

The logo consists of two curved shapes, one orange and one red, forming a partial circle.

Steel Market Update

CRU

Community Chat with David Stickler CEO of Hybar

May 1, 2024 | Michael Cowden, Managing Editor

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.

Steel Market Update team



Michael Cowden
Chicago
Managing Editor



David Schollaert
Atlanta
Senior Analyst



Laura Miller
Erie, Pa.
Reporter / Editor



Ethan Bernard
Austin, Texas
Reporter / Editor



Brett Linton
Atlanta
Senior Analyst



Kaylee Turner
Cleveland
Dig. Content Admin.



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



Alyssa Denis
Pittsburgh
Sr. Events Mktg. Mgr.



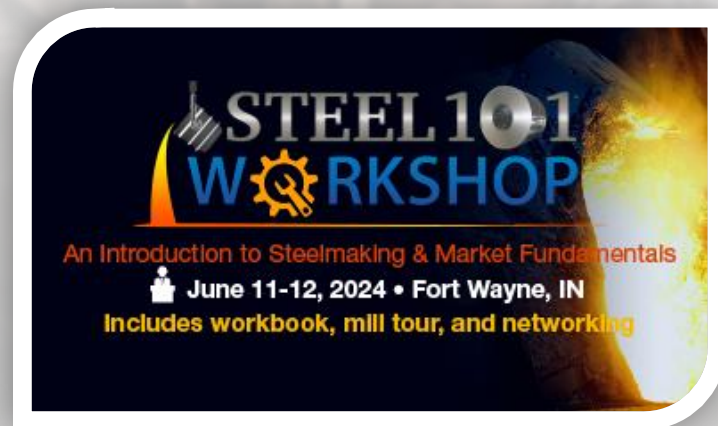
Luis Corona
Chicago
Sr. Account Exec.

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

Prices | Lead times | Sentiment | Trends | Analysis

For more information visit www.steelmarketupdate.com

Upcoming events



Live Steel 101 Workshop
 June 11-12, 2024 | Fort Wayne, Ind.
Includes mill tour of Steel Dynamics



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

For more information about our workshops and conferences visit:
www.steelmarketupdate.com/events-and-training/ or e-mail our team at events@steelmarketupdate.com.



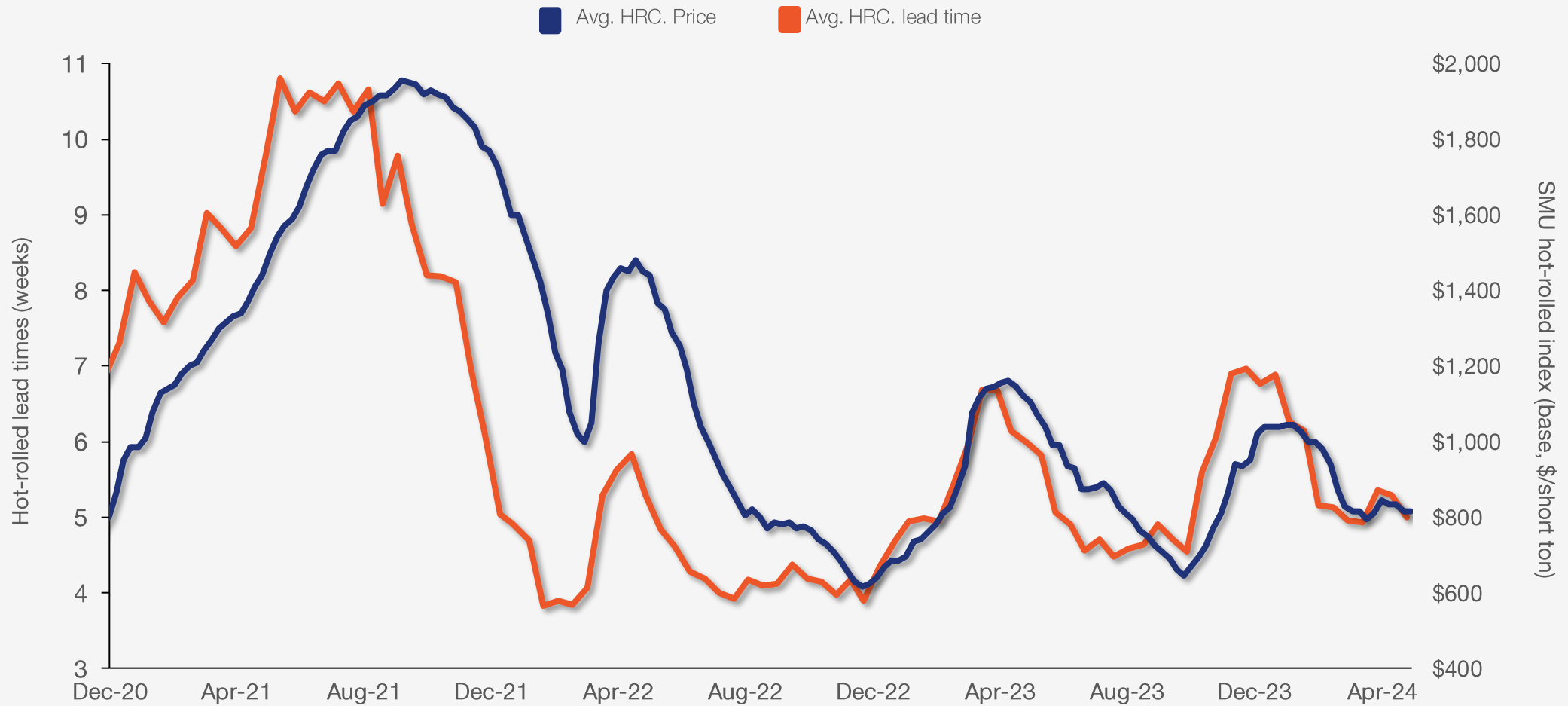
Don't just read our data,
**see your company's
experience reflected in it.**

Contact david@steelmarketupdate.com for participation information.



