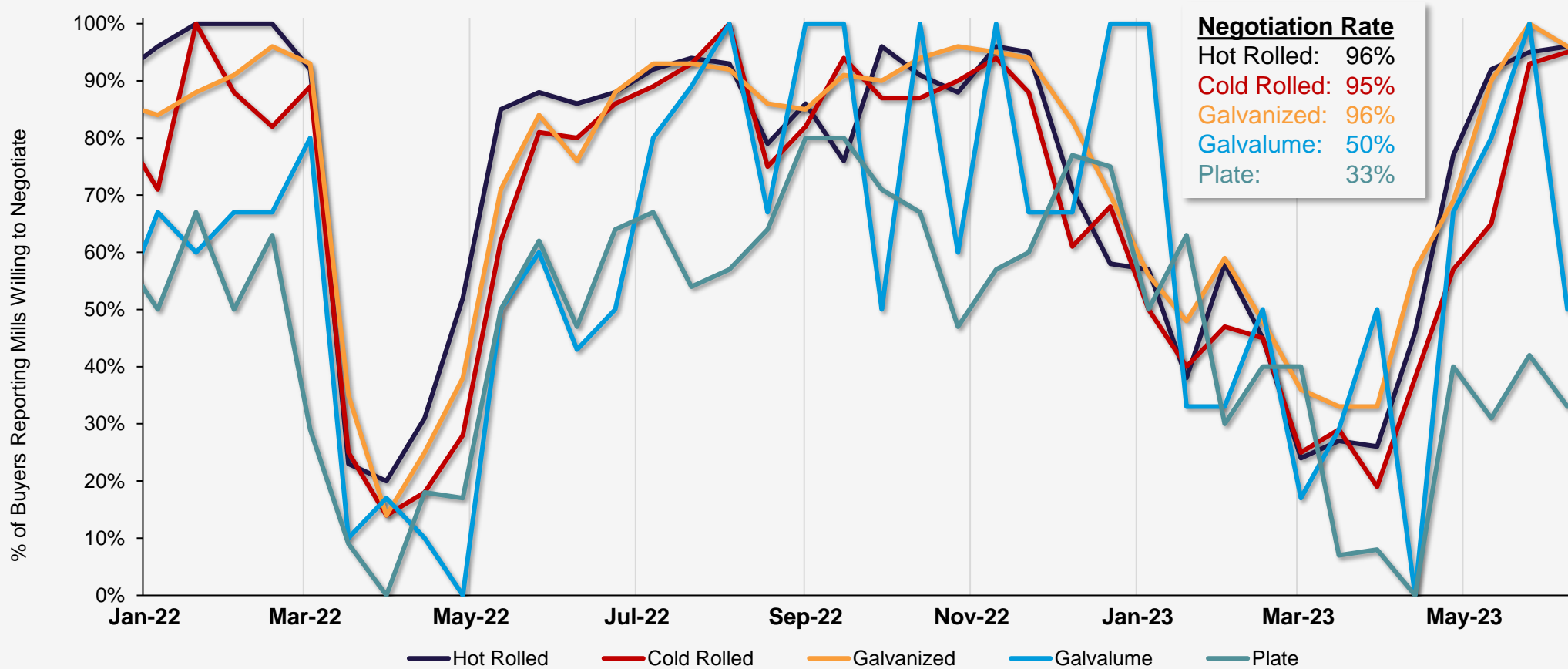
■ Extending 
 ■ Flat 
 ■ Contracting

out of 100%



# Steel Mill Negotiations

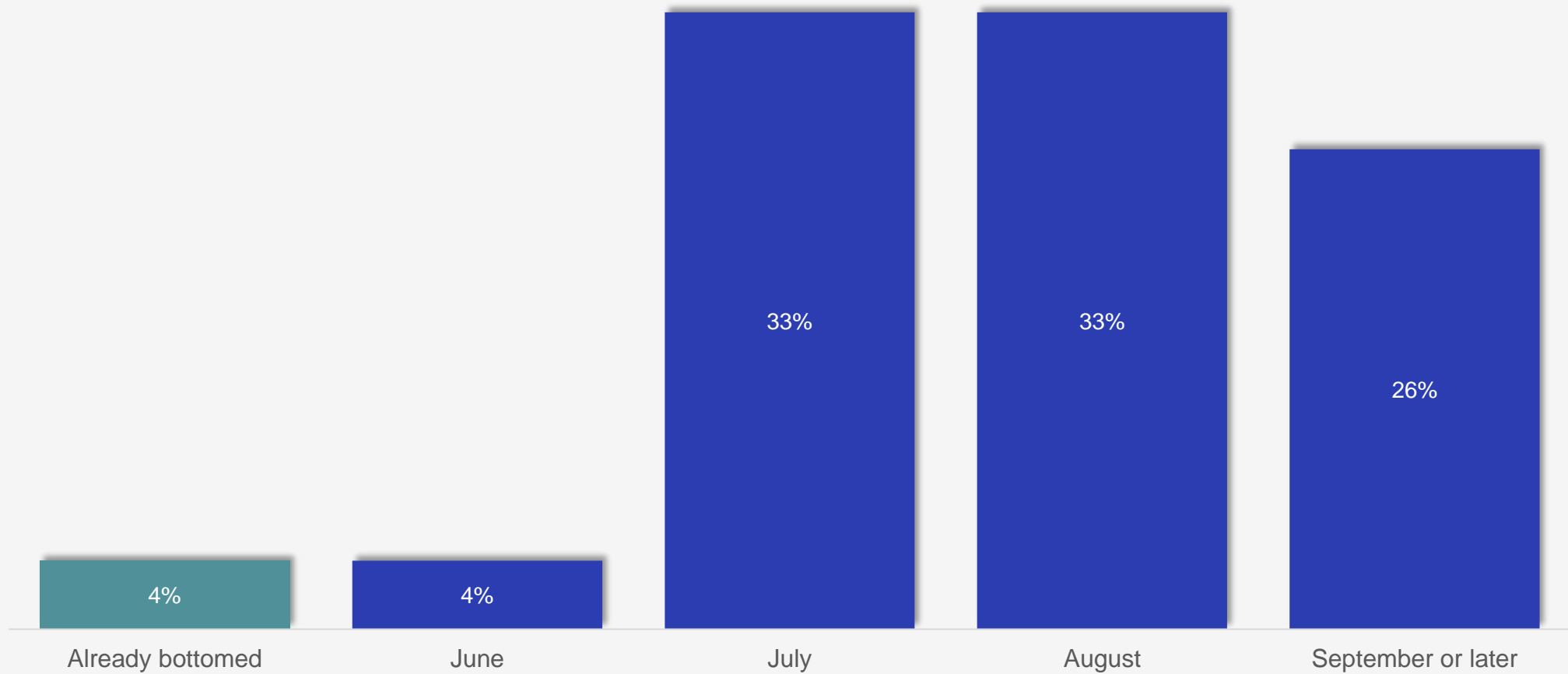
SMU's price negotiations on new steel orders by product through June 7, 2023.





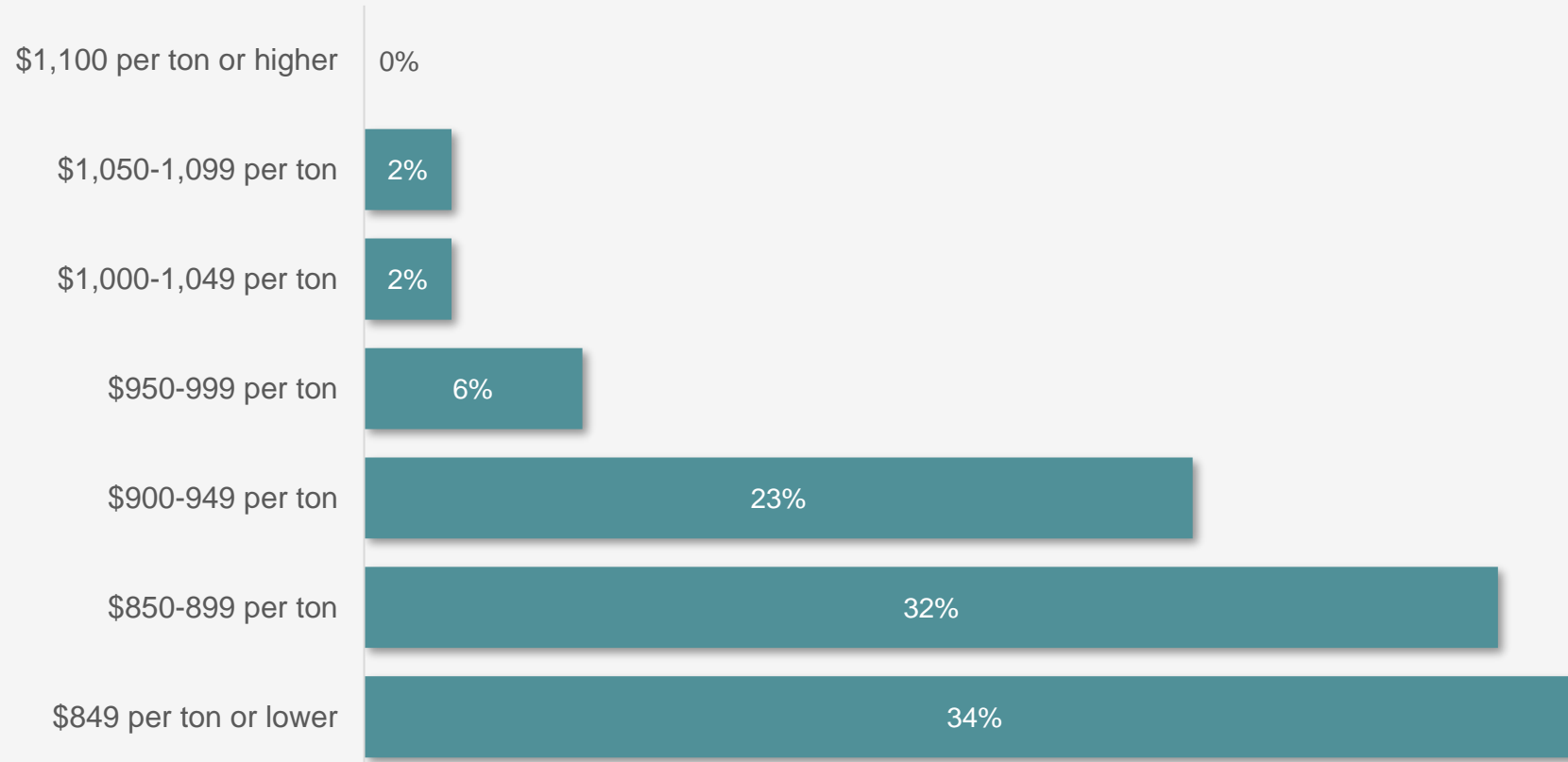
# Hot Rolled Inflection Point

When do you think steel prices will bottom?



# Future Hot Rolled Prices

Where do you think HRC prices will be in two months?

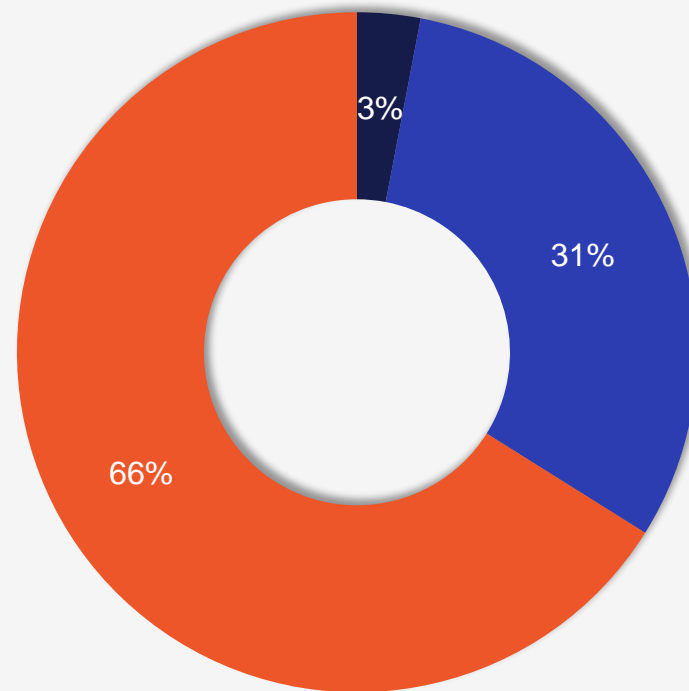


# June Scrap

Prime scrap prices in June will be:

■ Up   ■ Sideways   ■ Down

June 7, 2023

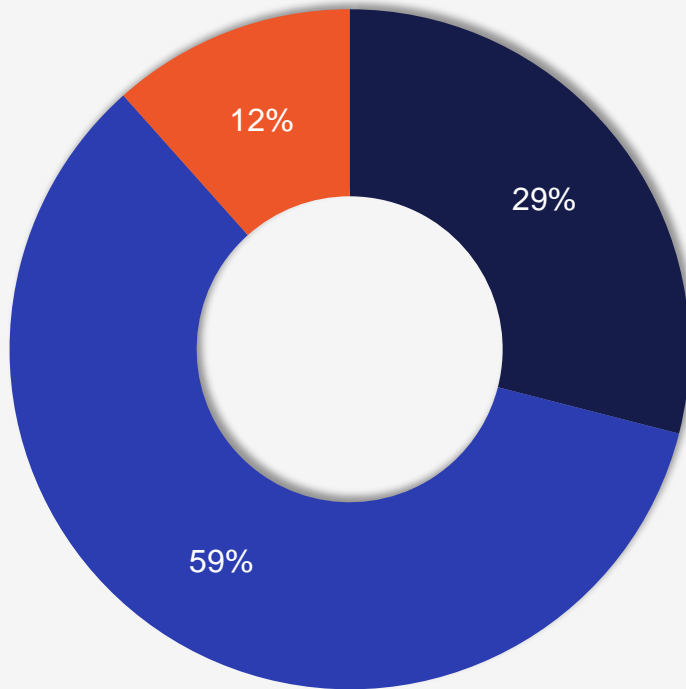


# Business Forecasts

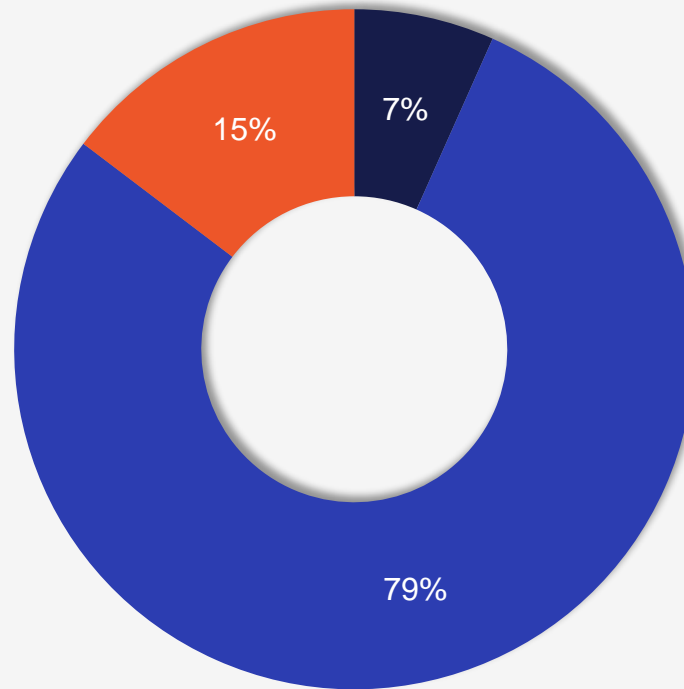
How did your company perform last month compared to your forecast?

