



# STEEL MARKET UPDATE

part of the  Group

## SMU Flat Rolled Market Trends Analysis

Responses from our February 28-March 2, 2022 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.

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	Status	Venue
<b>April 19-20</b>	SMU Steel 101 Workshop	<b>Live</b>	Memphis, Tennessee
<b>April 26-27</b>	SMU Introduction to Steel Hedging Workshop	<b>Virtual</b>	Online
<b>April 26-28</b>	CRU Steel Decarbonisation Strategies 2022	<b>Virtual</b>	Online
<b>July 19-20</b>	SMU Steel 101 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)





# **STEEL MARKET UPDATE**

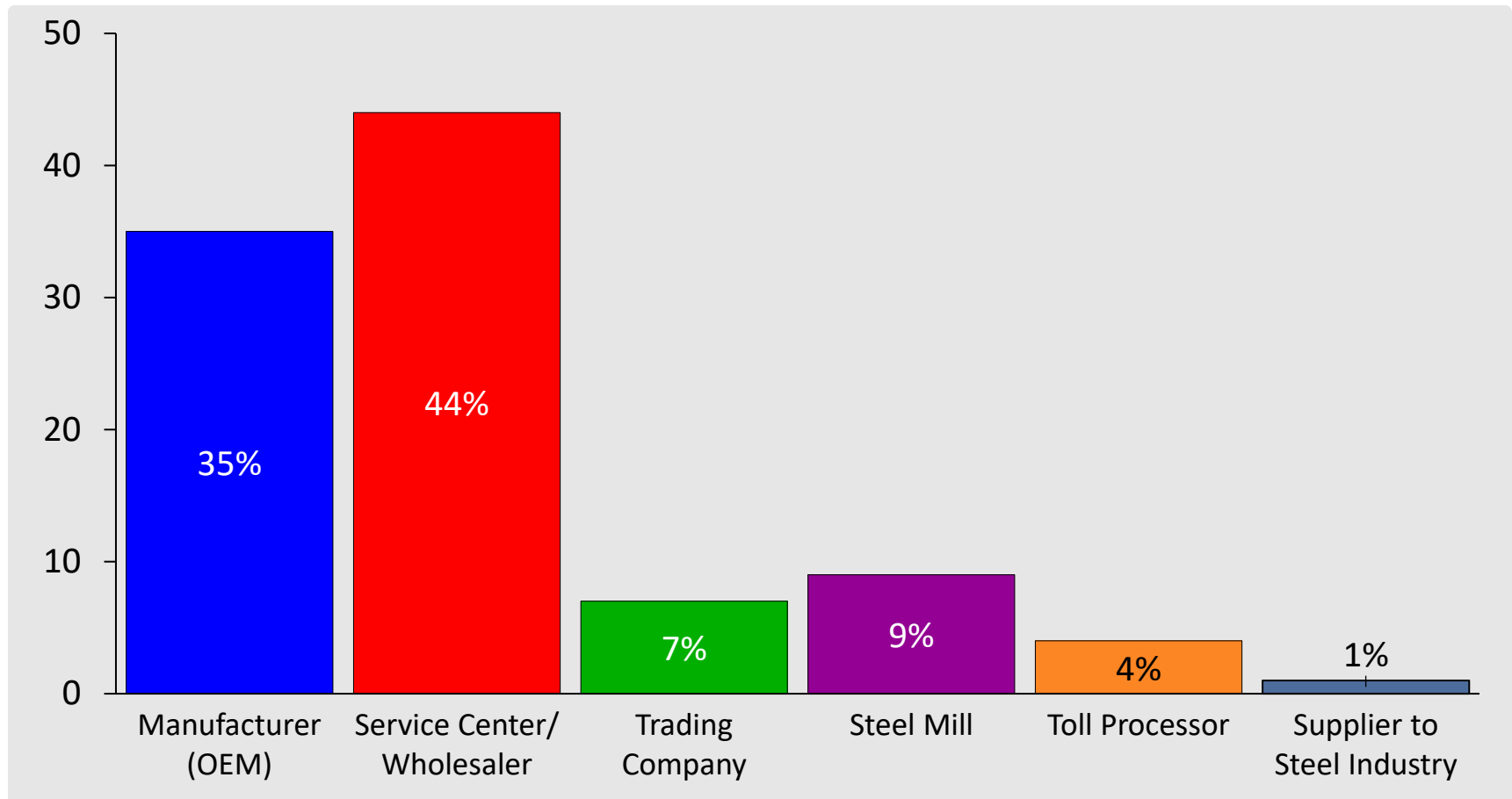
part of the  Group

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

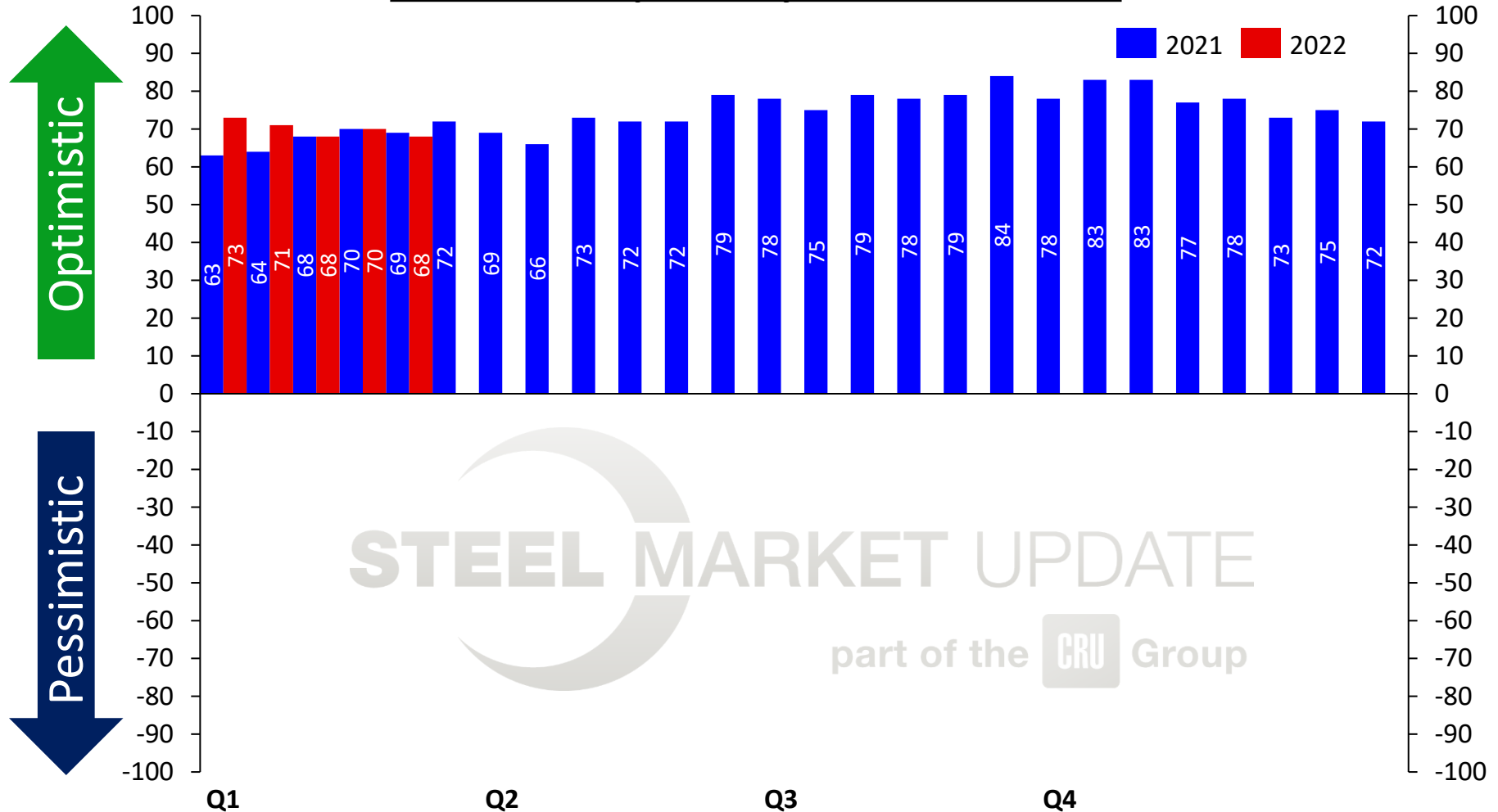
Our survey is by invitation only- Over 500 companies, mostly in the manufacturing or distribution industries, are asked to participate. Here are the percentages of participation in this week's survey by market sector.



# SMU Buyers Sentiment Index

Down 2 points to +68

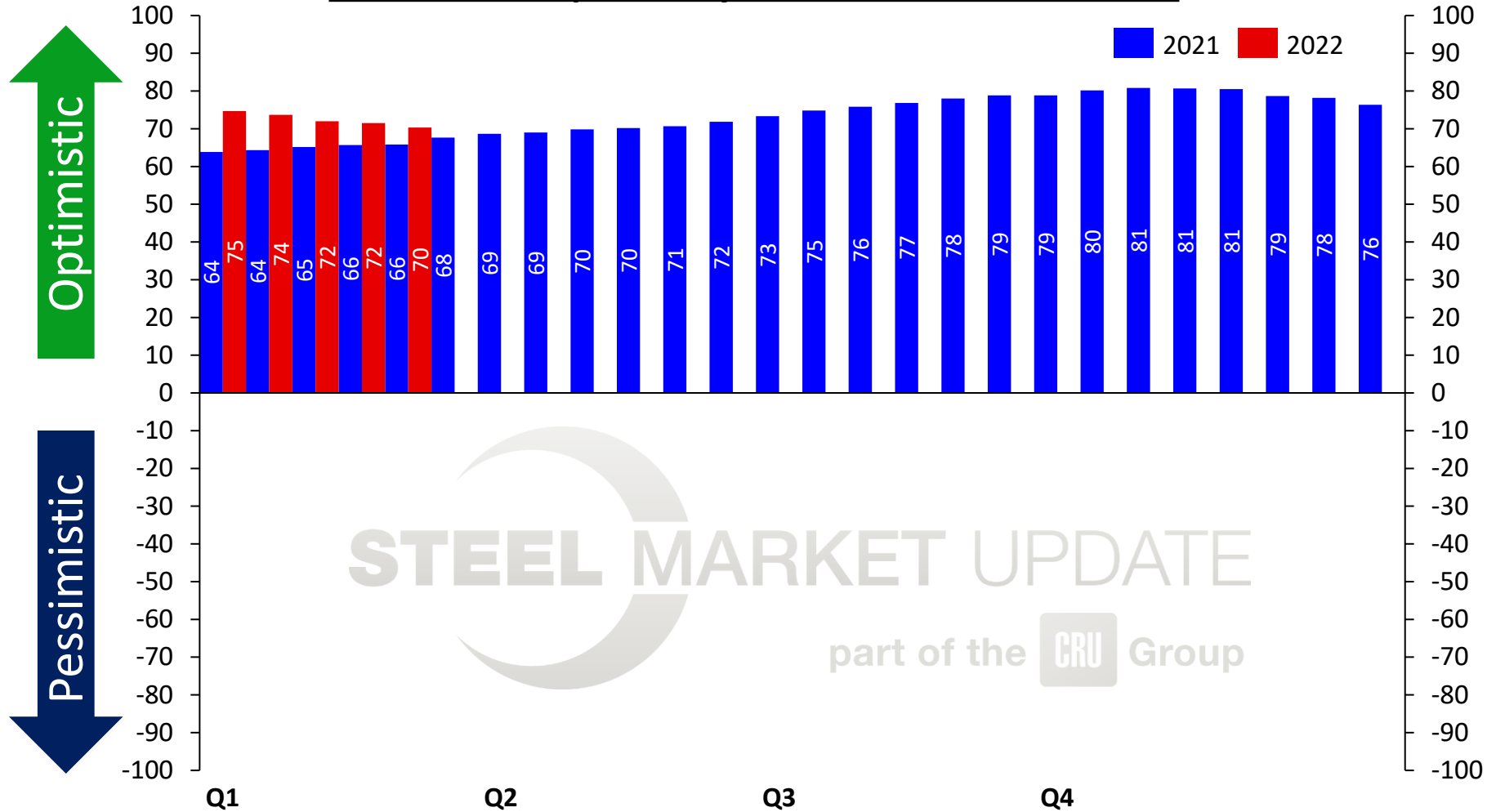
## Steel Market Update Buyers Sentiment Index



