



# STEEL MARKET UPDATE

part of the  Group

## SMU Flat Rolled Market Trends Analysis

Responses from our November 21-23, 2022 Market Survey



# Steel Market Update Team



SMU Newsletter developed for active buyers & sellers of flat rolled steel.

**Prices – Momentum – Trends – Analysis – with a guarantee**

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





Steel 101 Workshop, Severstal Dearborn 2012

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

We invite over 700 companies to participate in our surveys.

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

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

# Upcoming Events

| Date                               | Event  | Venue                        |
|------------------------------------|--|------------------------------|
| <b>November 30-<br/>December 1</b> | <a href="#"><u>Introduction to Steel Hedging:<br/>Managing Price Risk Course</u></a> | <b>Virtual</b>               |
| <b>January 17-18</b>               | <a href="#"><u>Steel 101 Workshop</u></a>  | <b>Virtual</b>               |
| <b>February 5-7</b>                | <a href="#"><u>Tampa Steel Conference 2023</u></a>                                   | <b>Live</b> - Tampa, Florida |

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



# STEEL MARKET UPDATE

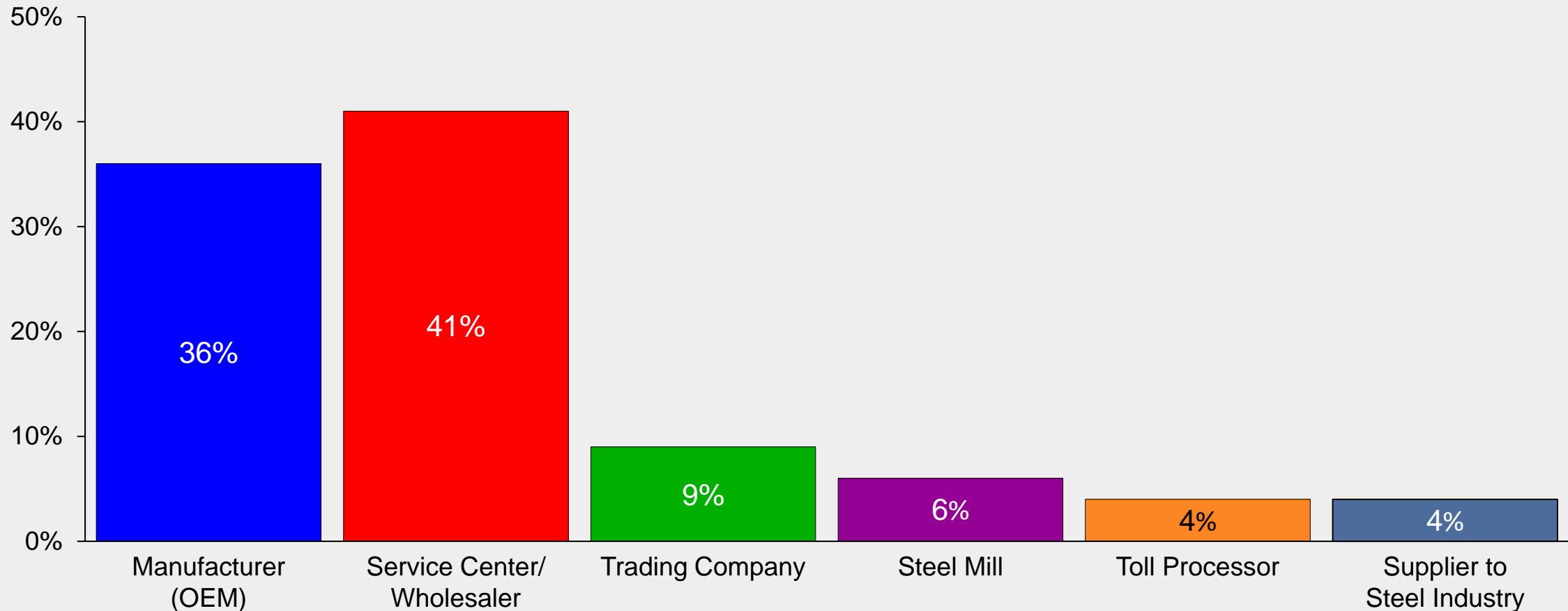
part of the  Group

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

Contact [Brett@SteelMarketUpdate.com](mailto:Brett@SteelMarketUpdate.com)  
for participation information.

# Survey Participants

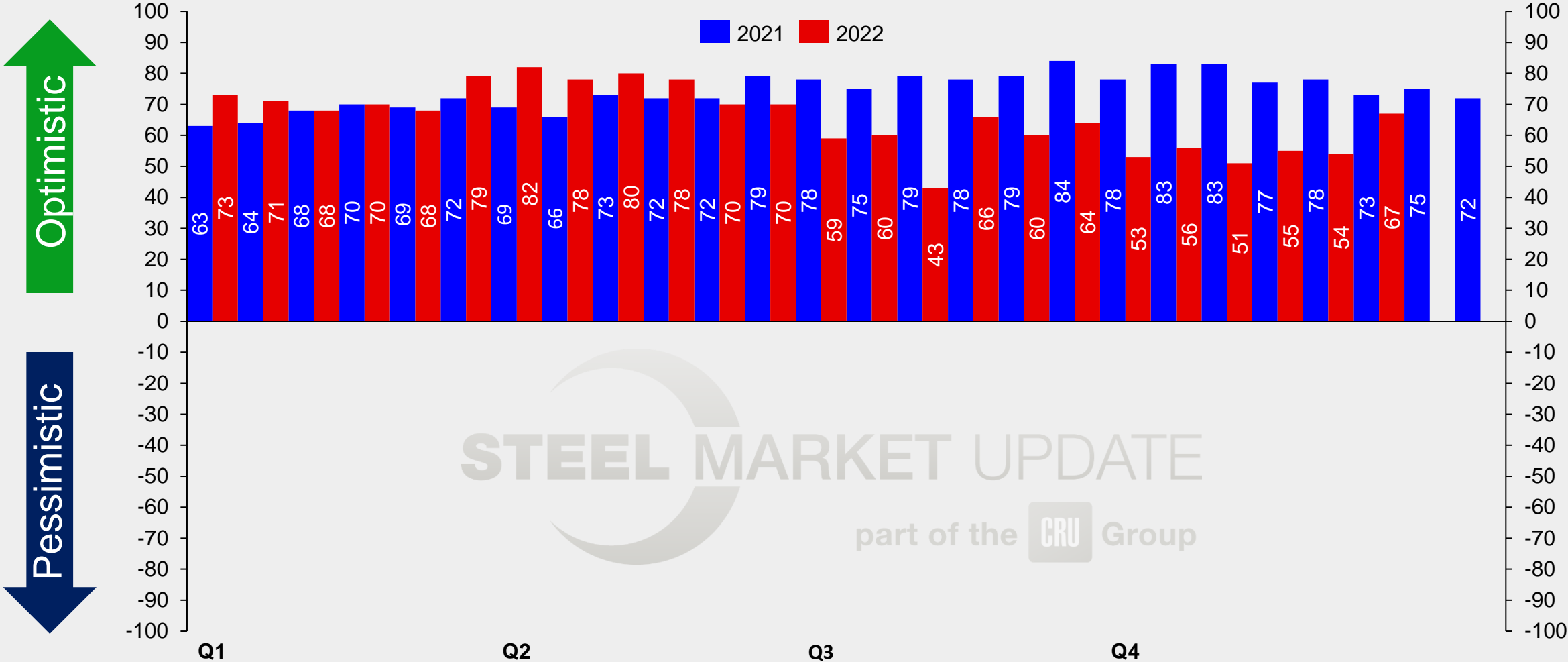
Our survey is by invitation only. Over 700 companies, mostly in the manufacturing or distribution industries, are asked to participate. Here are the percentages of participation in this week's survey by market sector.



# Steel Buyers Sentiment

Up 13 points to +67

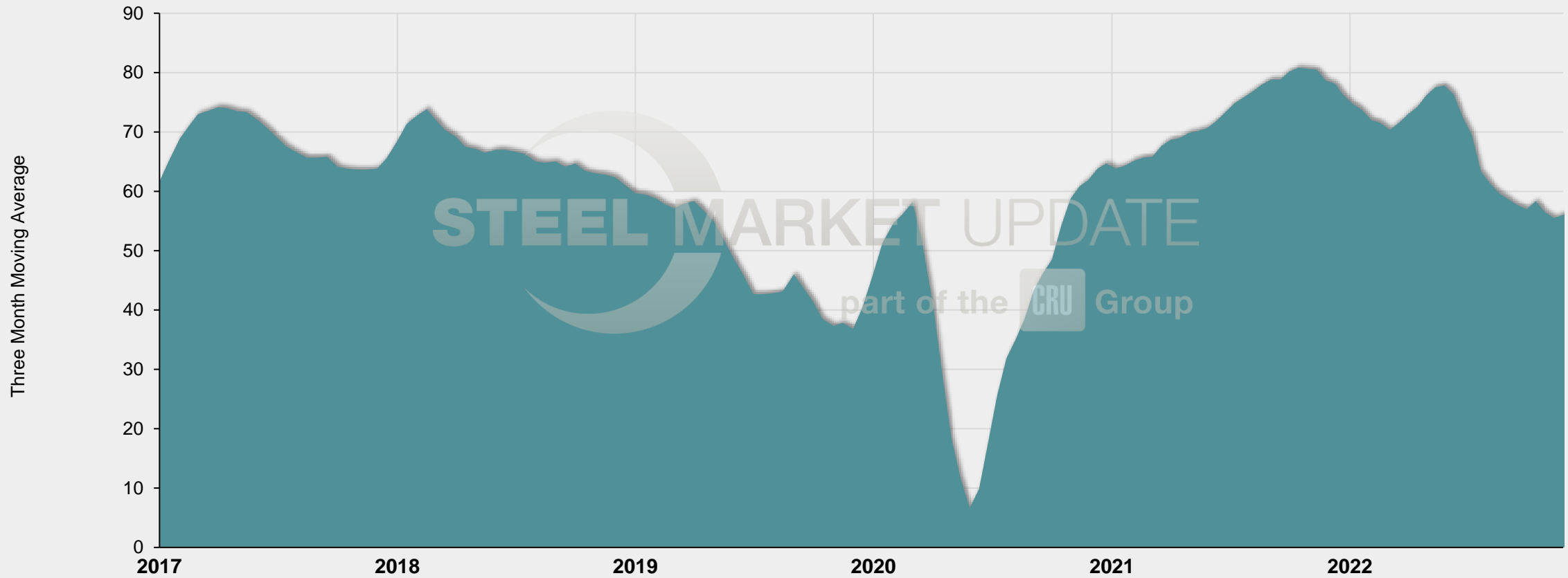
### Steel Market Update Steel Buyers Sentiment Index



# Steel Buyers Sentiment

Three Month Moving Average at +56.00

**SMU Current Steel Buyers Sentiment Index**  
3-Month Moving Average

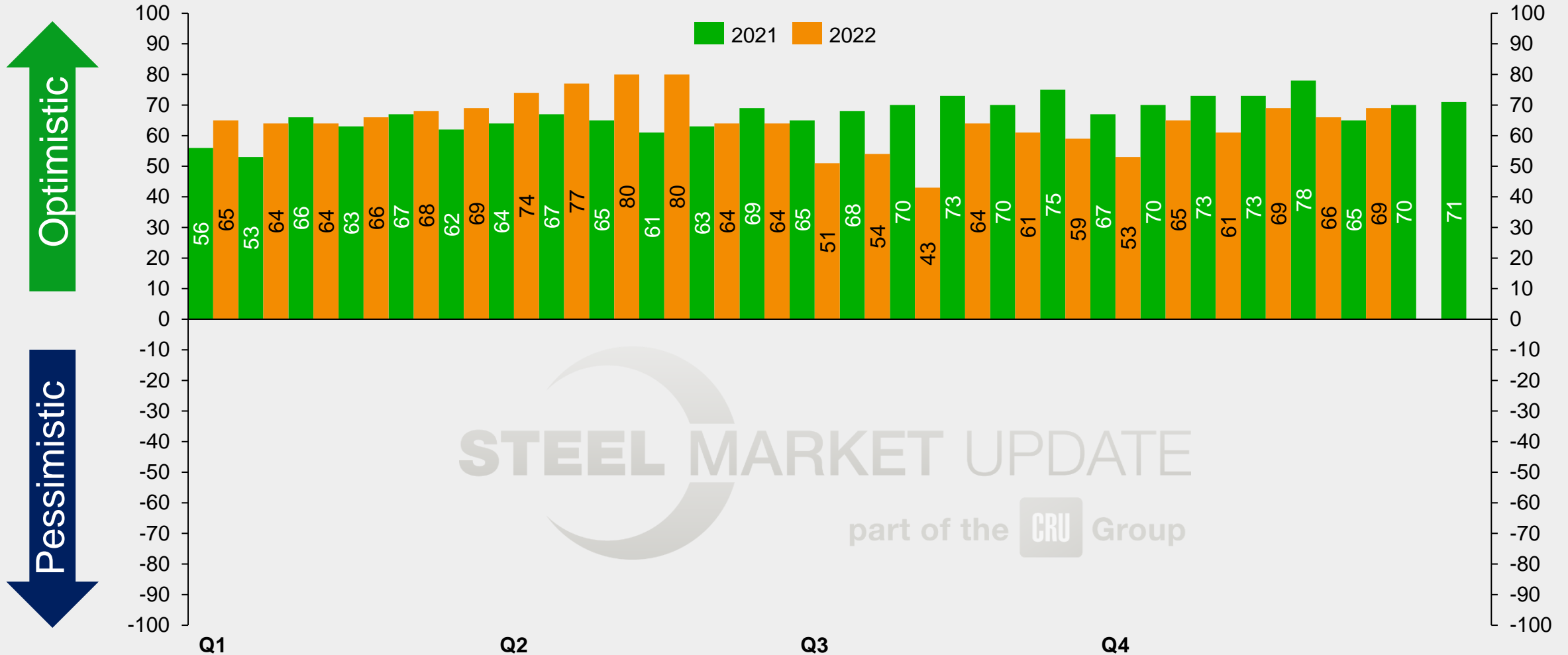




# Steel Buyers Future Sentiment

Up 3 points to +69

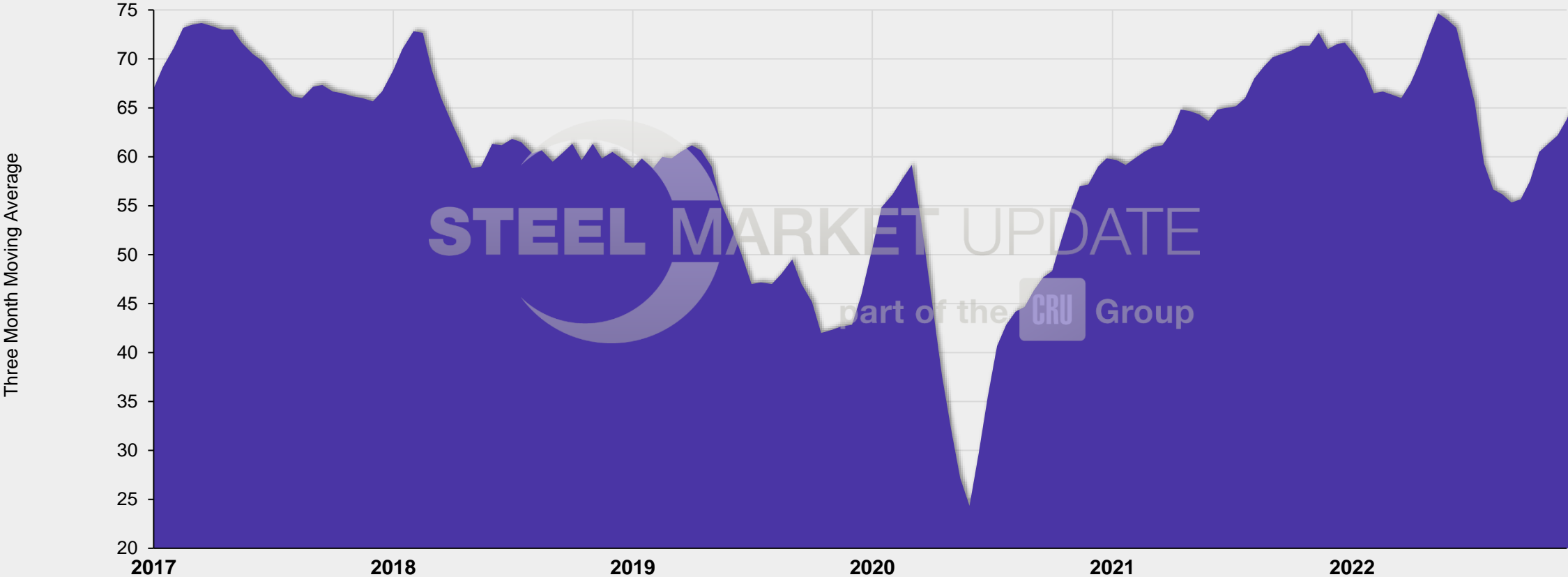
### Steel Market Update Future Steel Buyers Sentiment Index



