

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

# Steel Market Update

CRU

## SMU flat rolled market trends analysis

---

*Oct. 21-23, 2024, market survey results*

# 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.





Where the *steel* community  
comes together.

# Table of contents

<u><i>Overview:</i></u> SMU team, upcoming events, and survey details	Pg. 5
<u><i>Lead times:</i></u> Steel mill lead times by product, direction, and buyers' view of lead times	Pg. 10
<u><i>Negotiations:</i></u> Steel mill negotiation rates	Pg. 16
<u><i>Sentiment:</i></u> Steel buyers' current, future, and 3MMAs sentiment	Pg. 17
<u><i>Demand:</i></u> Overall demand, manufacturer demand, and Svc. Center view of Mfr. orders	Pg. 21
<u><i>Prices:</i></u> HR inflection point, future HR prices, Mfr. and Svc. Center view of prices, and scrap price direction	Pg. 27
<u><i>Business forecast:</i></u> Current view	Pg. 35
<u><i>Buying trends:</i></u> Active buyer, manufacturer purchases	Pg. 36
<u><i>Offshore product:</i></u> Foreign steel buying, new offshore orders, import competitiveness	Pg. 45
<u><i>Steel mills' view:</i></u> Current order book activity	Pg. 50
<u><i>Traders' view:</i></u> Orders trend, foreign product interest, and flat-rolled offer pricing	Pg. 51

# Steel Market Update team



**Michael Cowden**  
Chicago  
Managing Editor



**David Schollaert**  
Atlanta  
Sr. Analyst / Editor



**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.



**Marlea Pitman**  
Birch Bay, Wash.  
Sr. Event Manager



**Luis Corona**  
Chicago  
Sr. Account Exec.

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](http://www.steelmarketupdate.com)



# Upcoming events



**Tampa Steel Conference**  
Feb. 2-4, 2025 | Tampa, Fla.  
*JW Marriott Tampa Water Street*



**Live Steel 101 Workshop**  
March 11-12, 2025 | Charleston, S.C.  
*Tour of Nucor Berkeley*



**Steel Summit 2025**  
Aug. 25-27, 2025 | Atlanta  
*Georgia International Convention Center*

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

# SMU flat rolled market trends analysis



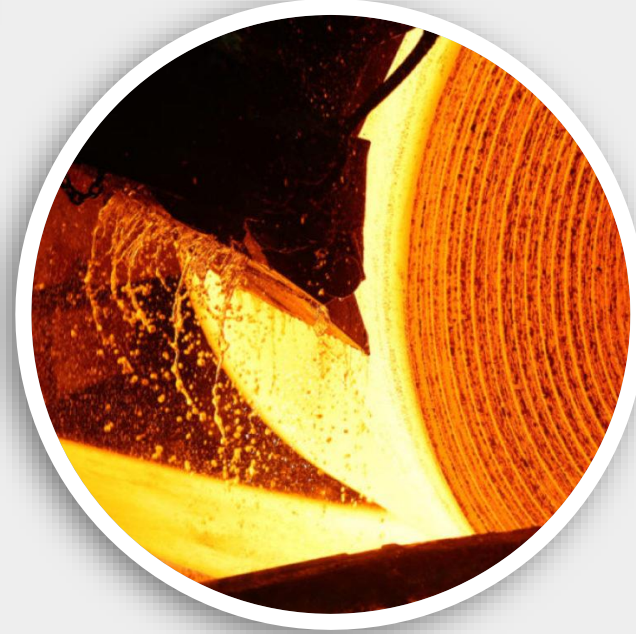
Our goal is to provide quality information to the flat-rolled steel industry.

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](mailto:david@steelmarketupdate.com).





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

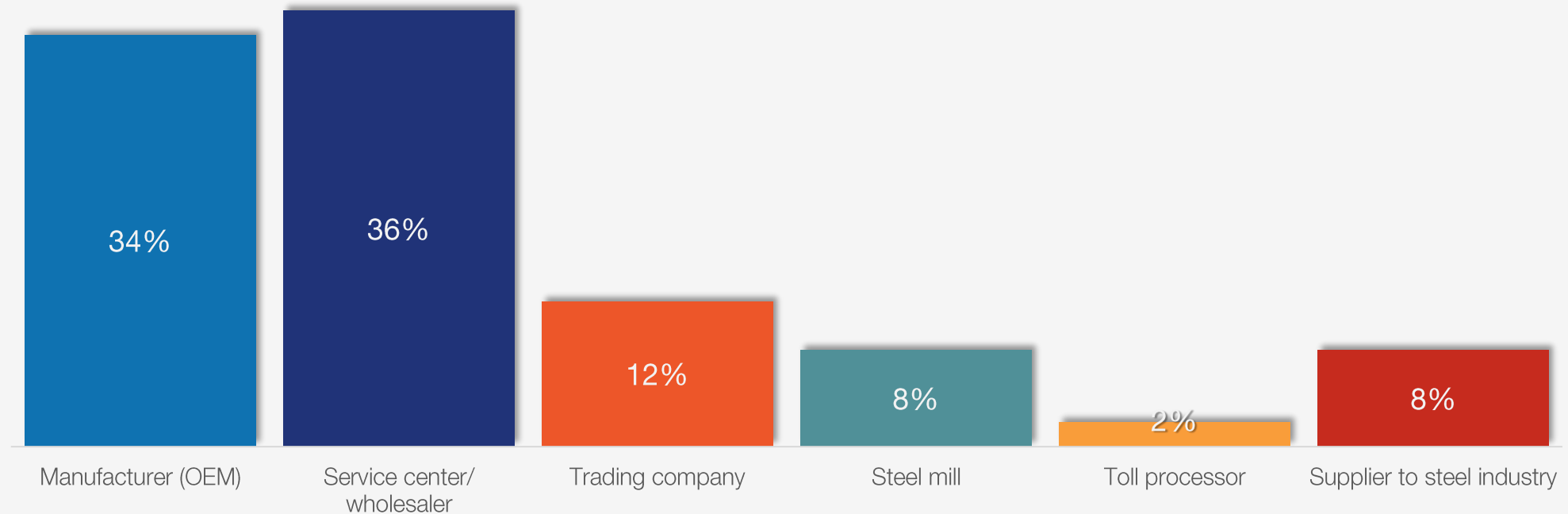
Contact [david@steelmarketupdate.com](mailto:david@steelmarketupdate.com) for participation information.





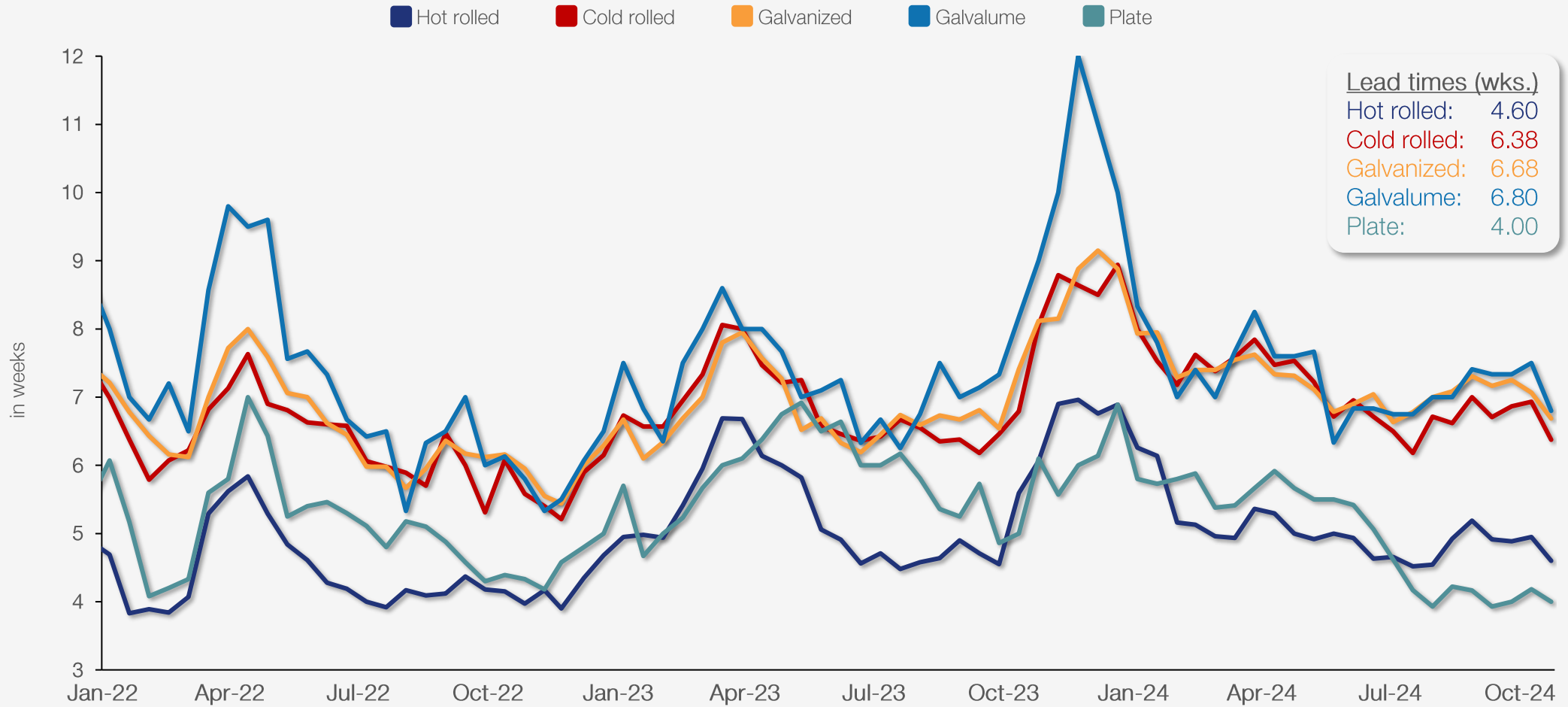
# Survey participants

Our survey is by invitation only. Over 1,000 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 mill lead times by product

SMU lead times on new steel orders by product through Oct. 23, 2024.