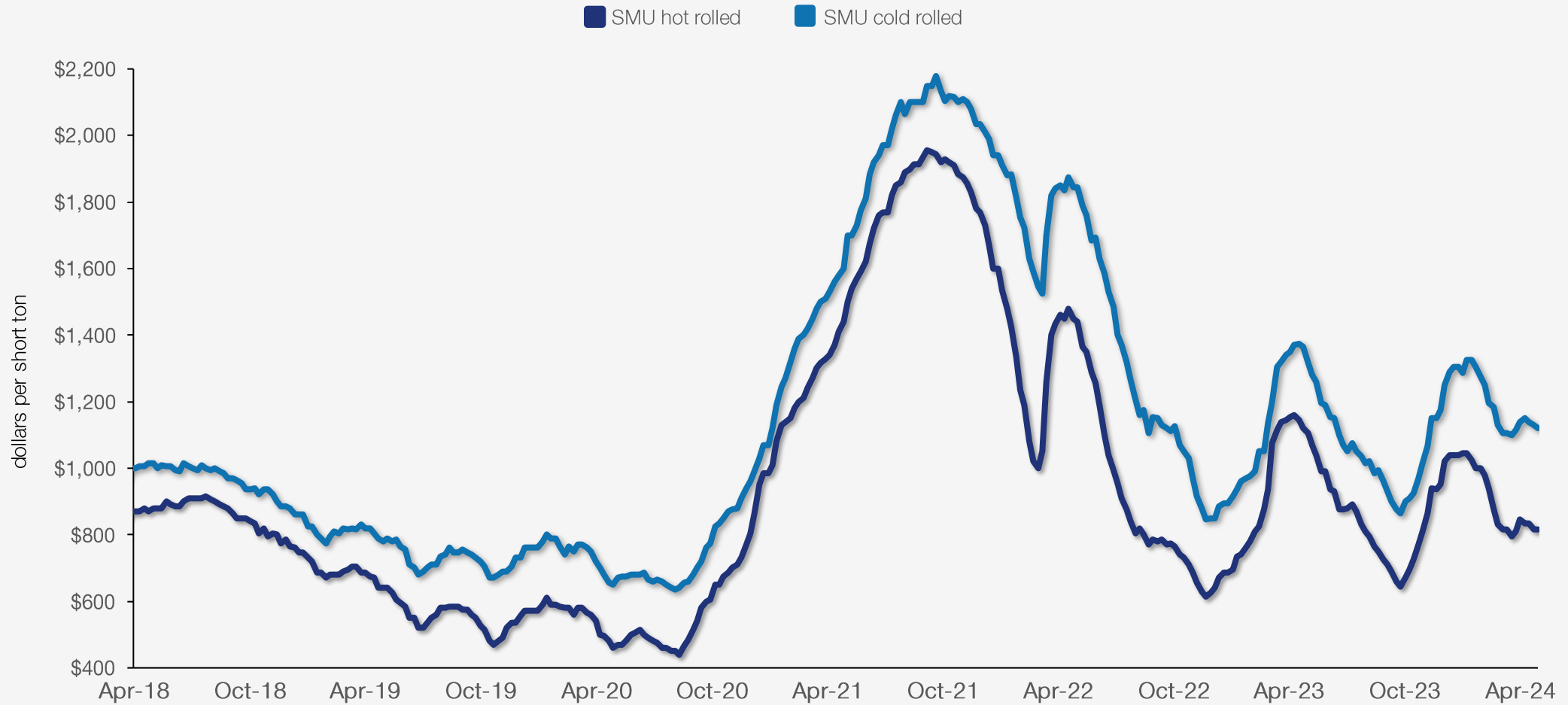
Hot-rolled steel prices vs. lead times

SMU's hot-rolled steel prices and lead times, with data through April 30, 2024.



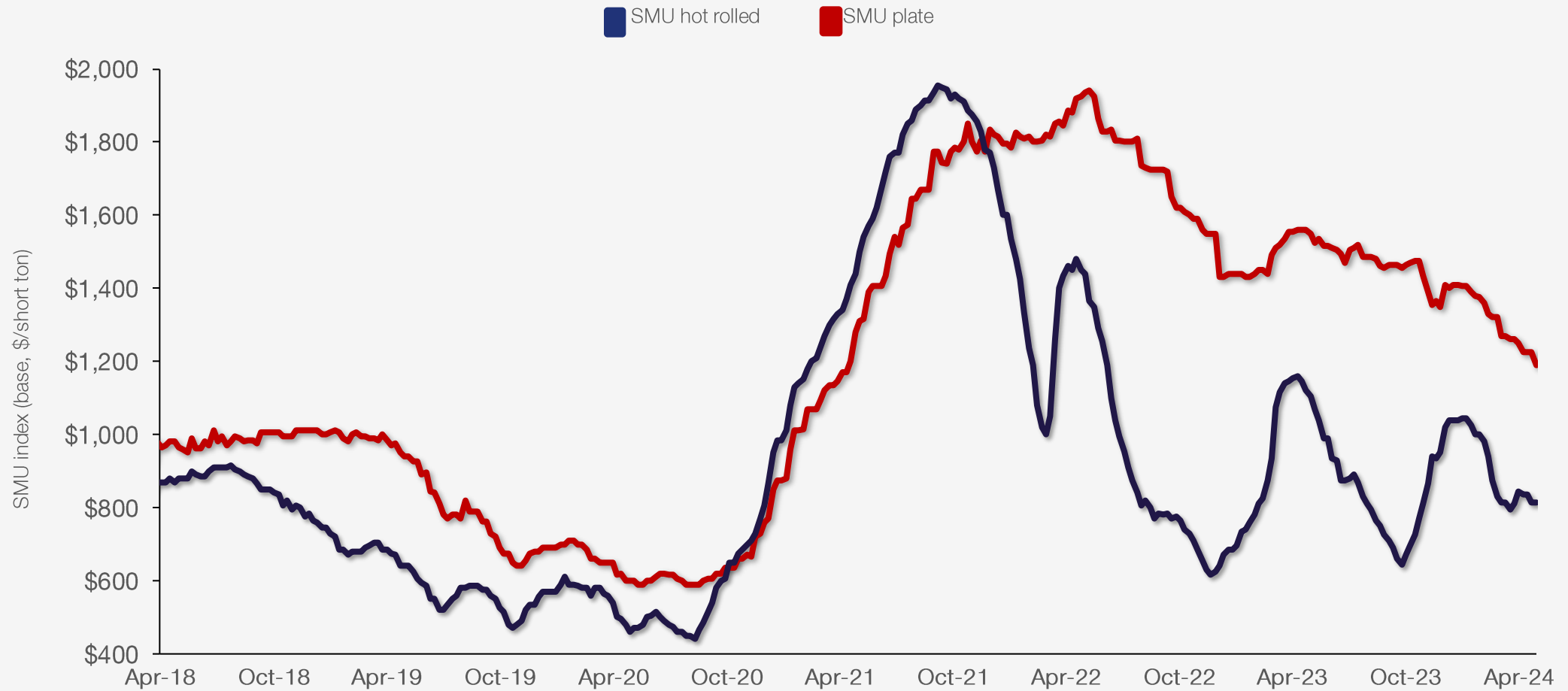
Hot rolled coil vs. cold rolled coil

SMU's hot rolled coil price vs. cold rolled coil price, with data through April 30, 2024.



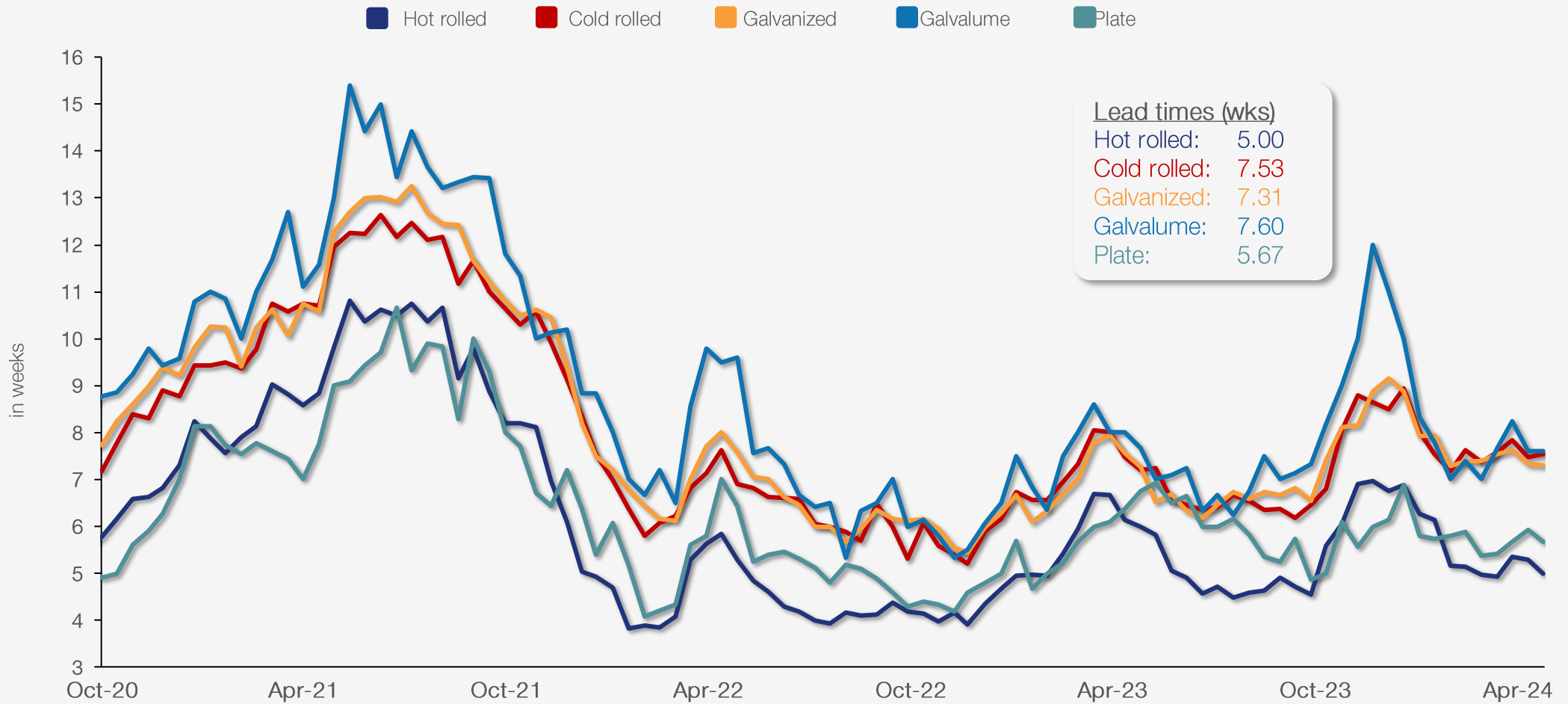
Hot rolled coil vs. plate

SMU's hot rolled coil prices vs. plate prices, with data through April 30, 2024.