# Steel Buyers Future Sentiment

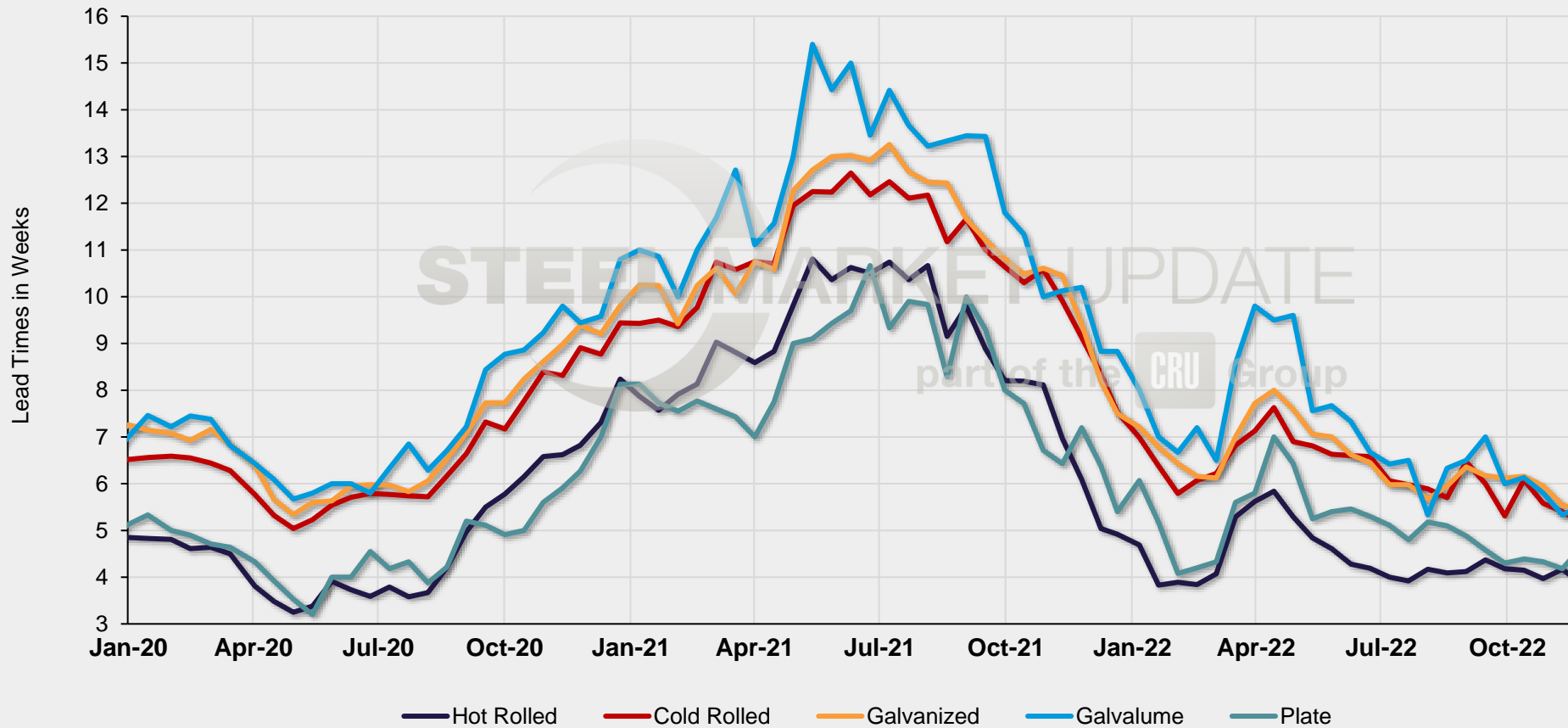
Three Month Moving Average at +63.83

**SMU Future Steel Buyers Sentiment Index**  
3-Month Moving Average



# Steel Mill Lead Times by Product

**SMU Lead Times Comparison**  
Through November 22, 2022



**Lead Times (Weeks)**  
Galvalume: 5.5  
Galvanized: 5.4  
Cold Rolled: 5.2  
Plate: 4.6  
Hot Rolled: 3.9

# Direction of Steel Mill Lead Times

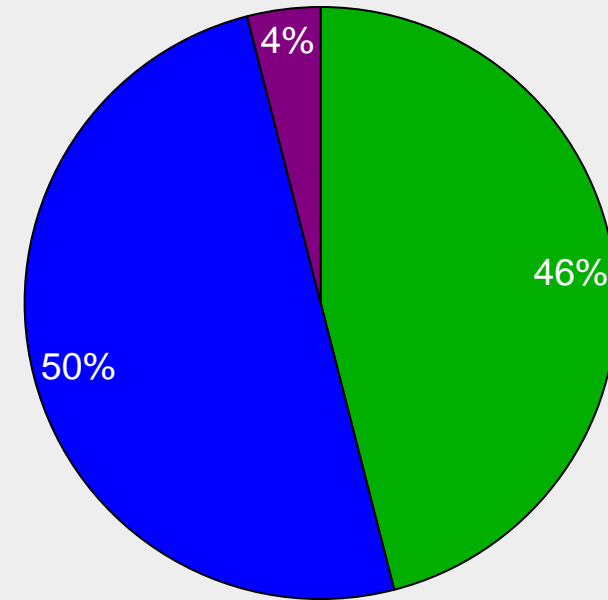
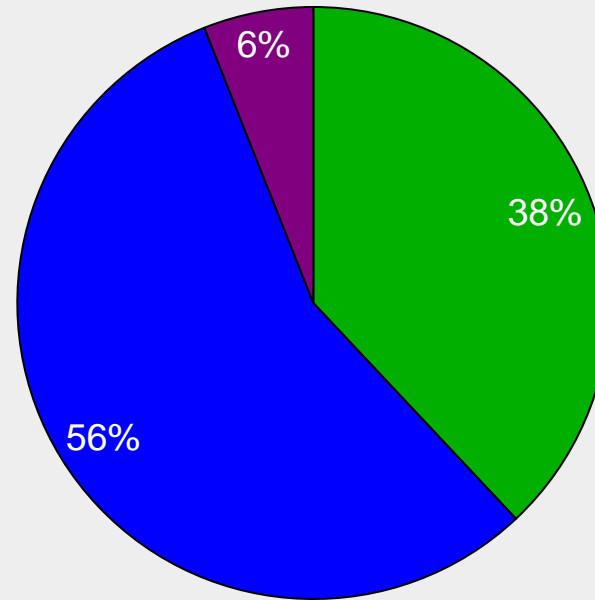
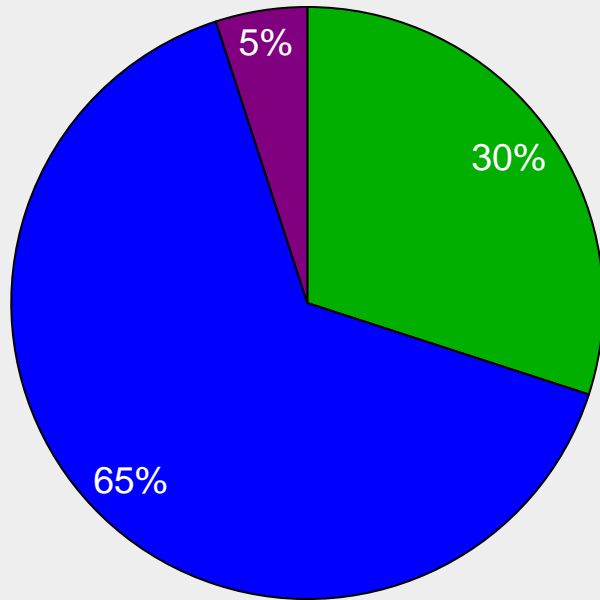
Two months from now, will lead times be extending, flat, or contracting?

October 27, 2022

November 10, 2022

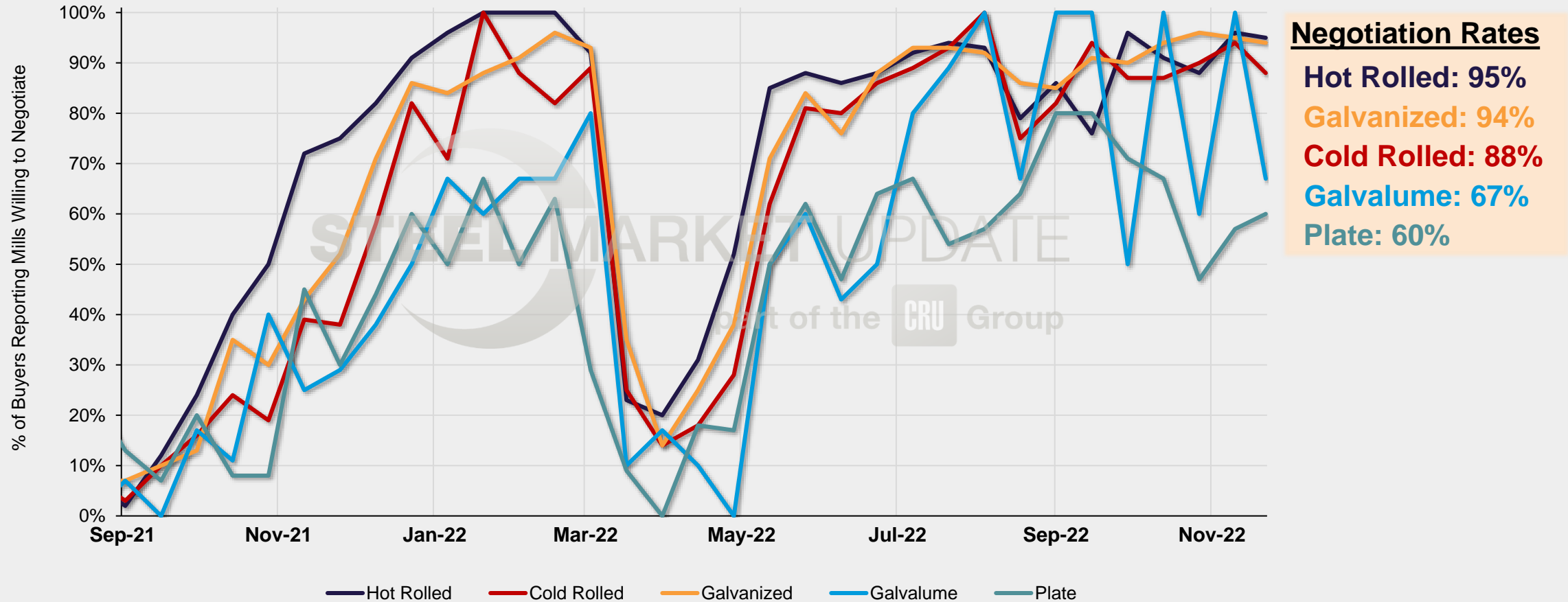
November 22, 2022

■ Extending ■ Flat ■ Contracting



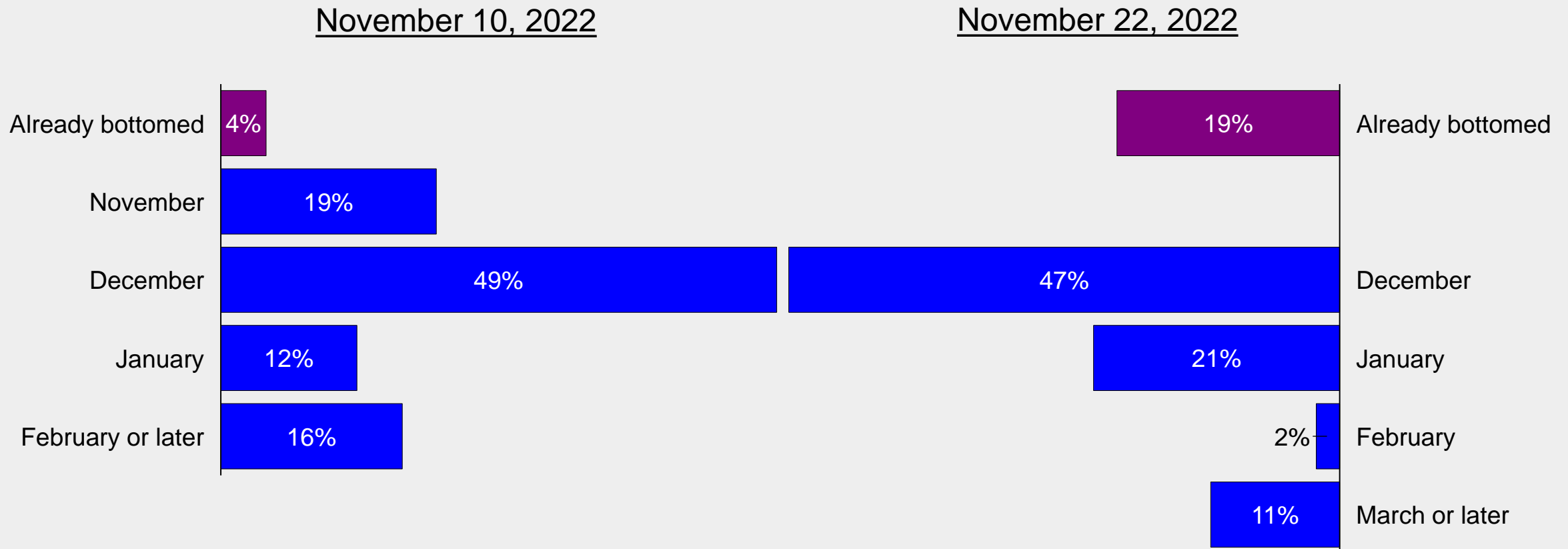
# Steel Mill Negotiations

**SMU Price Negotiations on New Steel Orders by Product**  
Through November 22, 2022



# Hot Rolled Inflection Point

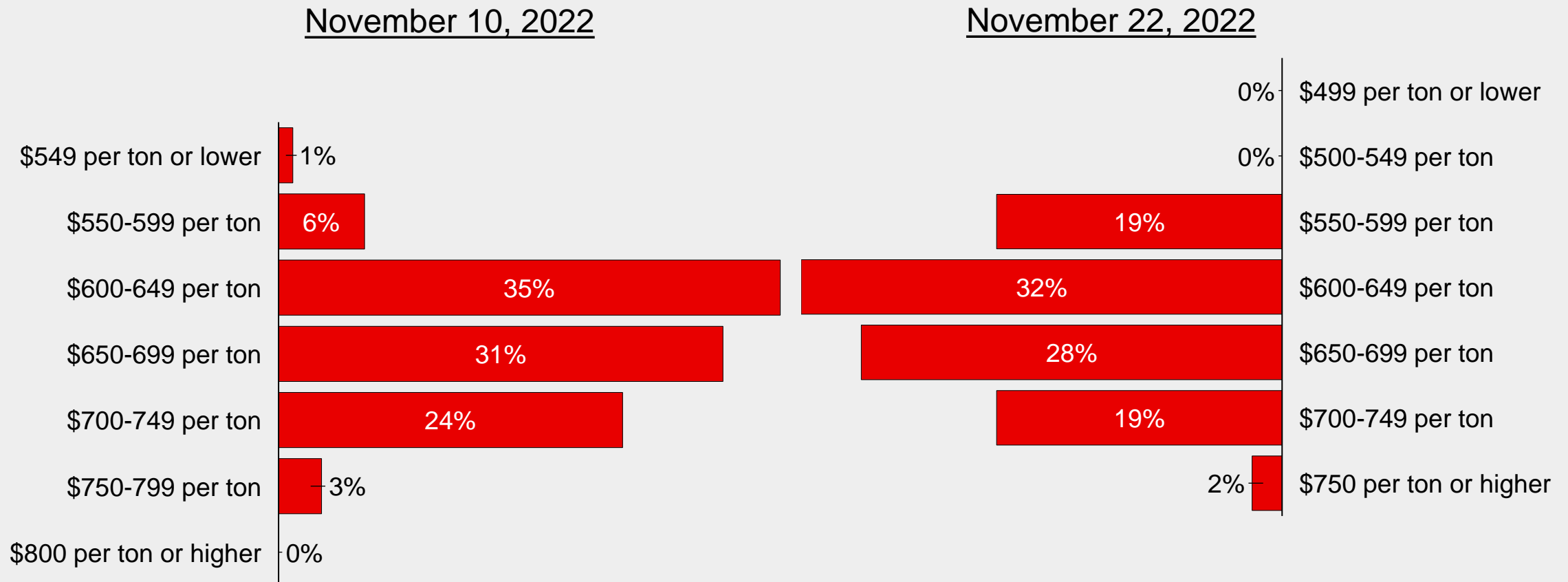
When do you think HRC prices will bottom out?





