



SMU flat-rolled market trends analysis

Dec. 4-6, 2023, market survey results

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**Where the steel community
comes together.**

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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

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. We ask companies, mostly in manufacturing and distribution, 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.

Upcoming events

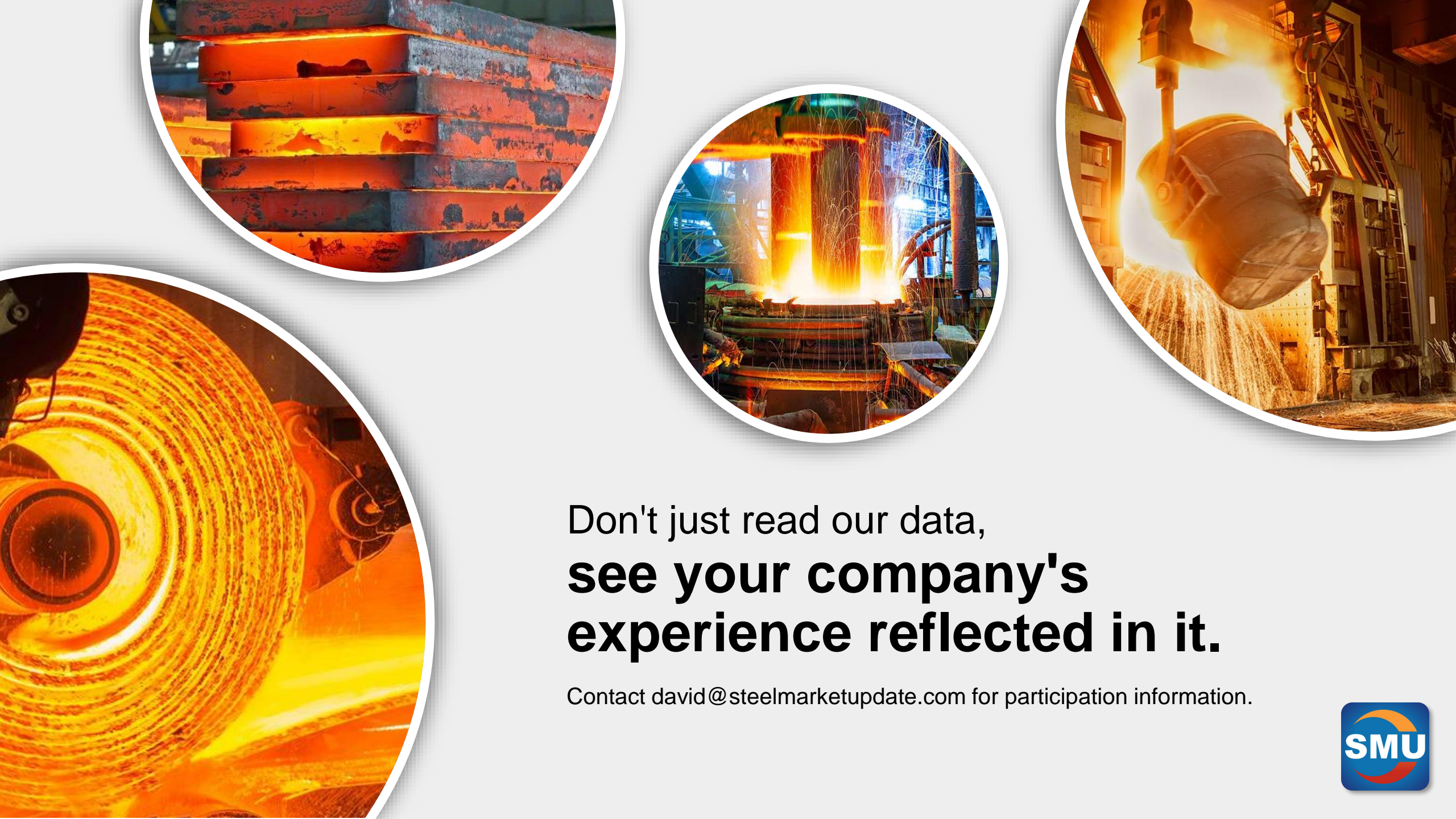


35th Tampa Steel Conference 2024
January 28-30, 2024 | Tampa, Fla.
JW Marriott Tampa Water Street



SMU Steel Summit 2024
August 26-28, 2024 | Atlanta
Georgia International Convention Center

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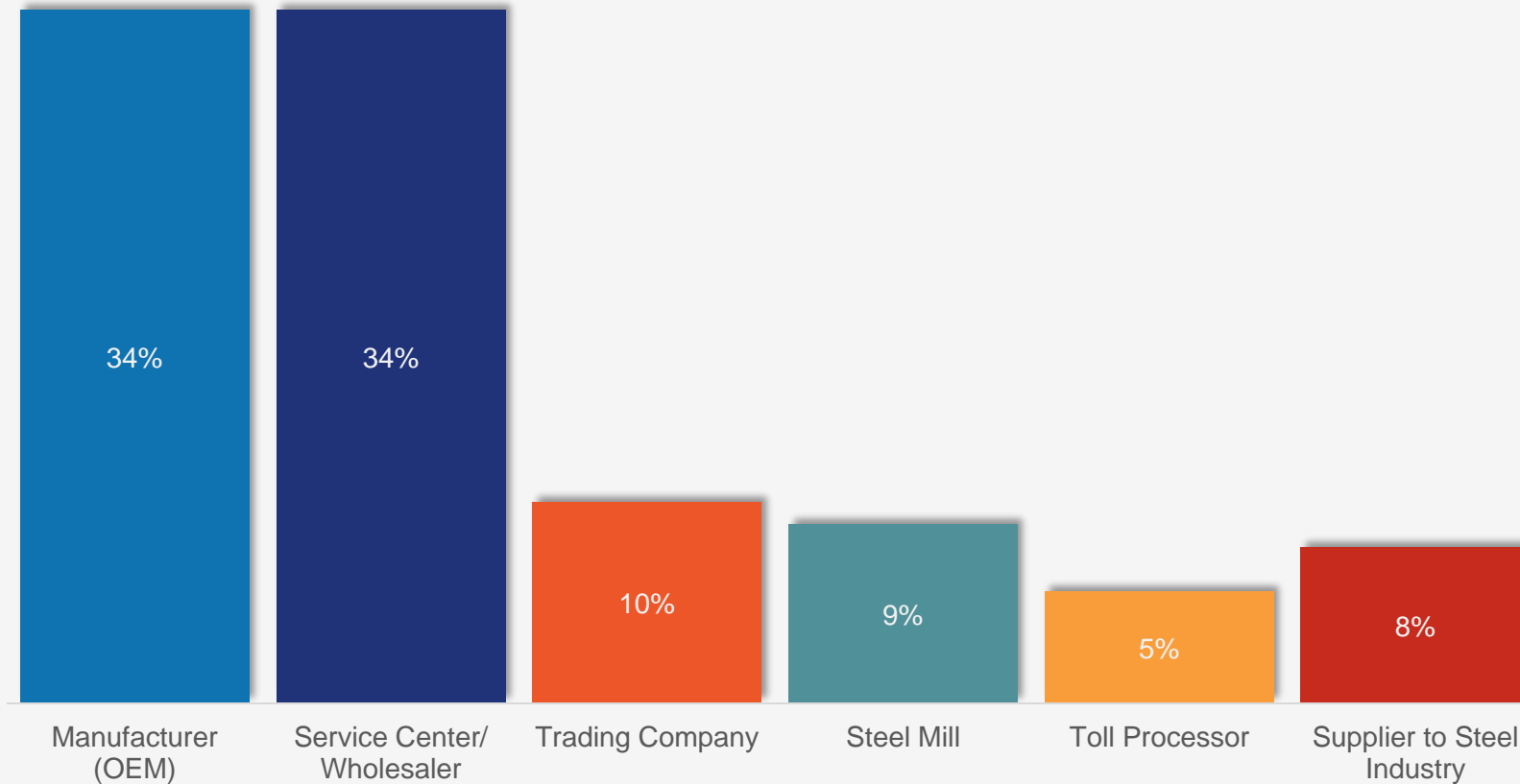
Don't just read our data,
**see your company's
experience reflected in it.**

Contact david@steelmarketupdate.com for participation information.



Survey participants

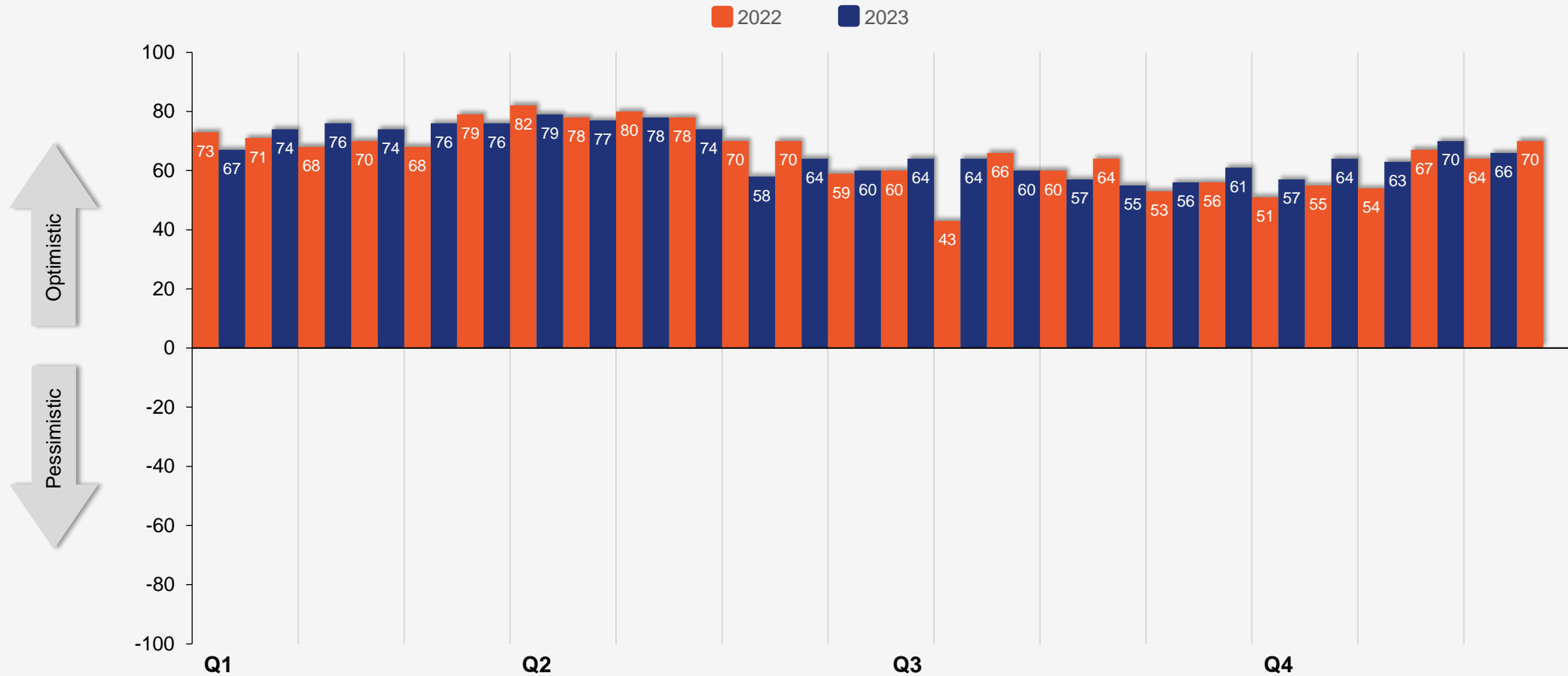
Our survey is by invitation only. Over 900 companies, mostly in the manufacturing or distribution industries, are asked to participate. Here are the percentages of participation in this week's survey by market sector.



Steel buyers sentiment

Down 4 points to +66

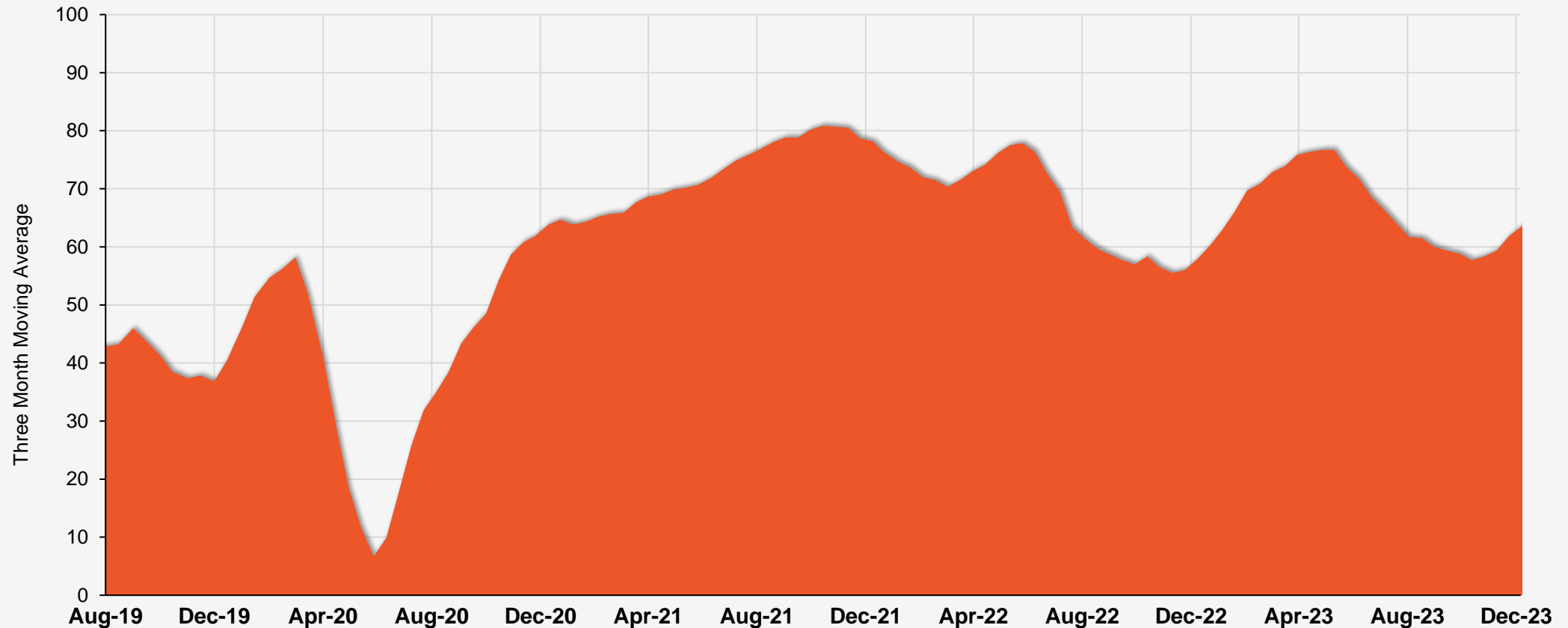
SMU's current steel buyers sentiment index, with data through Dec. 6, 2023.



Steel buyers sentiment

Three month moving average at +63.50

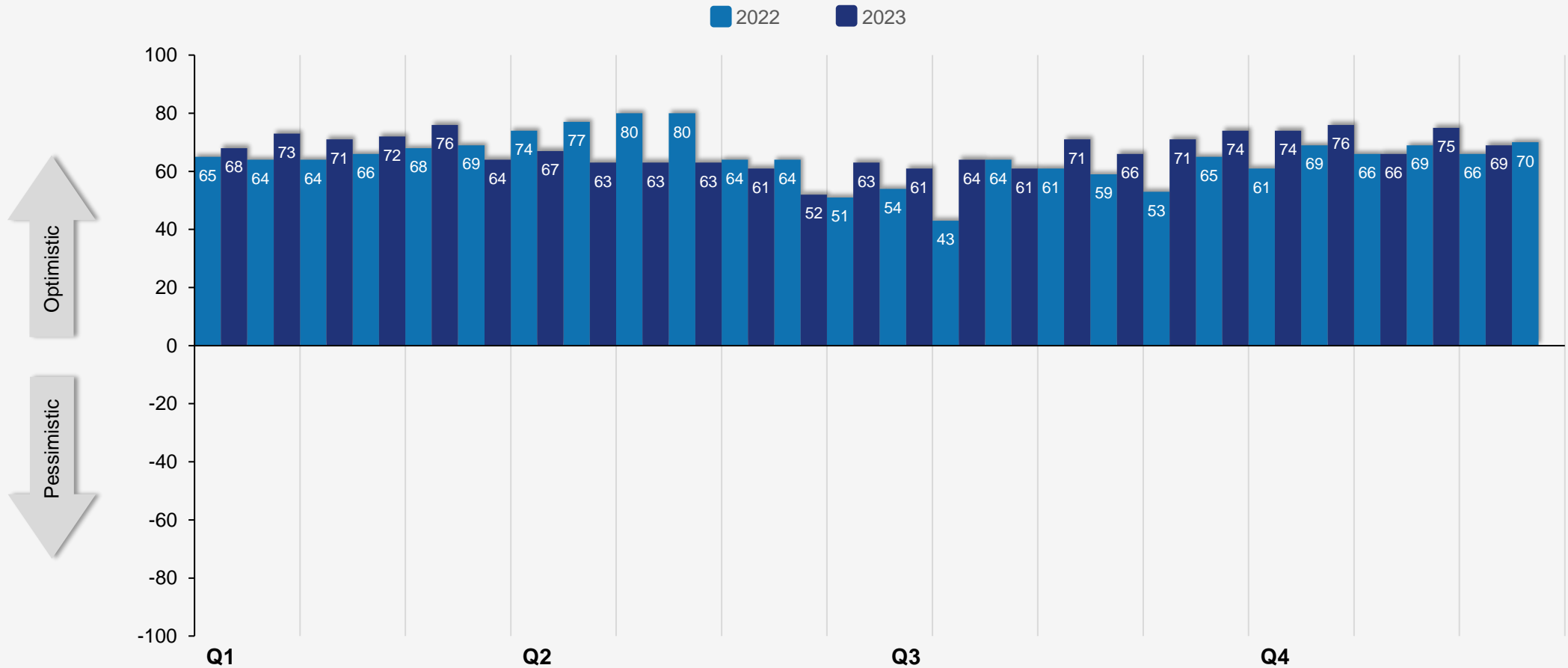
SMU's current 3MMA steel buyers sentiment index, with data through Dec. 6, 2023.