■ We exceeded forecast   
 ■ We met forecast   
 ■ We did not meet forecast

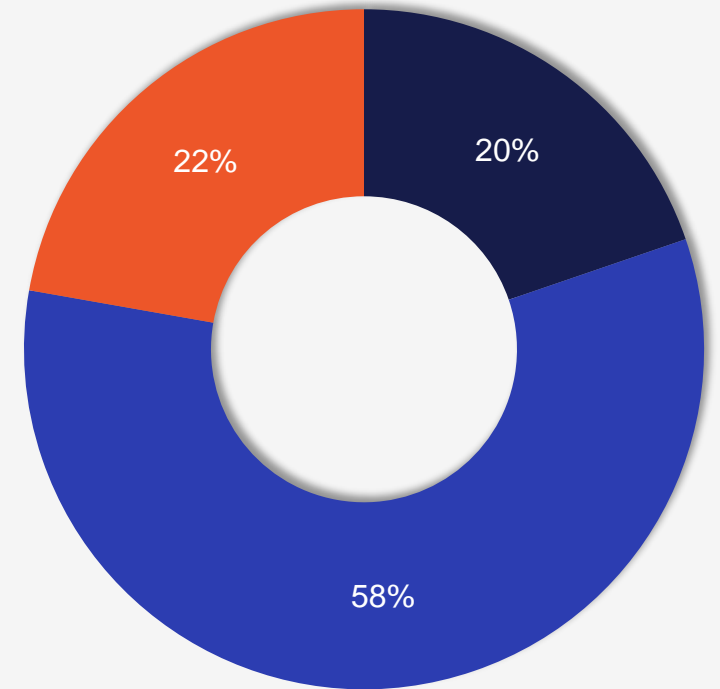
April 12, 2022



May 11, 2023



June 7, 2023

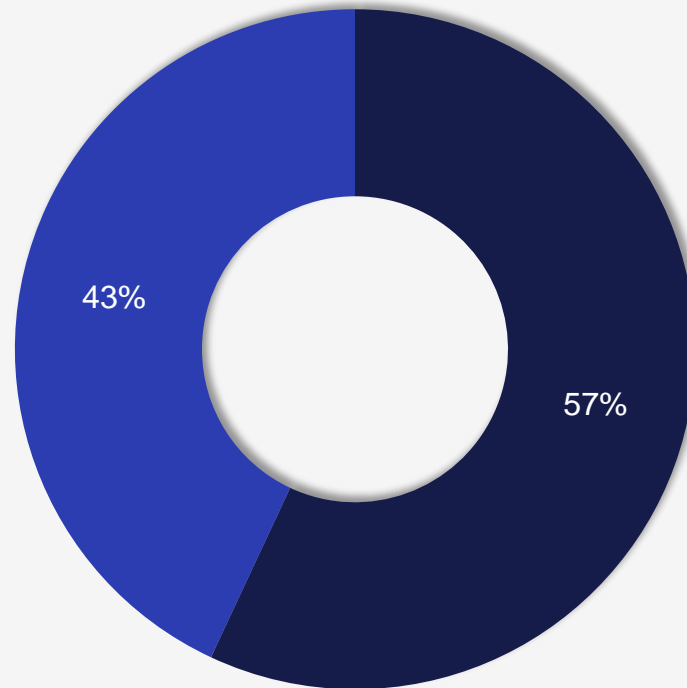


# Staying on the Sidelines?

Are you an active buyer or on the sidelines?

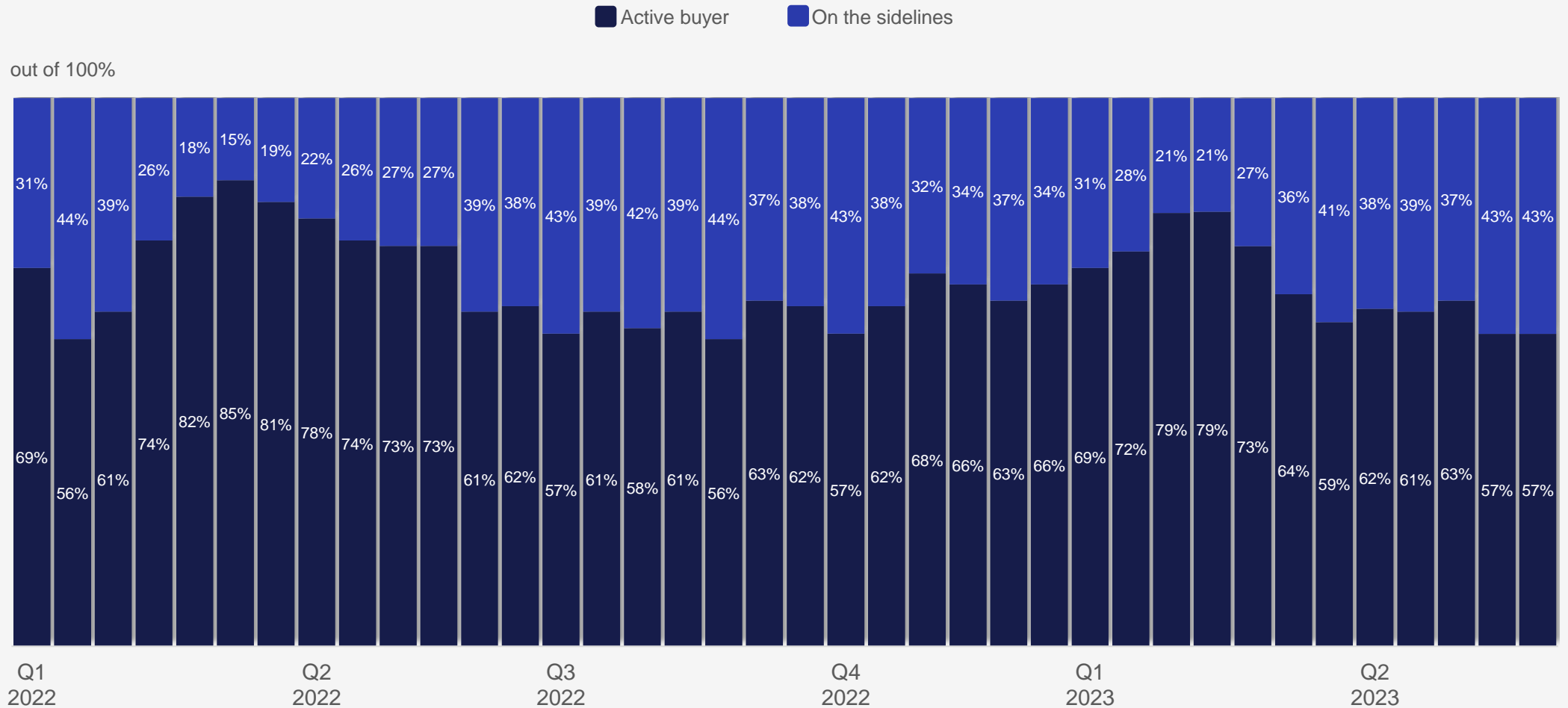
■ Active buyer   ■ On the sidelines

June 7, 2023



# Staying on the Sidelines?

Are you an active buyer or on the sidelines?

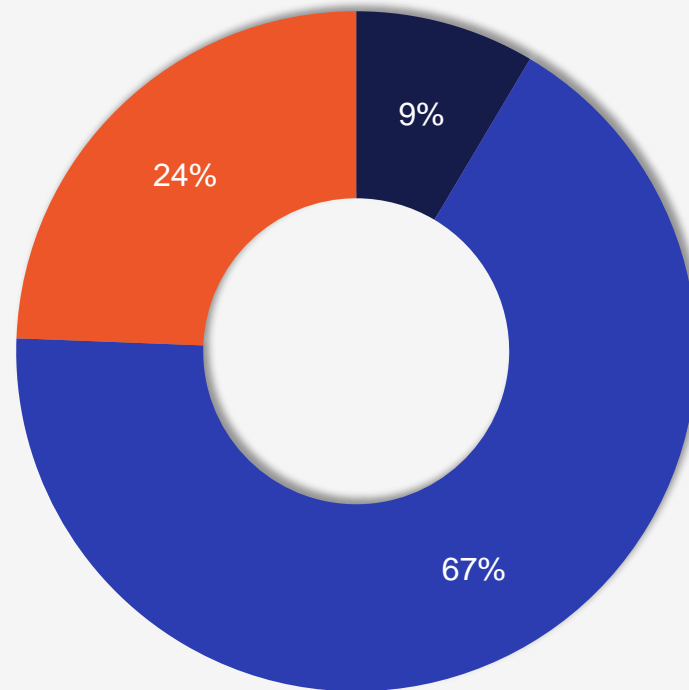


# Overall Demand

How is demand for your products?

■ Improving   ■ Stable   ■ Declining

June 7, 2023

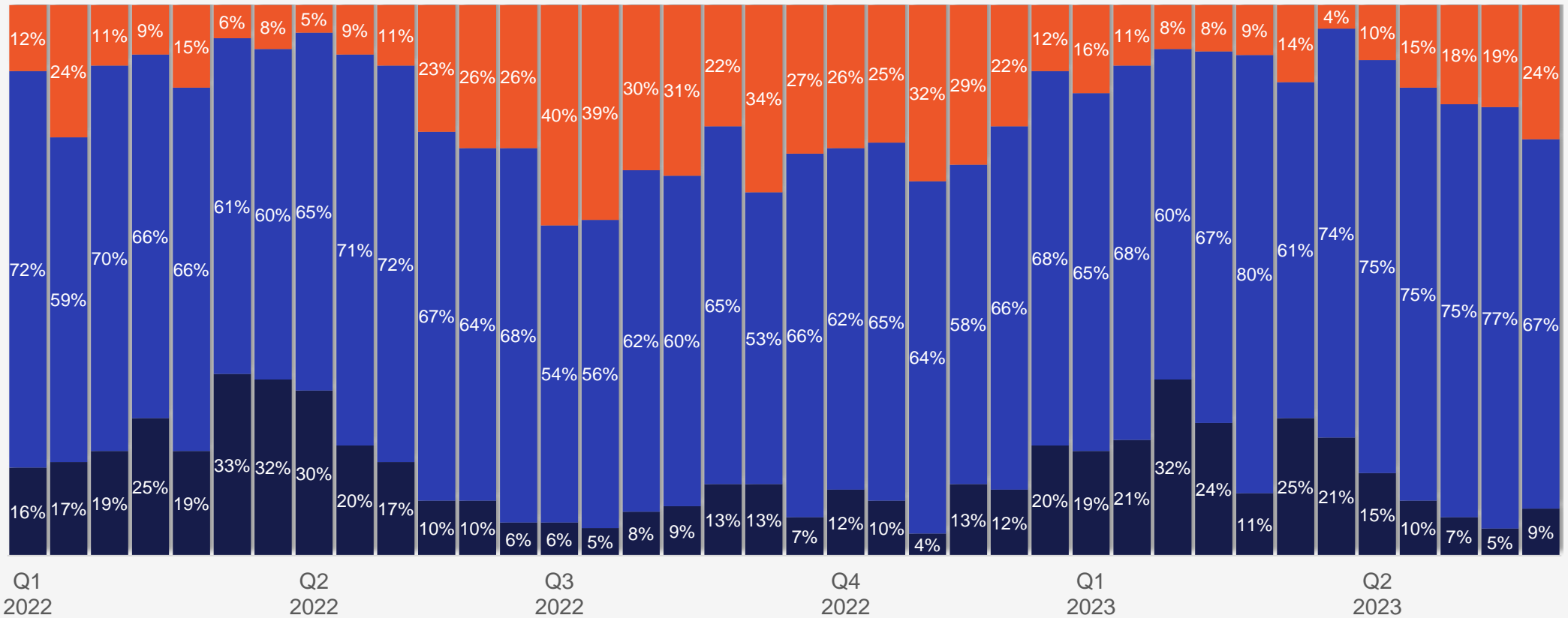


# Overall Demand History

How is demand for your products?

■ Improving 
 ■ Stable 
 ■ Declining

out of 100%





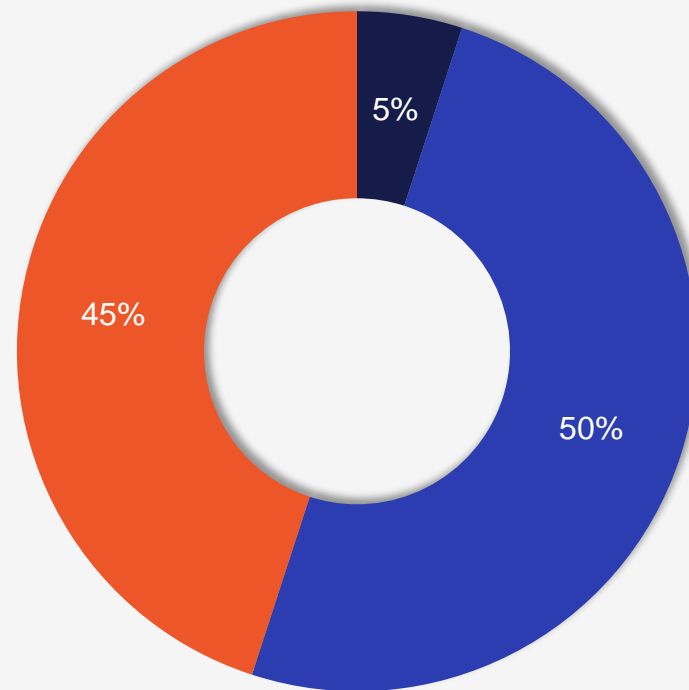
# Manufacturer Purchases

## Manufacturers

Is your company buying more, less, or the same amount of flat-rolled steel compared to one year ago?

