



# STEEL MARKET UPDATE

part of the  Group

## SMU Flat Rolled Market Trends Analysis

Responses from our November 22-23, 2021 Market Survey



# Steel Market Update



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 500 companies to participate in our surveys.

Normal response rate is 100-150 individuals on any one survey.

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

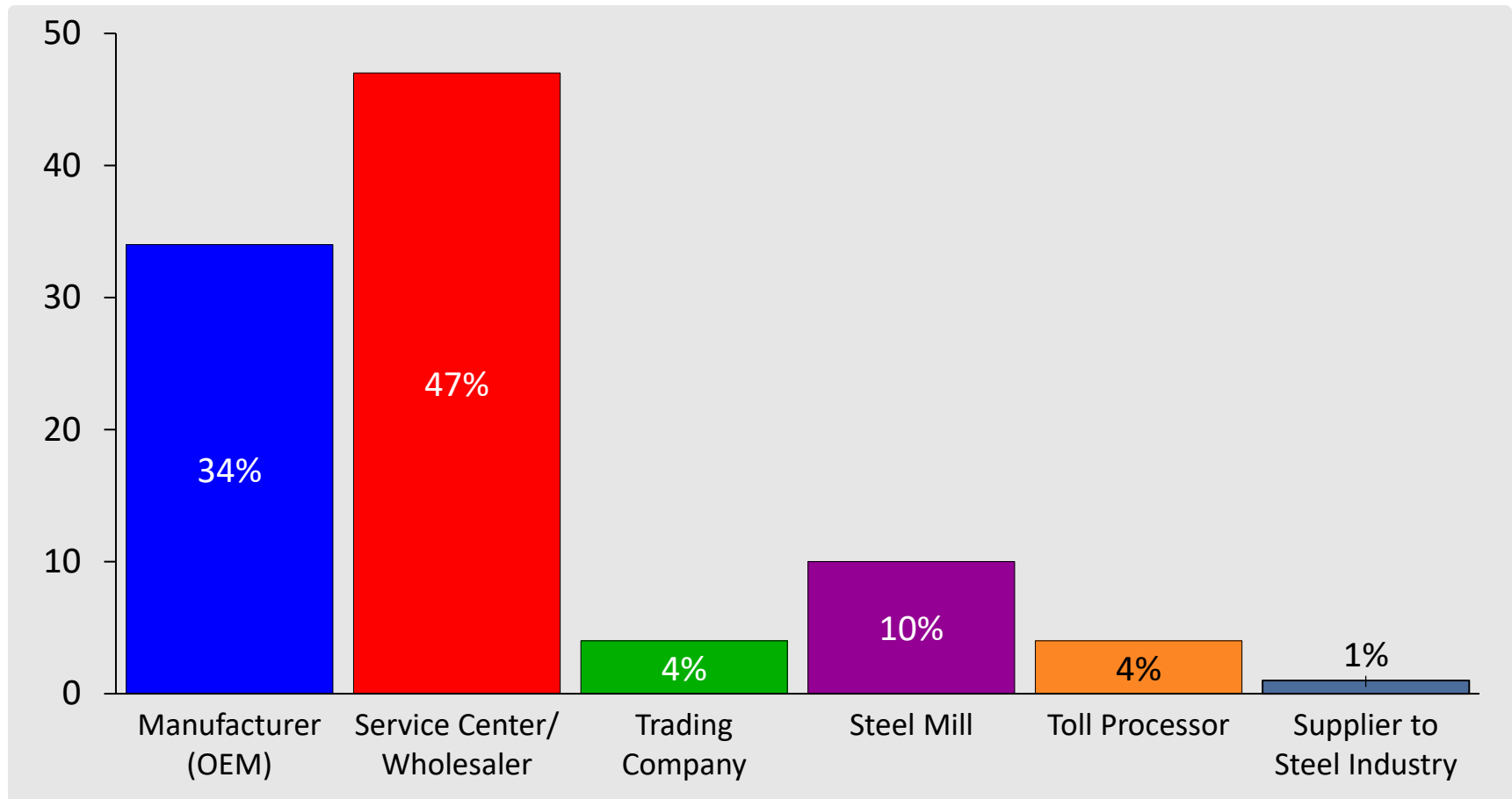
# Upcoming SMU Events

Date	Event	Status	Venue
<b>December 7-8</b>	CRU Carbon Offset and Clean Power Strategies Training Course	<b>Virtual</b>	Online
<b>January 11-12</b>	SMU Steel 101 Workshop	<b>Virtual</b>	Online
<b>February 1-2</b>	SMU Introduction to Steel Hedging Workshop	<b>Virtual</b>	Online
<b>February 14-16</b>	Tampa Steel Conference	<b>Live</b>	Marriott Waterside Hotel Tampa, Florida
<b>April 26-27</b>	SMU Advanced Steel Hedging Workshop	<b>Virtual</b>	Online
<b>August 22-24</b>	SMU Steel Summit Conference	<b>Live</b>	Georgia International Convention Center, Atlanta, Georgia

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)

# Survey Participants

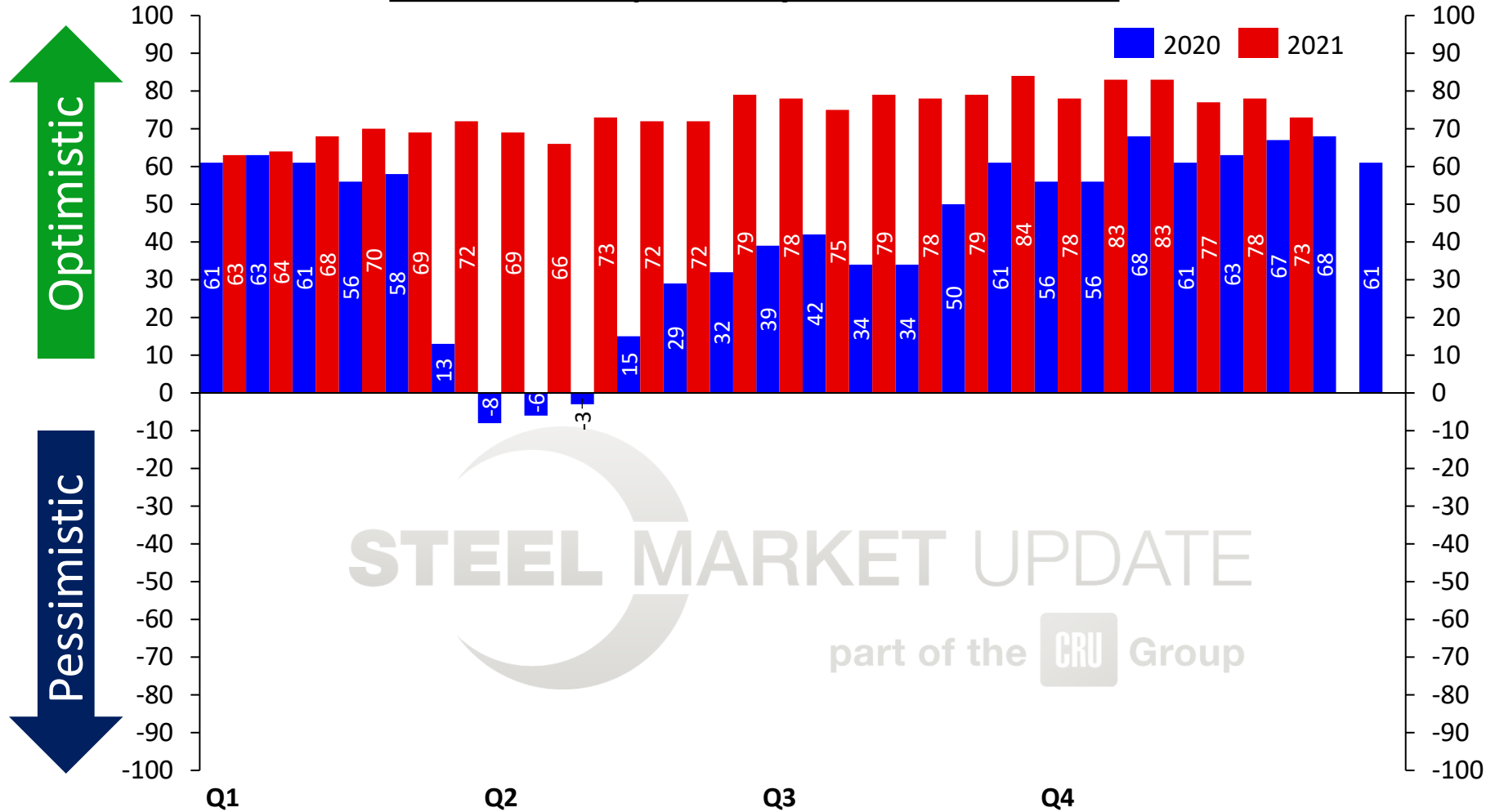
Our survey is by invitation only- Over 500 companies, mostly in the manufacturing or distribution industries, are asked to participate. Here are the percentages of participation in this week's survey by market sector.



# SMU Buyers Sentiment Index

Down 5 points to +73

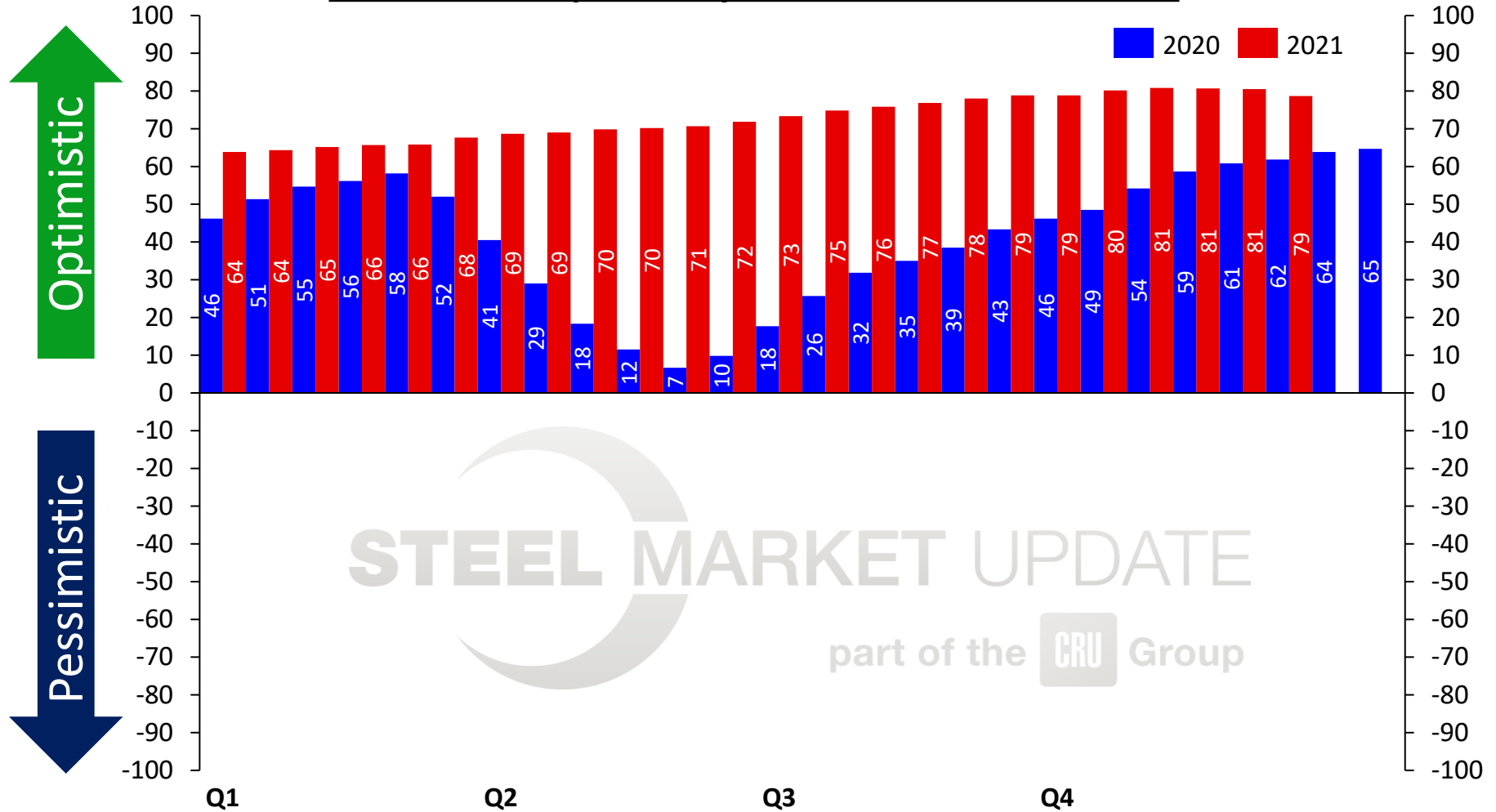
## Steel Market Update Buyers Sentiment Index



# SMU Buyers Sentiment Index

Three Month Moving Average at +78.67

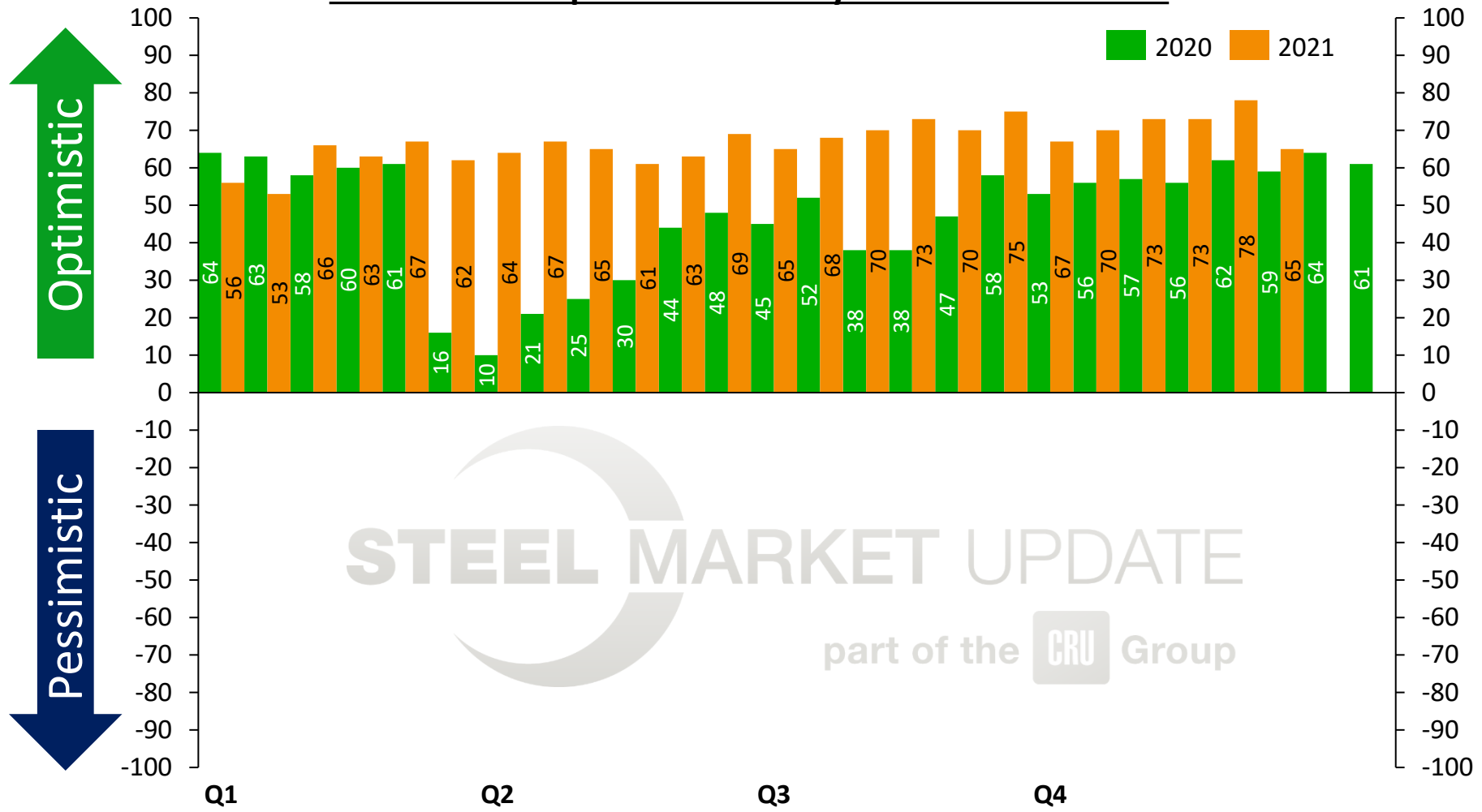
## Steel Market Update Buyers Sentiment Index 3MMA