Steel buyers future sentiment

Down 6 points to +69

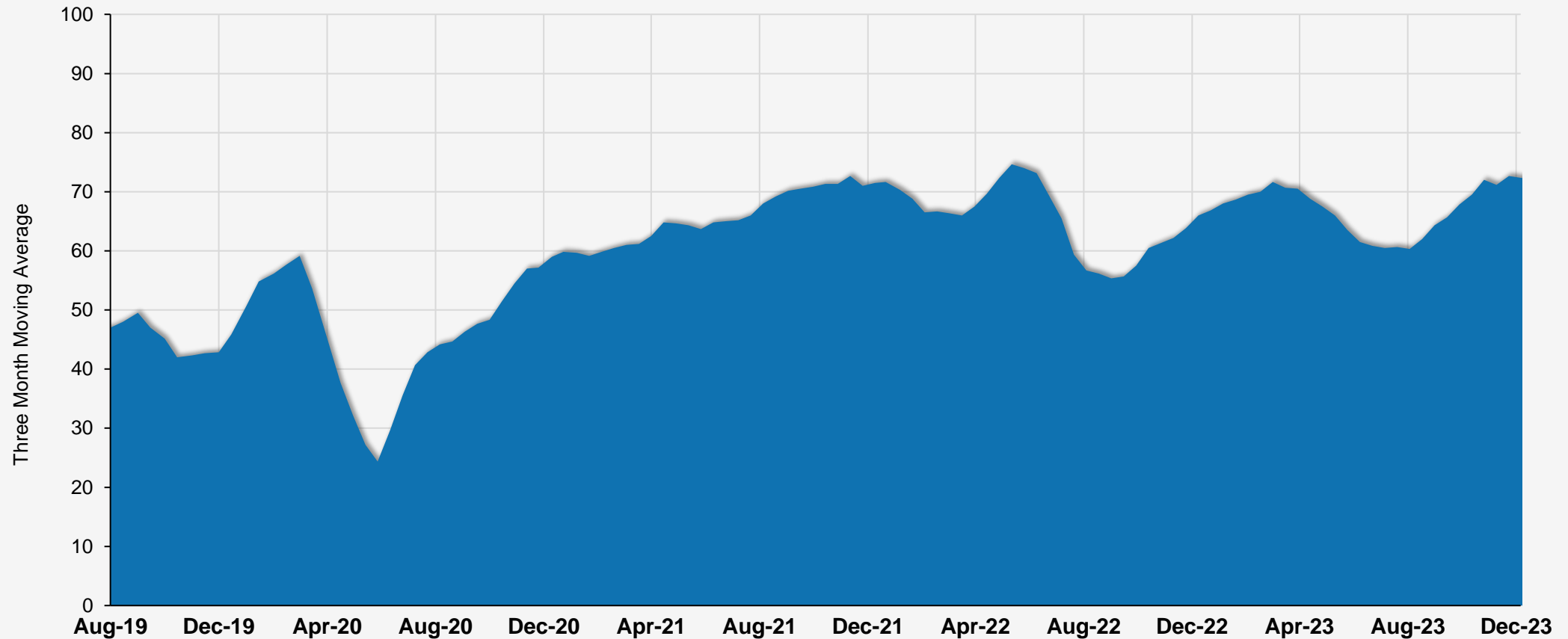
SMU's future steel buyers sentiment index, with data through Dec. 6, 2023.



Steel buyers future sentiment

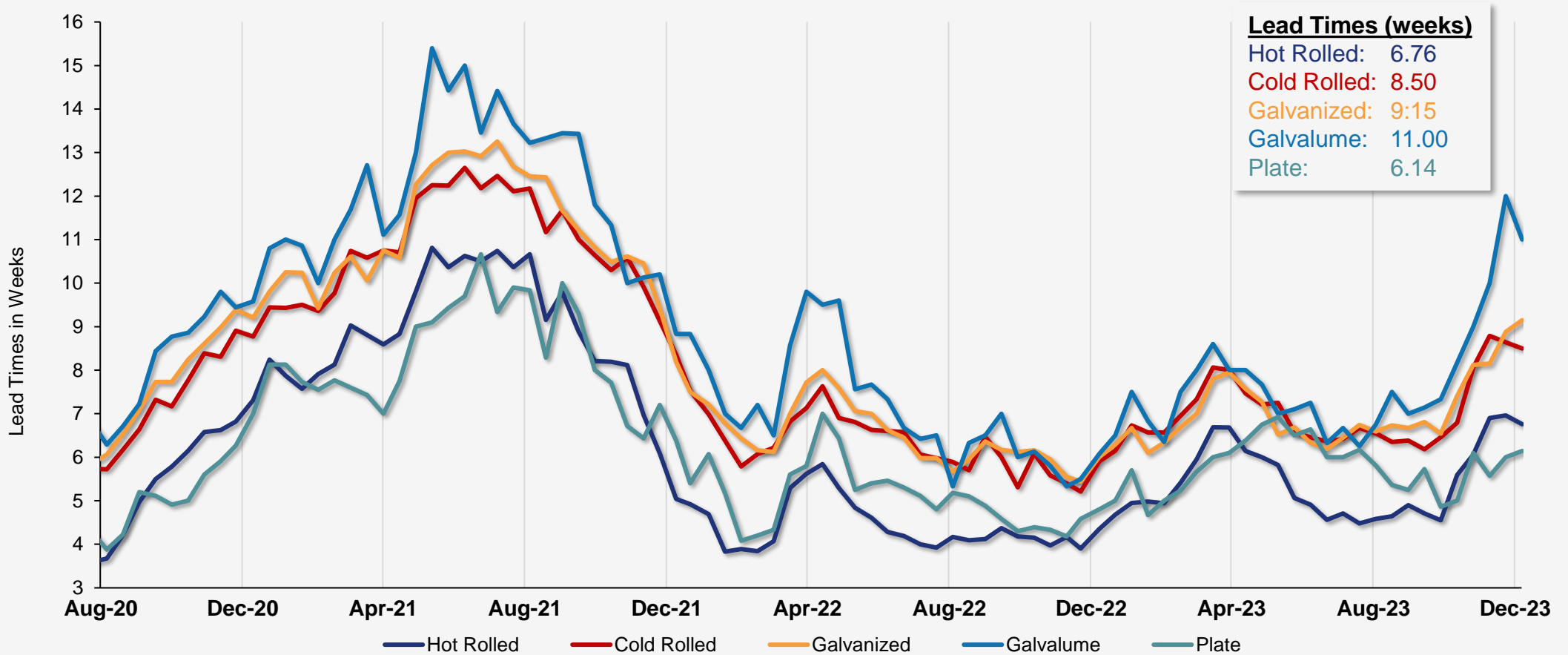
Three month moving average at +72.33

SMU's future 3MMA steel buyers sentiment index, with data through Dec. 6, 2023.



Steel mill lead times by product

SMU lead times on new steel orders by product through Dec. 6, 2023.

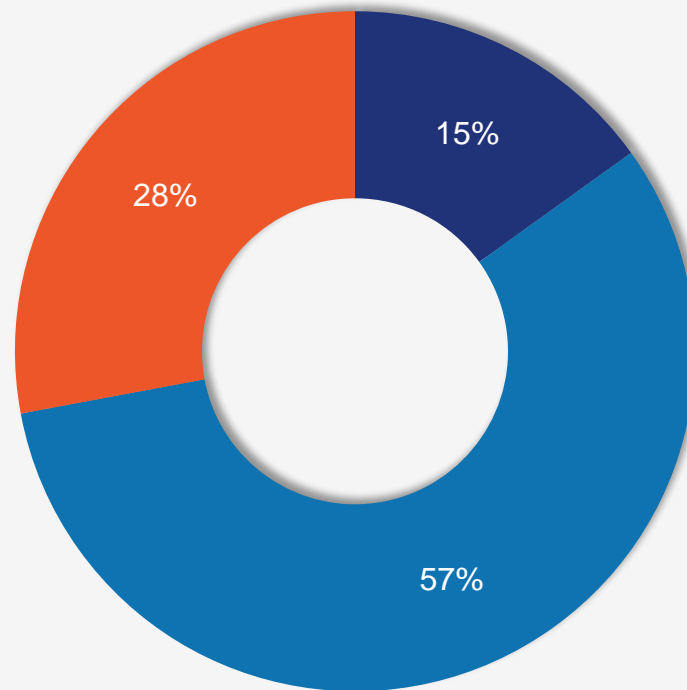


Direction of steel mill lead times

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

■ Extending ■ Flat ■ Contracting

Dec. 6, 2023

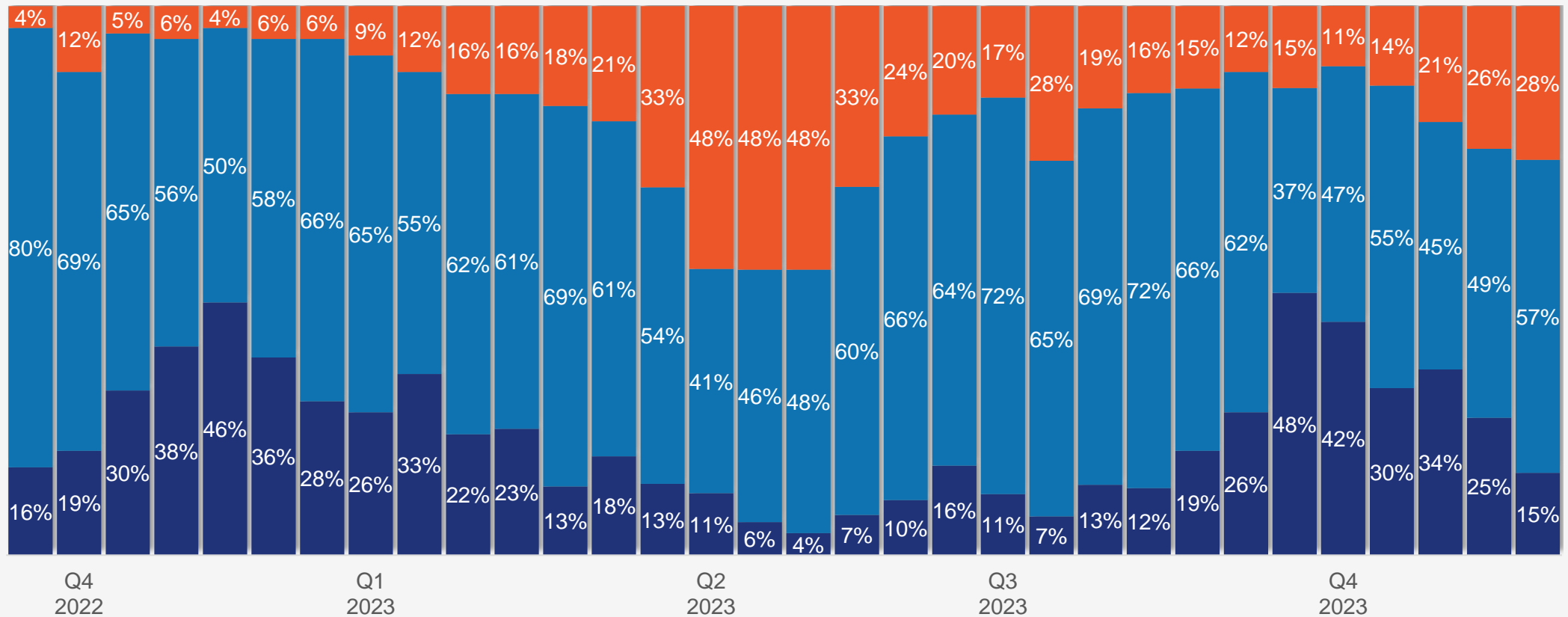


Direction of steel mill lead times

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

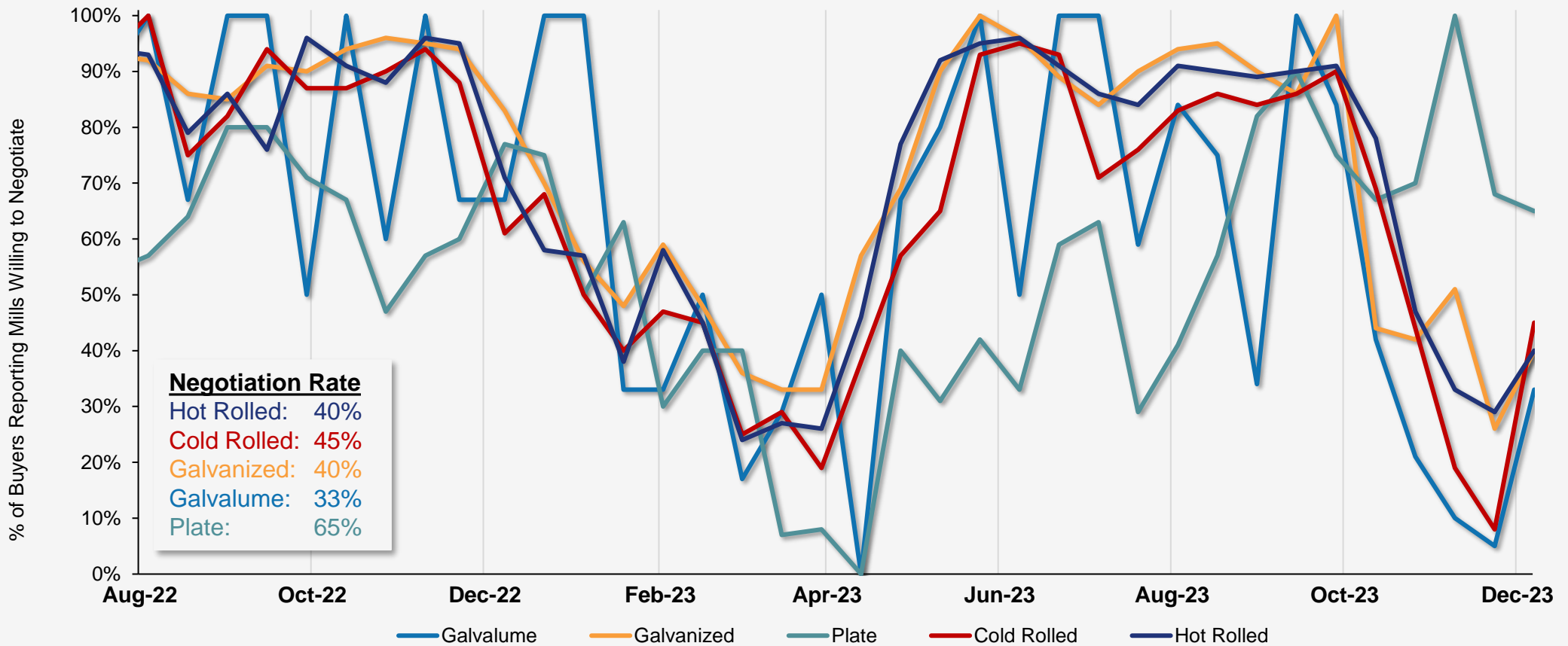
■ Extending
 ■ Flat
 ■ Contracting

out of 100%



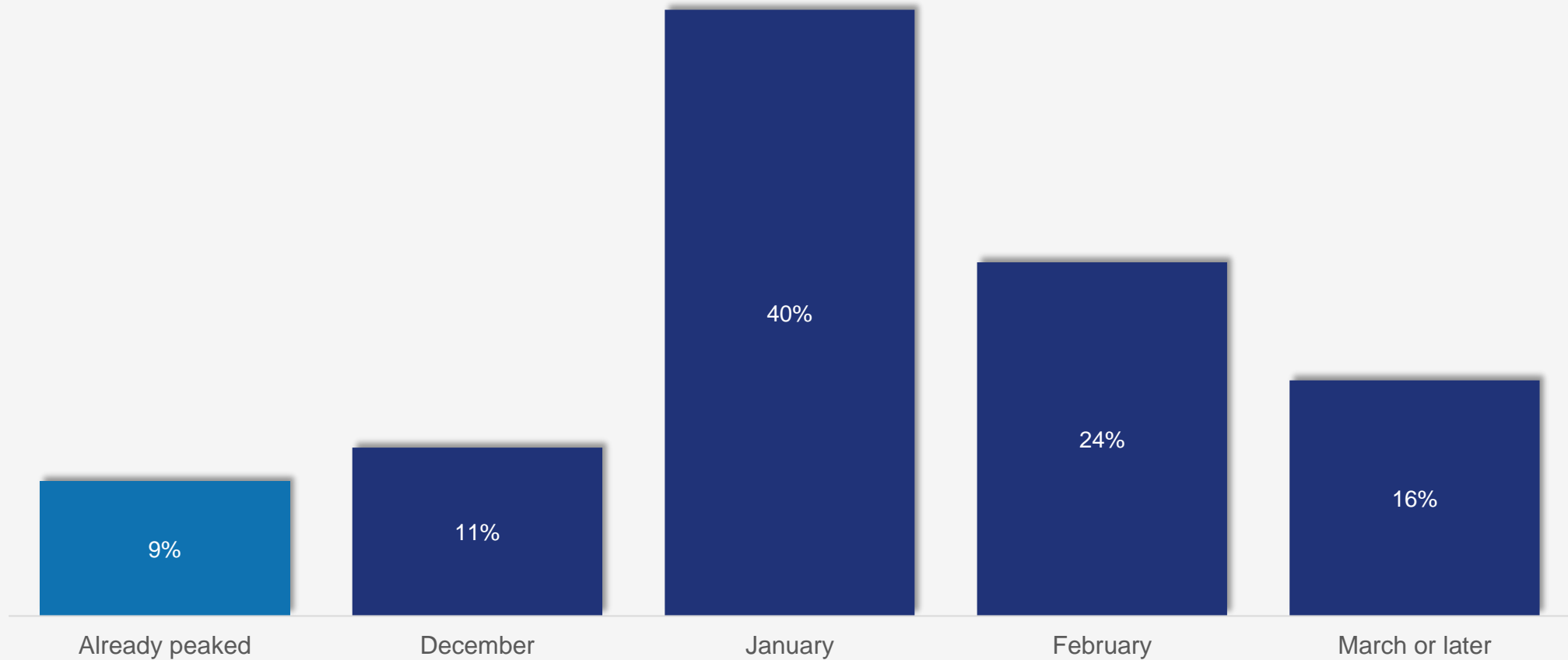
Steel mill negotiations

SMU's price negotiations on new steel orders by product through Dec. 6, 2023.