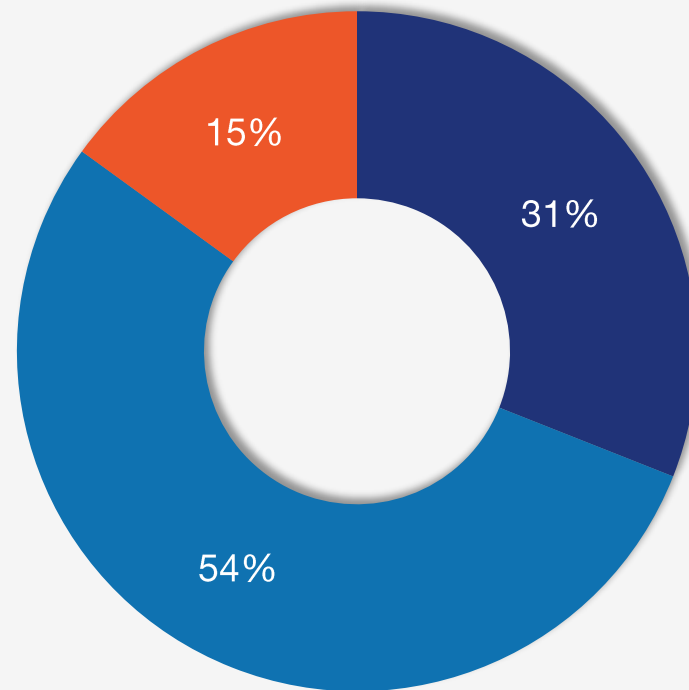


# Direction of steel mill lead times

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

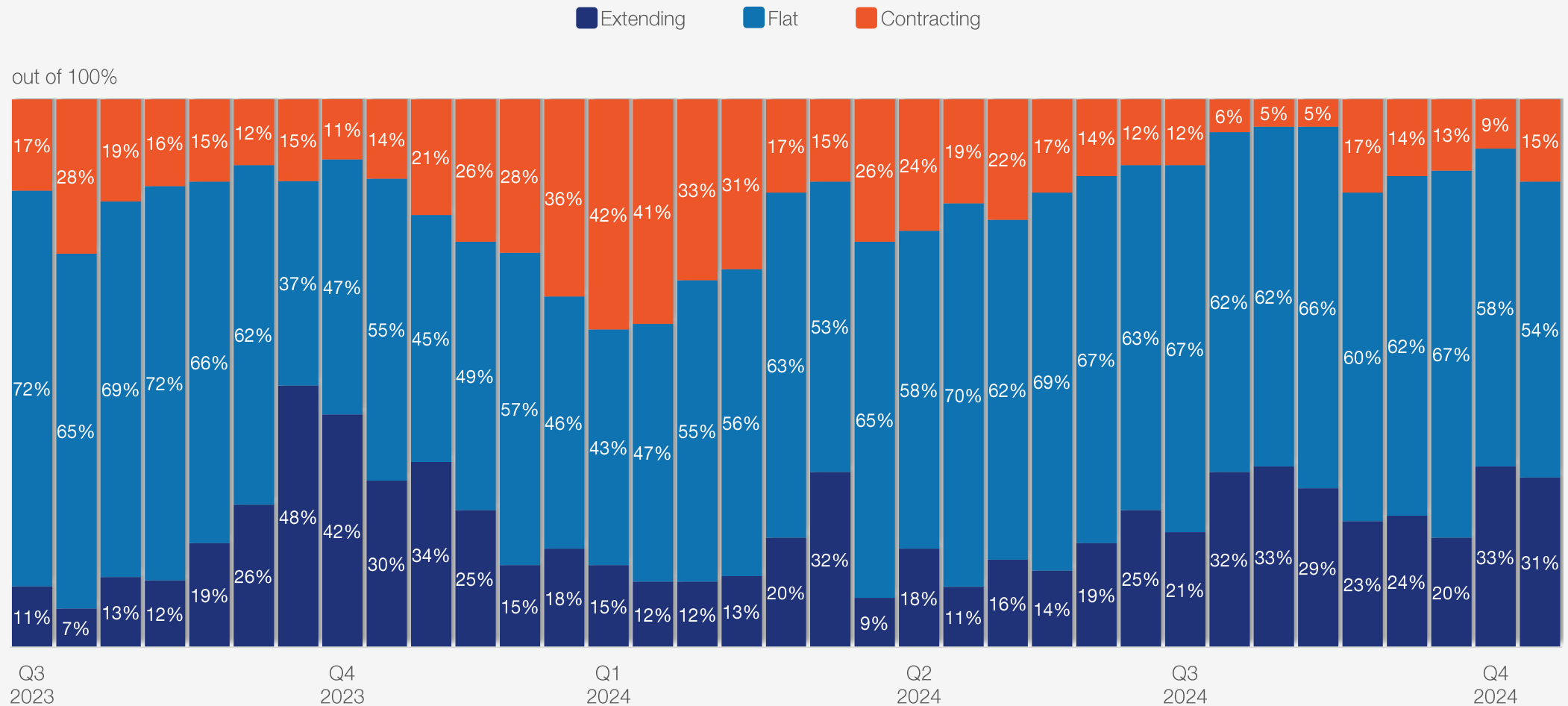
■ Extending   ■ Flat   ■ Contracting

Oct. 23, 2024



# Direction of steel mill lead times history

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



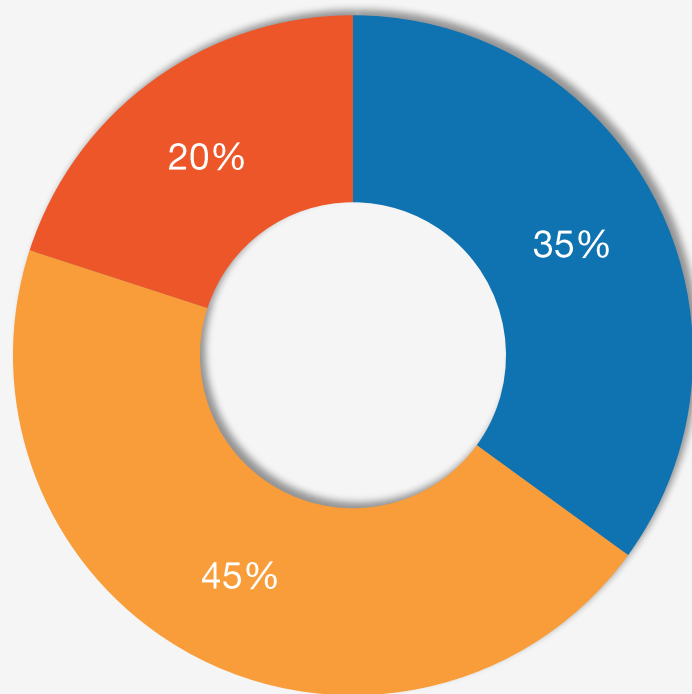


# Buyers' view of mill lead times

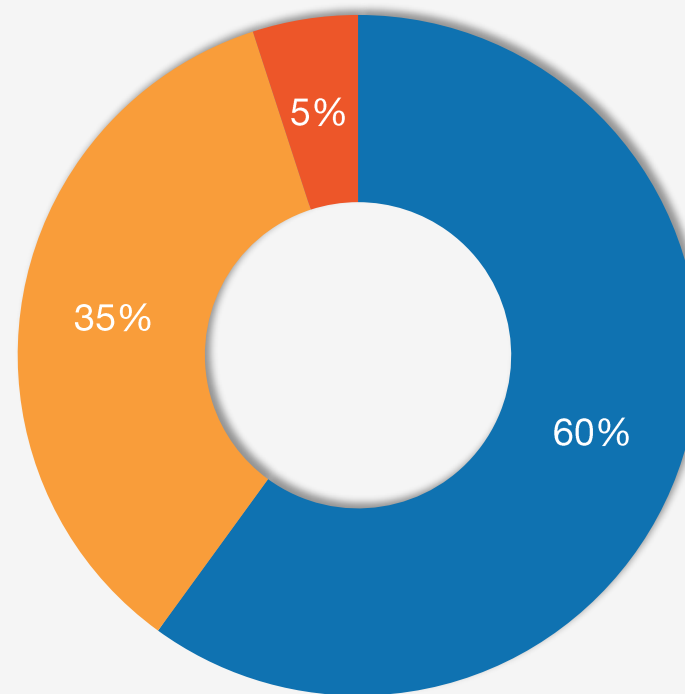
How would you describe domestic mill lead times for new orders placed right now?

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

Manufacturers



Service centers



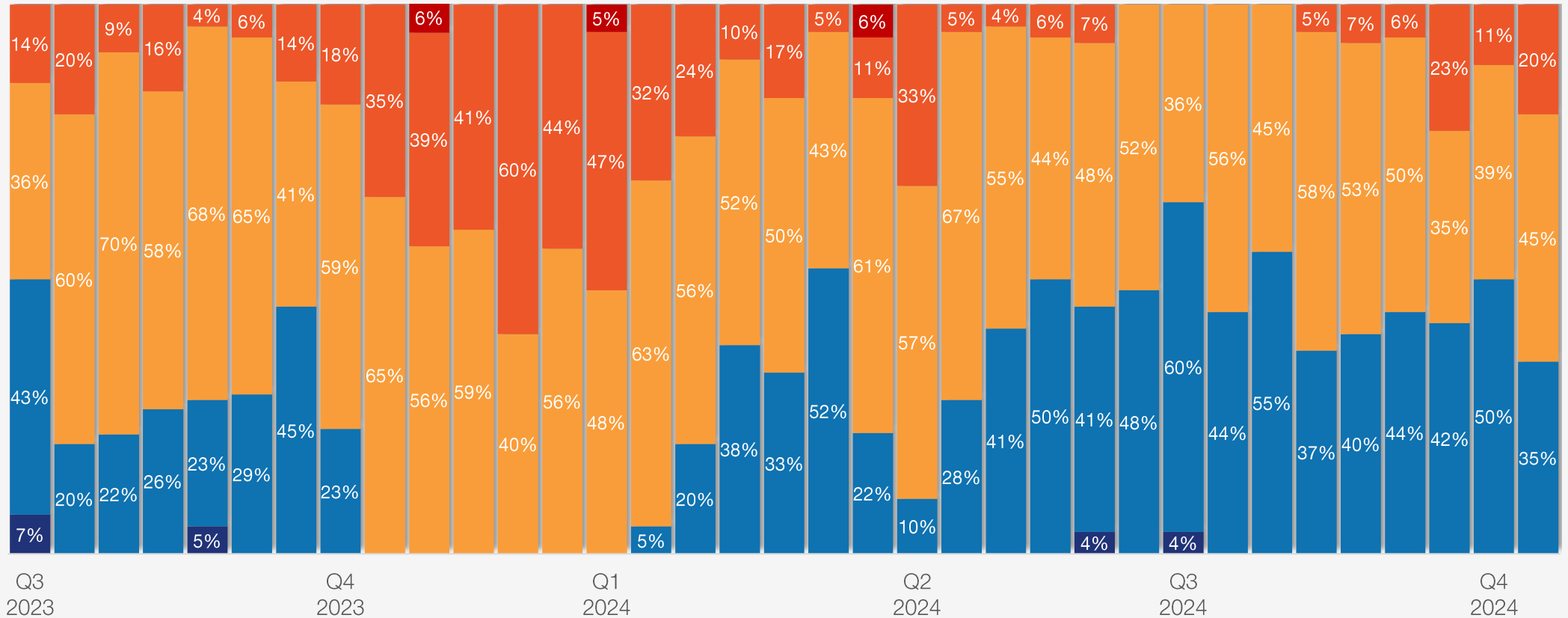
# Buyers' view of mill lead times history

## 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

out of 100%





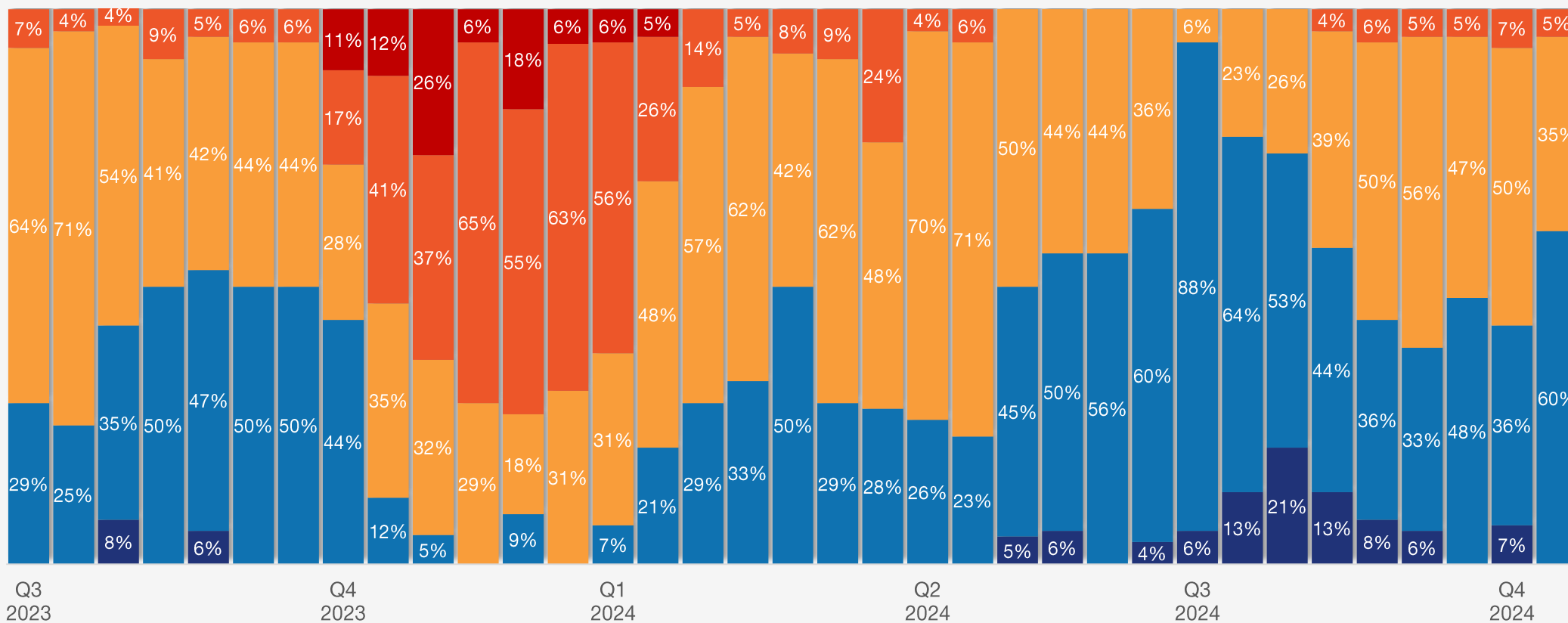
# Buyers' view of mill lead times history

## Service centers

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

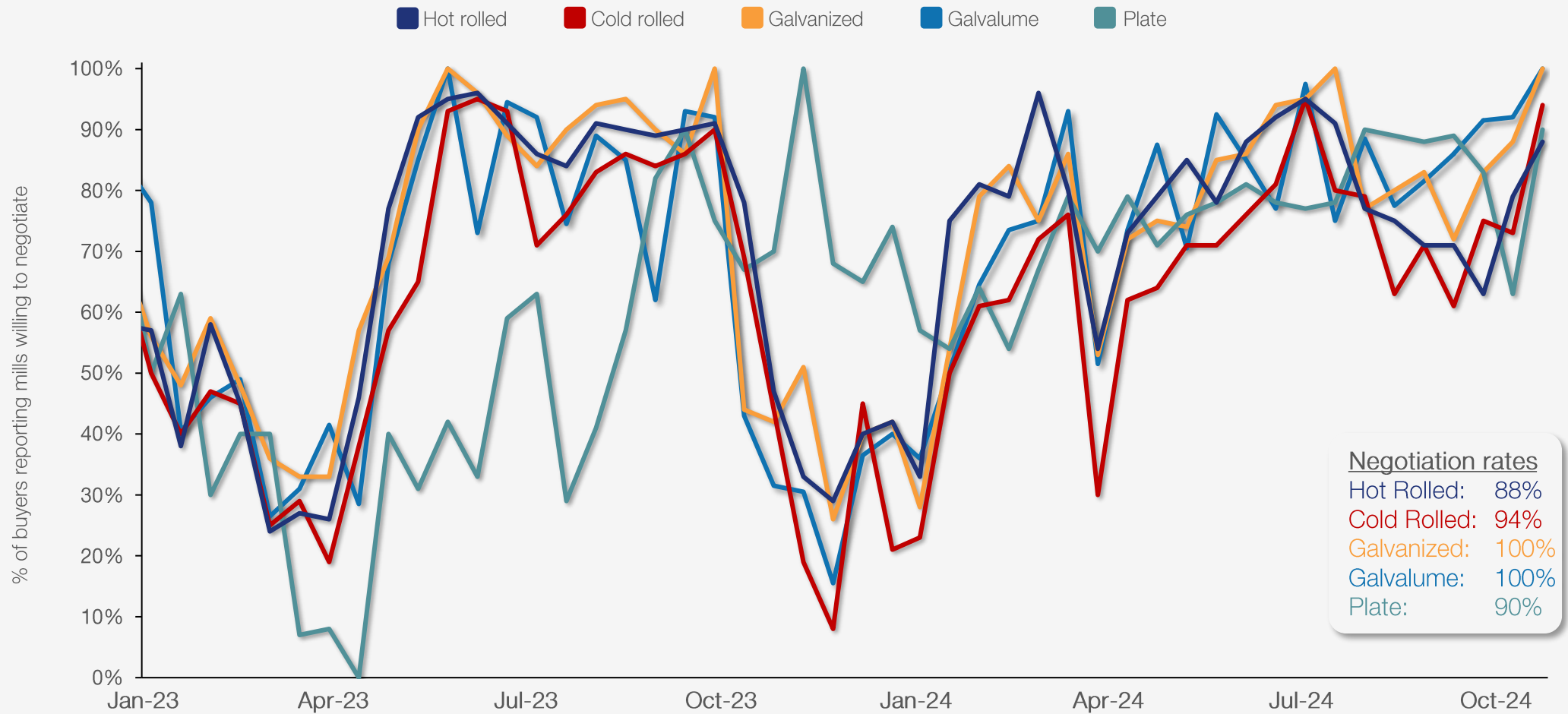
■ Extremely short   
 ■ Shorter than normal   
 ■ Normal   
 ■ Slightly longer than normal   
 ■ Highly extended

out of 100%



# Steel mill negotiations

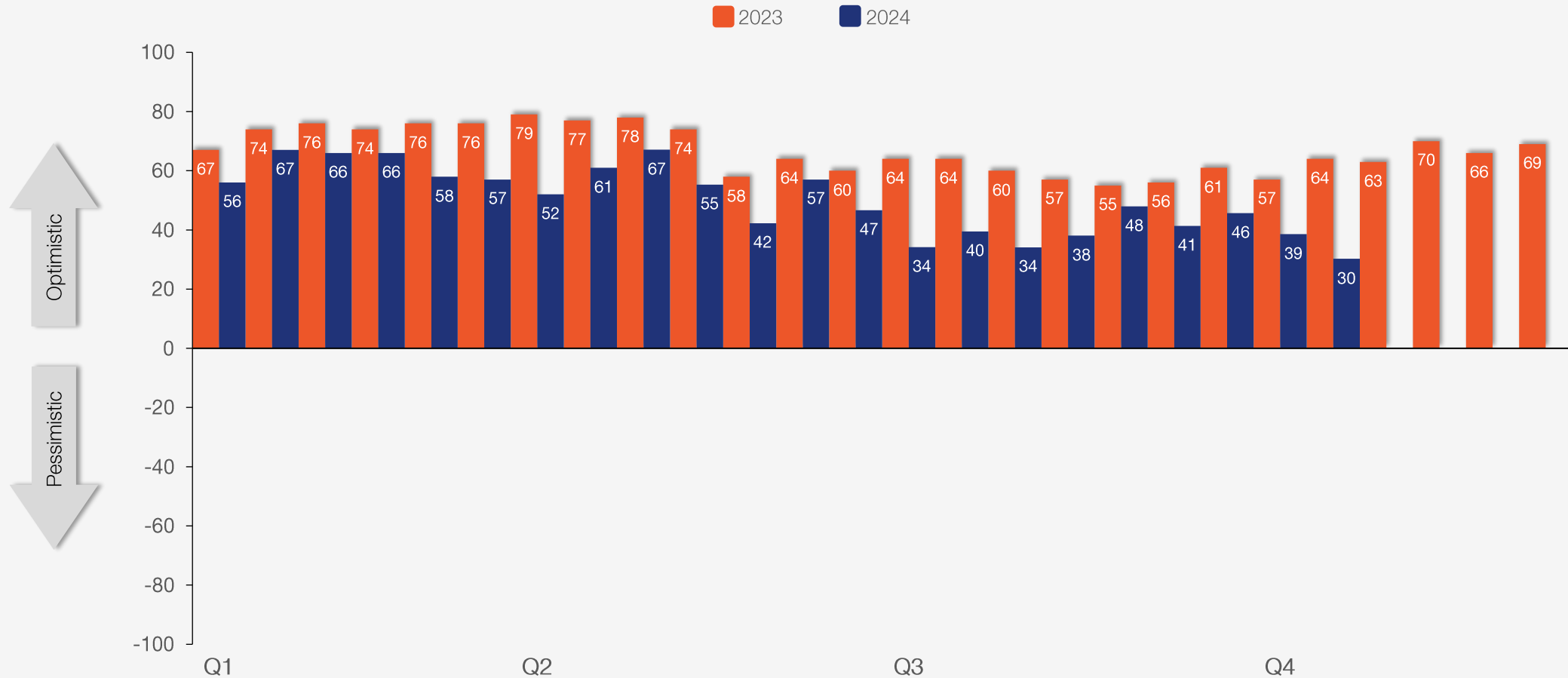
SMU's price negotiations on new steel orders by product through Oct. 23, 2024.