# SMU Buyers Sentiment Index

Three Month Moving Average at +70.33

## Steel Market Update Buyers Sentiment Index 3MMA

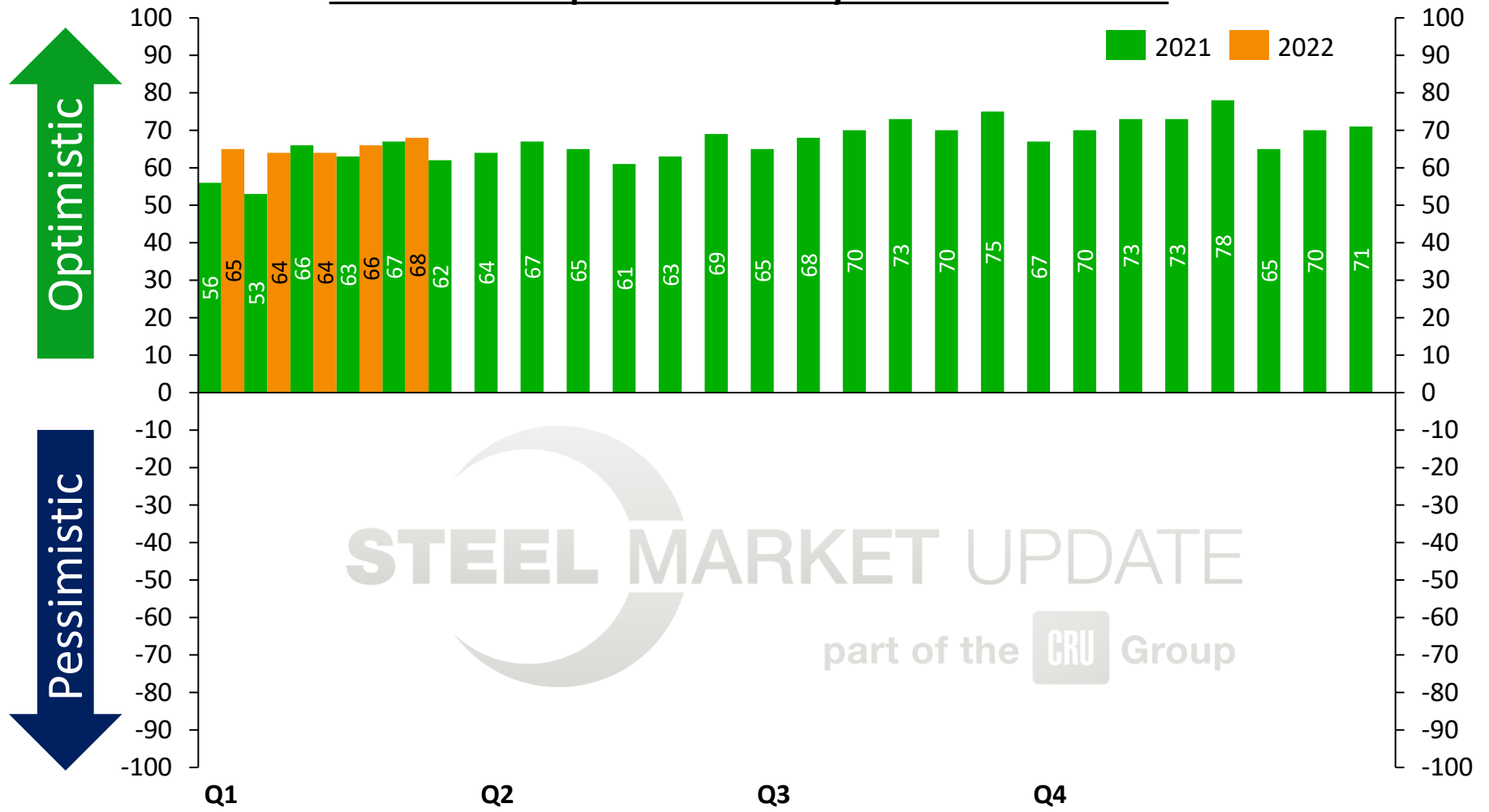




# SMU Future Buyers Sentiment Index

Up 2 points to +68

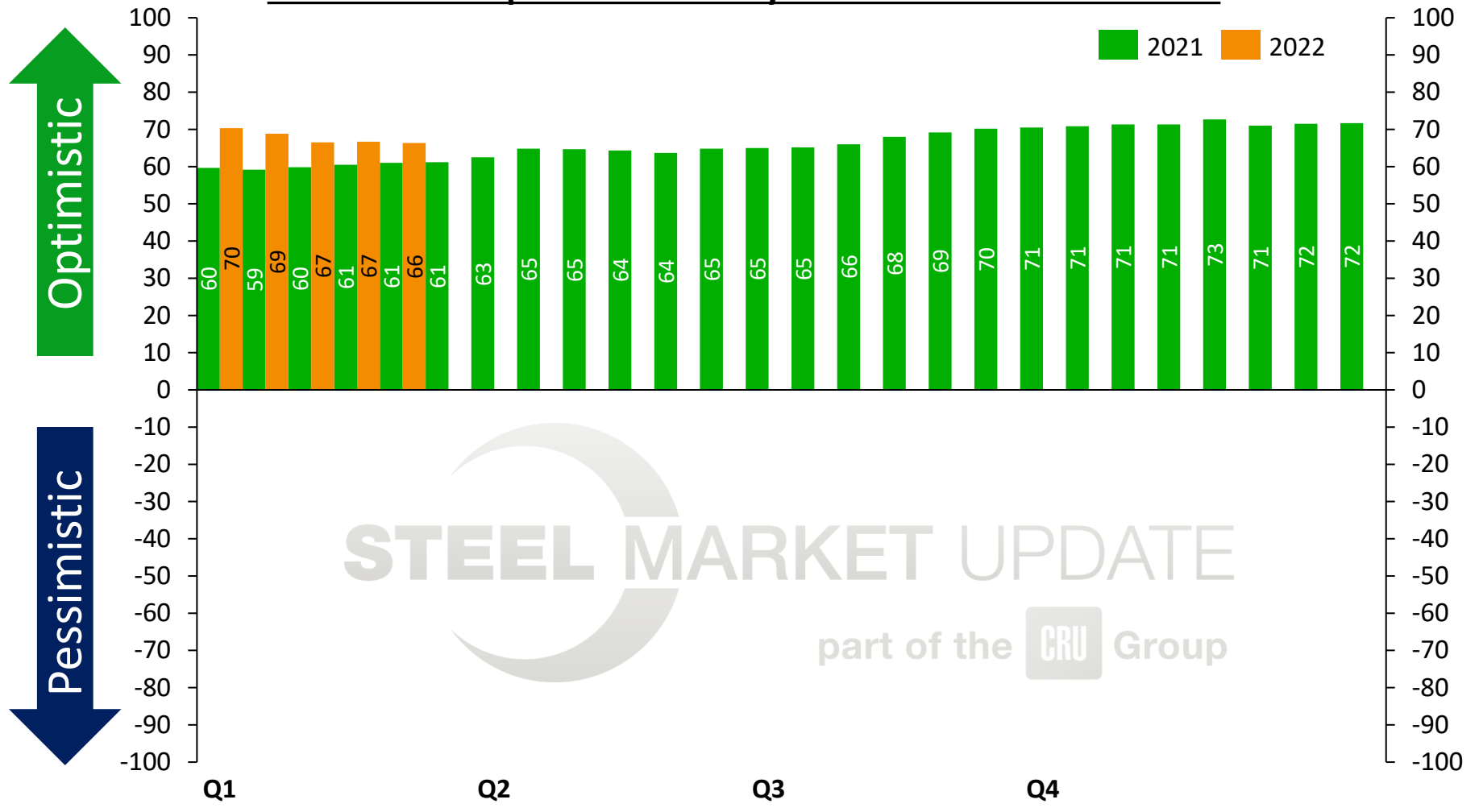
## Steel Market Update Future Buyers Sentiment Index



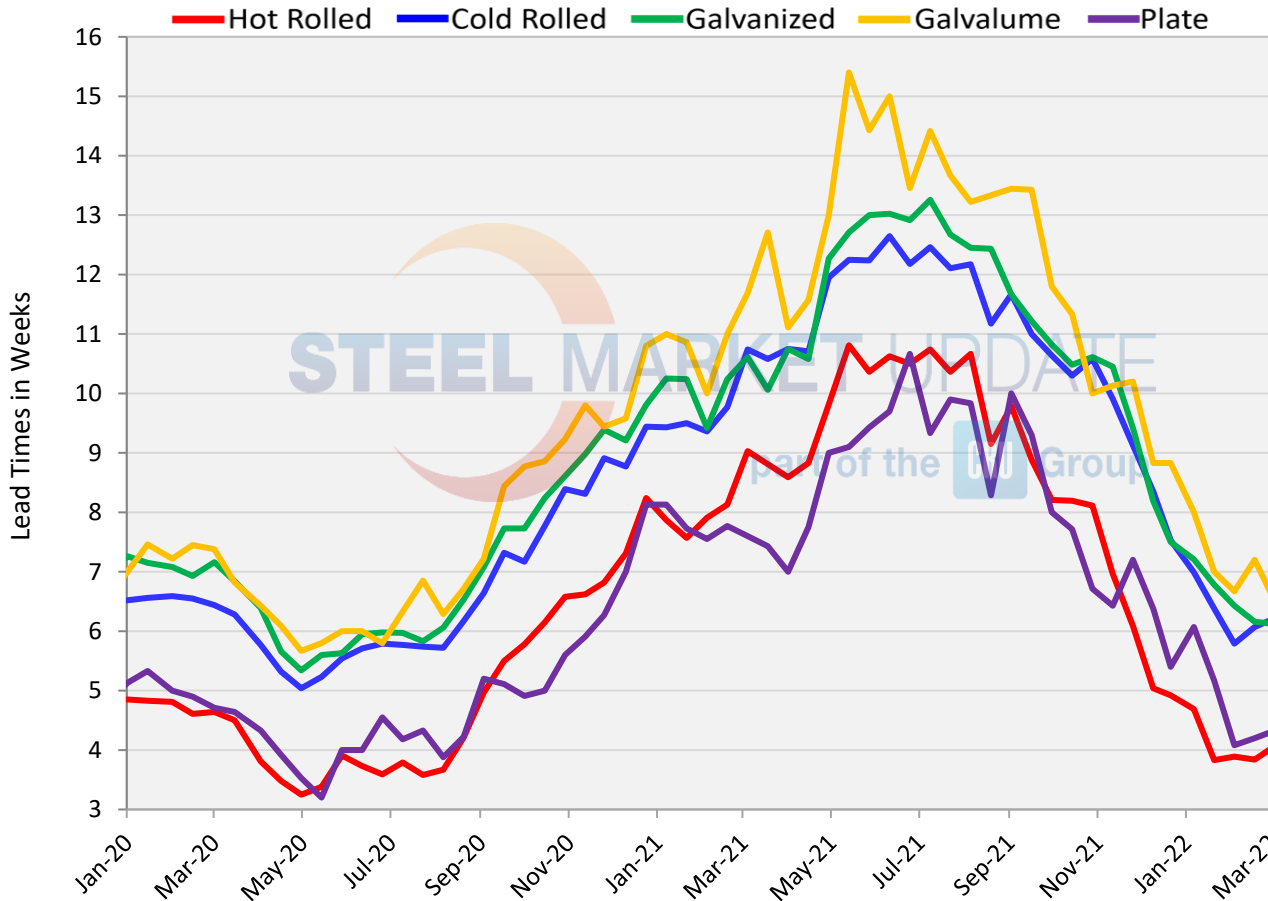
# SMU Future Buyers Sentiment Index

Three Month Moving Average at +66.33

### Steel Market Update Future Buyers Sentiment Index 3MMA



# Mill Lead Times



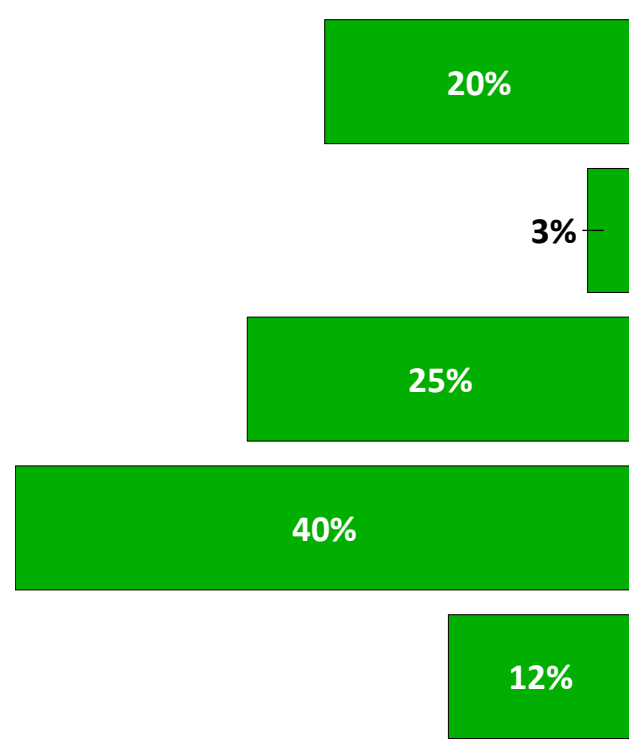
## Lead Times in Weeks

**Galvalume: 6.50**  
**Cold Rolled: 6.22**  
**Galvanized: 6.12**  
**Plate: 4.33**  
**Hot Rolled: 4.07**

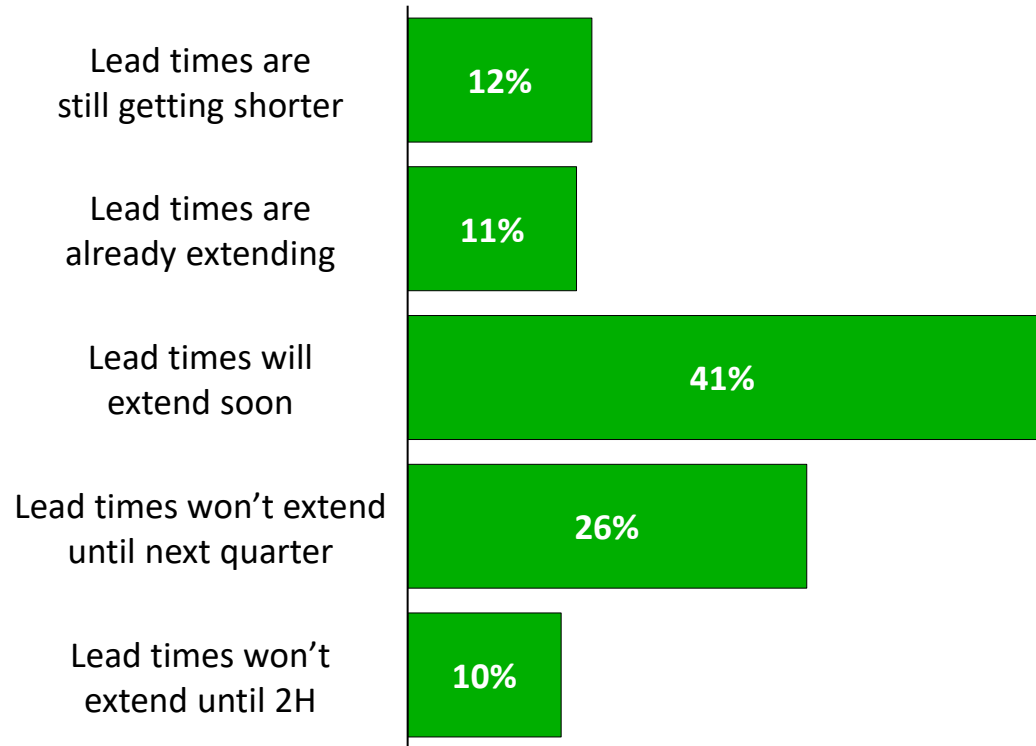
# Steel Mill Lead Times

When do you expect mill lead times to begin extending again, and why?

February 17, 2022



March 3, 2022

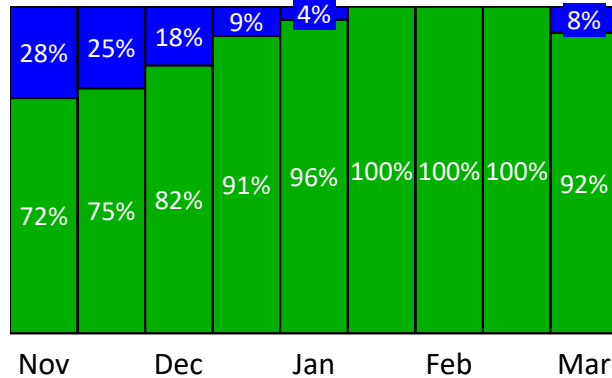


# Mill Negotiations

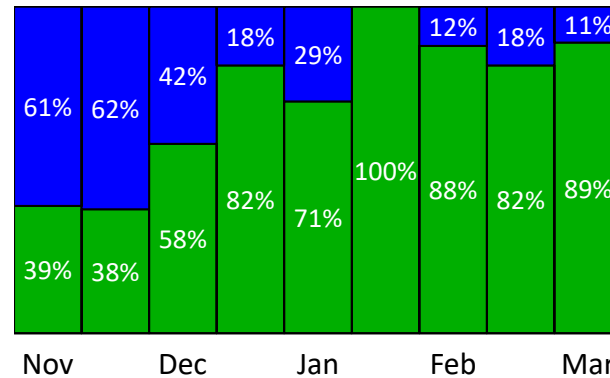
Are you finding the domestic mills are willing to negotiate pricing on brand new orders placed this week?

Yes No

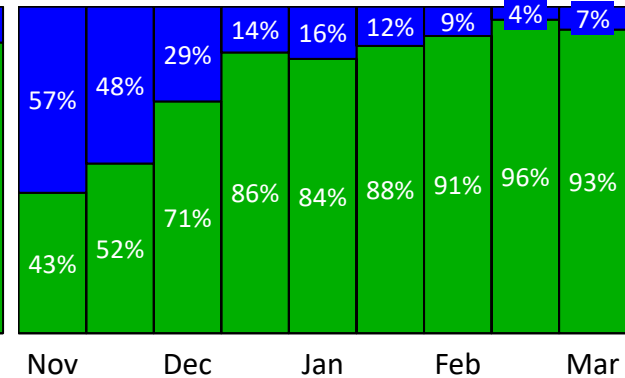
Hot Rolled



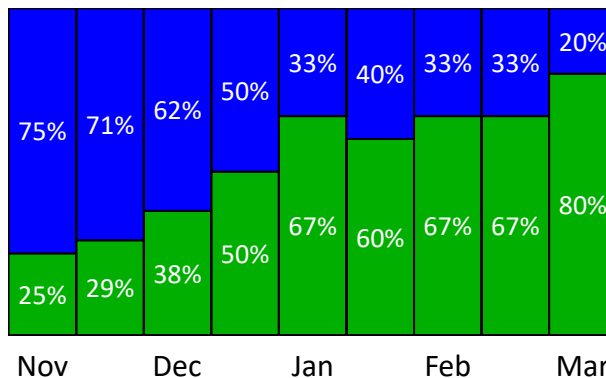
Cold Rolled



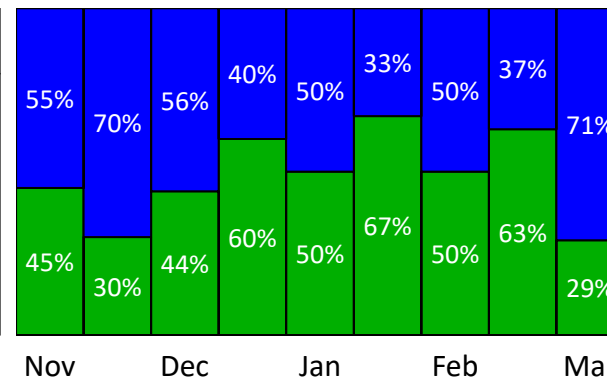
Galvanized



Galvalume



Plate

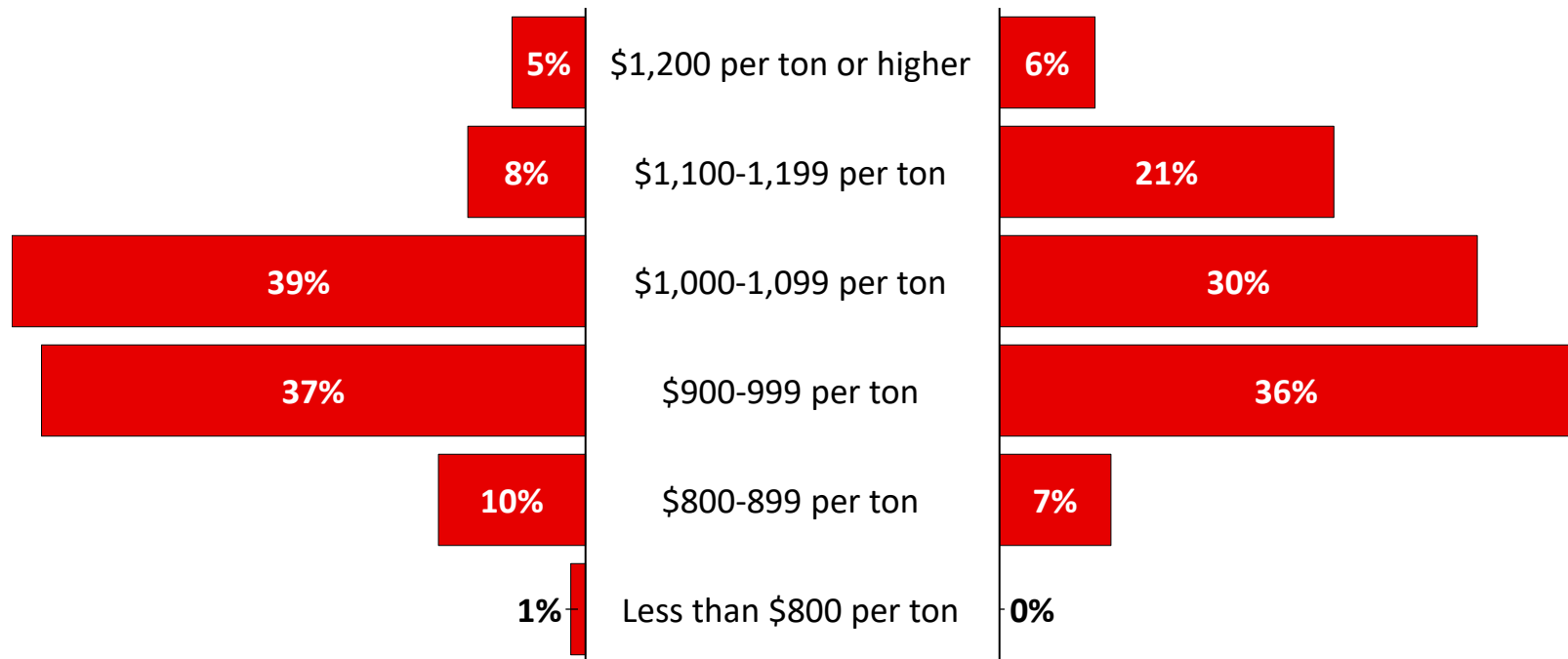


# Q1 2022 HRC Prices

Hot rolled coil prices averaged \$1,020\* per ton last week.  
Where do you think HRC prices will be at the end of Q1 2022?