# Future Hot Rolled Prices

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

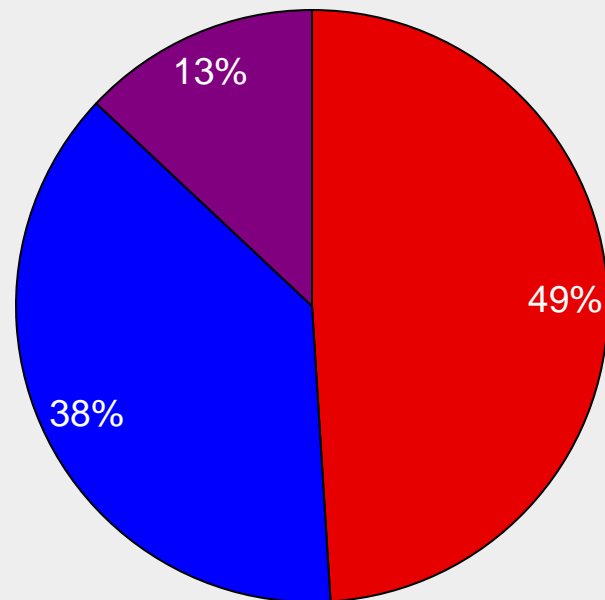


# Potential Rail Strike

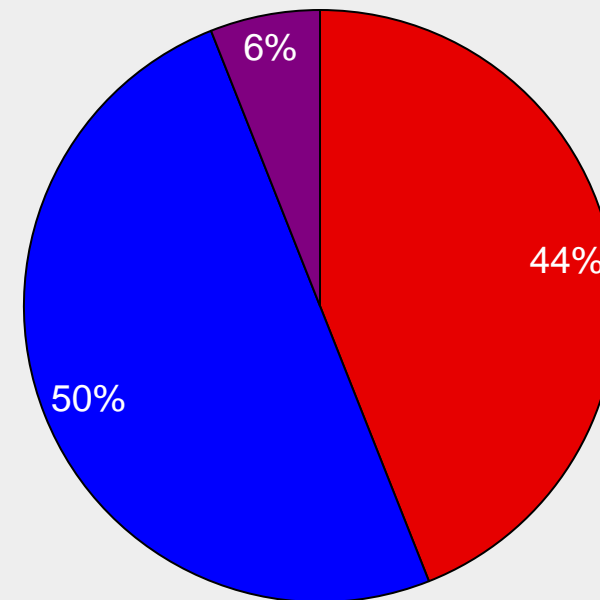
Are you concerned about a potential rail strike?

- Yes
- No
- Not applicable

November 10, 2022

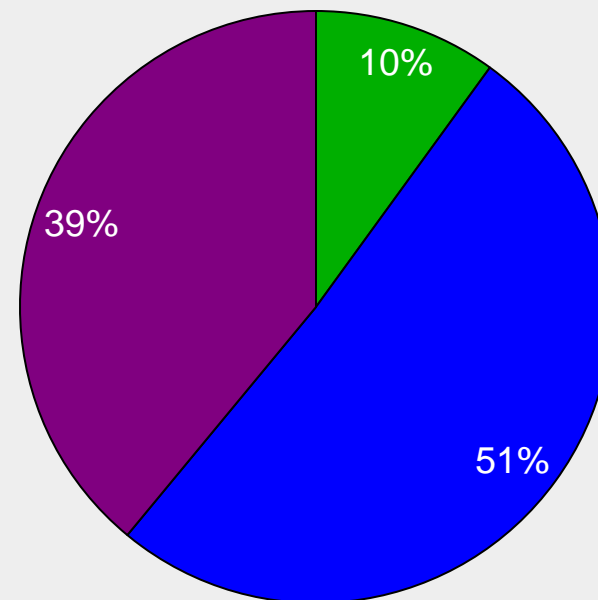


November 22, 2022



Prime scrap prices in December will:

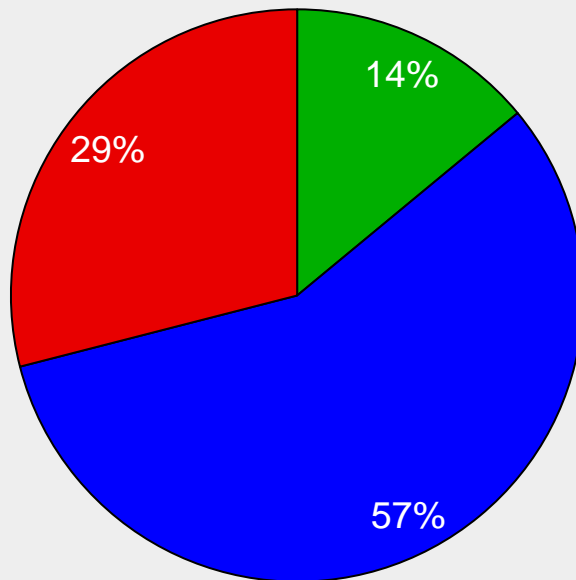
- Rise
- Remain stable
- Decline



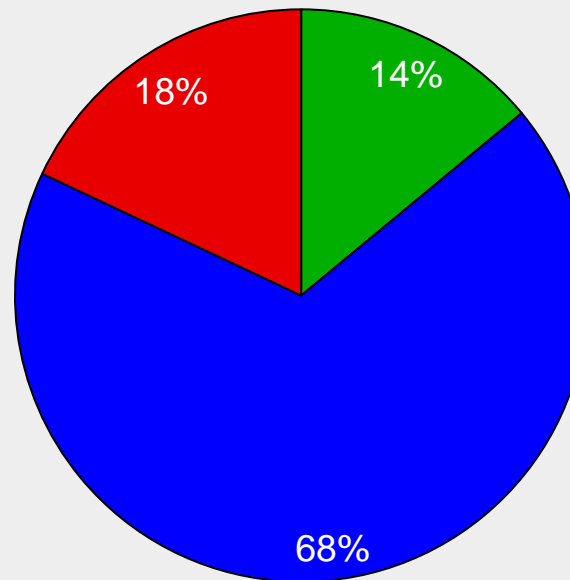
How do you expect your company perform this month compared to your forecast?

- We will exceed forecast
- We will meet forecast
- We will not meet forecast

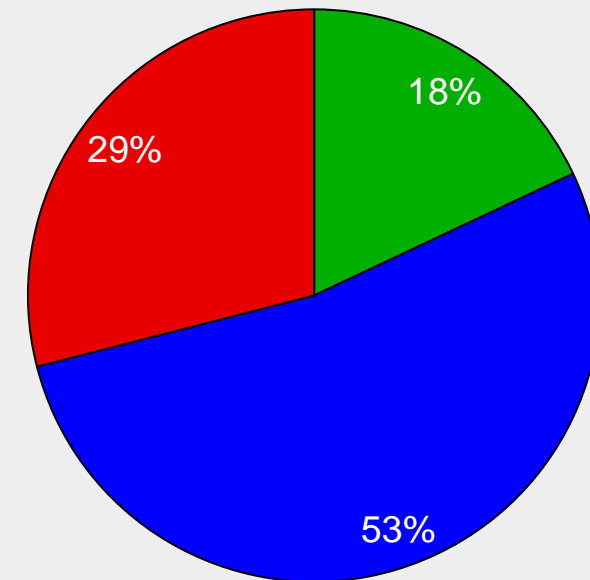
September 29, 2022



October 27, 2022



November 22, 2022

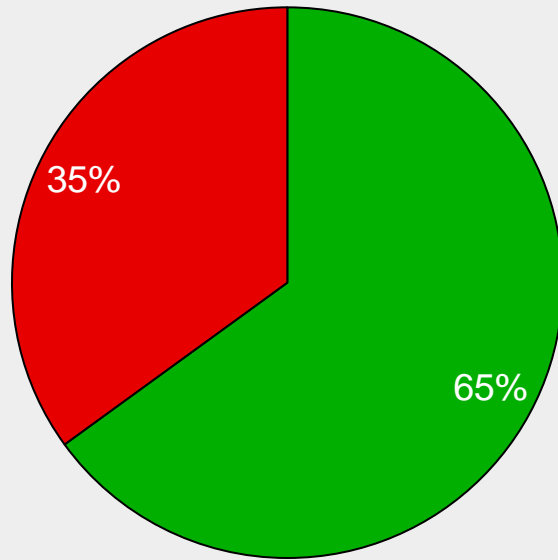


# Future Prospects

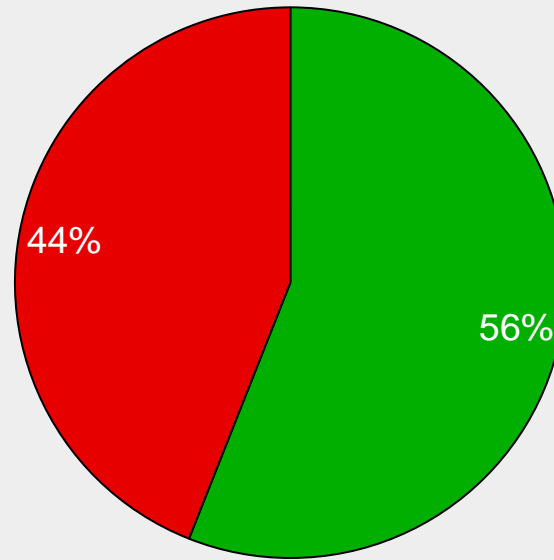
Would you describe yourself as optimistic or pessimistic about your prospects for the remainder of 2022?

Optimistic Pessimistic

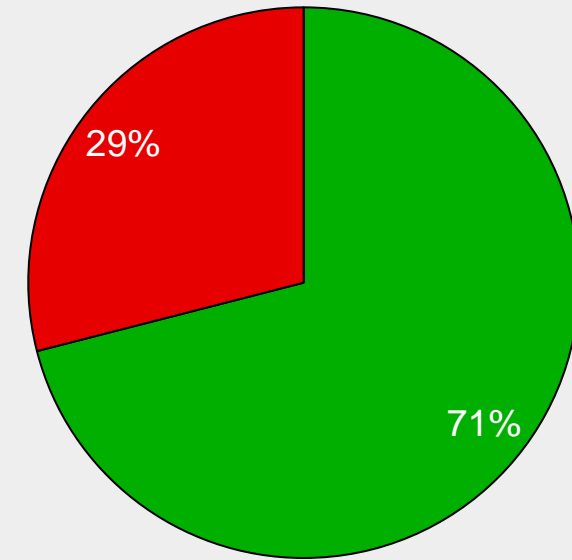
October 27, 2022



November 10, 2022



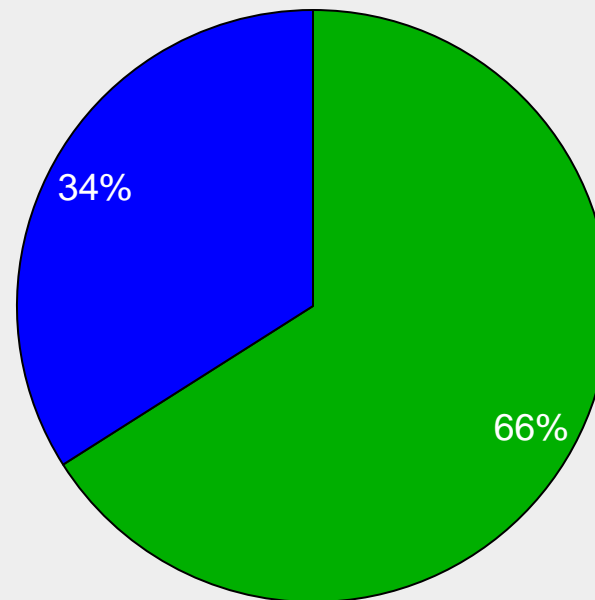
November 22, 2022



# Staying on the Sidelines?

Are you an active buyer or on the sidelines?

- Active buyer
- On the sidelines



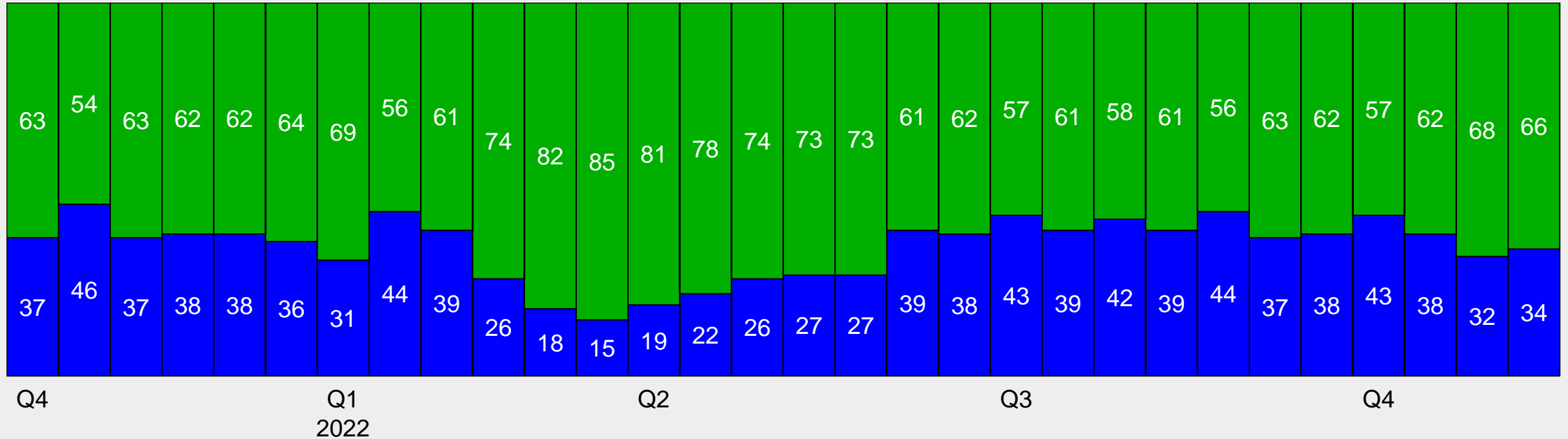


# Staying on the Sidelines?

Are you an active buyer or on the sidelines?