# SMU Future Buyers Sentiment Index

Down 13 points to +65

## Steel Market Update Future Buyers Sentiment Index

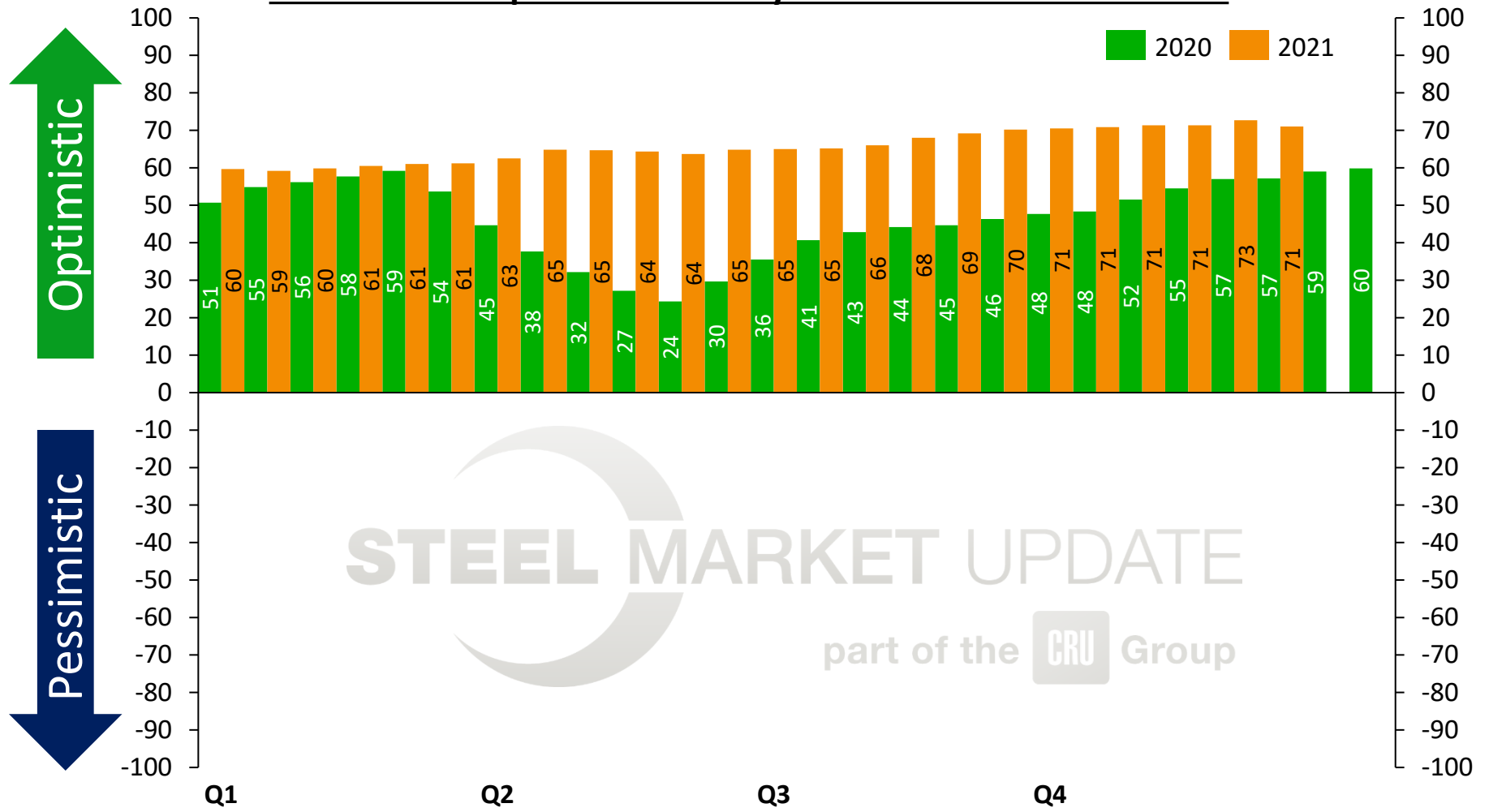




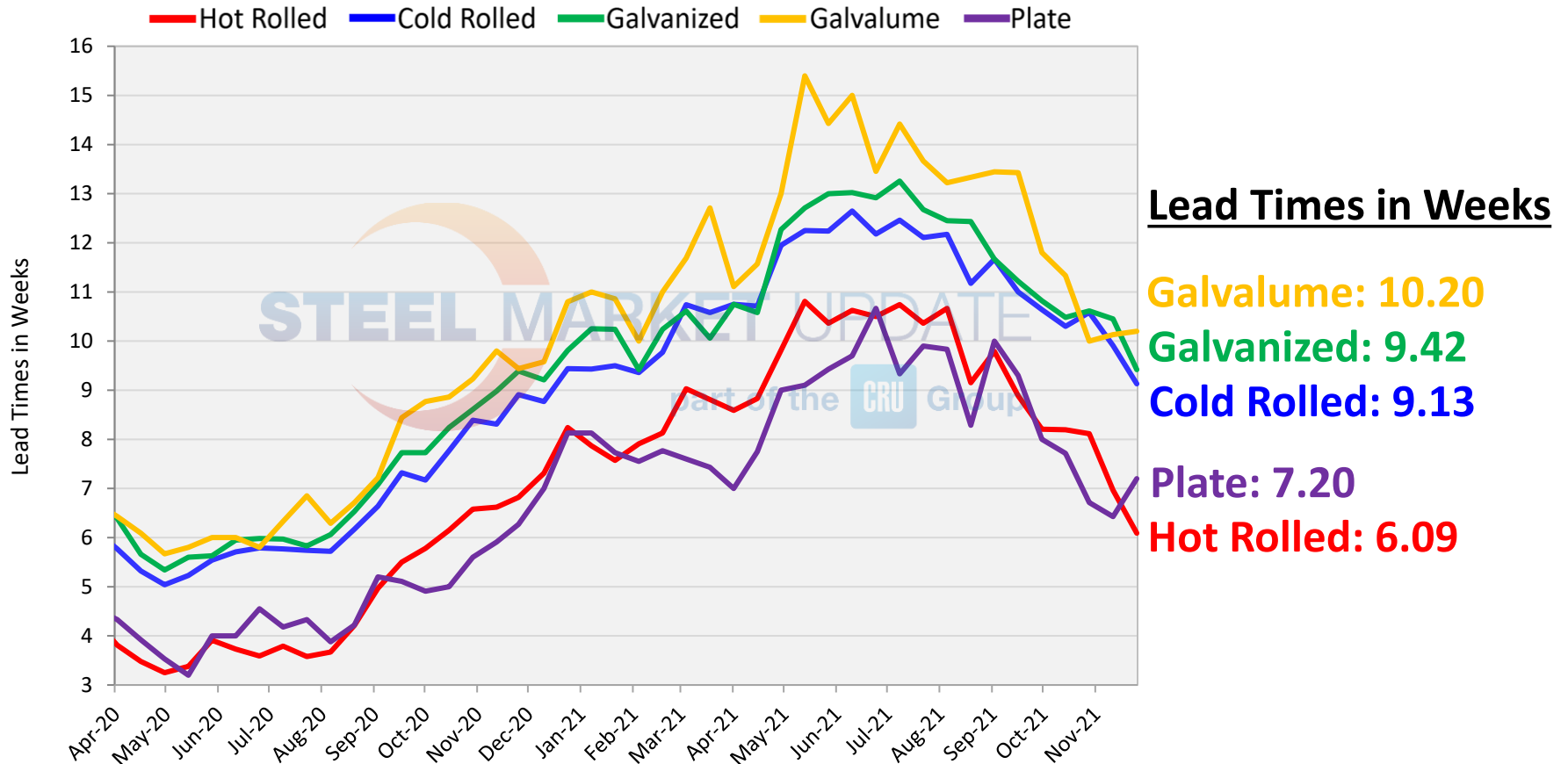
# SMU Future Buyers Sentiment Index

Three Month Moving Average at +71.00

## Steel Market Update Future Buyers Sentiment Index 3MMA



# Mill Lead Times

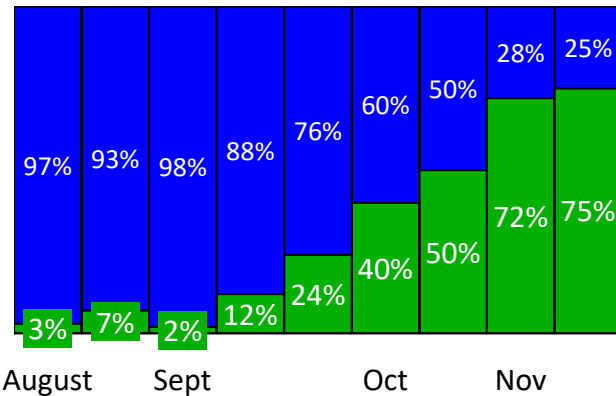


# Mill Negotiations

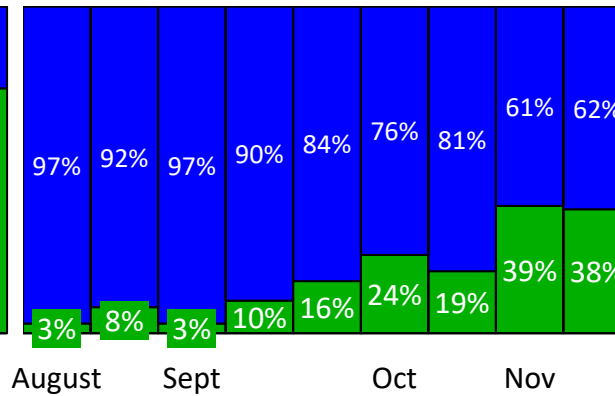
Are you finding the domestic mills are willing to negotiate pricing on brand new orders placed this week?

Yes No

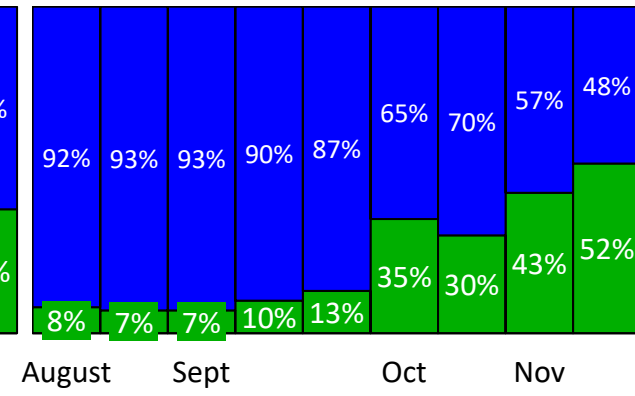
Hot Rolled



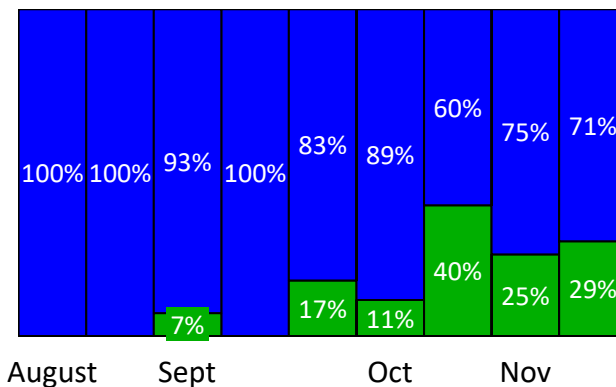
Cold Rolled



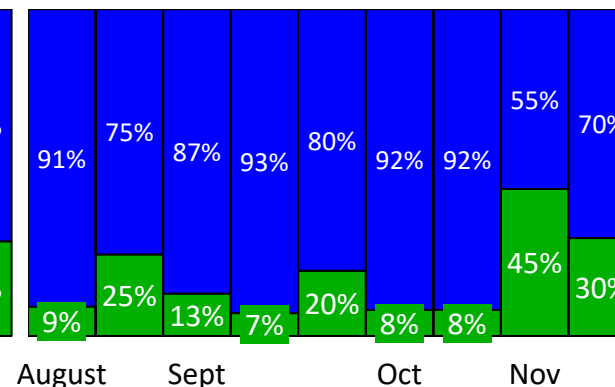
Galvanized



Galvalume

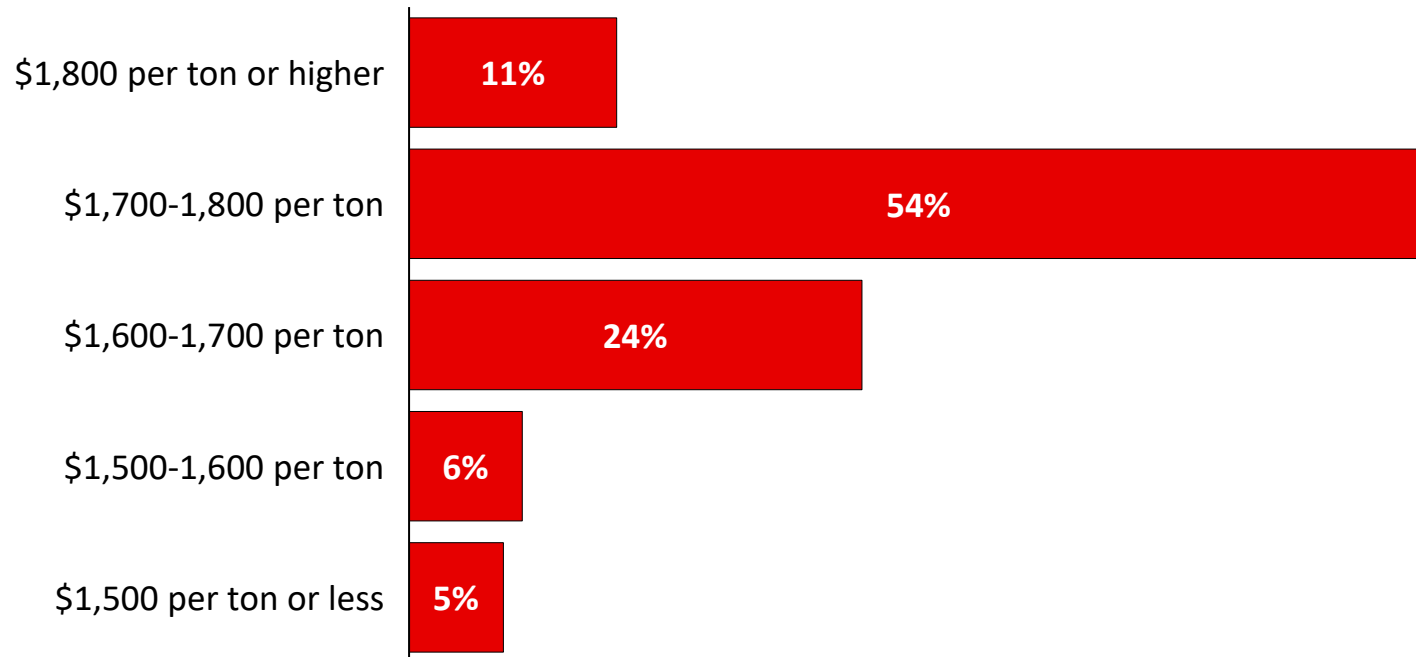


Plate



# End of Year HRC Prices

Hot rolled coil prices average \$1,830 per ton.  
Where do you think HRC prices will be at year end?

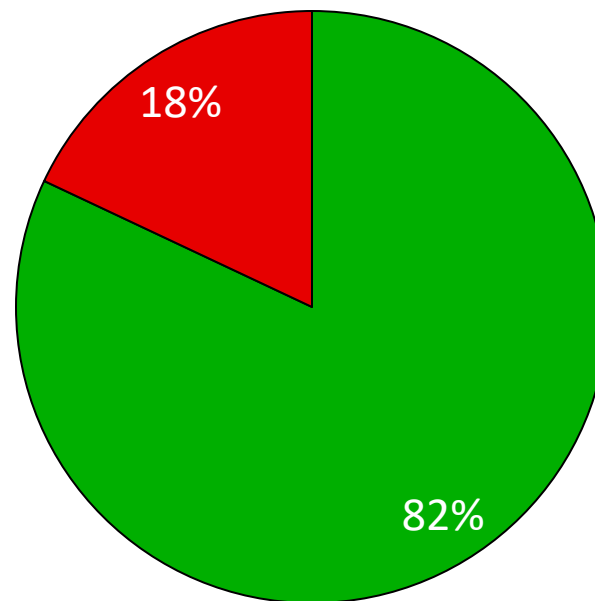


\* As of Monday, November 22, 2021; the latest SMU HR average is \$1,780 per ton

# Section 232 Changes

Will the removal/modification of Section 232 on the EU and other countries result in lower steel prices?