February 17, 2022

March 3, 2022



\* As of Monday, February 28, 2022; the latest SMU HR average is \$1,000 per ton

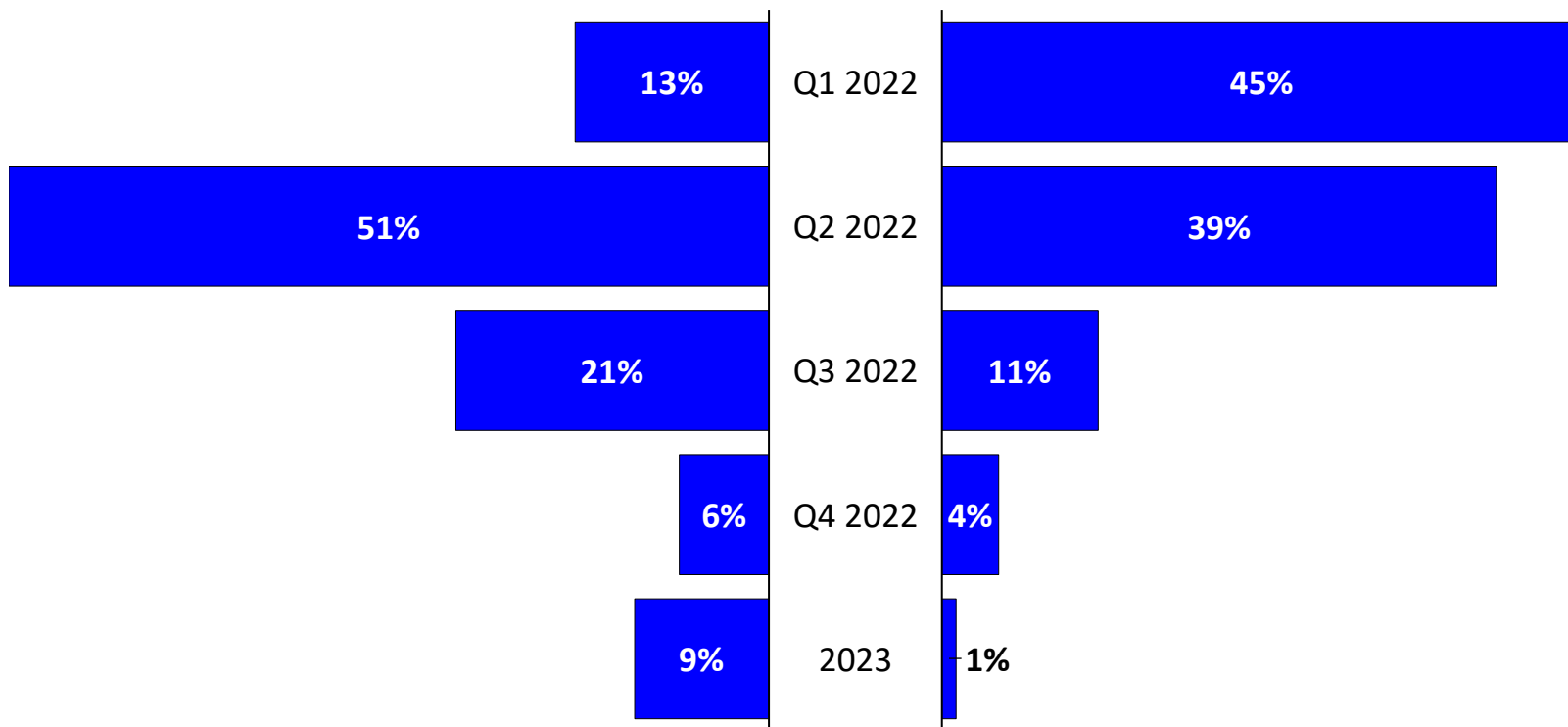


# HRC Price Bottom

When do you think HRC prices will bottom and why?

February 17, 2022

March 3, 2022

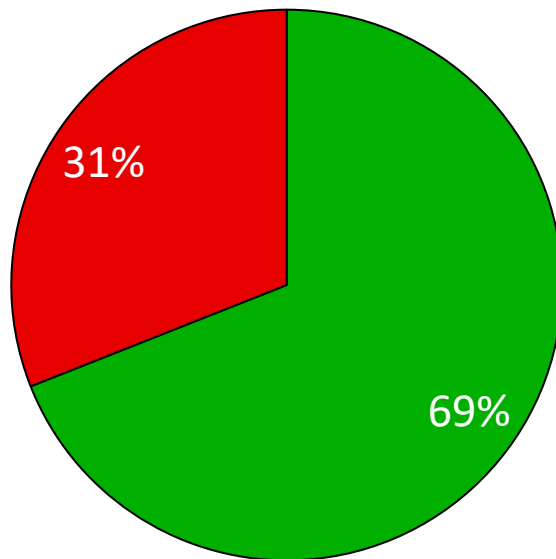


# Q1 & Q2 2022 Outlook

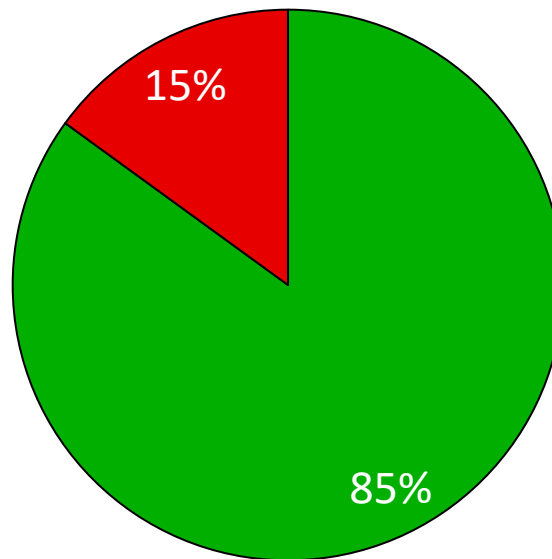
Would you describe yourself as optimistic or pessimistic about your prospects in the first half of 2022, and why?

Optimistic Pessimistic

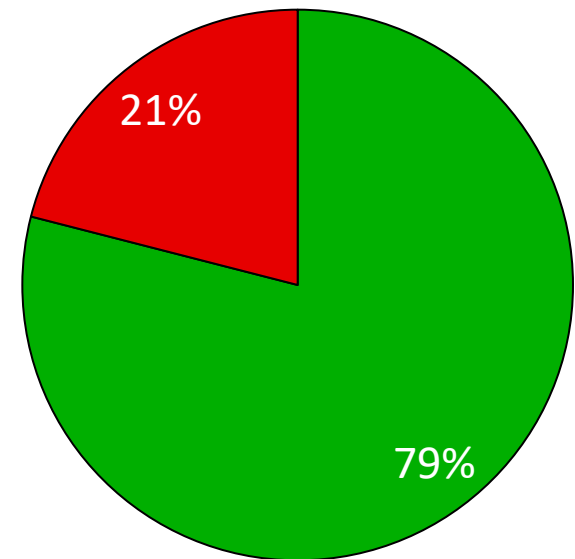
February 3, 2022



February 17, 2022



March 3, 2022

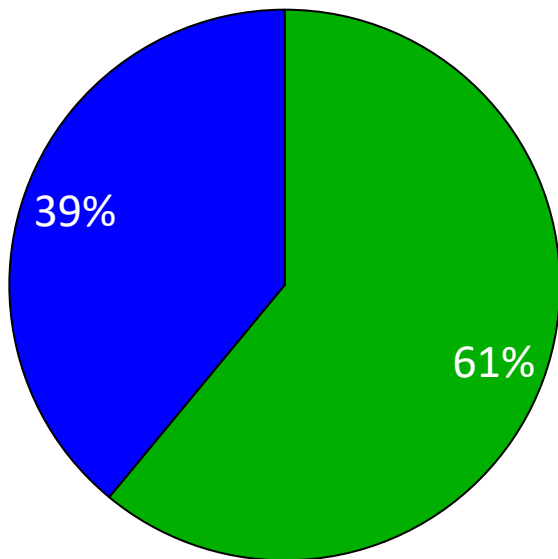


# Staying on the Sidelines?

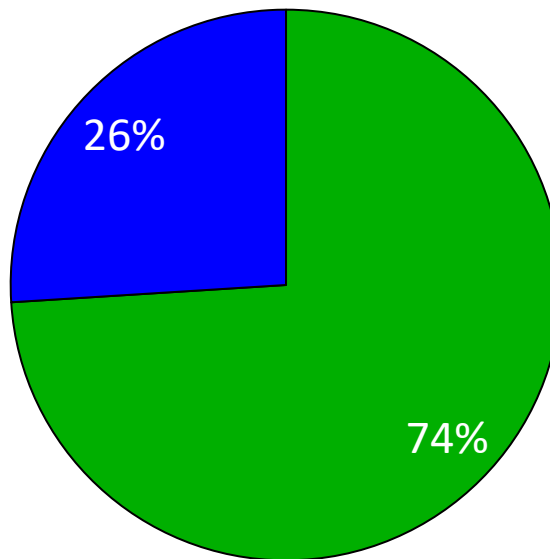
Are you an active buyer or staying on the sidelines to see how prices play out?

■ Active buyer ■ On the sidelines

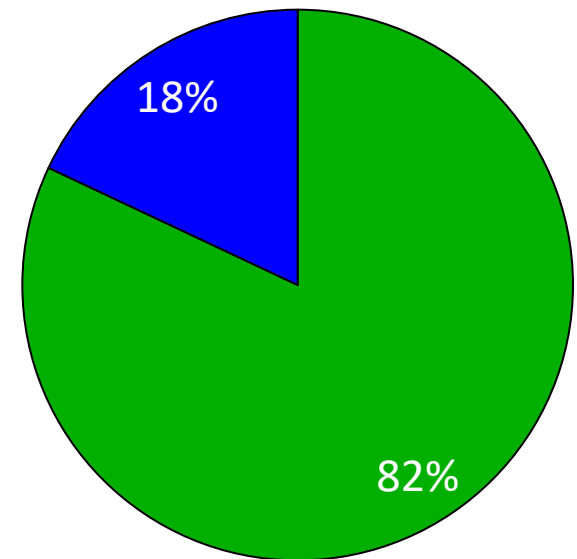
February 3, 2022



February 17, 2022

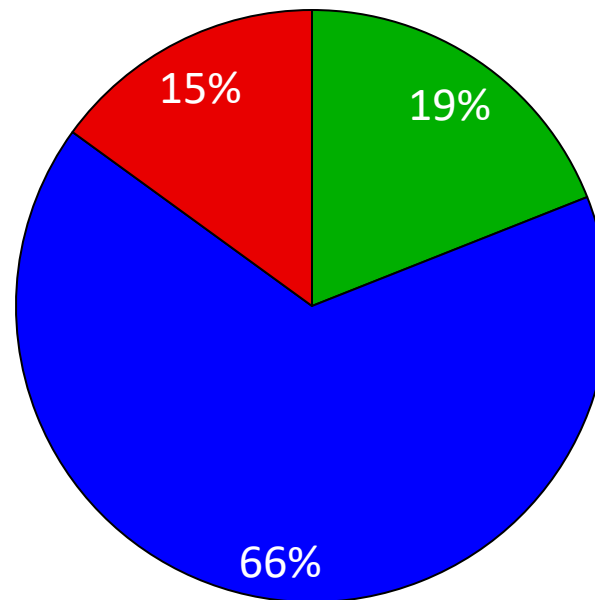


March 3, 2022



How are you seeing demand for your products?

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

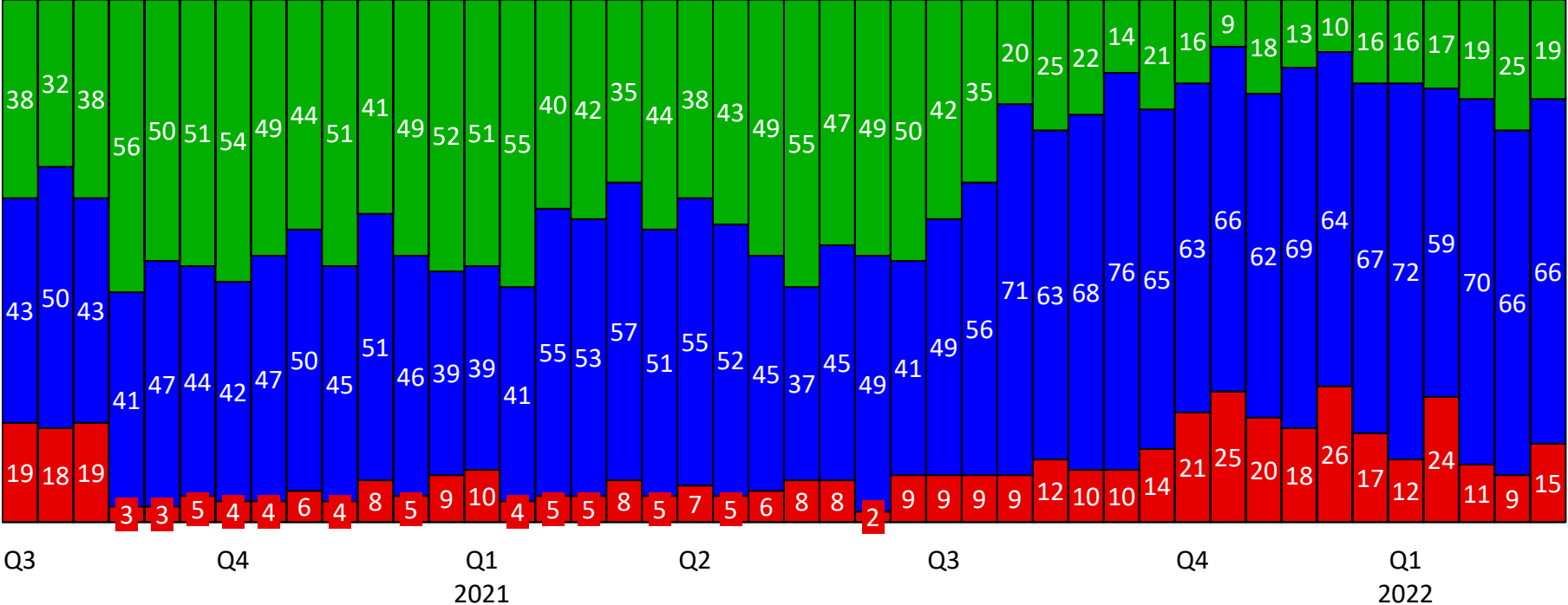


# Overall Demand History

How are you seeing demand for your products?