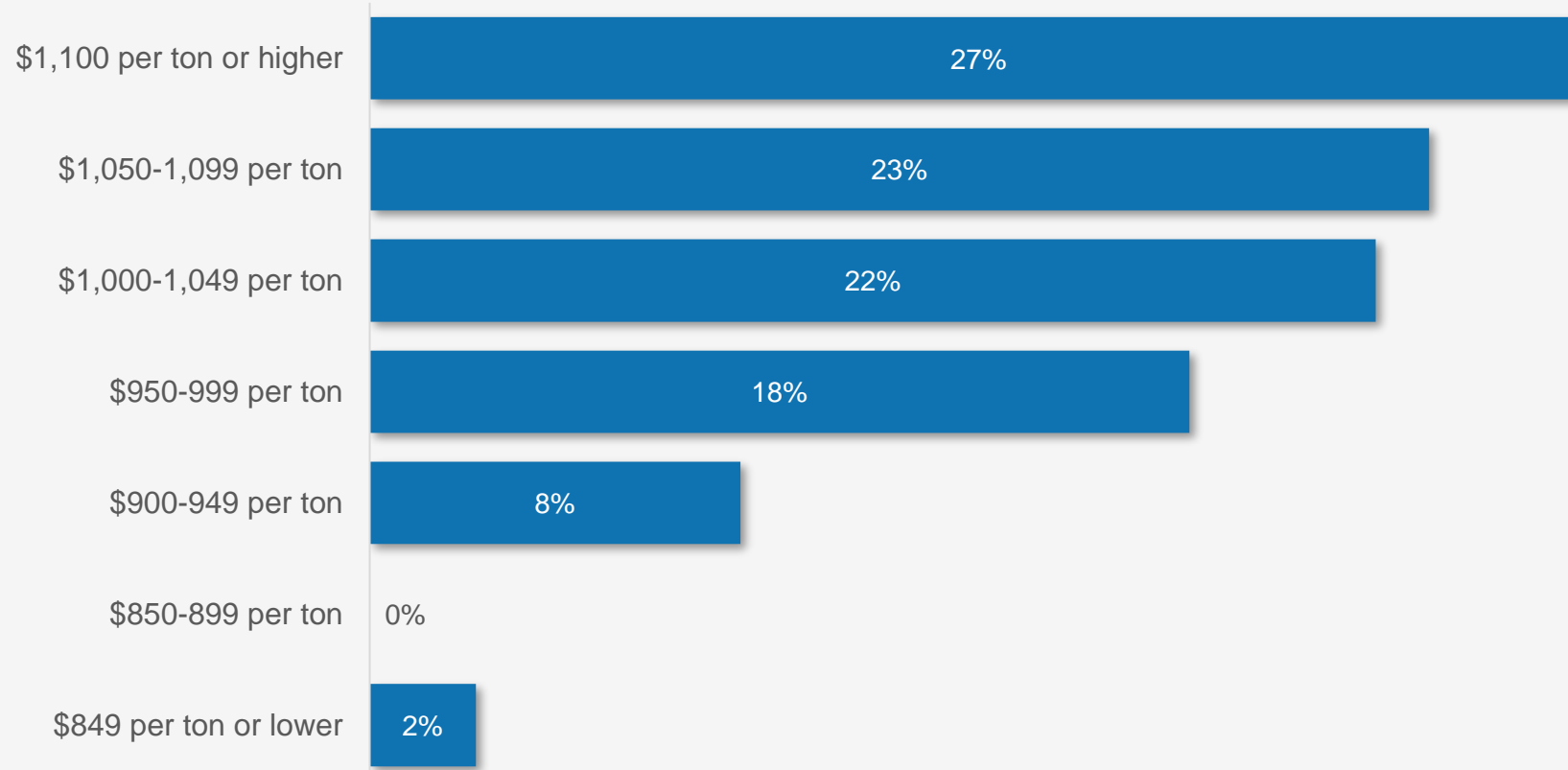
Hot-rolled inflection point

When do you think steel prices will peak?



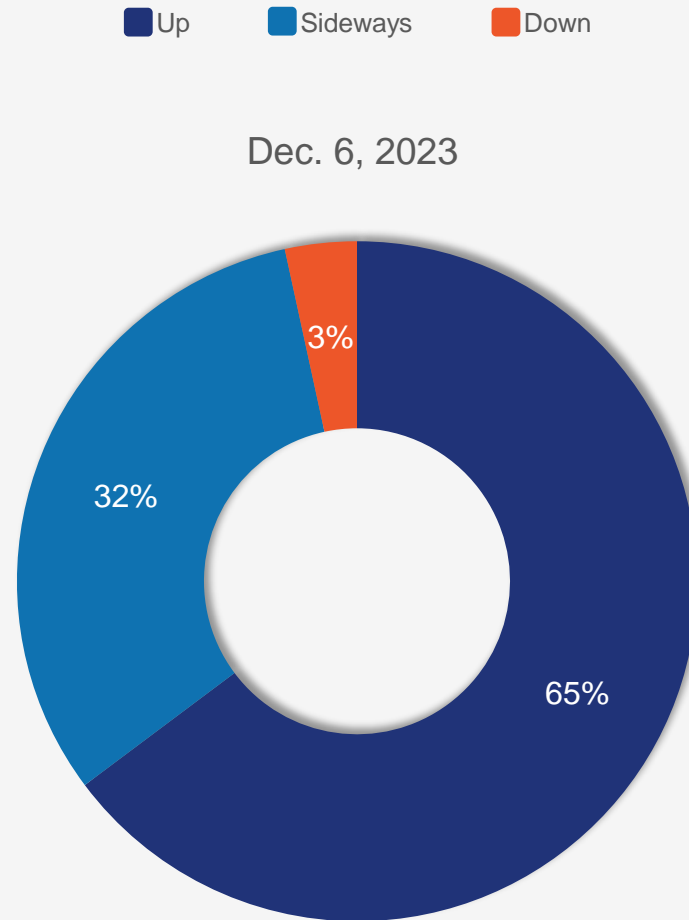
Future hot-rolled prices

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



December scrap

Prime scrap prices in December will be:

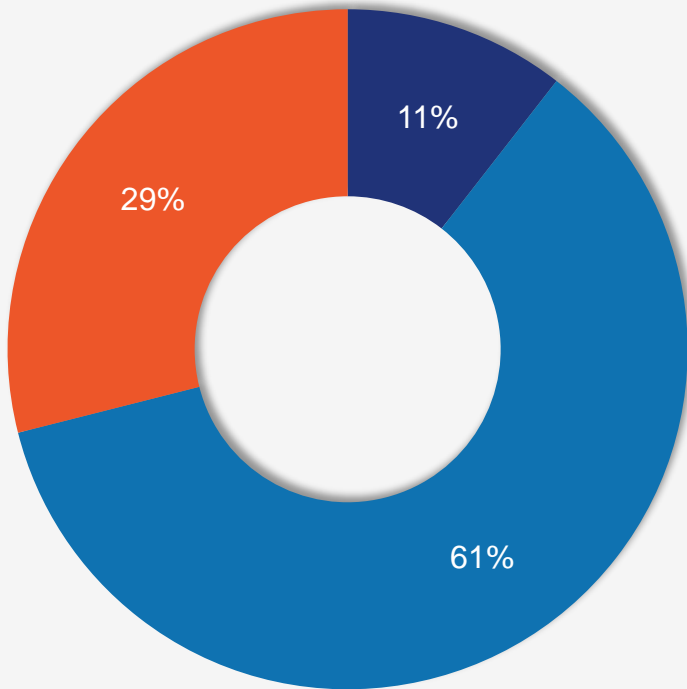


Business forecasts

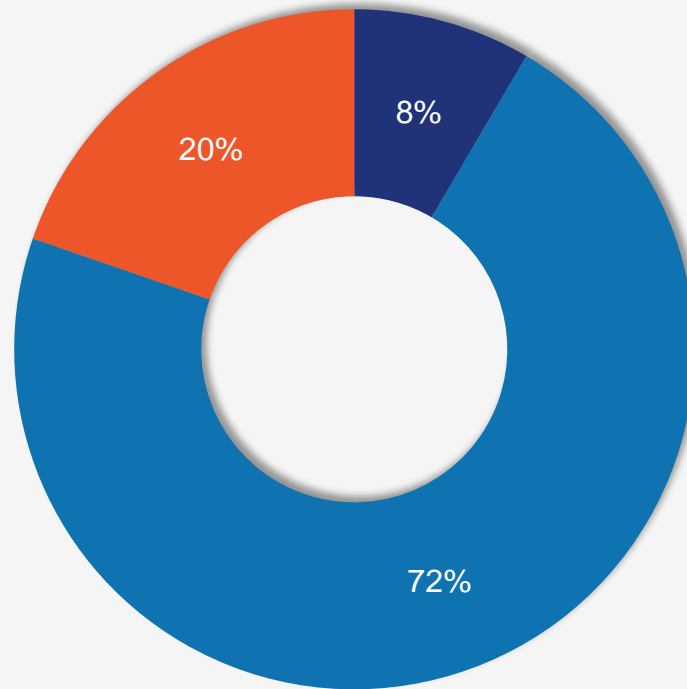
How did your company perform last month compared to your forecast?

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

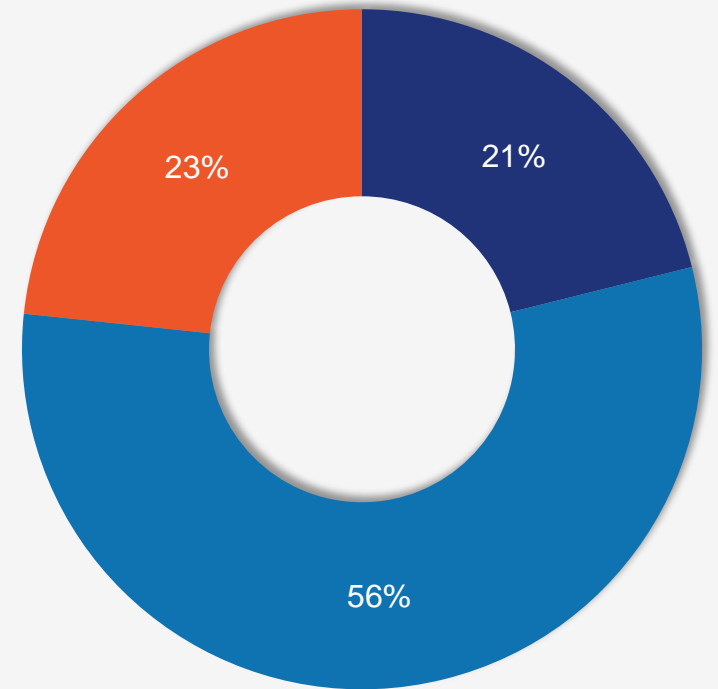
Oct. 11, 2023



Nov. 8, 2023



Dec. 6, 2023

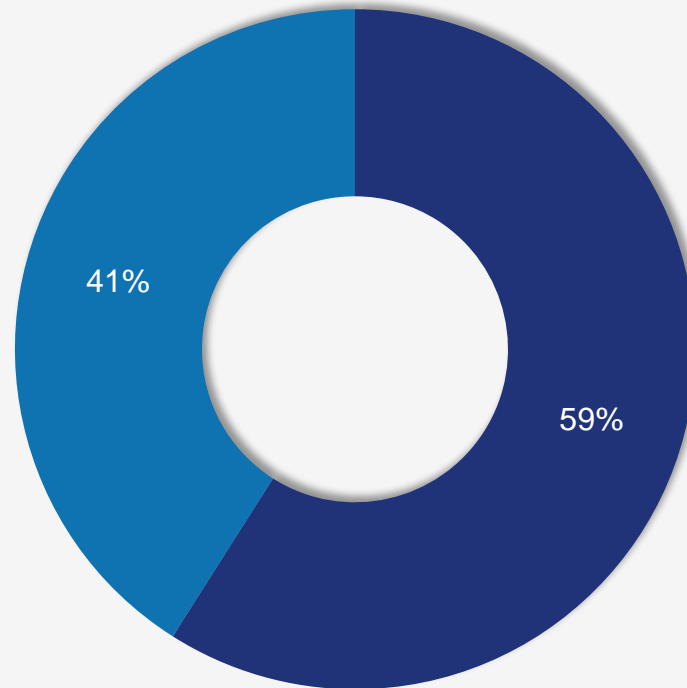


Staying on the sidelines?

Are you an active buyer or on the sidelines?

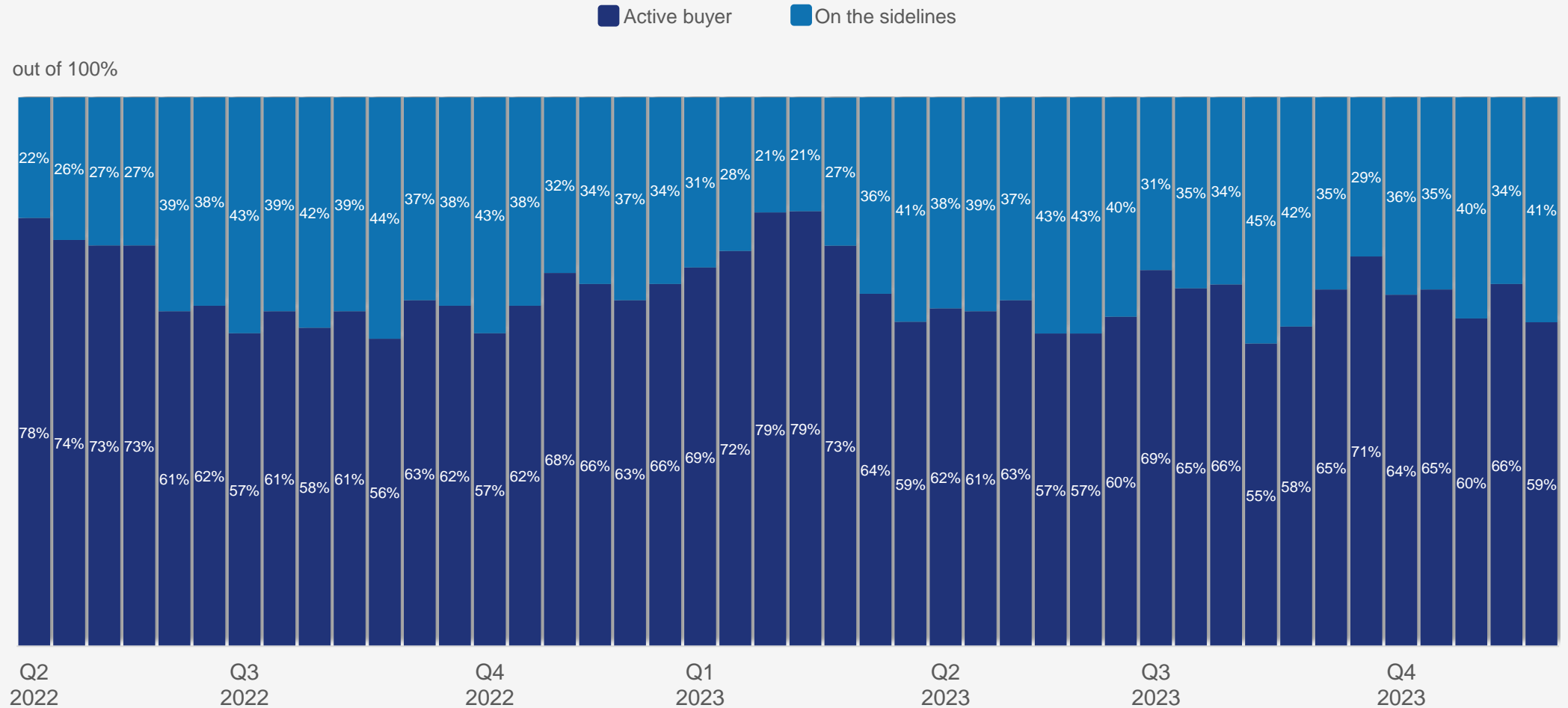
■ Active buyer ■ On the sidelines

Dec. 6, 2023



Staying on the sidelines?