More Same Less

June 7, 2023



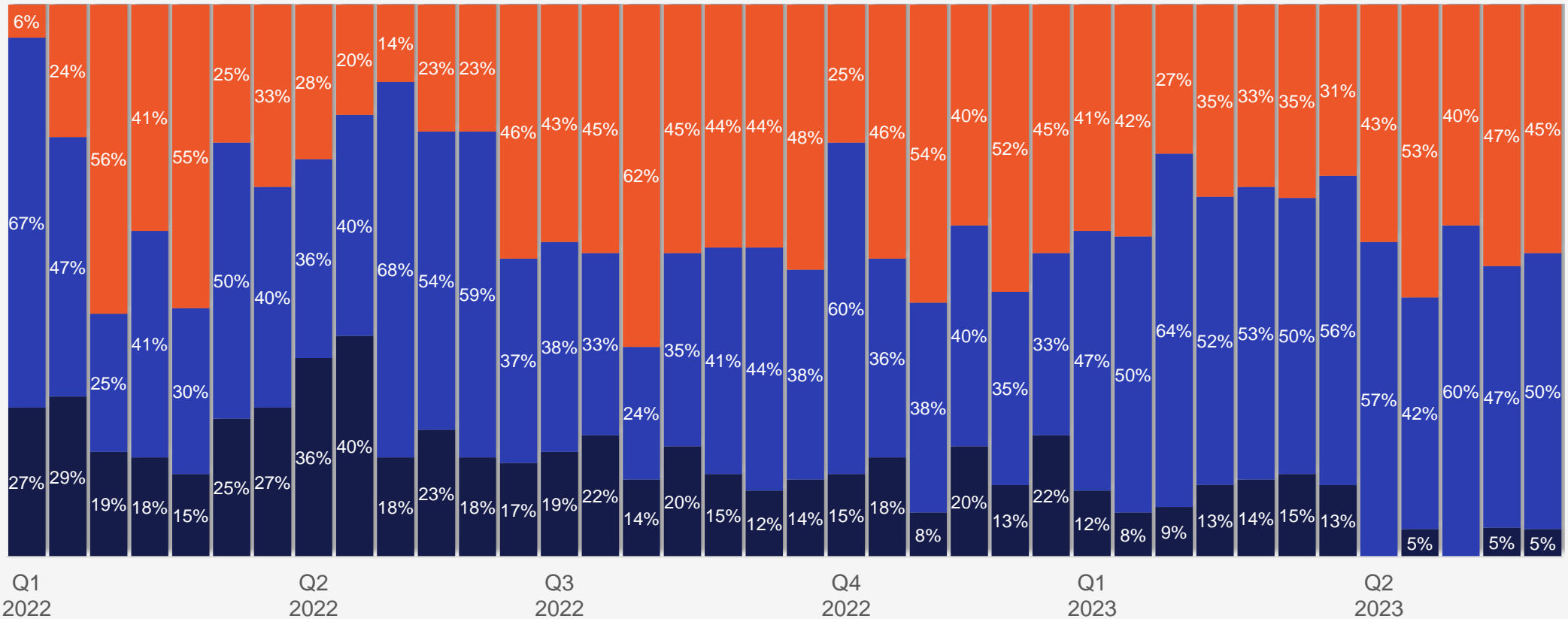
# History of Manufacturer Purchases

## Manufacturers

Is your company buying more, less, or the same amount of flat-rolled steel compared to one year ago?

More Same Less

out of 100%



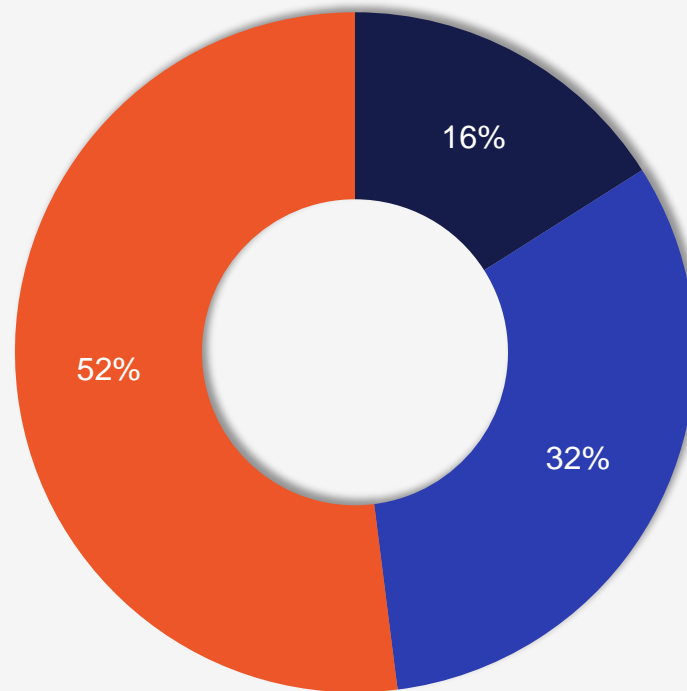
# Service Center Releases

## Service Centers

How do you see your customer releases (demand) for your products compared to one year ago?

■ Releasing more steel   ■ Releasing the same amount of steel   ■ Releasing less steel

June 7, 2023



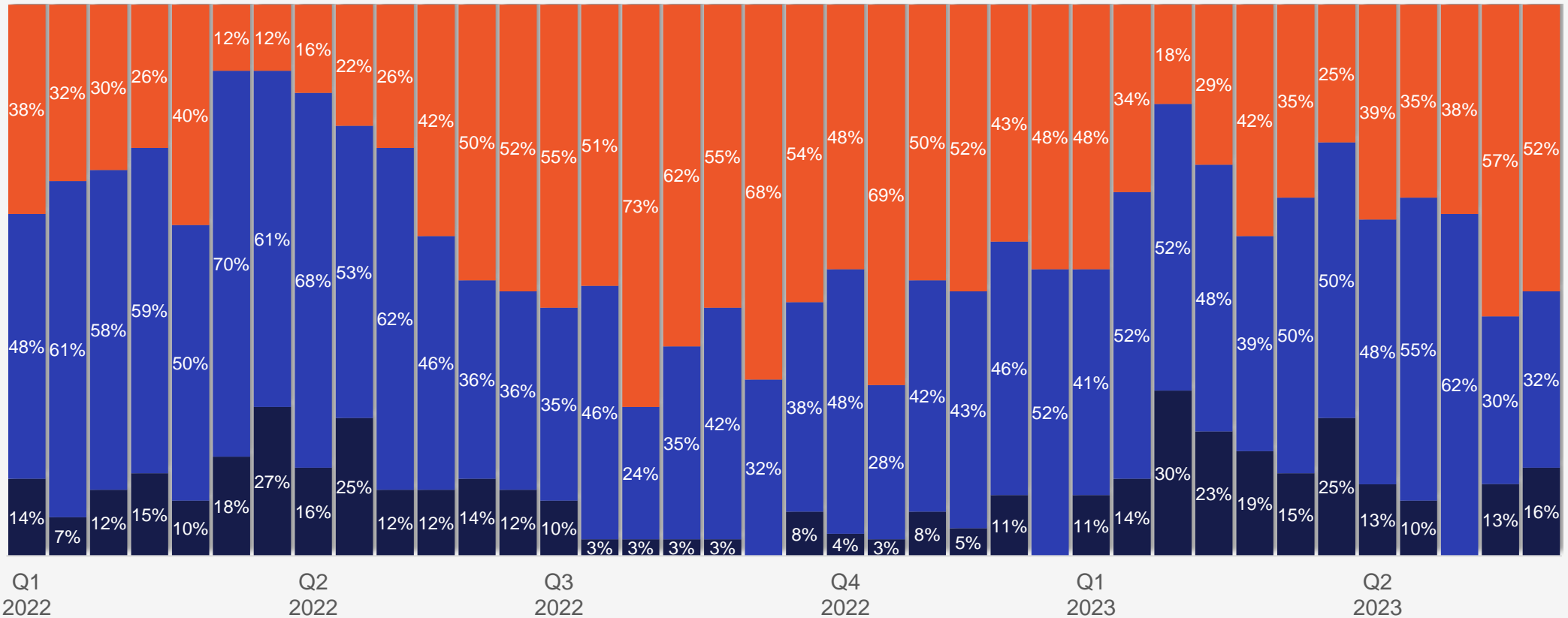
# Service Center Release History

## Service Centers

How do you see your customer releases (demand) for your products compared to one year ago?

■ Releasing more steel    
 ■ Releasing the same amount of steel    
 ■ Releasing less steel

out of 100%



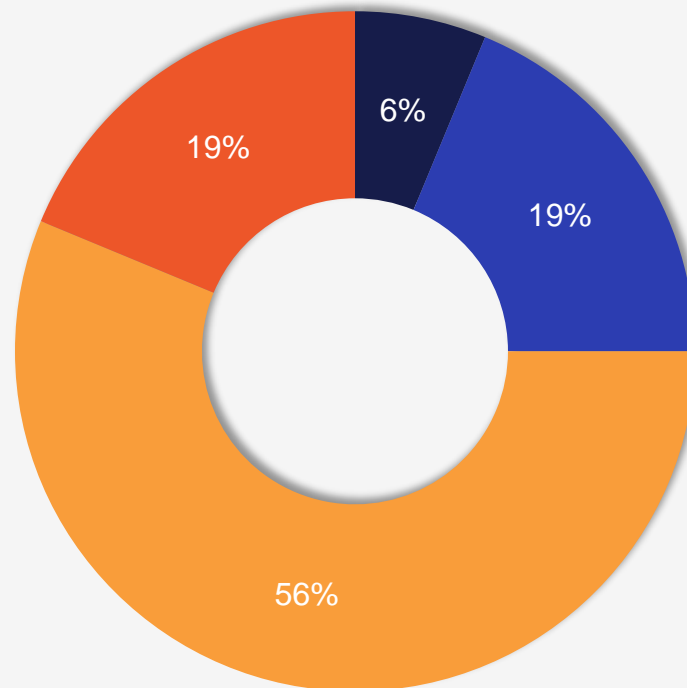
# Manufacturer Demand

## Manufacturers

Demand for your products will \_\_\_\_\_ over the next 3 months based on current order flows.

■ Increase substantially   ■ Increase marginally   ■ Remain the same   ■ Decline marginally   ■ Decline substantially