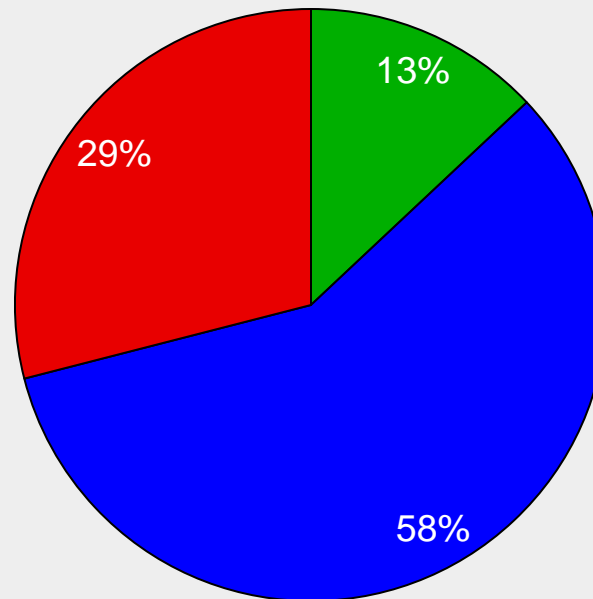
Active buyer  
On the sidelines

out of 100%



How are you seeing demand for your products?

- Demand is improving
- Demand is stable
- Demand is declining

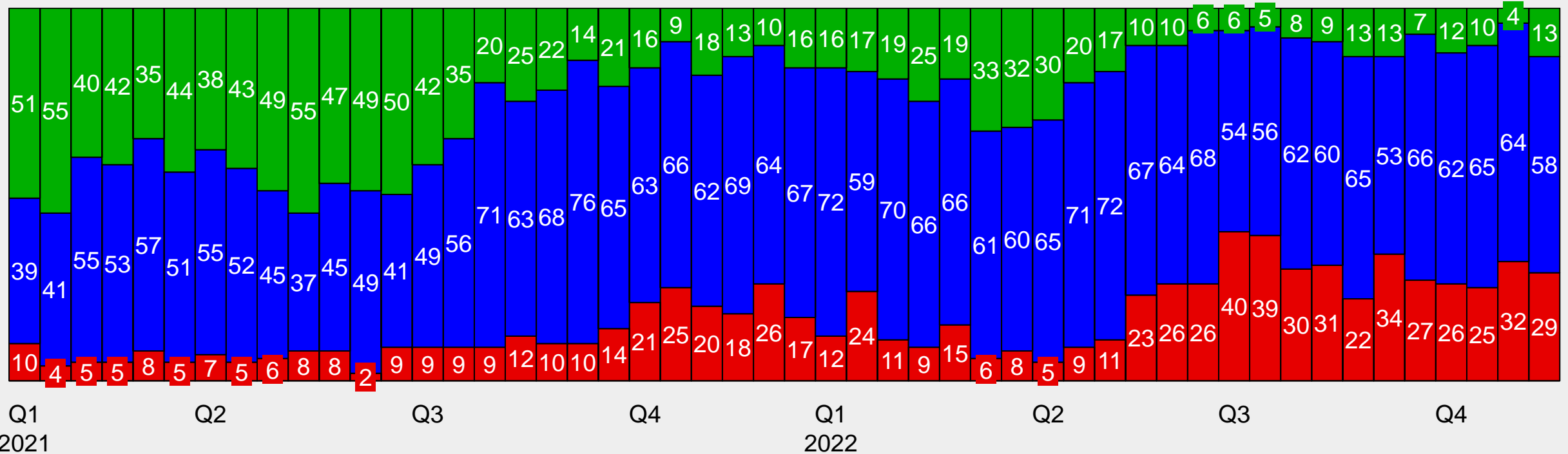


# Overall Demand History

How are you seeing demand for your products?

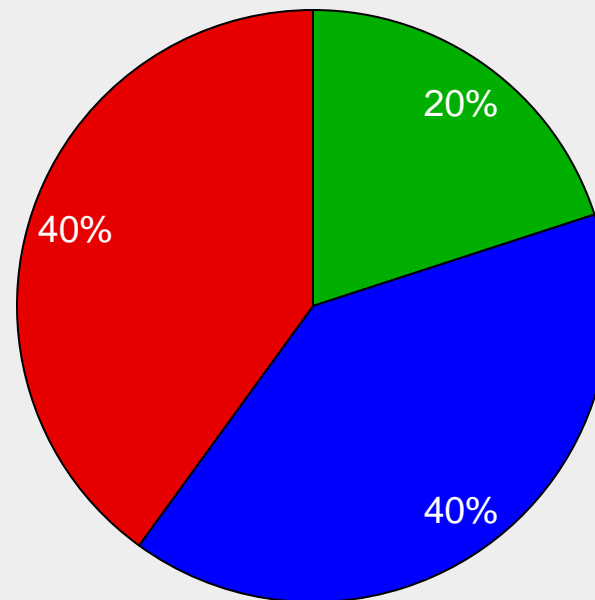
- Demand is improving
- Demand is stable
- Demand is declining

out of 100%



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

- Buying more steel
- Buying the same amount of steel
- Buying less steel

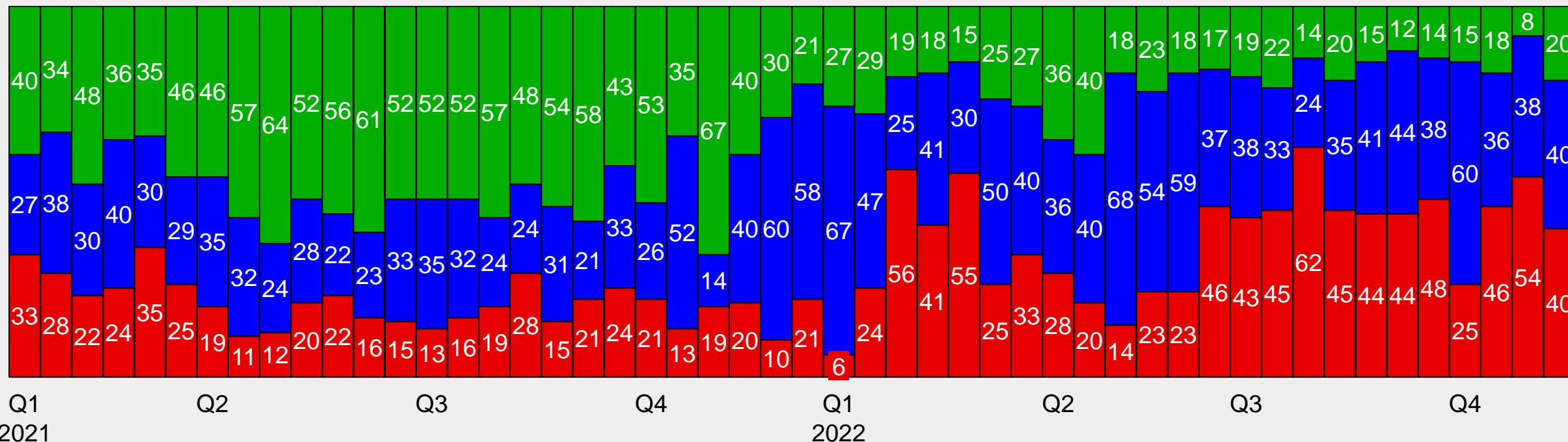


# History of Manufacturer Purchases

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

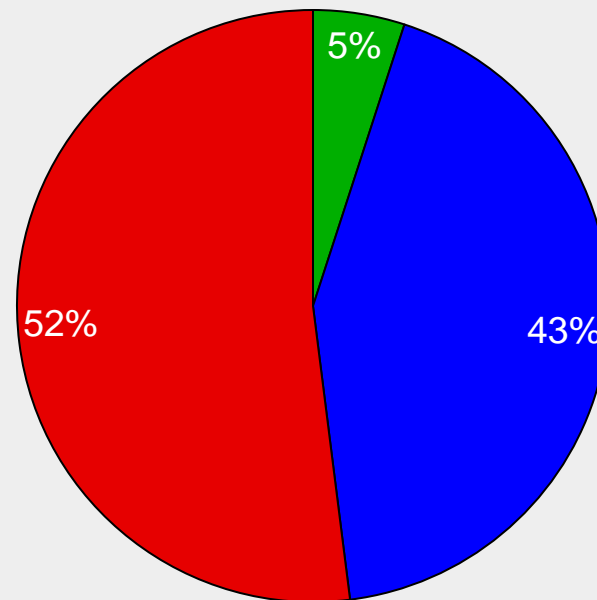
- Buying more steel
- Buying the same amount of steel
- Buying less steel

out of 100%



**Service Centers-** How do you see your customers releases (demand) for the products your company provides compared to one year ago?

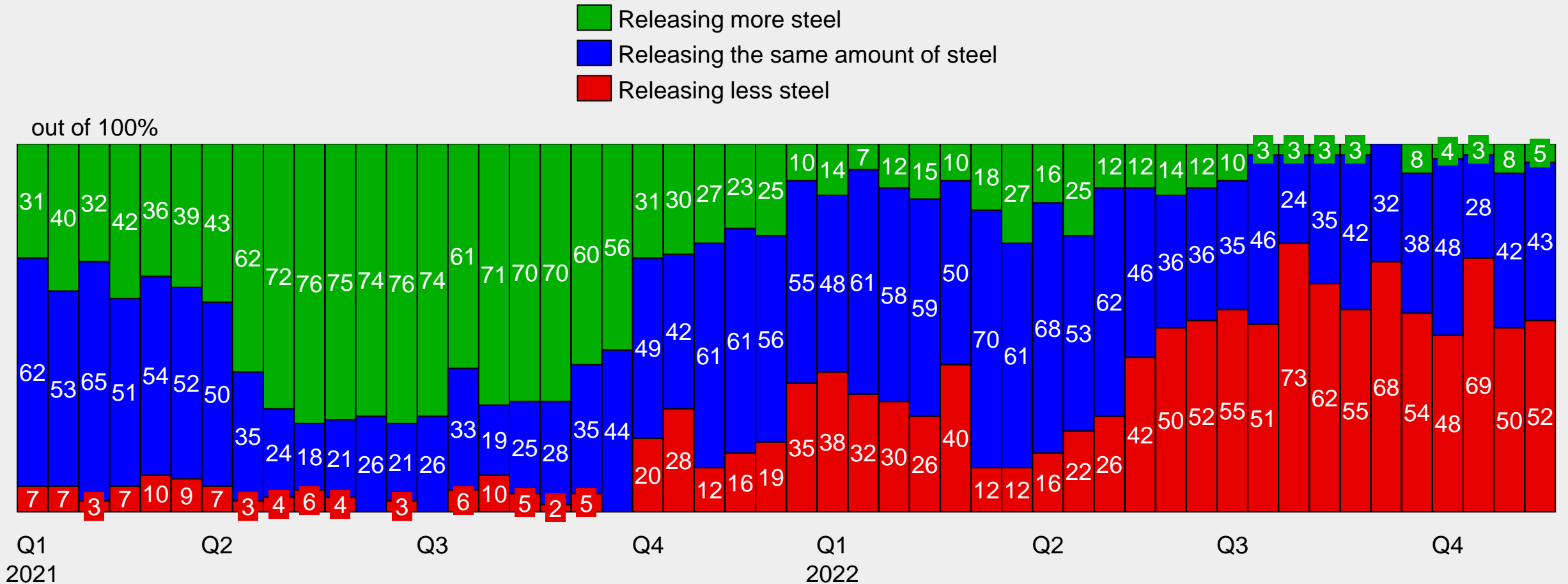
- Releasing more steel
- Releasing the same amount of steel
- Releasing less steel



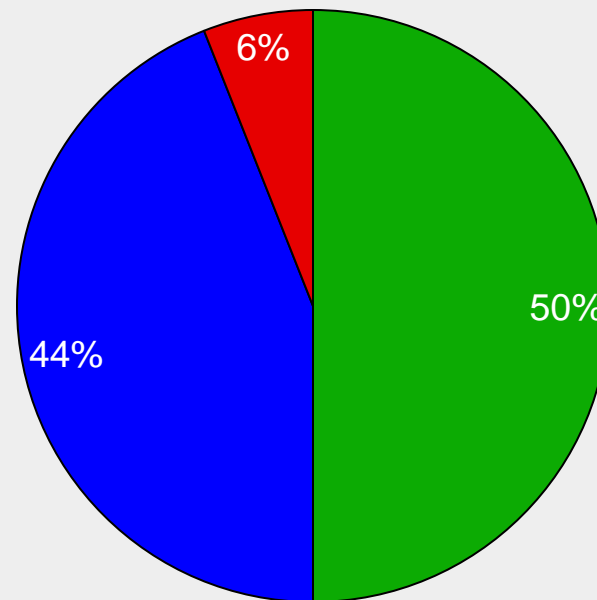
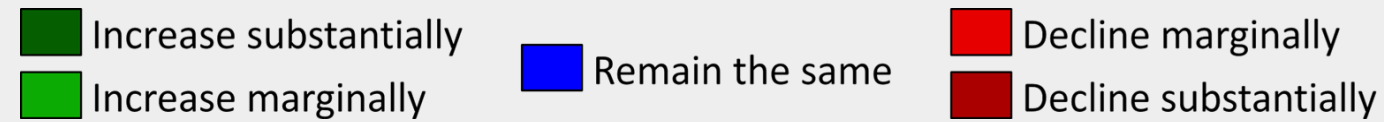


# Service Center Release History

**Service Centers-** How do you see your customers releases (demand) for the products your company provides compared to one year ago?