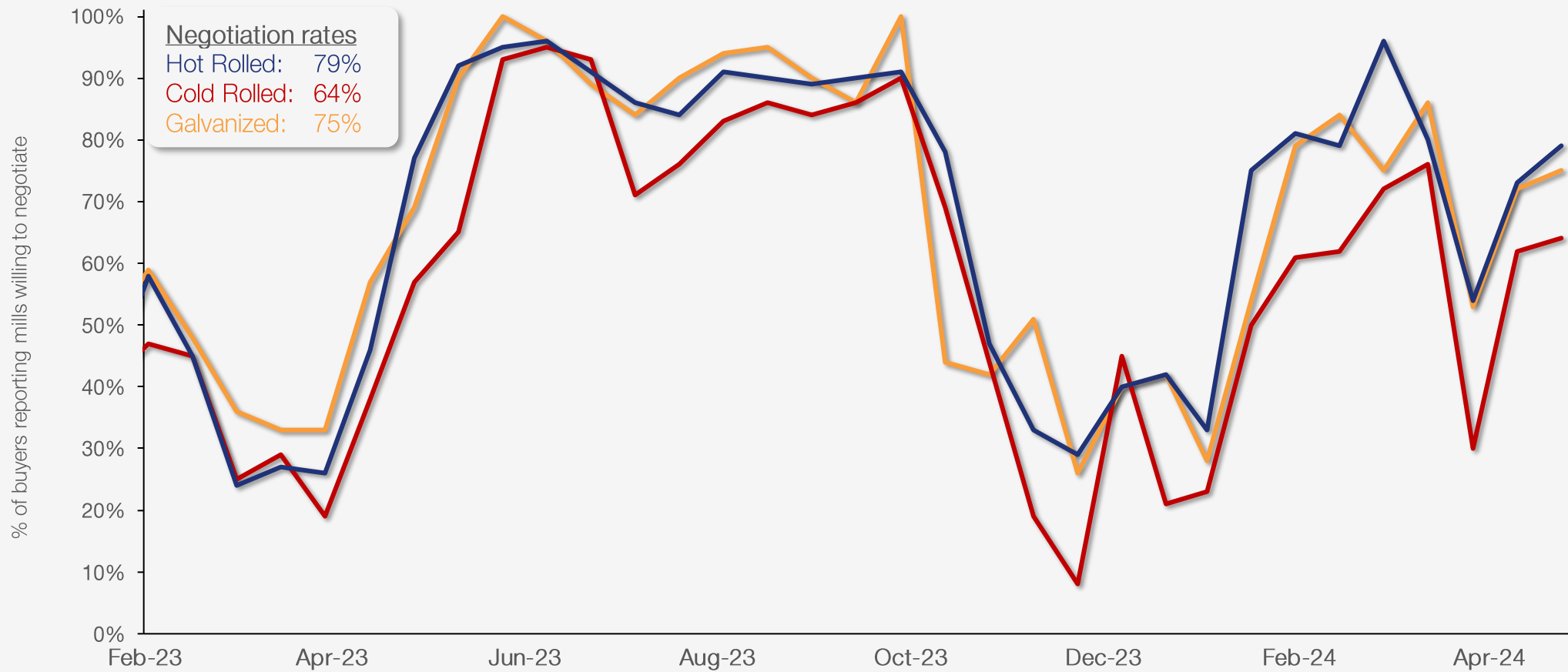
Steel mill lead times by product

SMU lead times on new steel orders by product through April 24, 2024.



Steel mill negotiations

SMU's price negotiations on new steel orders by product through April 24, 2024.