June 7, 2023



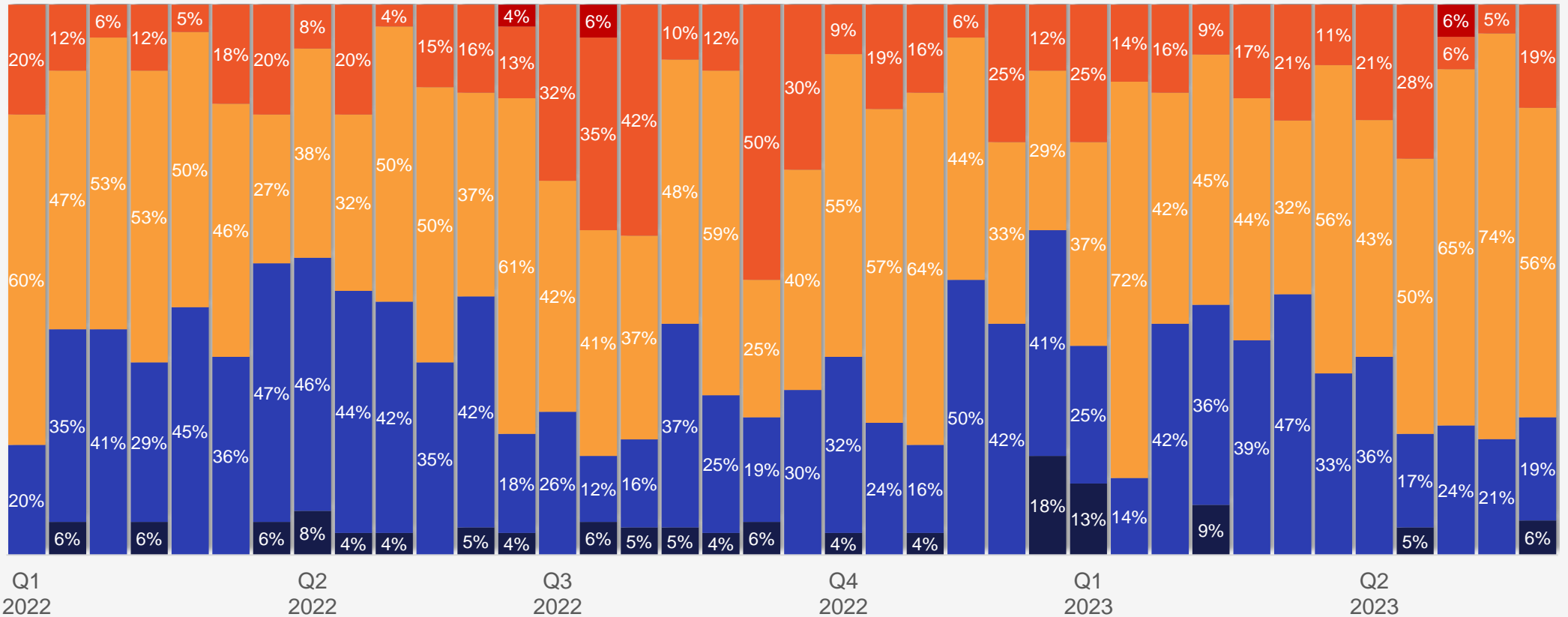
# Manufacturer Demand History

## Manufacturers

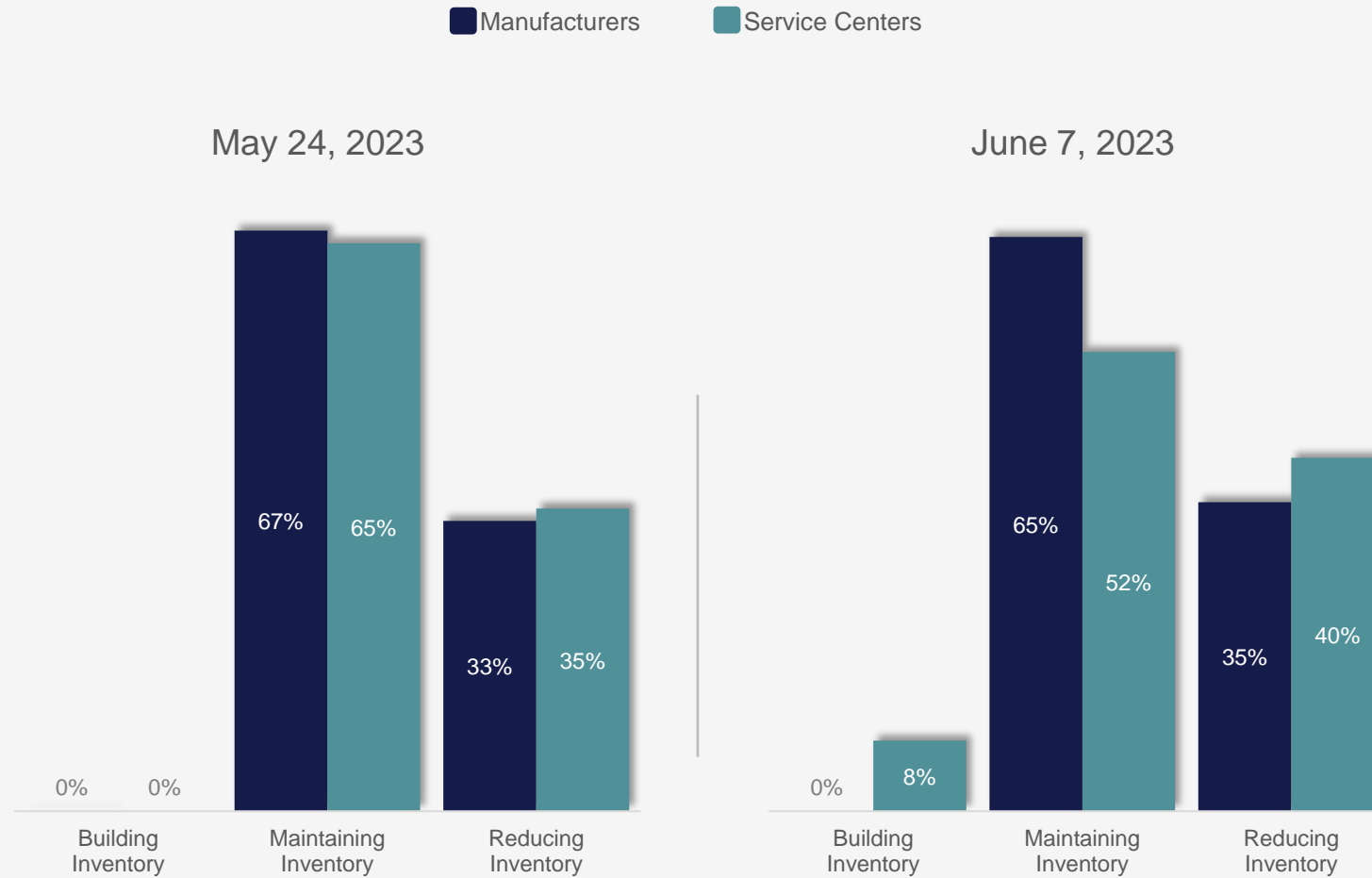
Demand for your products will \_\_\_\_\_ over the next 3 months based on current order flows.

Increase substantially
  Increase marginally
  Remain the same
  Decline marginally
  Decline substantially

out of 100%



# Manufacturer and Service Center Inventory Buying Patterns



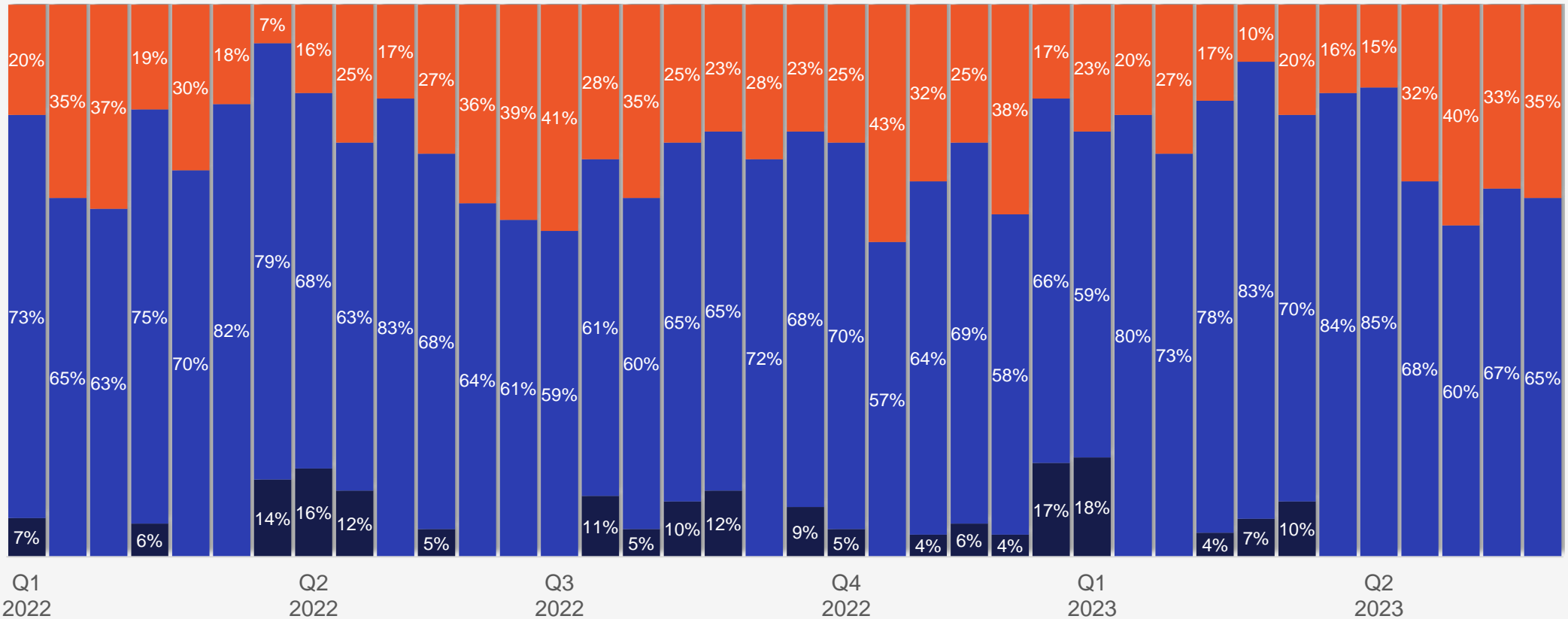
# Manufacturer Inventory Buying History

## Manufacturers

Is your company building, reducing, or maintaining its flat-rolled steel inventory?

■ Building inventory    
 ■ Maintaining inventory    
 ■ Reducing inventory

out of 100%





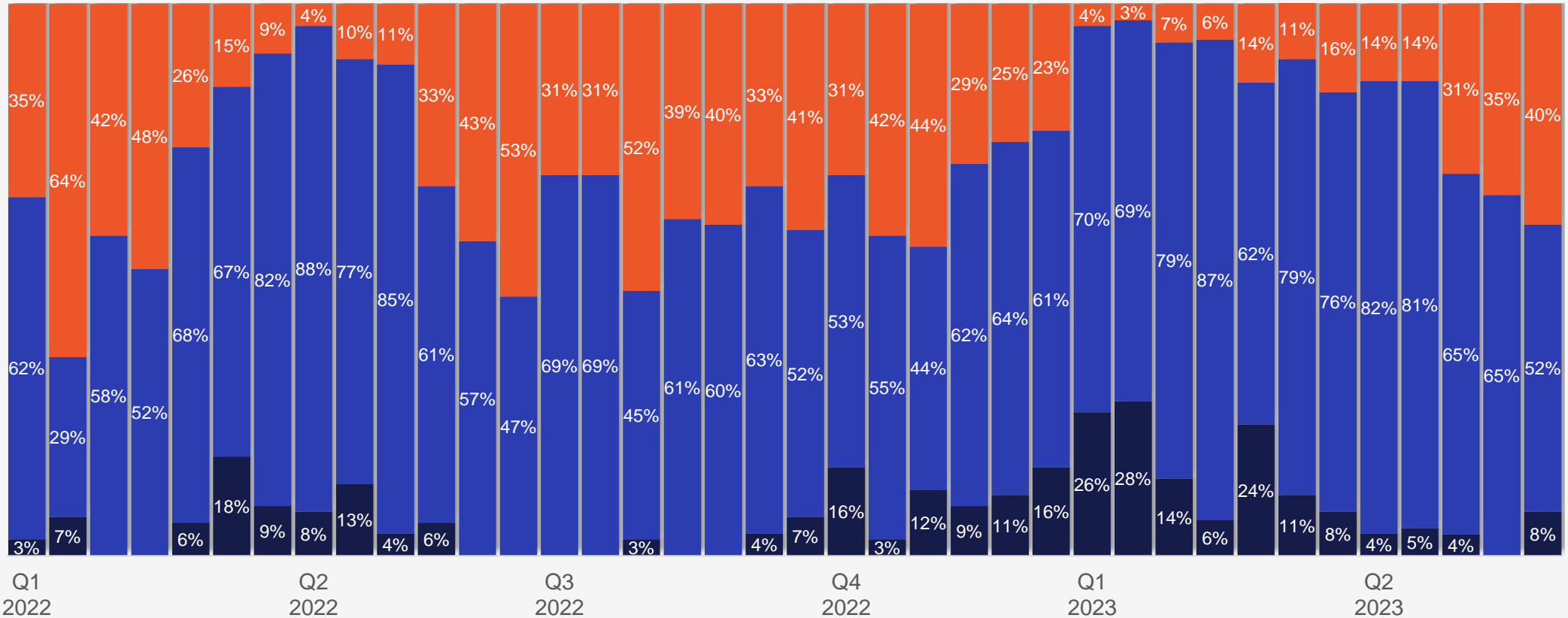
# Service Center Inventory Buying History

## Service Centers

Is your company building, reducing, or maintaining its flat-rolled steel inventory?

■ Building inventory    
 ■ Maintaining inventory    
 ■ Reducing inventory

out of 100%



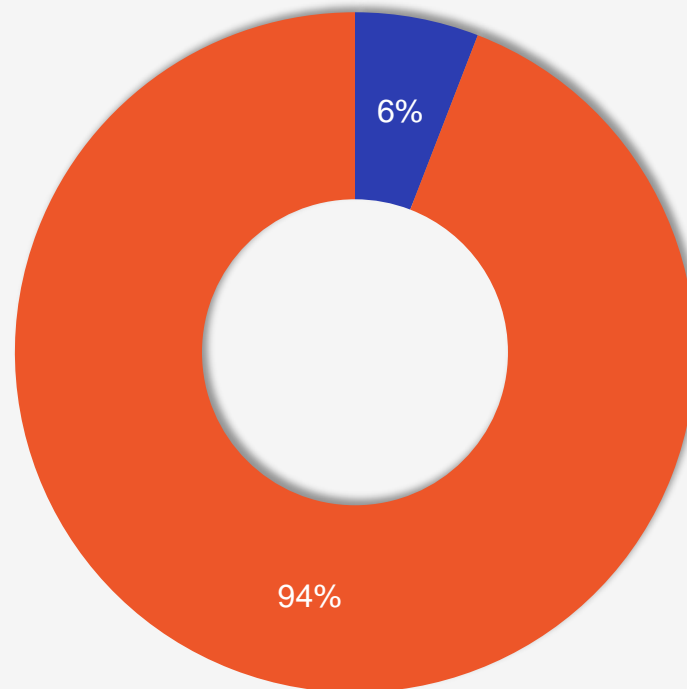
# Manufacturers' View of Service Center Selling Prices

## Manufacturers

Which comment do you feel is representative of service center pricing right now compared to two weeks ago?

We see prices increasing from our service centers    We see stable prices from our service centers    We see prices decreasing from our service centers

June 7, 2023



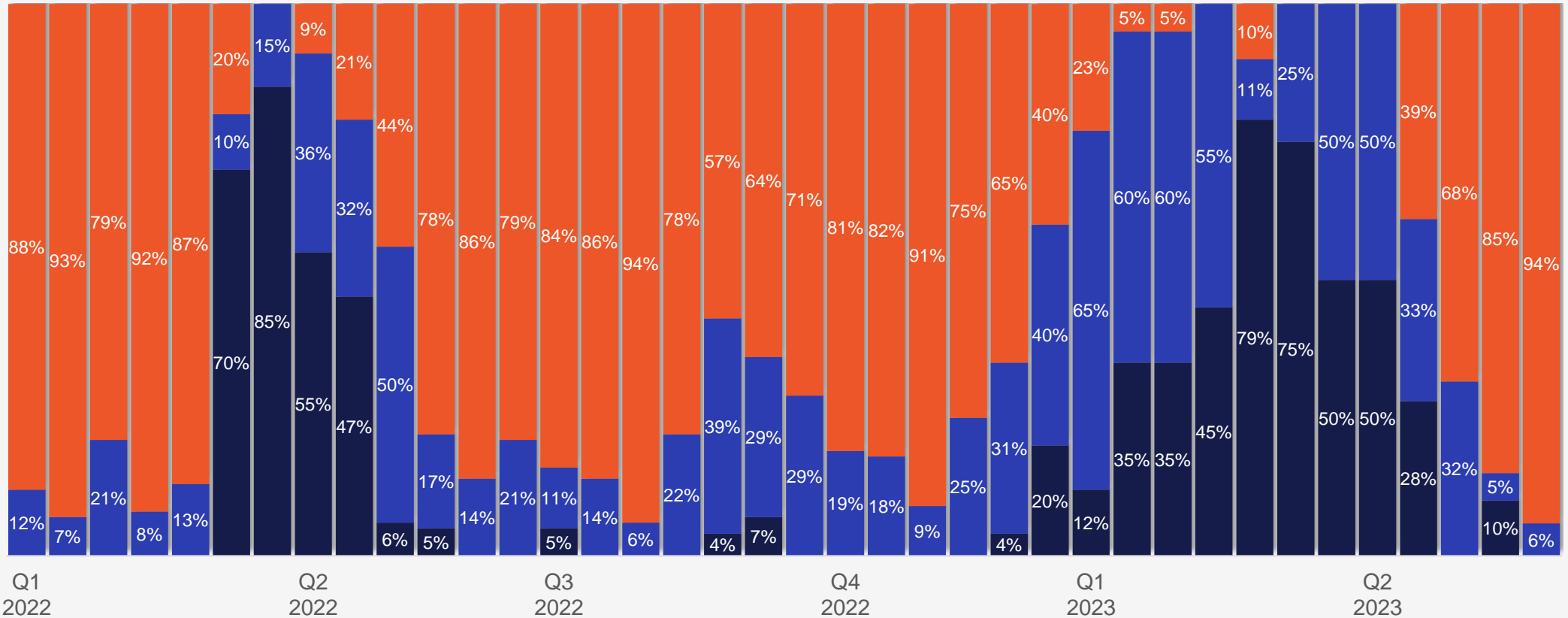
# Manufacturers' View of Service Center Selling Prices History

## Manufacturers

Which comment do you feel is representative of service center pricing right now compared to two weeks ago?