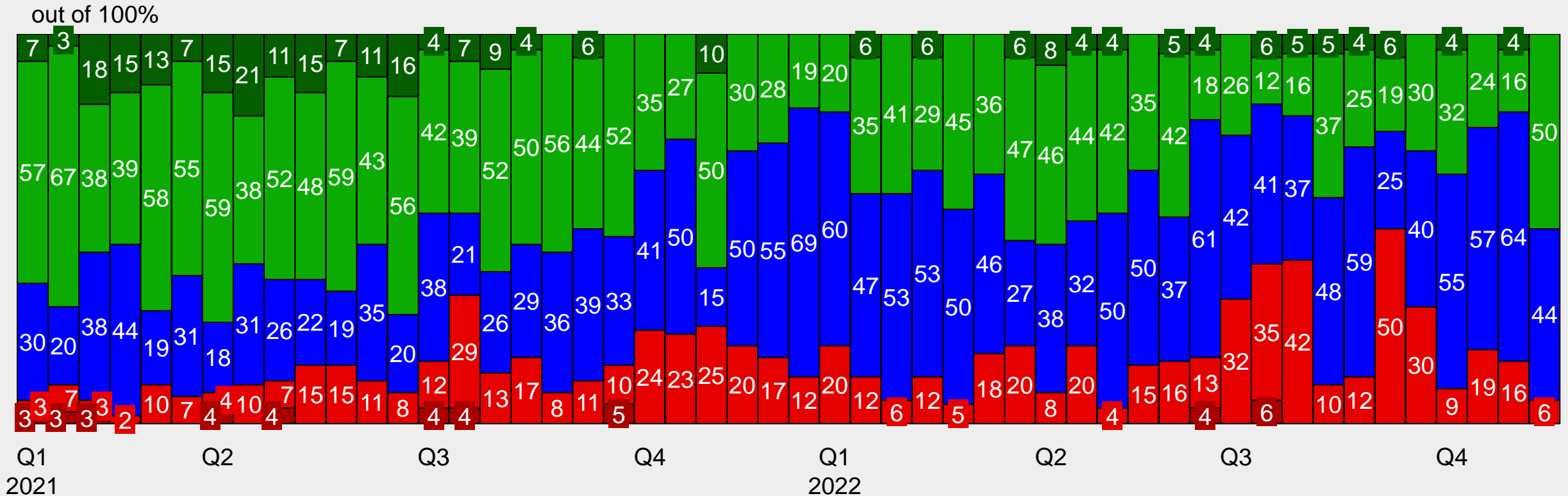
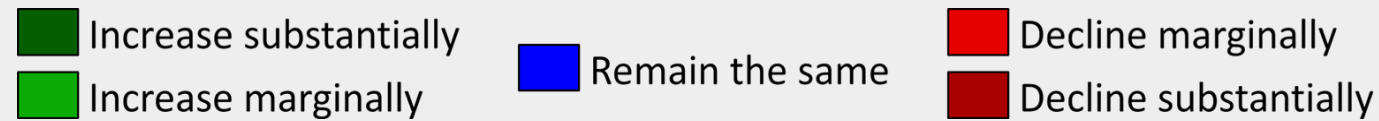


**Manufacturers-** Demand for your products will \_\_\_\_\_  
over the next 3 months based on current order flows.



# Manufacturer Demand History

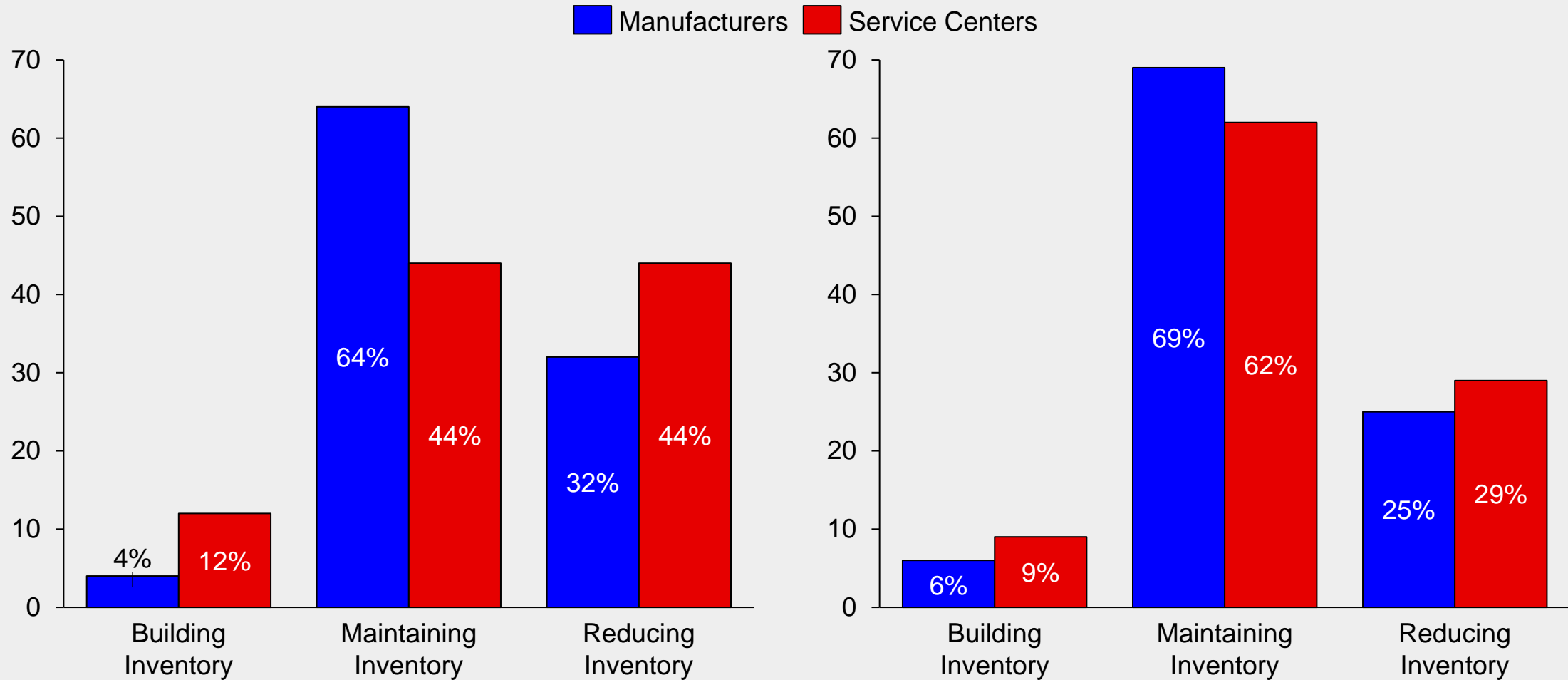
**Manufacturers-** Demand for your products will \_\_\_\_\_  
over the next 3 months based on current order flows.



# Manufacturer and Service Center Inventory Buying Patterns

November 10, 2022

November 22, 2022

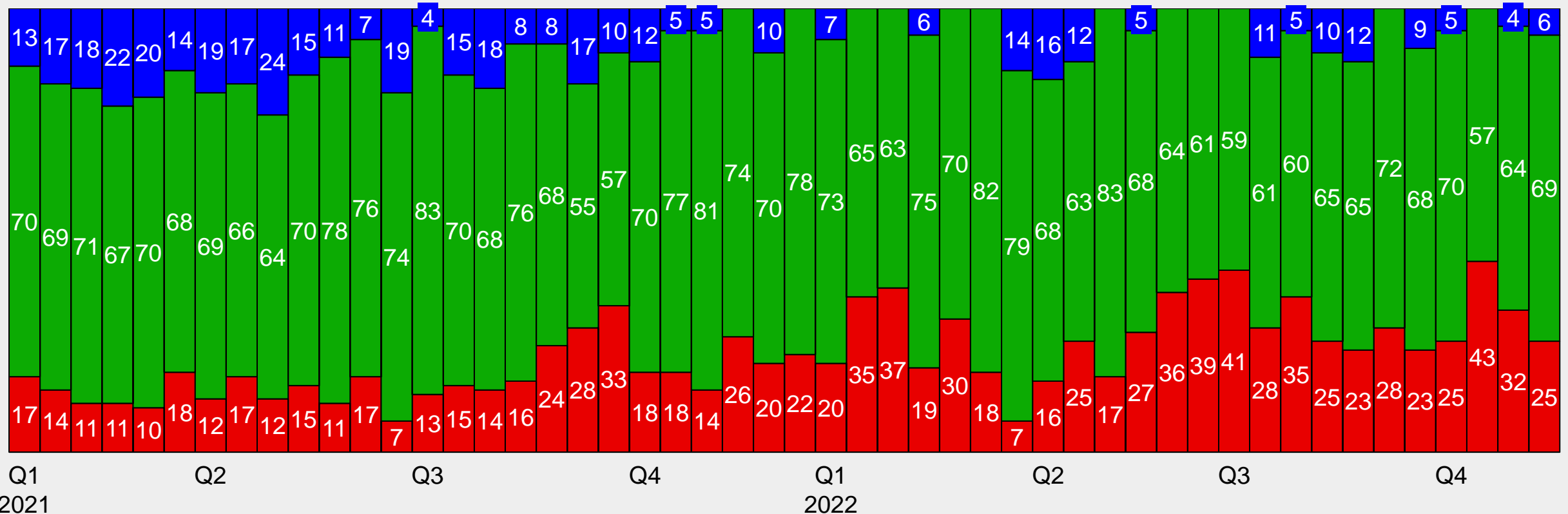


# Manufacturer Inventory Buying History

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

■ Building Inventory 
 ■ Maintaining Inventory 
 ■ Reducing Inventory

out of 100%

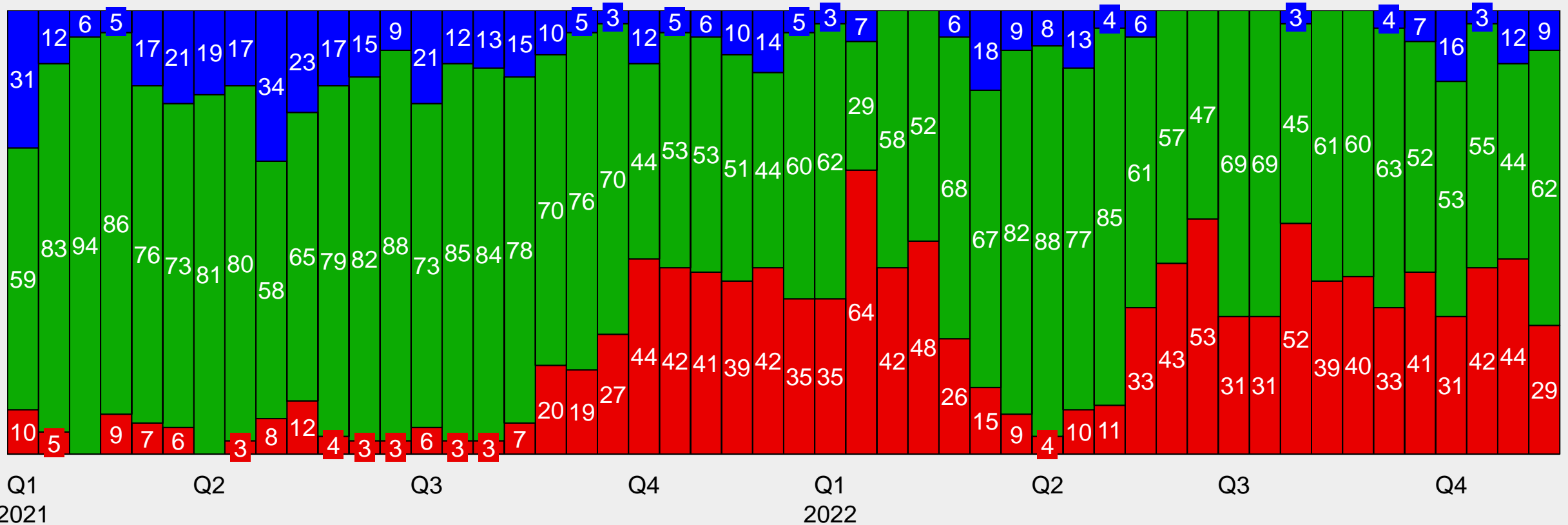


# Service Center Inventory Buying History

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

■ Building Inventory 
 ■ Maintaining Inventory 
 ■ Reducing Inventory

out of 100%

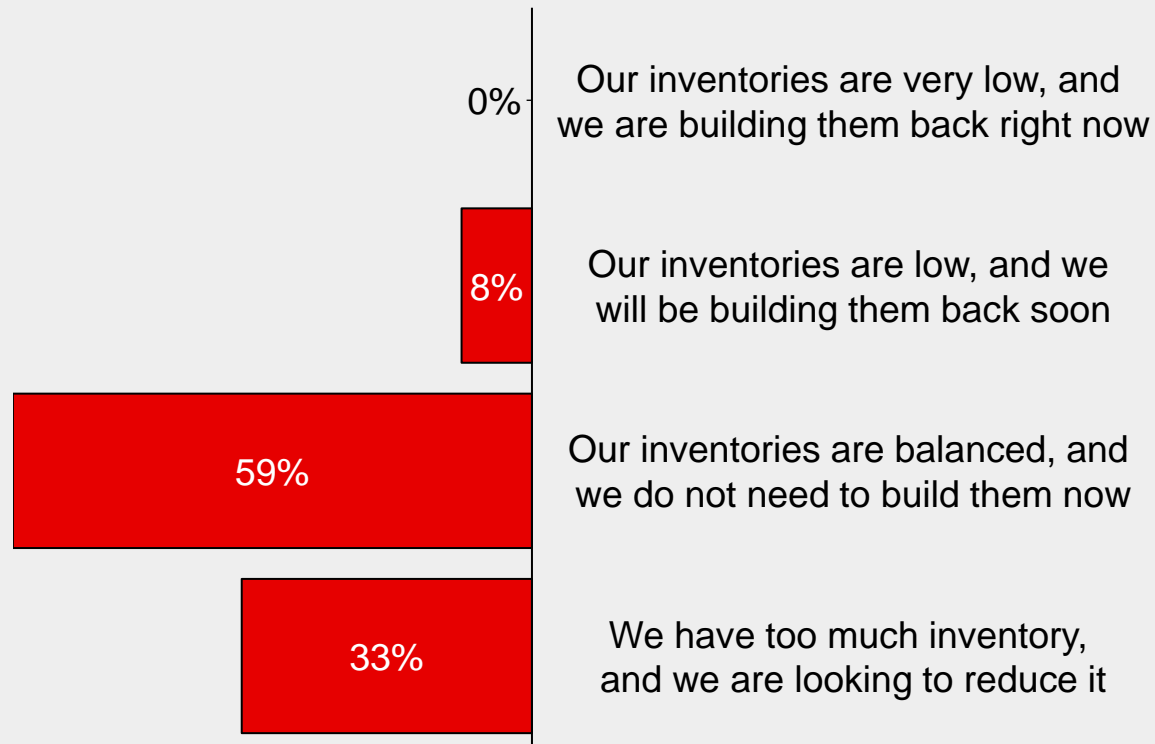




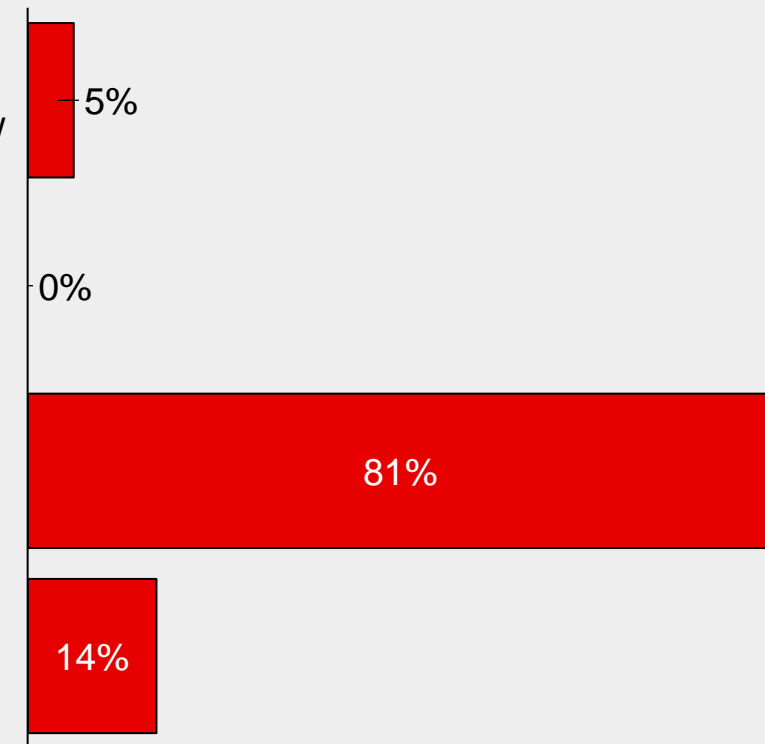
# Service Center Inventories

**Service Centers-** Does your company need to rebuild flat rolled inventories, or are you comfortable with your floor stock?