# Steel buyers' sentiment

## *Down nine points to +30*

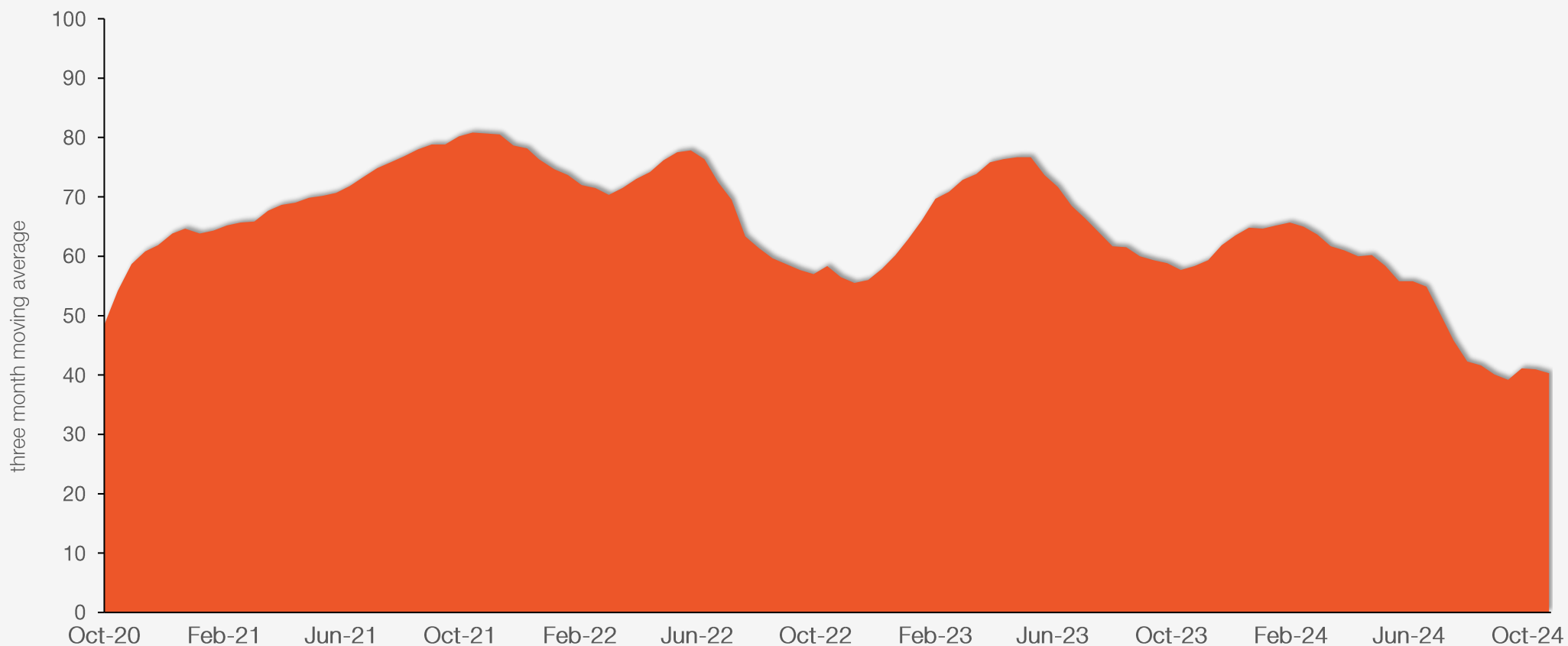
SMU's current steel buyers' sentiment index, with data through Oct. 23, 2024.



# Steel buyers' sentiment

## *Three-month moving average at +40.32*

SMU's current 3MMA steel buyers' sentiment index, with data through Oct. 23, 2024.

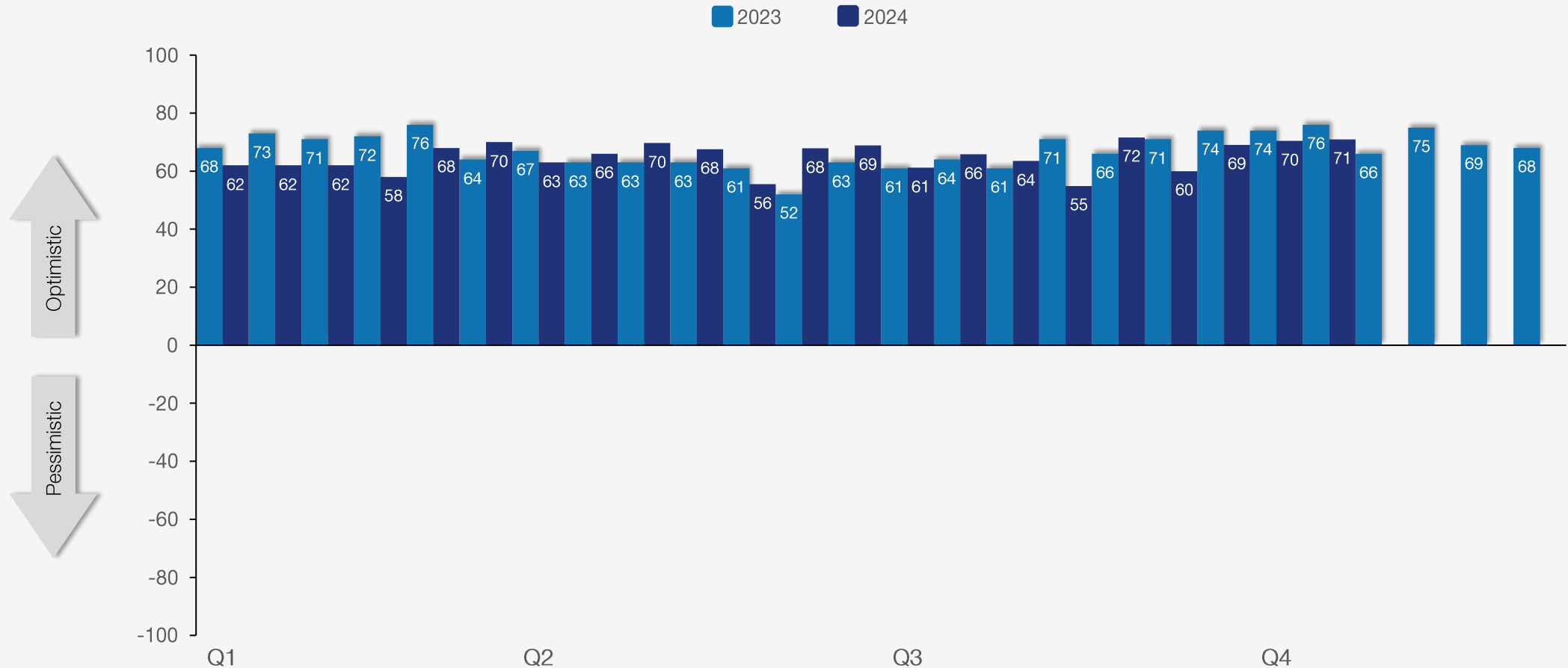




# Steel buyers' future sentiment

## *Up one point to +71*

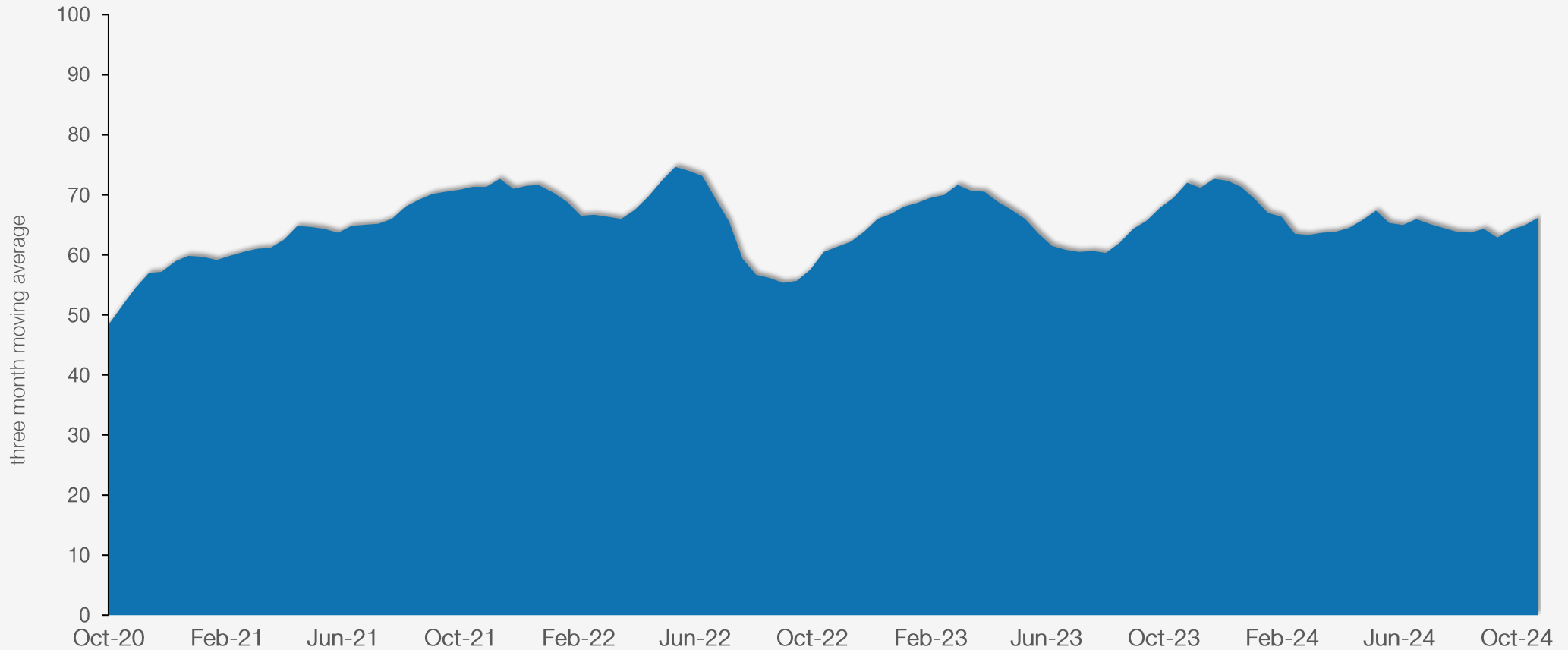
SMU's future steel buyers' sentiment index, with data through Oct. 23, 2024.



# Steel buyers' future sentiment

## *Three-month moving average at +66.15*

SMU's future 3MMA steel buyers' sentiment index, with data through Oct. 23, 2024.

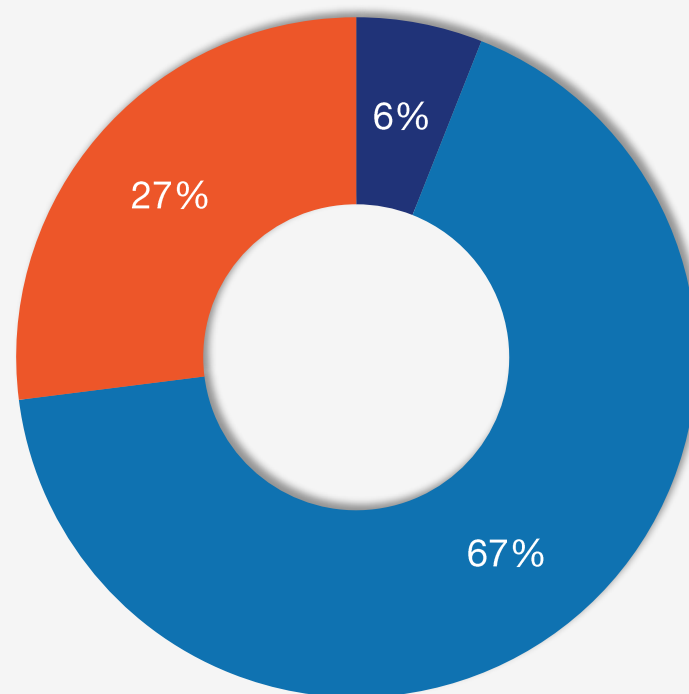


# Overall demand

How is demand for your products?

■ Improving   ■ Stable   ■ Declining

Oct. 23, 2024

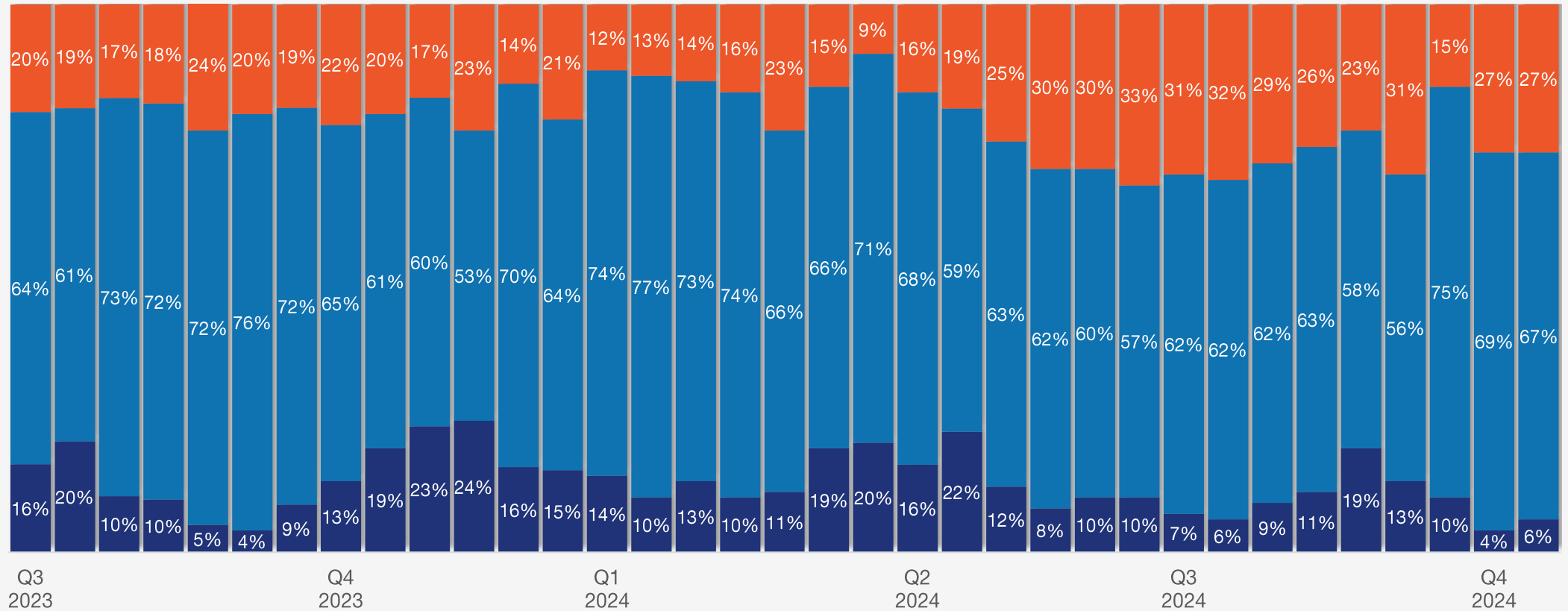


# Overall demand history

How is demand for your products?