■ We see prices increasing from our service centers  
 ■ We see stable prices from our service centers  
 ■ We see prices decreasing from our service centers

out of 100%



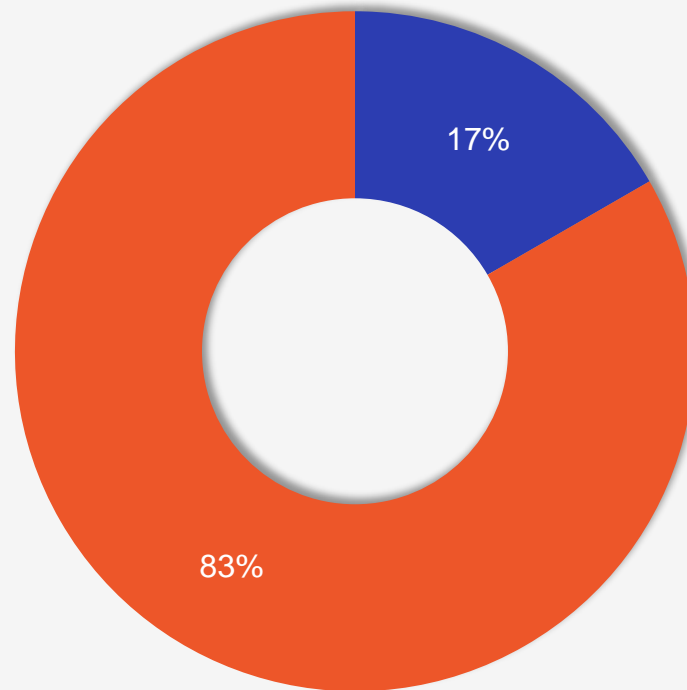
# Service Center View of Selling Prices

## Service Centers

Compared to two weeks ago, how is your company handling spot pricing to your customers?

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

June 7, 2023



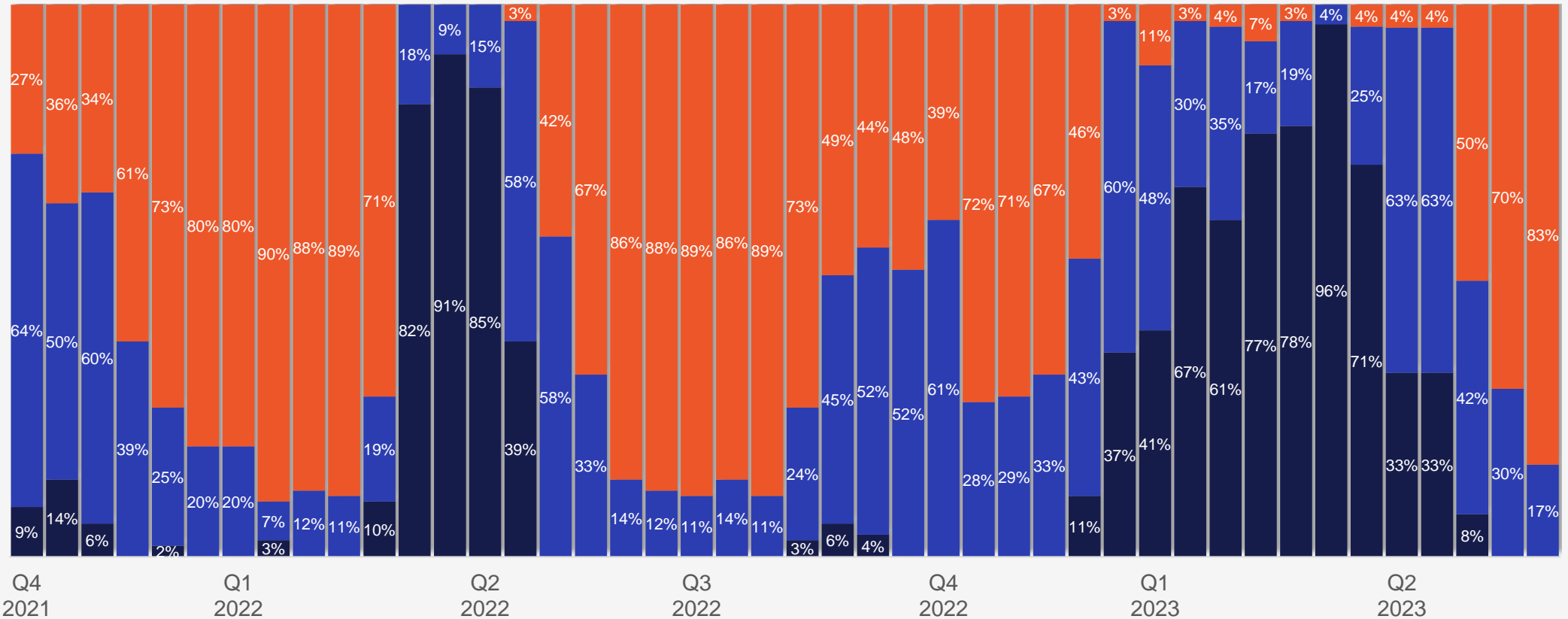
# Service Center View of Selling Prices

## Service Centers

Compared to two weeks ago, how is your company handling spot pricing to your customers?

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

out of 100%



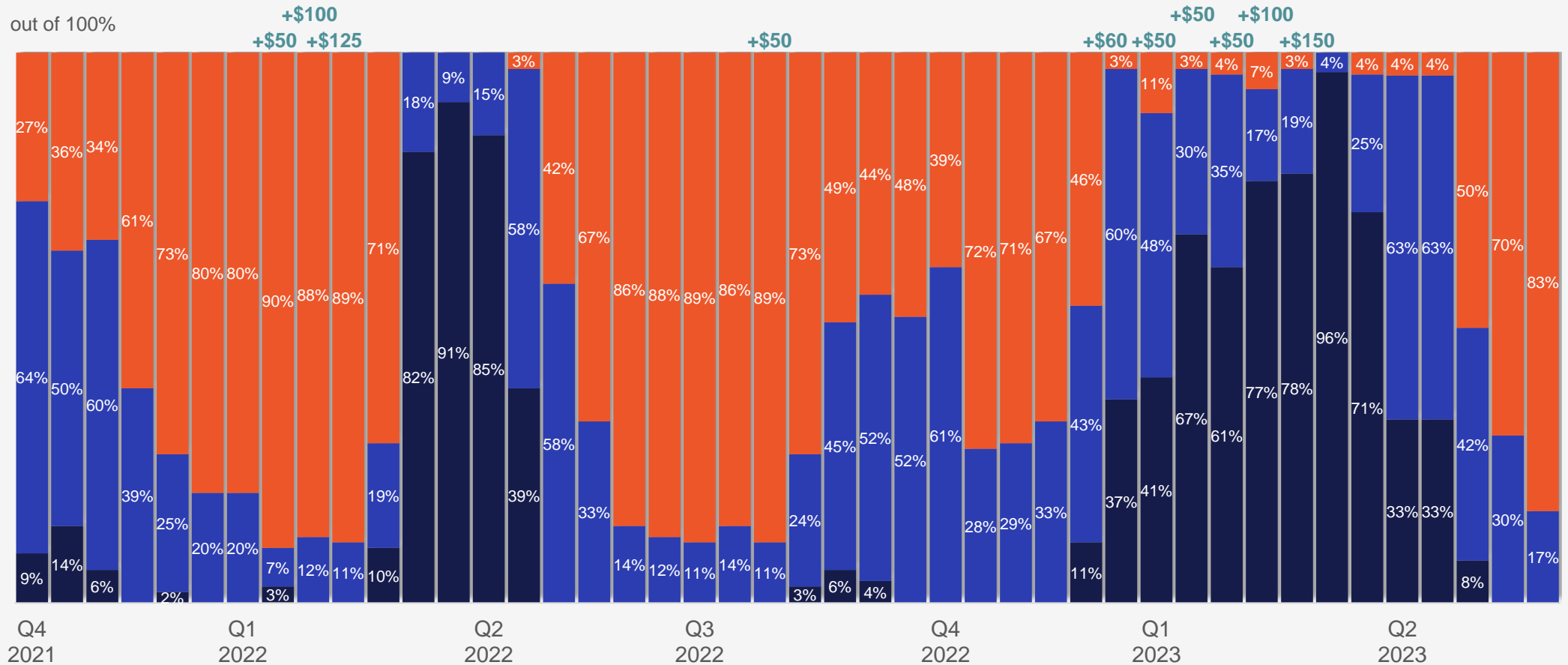
# Service Center View of Selling Prices

## Service Centers

Compared to two weeks ago, how is your company handling spot pricing to your customers?

Historical Nucor flat rolled price increase announcements out of 100%

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



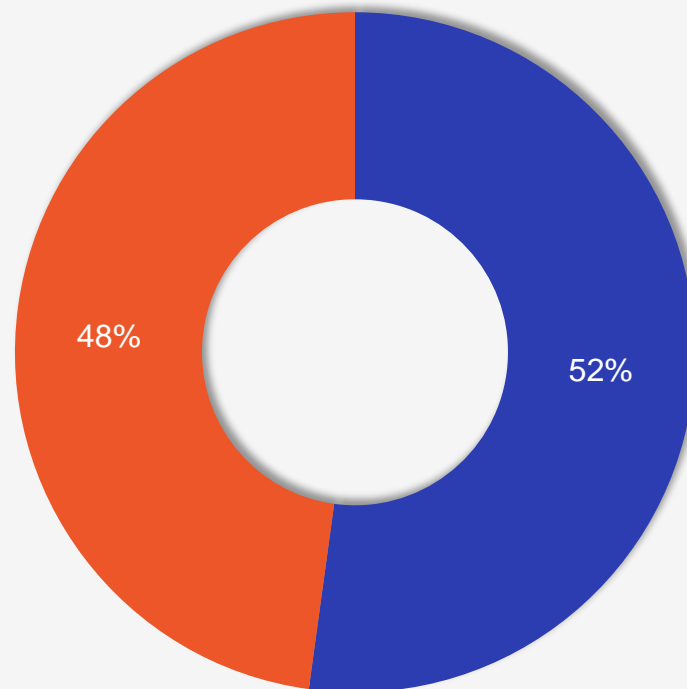
# Service Centers on Manufacturer Orders

## Service Centers

Are your manufacturing customers increasing orders, keeping them the same or reducing orders?

■ Our mfg. customers are increasing orders   ■ Our mfg. customers are maintaining orders   ■ Our mfg. customers are reducing orders

June 7, 2023



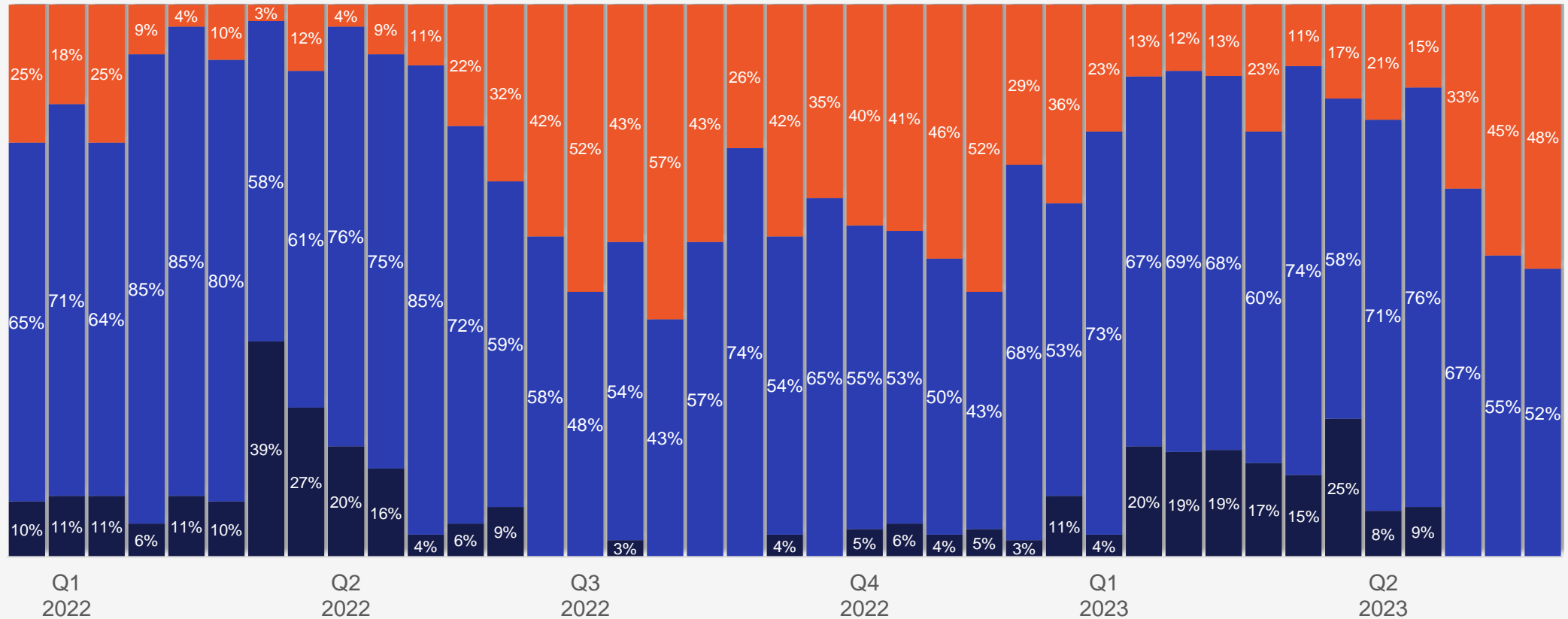
# Service Centers on Manufacturer Orders History

## Service Centers

Are your manufacturing customers increasing orders, keeping them the same, or reducing orders?