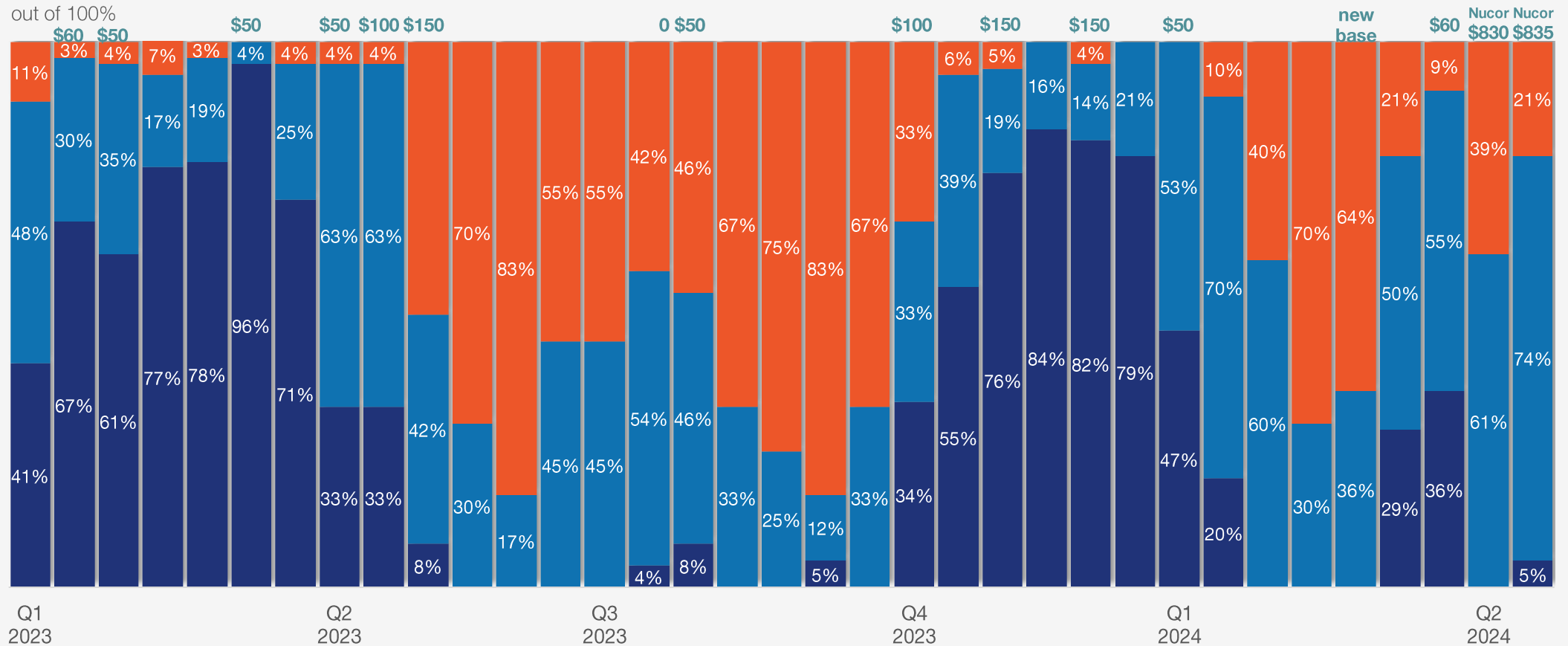


Service center view of selling prices history

Service centers

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

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



** (Historical leading flat rolled price increase announcements)

CME HRC futures - April 8, 2024

Momentum shifts in response to Nucor's weekly price announcement

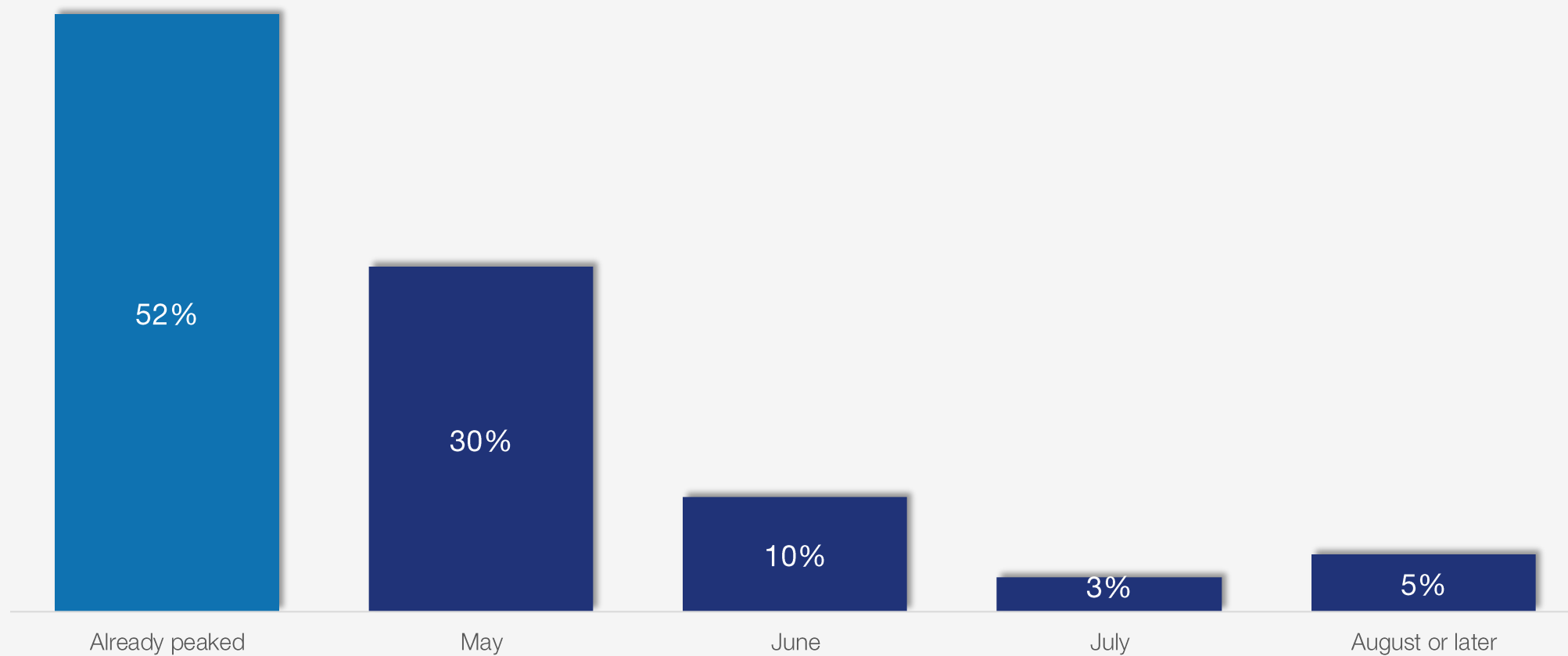
U.S. MIDWEST DOMESTIC HOT-ROLLED COIL STEEL (CRU) INDEX FUTURES - QUOTES VENUE: GLOBEX

AUTO-REFRESH IS OFF Last Updated 08 Apr 2024 04:51:21 PM CT. Market data is delayed by at least 10 minutes.

MONTH	OPTIONS	CHART	LAST	CHANGE	PRIOR SETTLE	OPEN	HIGH	LOW	VOLUME	UPDATED
APR 2024 HRCJ4			845.00	-8.00 (-0.94%)	853.00	852.00	854.00	845.00	35	16:38:48 CT 08 Apr 2024
MAY 2024 HRCK4			845.00	-37.00 (-4.20%)	882.00	878.00	880.00	845.00	172	16:38:21 CT 08 Apr 2024
JUN 2024 HRCM4			822.00	-35.00 (-4.08%)	857.00	850.00	850.00	822.00	63	16:38:33 CT 08 Apr 2024
JUL 2024 HRCN4			824.00	-8.00 (-0.96%)	832.00	830.00	830.00	820.00	31	16:38:21 CT 08 Apr 2024
AUG 2024 HRCQ4			826.00	-5.00 (-0.60%)	831.00	830.00	830.00	826.00	9	16:38:39 CT 08 Apr 2024
SEP 2024 HRCU4			831.00	-11.00 (-1.31%)	842.00	831.00	831.00	831.00	3	16:38:48 CT 08 Apr 2024

Hot rolled inflection point

When do you think steel prices will peak?

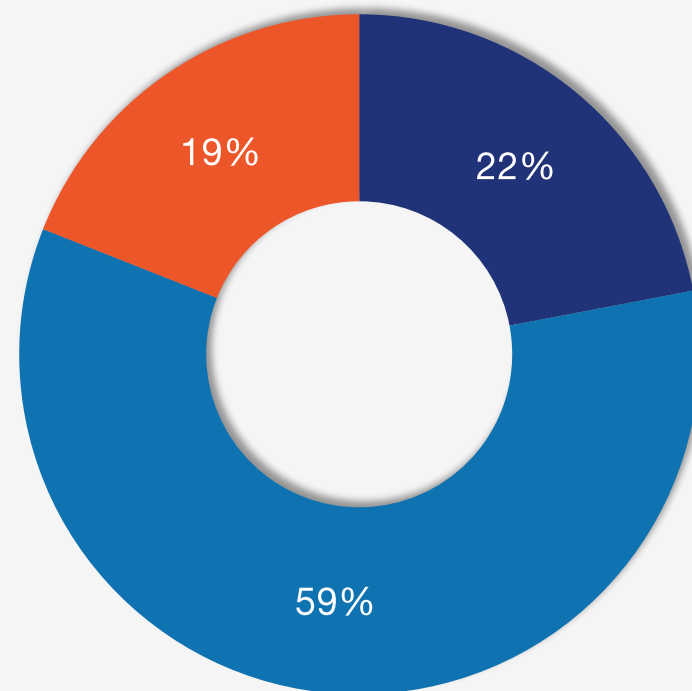


Overall demand

How is demand for your products?

■ Improving ■ Stable ■ Declining

April 24, 2024

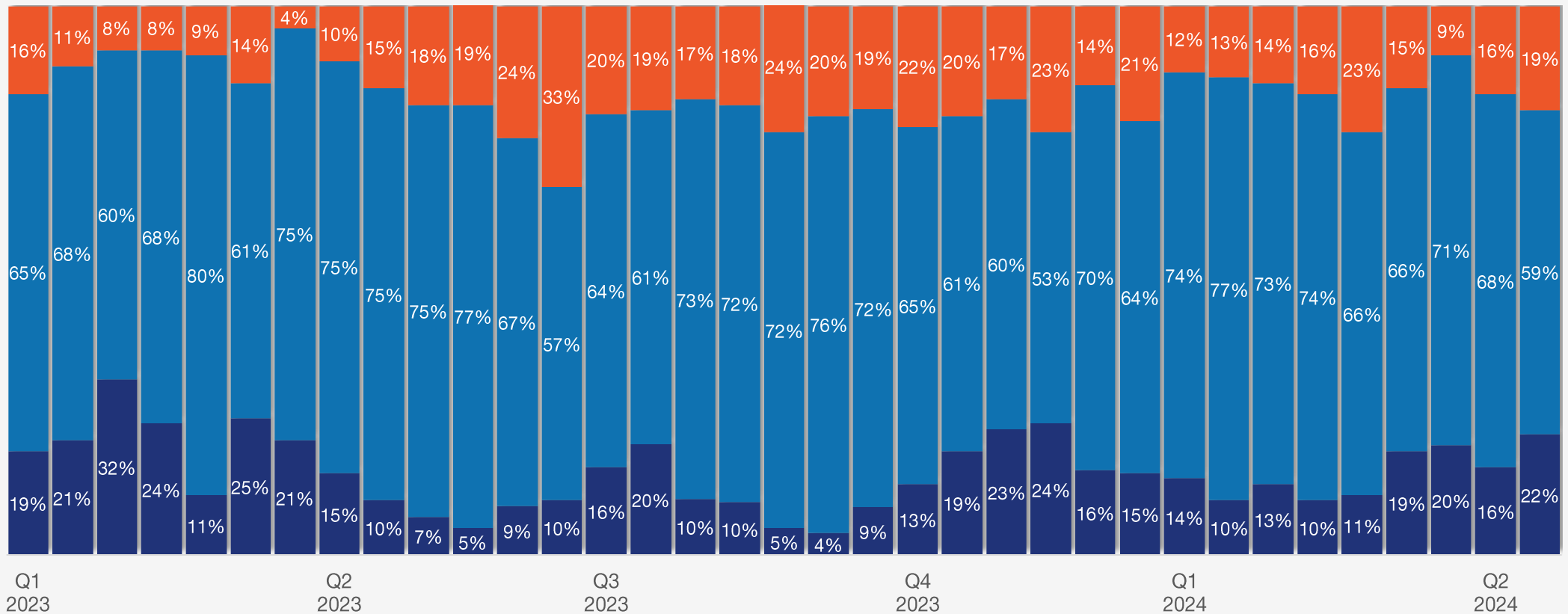


Overall demand history

How is demand for your products?