Are you an active buyer or on the sidelines?

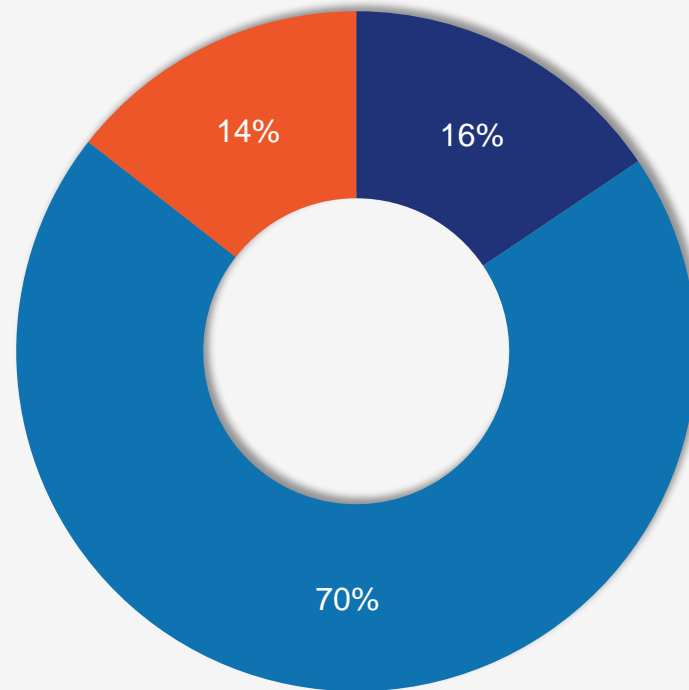


Overall demand

How is demand for your products?

■ Improving ■ Stable ■ Declining

Dec. 6, 2023

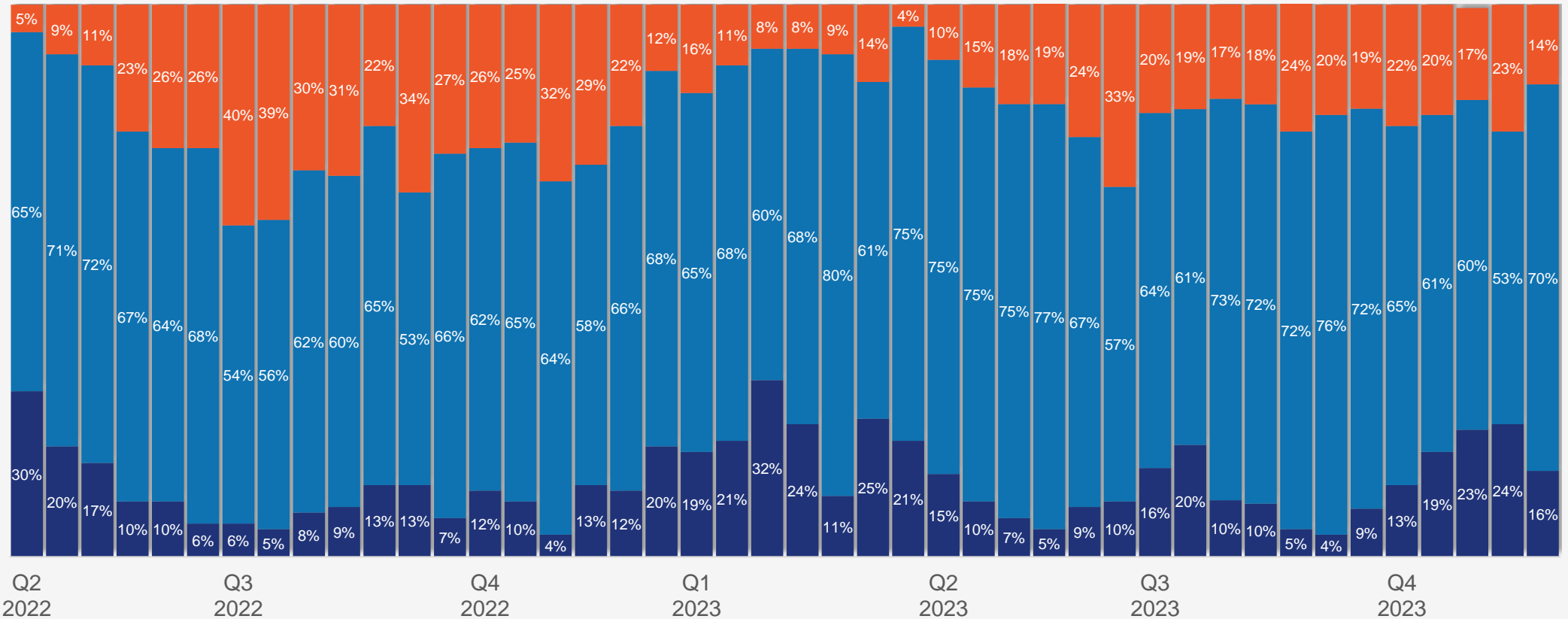


Overall demand history

How is demand for your products?

■ Improving
 ■ Stable
 ■ Declining

out of 100%



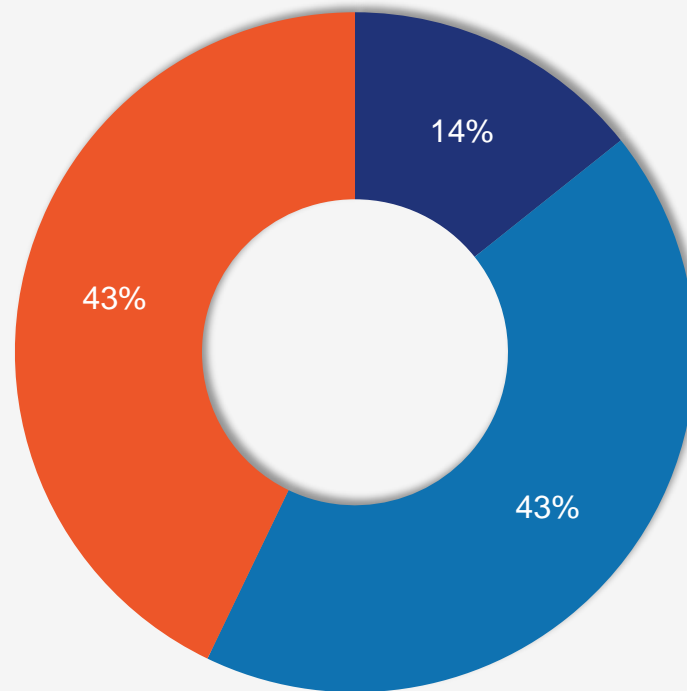
Manufacturer purchases

Manufacturers

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

More Same Less

Dec. 6, 2023



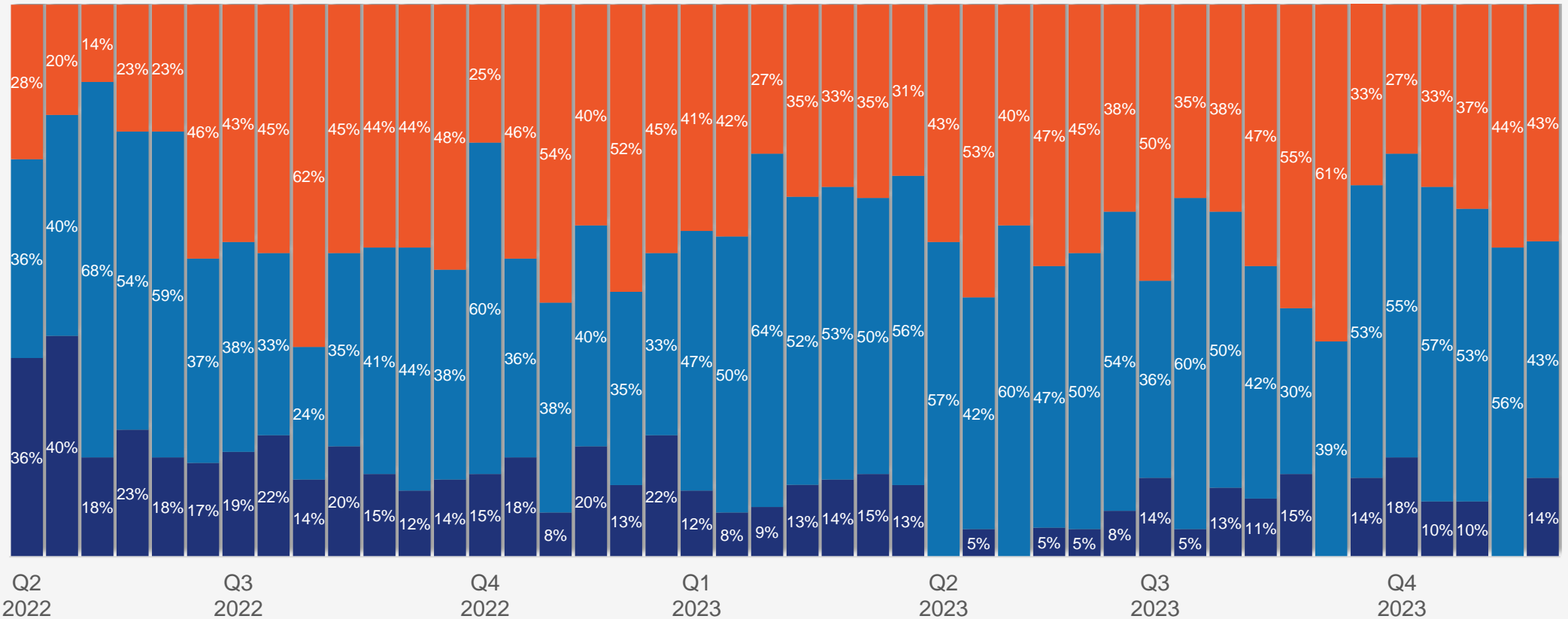
History of manufacturer purchases

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%



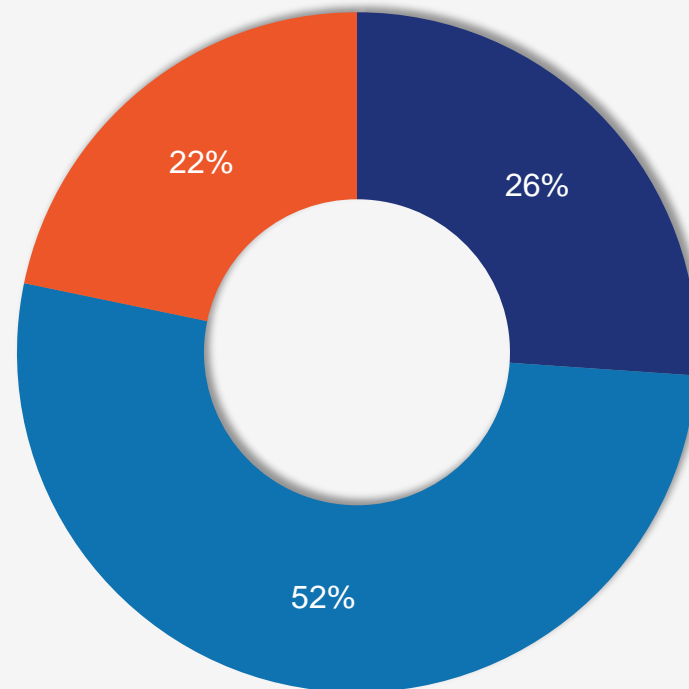
Service center releases

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

Dec. 6, 2023



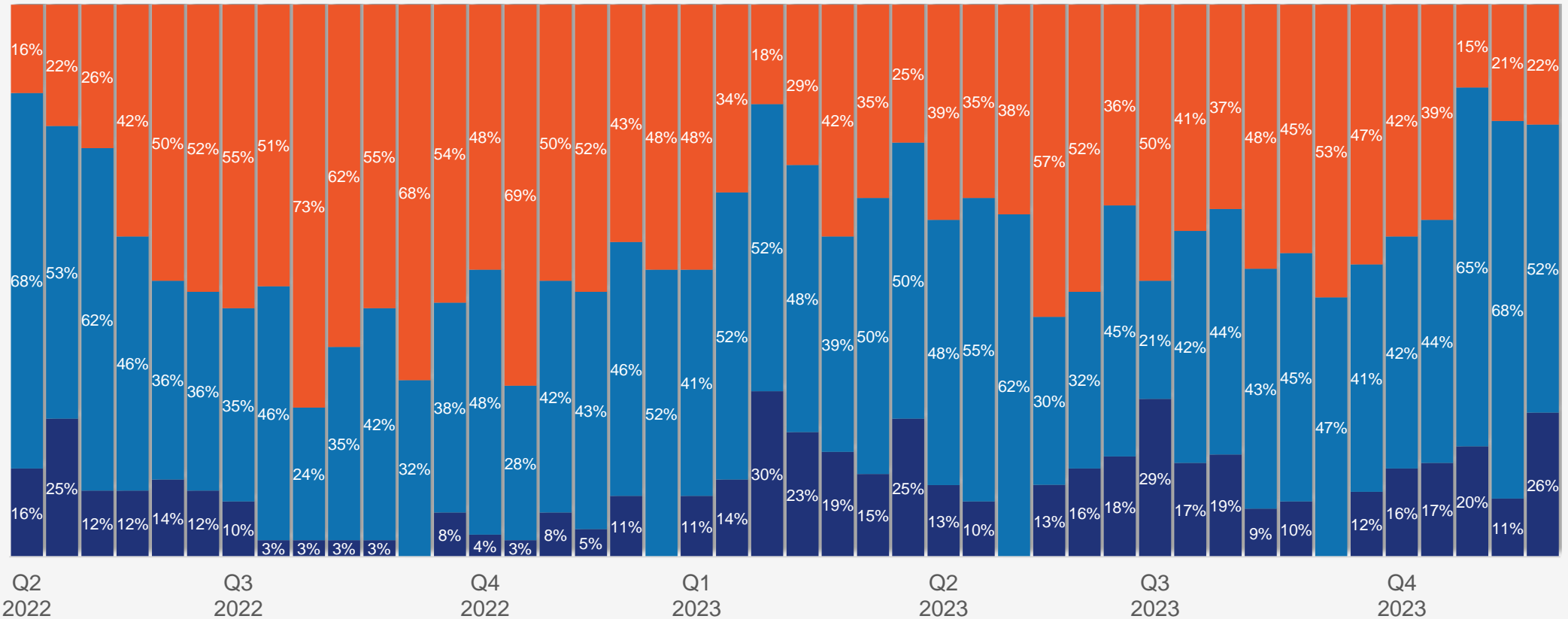
Service center release history

Service centers

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

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out of 100%



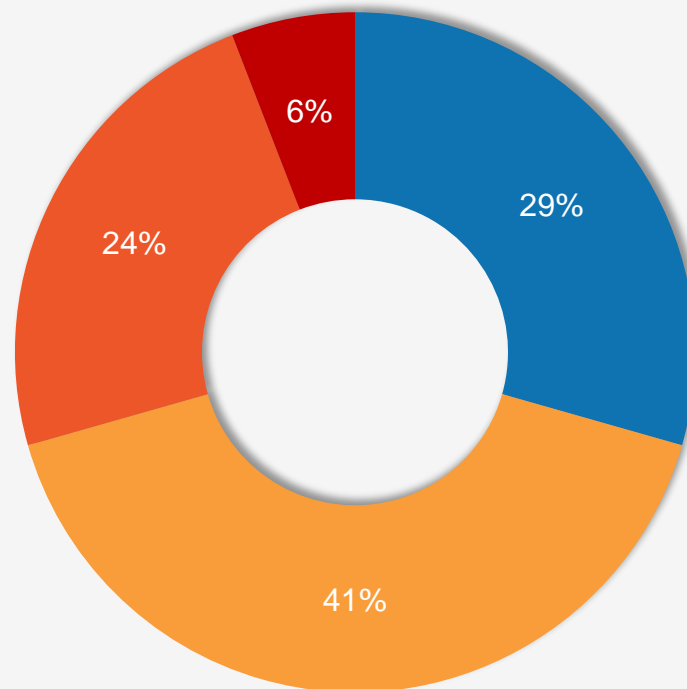
Manufacturer demand

Manufacturers

Demand for your products will _____ over the next three months based on current order flows.