Yes No

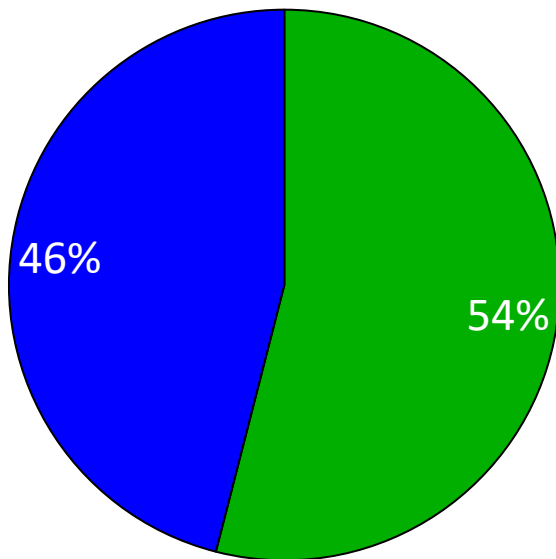


# Staying on the Sidelines?

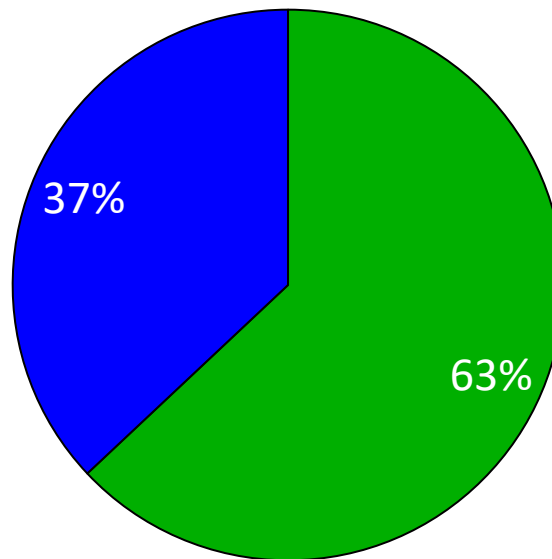
Are you an active buyer or staying on the sidelines to see how prices play out?

■ Active buyer ■ On the sidelines

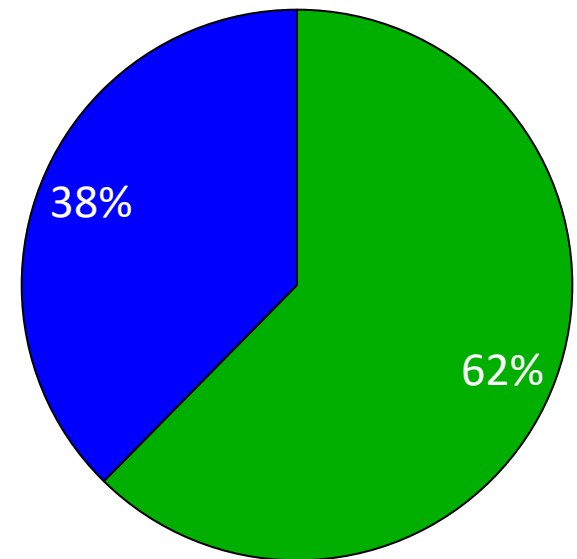
October 28, 2021



November 11, 2021

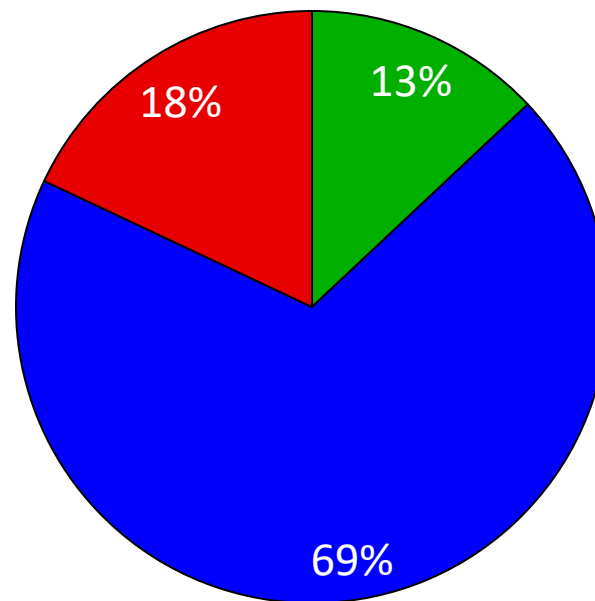


November 24, 2021



How are you seeing demand for your products?

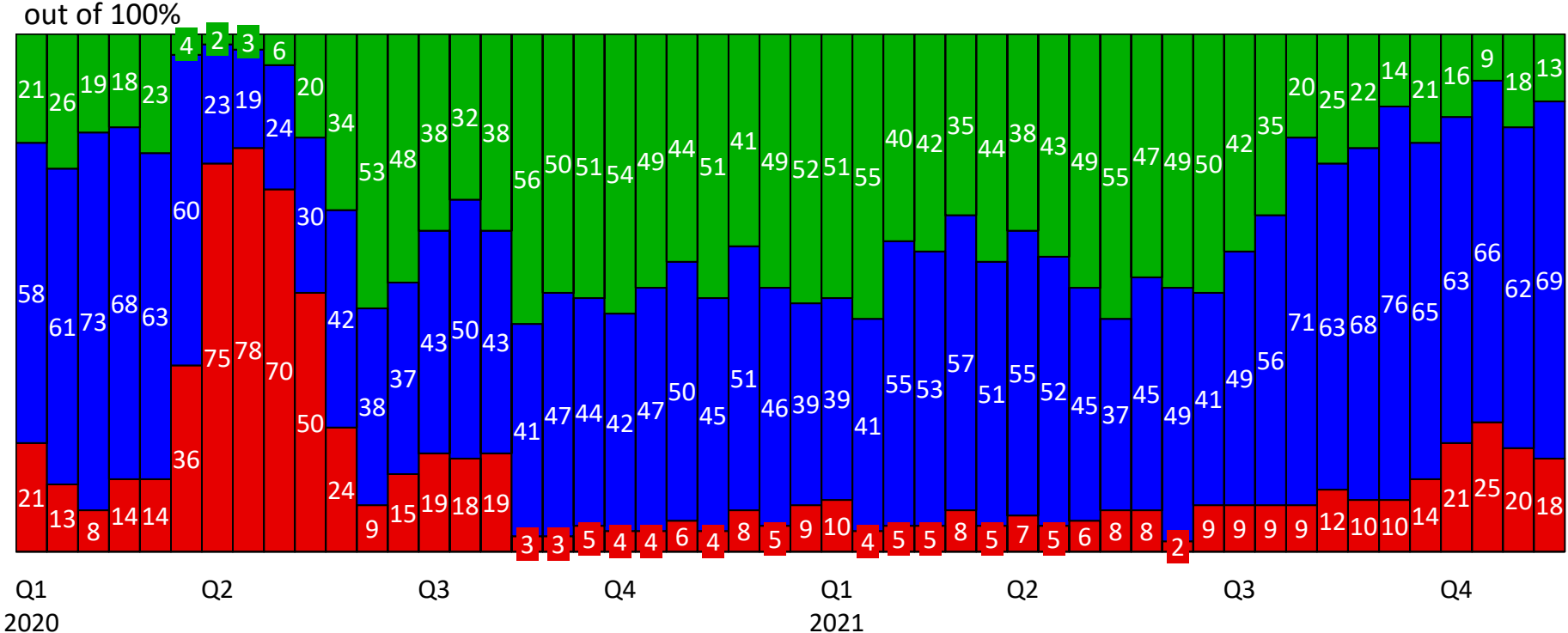
- Demand is improving
- Demand is remaining the same
- Demand is declining



# Overall Demand History

How are you seeing demand for your products?

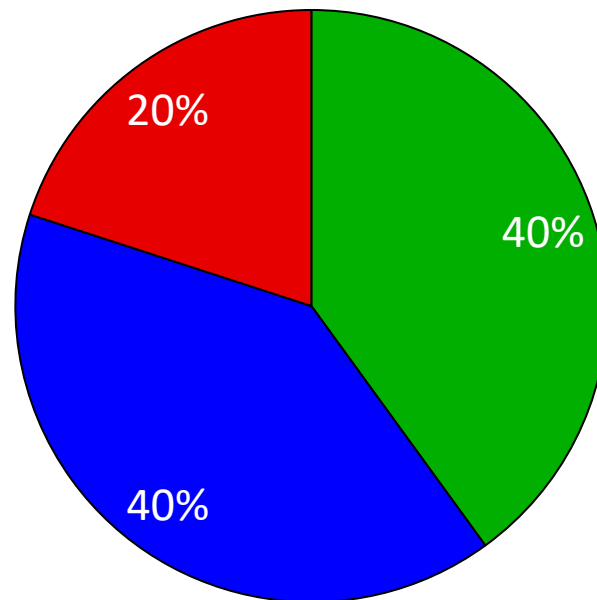
- Demand is improving
- Demand is remaining the same
- Demand is declining





**Manufacturers-** Compared to this time last year –  
is your company buying more, less or the same  
amount of flat rolled steel as one year ago?

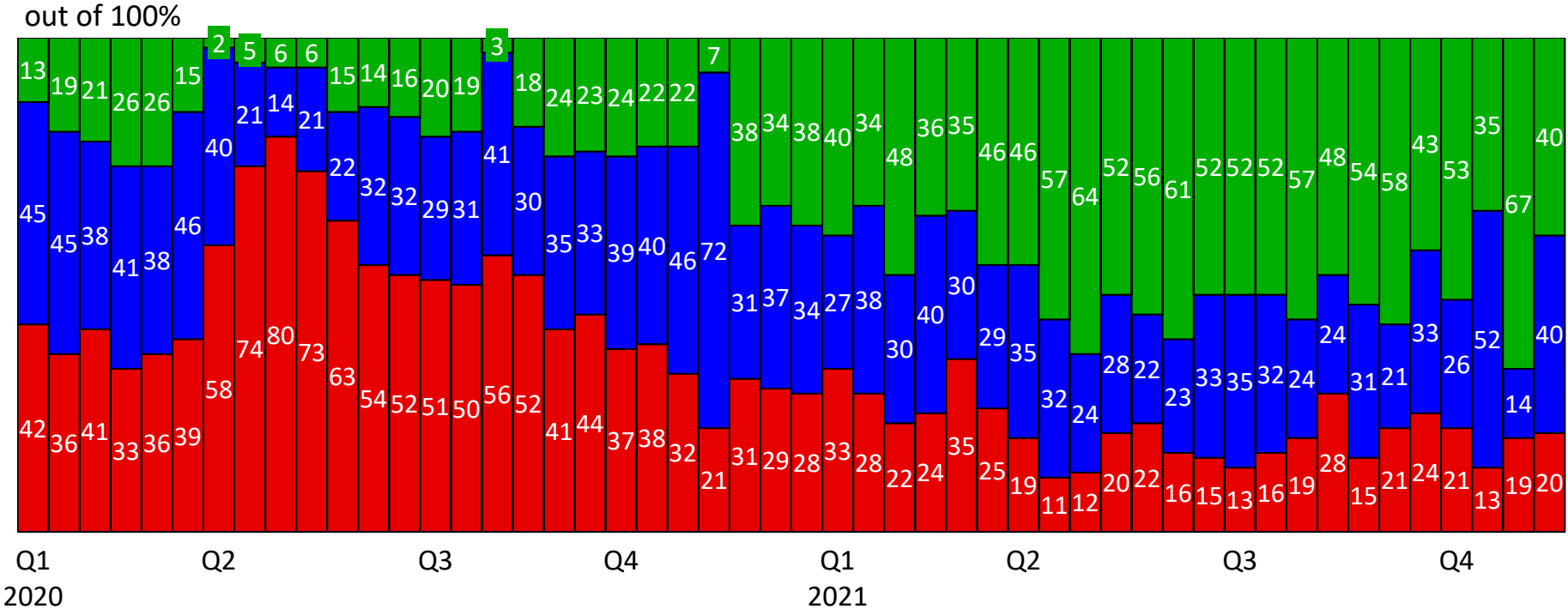
- Buying more steel
- Buying the same amount of steel
- Buying less steel



# History of Manufacturer Purchases

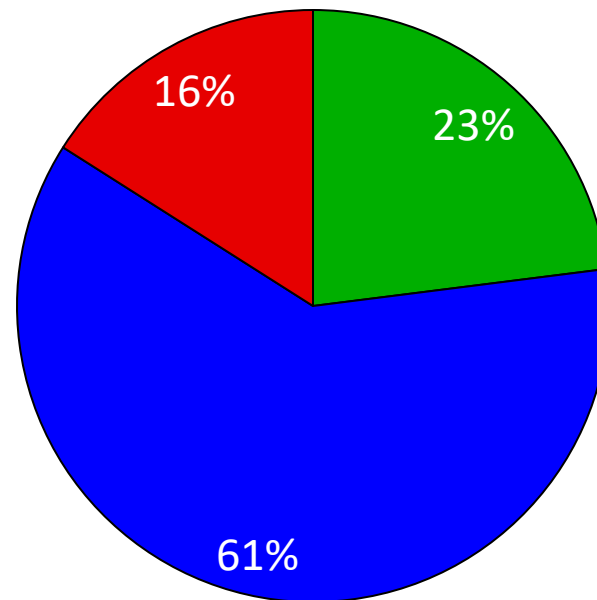
**Manufacturers-** Compared to this time last year –  
is your company buying more, less or the same  
amount of flat rolled steel as one year ago?

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



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

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

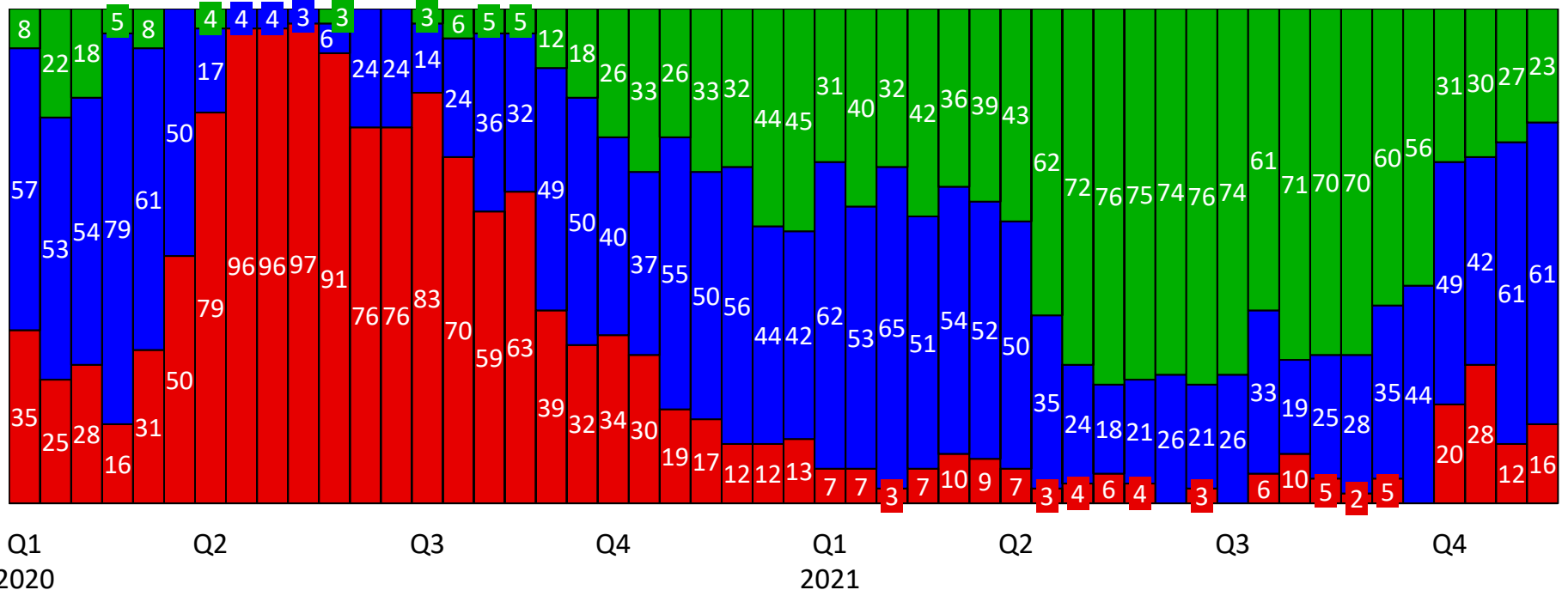


# Service Center Release History

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

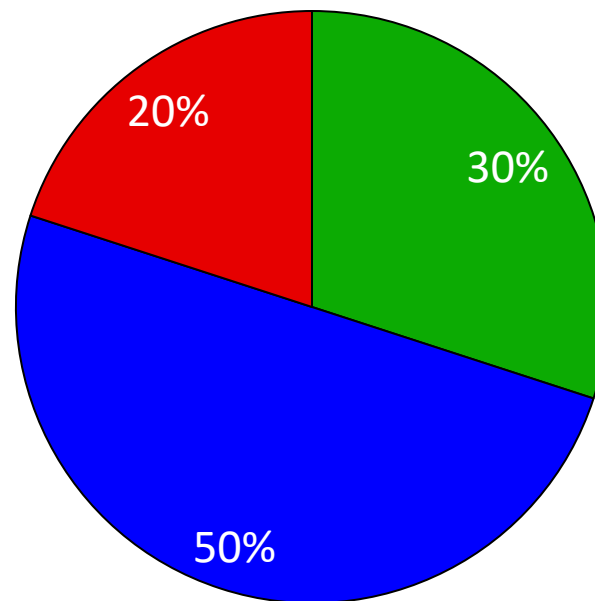
- Releasing more steel
- Releasing the same amount of steel
- Releasing less steel