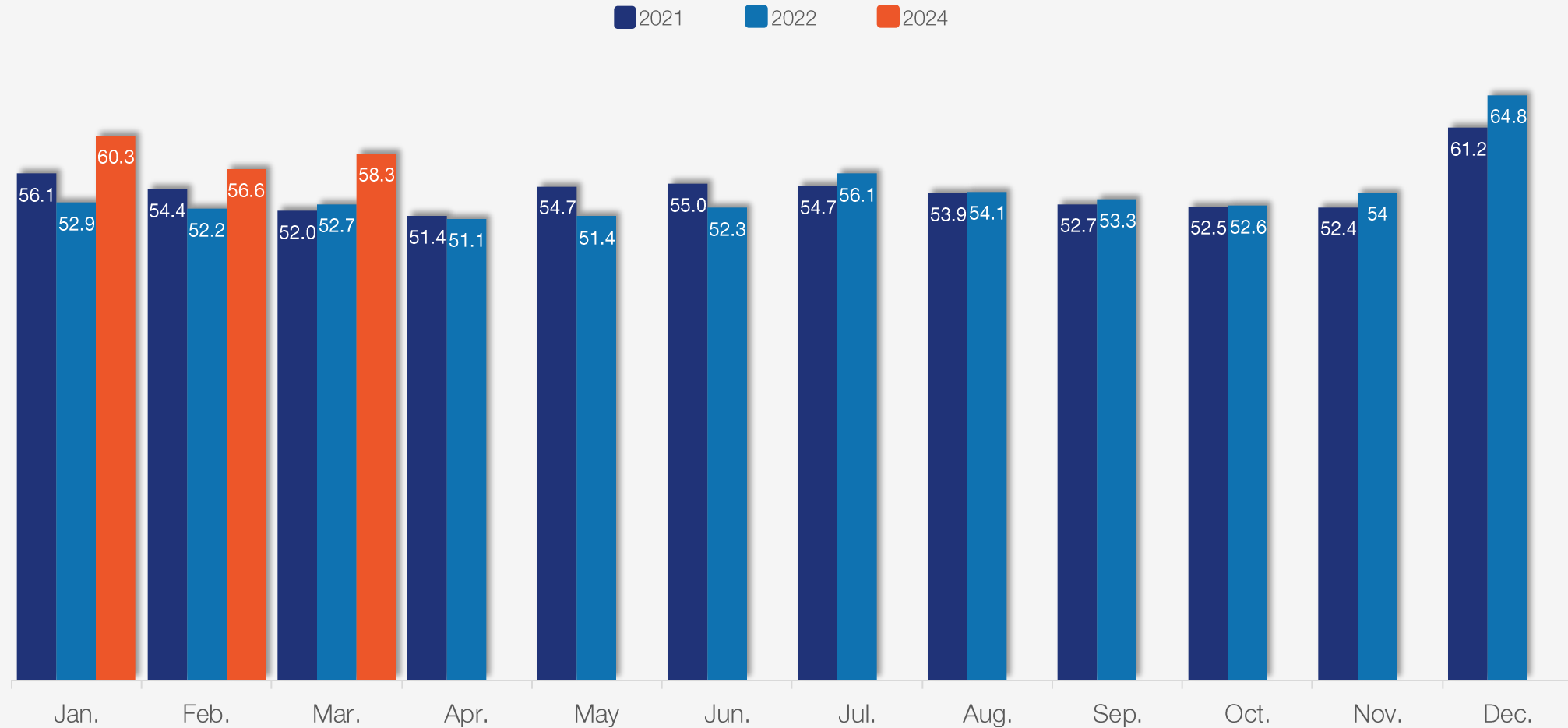
■ Improving
 ■ Stable
 ■ Declining

out of 100%



Service center inventories history

SMU's flat rolled product shipping days of supply, with data through March 2024.

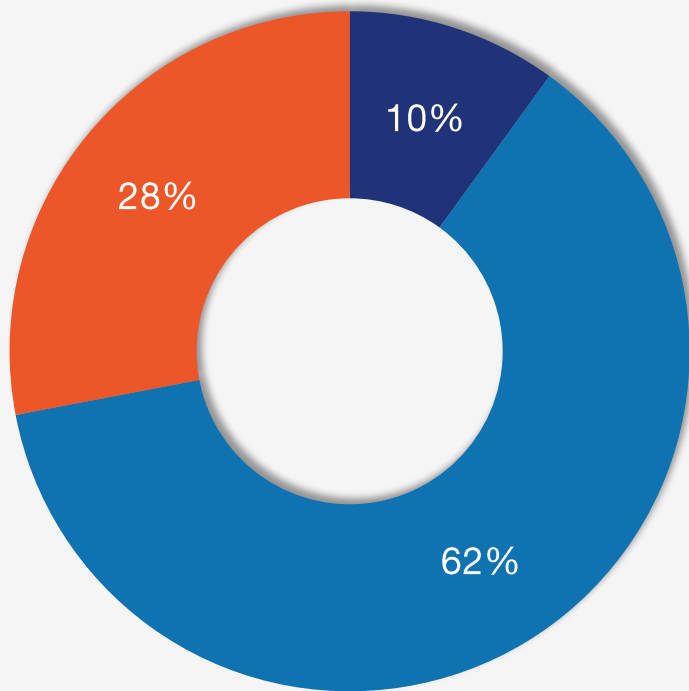


Business forecasts

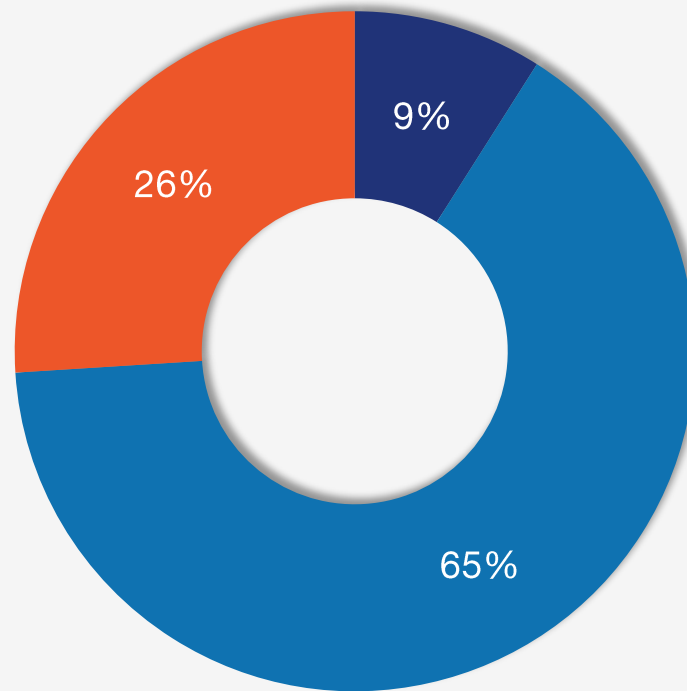
How will your company perform this month compared to your forecast?