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

Dec. 6, 2023



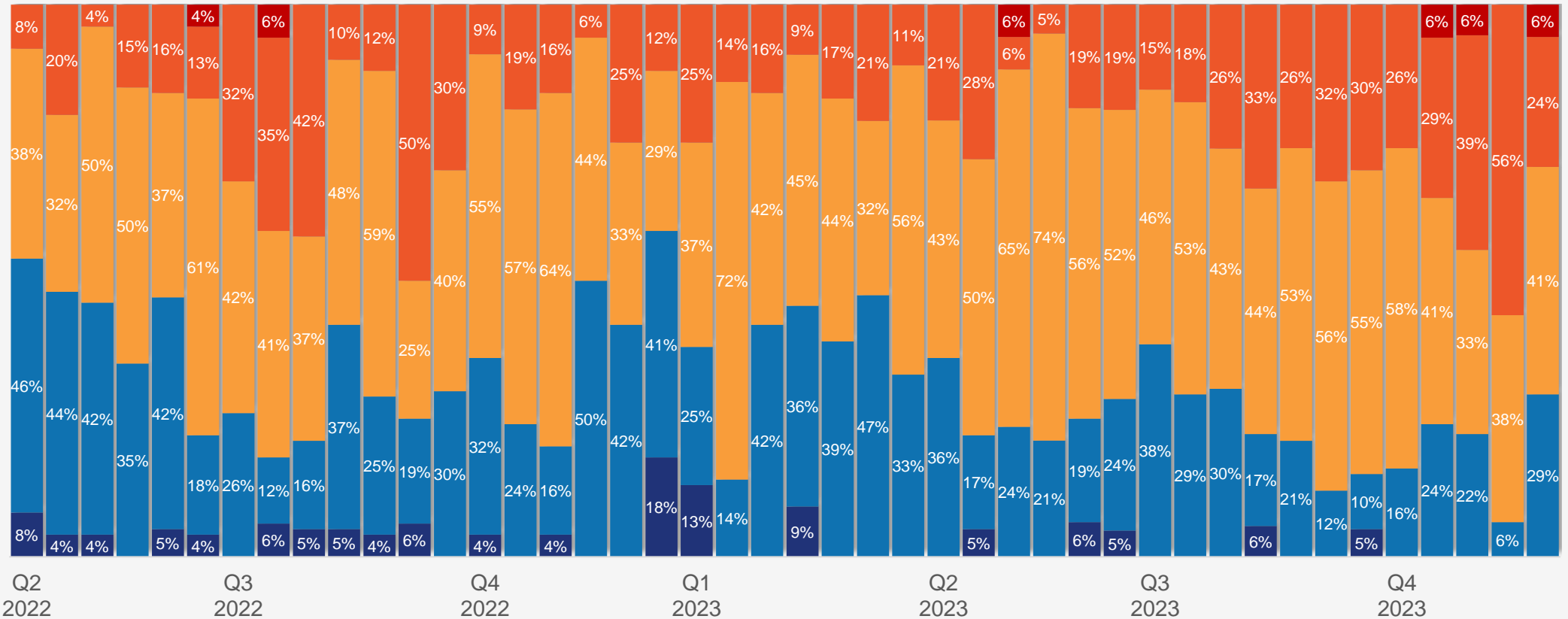
Manufacturer demand history

Manufacturers

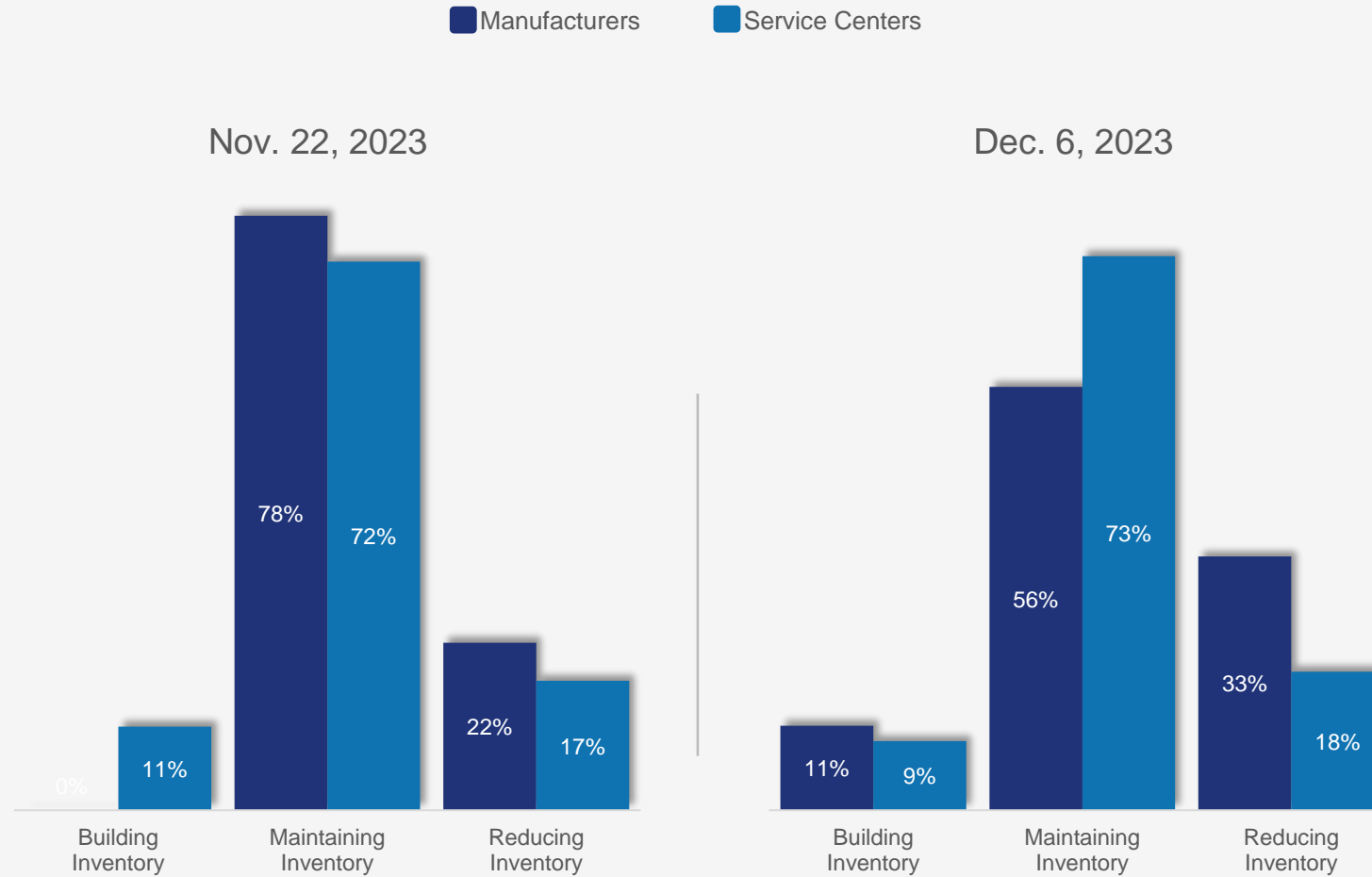
Demand for your products will _____ over the next three months based on current order flows.

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 ■ Remain the same
 ■ Decline marginally
 ■ Decline substantially

out of 100%



Manufacturer and service center inventory buying patterns



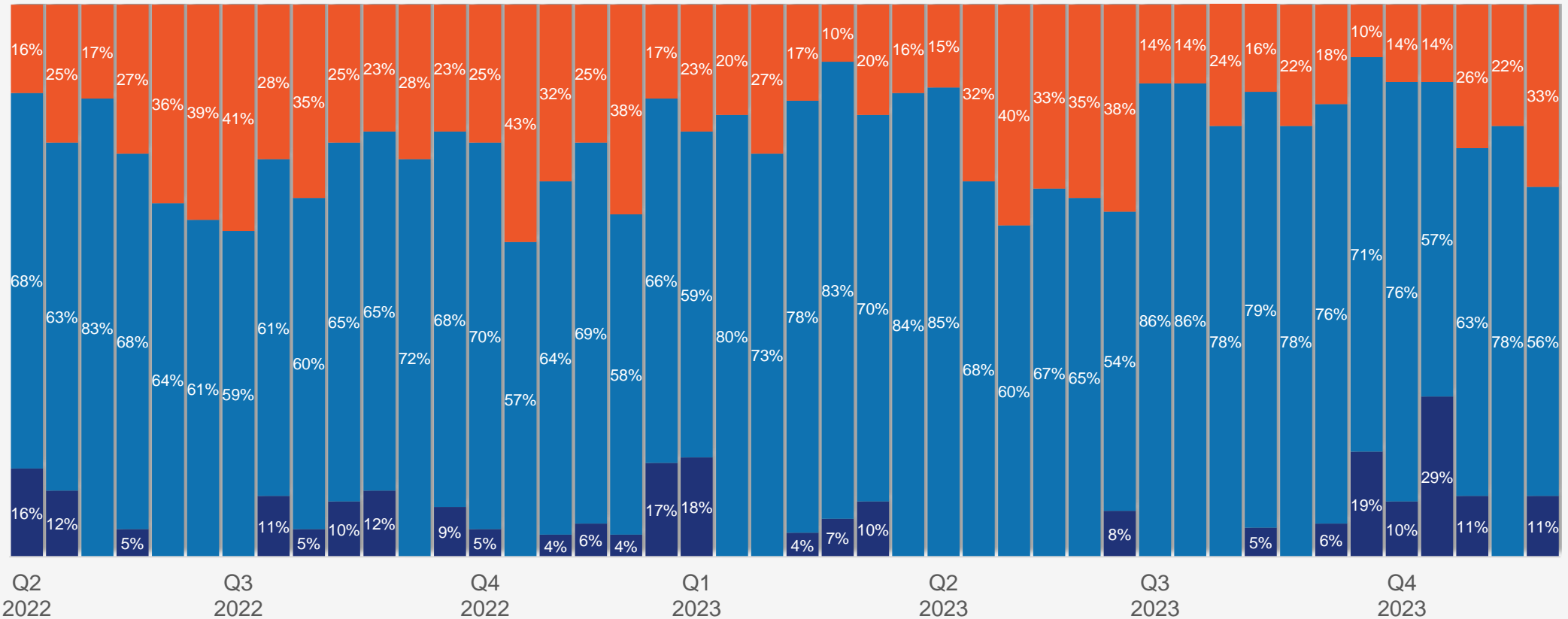
Manufacturer inventory buying history

Manufacturers

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

■ Building inventory
 ■ Maintaining inventory
 ■ Reducing inventory

out of 100%



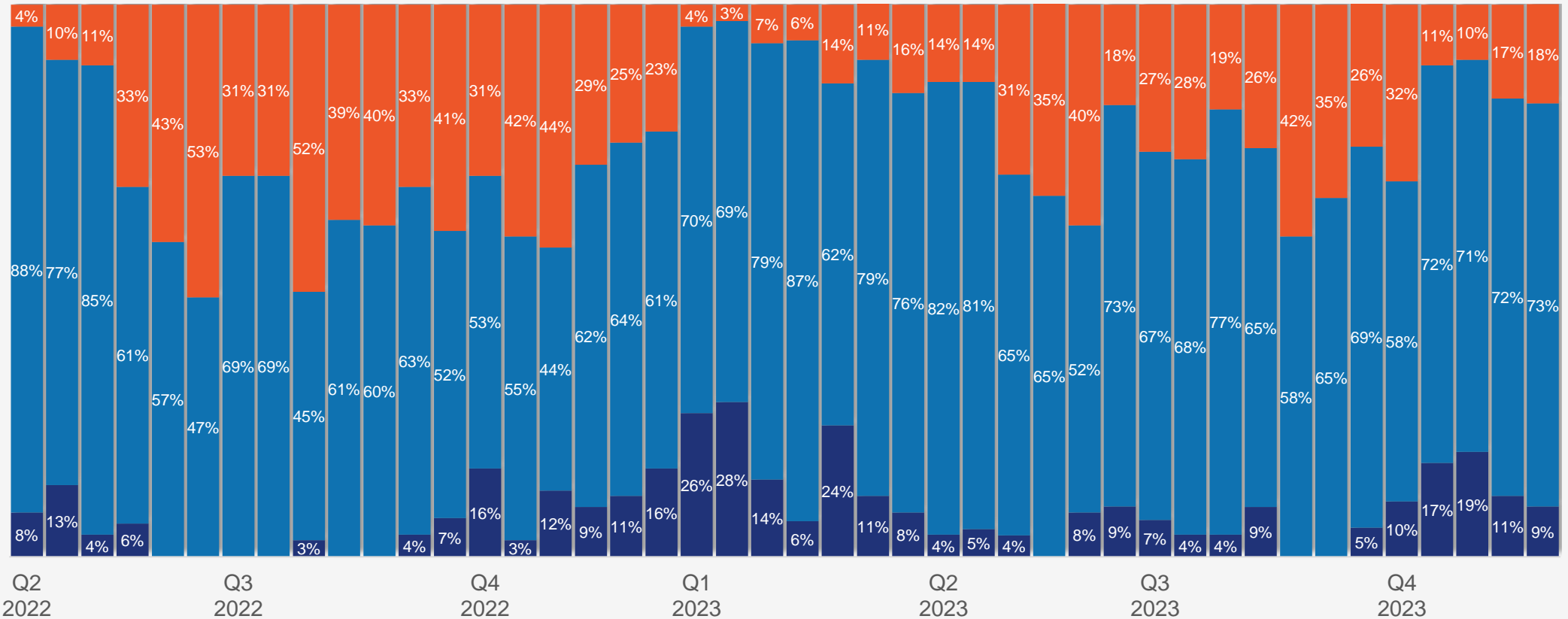
Service center inventory buying history

Service centers

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

■ Building inventory
 ■ Maintaining inventory
 ■ Reducing inventory

out of 100%



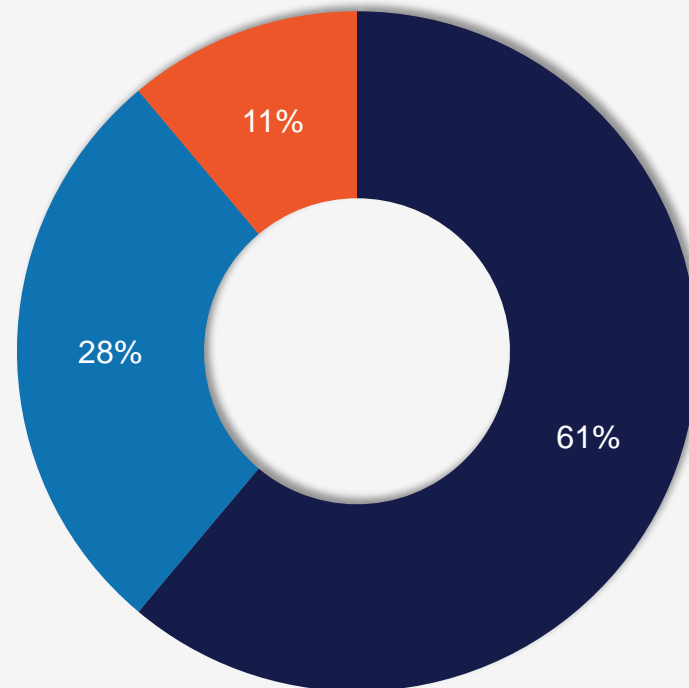
Manufacturers' view of service center selling prices

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

Dec. 6, 2023



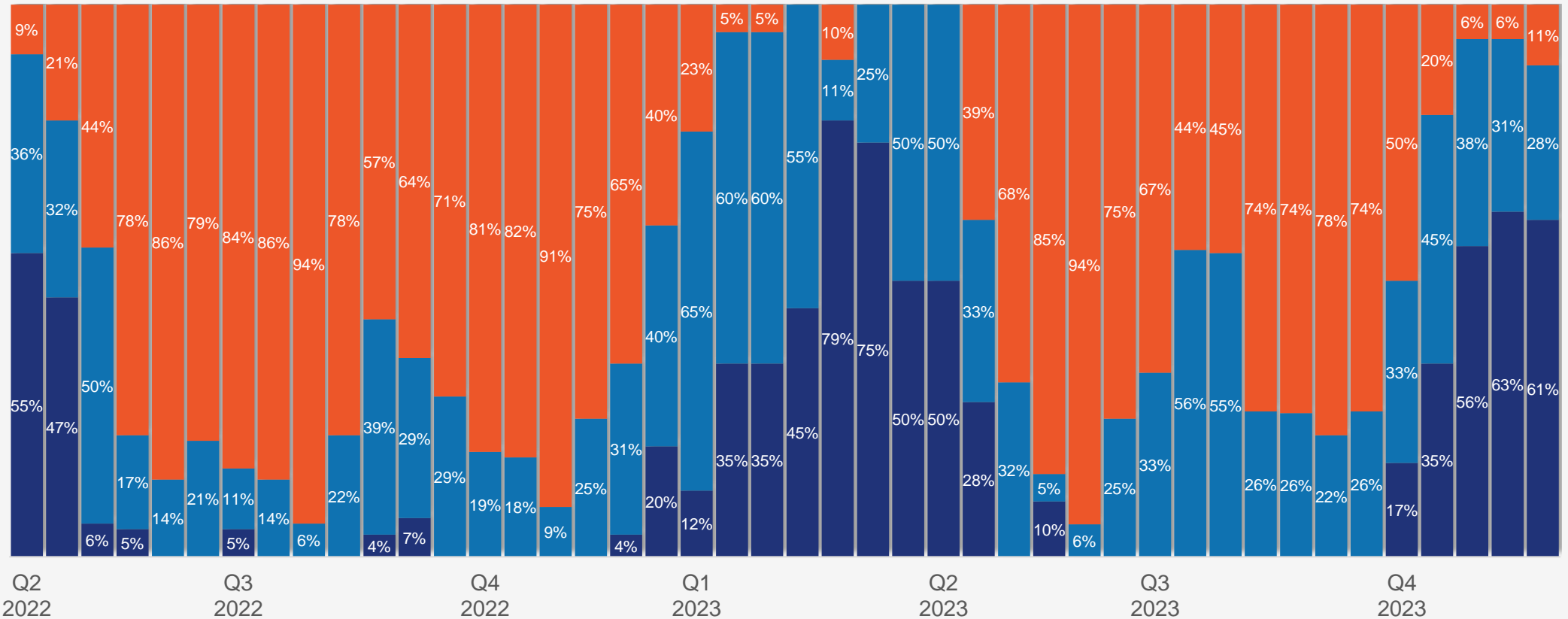
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out of 100%