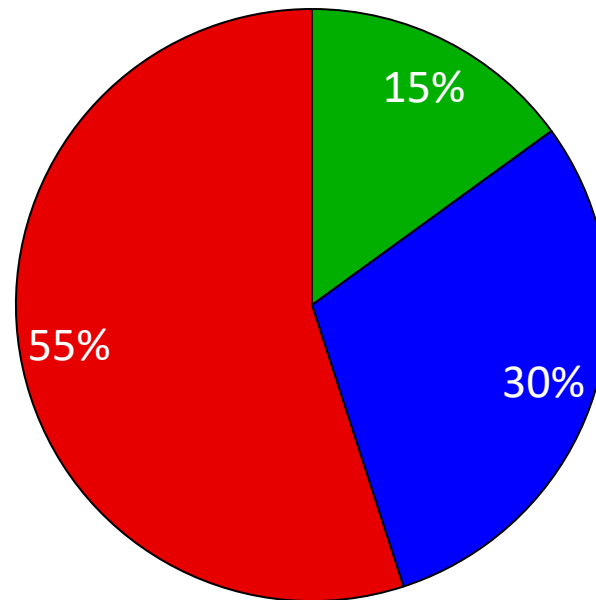
- Demand is improving
- Demand is stable
- Demand is declining

out of 100%



**Manufacturers-** 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



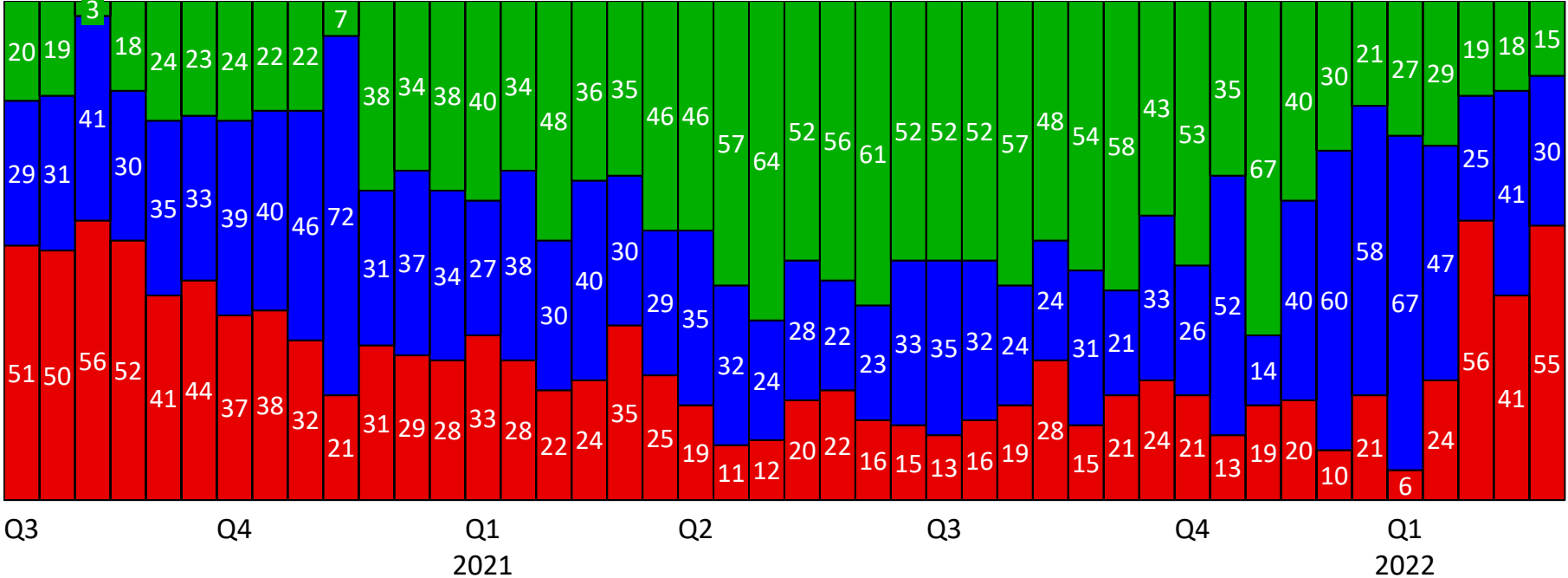


# History of Manufacturer Purchases

**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?

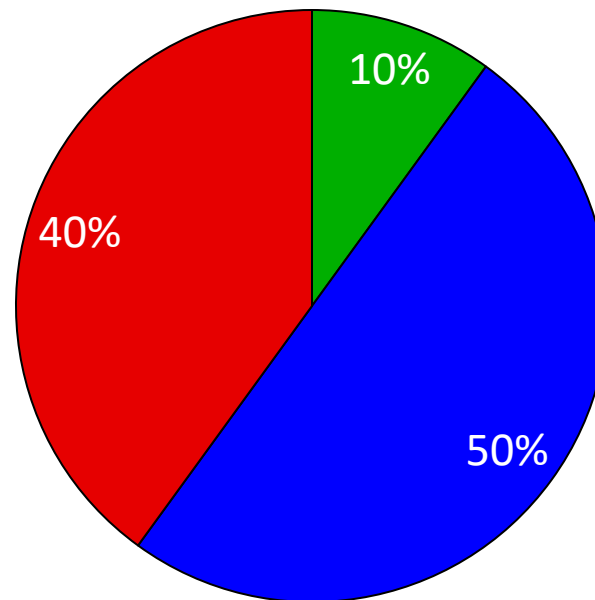
- Buying more steel
- Buying the same amount of steel
- Buying less steel

out of 100%



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

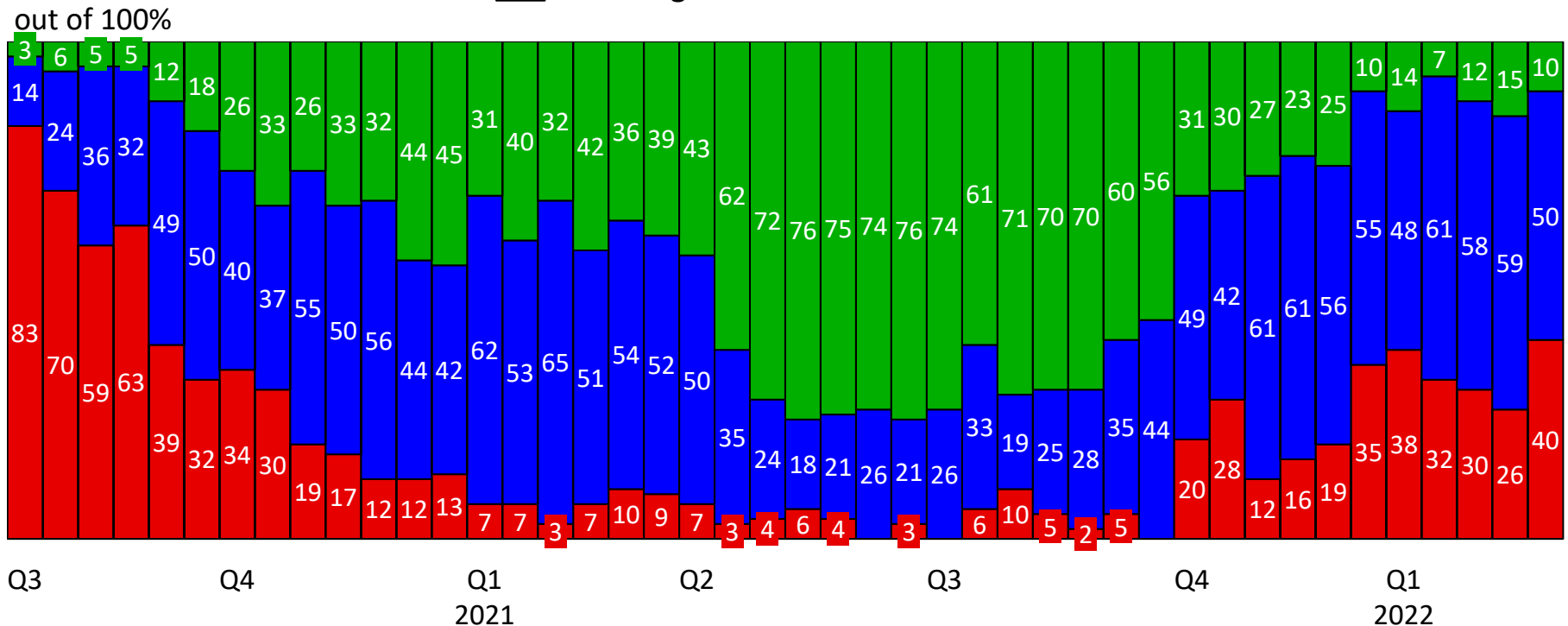
- Releasing more steel
- Releasing the same amount of steel
- Releasing less steel



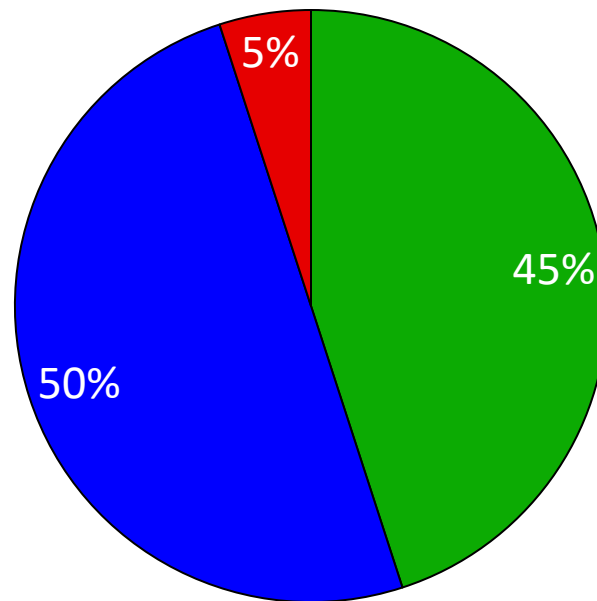
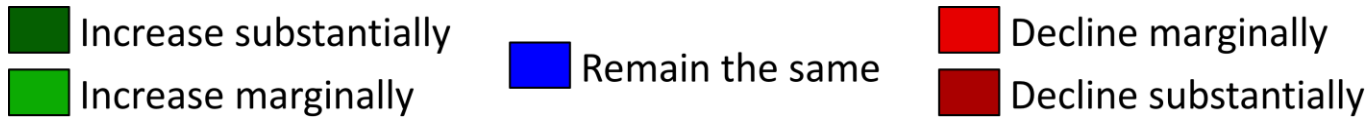
# Service Center Release History