November 10, 2022

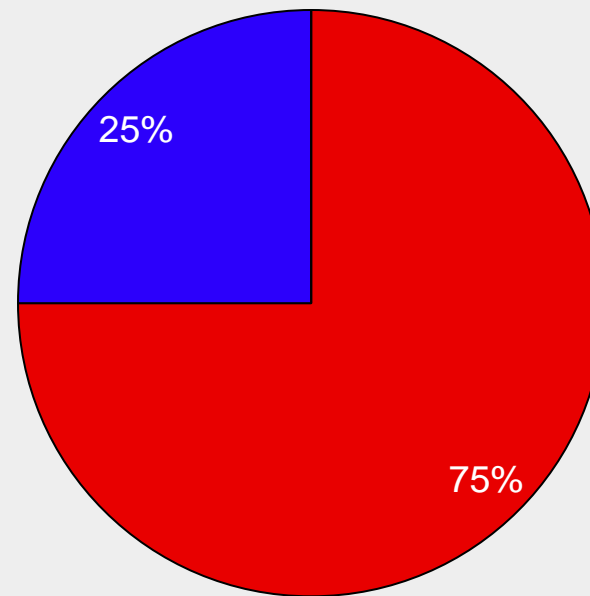


November 22, 2022



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

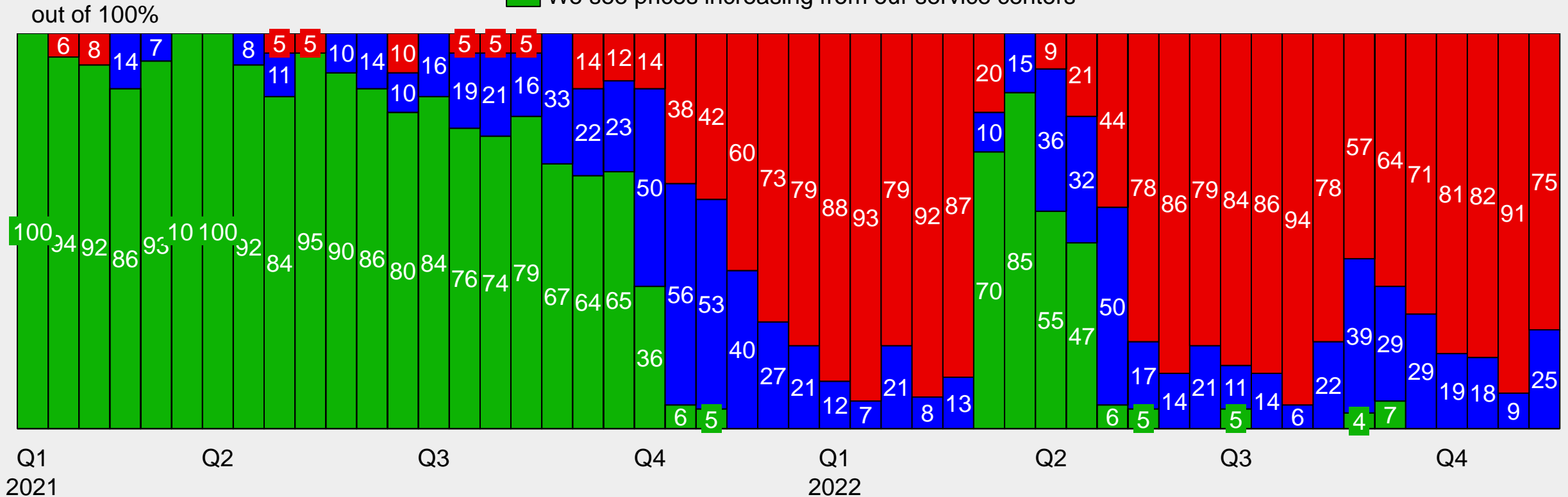
- We see prices decreasing from our service centers
- We see stable prices from our service centers
- We see prices increasing from our service centers



# Manufacturer's View of Service Center Selling Prices History

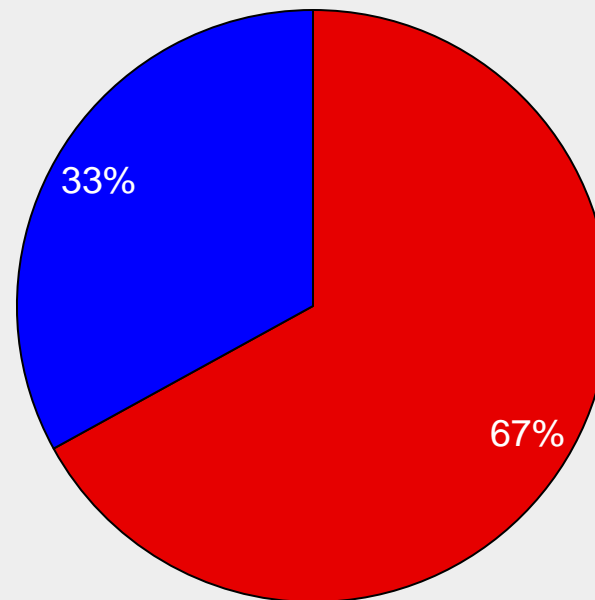
**Manufacturers-** Which comment do you feel is representative of service center pricing right now compared to two weeks ago?

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



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

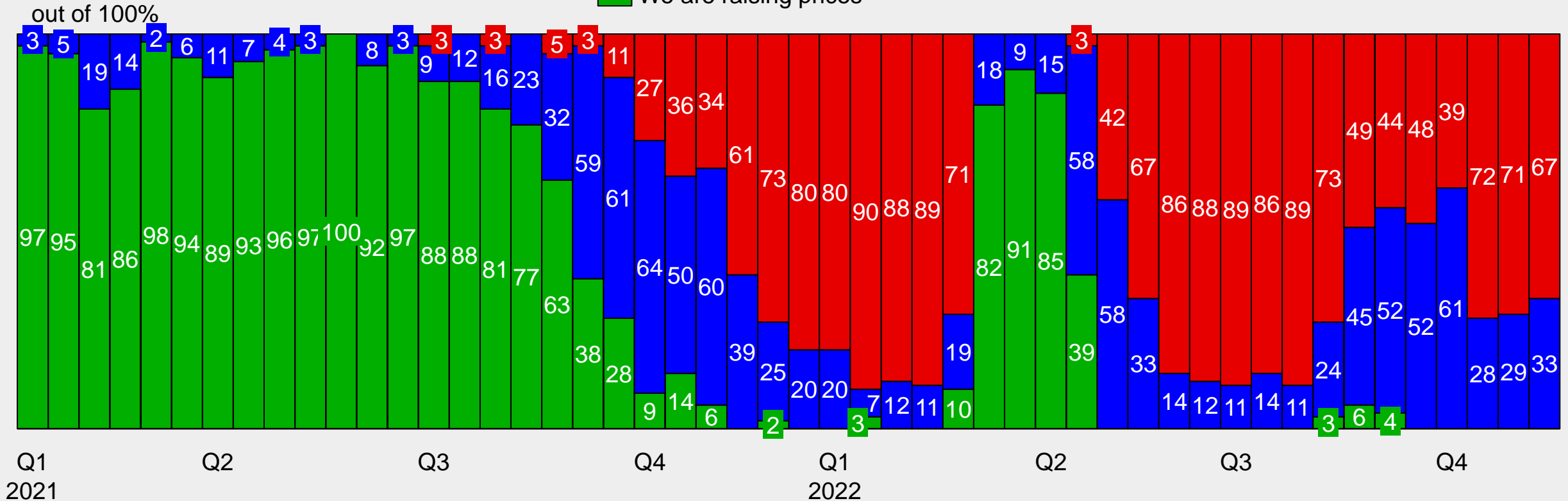
- We are lowering prices
- We are keeping prices the same
- We are raising prices



# Service Center View of Selling Prices History

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

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

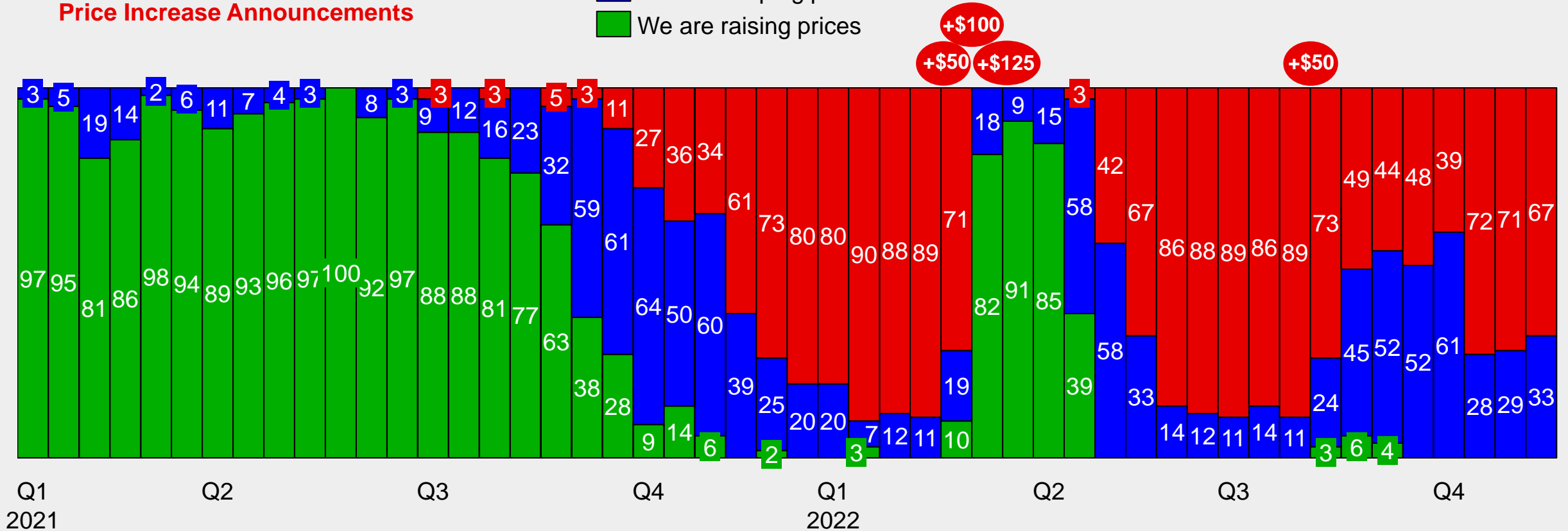


# Service Center View of Selling Prices History

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

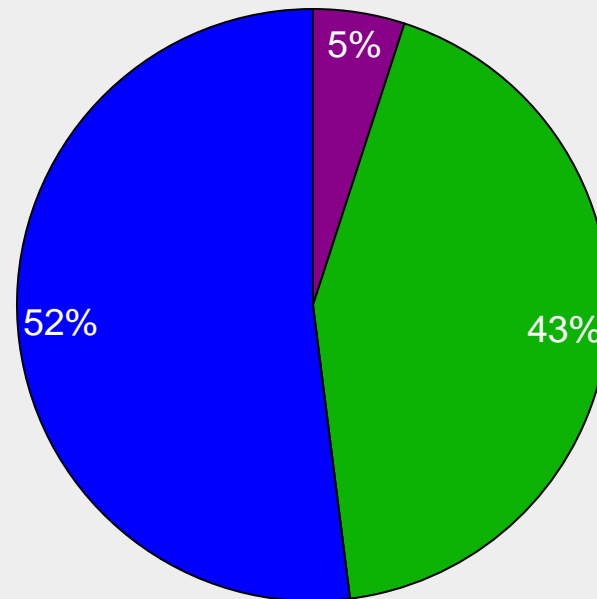
**Historical Nucor Flat Rolled Price Increase Announcements**

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



**Service Centers-** Are your manufacturing customers increasing orders, keeping them the same or reducing orders?

- Our manufacturing customers are increasing orders
- Our manufacturing customers are maintaining their orders
- Our manufacturing customers are reducing their orders

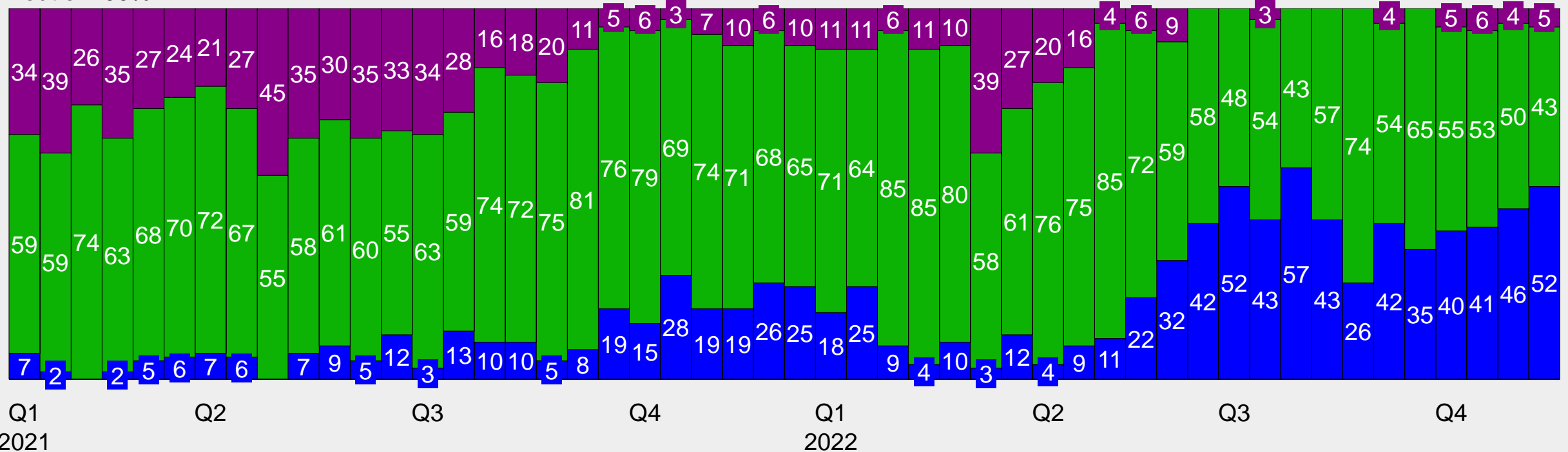


# Service Centers on Manufacturer Orders History

**Service Centers-** Are your manufacturing customers increasing orders, keeping them the same or reducing orders?

- Our manufacturing customers are increasing orders
- Our manufacturing customers are maintaining their orders
- Our manufacturing customers are reducing their orders

out of 100%



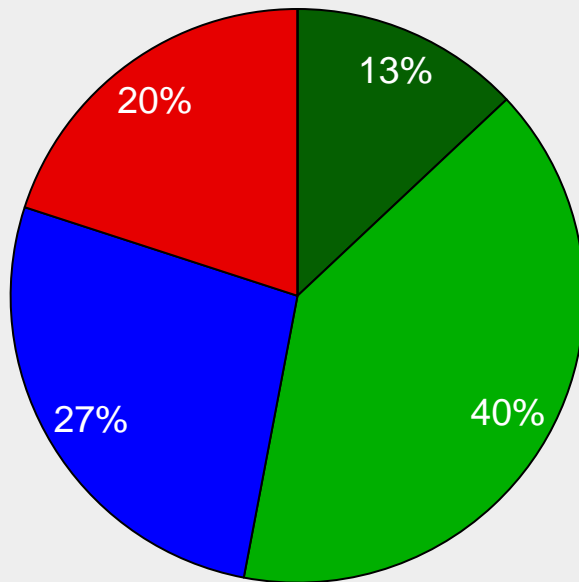


# Mill Lead Times

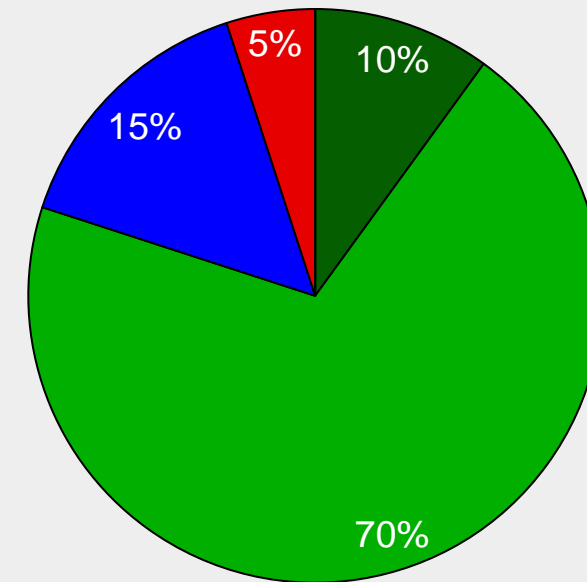
How would you describe domestic mill lead times for new orders placed right now?