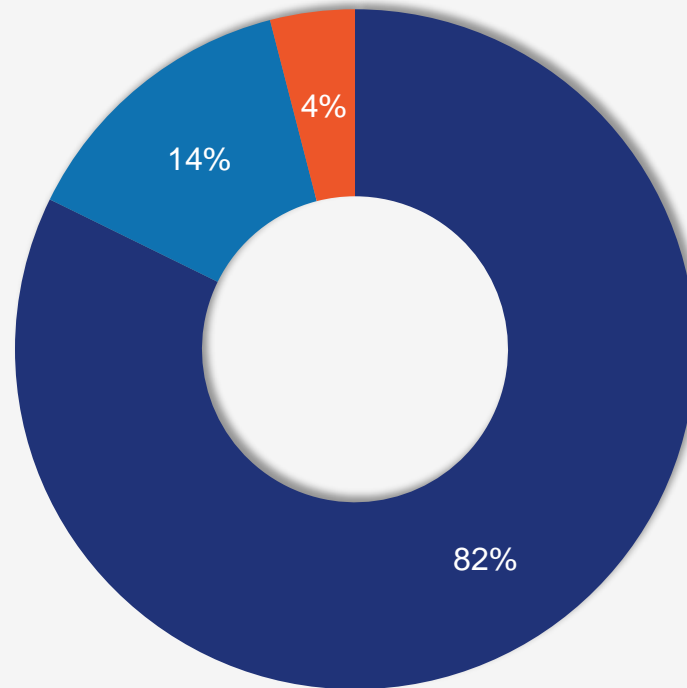
Service center view of selling prices

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

Dec. 6, 2023



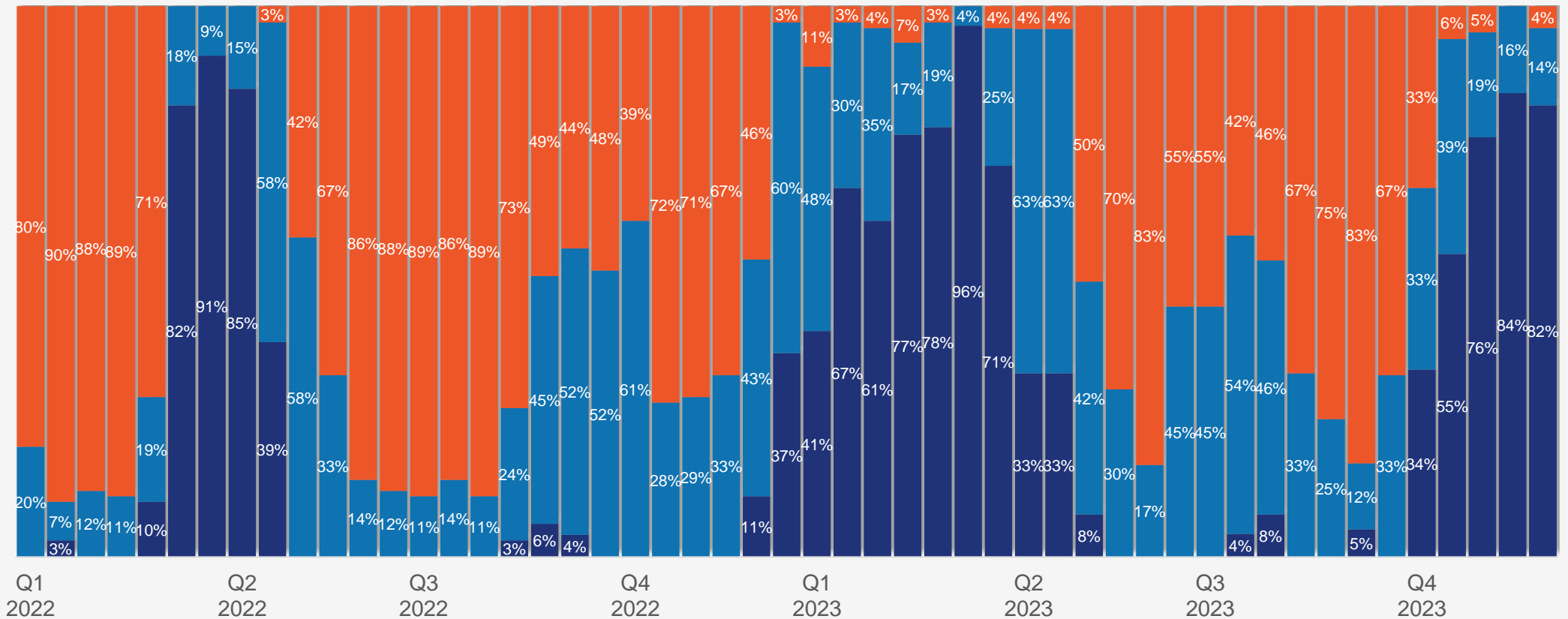
Service center view of selling prices

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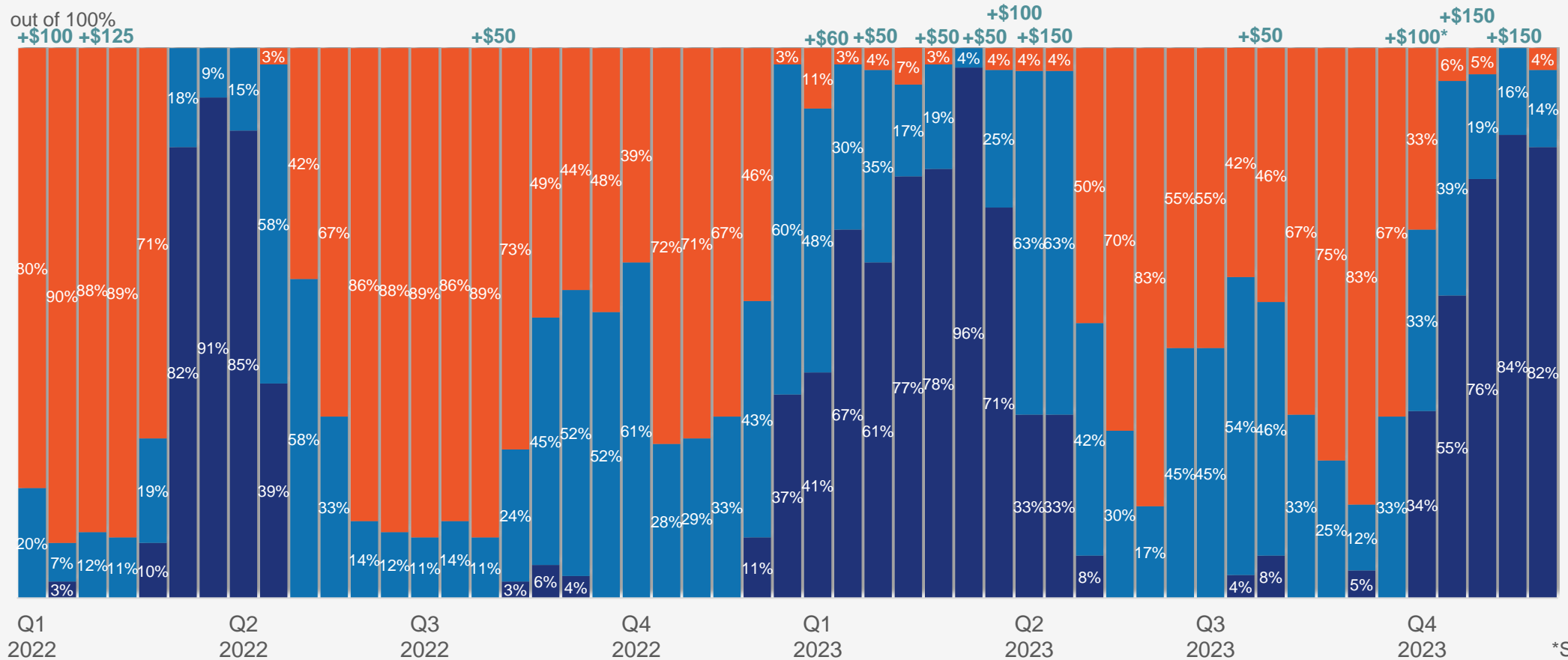
Service center view of selling prices

Service centers

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

Historical Nucor flat rolled price increase announcements

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 ■ We are lowering prices



*SMU assumption

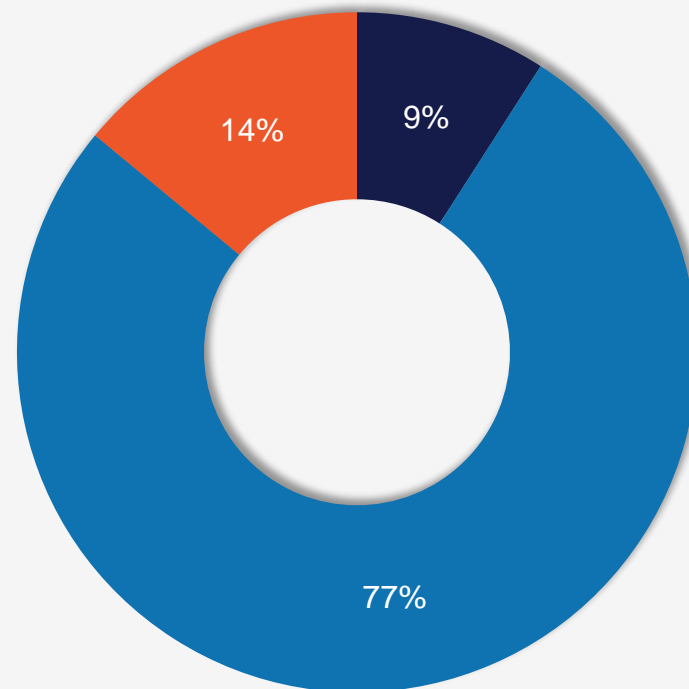
Service centers on manufacturer orders

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

Dec. 6, 2023



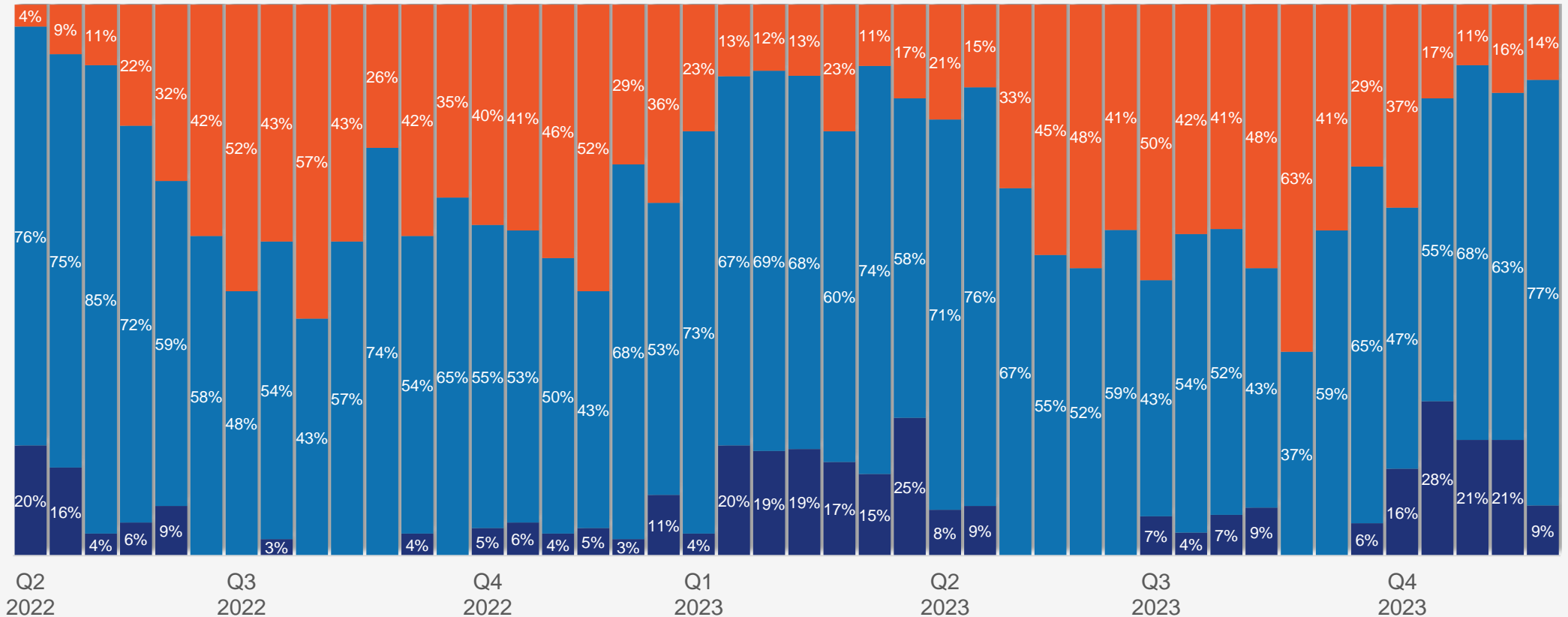
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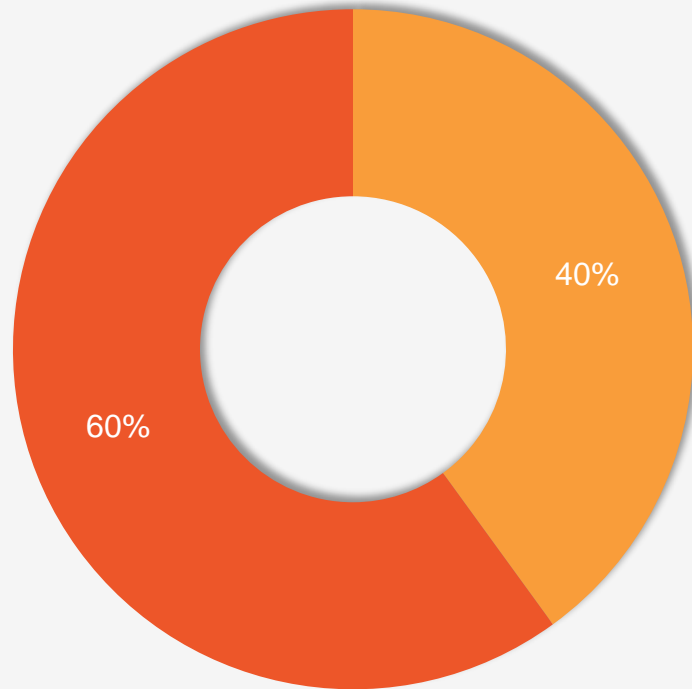


Mill lead times history

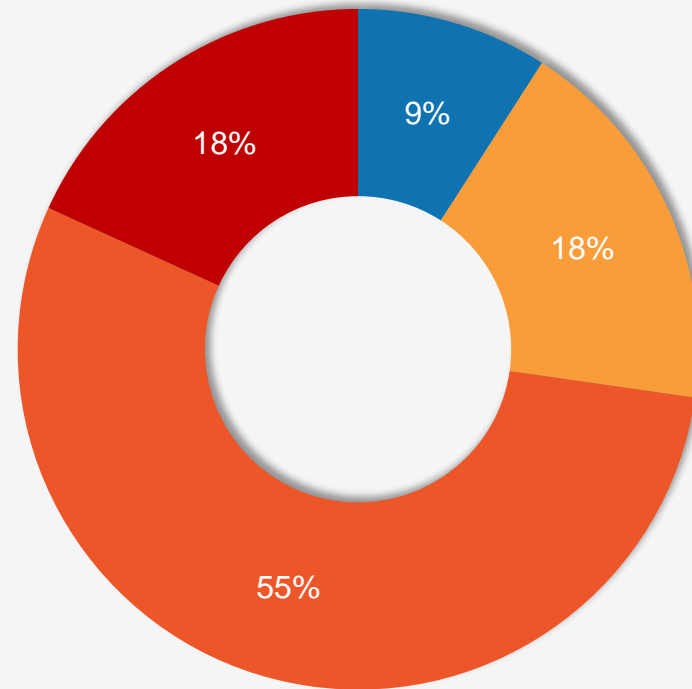
How would you describe domestic mill lead times for new orders placed right now?