out of 100%



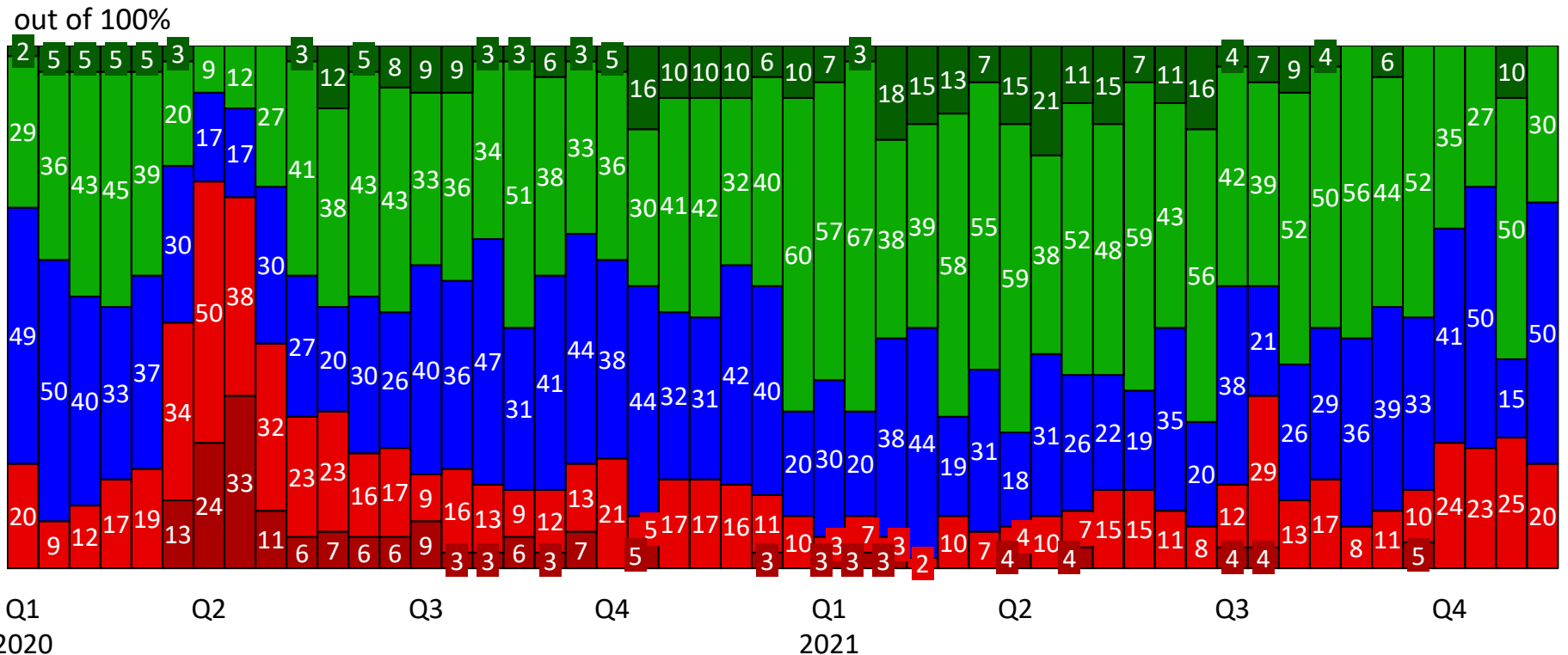
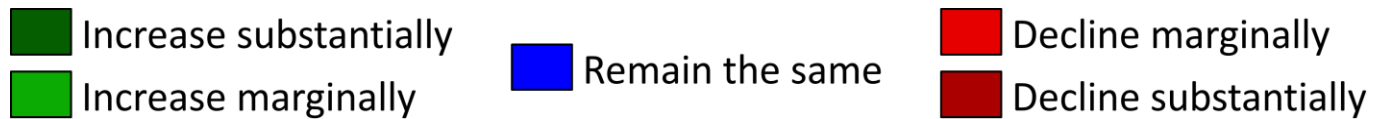
**Manufacturers-** Demand for your products will \_\_\_\_\_  
over the next 3 months based on current order flows.

- Increase substantially
- Increase marginally
- Remain the same
- Decline marginally
- Decline substantially



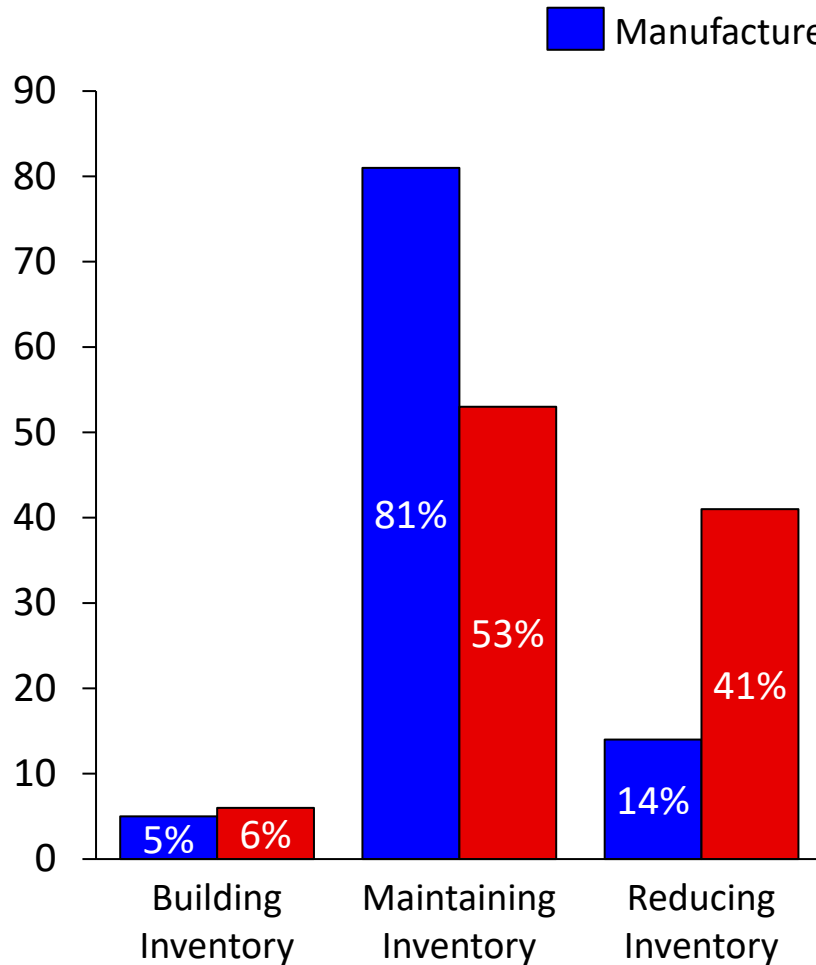
# Manufacturer Demand History

**Manufacturers-** Demand for your products will \_\_\_\_\_  
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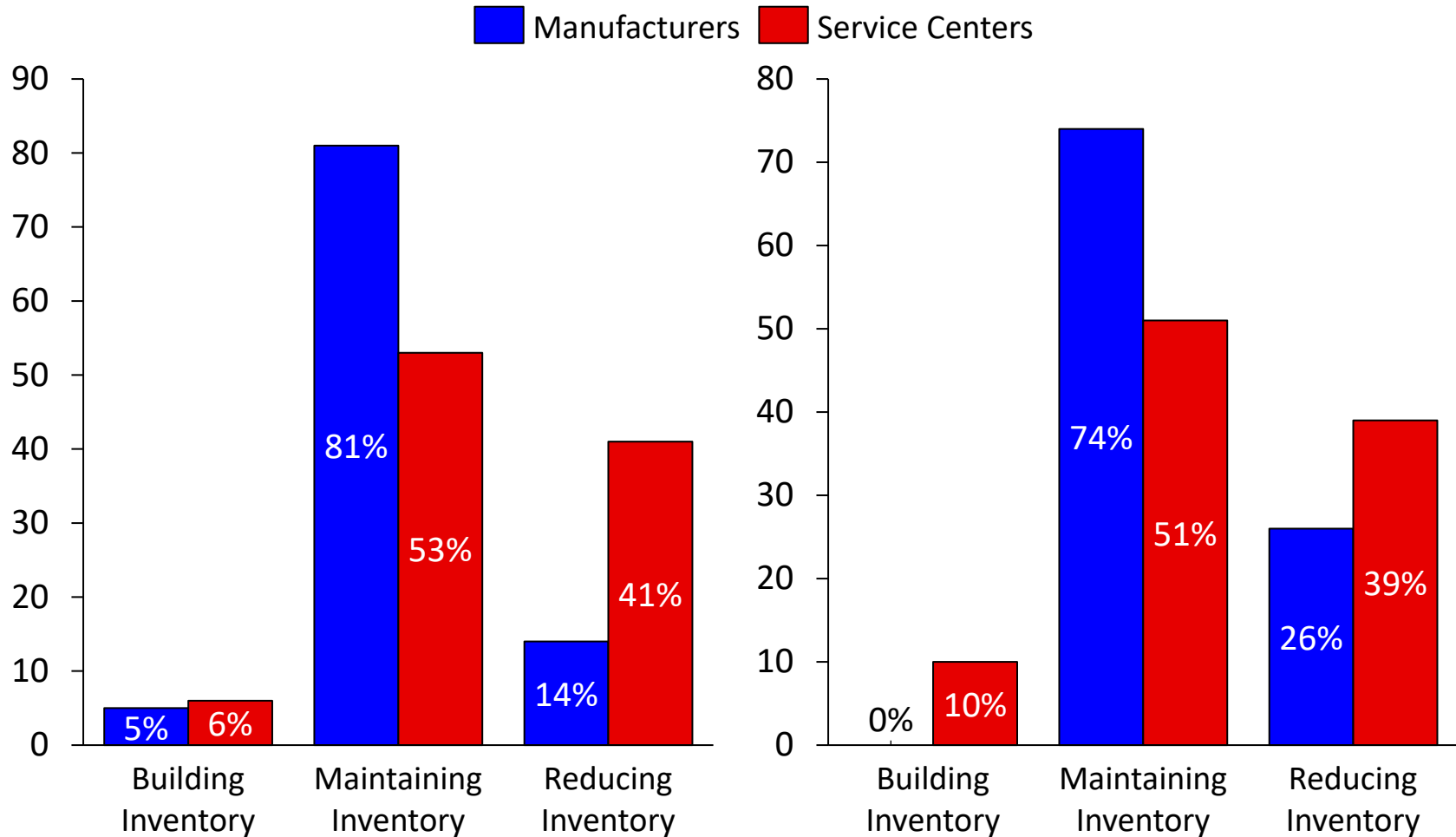