■ Improving 
 ■ Stable 
 ■ Declining

out of 100%





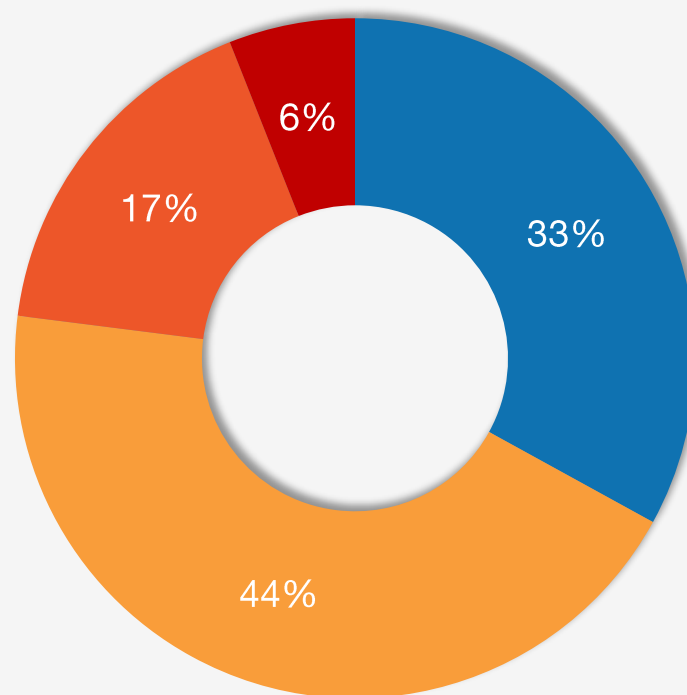
# Manufacturer demand

## *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

Oct. 23, 2024



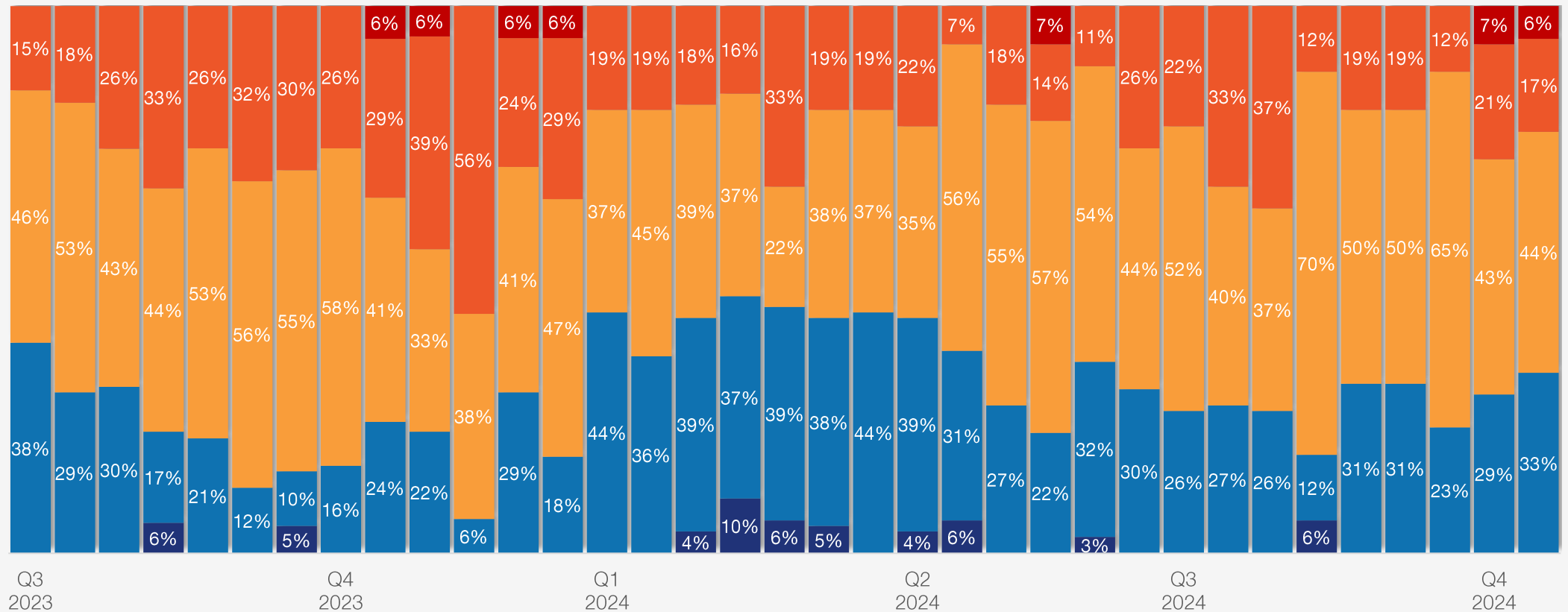
# Manufacturer demand history

## 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

out of 100%



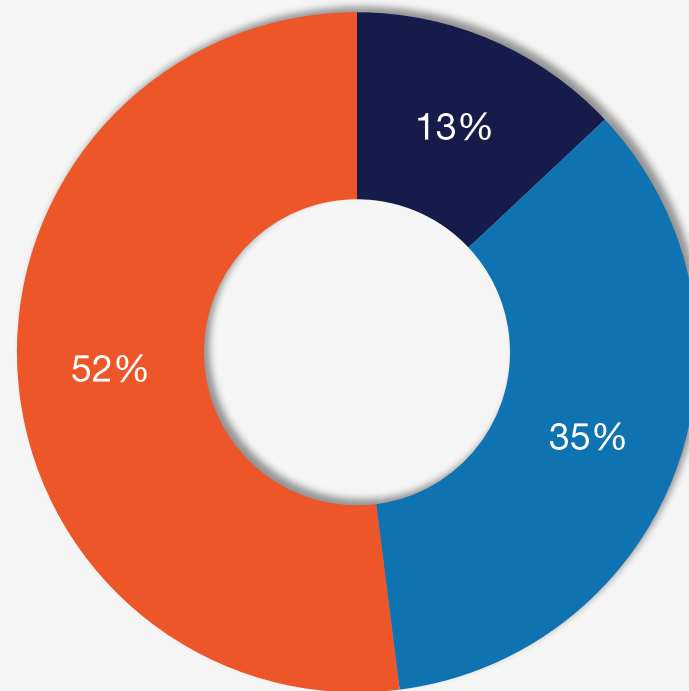
# Service centers on manufacturer orders

## *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

Oct. 23, 2024



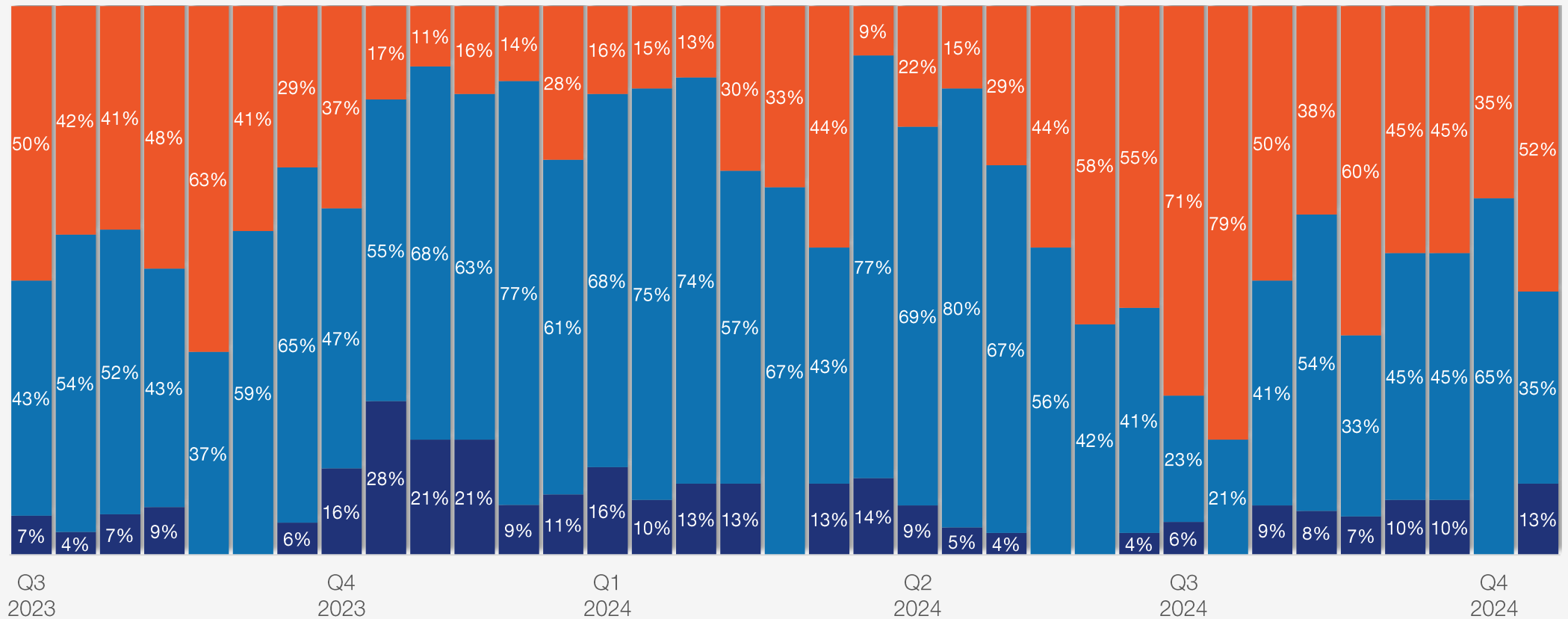
# Service centers on manufacturer orders

## *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

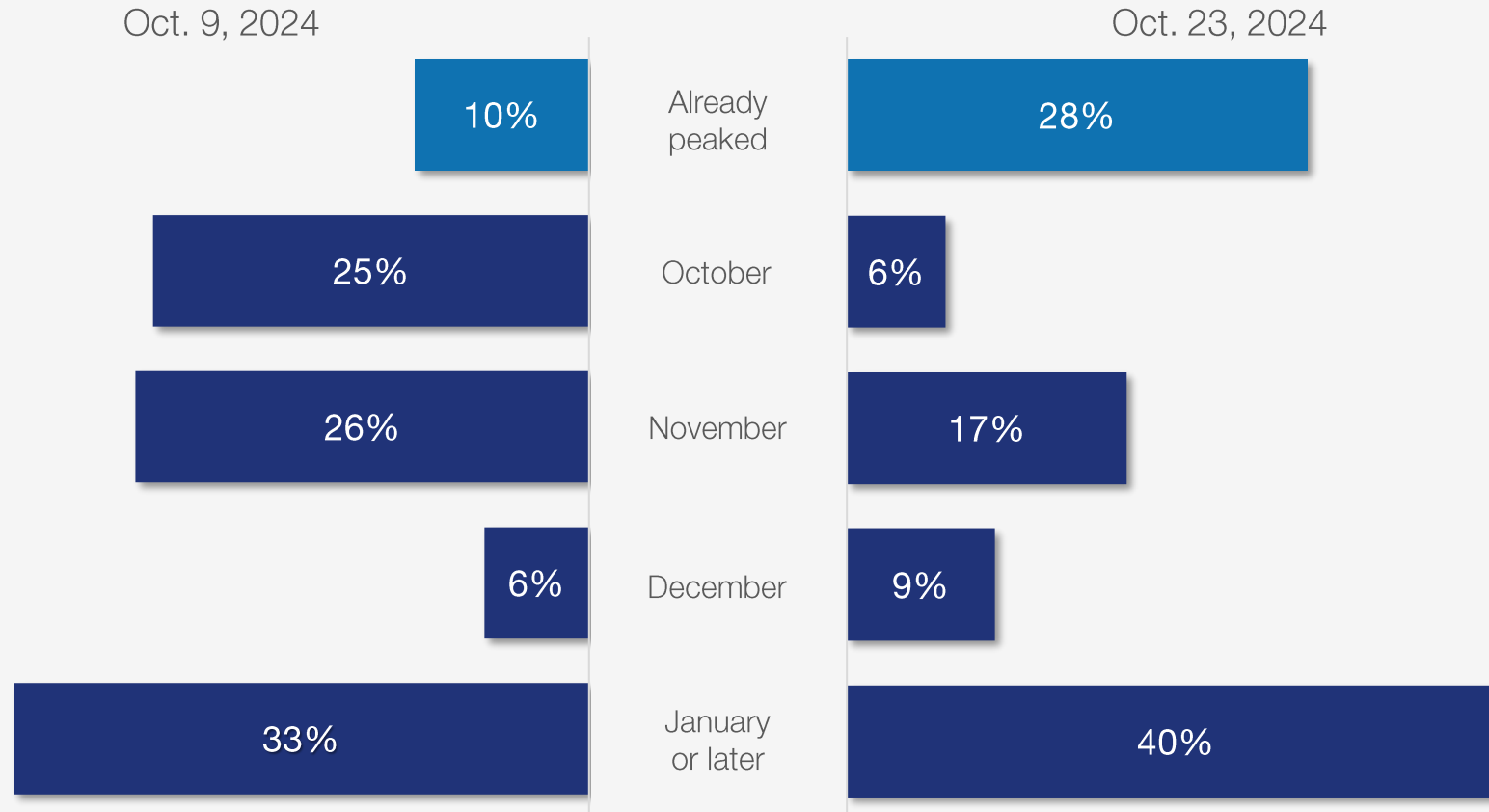
out of 100%





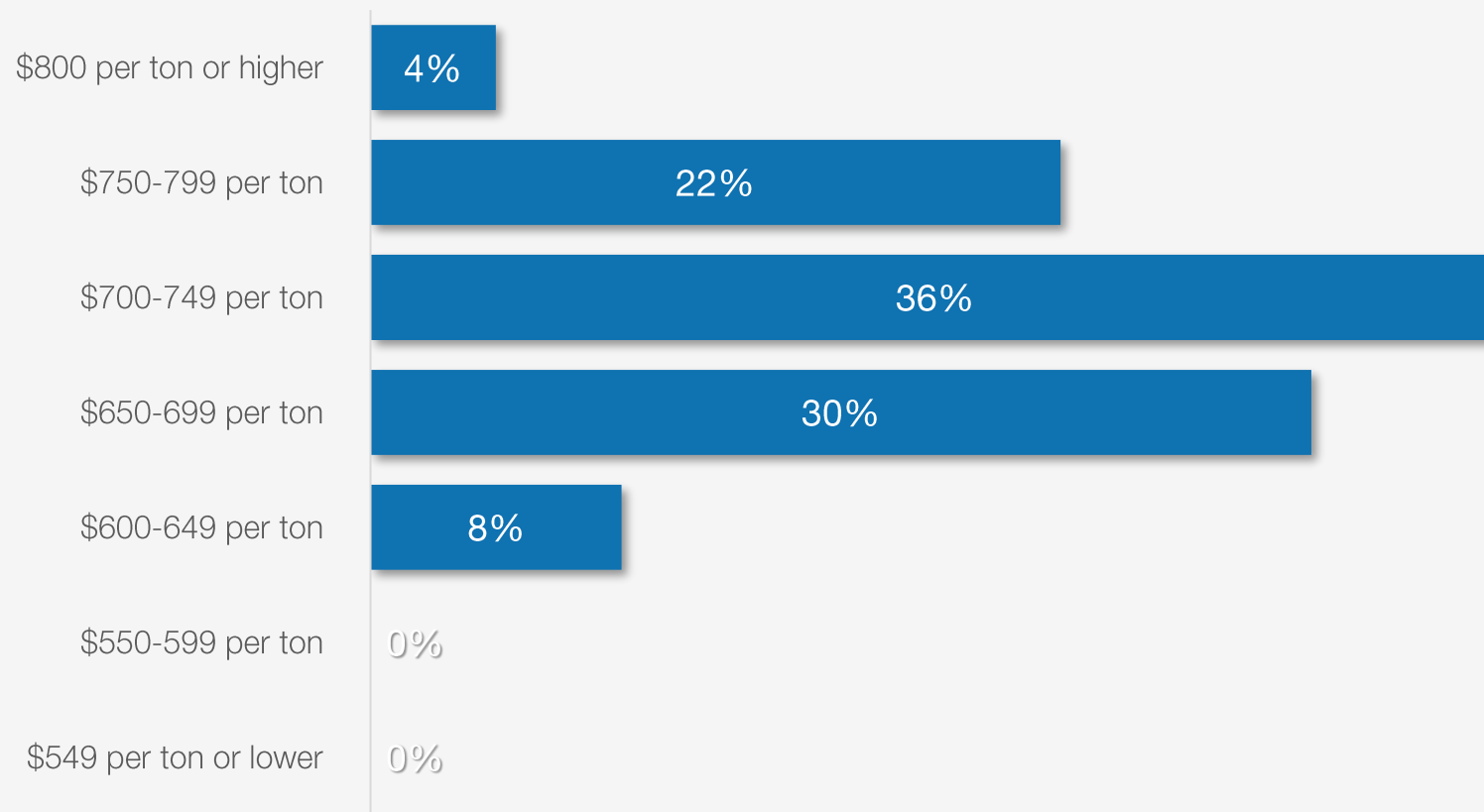
# Hot rolled inflection point

When do you think steel prices will peak?