**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

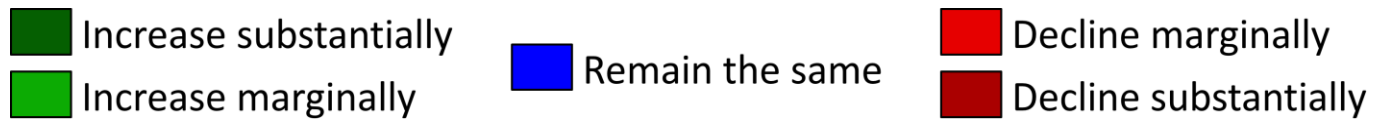


**Manufacturers-** Demand for your products will \_\_\_\_\_  
over the next 3 months based on current order flows.

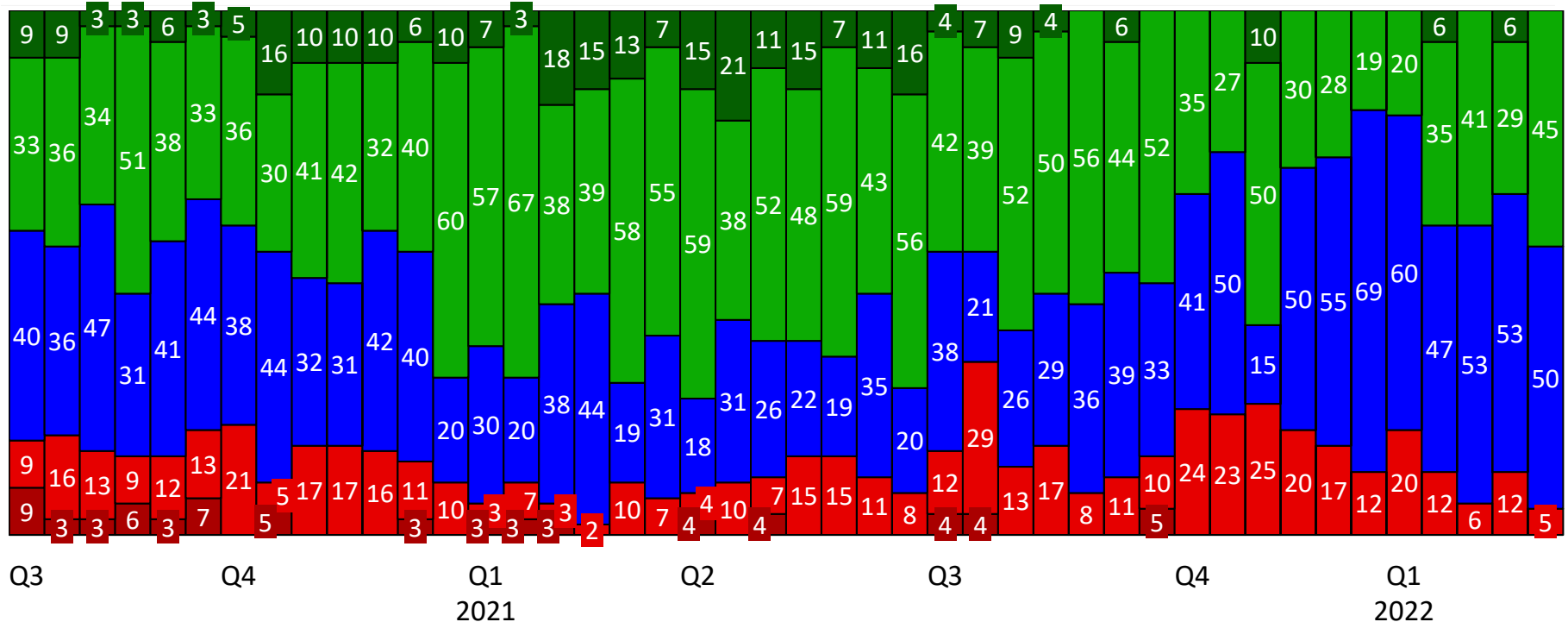


# Manufacturer Demand History

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



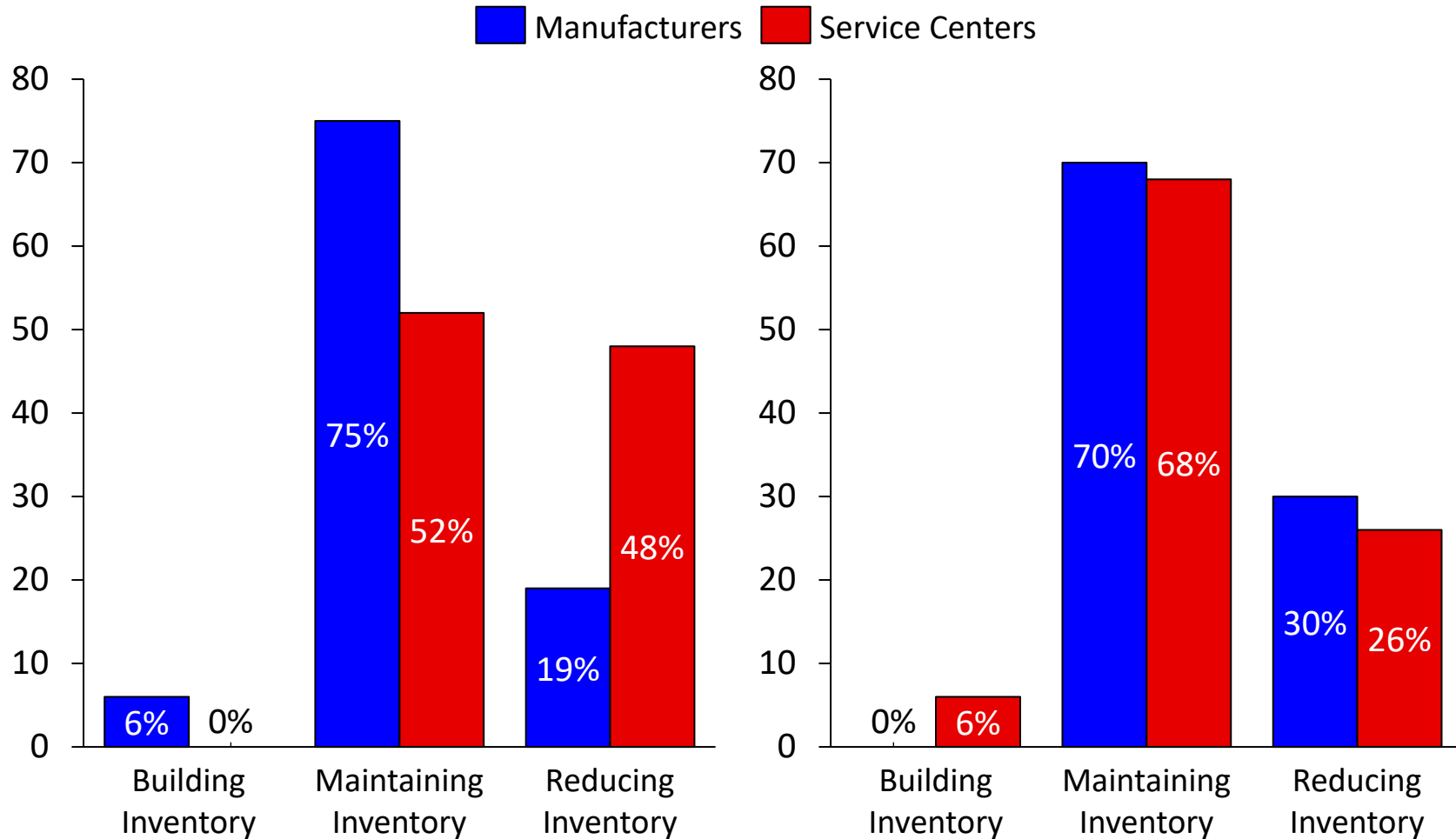
out of 100%



# Manufacturer and Service Center Inventory Buying Patterns

February 17, 2022

March 3, 2022



© Steel Market Update 2022

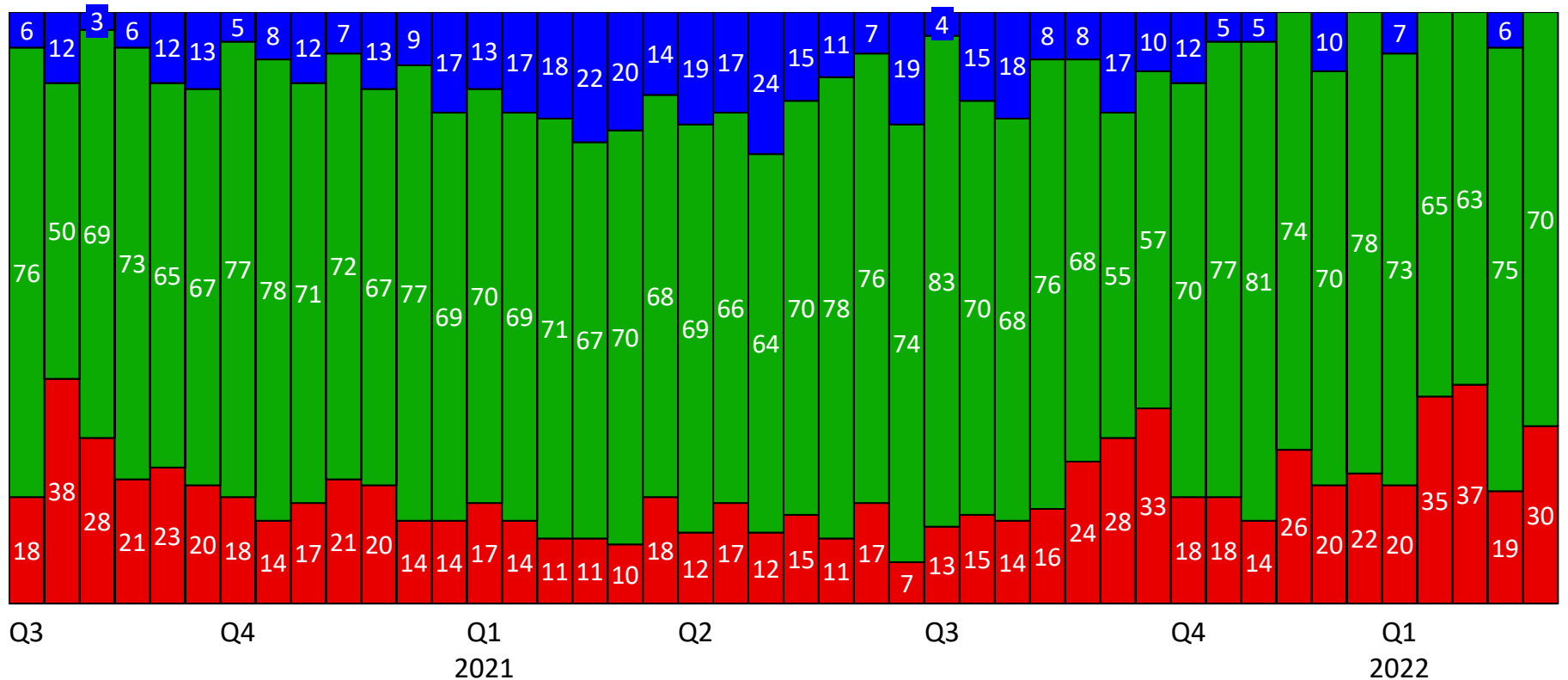


# Manufacturer Inventory Buying History

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

■ Building Inventory   
 ■ Maintaining Inventory   
 ■ Reducing Inventory

out of 100%

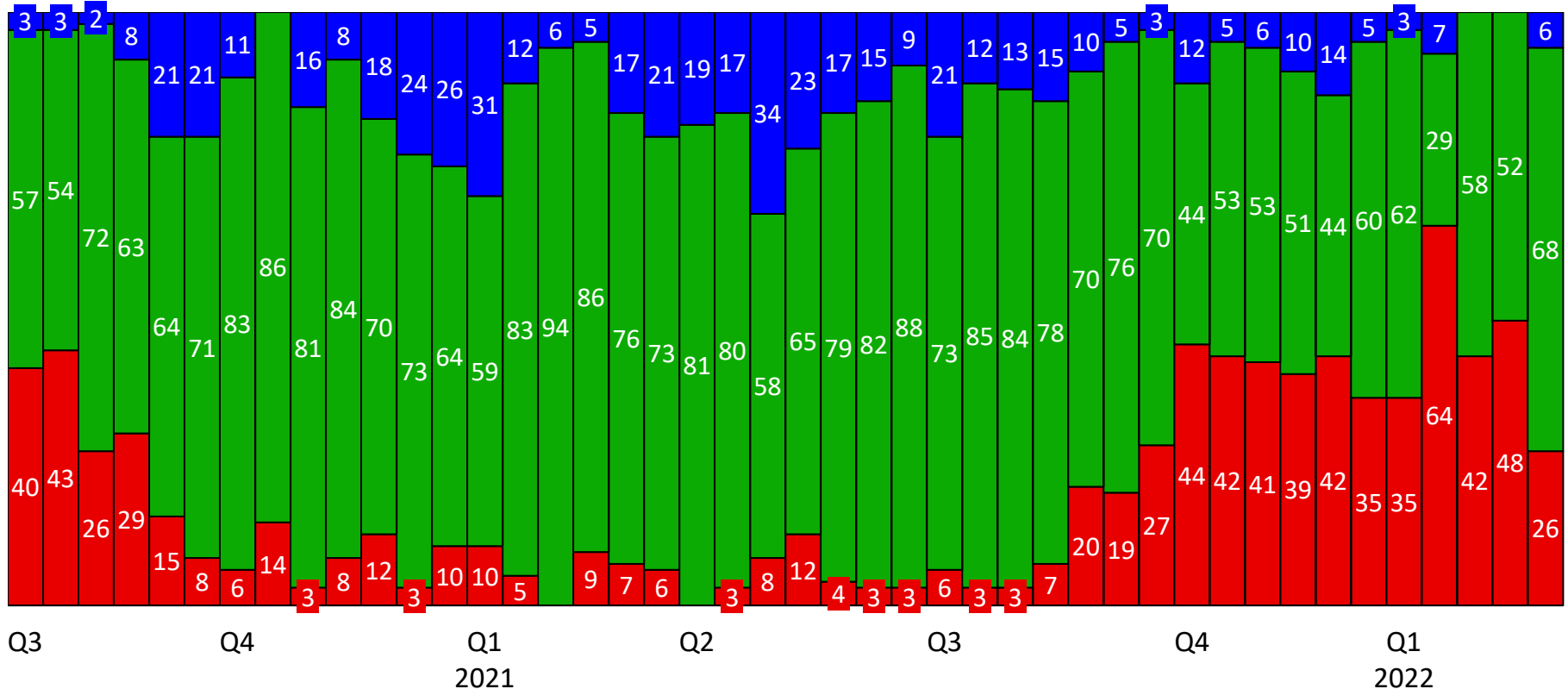


# Service Center Inventory Buying History

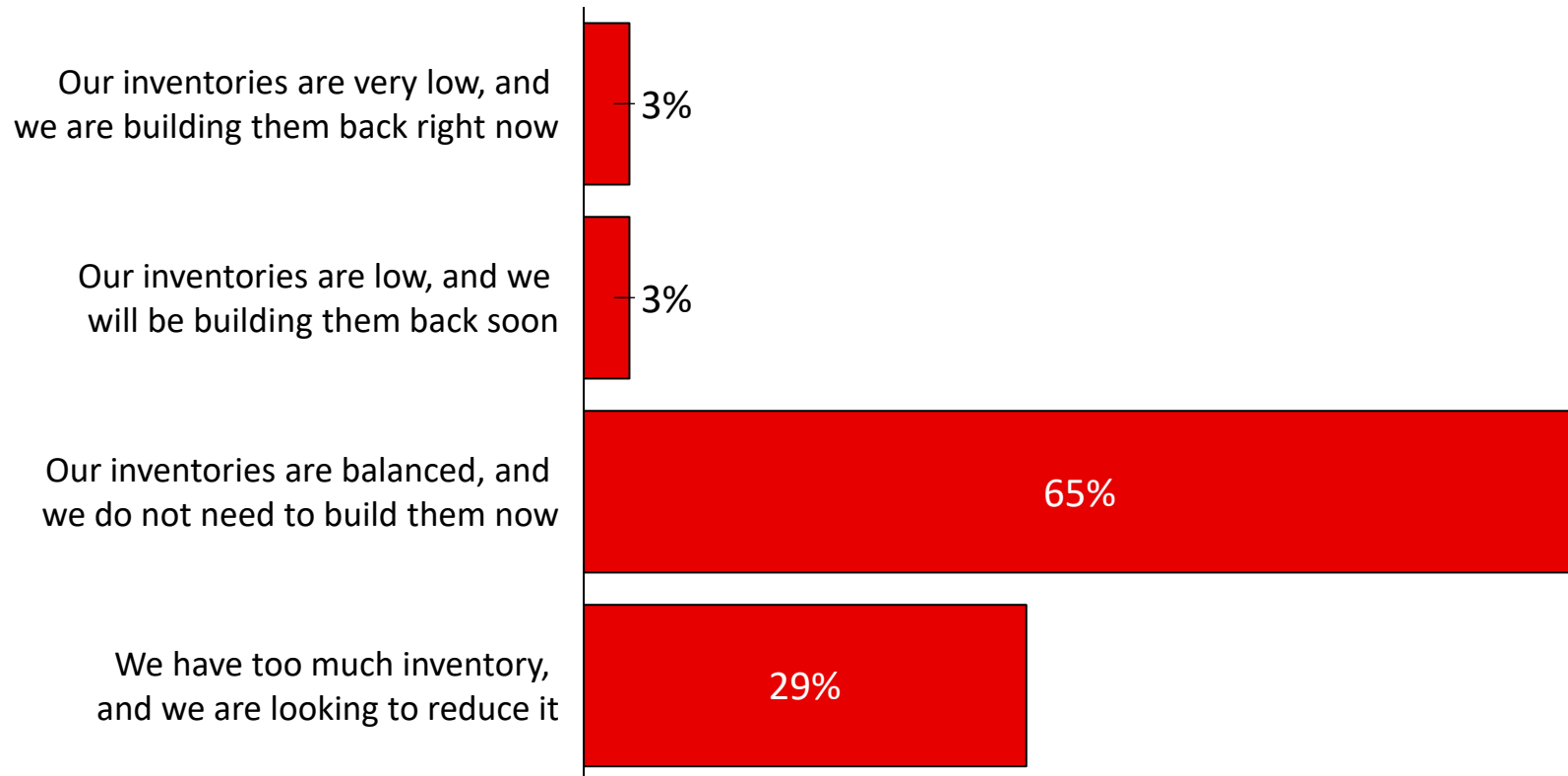
**Service Centers-** Is your company building, reducing or maintaining its flat rolled steel inventory?

■ Building Inventory   
 ■ Maintaining Inventory   
 ■ Reducing Inventory

out of 100%



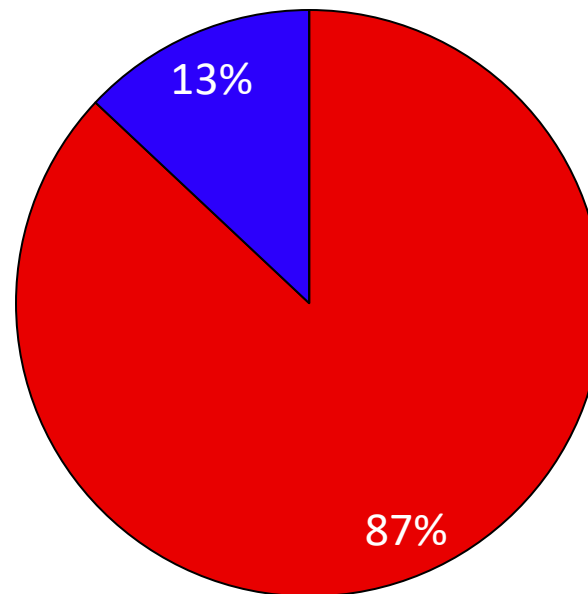
**Service Centers-** Does your company need to build back inventories or are you comfortable with the levels you are holding on your floor?



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

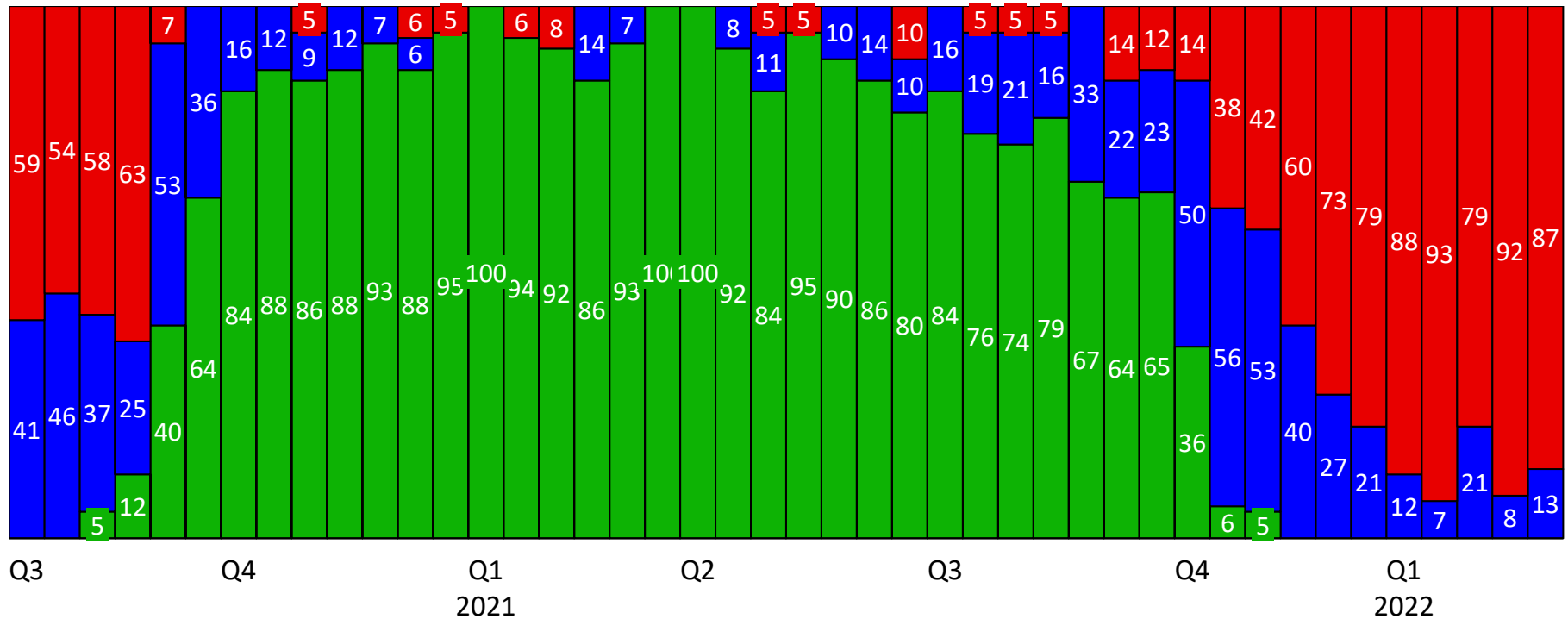


# Manufacturer's View of Service Center Selling Prices History

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

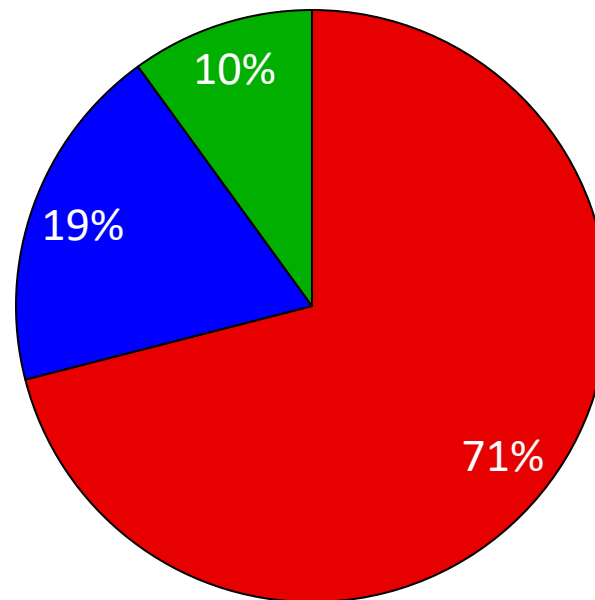
- We see prices decreasing from our service centers
- We see stable prices from our service centers
- We see prices increasing from our service centers