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

**Manufacturers**

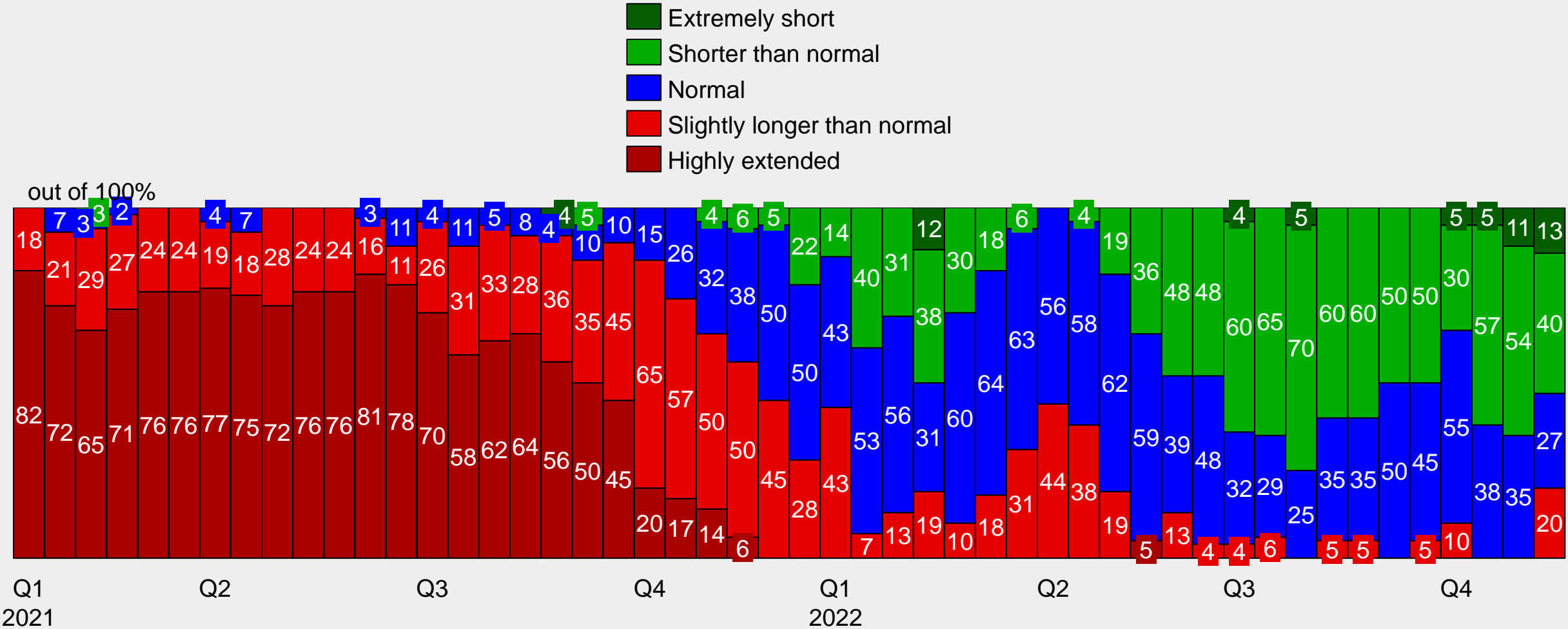


**Service Centers**



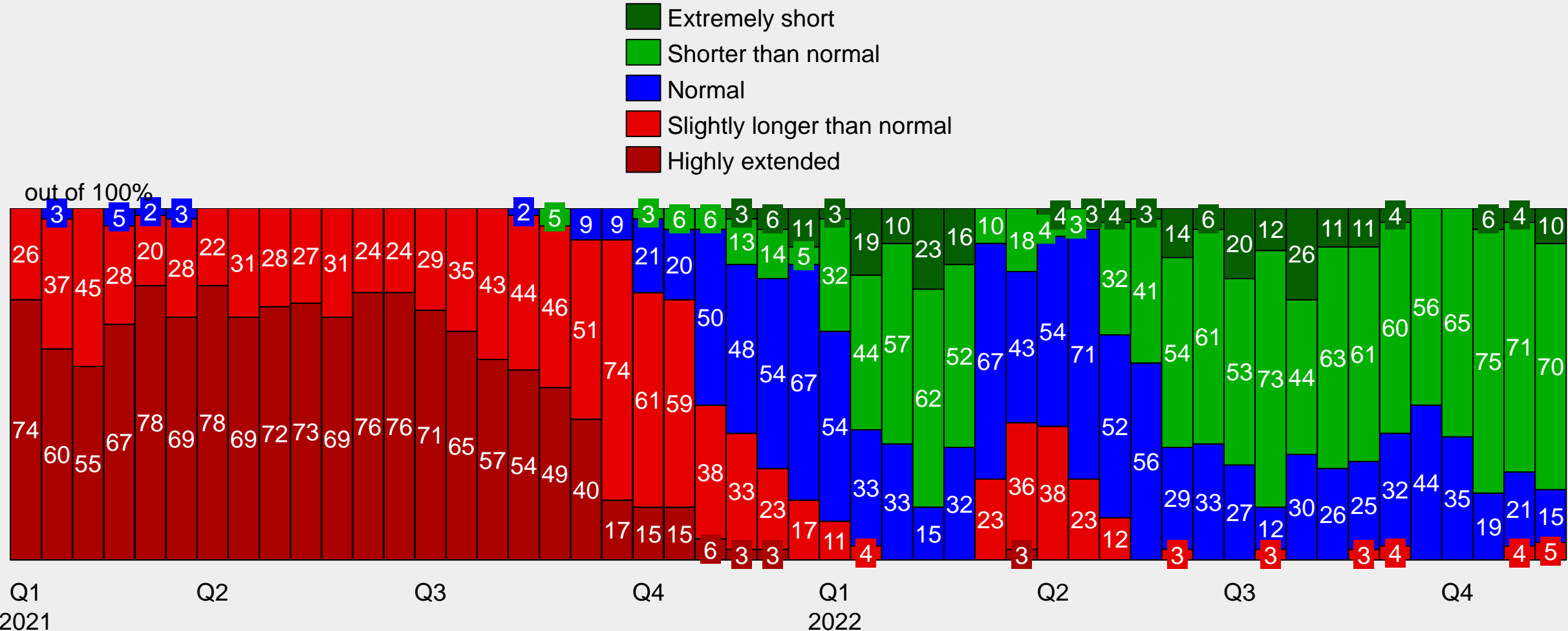
# Mill Lead Times History

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



# Mill Lead Times History

**Service Centers-** How would you describe domestic mill lead times for new orders placed right now?

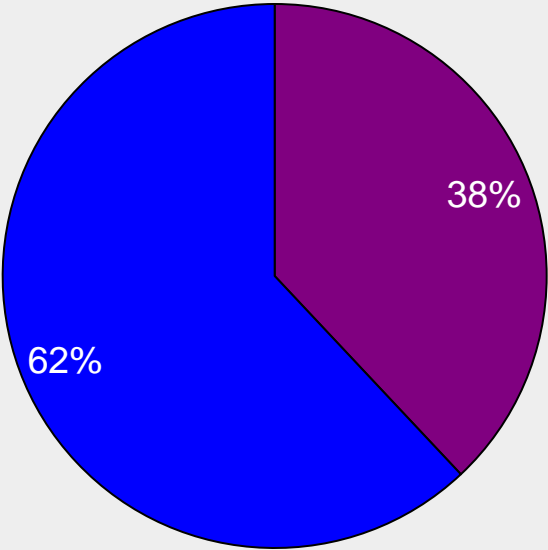


# Foreign Steel Purchases

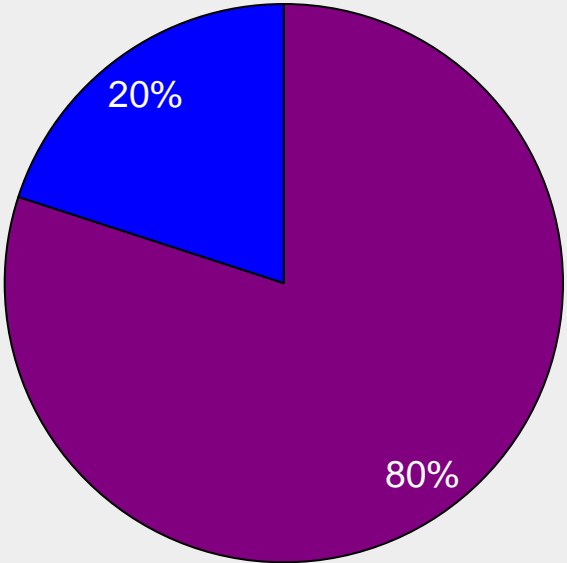
Does your company buy foreign (offshore) steel?

Yes No

## Manufacturers



## Service Centers

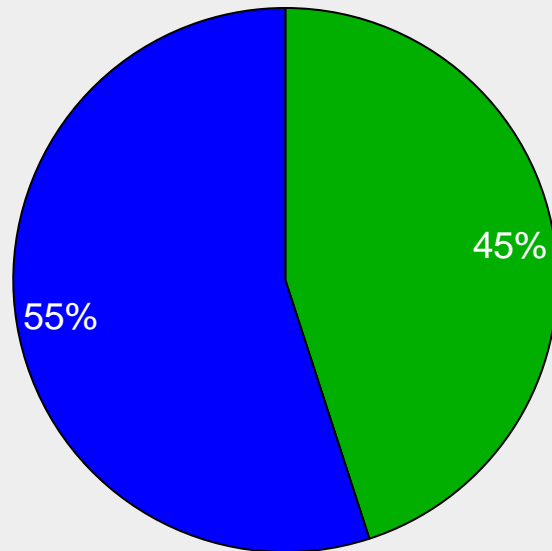


# New Foreign Steel Orders

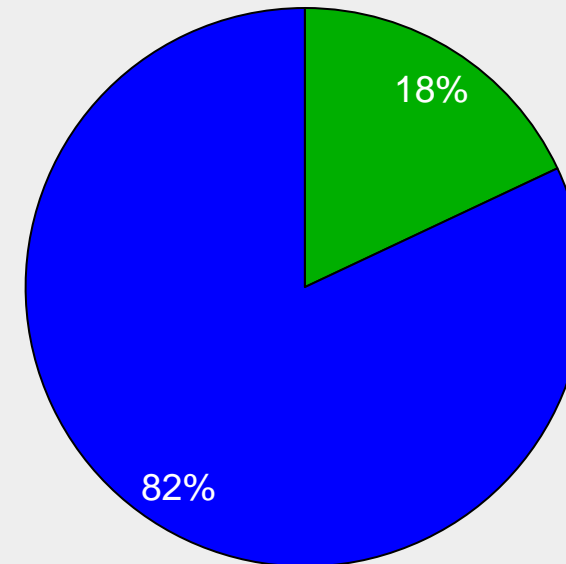
Are you buying new orders of foreign steel for future delivery?

Yes No

## Manufacturers



## Service Centers

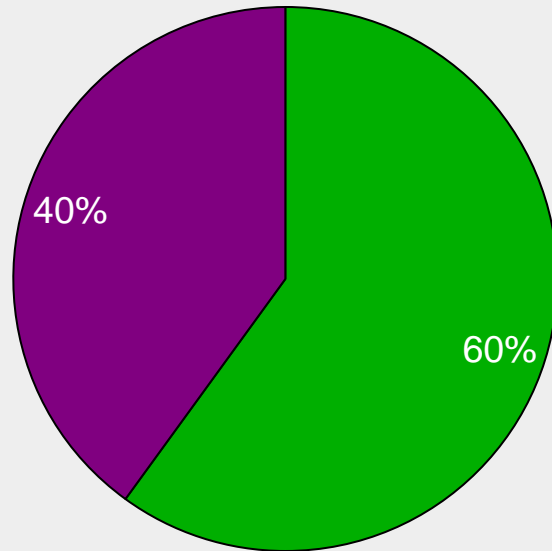


# Foreign Steel Competitive?

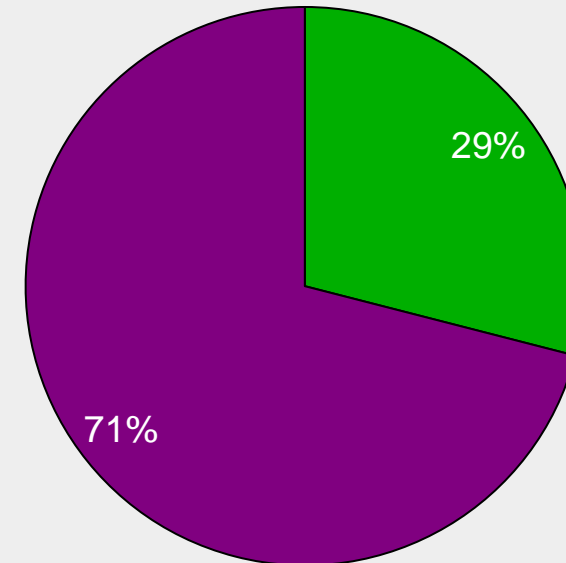
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