# Future hot rolled prices

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



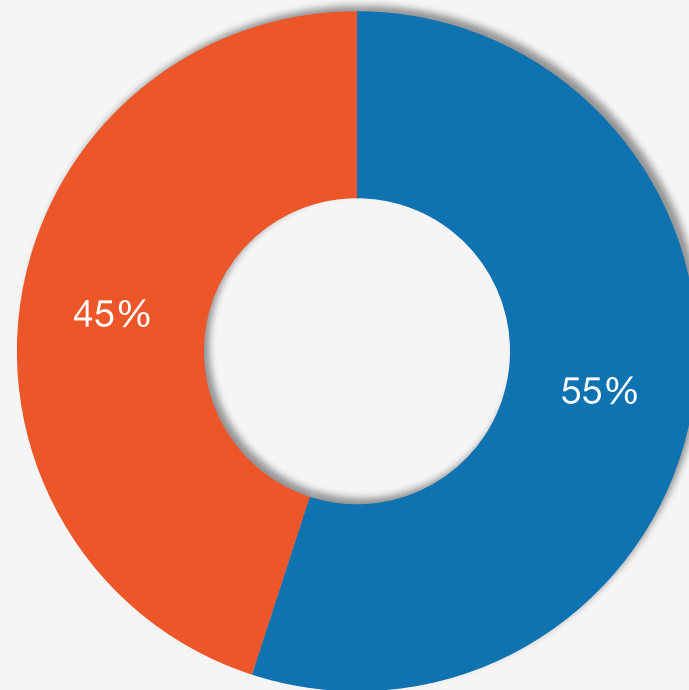
# Manufacturers' view of service center selling prices

## *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

Oct. 23, 2024



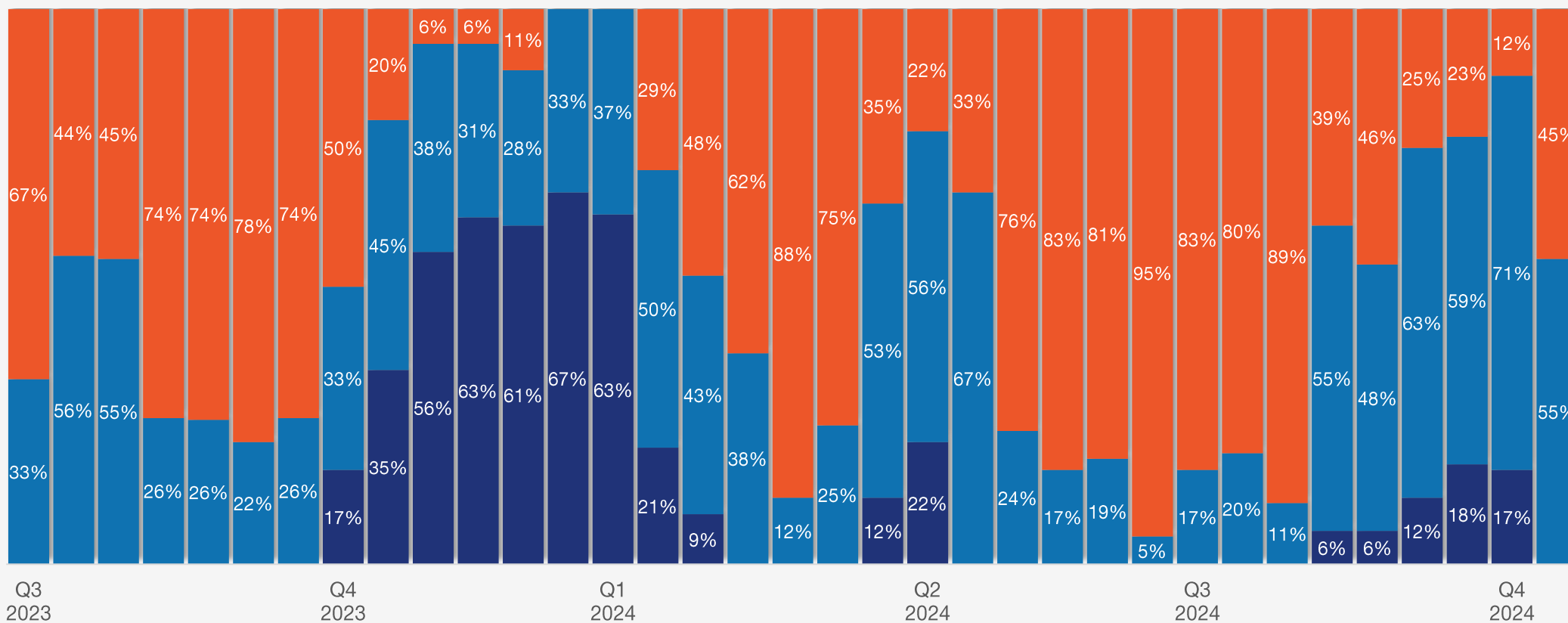
# Manufacturers' view of service center selling prices history

## *Manufacturers*

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

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

out of 100%



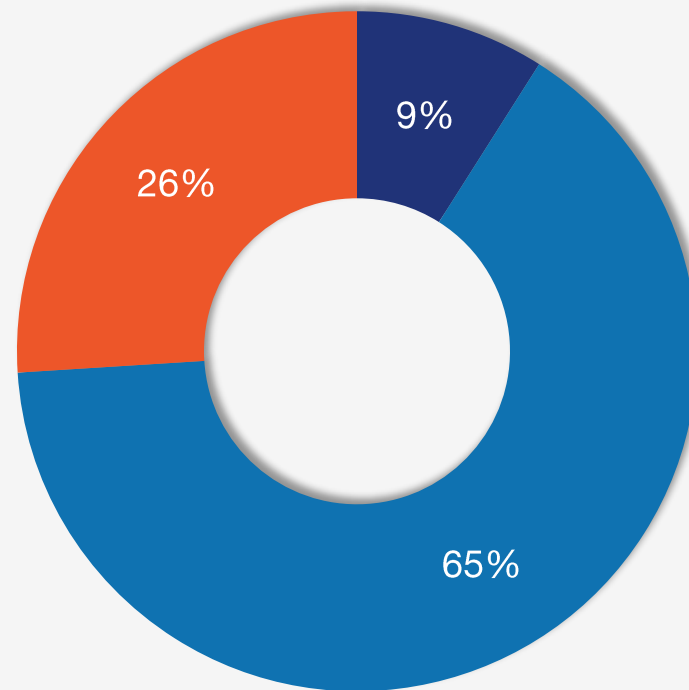
# Service center view of selling prices

## *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

Oct. 23, 2024



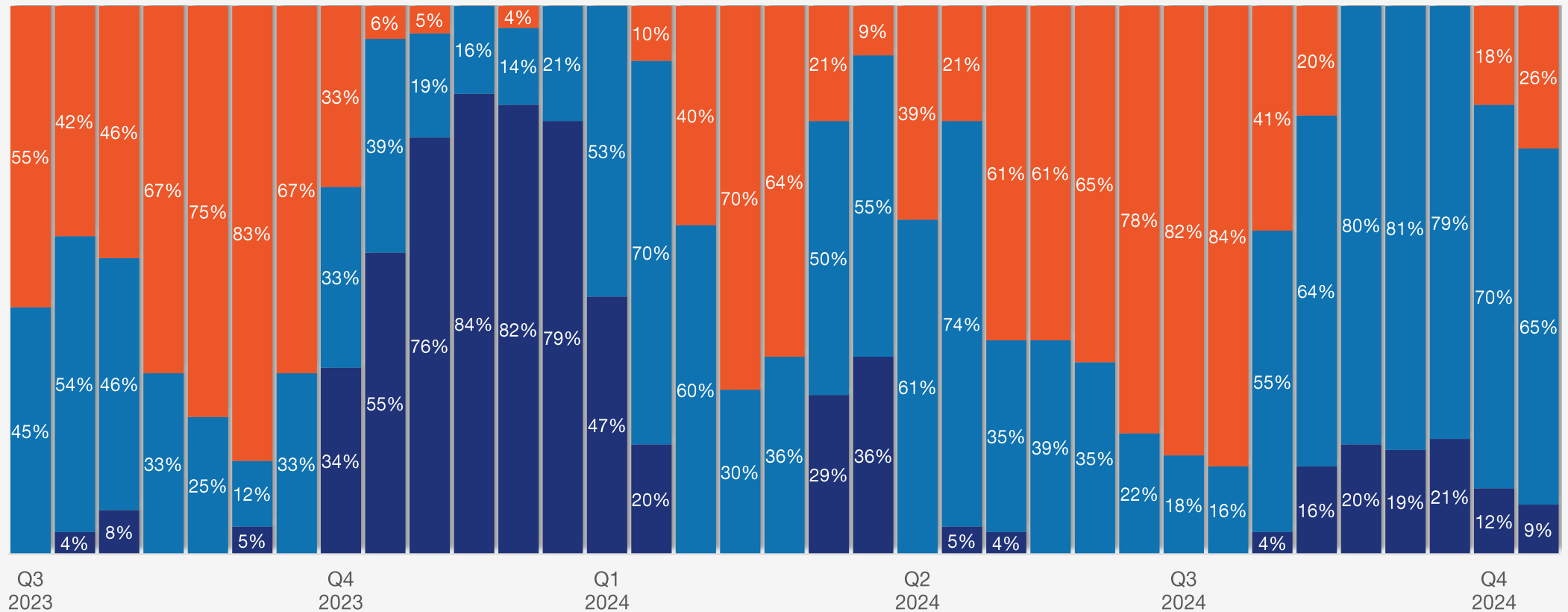
# Service center view of selling prices history

## *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

out of 100%

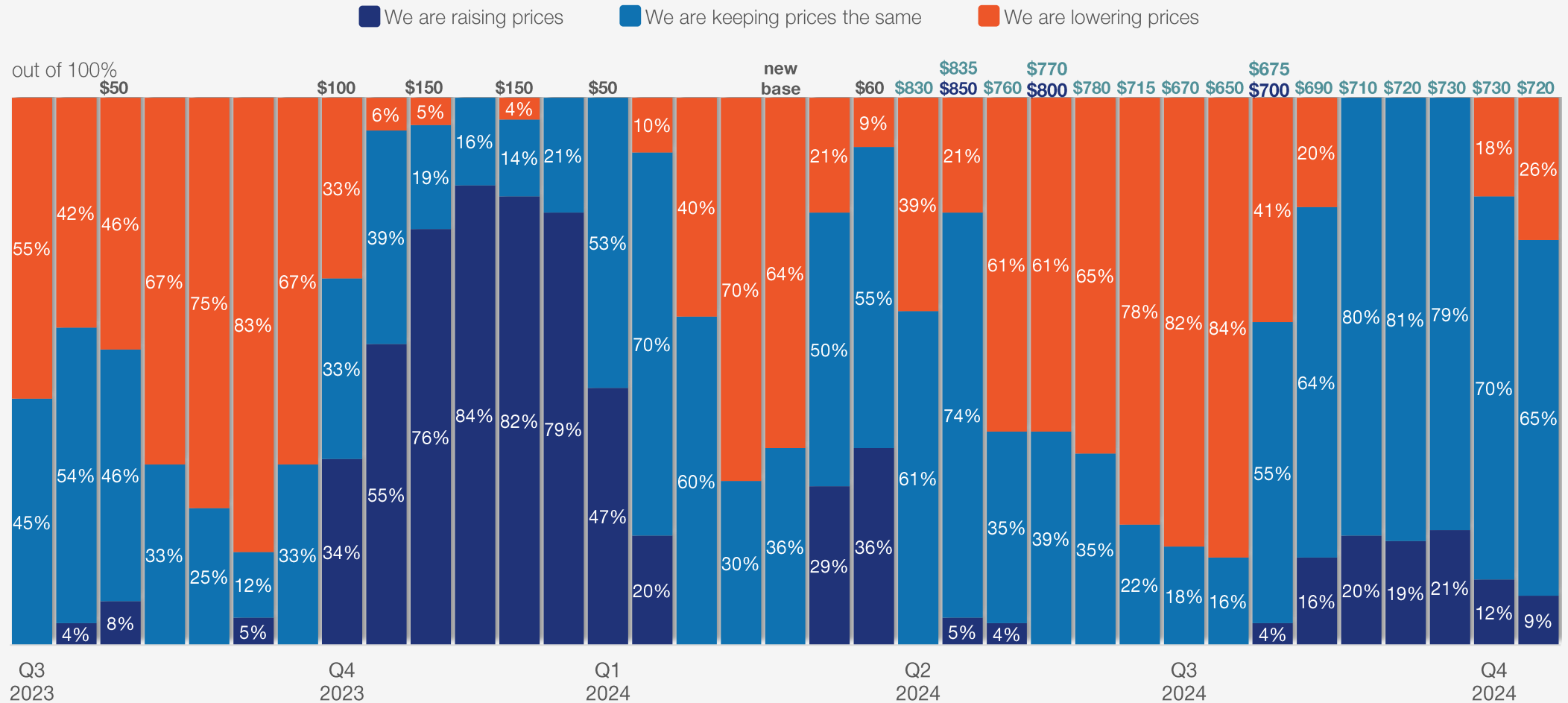




# Service center view of selling prices history

## Service centers

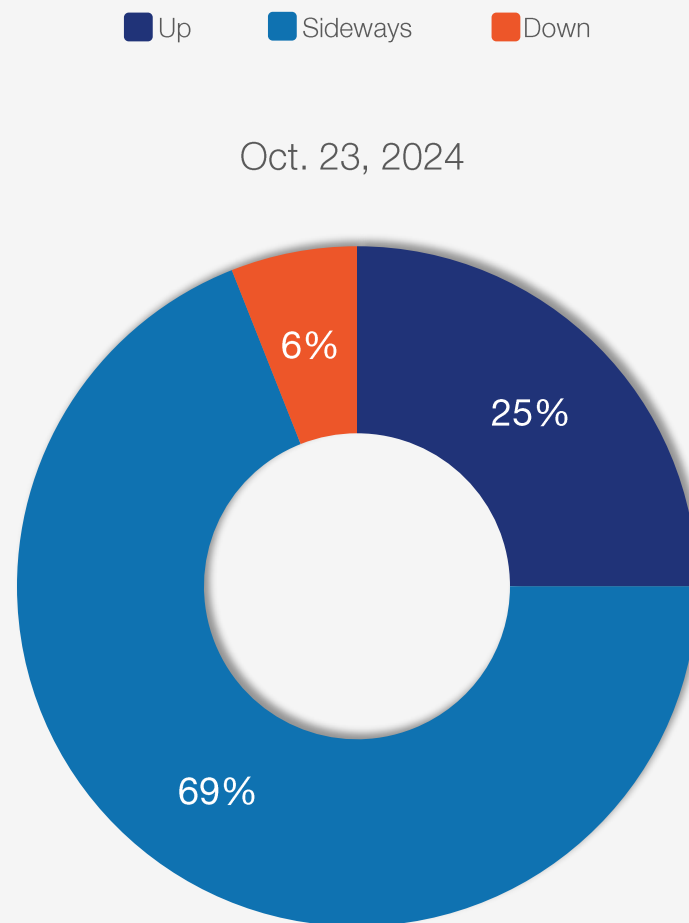
Compared to two weeks ago, how is your company handling spot pricing to your customers?