■ Our mfg. customers are increasing orders    
 ■ Our mfg. customers are maintaining orders    
 ■ Our mfg. customers are reducing orders

out of 100%



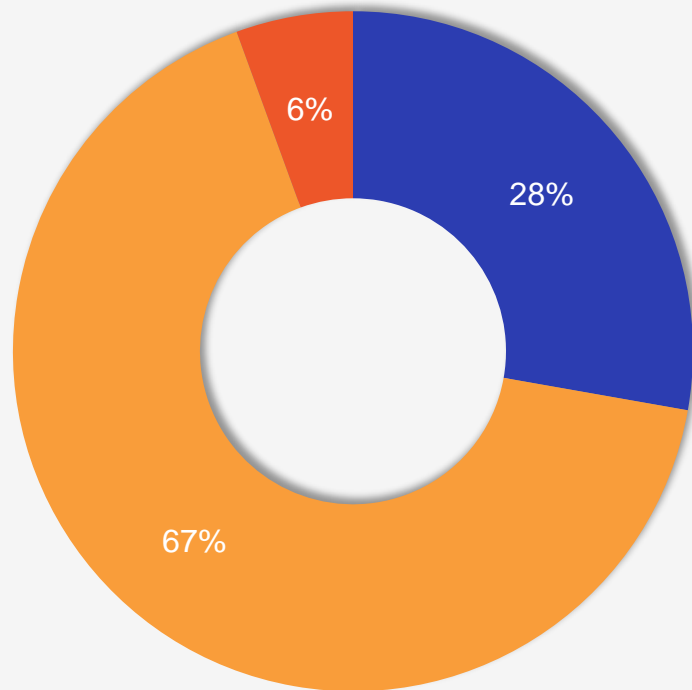


# Mill Lead Times History

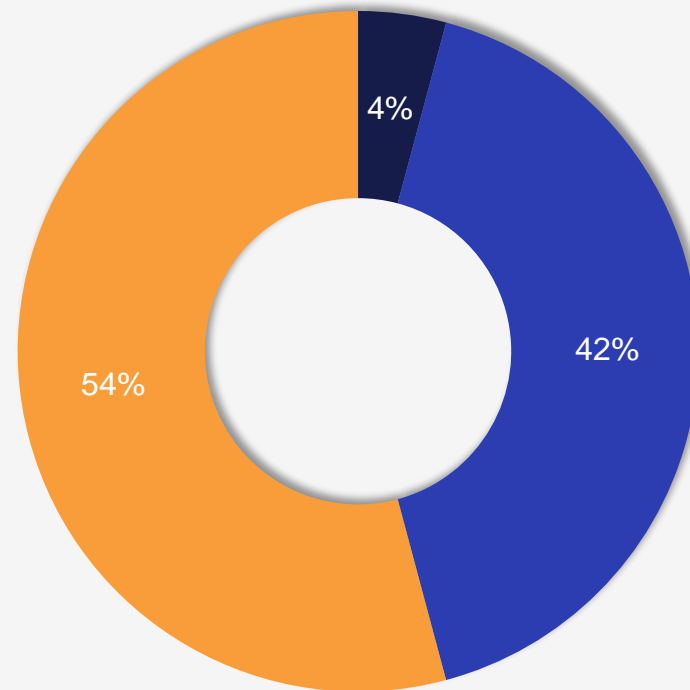
How would you describe domestic mill lead times for new orders placed right now?

Extremely short
  Shorter than normal
  Normal
  Slightly longer than normal
  Highly extended

Manufacturers



Service Centers



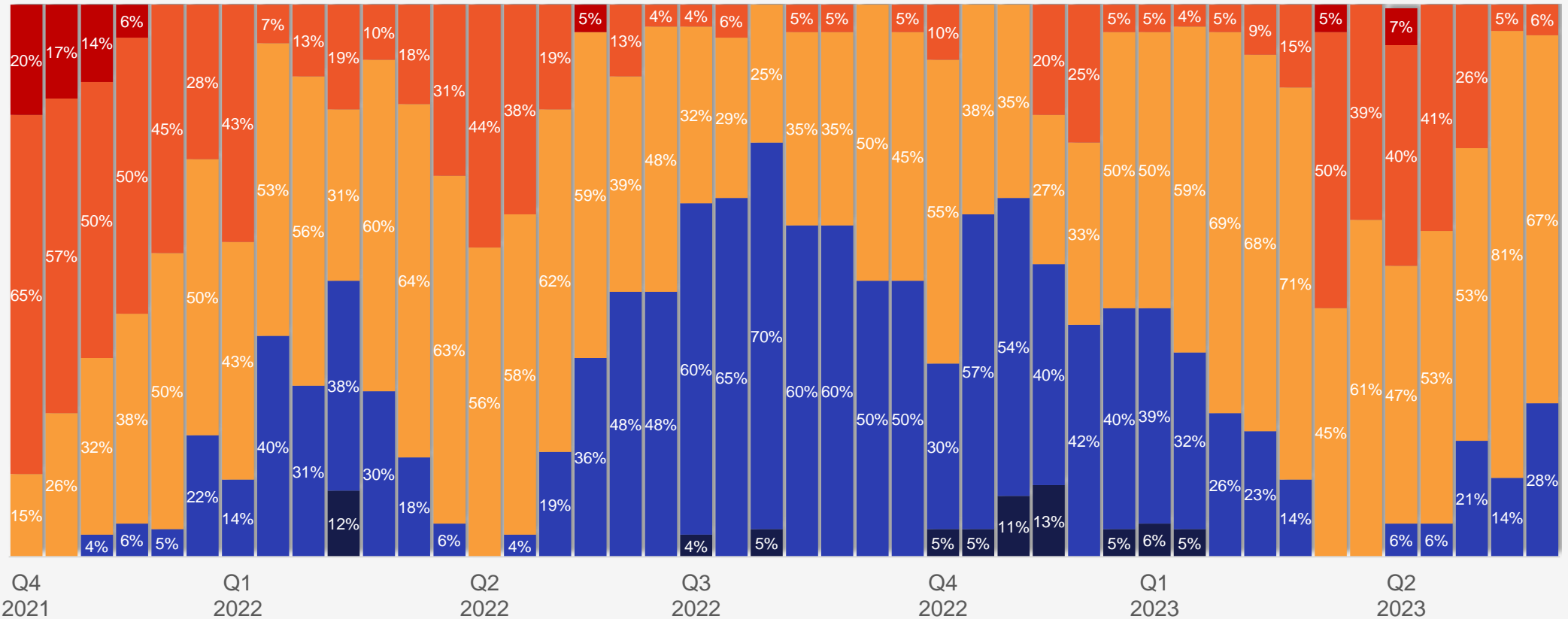
# Mill Lead Times History

## Manufacturers

How would you describe domestic mill lead times for new orders placed right now?

■ Extremely short   
 ■ Shorter than normal   
 ■ Normal   
 ■ Slightly longer than normal   
 ■ Highly extended

out of 100%



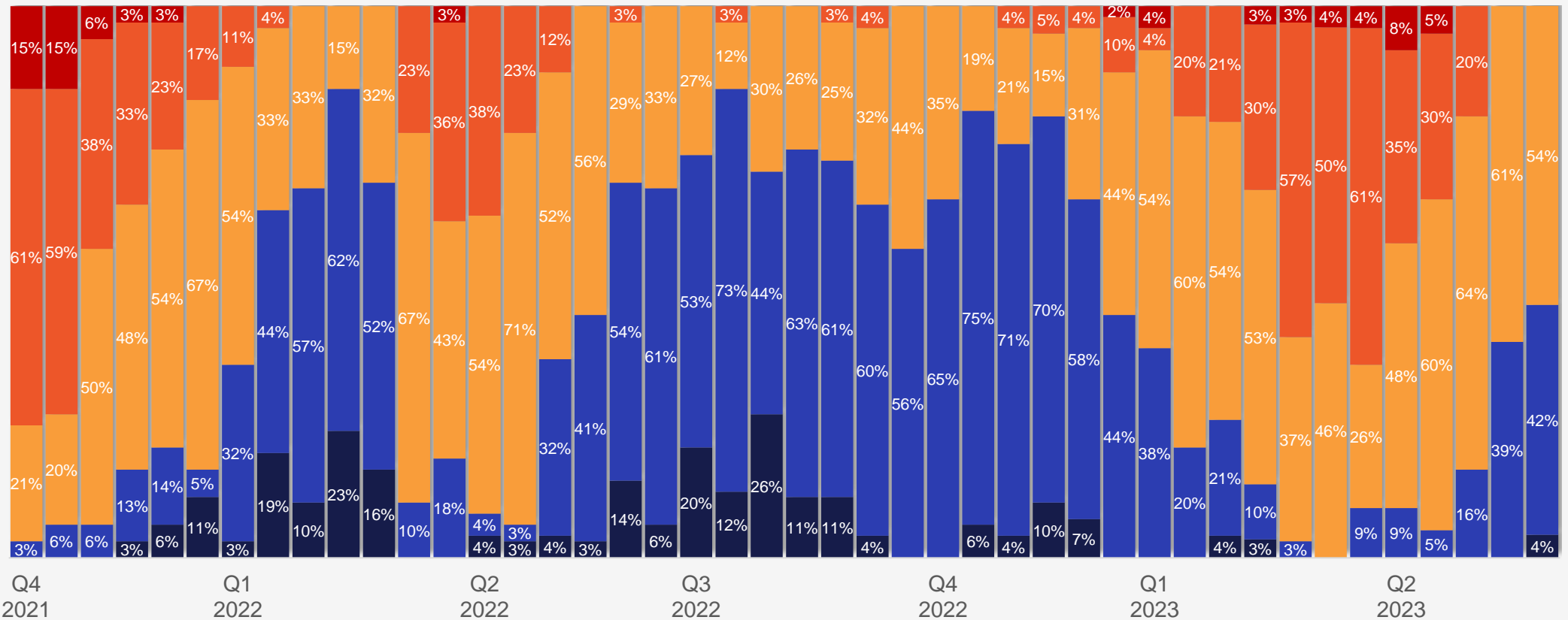
# Mill Lead Times History

## Service Centers

How would you describe domestic mill lead times for new orders placed right now?

■ Extremely short   
 ■ Shorter than normal   
 ■ Normal   
 ■ Slightly longer than normal   
 ■ Highly extended

out of 100%

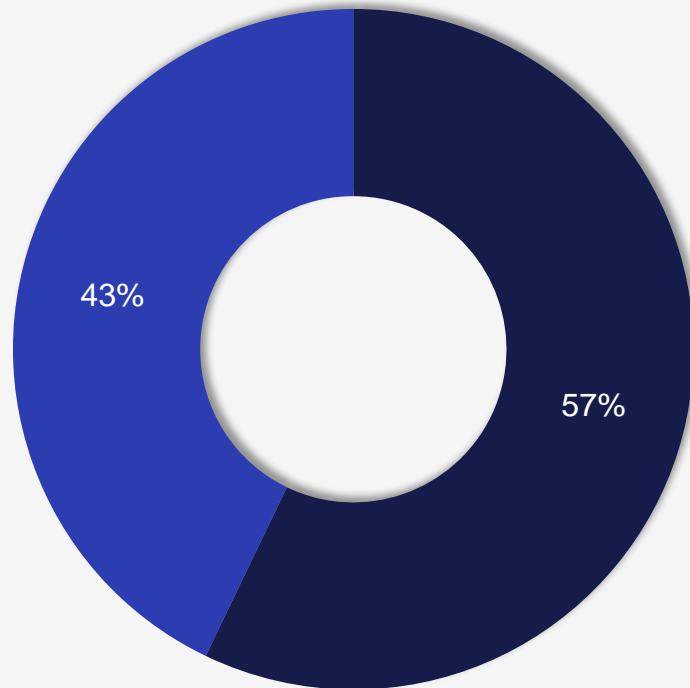


# Foreign Steel Purchases

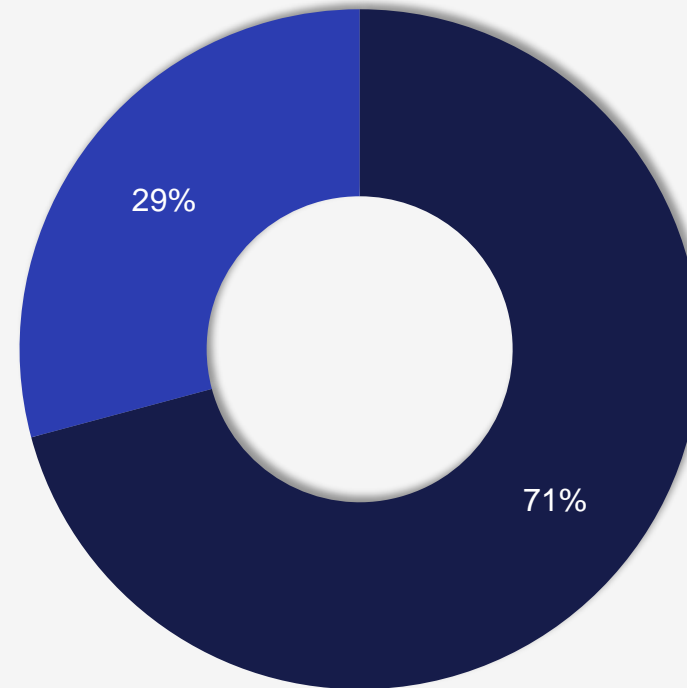
Does your company buy foreign (offshore) steel?

■ Yes   ■ No

Manufacturers



Service Centers

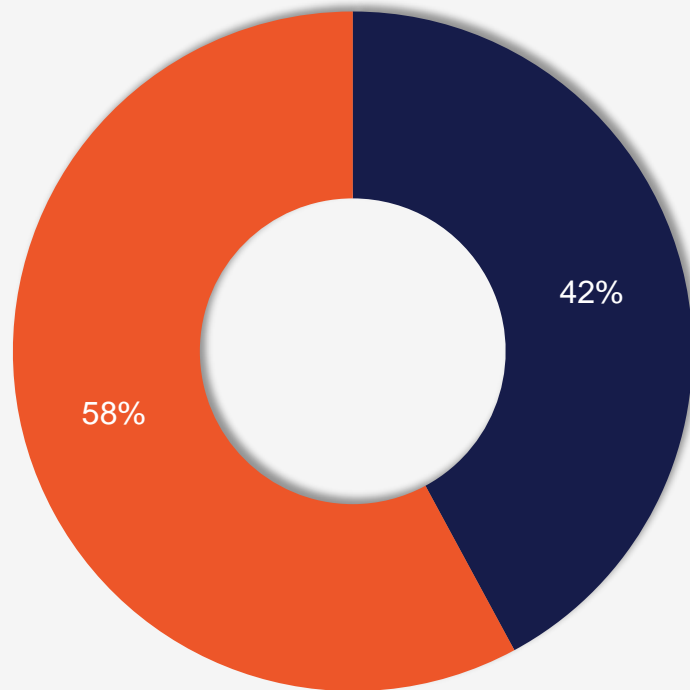


# New Foreign Steel Orders

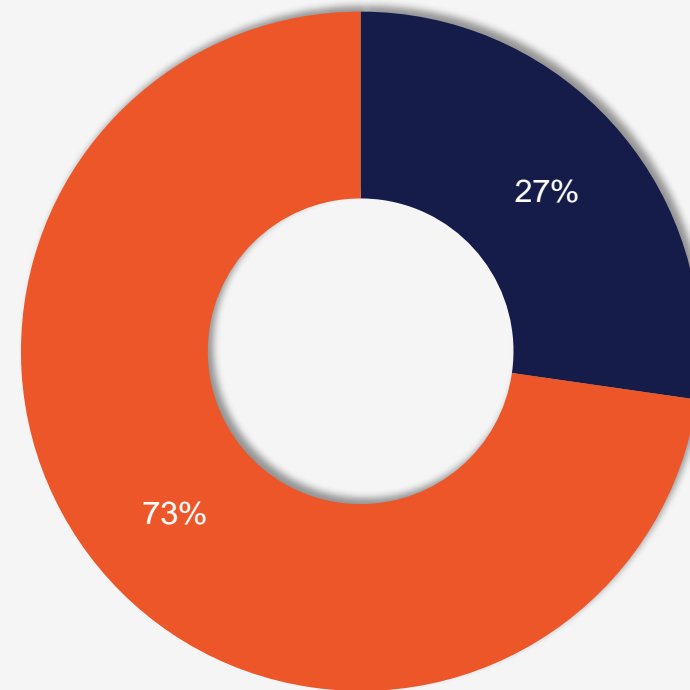
Are you buying new orders of foreign steel for future delivery?