Yes No

## Manufacturers



## Service Centers

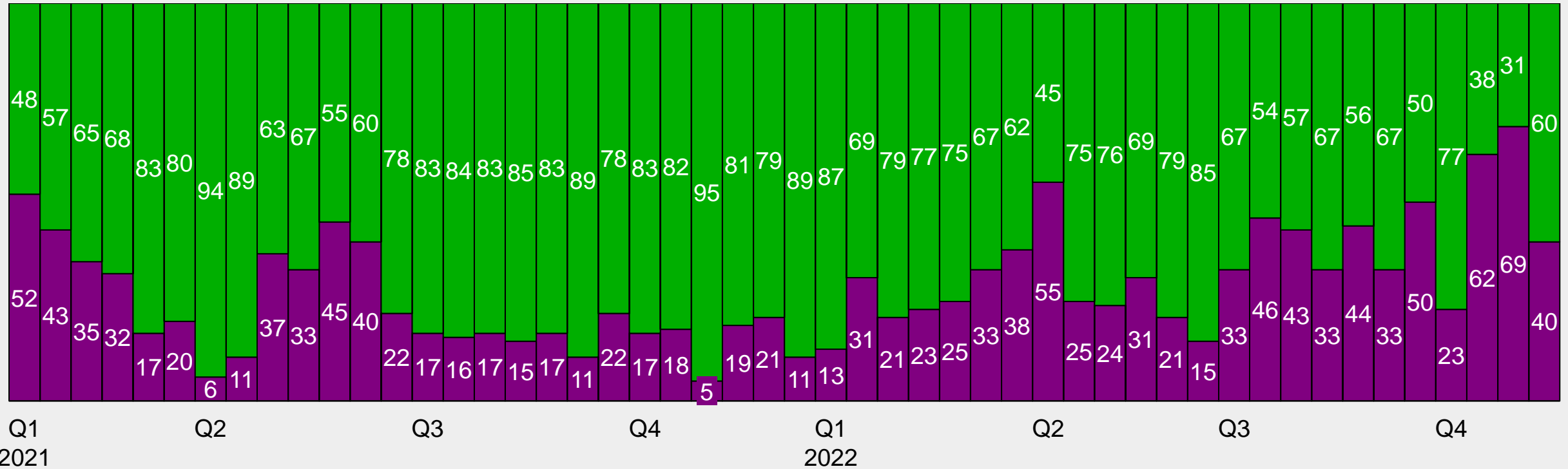


# Foreign Steel Competitiveness History

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

Yes No

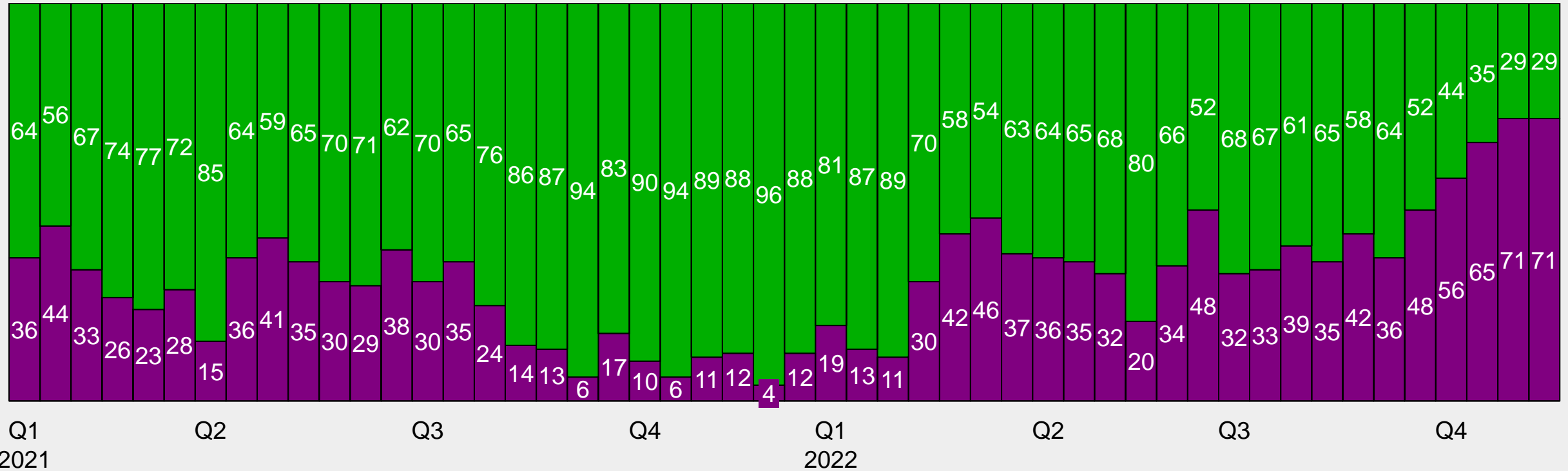
out of 100%



**Service Centers-** Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

Yes No

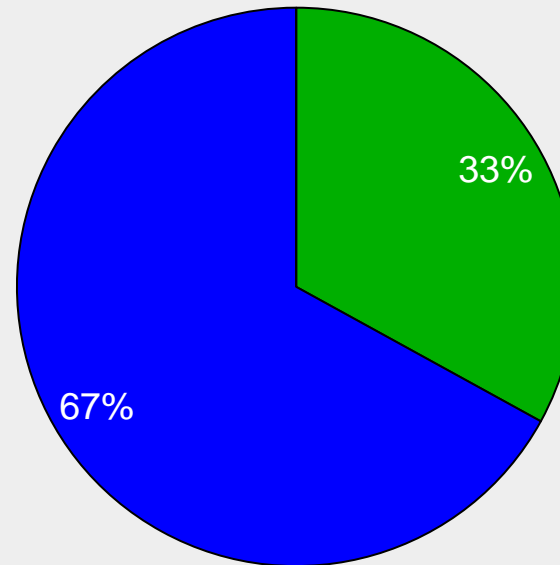
out of 100%







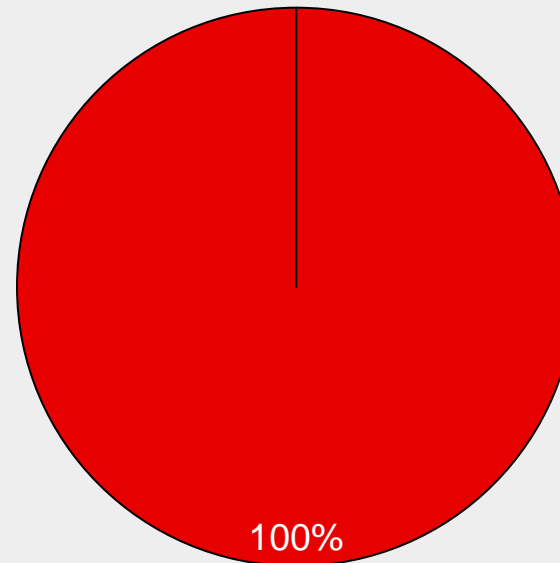
The current order book at your mill is better or worse than last month?\*

- Better
- Same
- Worse



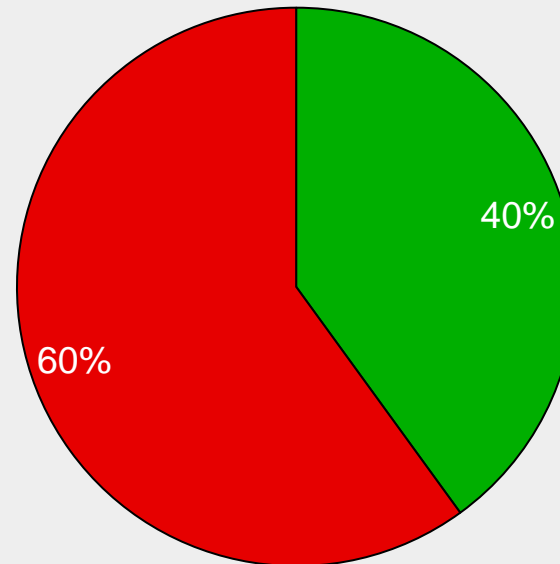
Are you seeing an increase or decrease in orders from your North American buyers?\*

 Increase  
 Decrease



Are foreign products attractive to U.S. buyers?\*

Yes No



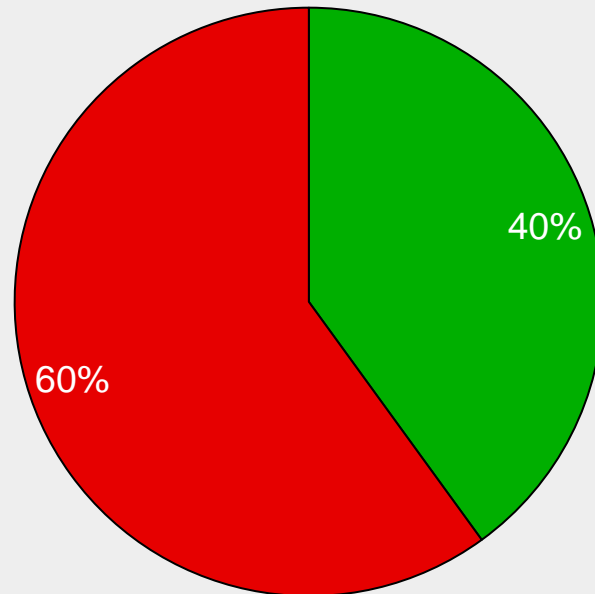
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\*Limited number of responses to this question

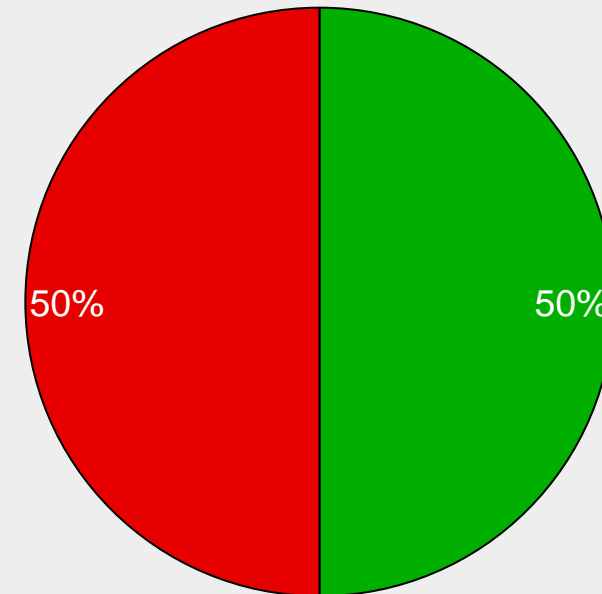
Are you able to offer hot rolled pricing that attracts buyers right now?\*

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

Yes No



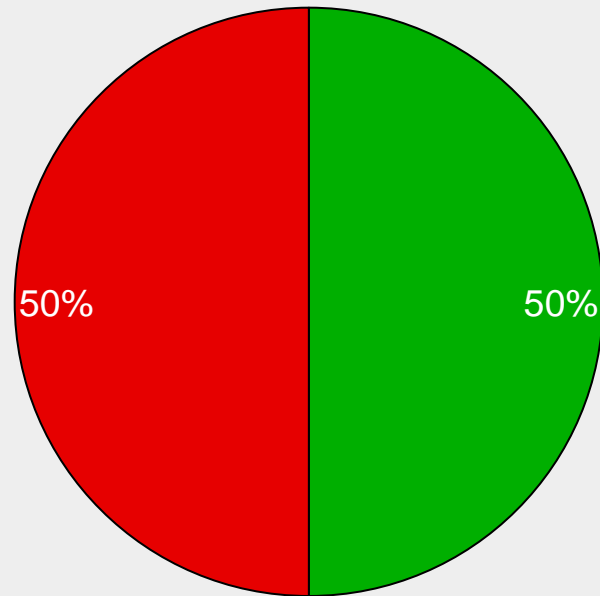
Yes No



# Trading Companies on Coated and Plate

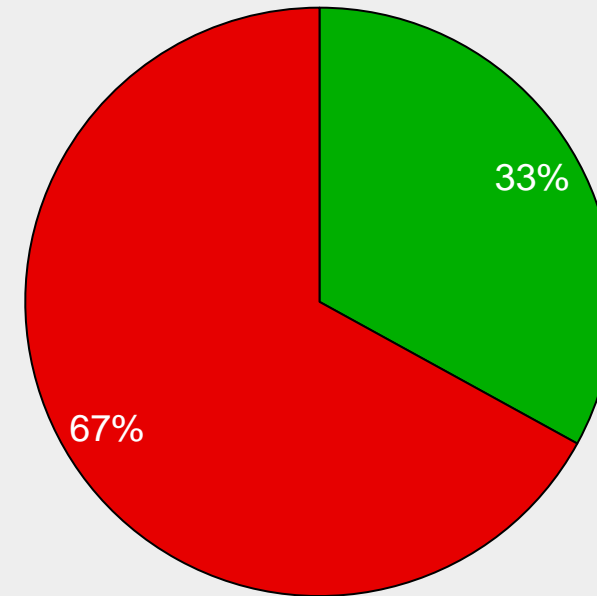
Are your coated prices competitive enough right now to get orders?\*

Yes No



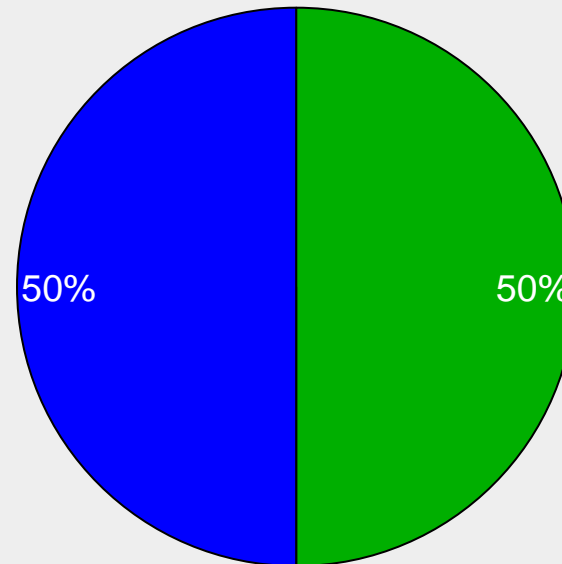
Are you able to offer plate pricing that attracts buyers right now?\*

Yes No



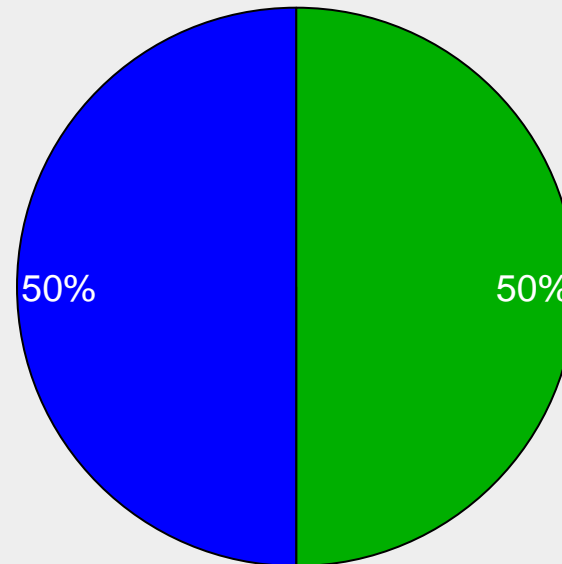
Has your business seen a change in demand this month compared to last month?\*

- Yes - Increase in demand
- Yes - Decline in demand
- No - Steady demand

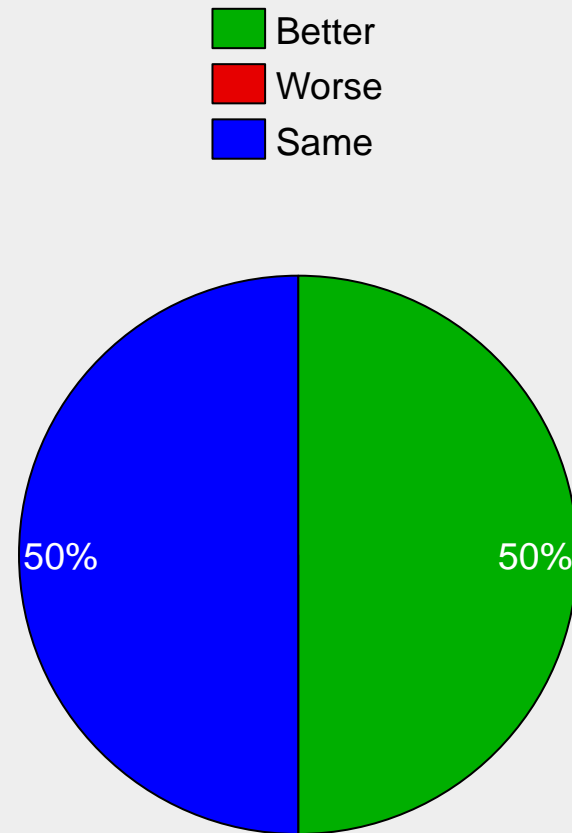


Will business levels be better, worse, or stable in the next 3-6 months?\*

- Better
- Worse
- Stable



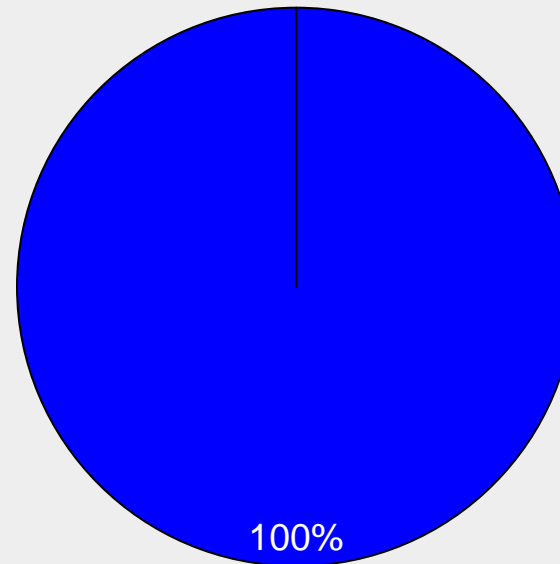
Are business levels better, worse or the same compared to last month?\*





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

- Better
- Worse
- Stable



# 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.





**Look for our next survey  
the week of December 5, 2022**

**Don't just read our data, see your company's experience reflected in it.  
Contact [Brett@SteelMarketUpdate.com](mailto:Brett@SteelMarketUpdate.com) for participation information**





# STEEL MARKET UPDATE

part of the  Group

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

If you would like to participate in our survey, please contact Brett Linton at [Brett@SteelMarketUpdate.com](mailto:Brett@SteelMarketUpdate.com)