\*\* (Historical leading flat rolled price increase announcements)

# November scrap

Prime scrap prices in November will be:

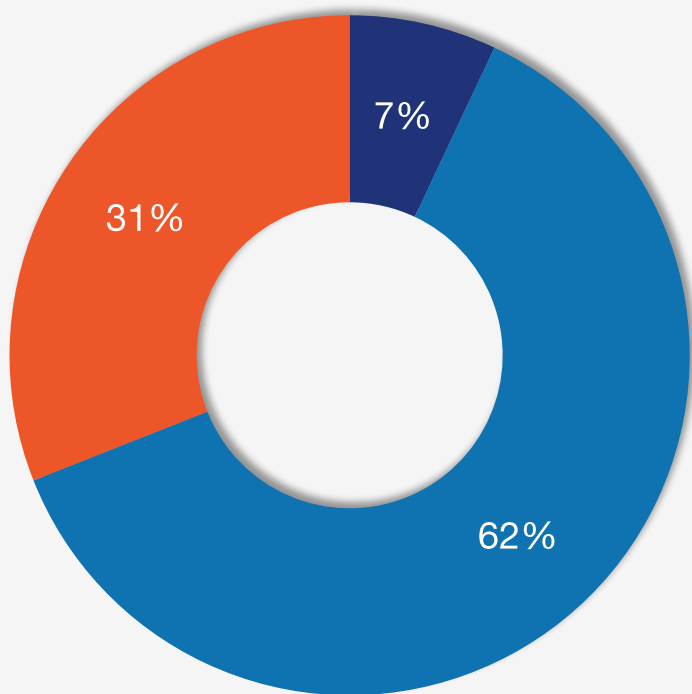


# Business forecasts

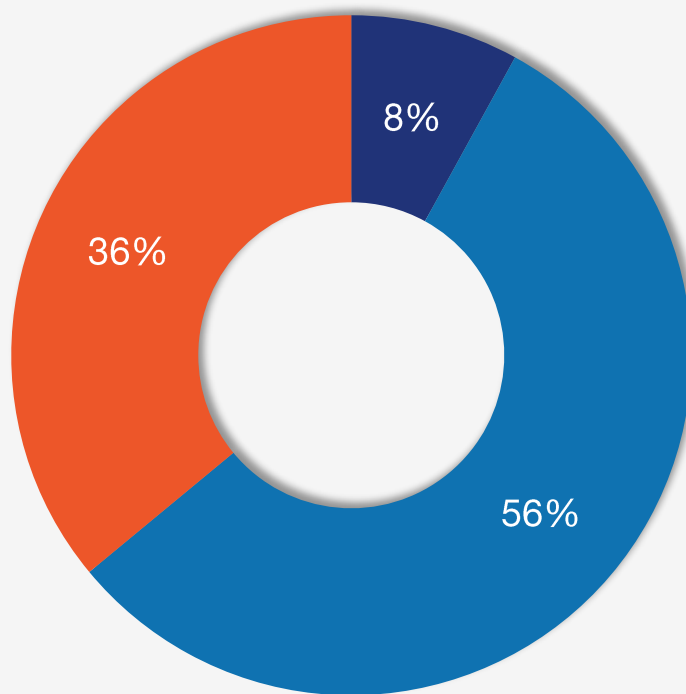
How will your company perform this month compared to your forecast?

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

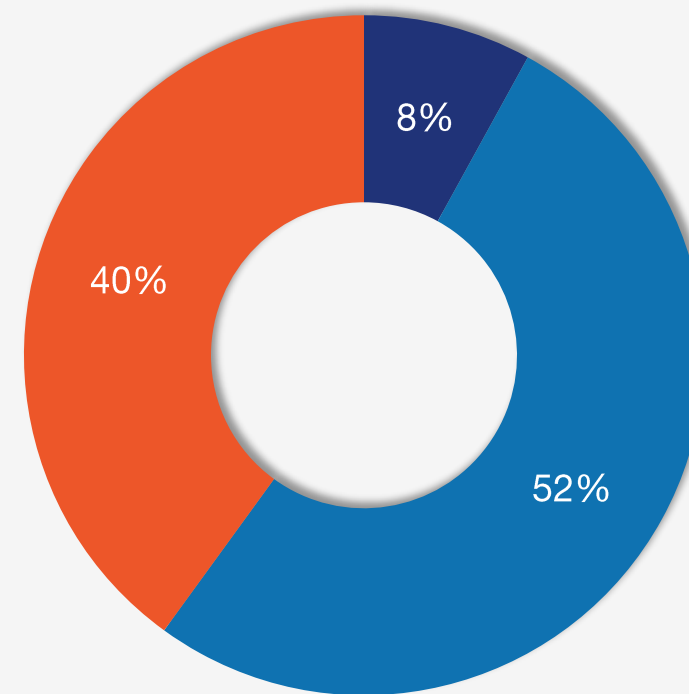
Aug. 28, 2024



Sept. 25, 2024



Oct. 23, 2024

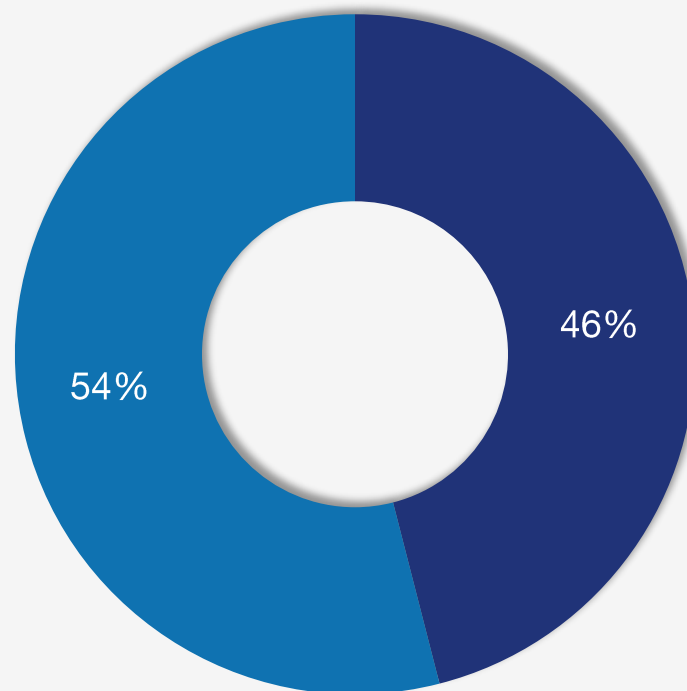


# Staying on the sidelines?

Are you an active buyer or on the sidelines?

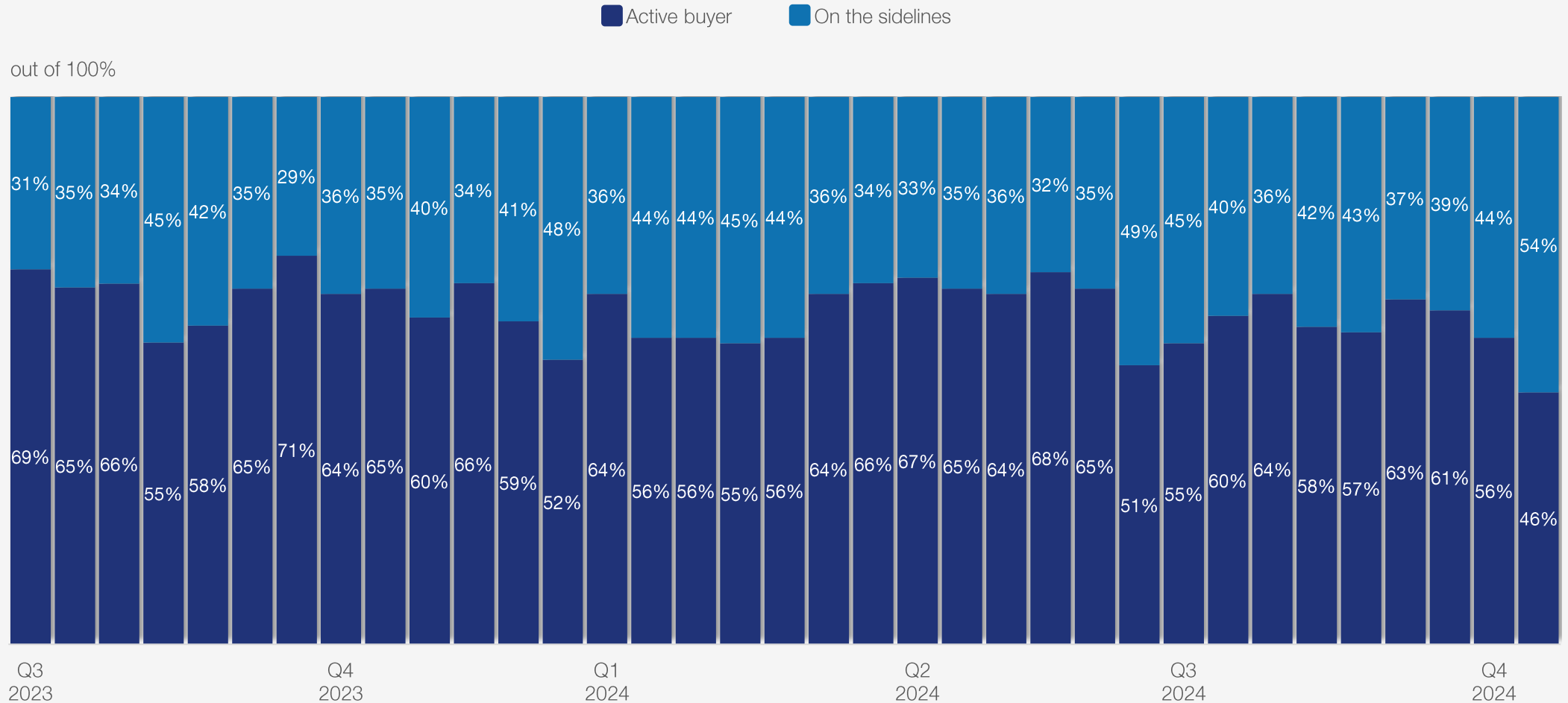
■ Active buyer
 ■ On the sidelines

Oct. 23, 2024



# Staying on the sidelines history

Are you an active buyer or on the sidelines?