■ Yes ■ No

Manufacturers



Service Centers

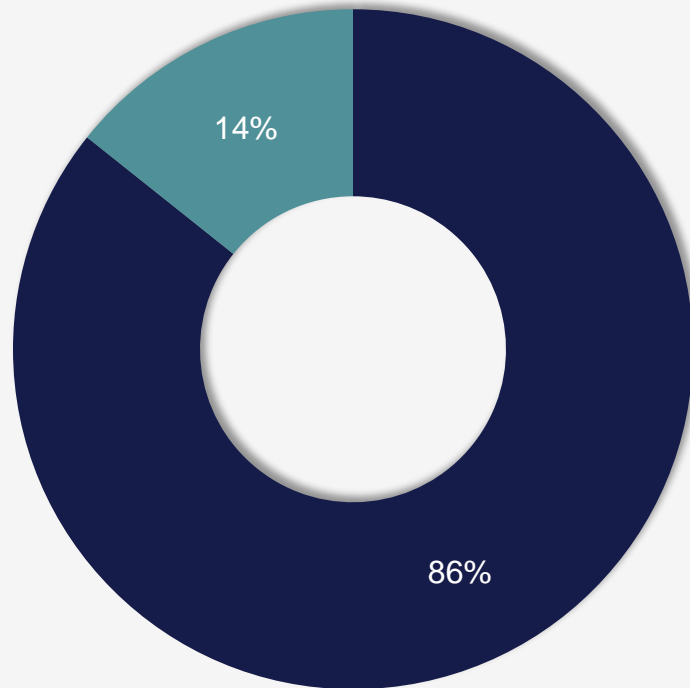


# Foreign Steel Competitiveness

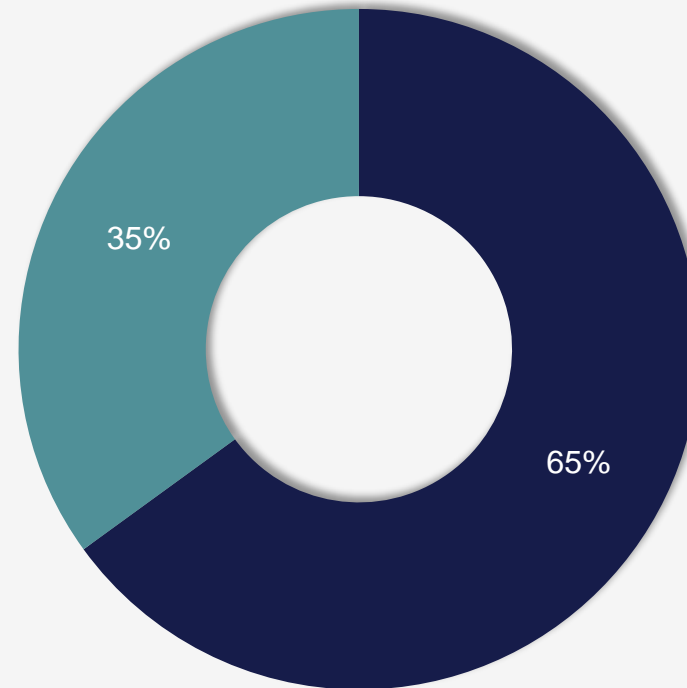
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

■ Yes ■ No

Manufacturers



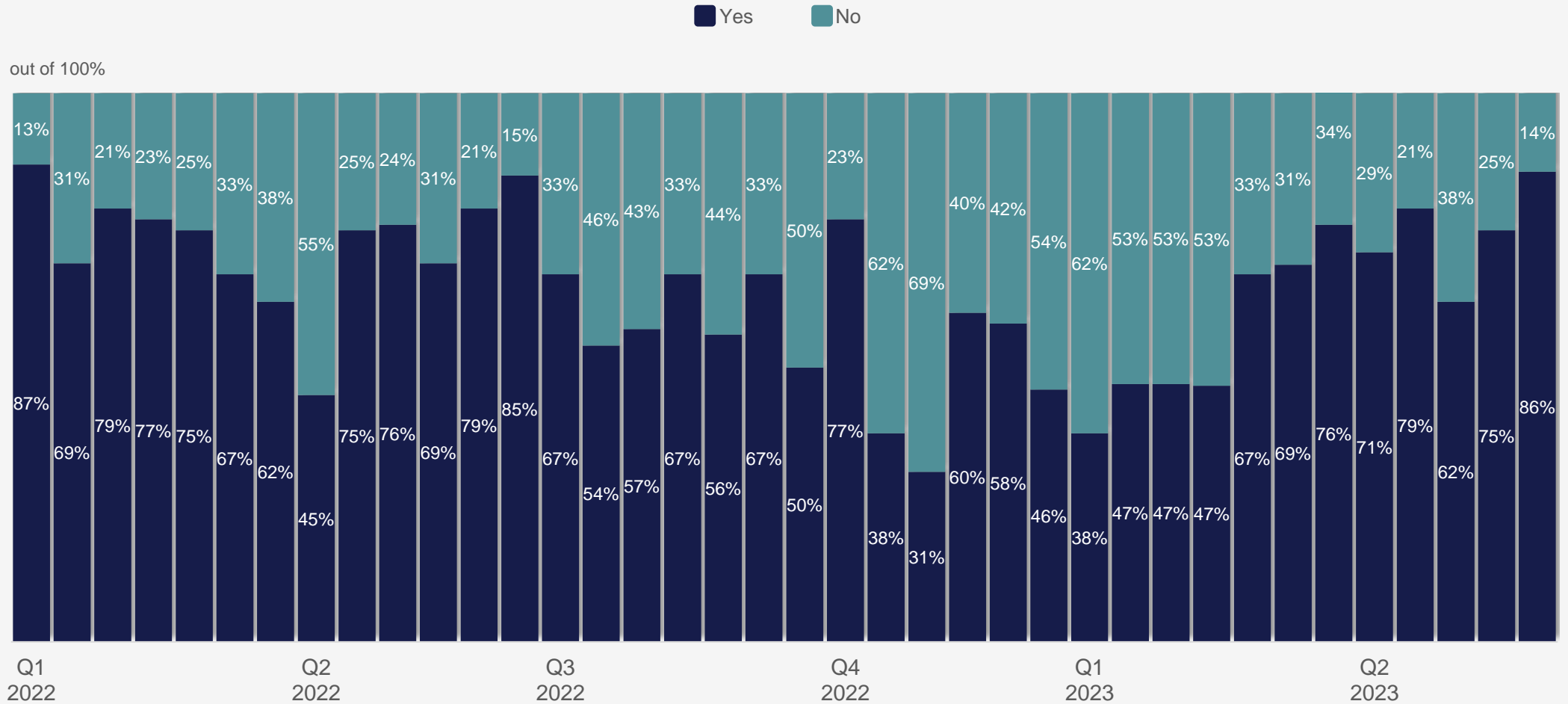
Service Centers



# Foreign Steel Competitiveness History

## Manufacturers

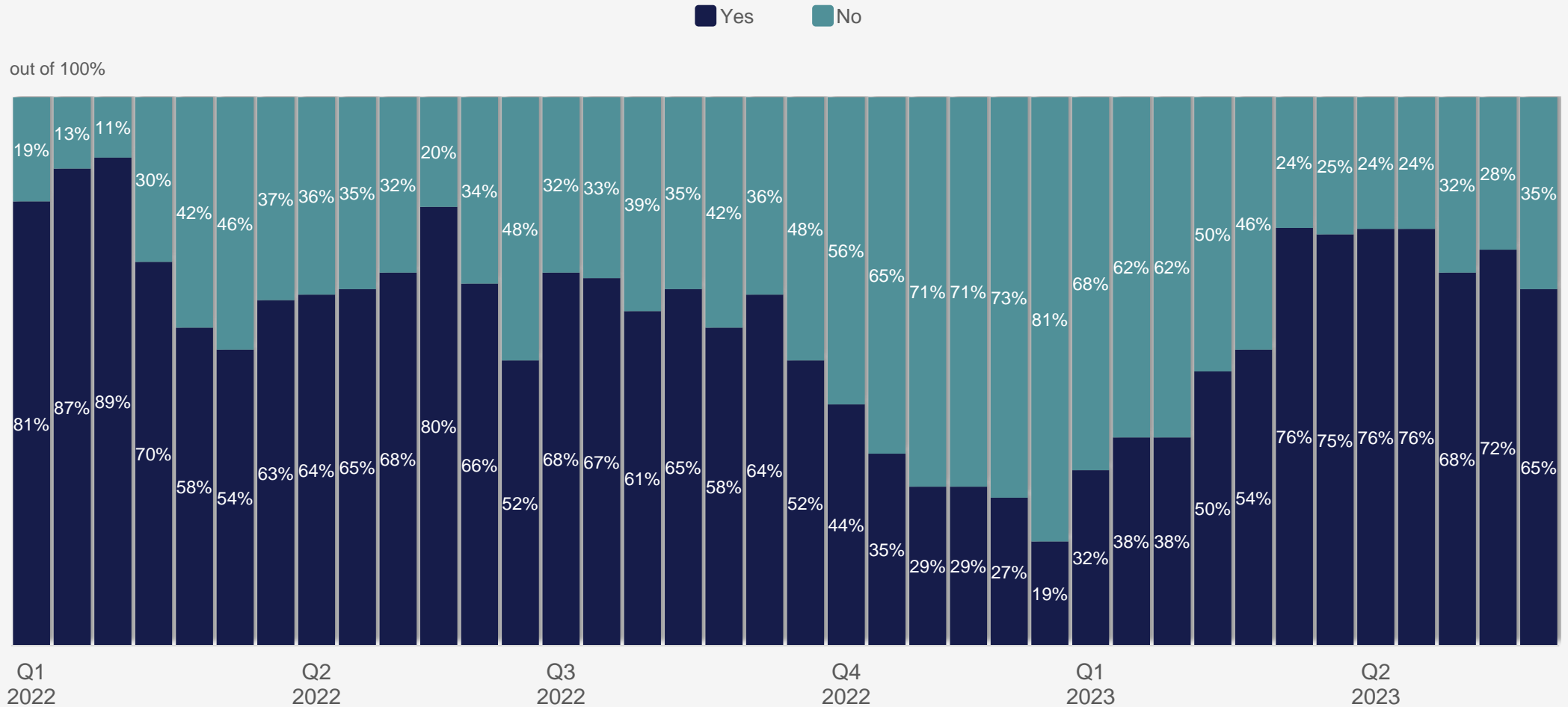
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?



# Foreign Steel Competitiveness History

## Service Centers

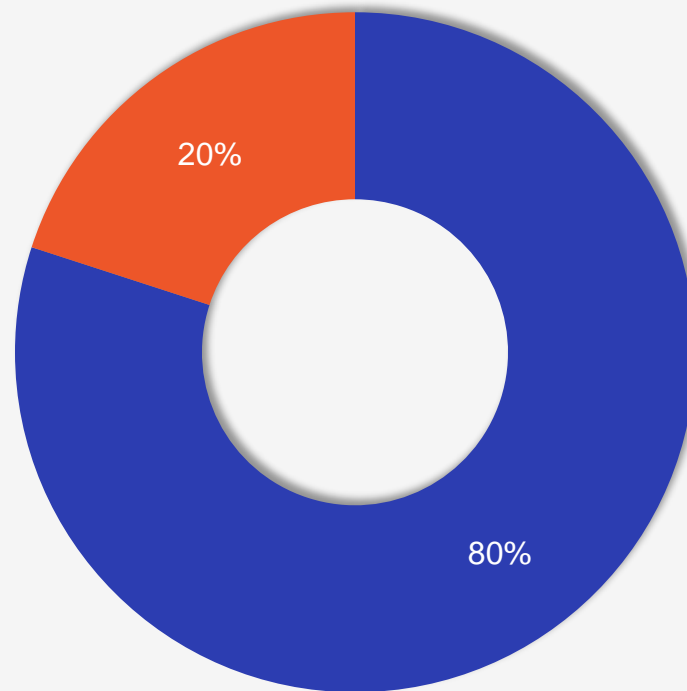
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?





The current order book at your mill is better or worse than last month?\*

■ Better   ■ Same   ■ Worse

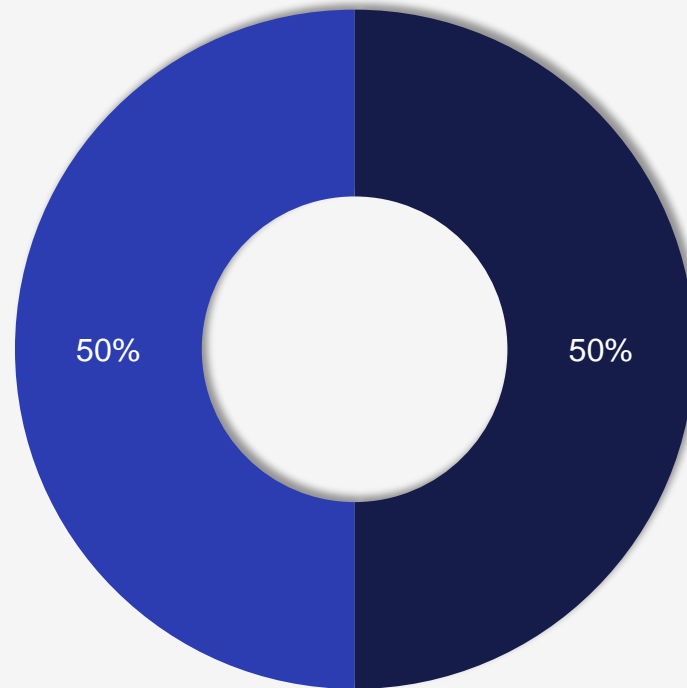


\*Limited number of responses to this question

# Trading Companies

Are you seeing an increase or decrease in orders from your North American buyers?\*