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

Manufacturers



Service Centers



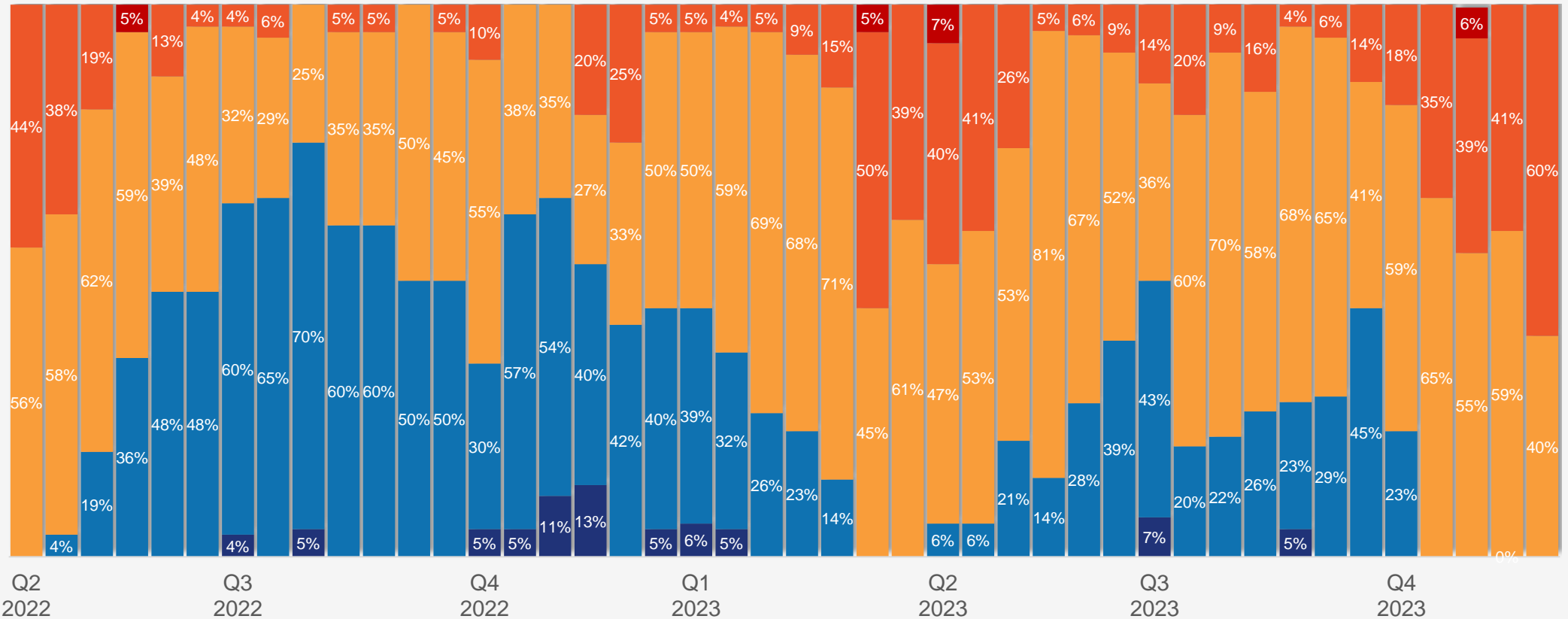
Mill lead times history

Manufacturers

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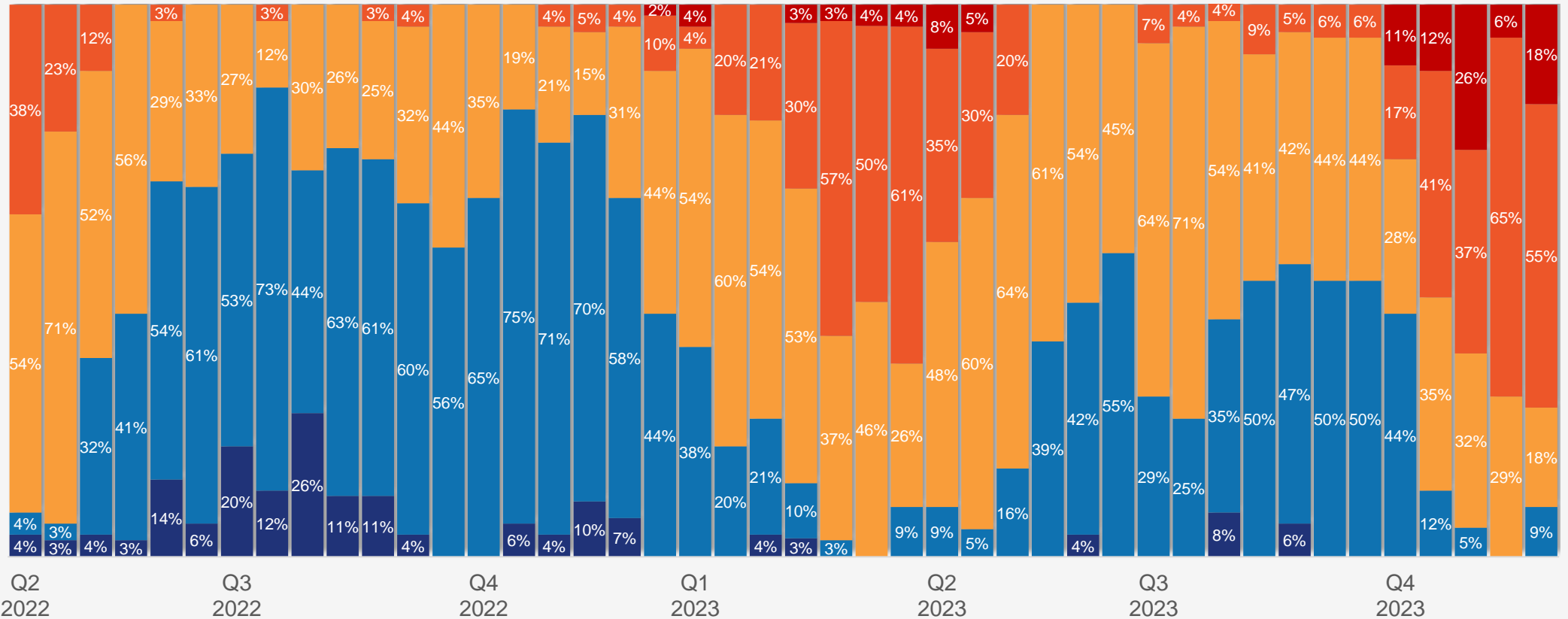
Mill lead times history

Service centers

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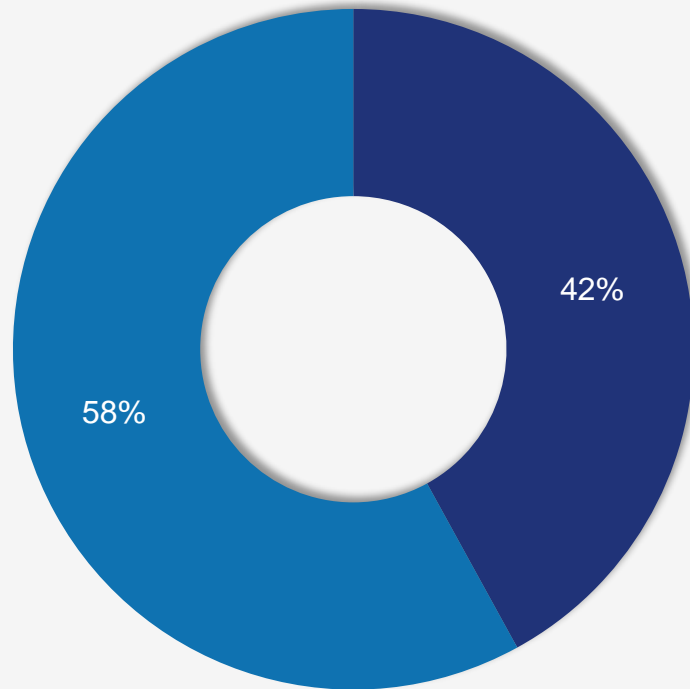


Foreign steel purchases

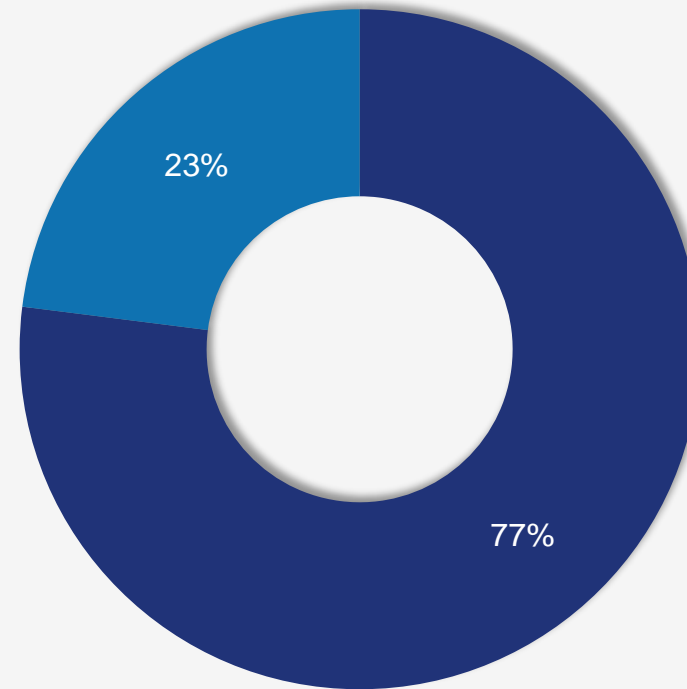
Does your company buy foreign (offshore) steel?

■ Yes ■ No

Manufacturers



Service Centers

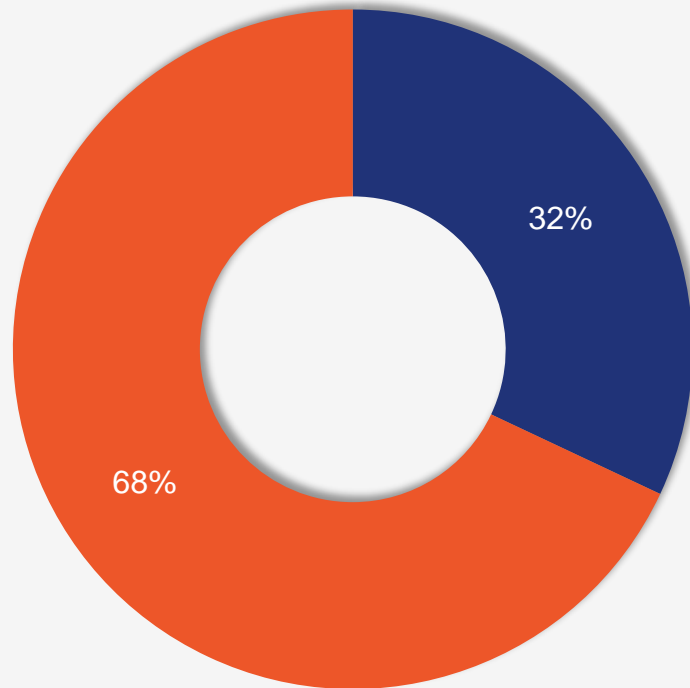


New foreign steel orders

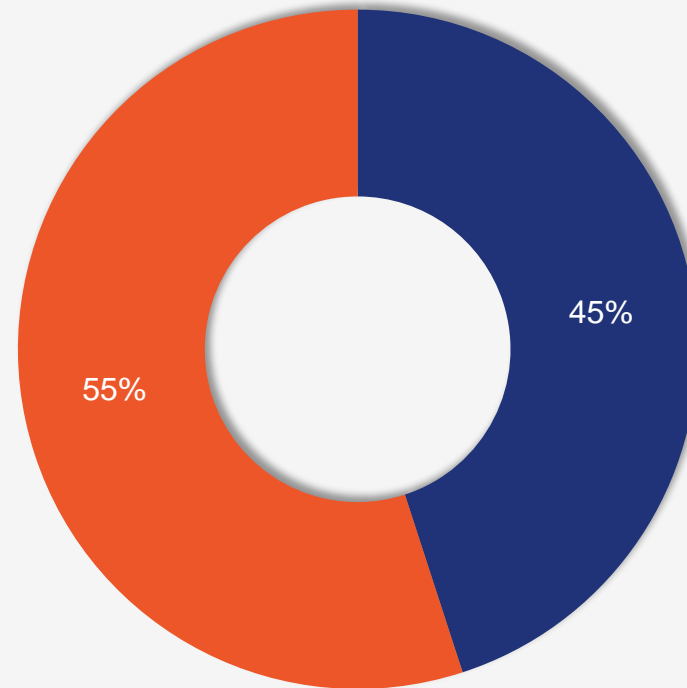
Are you buying new orders of foreign steel for future delivery?