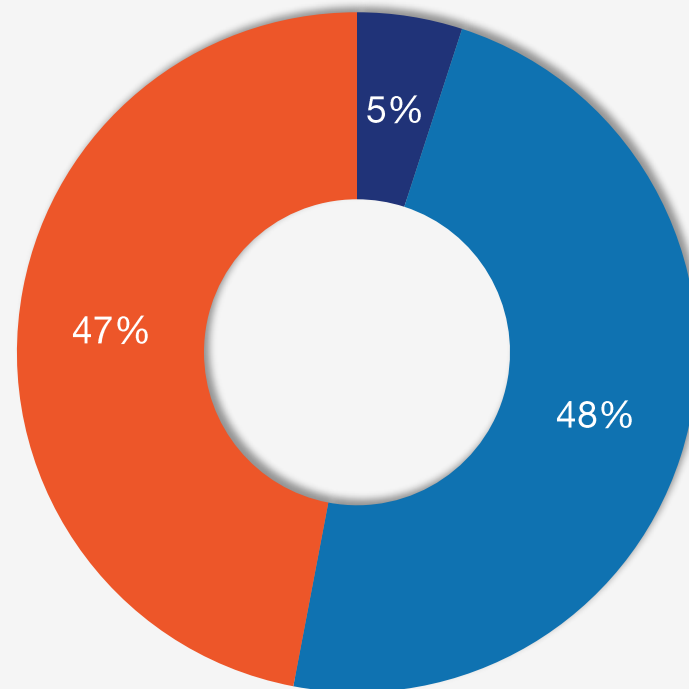
# Manufacturer purchases

## *Manufacturers*

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

■ More   ■ Same   ■ Less

Oct. 23, 2024





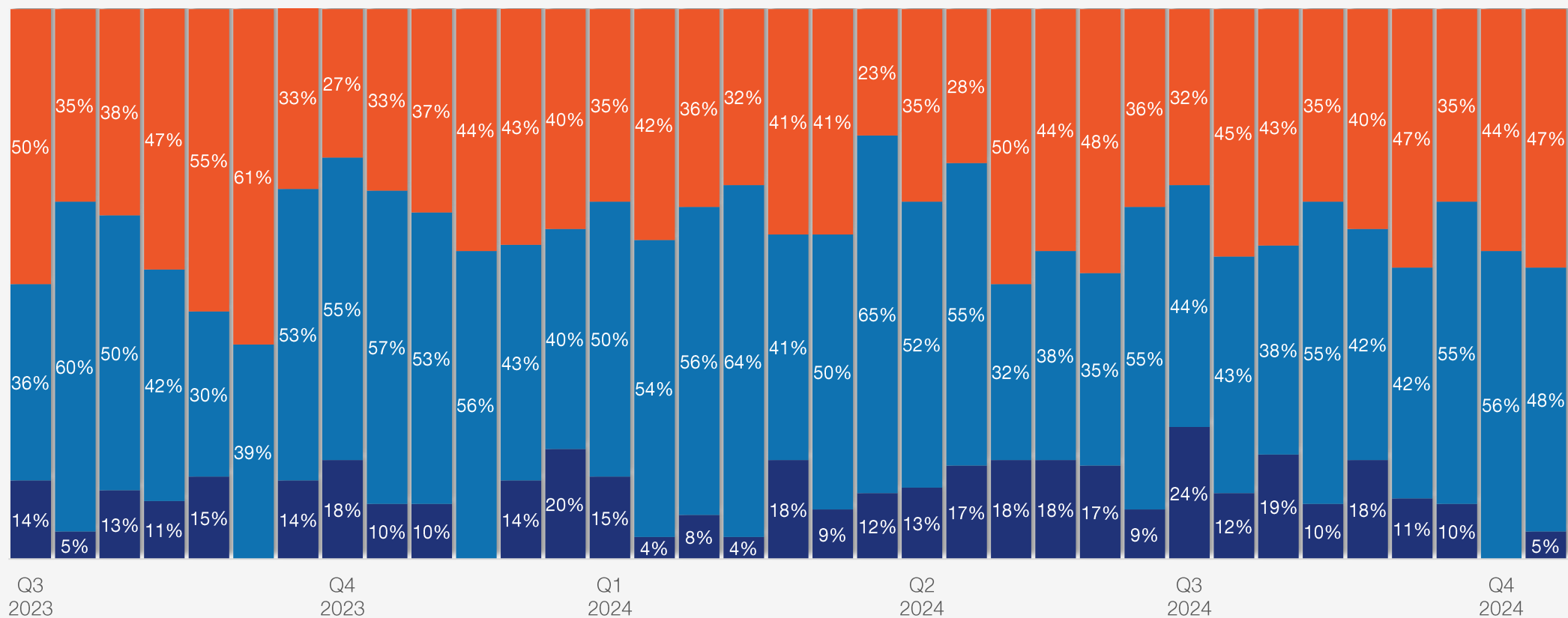
# Manufacturer purchases history

## *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%



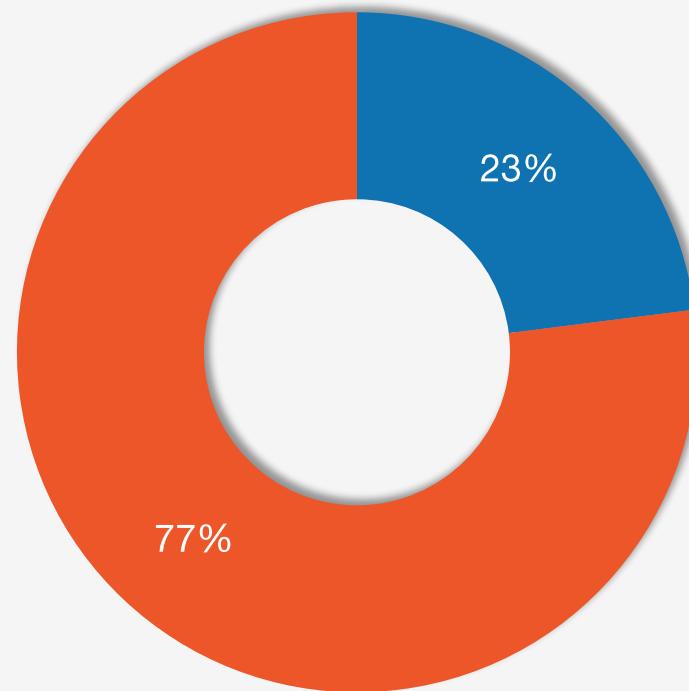
# Service center releases

## *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

Oct. 23, 2024



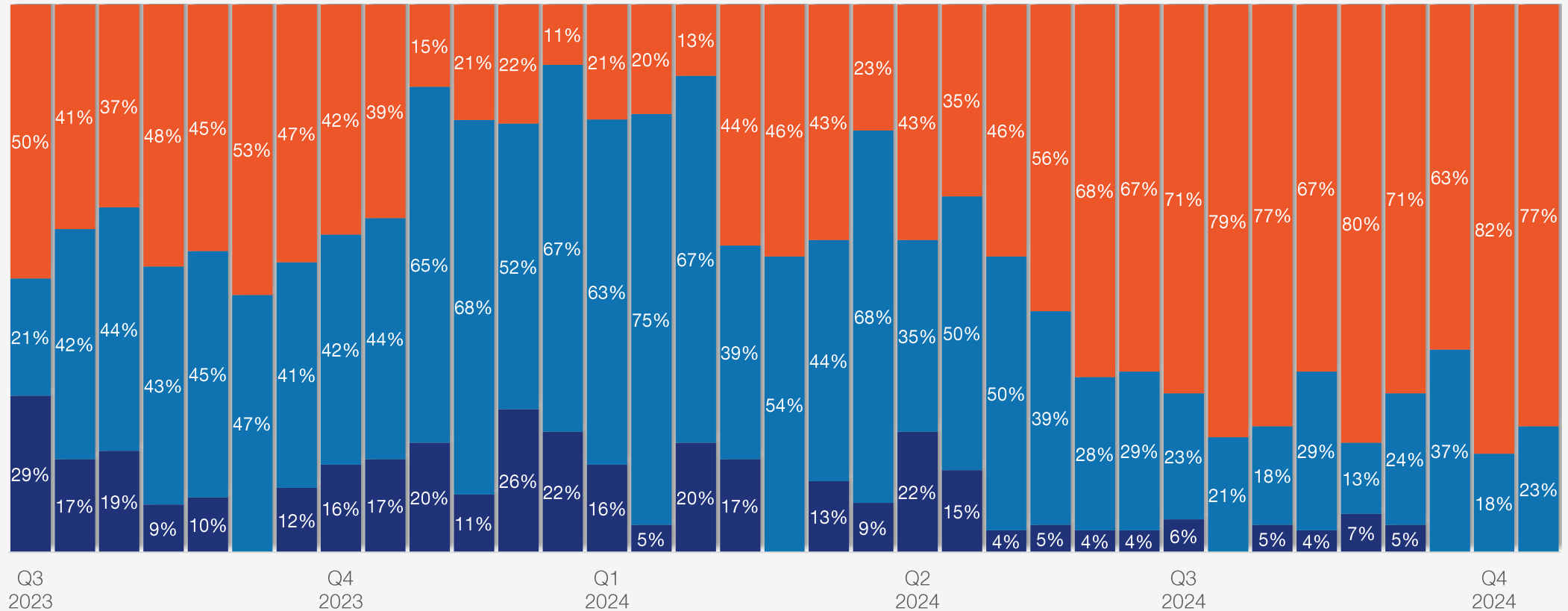
# Service center releases history

## *Service centers*

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

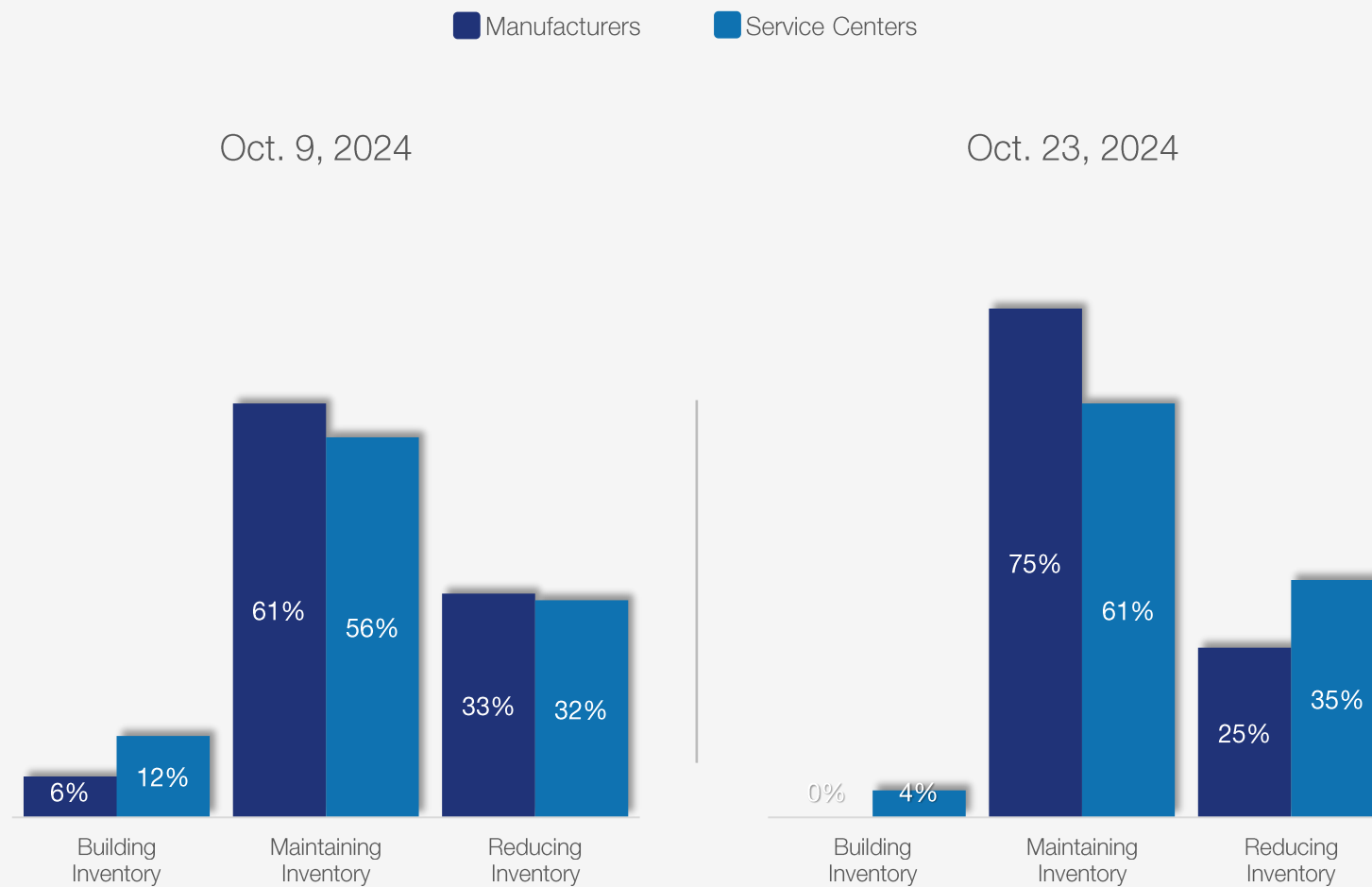
■ Releasing more steel    
 ■ Releasing the same amount of steel    
 ■ Releasing less steel

out of 100%



# Manufacturer and service center inventory buying patterns

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



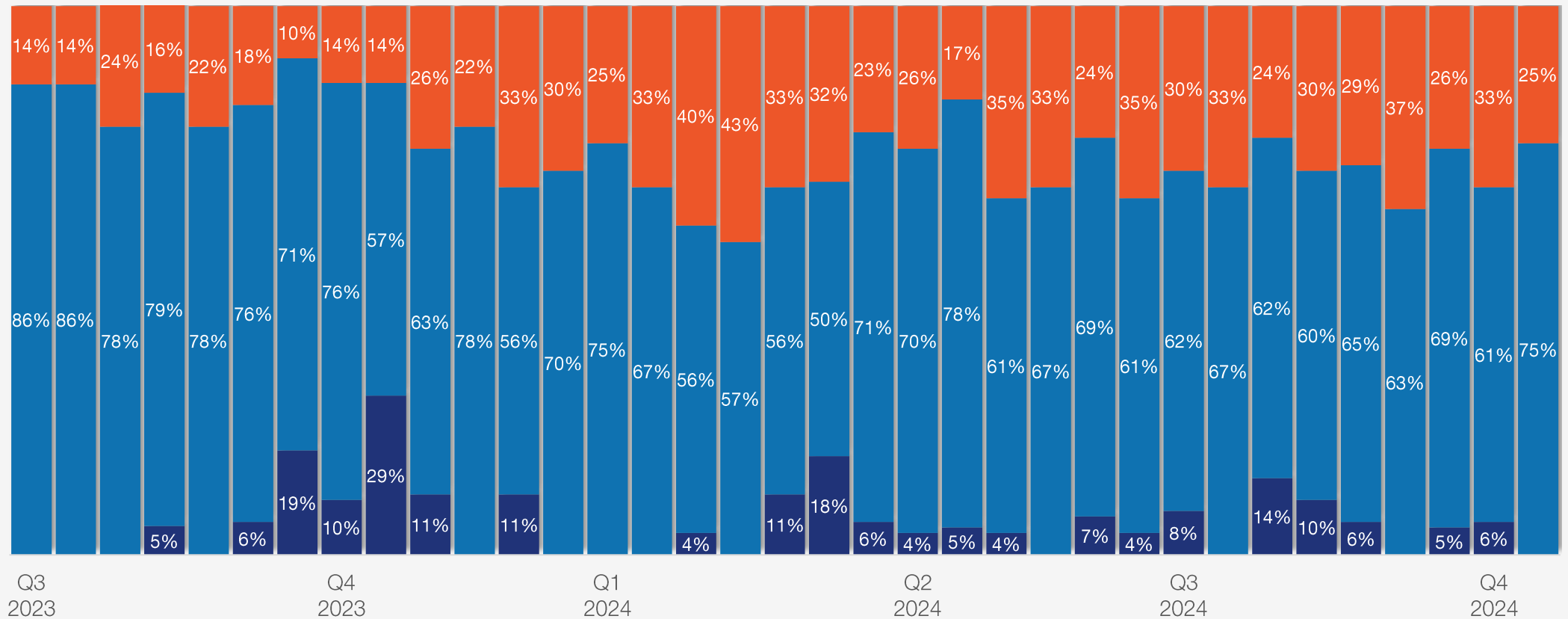
# Manufacturer inventory buying history

## *Manufacturers*

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

■ Building inventory    
 ■ Maintaining inventory    
 ■ Reducing inventory

out of 100%



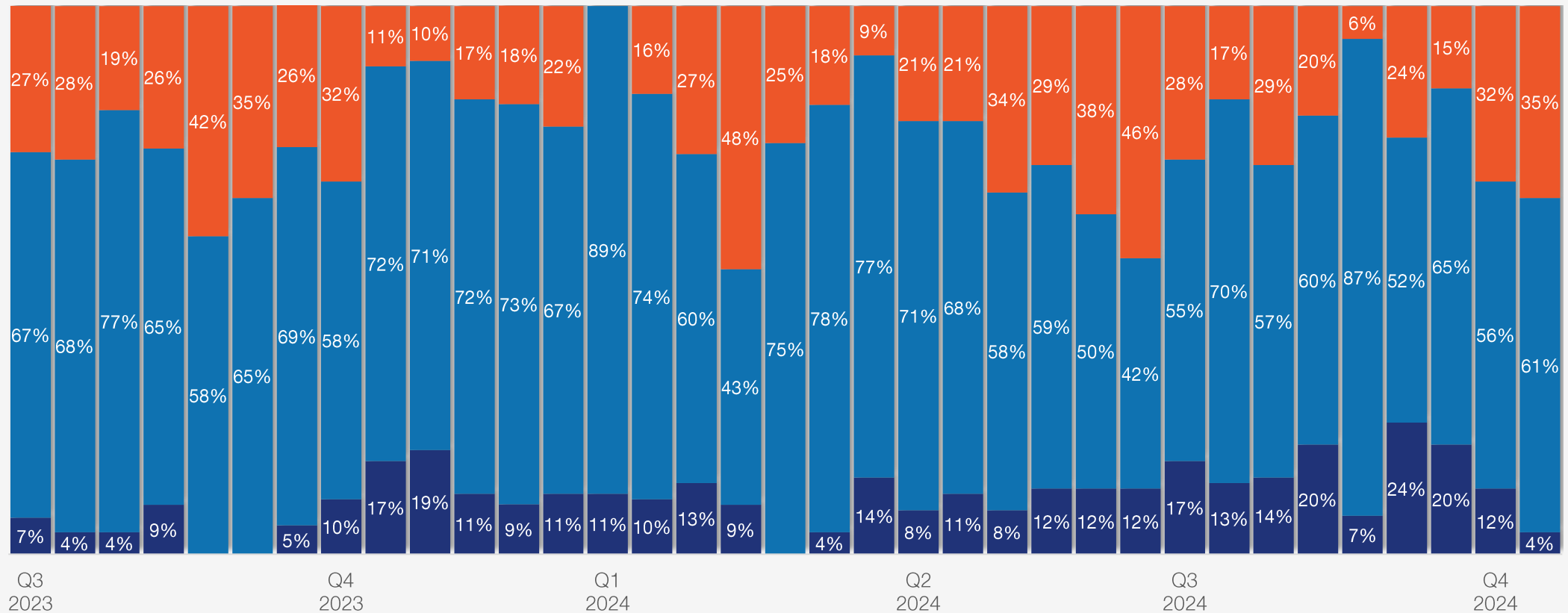
# Service center inventory buying history