■ We will exceed forecast
 ■ We will meet forecast
 ■ We will not meet forecast

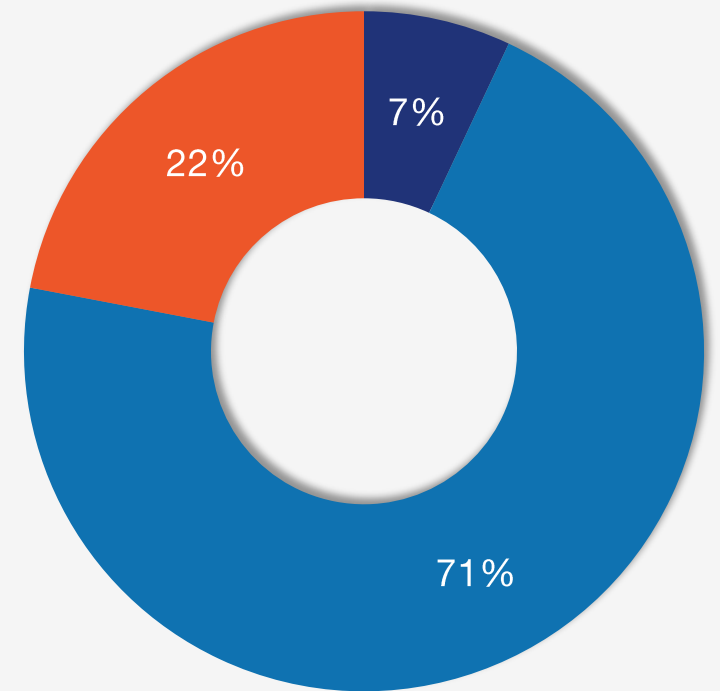
February 2024



March 2024



April 2024

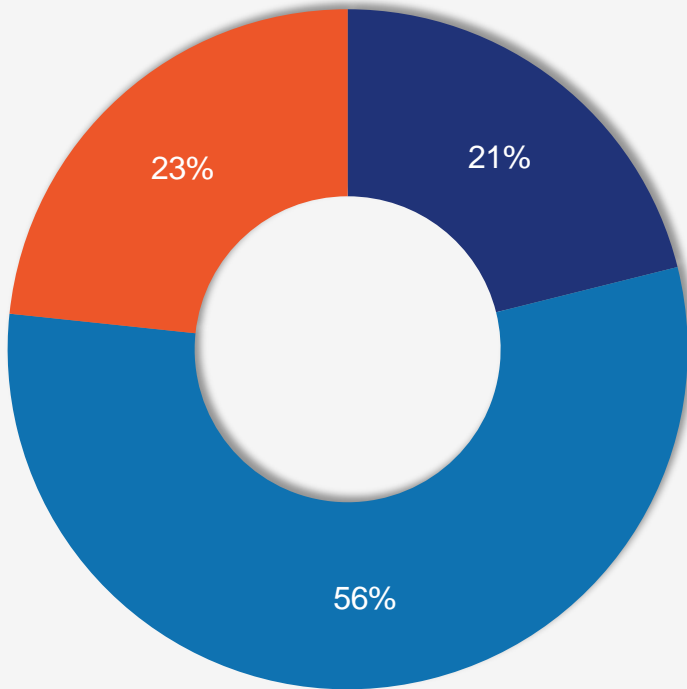


Business forecasts

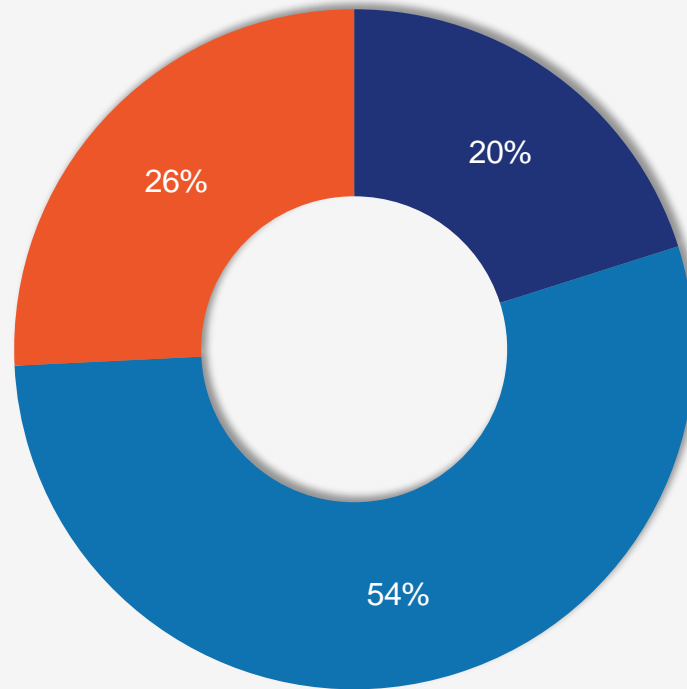
How will your company perform this month compared to your forecast?