# Manufacturer and Service Center Inventory Buying Patterns

November 11, 2021



November 24, 2021

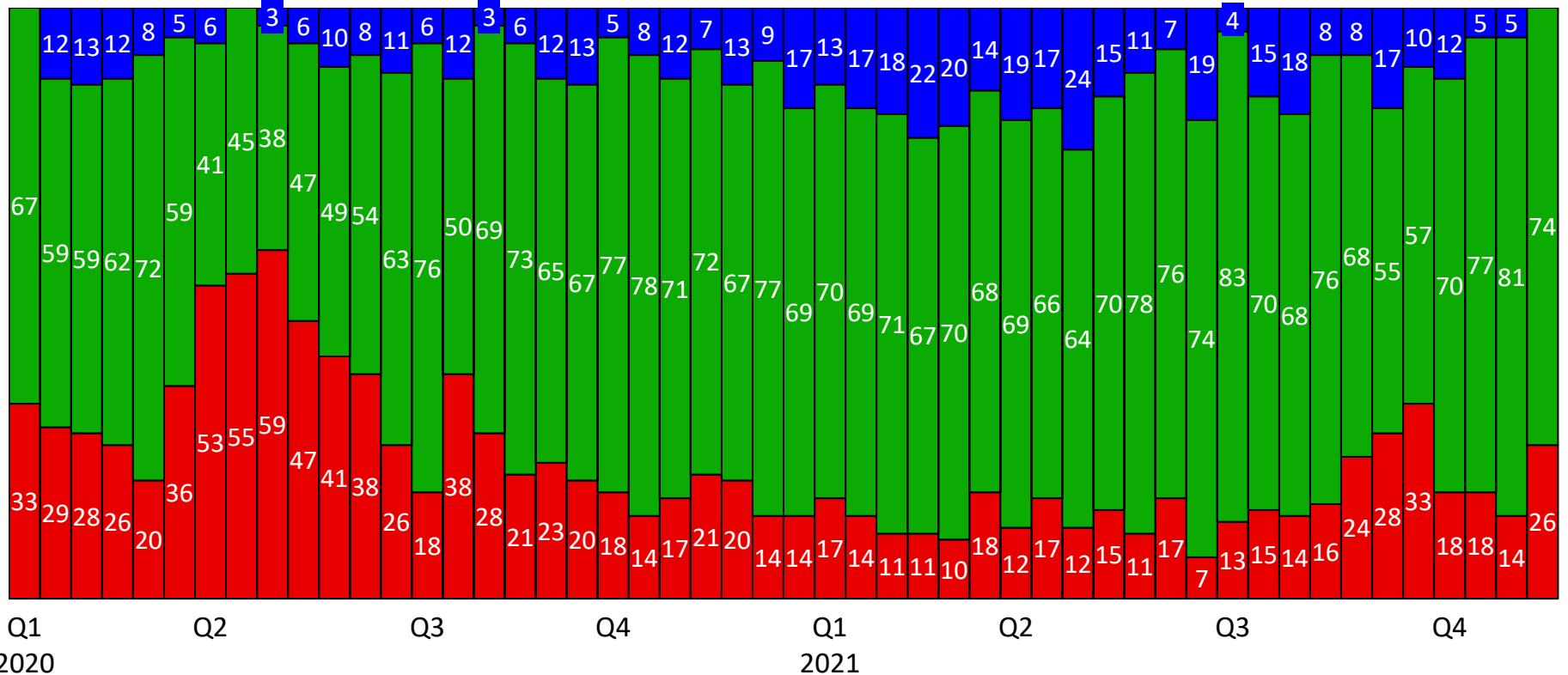


# Manufacturer Inventory Buying History

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

■ Building Inventory 
 ■ Maintaining Inventory 
 ■ Reducing Inventory

out of 100%



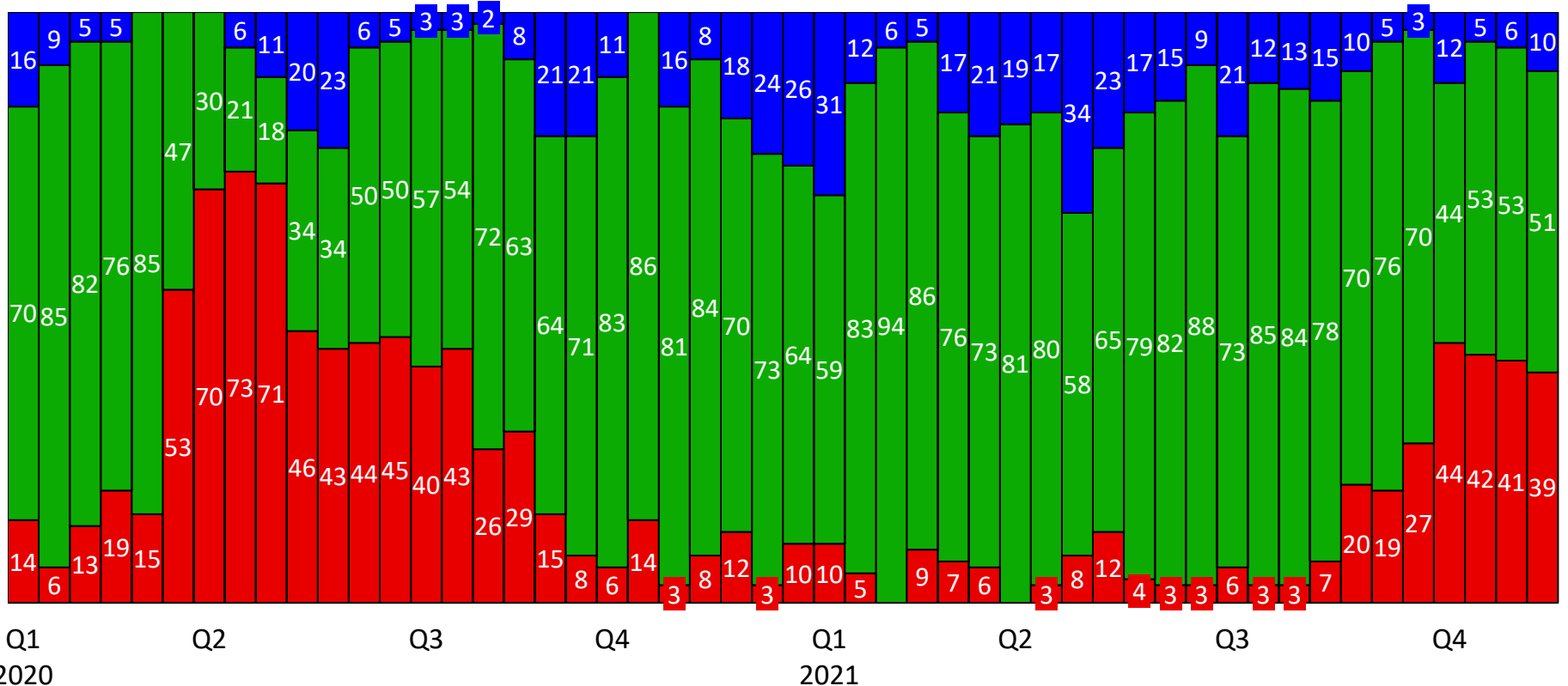


# Service Center Inventory Buying History

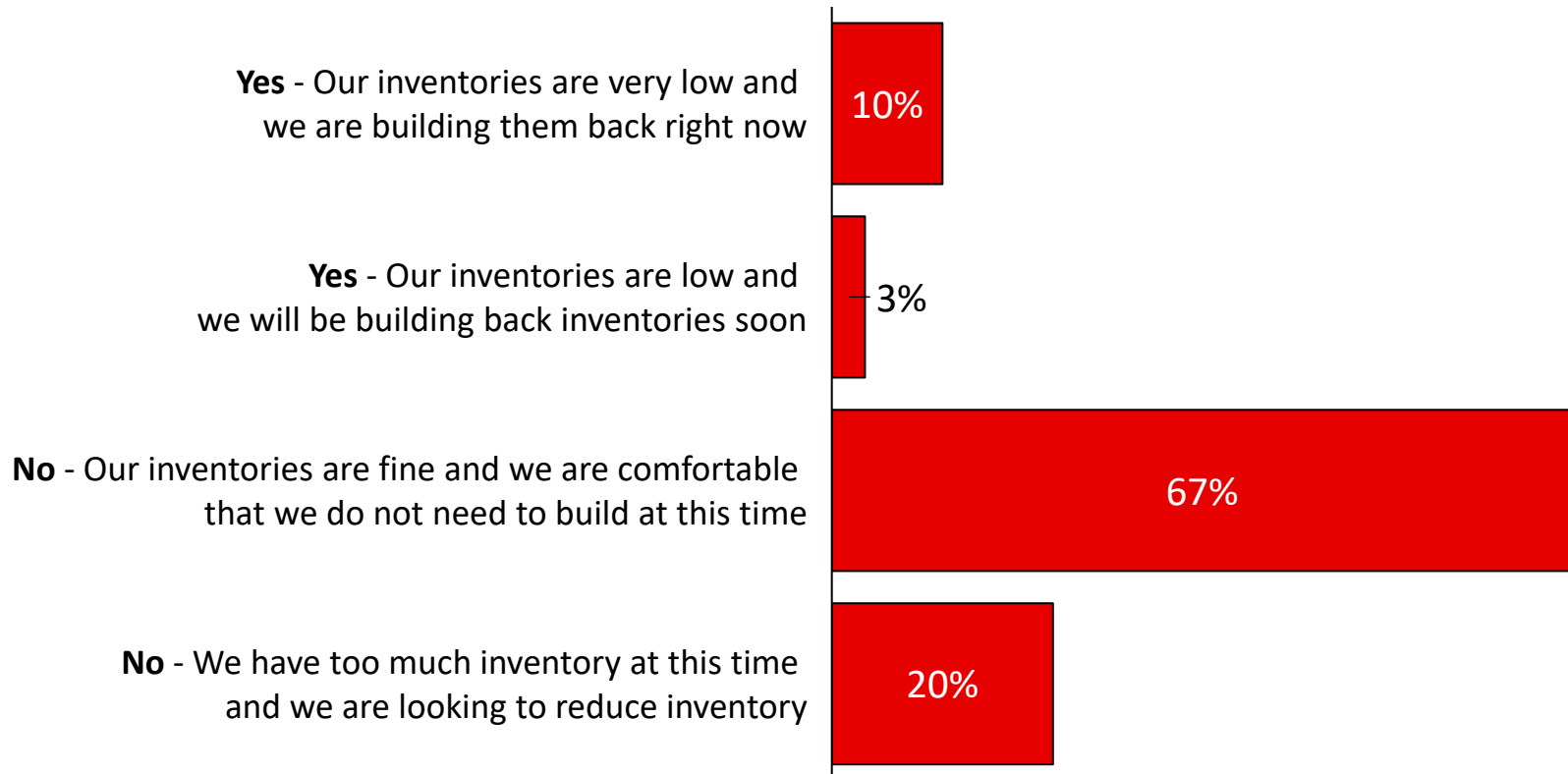
**Service Centers-** Is your company building, reducing or maintaining its flat rolled steel inventory?

■ Building Inventory   
 ■ Maintaining Inventory   
 ■ Reducing Inventory

out of 100%



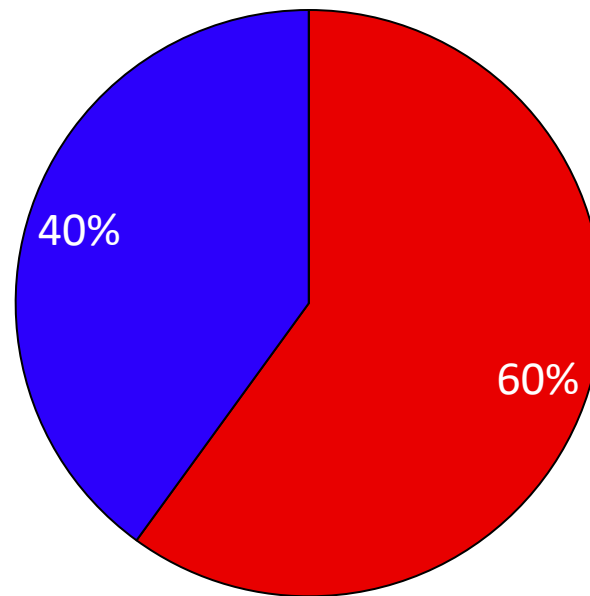
**Service Centers-** Does your company need to build back inventories or are you comfortable with the levels you are holding on your floor?



# Manufacturer's 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 are seeing prices decreasing from our service centers
- We are seeing prices stable from our service centers
- We are seeing prices rising from our service centers

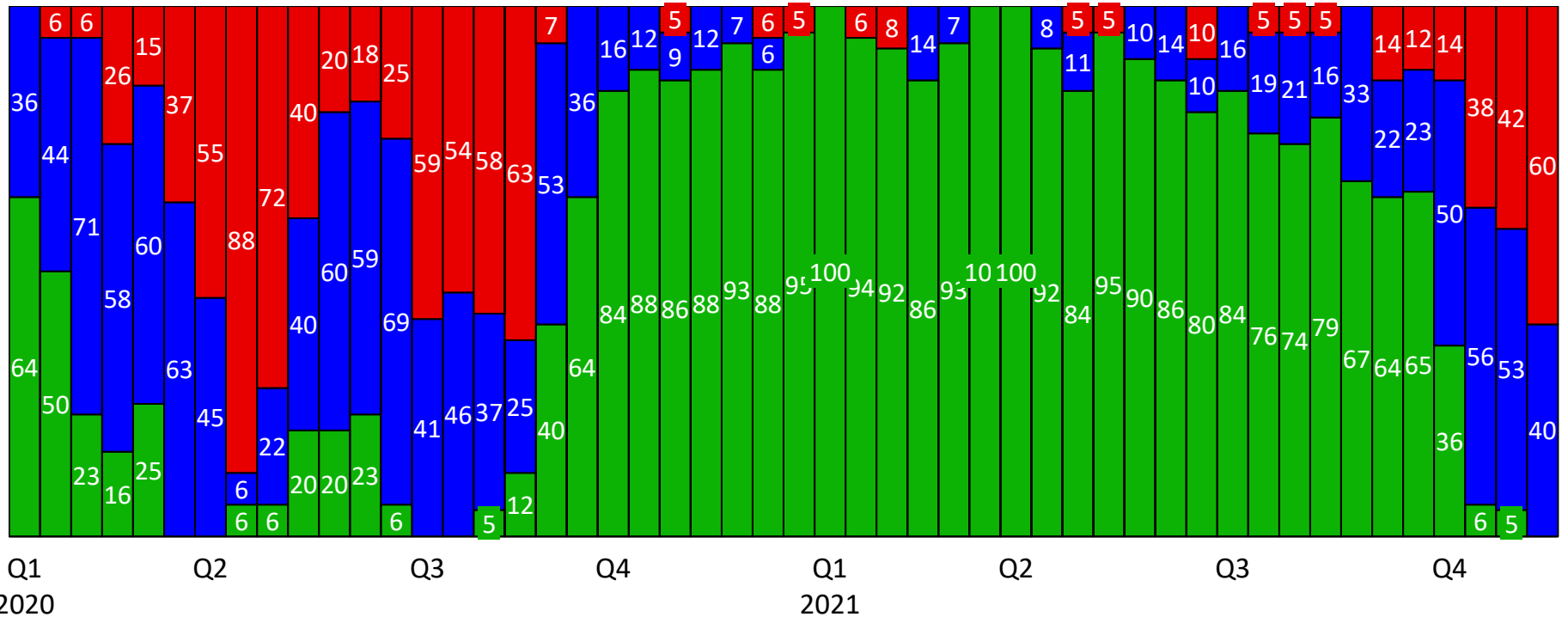


# Manufacturer's View of Service Center Selling Prices History

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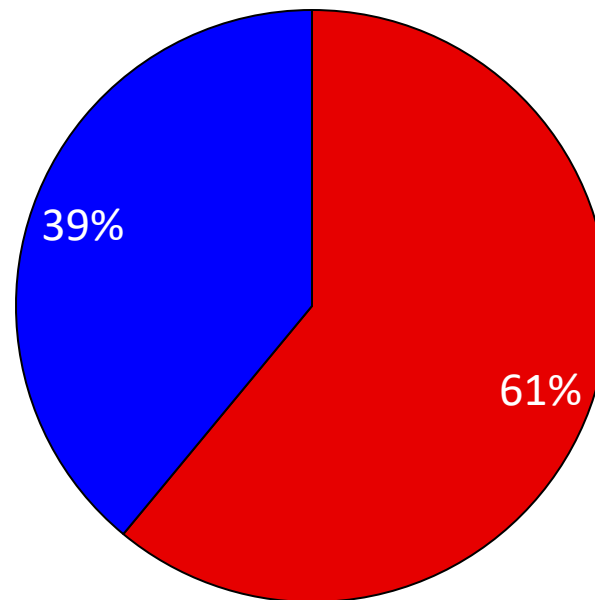
- We are seeing prices decreasing from our service centers
- We are seeing prices stable from our service centers
- We are seeing prices rising from our service centers

out of 100%



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

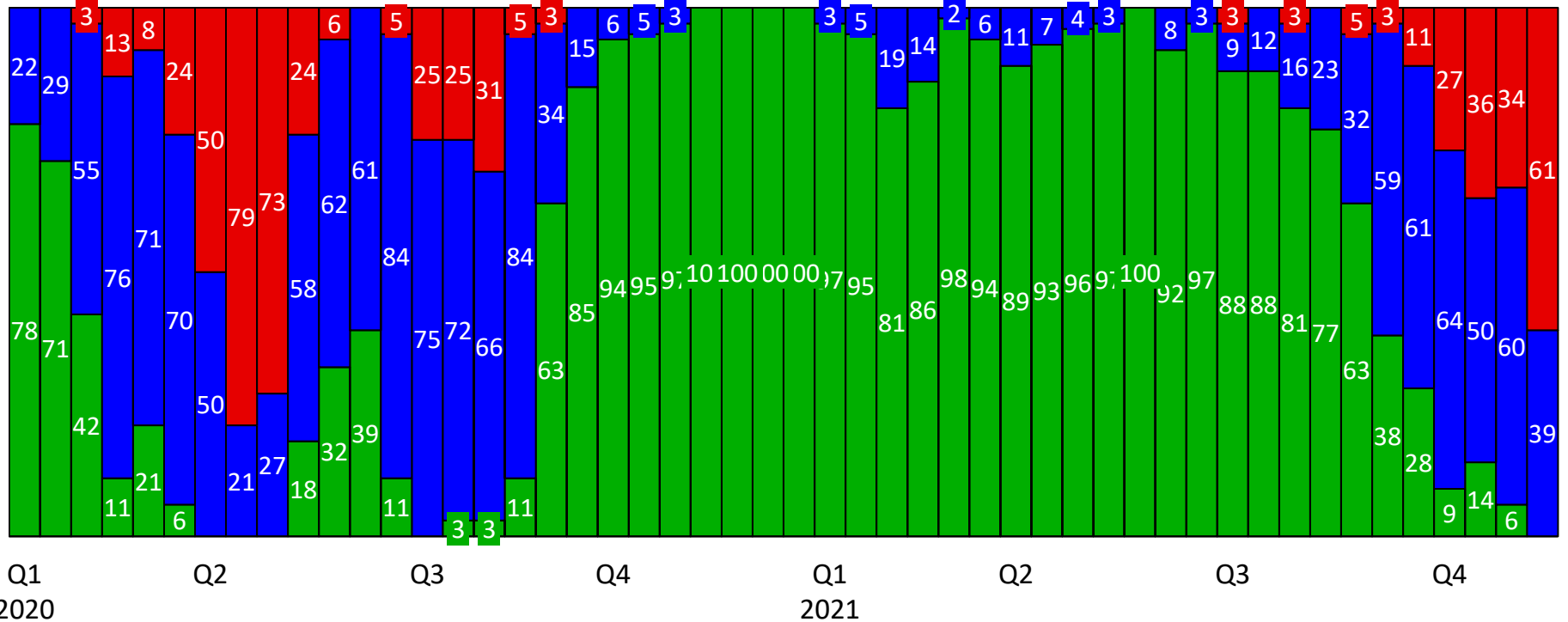
- We are lowering prices
- We are keeping prices the same
- We are raising prices