■ Yes ■ No

Manufacturers



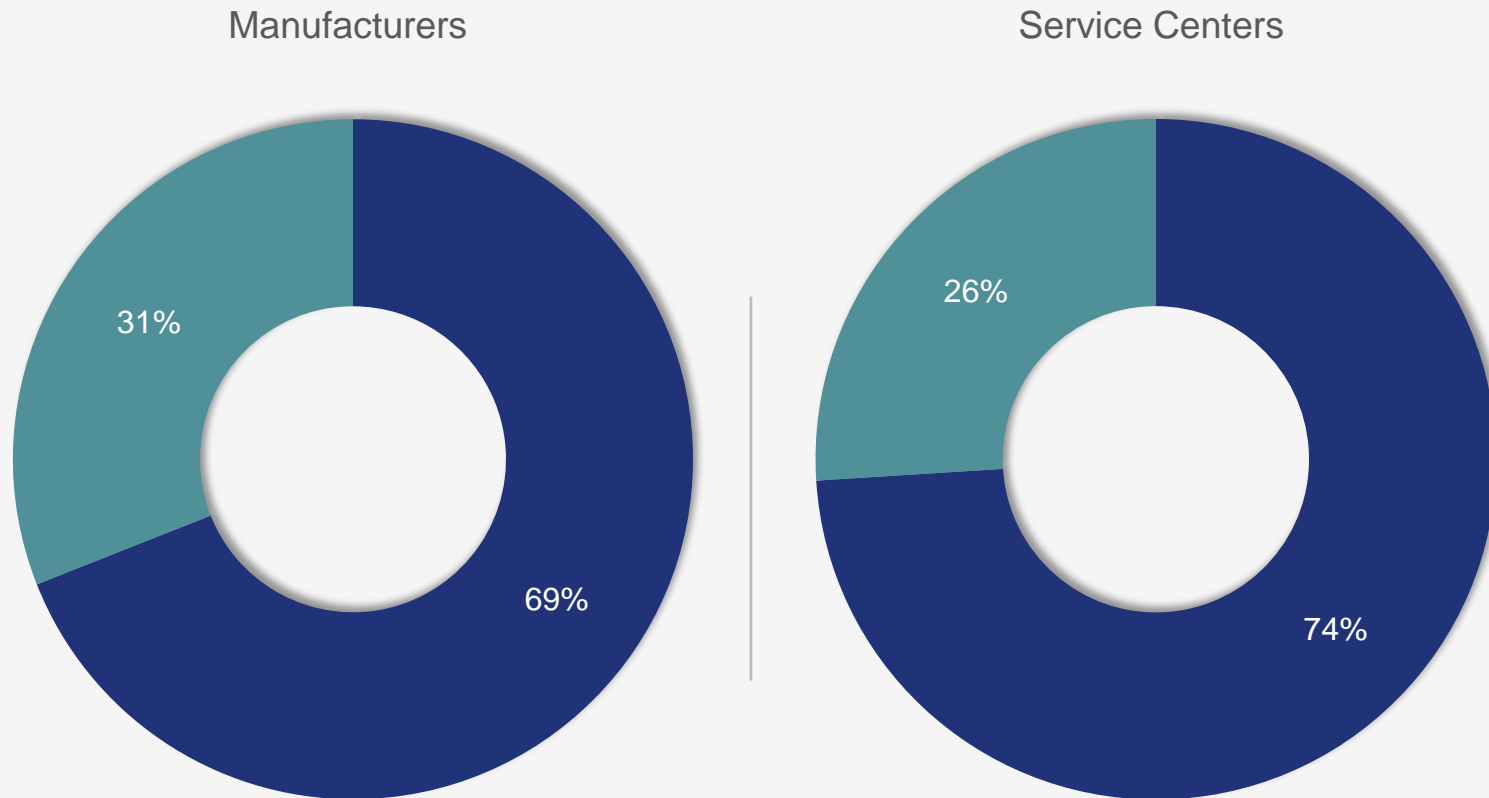
Service Centers



Foreign steel competitiveness

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

■ Yes ■ No



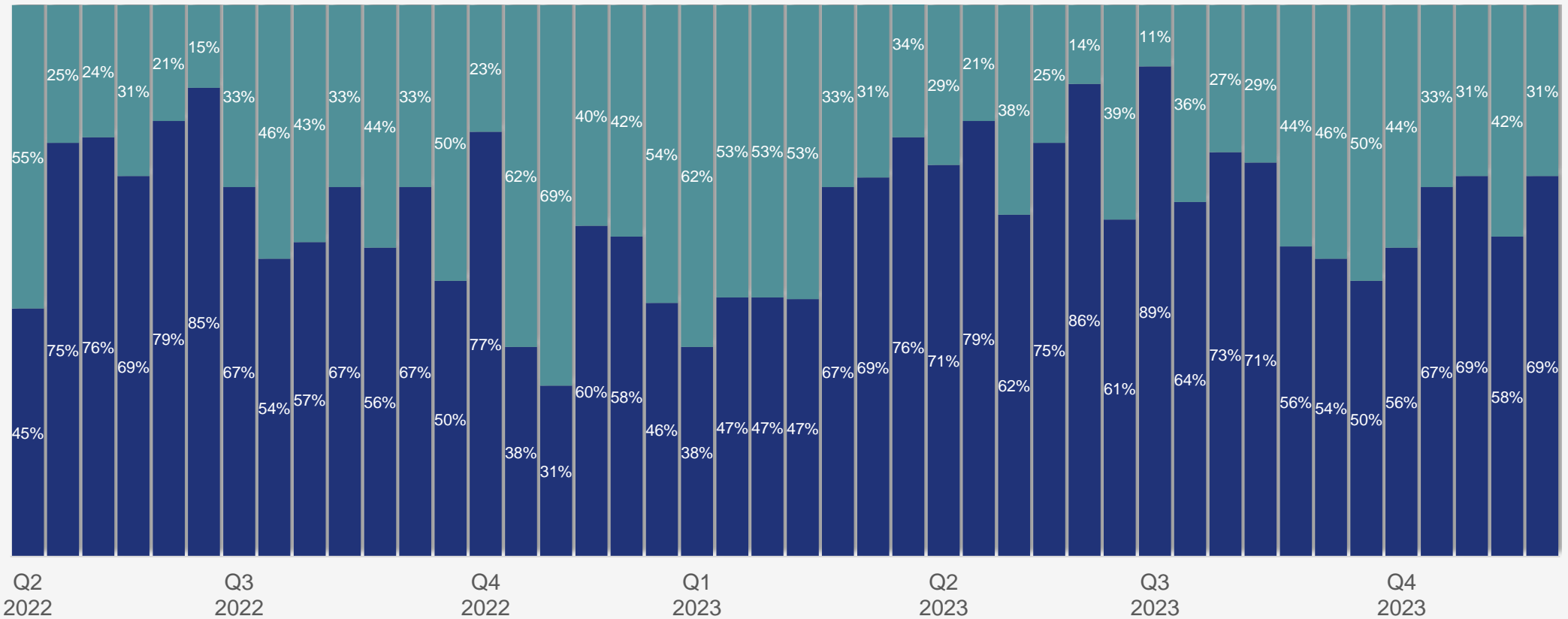
Foreign steel competitiveness history

Manufacturers

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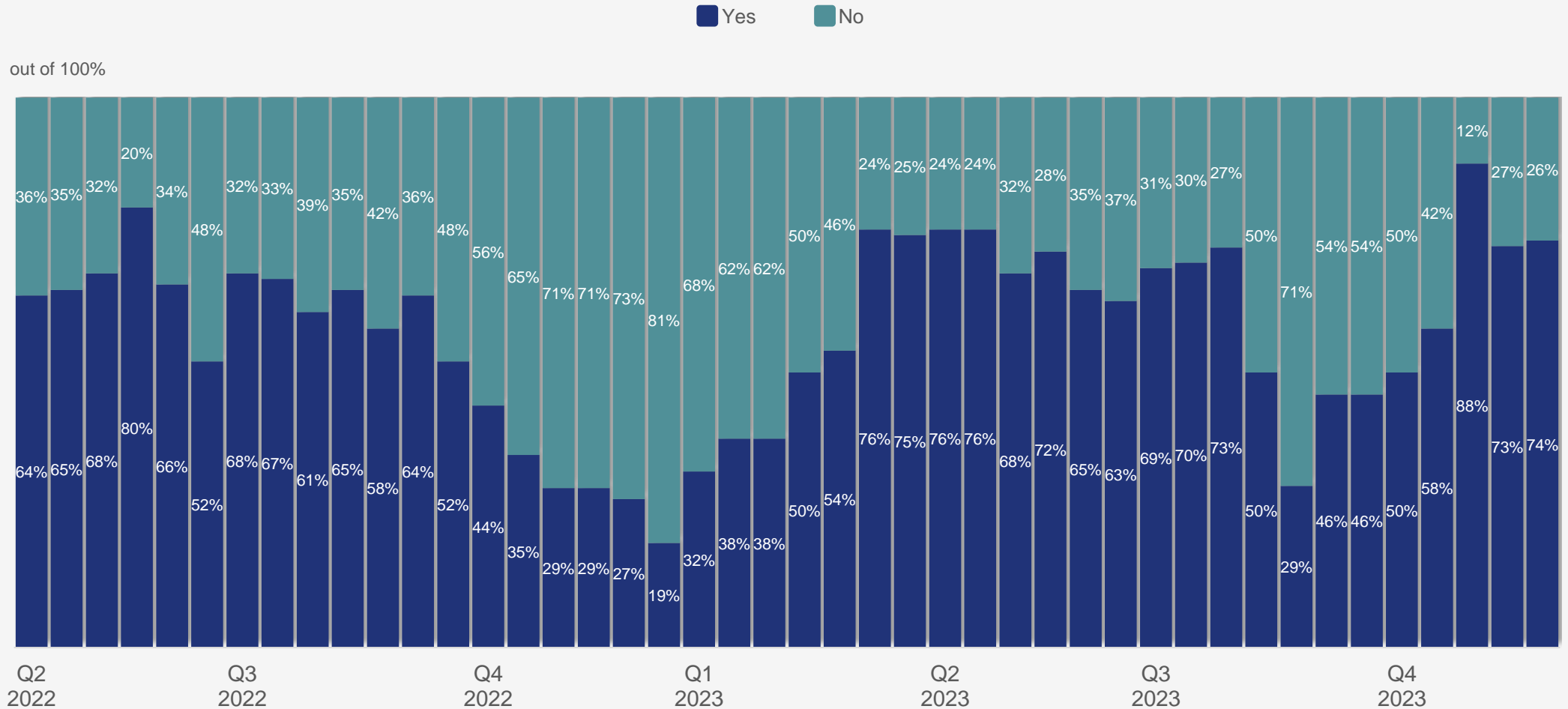
out of 100%



Foreign steel competitiveness history

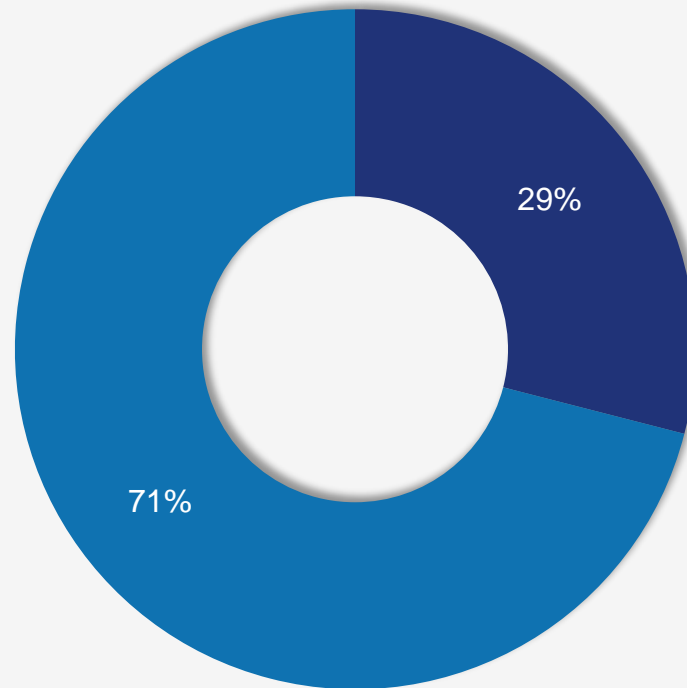
Service centers

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

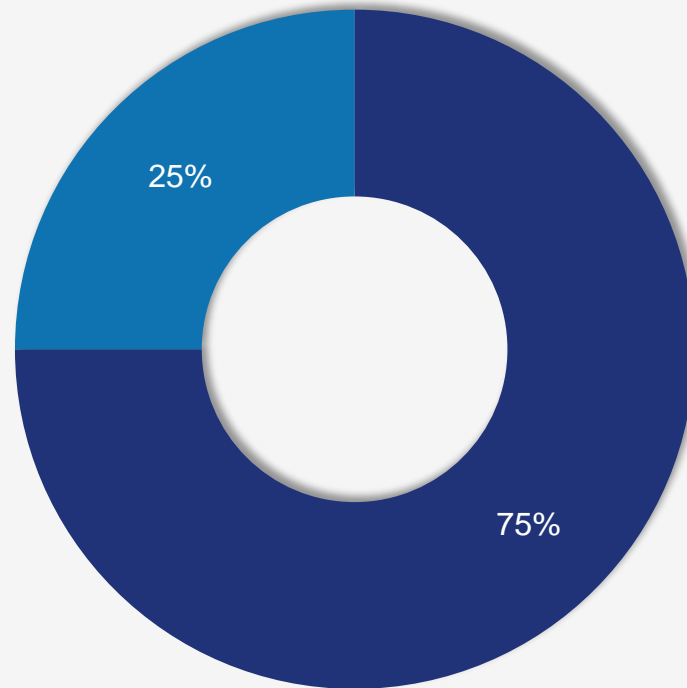


*Limited number of responses to this question

Trading companies

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

■ Increase ■ Decrease

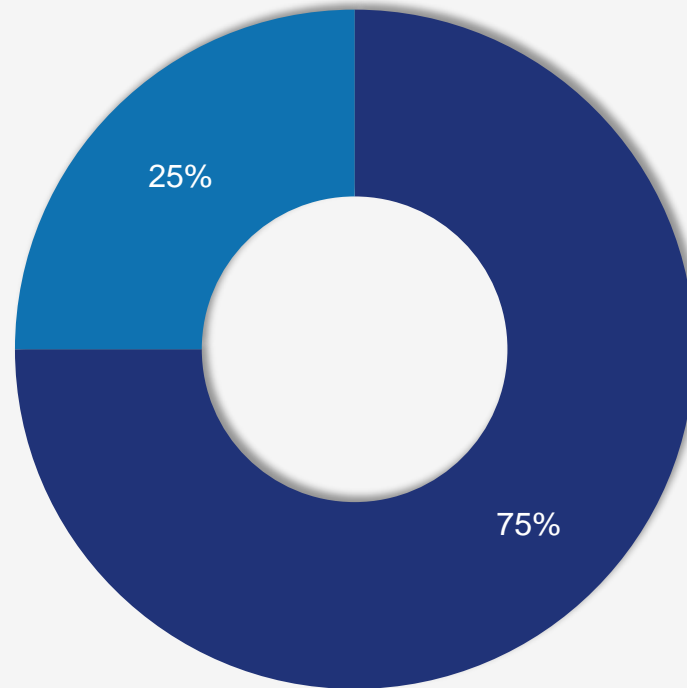


*Limited number of responses to this question

Trading companies

Are foreign products attractive to US buyers?*

■ Yes ■ No

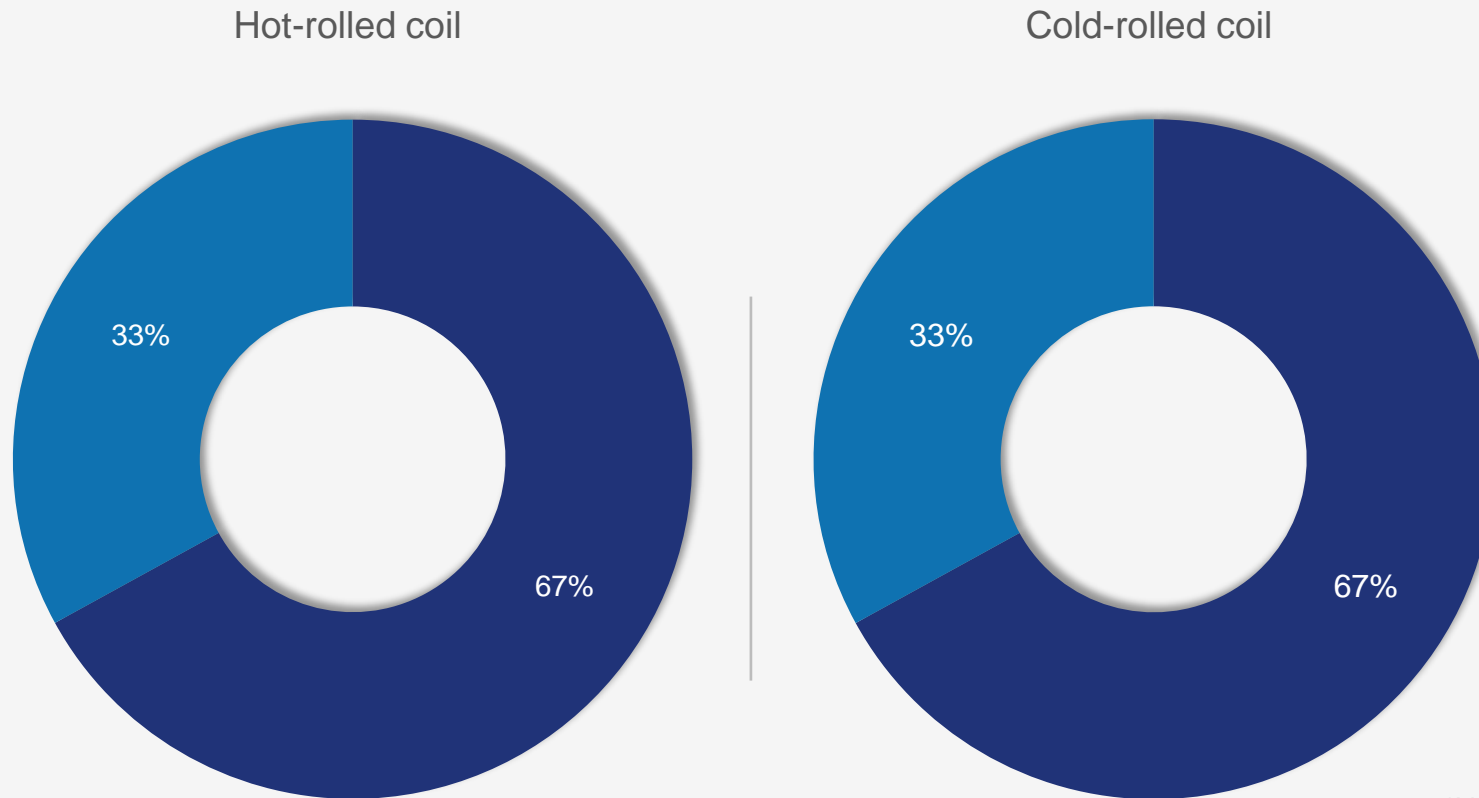


*Limited number of responses to this question

Trading companies on hot-rolled and cold-rolled

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

■ Yes ■ No

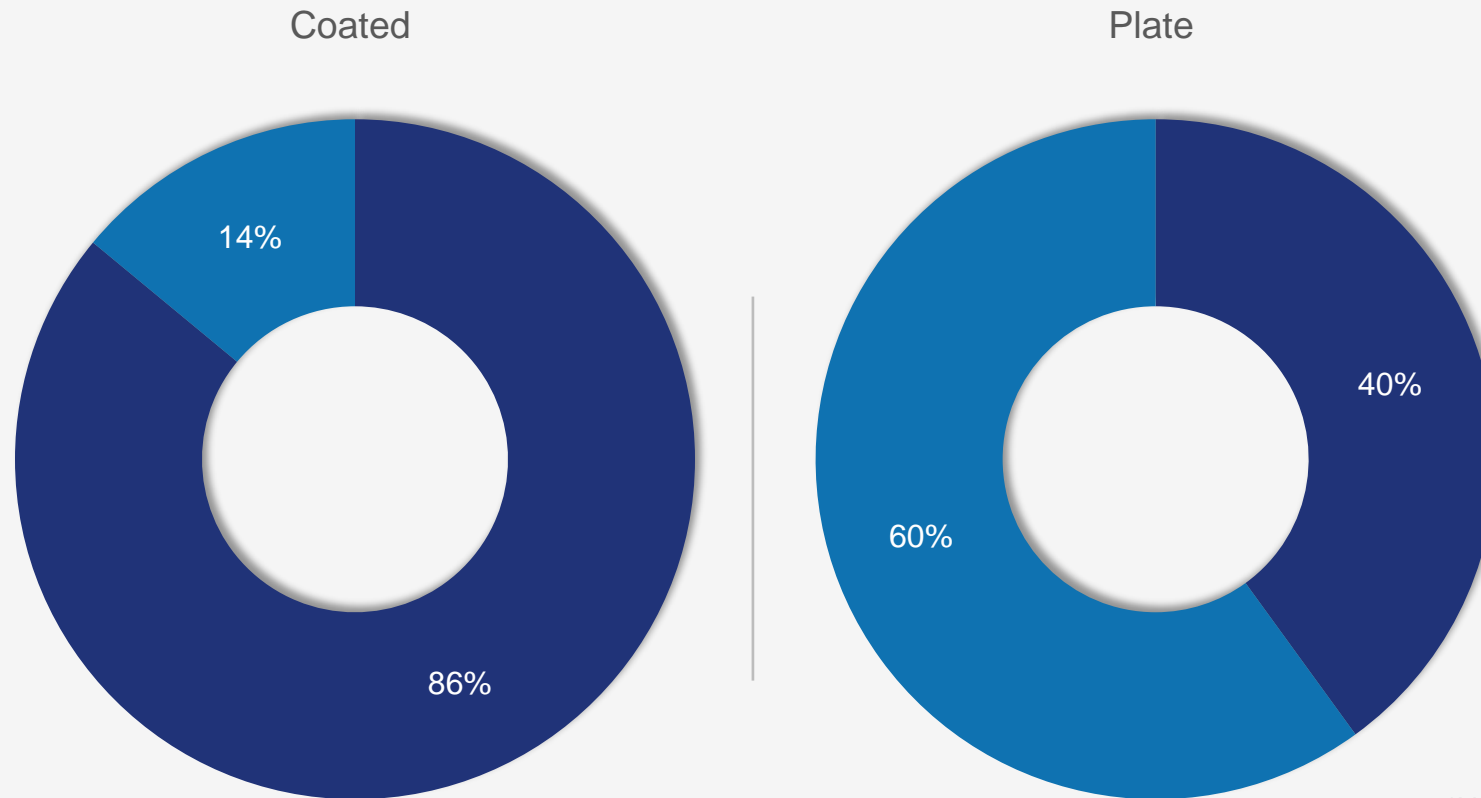


*Limited number of responses to this question

Trading companies on coated and plate products

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

■ Yes ■ No



*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.

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

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

**When you need answers...
www.steelmarketupdate.com**

Look for our next survey on Dec. 22, 2023

If you would like to participate in our survey, please contact david@steelmarketupdate.com