■ We will exceed forecast
 ■ We will meet forecast
 ■ We will not meet forecast

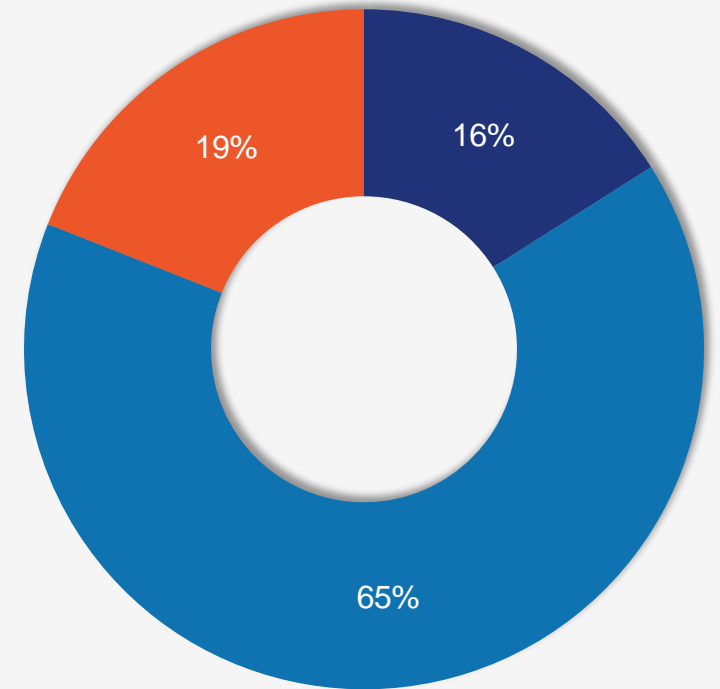
November 2023



December 2023

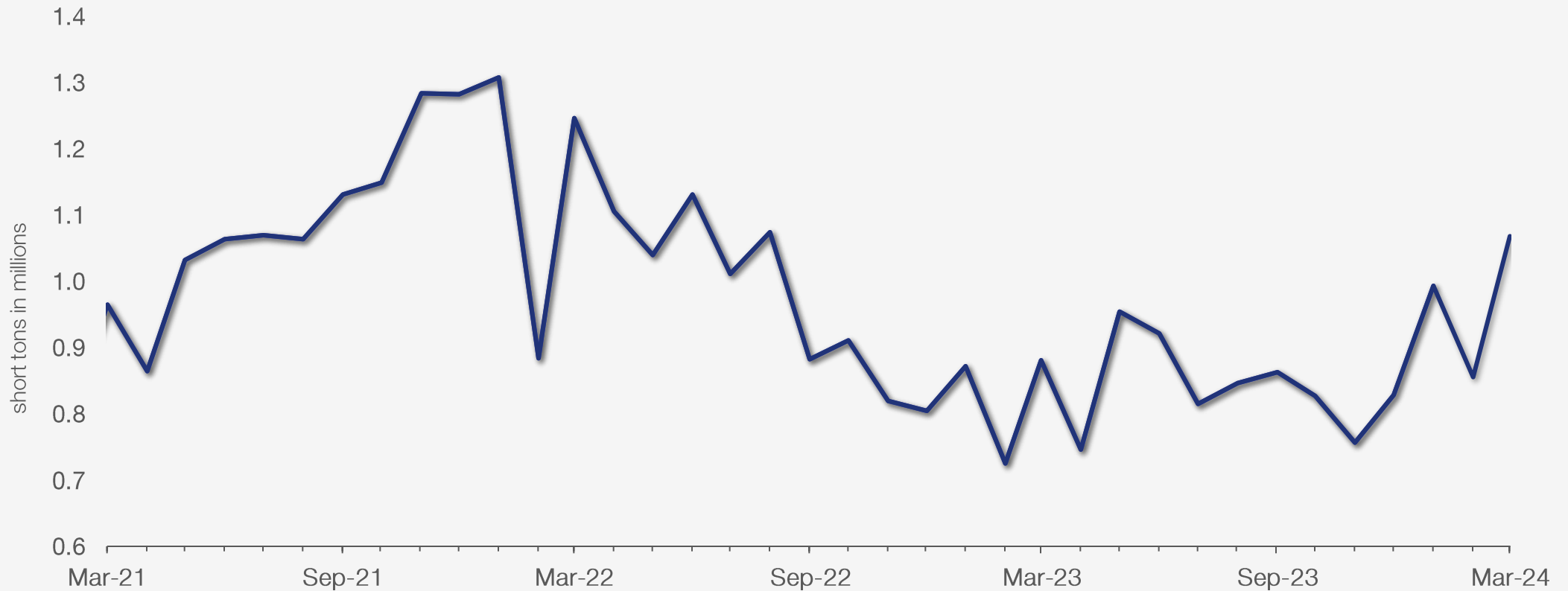


January 2024



Import volumes are still high. Impact of canal chaos?

Flat-rolled steel imports - monthly figures through March 2024 license data



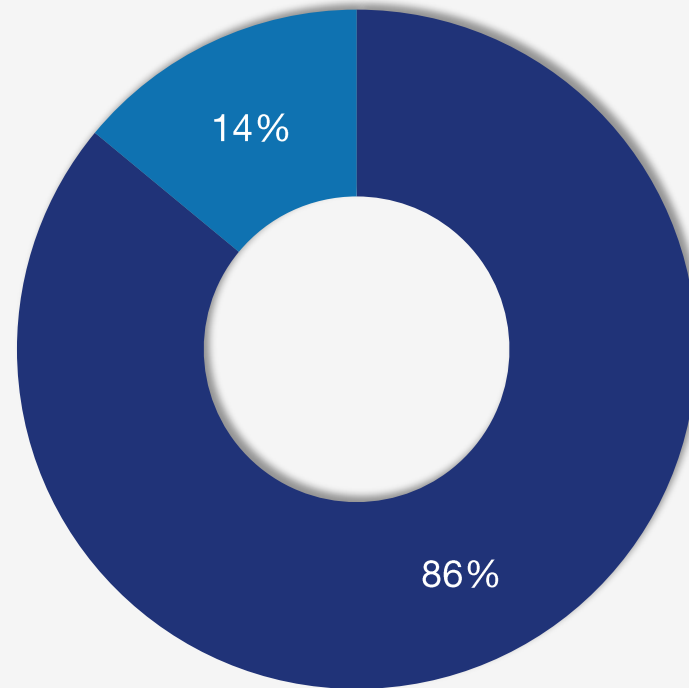
Source: US Department of Commerce

Trading companies

Are foreign products attractive to US buyers?*

■ Yes ■ No

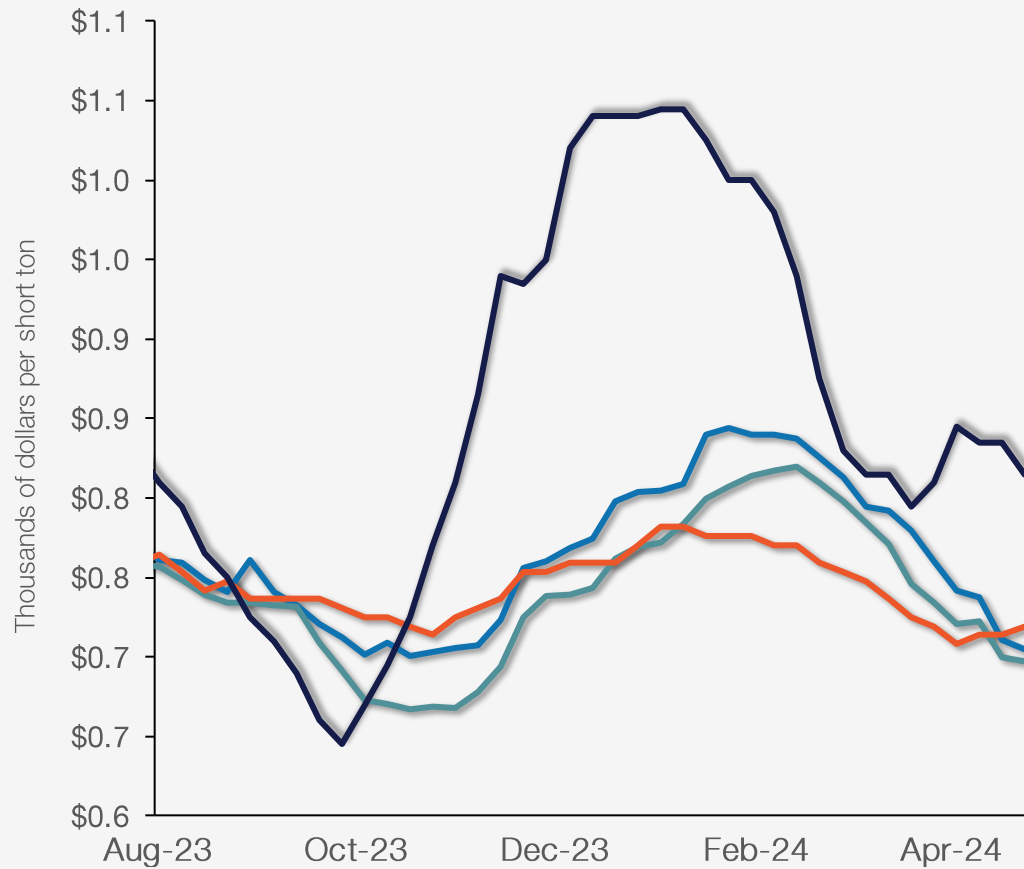
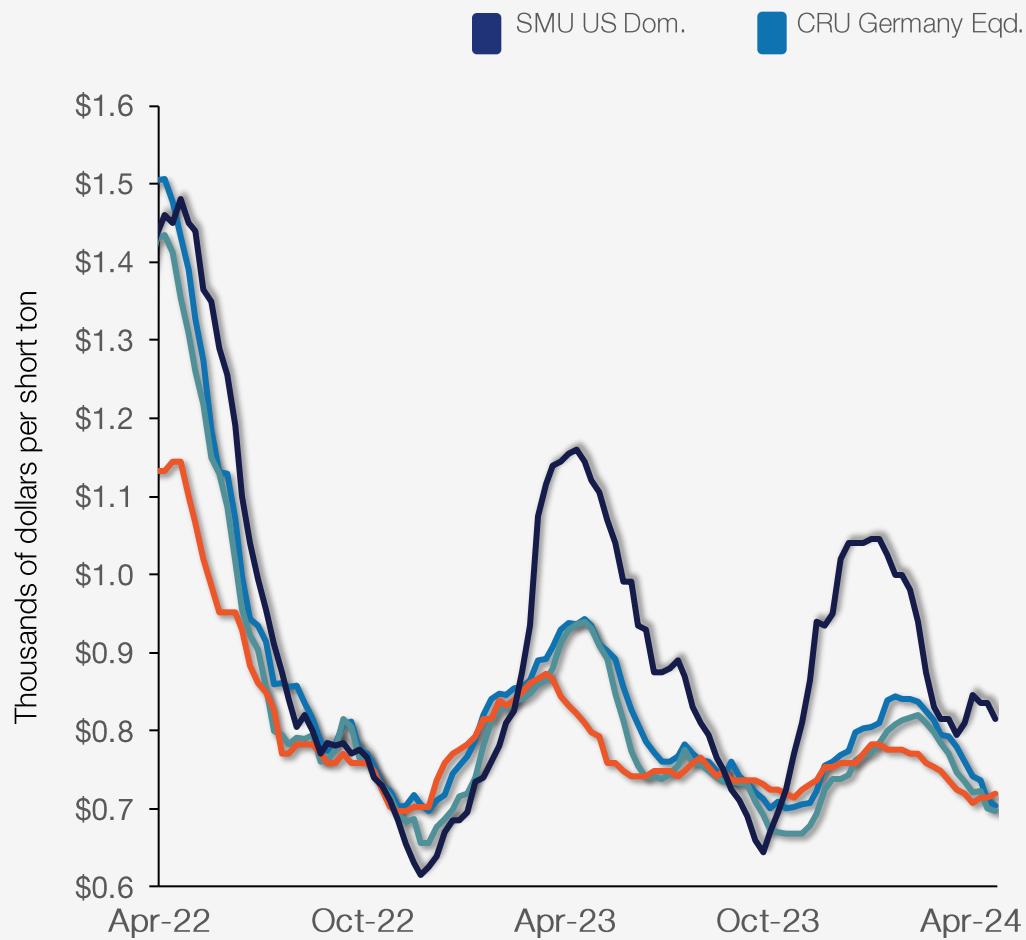
April 24, 2024