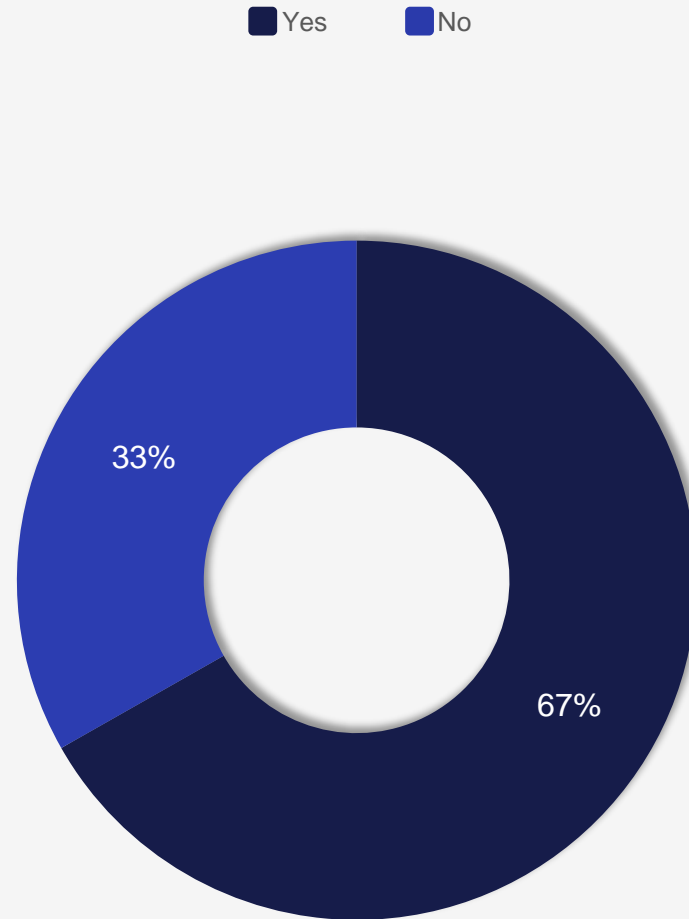
■ Increase   ■ Decrease



\*Limited number of responses to this question

# Trading Companies

Are foreign products attractive to US buyers?\*



\*Limited number of responses to this question

# Trading Companies on Hot Rolled and Cold Rolled

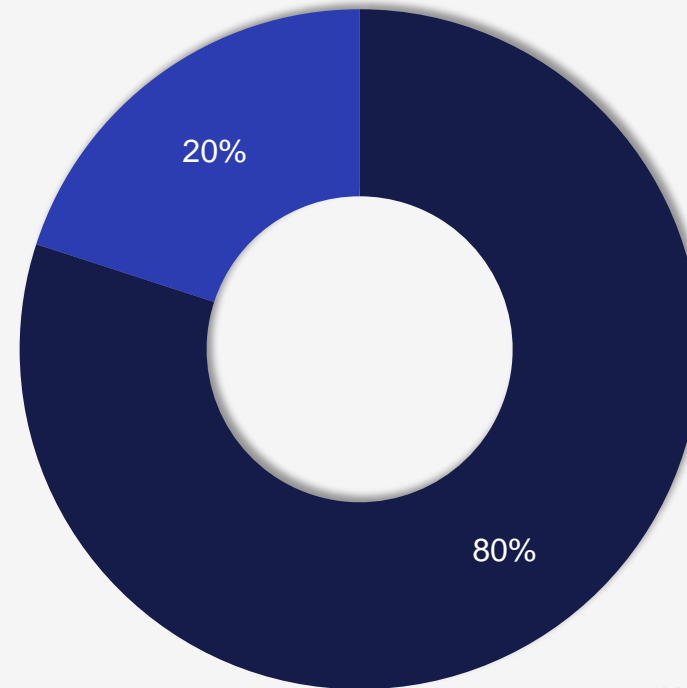
Are you able to offer pricing that attracts buyers right now?\*

■ Yes ■ No

Hot-rolled coil



Cold-rolled coil

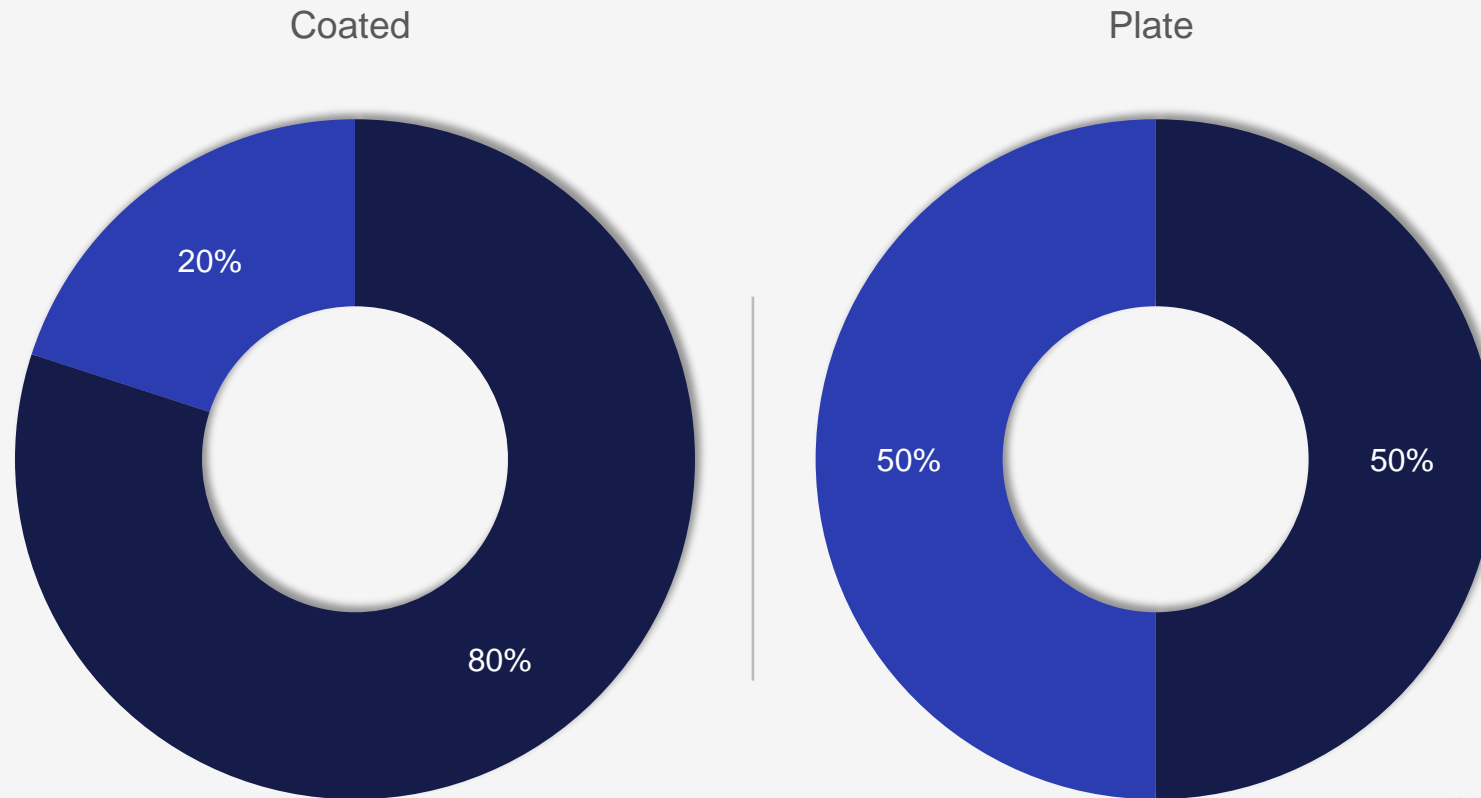


\*Limited number of responses to this question

# Trading Companies on Coated and Plate

Are you able to offer pricing that attracts buyers right now?\*

■ Yes ■ No

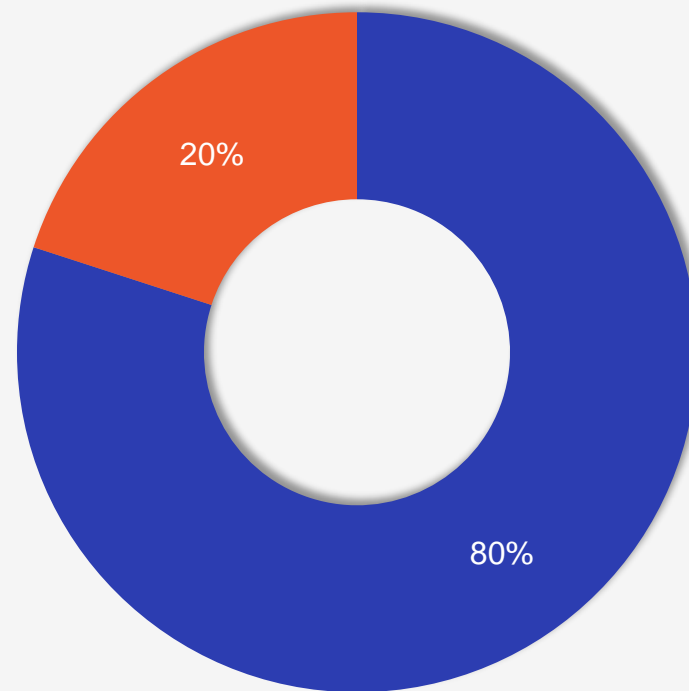


\*Limited number of responses to this question

# Steel Industry Suppliers

Has your business seen a change in demand this month compared to last month?\*

■ Yes, increase in demand   ■ No, steady demand   ■ Yes, decline in demand

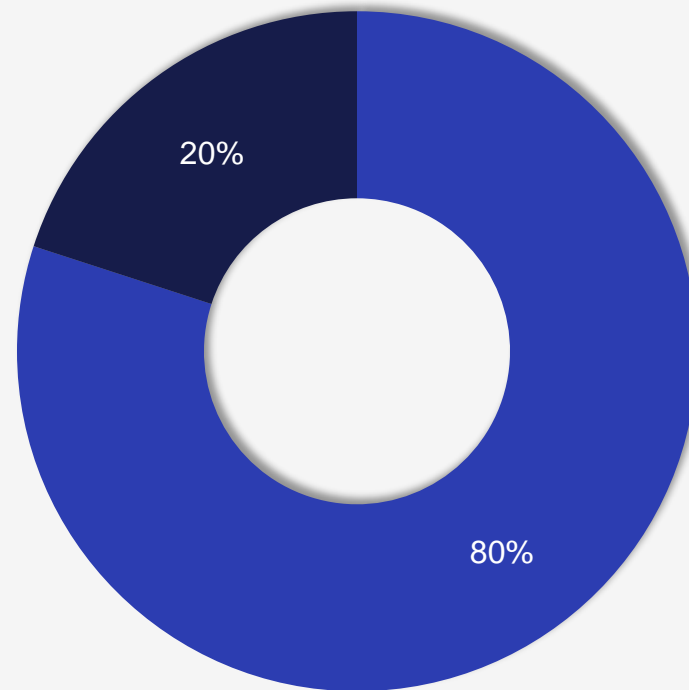


\*Limited number of responses to this question

# Steel Industry Suppliers

Will business levels be better, worse, or stable in the next 3-6 months?\*

■ Better   ■ Same   ■ Worse

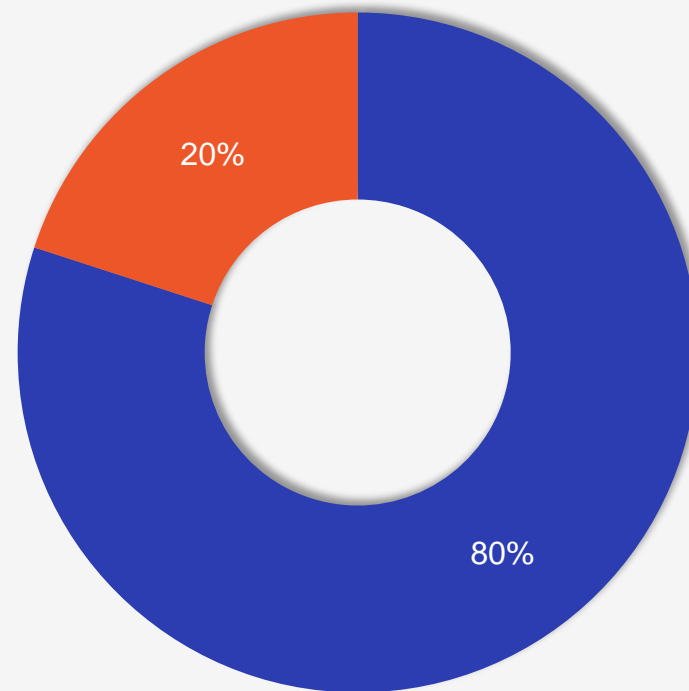


\*Limited number of responses to this question

# Steel Processors

Are business levels better, worse, or the same compared to last month?\*

■ Better   ■ Same   ■ Worse



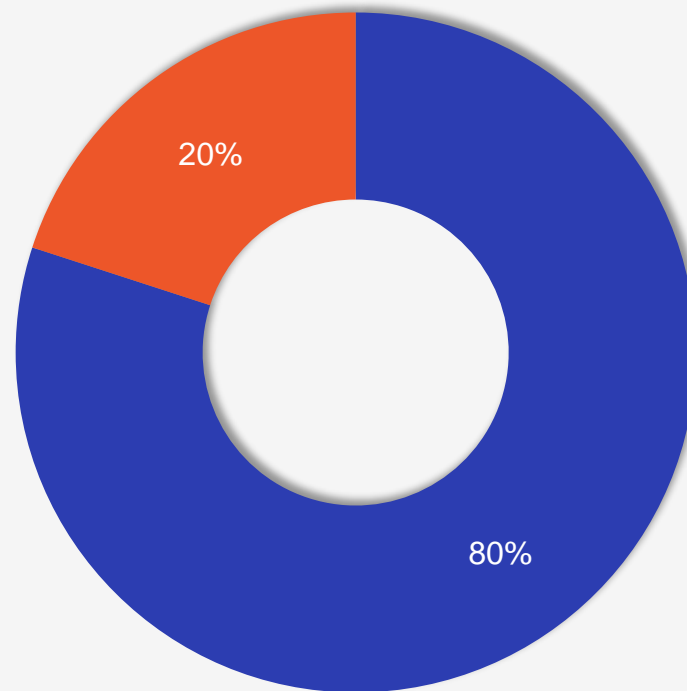
\*Limited number of responses to this question



# Steel Processors

Will business levels be better, worse, or stable in the next 3-6 months?\*

■ Better   ■ Same   ■ Worse



\*Limited number of responses to this question



## Questions?

---

If you have any questions regarding the information presented here, please contact us at [info@steelmarketupdate.com](mailto:info@steelmarketupdate.com).

We always appreciate referrals. Tell your friends, suppliers, and customers to sign up for a free trial.

Contact Lindsey Fox at [lindsey@steelmarketupdate.com](mailto:lindsey@steelmarketupdate.com) or (724) 313-7748.

**When you need answers...  
[www.steelmarketupdate.com](http://www.steelmarketupdate.com)**

**Look for our next survey on June 23, 2023**

If you would like to participate in our survey, please contact [david@steelmarketupdate.com](mailto:david@steelmarketupdate.com)