out of 100%



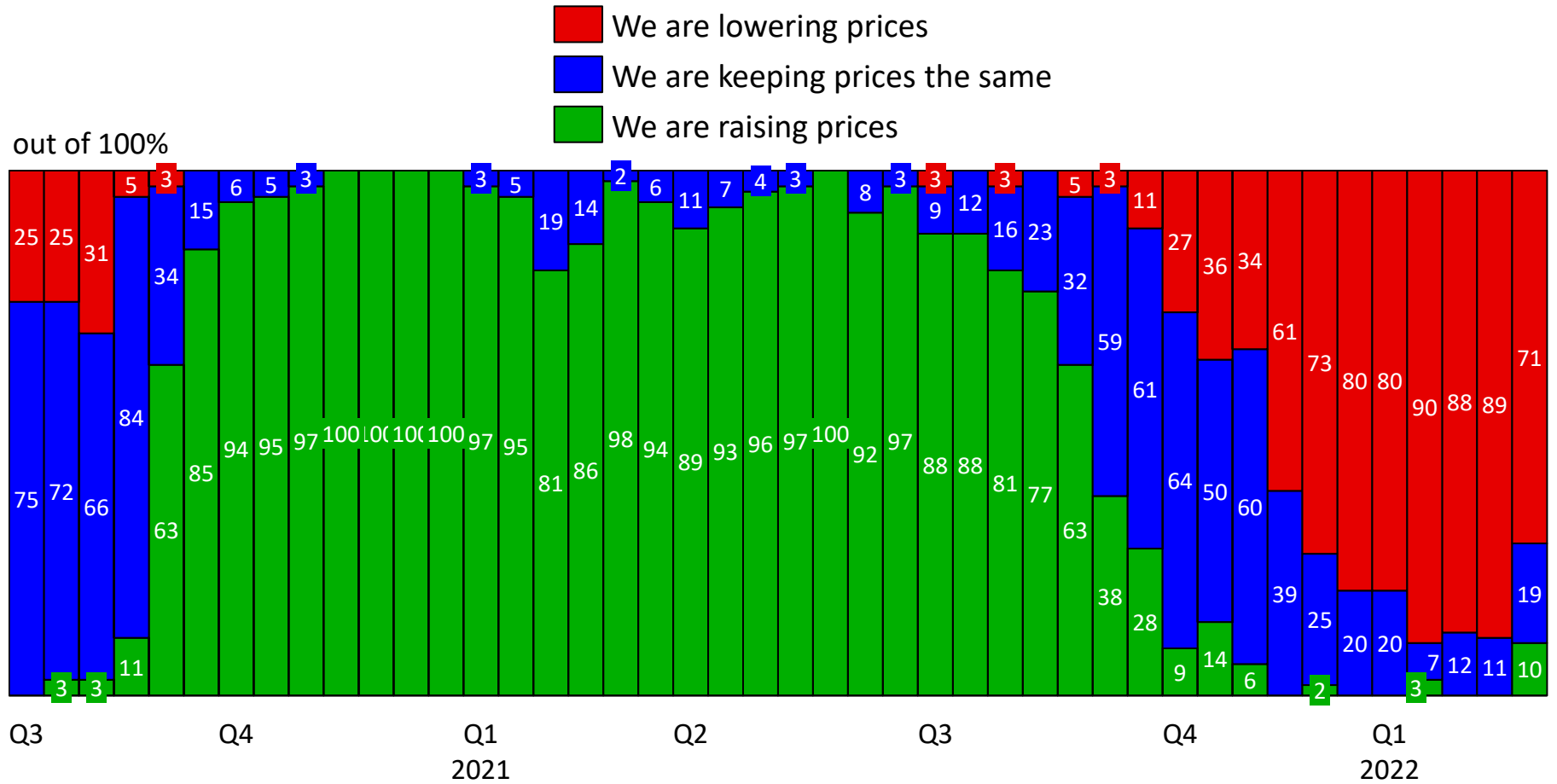
**Service Centers-** Compared to two weeks ago, how is your company handling spot pricing to your customers at this time?

- 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?

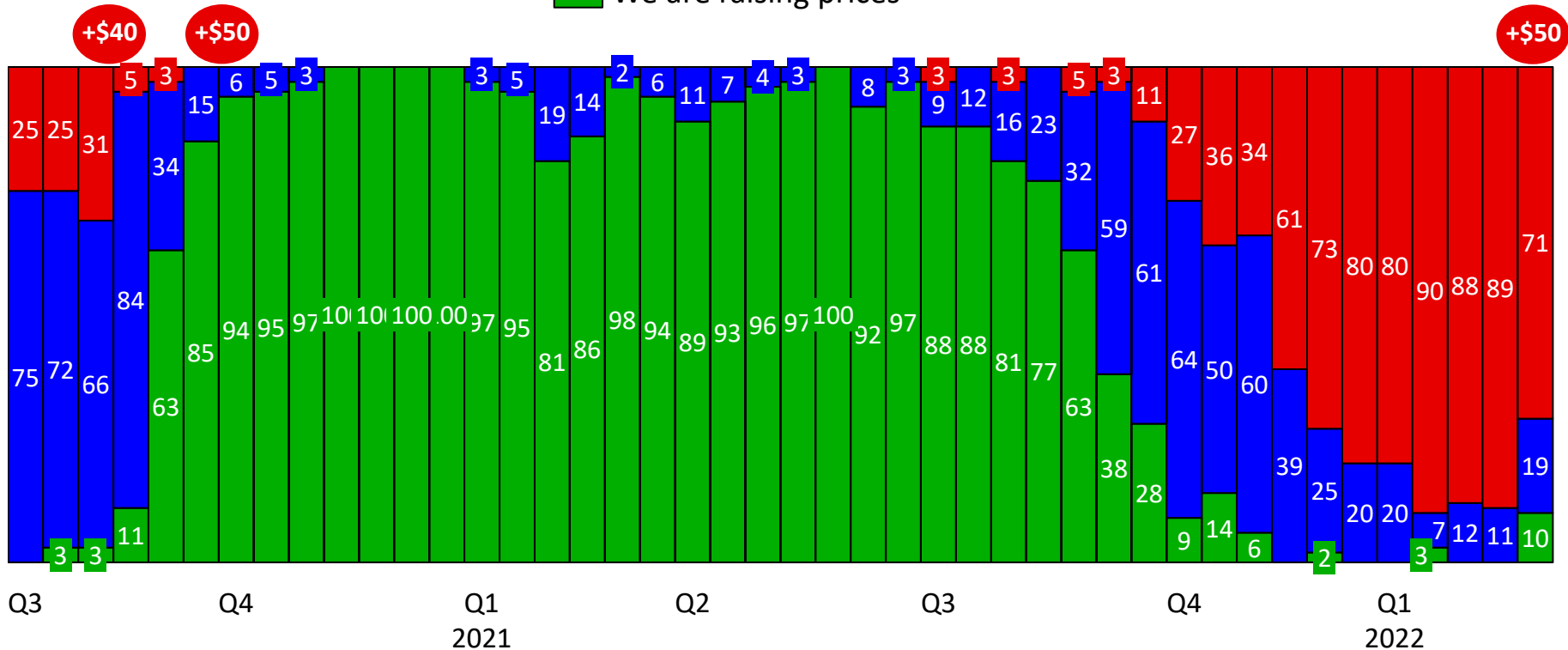


# Service Center View of Selling Prices History




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

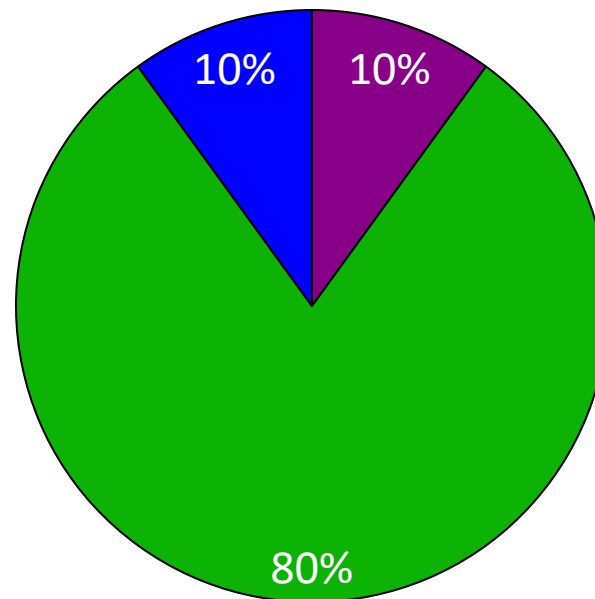
## Historical Nucor Flat Rolled Price Increase Announcements

- 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 at this time?

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

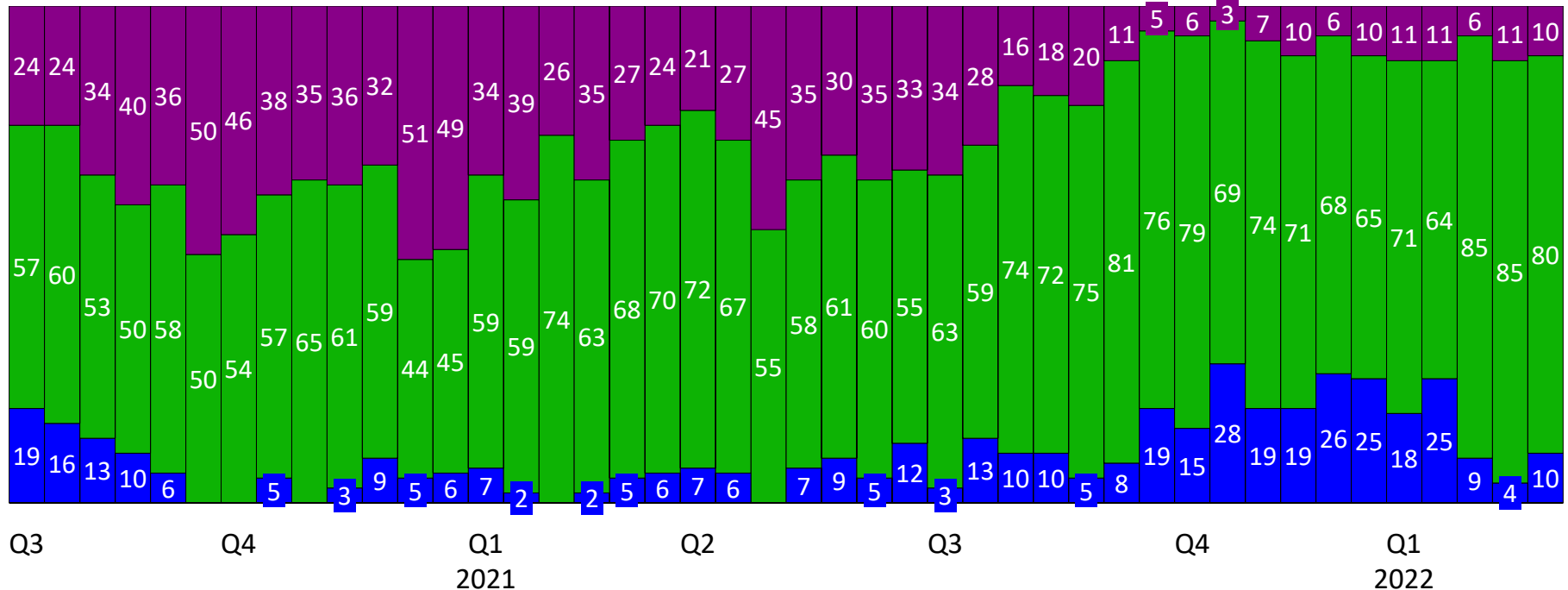


# Service Centers on Manufacturer Orders History

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

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

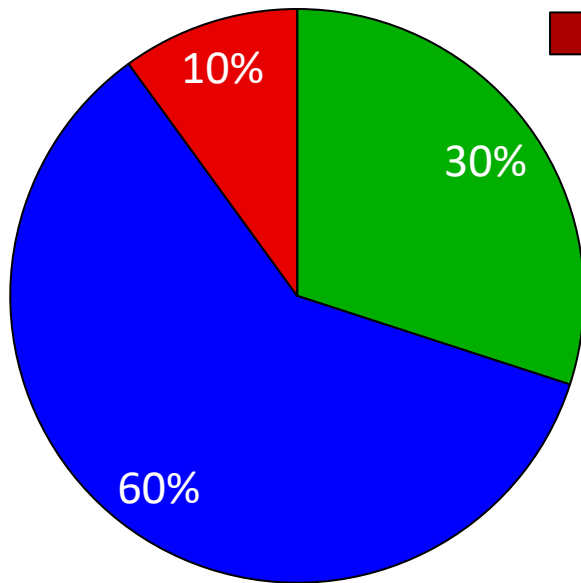
out of 100%



# Mill Lead Times

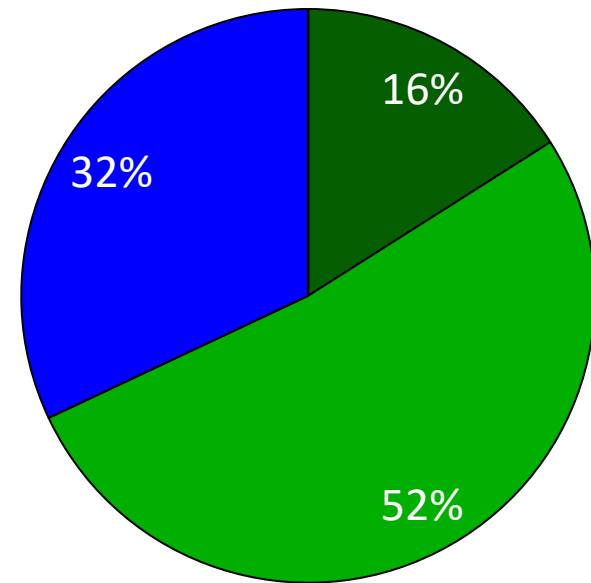
How would you describe domestic mill lead times for new orders placed right now?

## Manufacturers



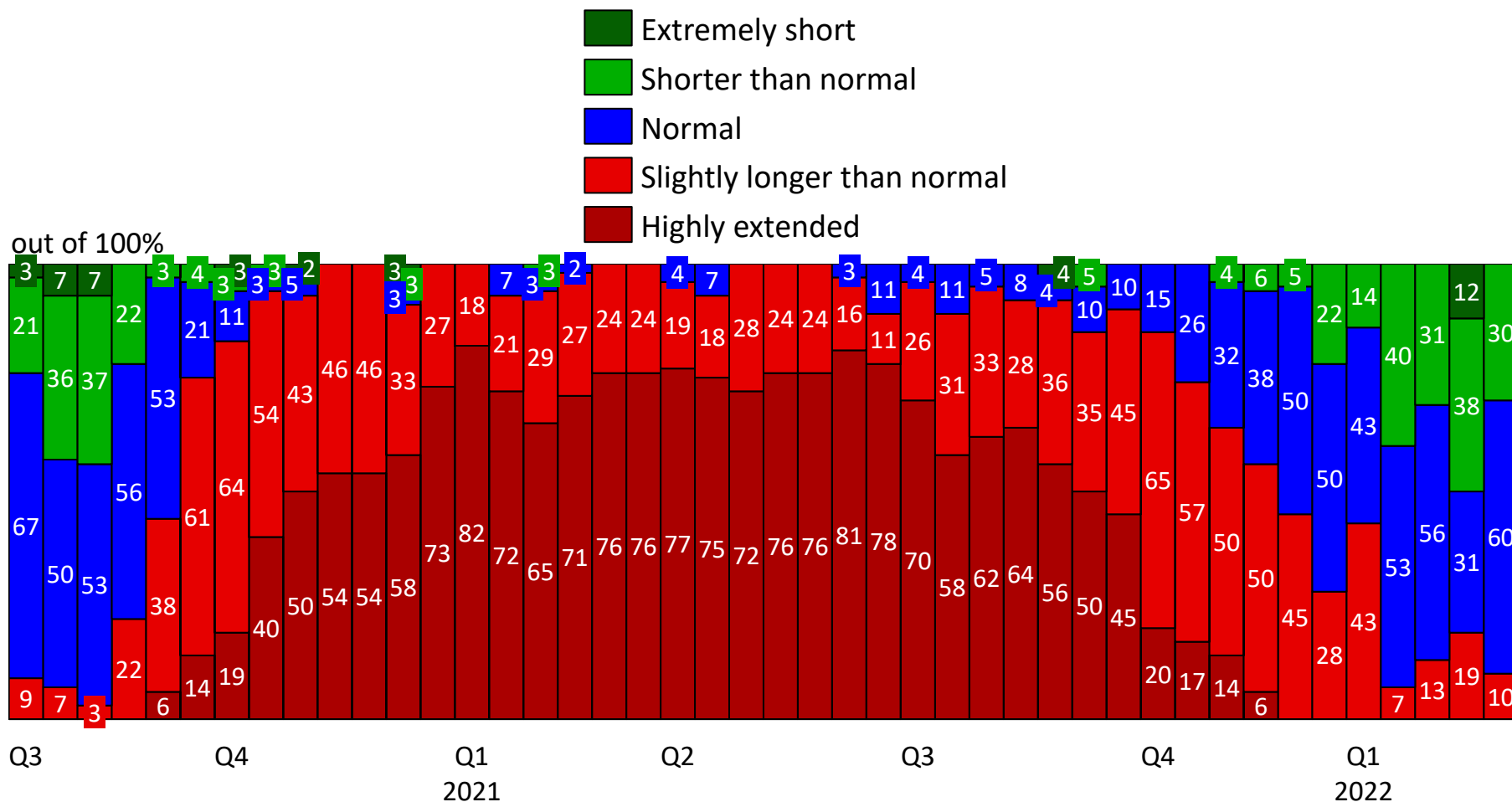
- Extremely short
- Shorter than normal
- Normal
- Slightly longer than normal
- Highly extended