*Limited number of responses to this question

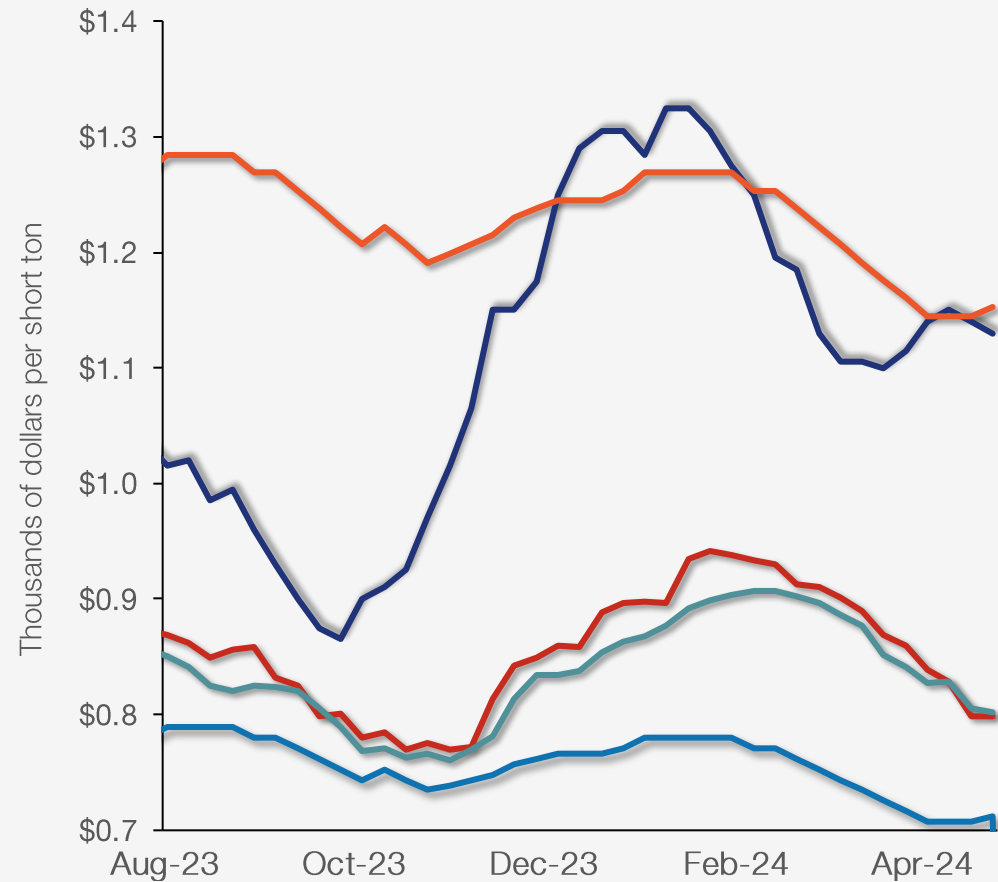
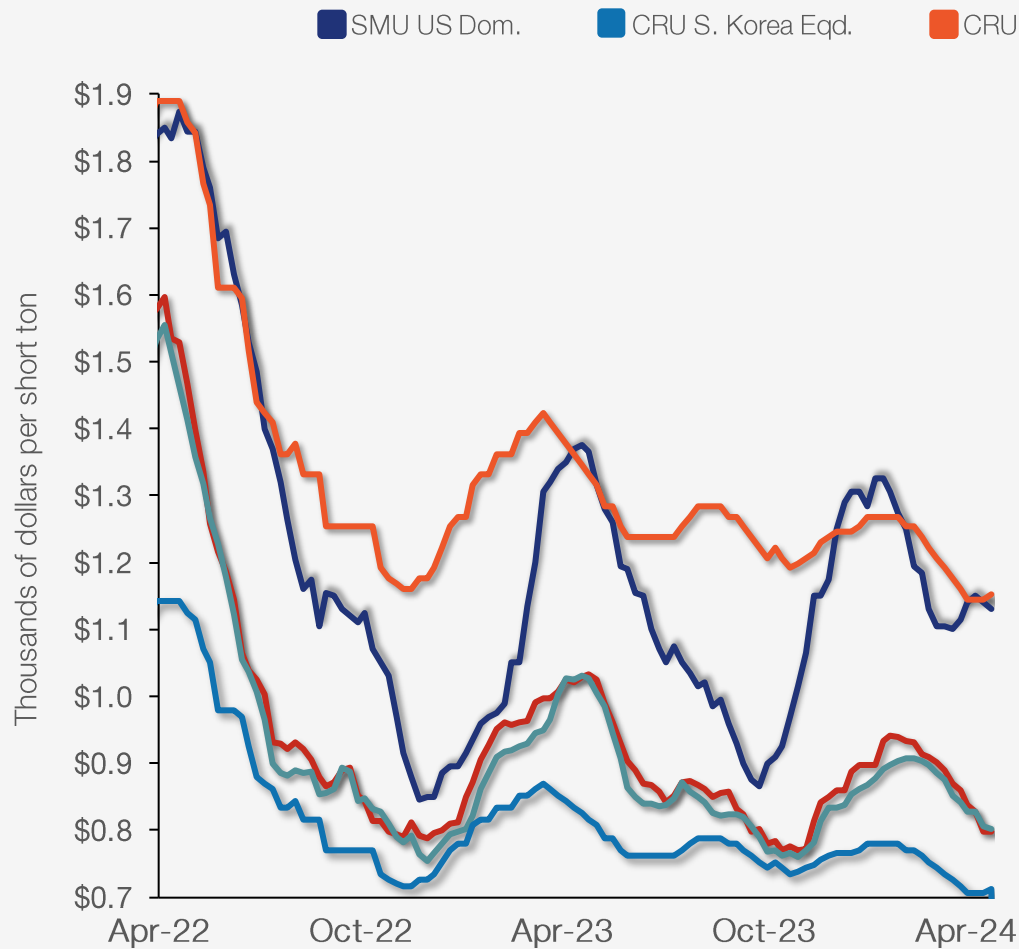
Foreign vs domestic HR prices

Foreign prices include \$90/st in importing costs, Asian prices include a 25% tariff



Foreign vs domestic CR prices

Foreign prices include \$90 in importing costs, Japanese prices include a 71% tariff



David Stickler



David Stickler is CEO of Hybar, which is building a rebar mill in Osceola, Ark.

The plan is for mill to use 100% renewable energy when the sun is shining. And to use hydrogen as a partial substitute for natural gas when it is not.

The company plans 2-3 more rebar mills. Could a sheet mill be in the works too?

Building a mill in Osceola is something Stickler knows about. He oversaw the construction and ramp-up of Big River Steel there before its acquisition by U.S. Steel.

Thank You!

Thanks for listening!

To subscribe to SMU, contact luis@steelmarketupdate.com

To contact Michael Cowden: michael@steelmarketupdate.com

To sign up for Steel Summit, contact: events@crugroup.com

Tune into our next Community Chat on May 15 with Ryan McKinley, principal analyst at CRU.



Where the *steel* community
comes together.