**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
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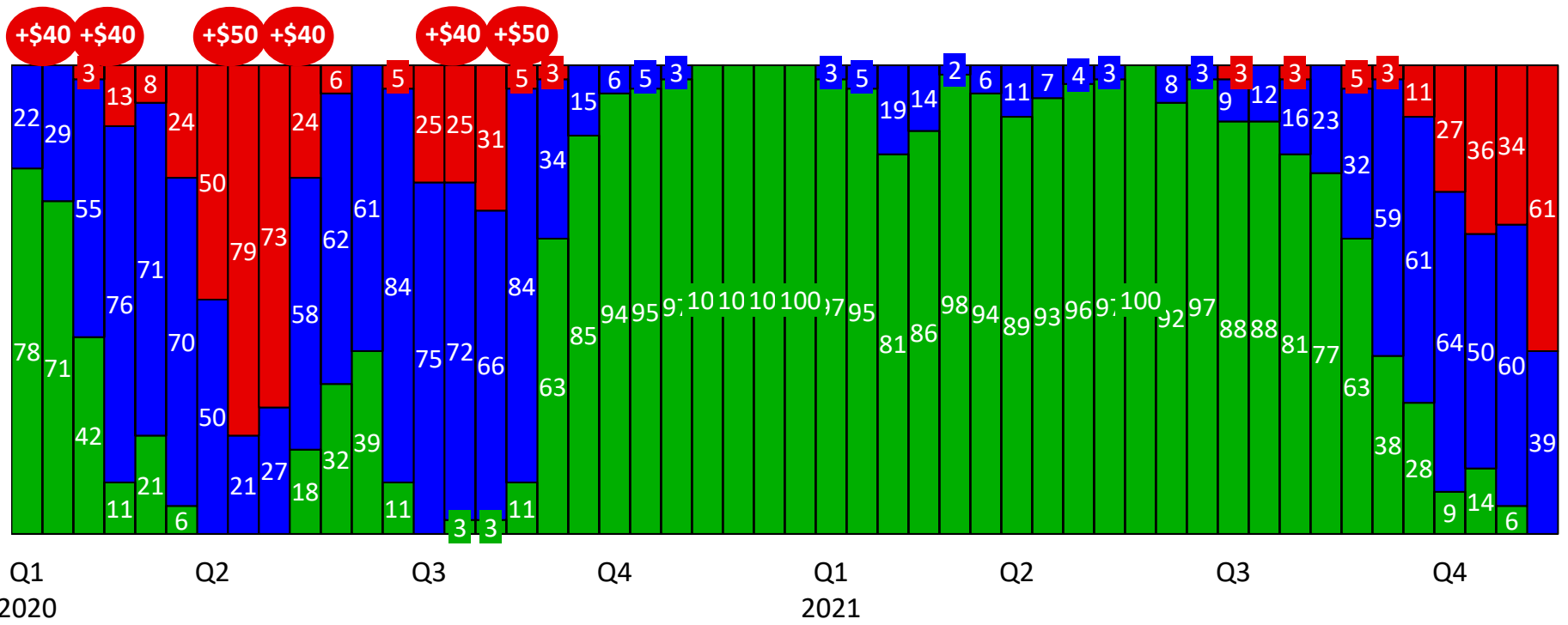
out of 100%



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**Historical Nucor Flat Rolled Price Increase Announcements**

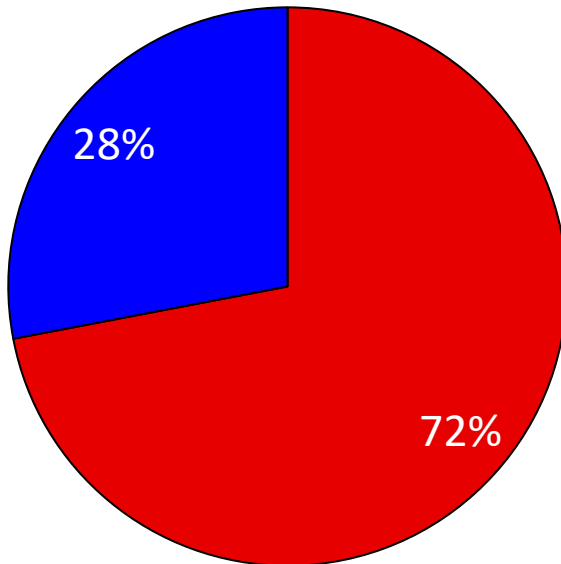


# Passing Along Higher Prices

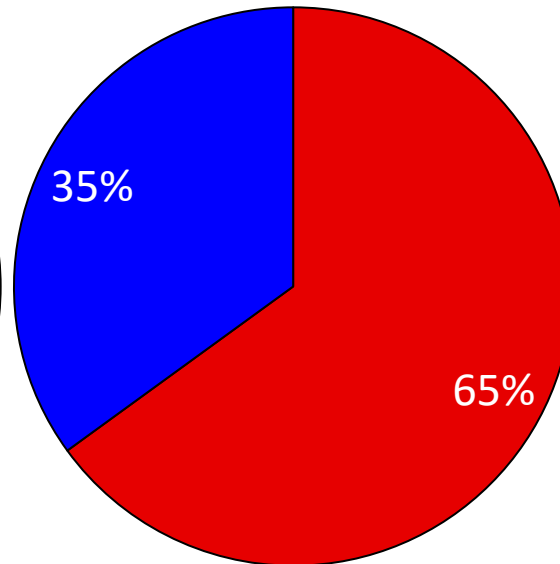
**Service Centers-** Are you having any difficulties in passing along the new higher prices to your customers?

Yes No

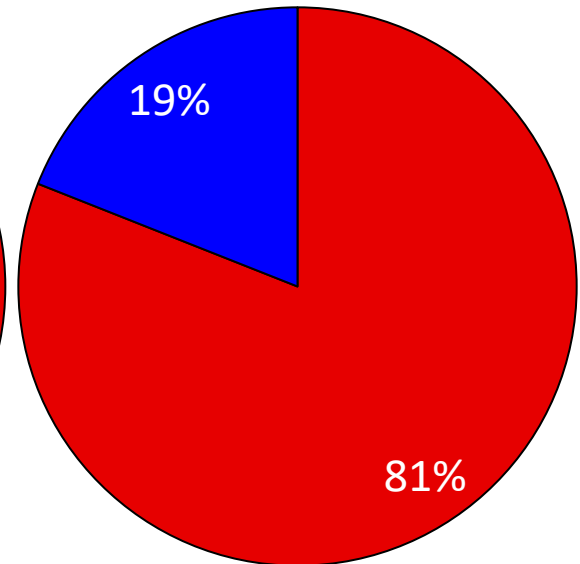
October 28, 2021



November 11, 2021






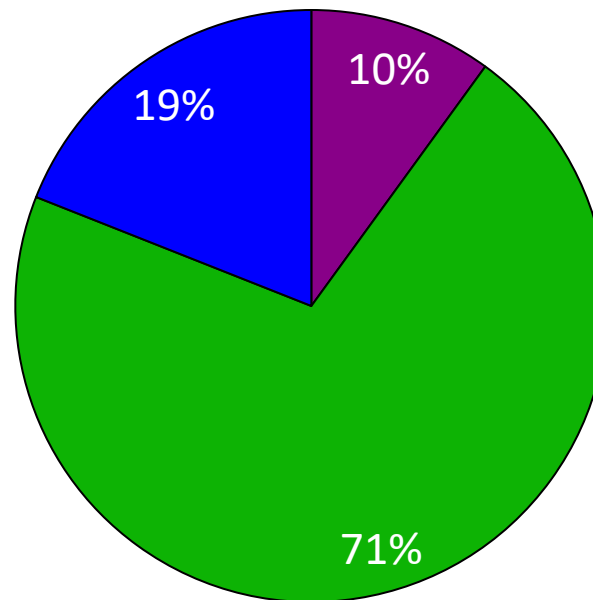
November 24, 2021





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

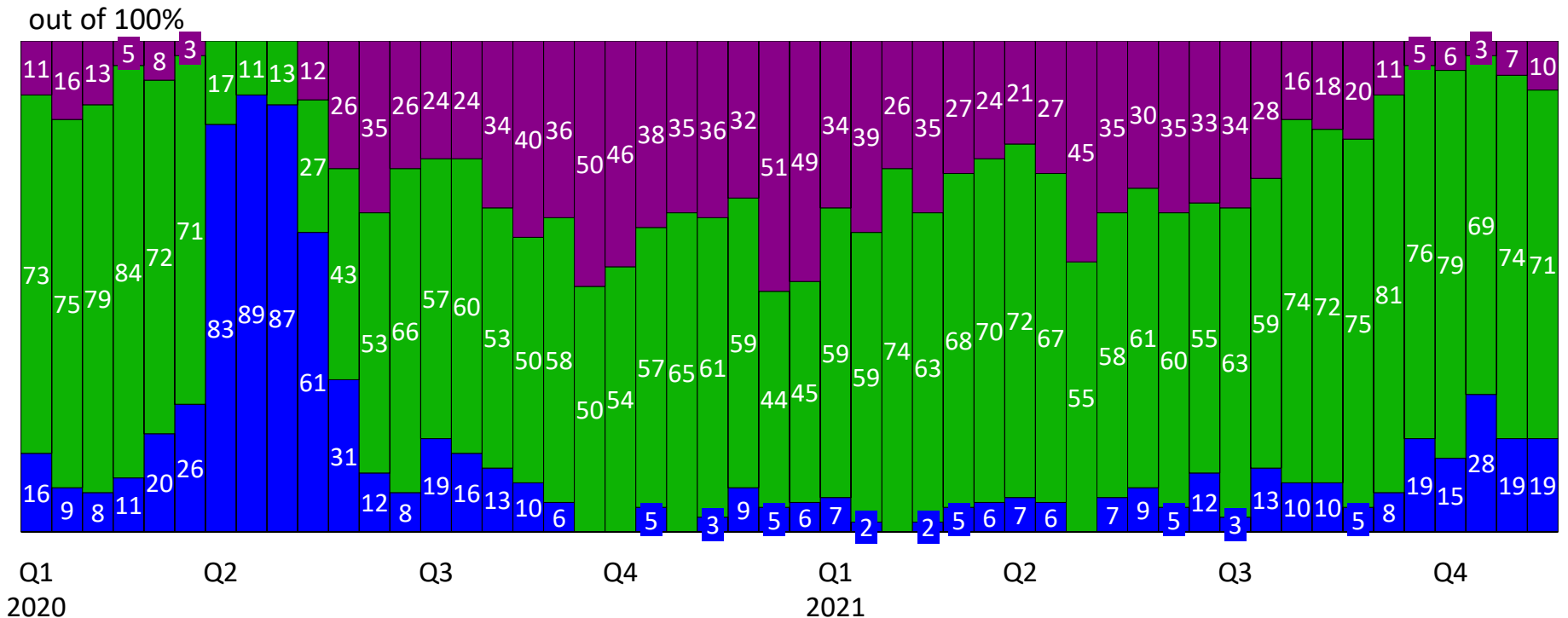
-  Our manufacturing customers are increasing orders
-  Our manufacturing customers are maintaining their orders
-  Our manufacturing customers are reducing their orders



# Service Centers on Manufacturer Orders History

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

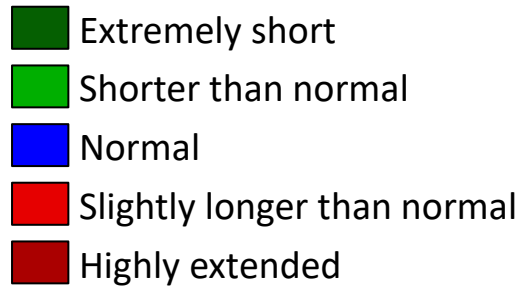
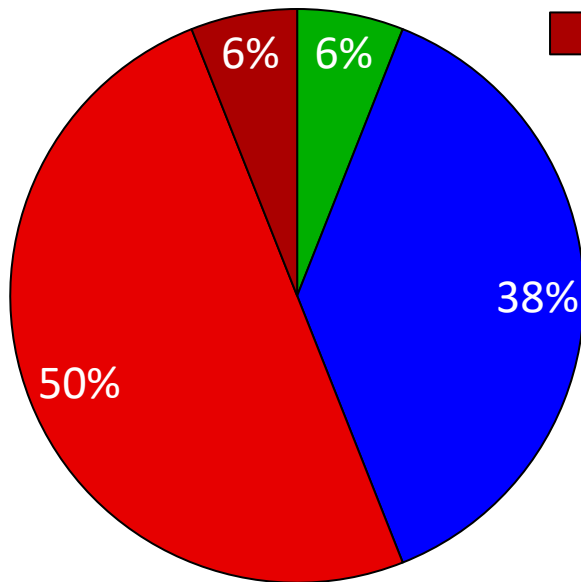
- Our manufacturing customers are increasing orders
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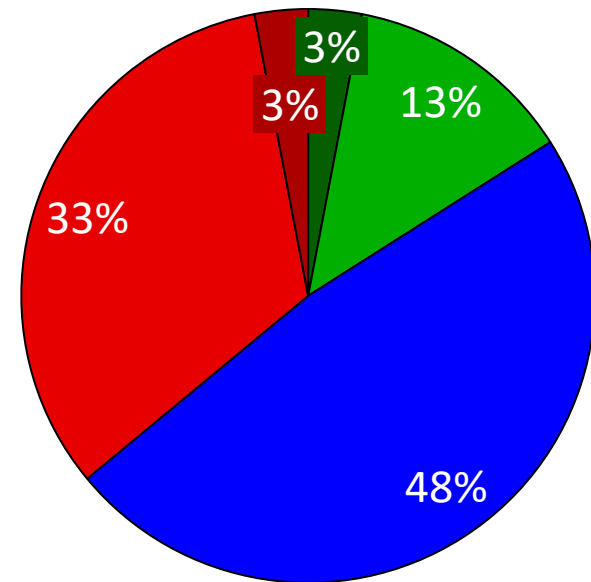
# Mill Lead Times