## Service Centers



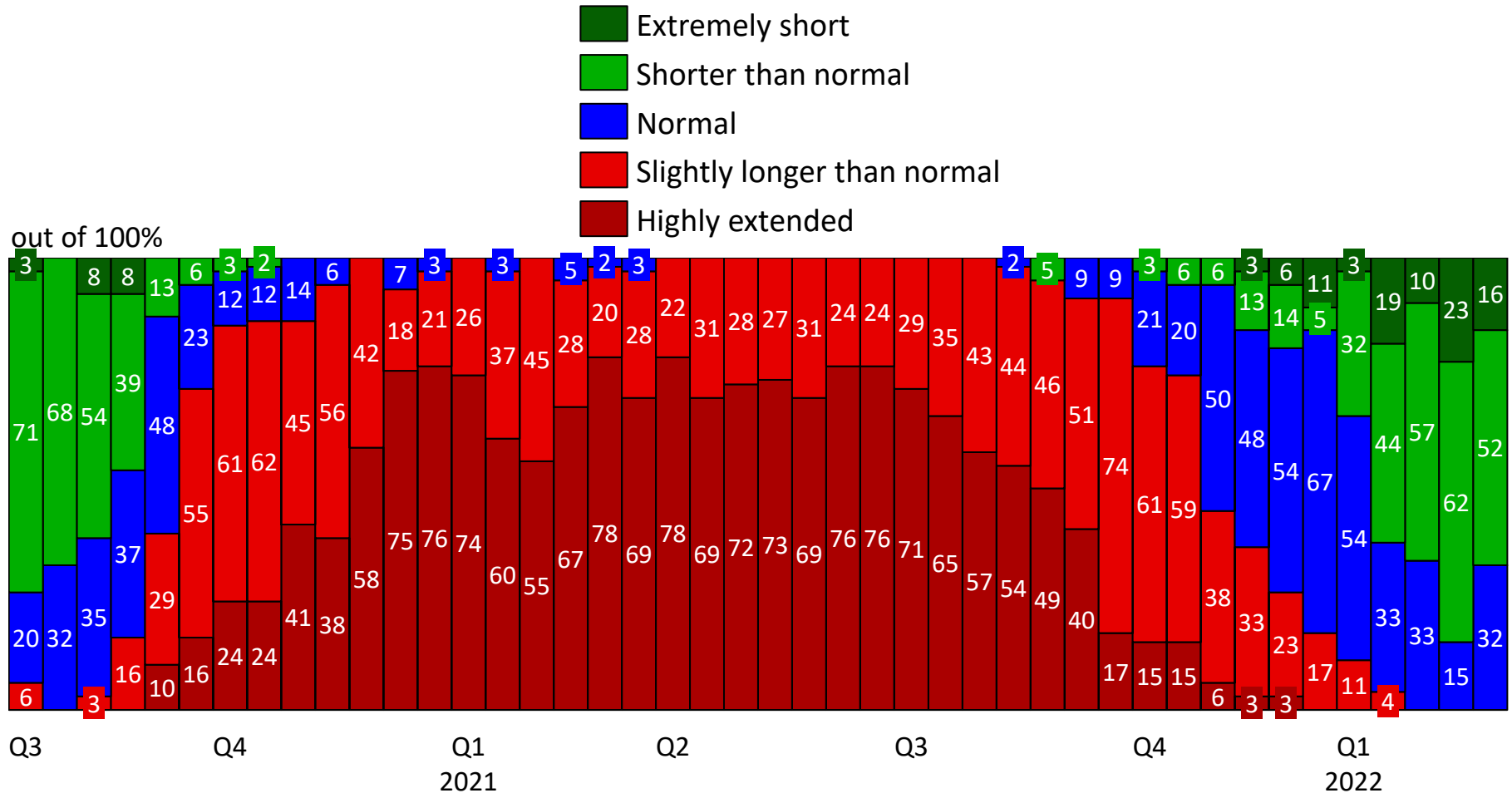
# Mill Lead Times History

**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?

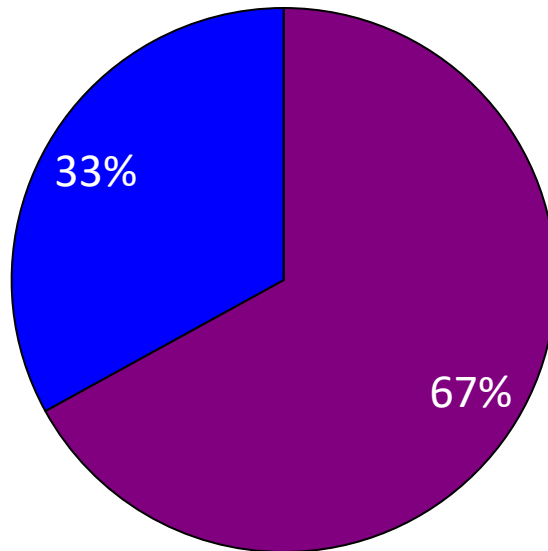


# Foreign Steel Purchases

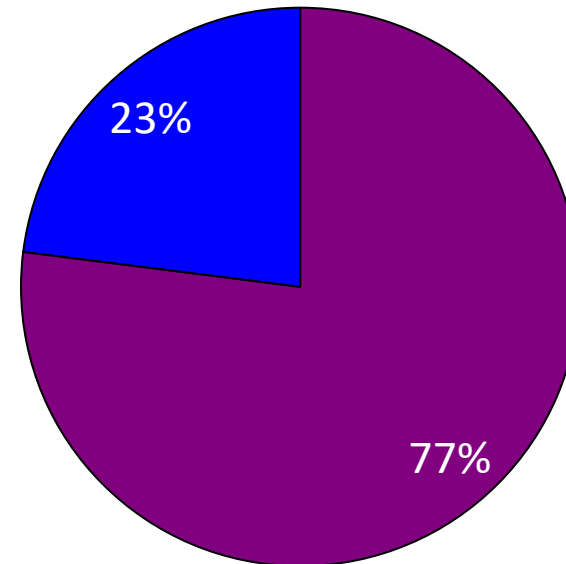
Does your company buy foreign steel?

Yes No

## Manufacturers



## Service Centers



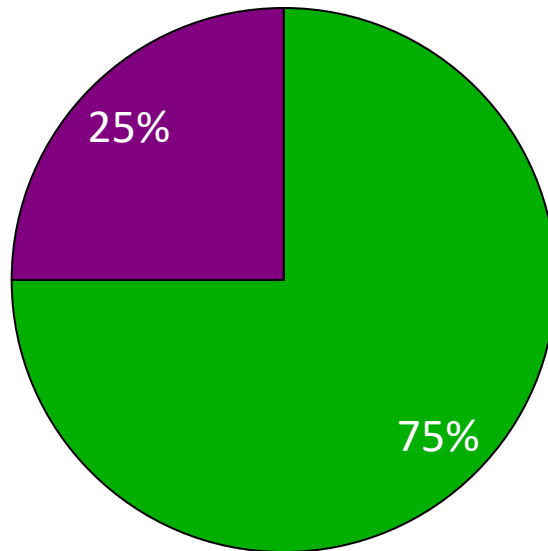


# Foreign Steel Competitive?

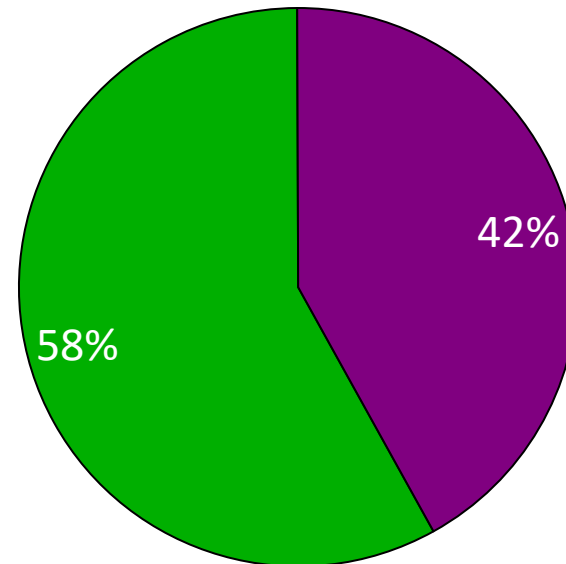
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

Yes No

## Manufacturers



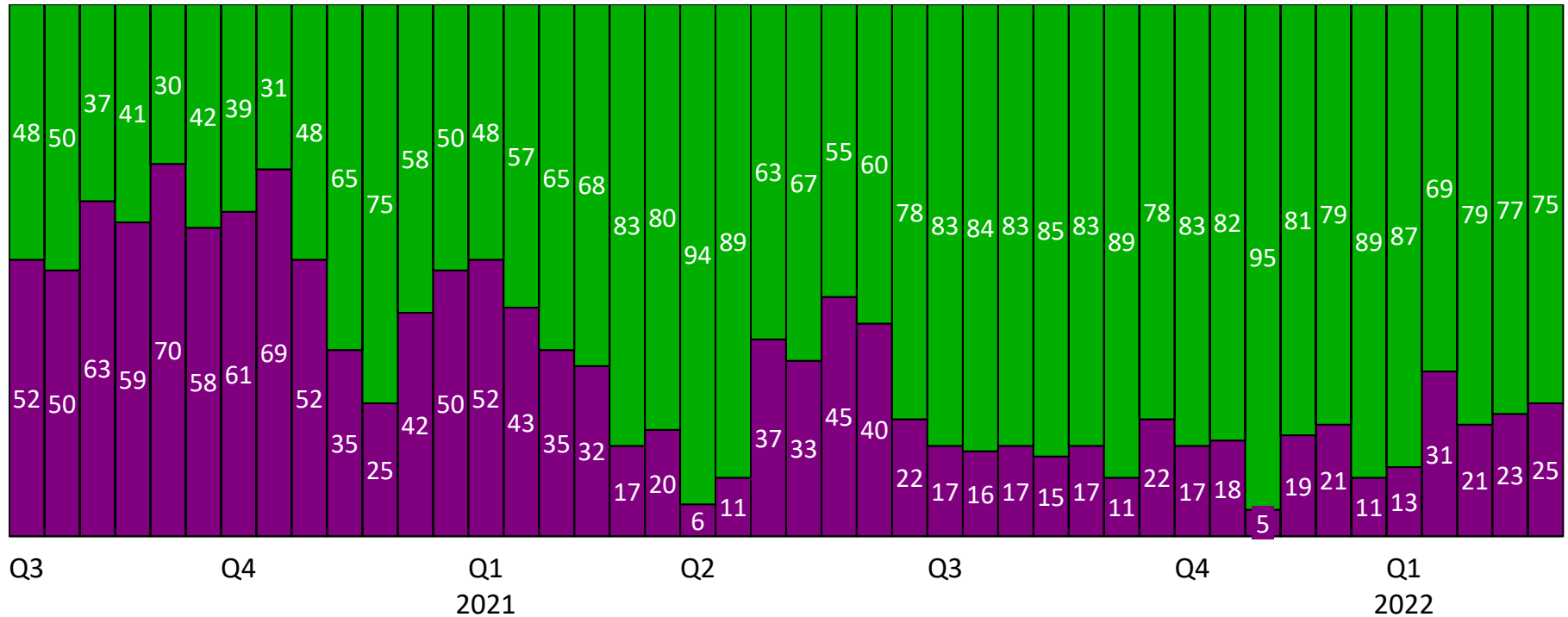
## Service Centers



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

Yes No

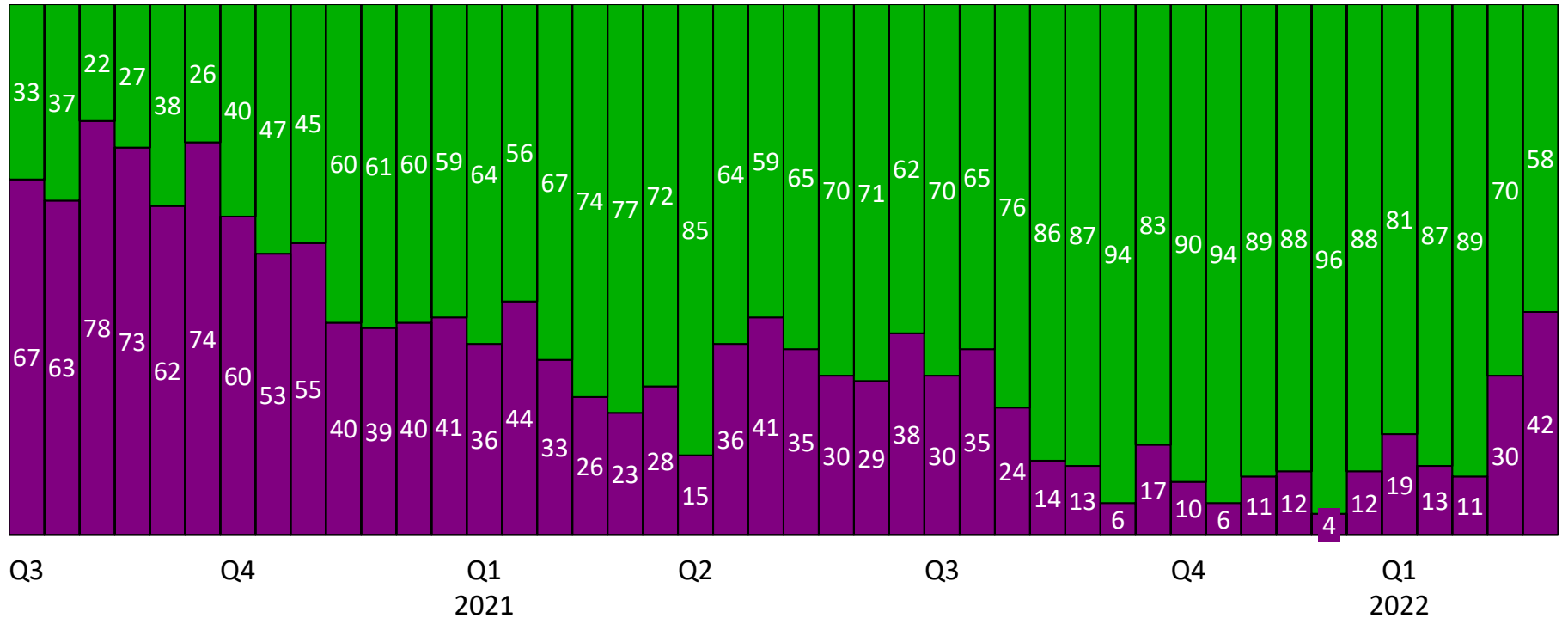
out of 100%



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

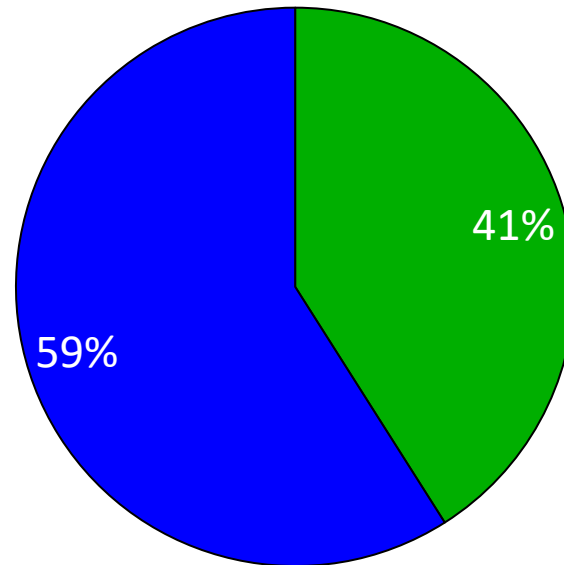
Yes No

out of 100%



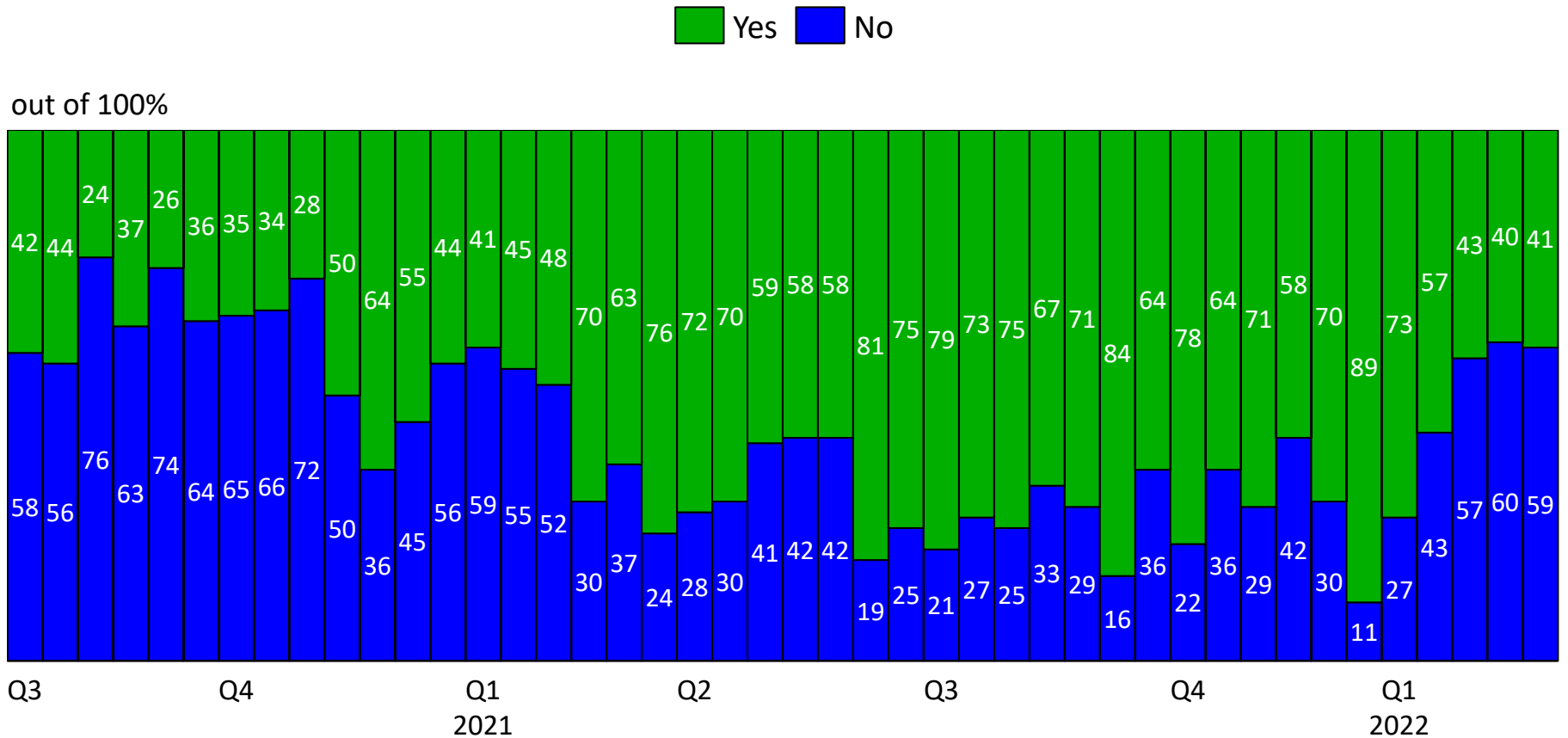
**Manufacturers-** Are you buying new orders of foreign steel for future delivery?

Yes No



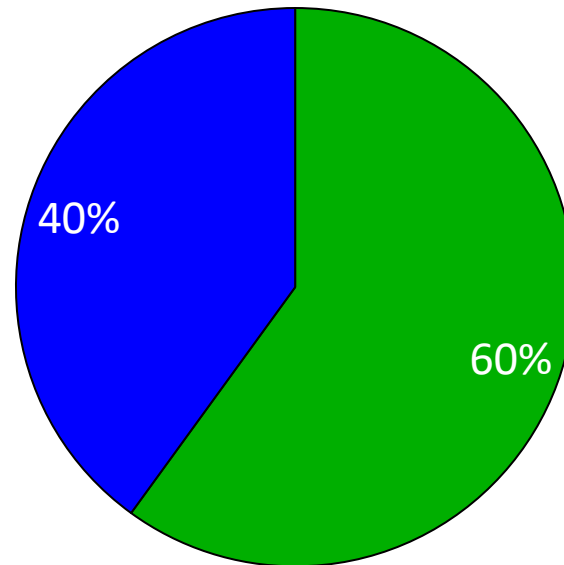
# New Foreign Steel Orders History

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



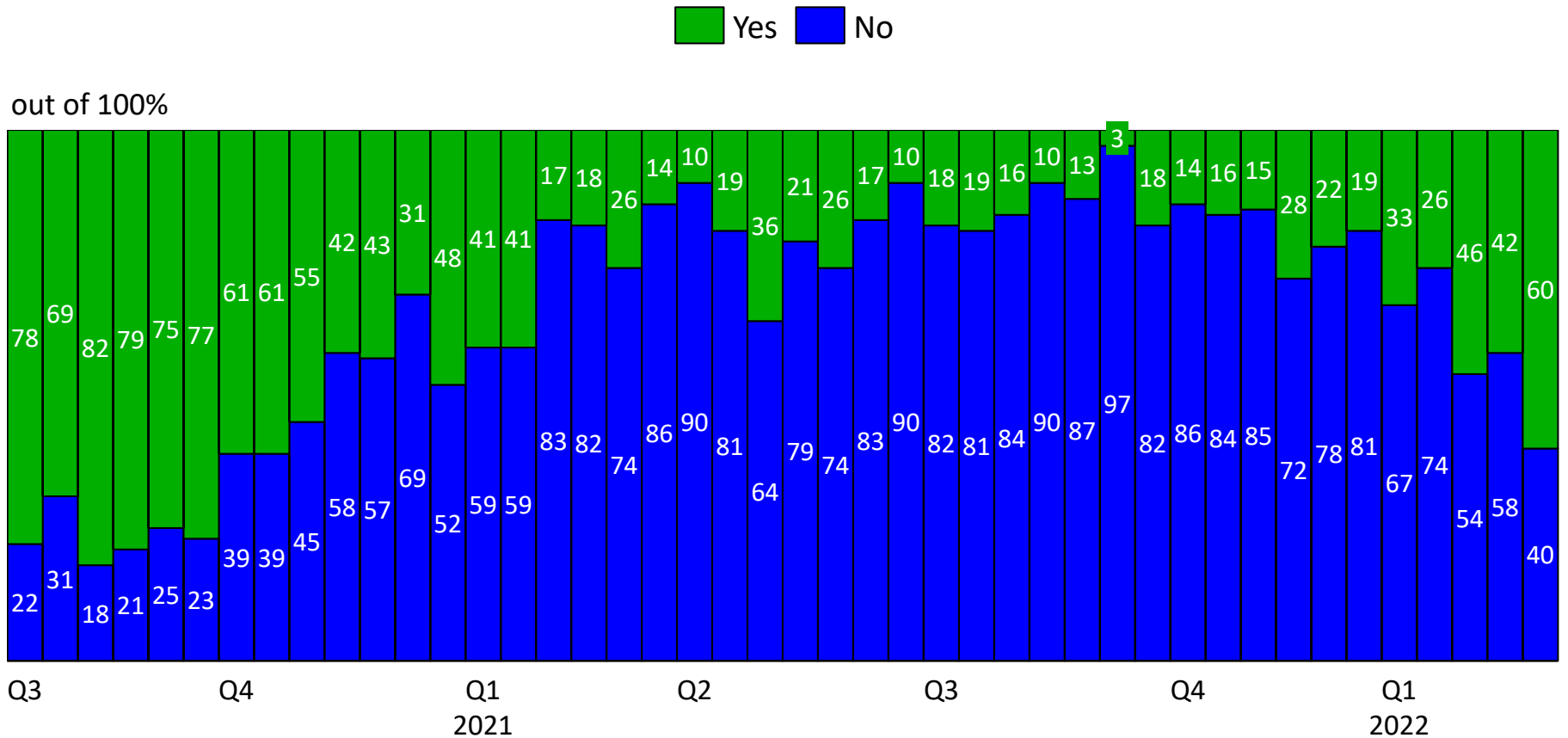
**Service Centers-** Are you decreasing the percentage of foreign steel on your order book?

Yes No

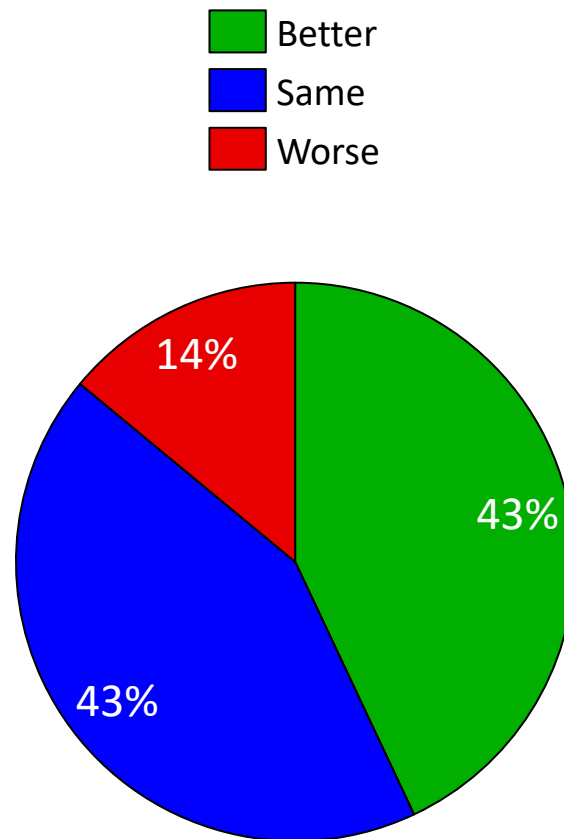


# Foreign Steel Order History

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

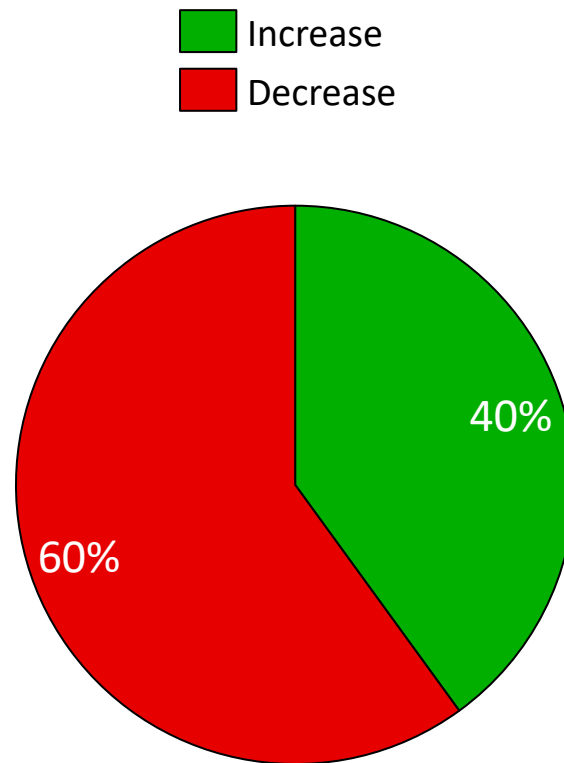


The current order book at your mill is better or worse than last month?



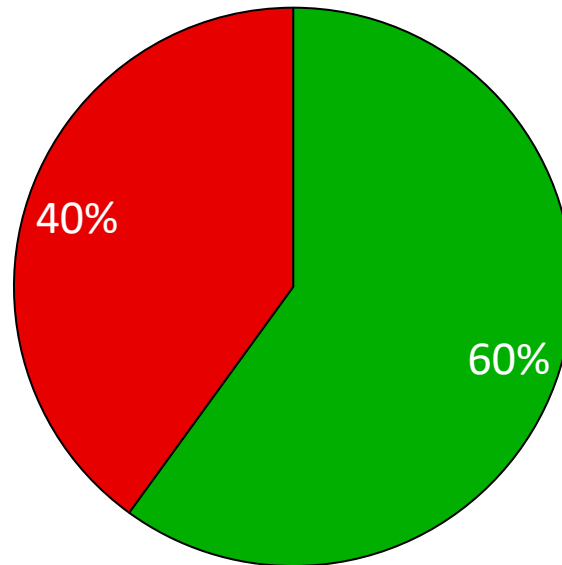


Are you seeing an increase or decrease in orders from your North American buyers?

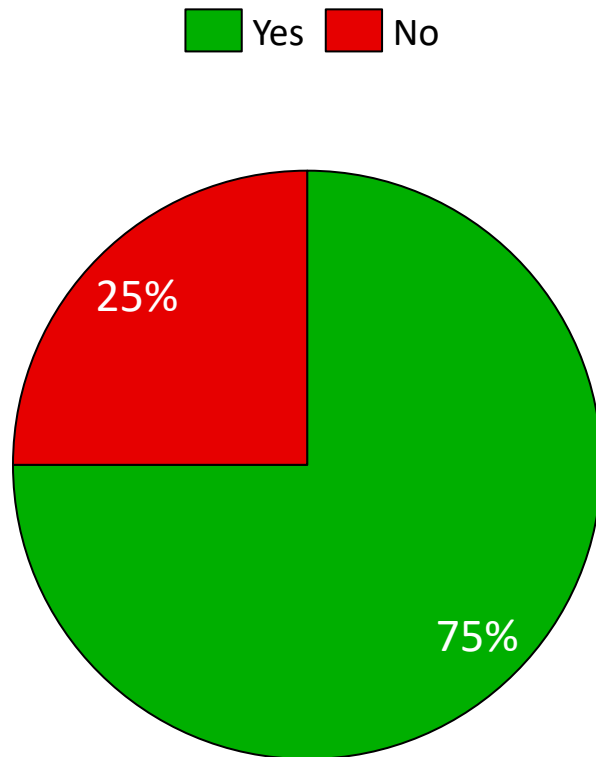


Are foreign products attractive to U.S. buyers?

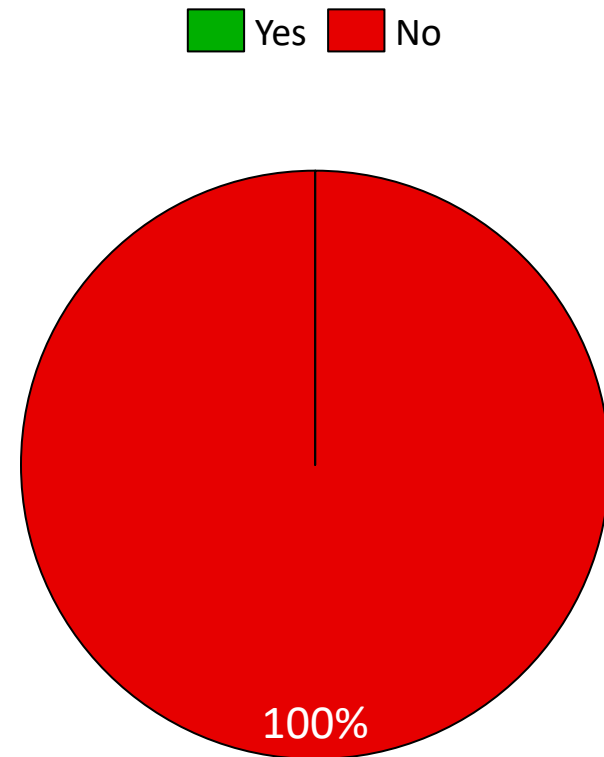
Yes No



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



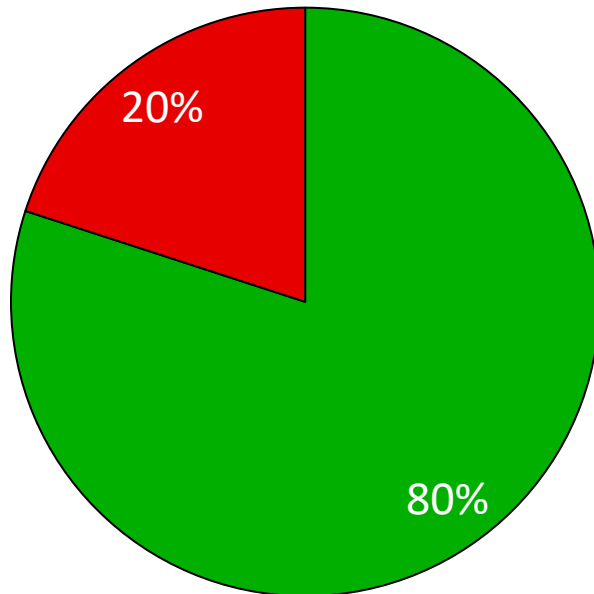
Are you able to offer plate pricing that is attractive to buyers right now?



# Trading Companies – Coated

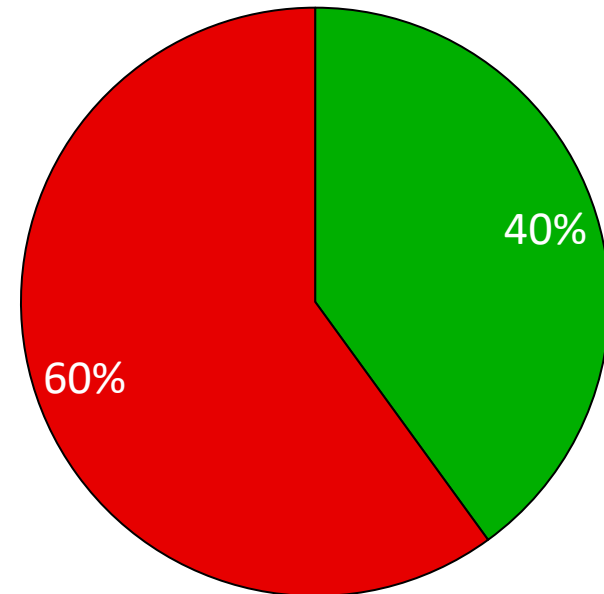
Are your galvanized prices competitive enough right now to get orders (including duties)?

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 March 14, 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

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