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

## Manufacturers



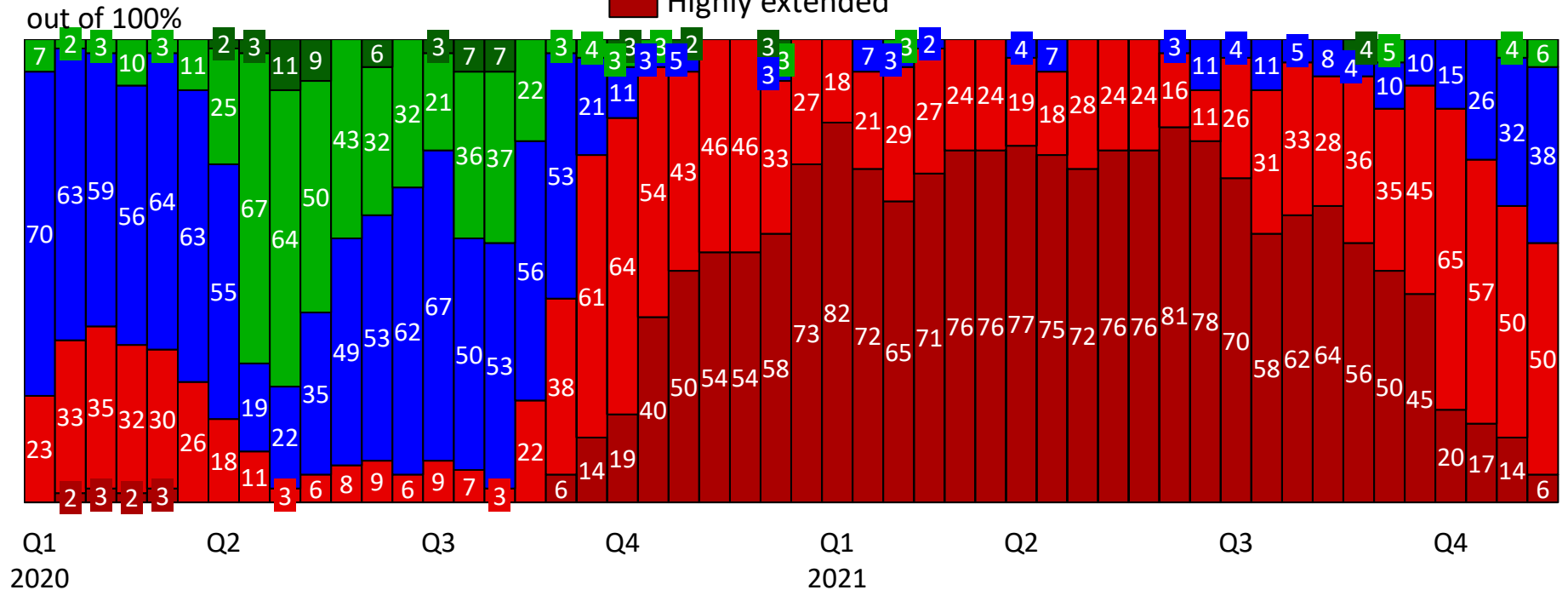
## Service Centers



# 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

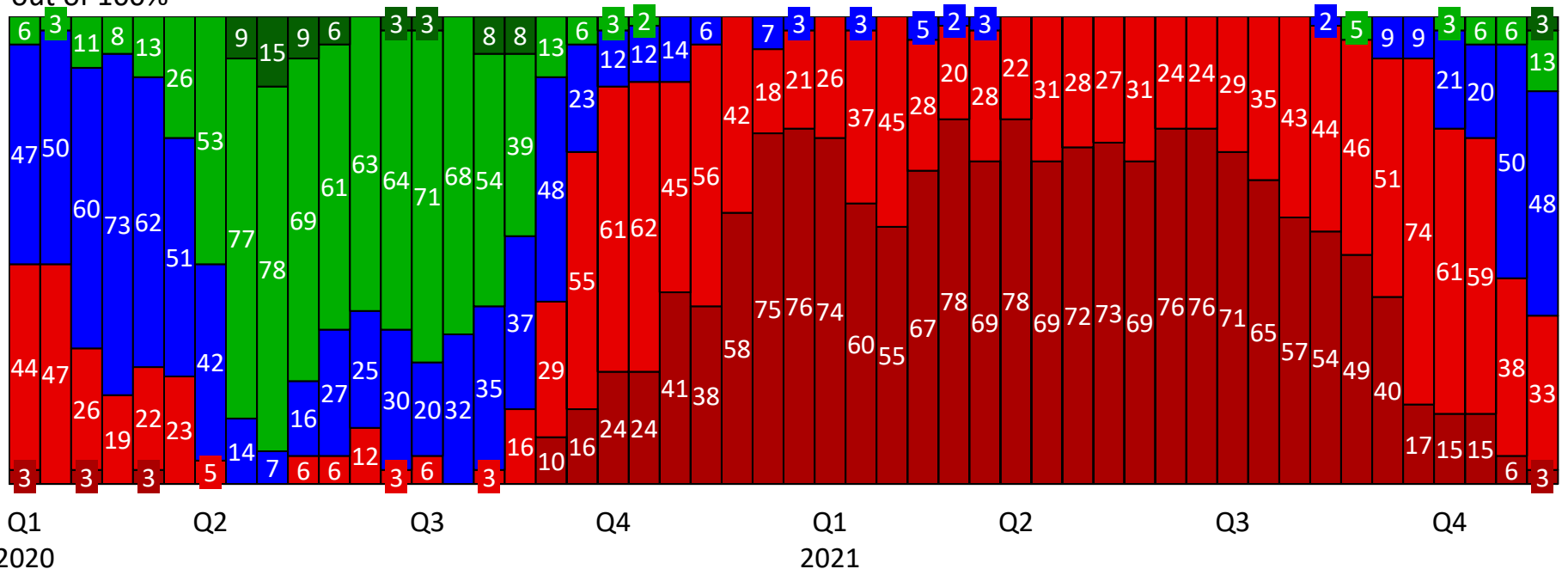


# Mill Lead Times History

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out of 100%

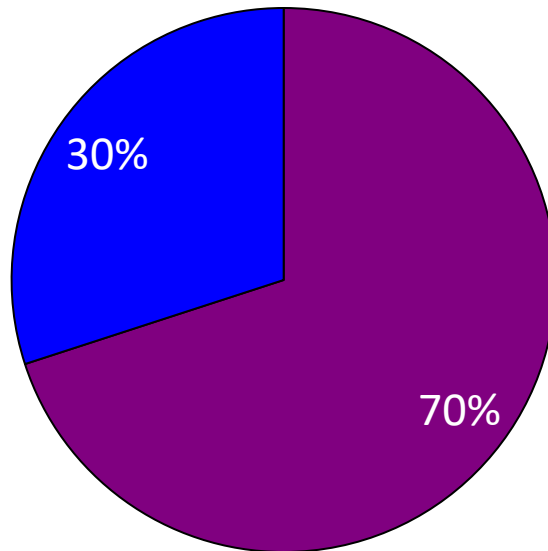


# Foreign Steel Purchases

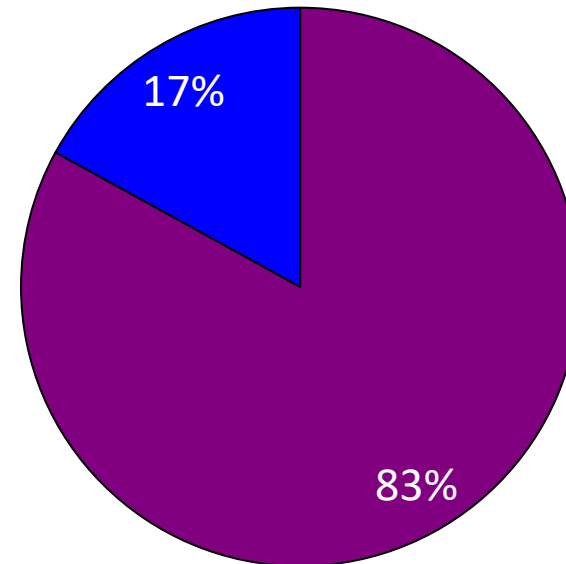
Does your company buy foreign steel?

Yes No

## Manufacturers



## Service Centers

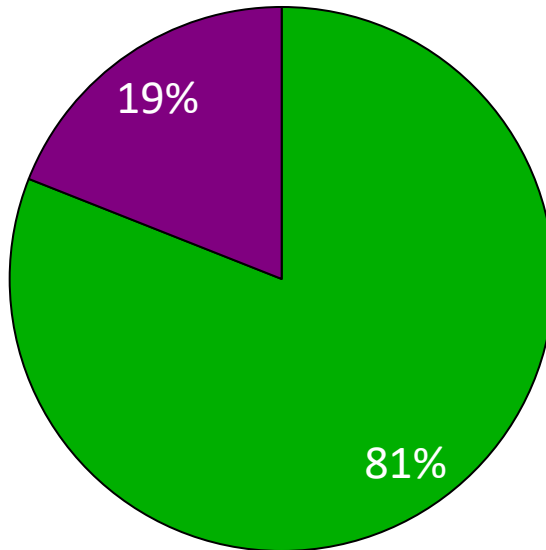


# Foreign Steel Competitive?

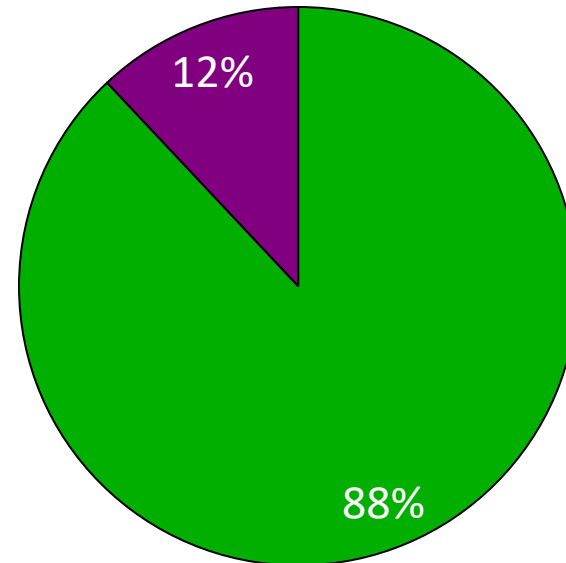
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

Yes No

## Manufacturers



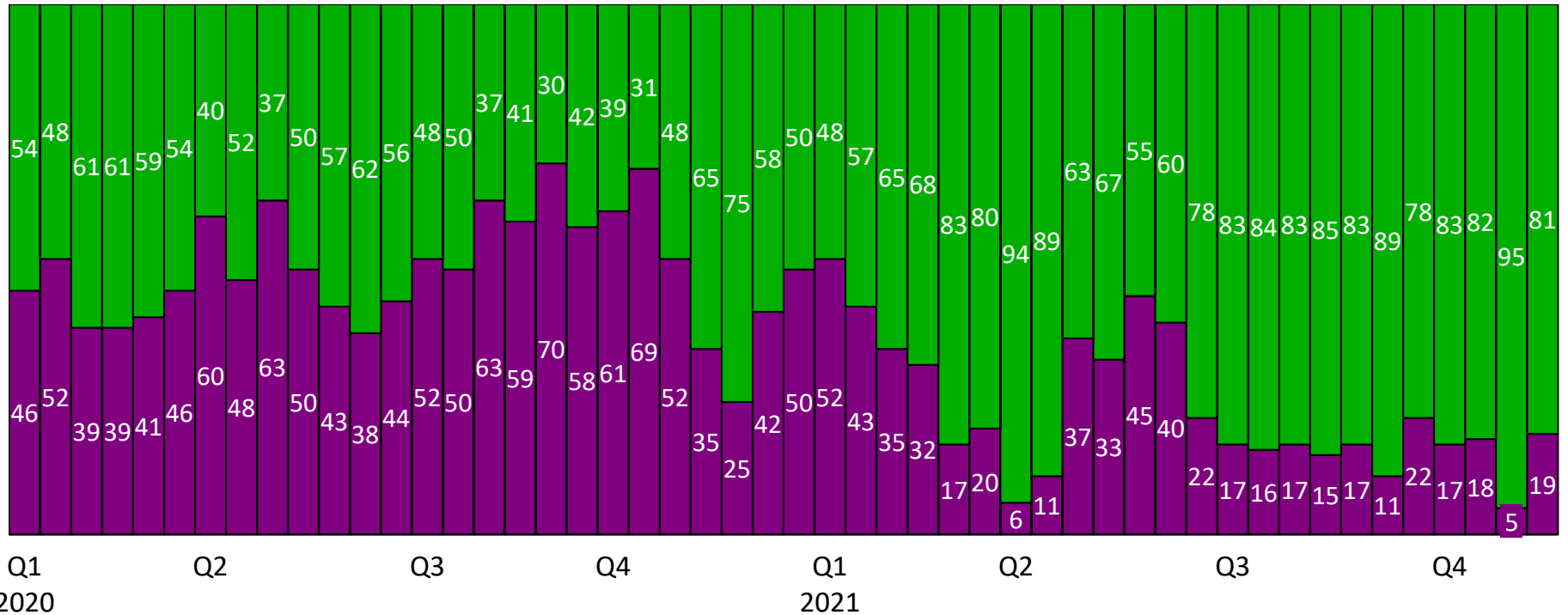
## Service Centers



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

Yes No

out of 100%

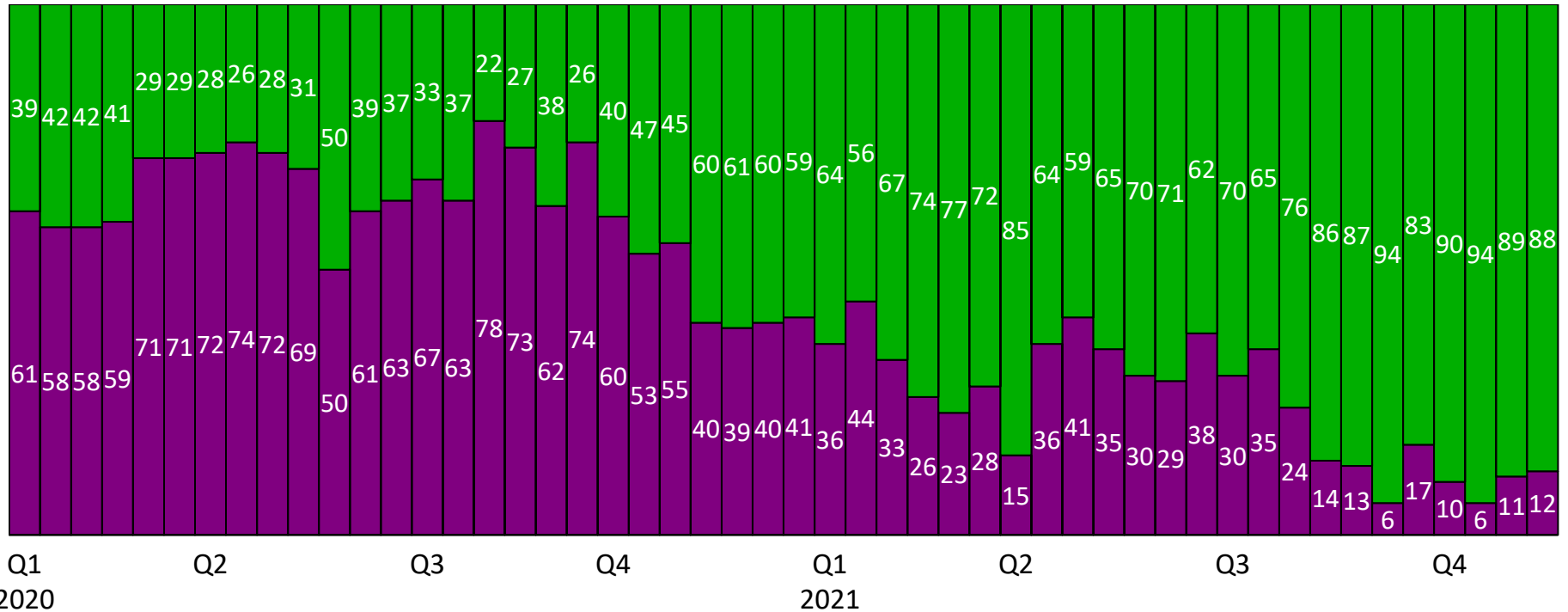




**Service Centers-** Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

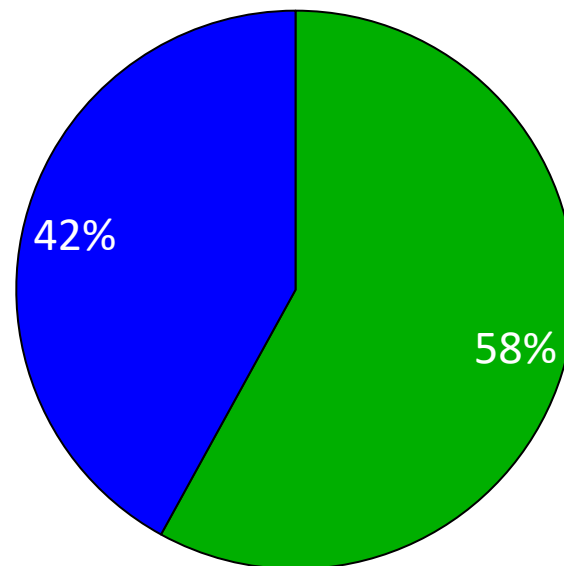
Yes No

out of 100%



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

Yes No

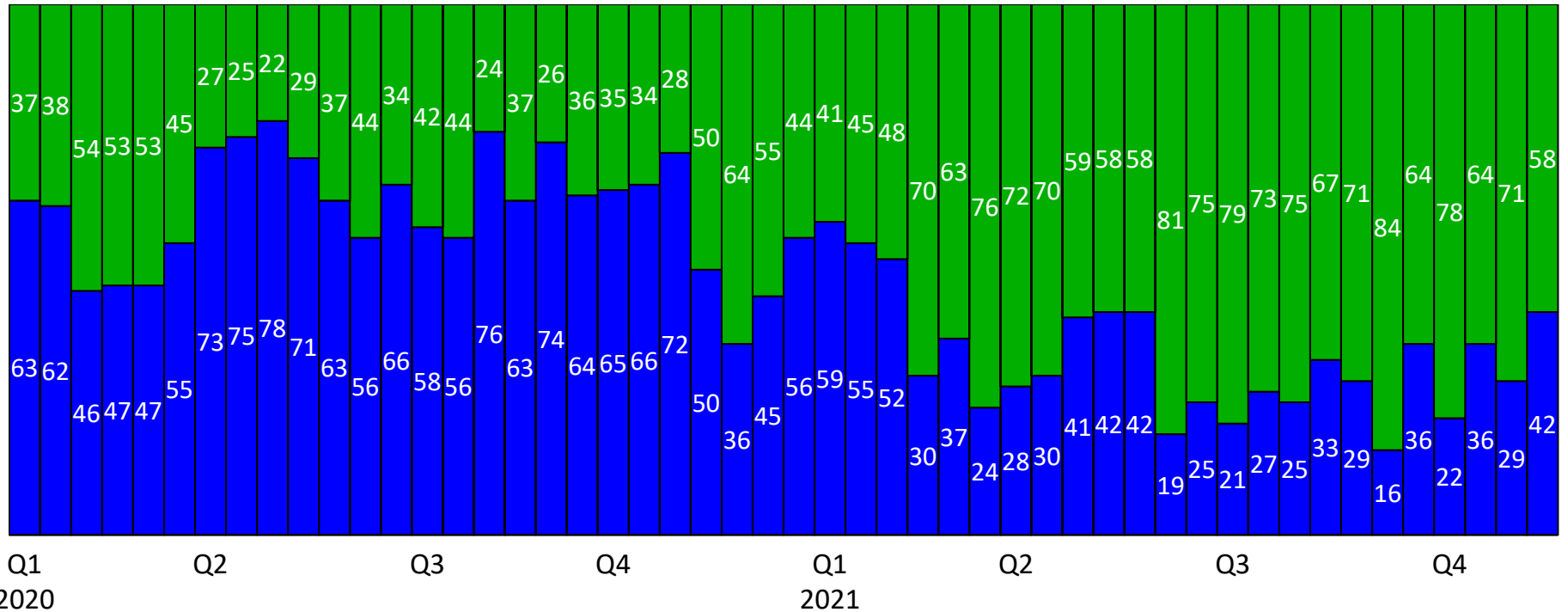


# New Foreign Steel Orders History

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

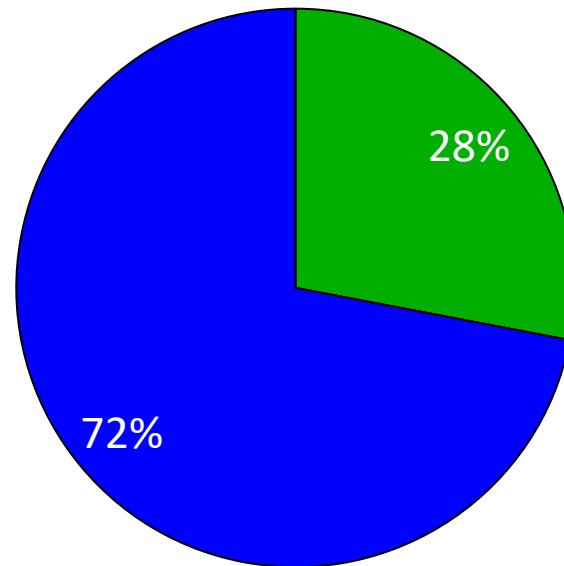
Yes No

out of 100%



**Service Centers-** Are you decreasing the percentage of foreign steel on your order book?

Yes No

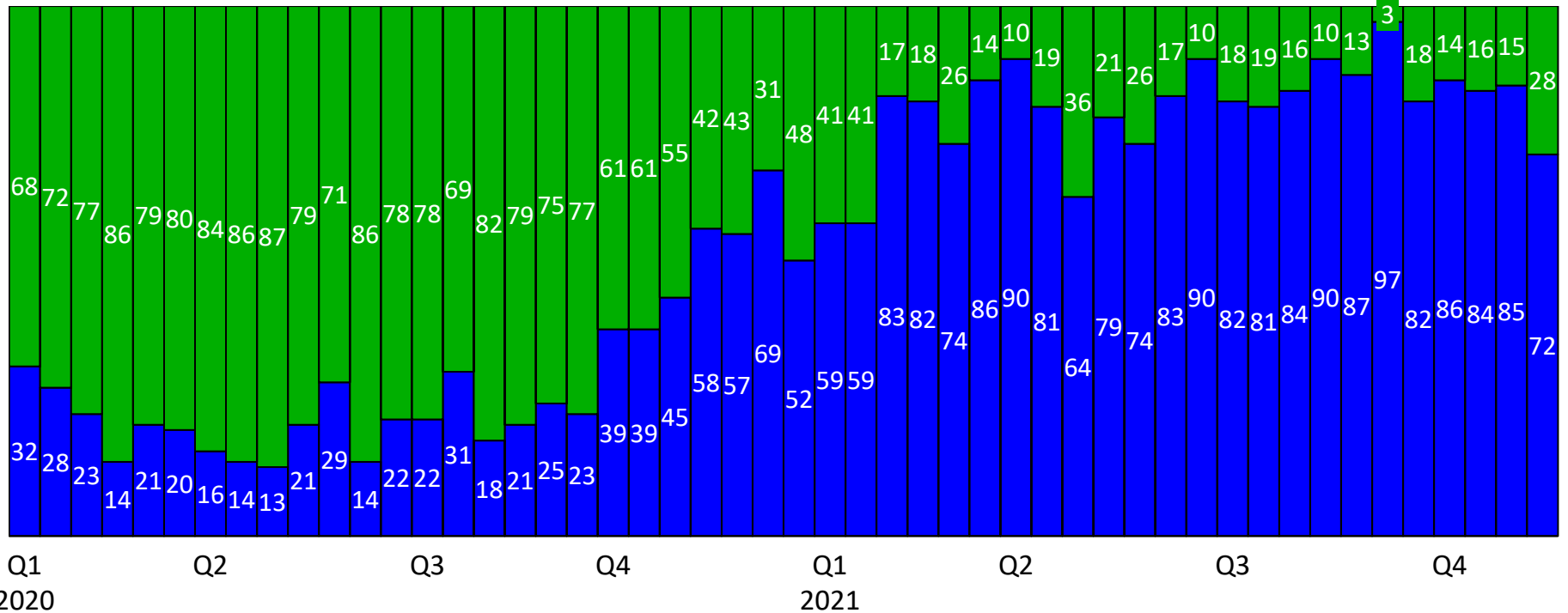


# Foreign Steel Order History

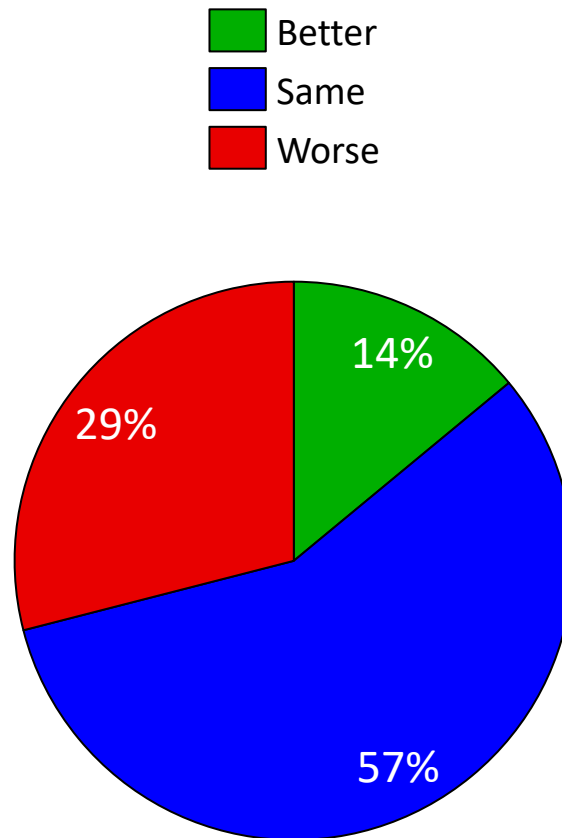
**Service Centers-** Are you decreasing the percentage of foreign steel on your order book?

Yes No

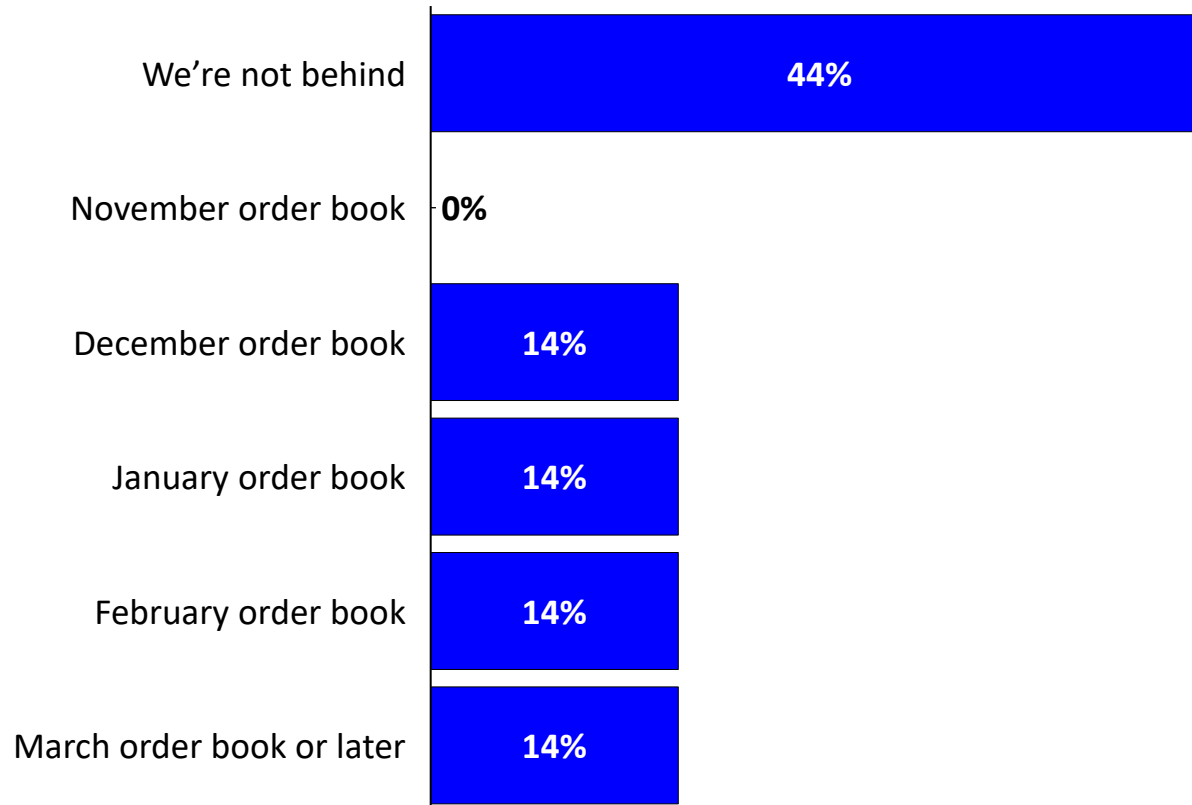
out of 100%



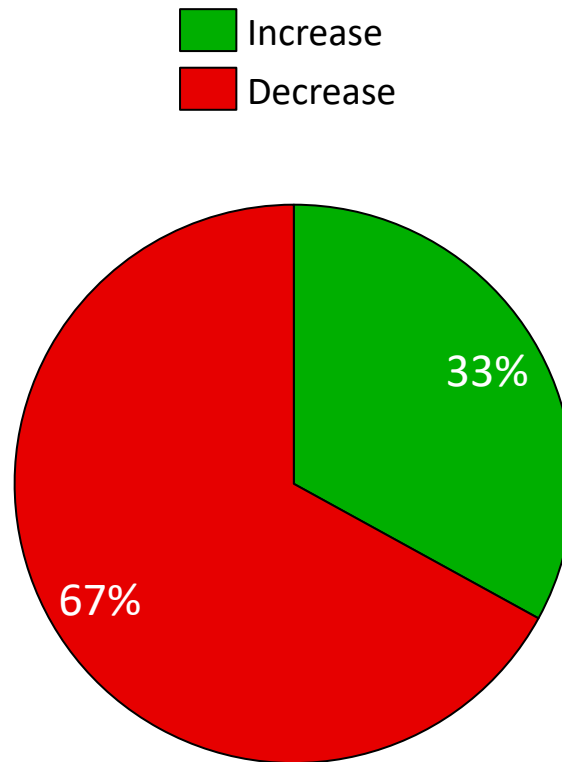
The current order book at your mill is better or worse than last month?



If you are behind on orders, how long do you think it will take you to catch up?



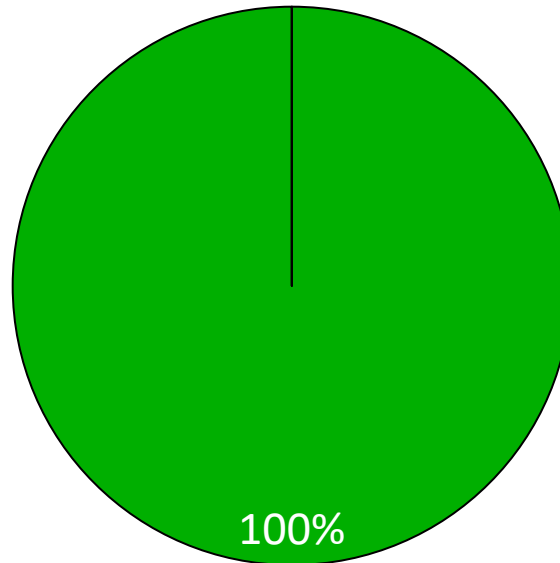
At this time, are you seeing an increase or decrease in orders from your North American buyers?





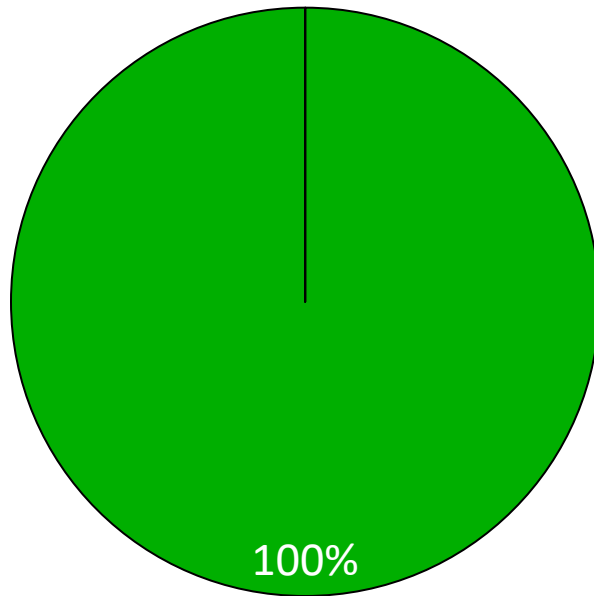
With prices so high out of the domestic steel mills,  
are foreign products now attractive to U.S. steel buyers?

Yes No



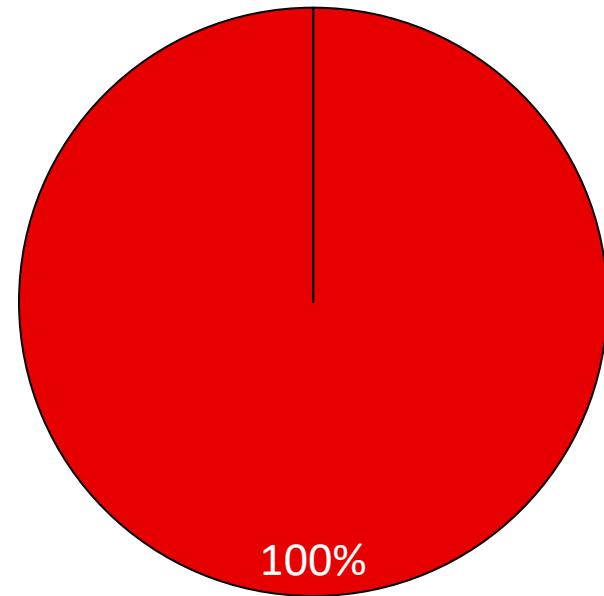
Are you able to offer hot rolled pricing that is attractive to buyers right now?

Yes No



Are you able to offer plate pricing that is attractive to buyers right now?

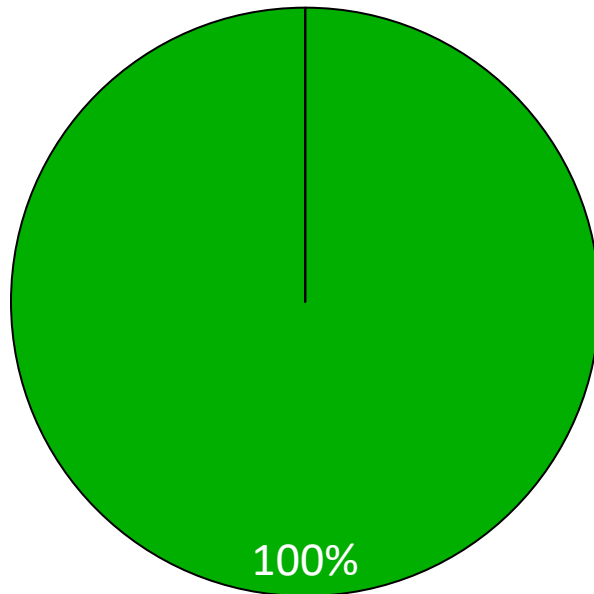
Yes No



# Trading Companies – Coated

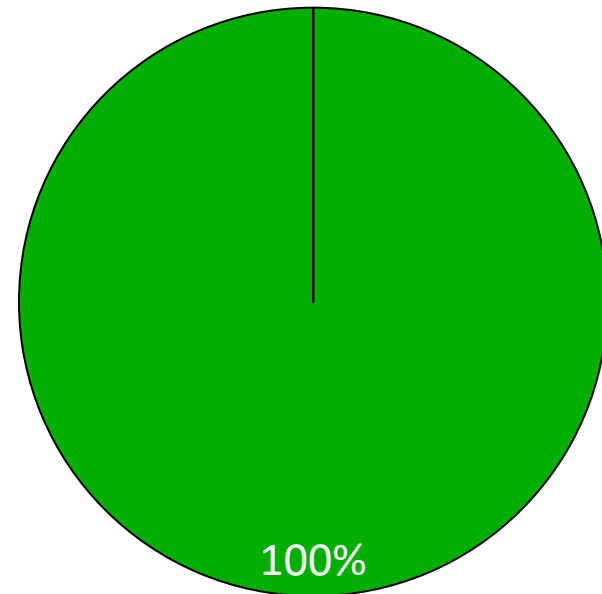
Are your galvanized prices competitive enough right now to get orders (including duties)?

Yes No



Are your Galvalume prices competitive enough right now to get orders (including duties)?

Yes No



# Questions?

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

If you would like a copy of this presentation, please send an email to the above email address with your request.

We always appreciate referrals- tell your friends, suppliers, and customers to sign up for a free trial at [SteelMarketUpdate.com](https://SteelMarketUpdate.com).



**Look for our next survey  
the week of Dec. 6, 2021**

**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)