## Service centers

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

■ Building inventory    
 ■ Maintaining inventory    
 ■ Reducing inventory

out of 100%



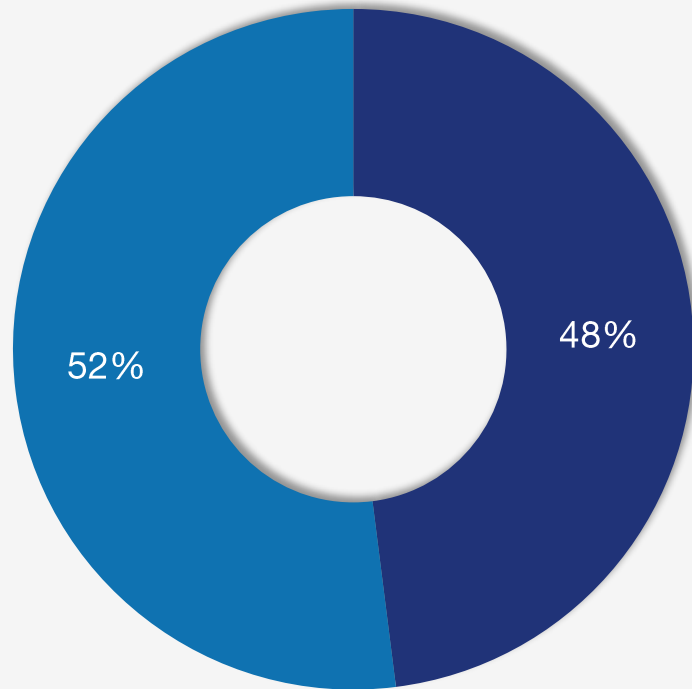


# Foreign steel purchases

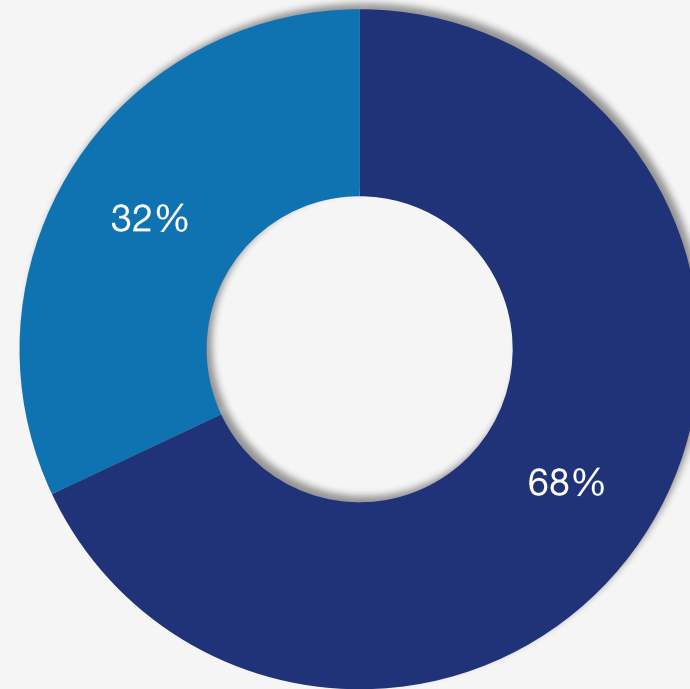
Does your company buy foreign (offshore) steel?

■ Yes   ■ No

Manufacturers



Service centers

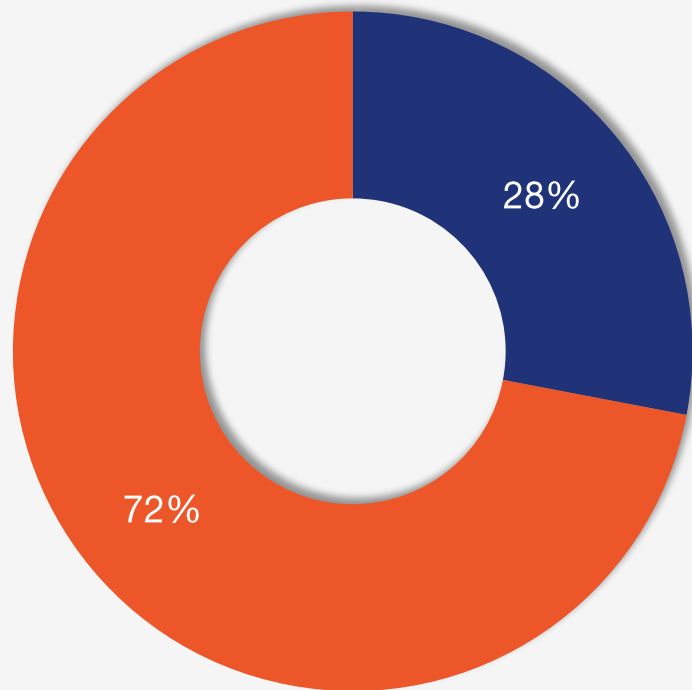


# New foreign steel orders

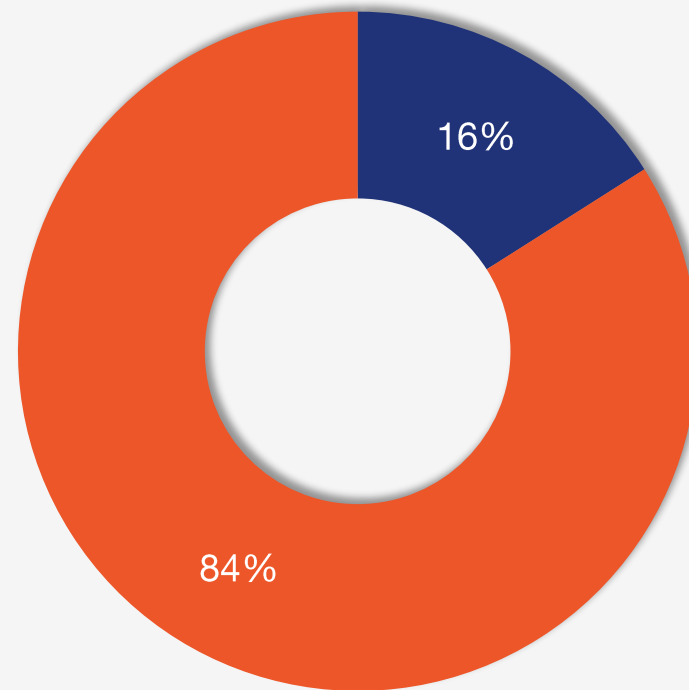
Are you buying new orders of foreign steel for future delivery?

■ Yes   ■ No

Manufacturers



Service centers

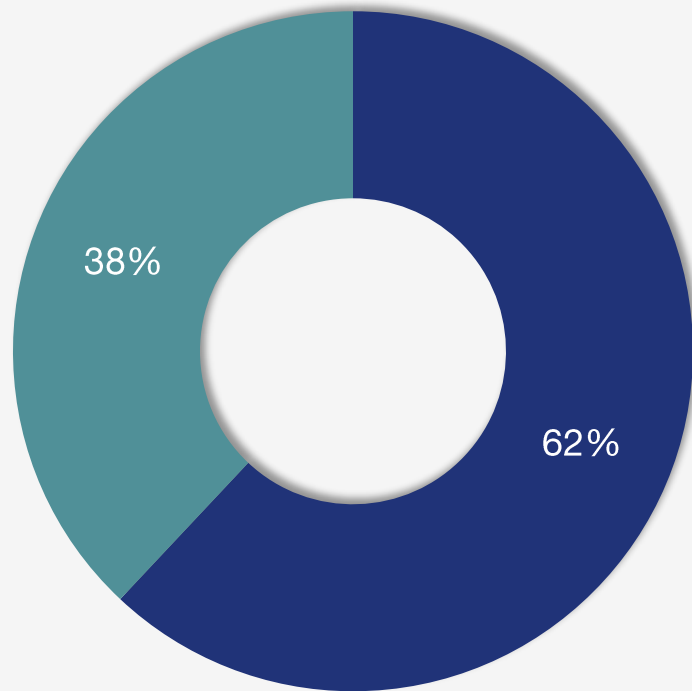


# Foreign steel competitiveness

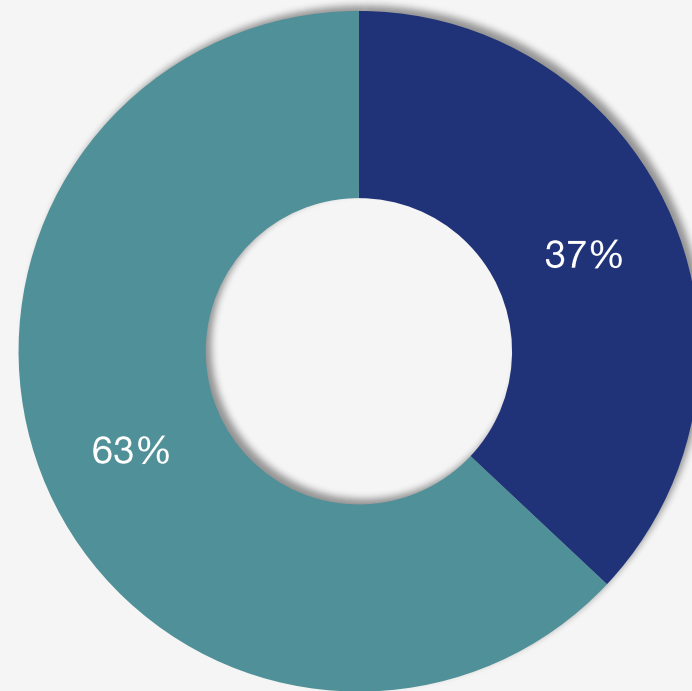
Are your foreign steel suppliers quoting you competitive prices for new orders for future delivery?

■ Yes   ■ No

Manufacturers



Service centers



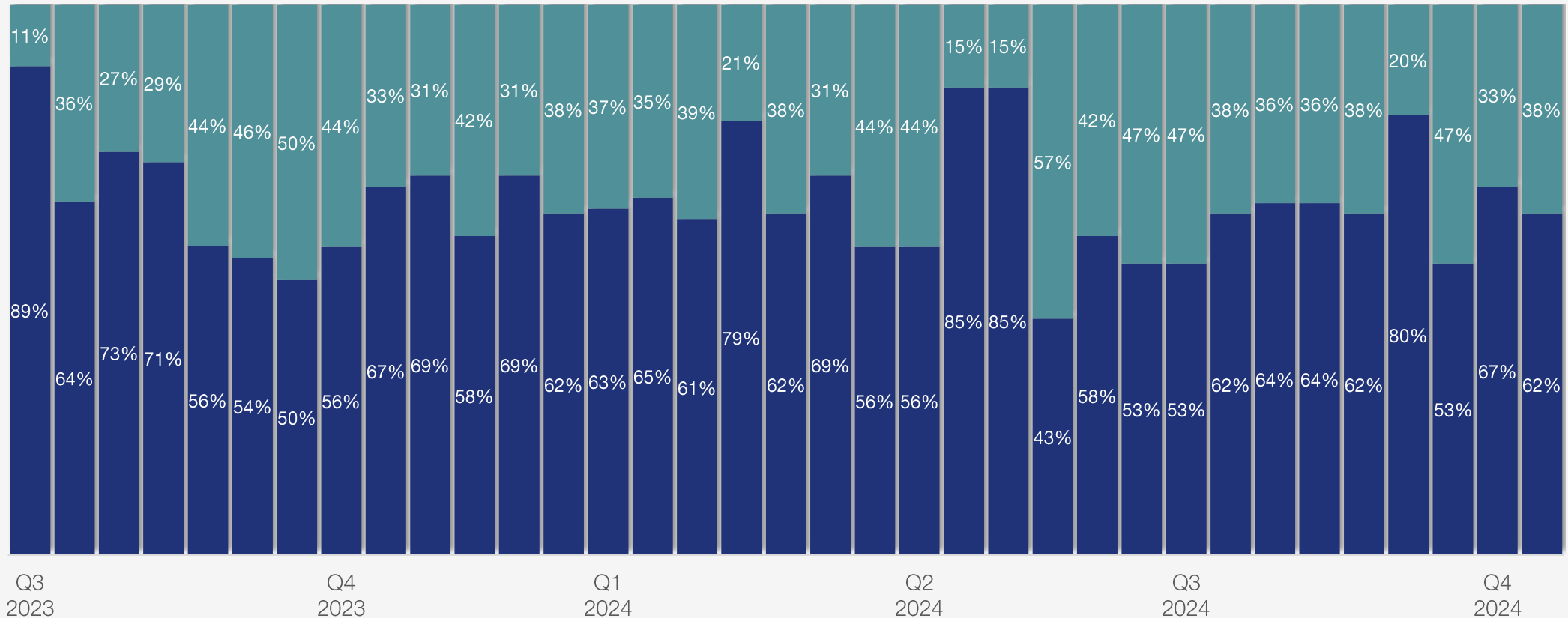
# Foreign steel competitiveness

## Manufacturers

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

■ Yes    ■ No

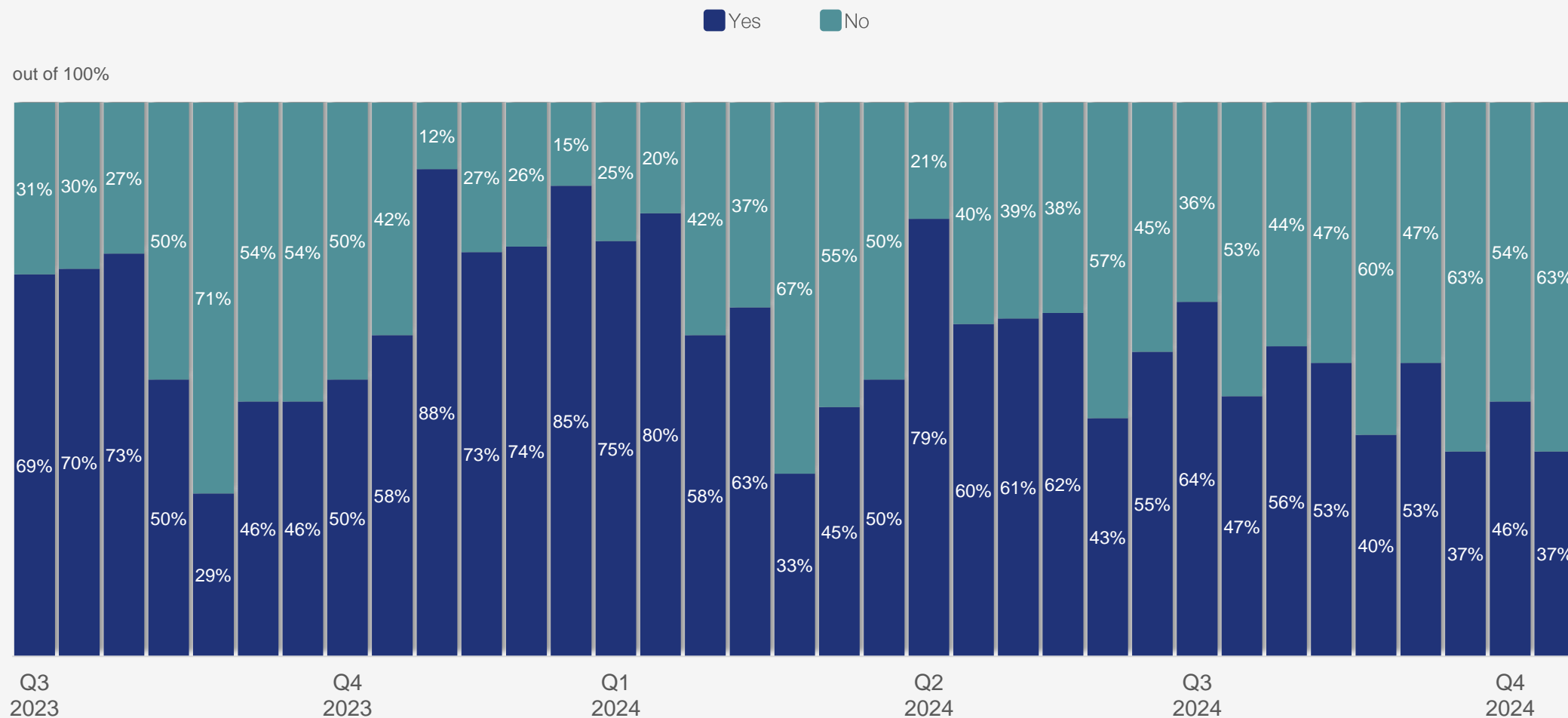
out of 100%



# Foreign steel competitiveness

## *Service centers*

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

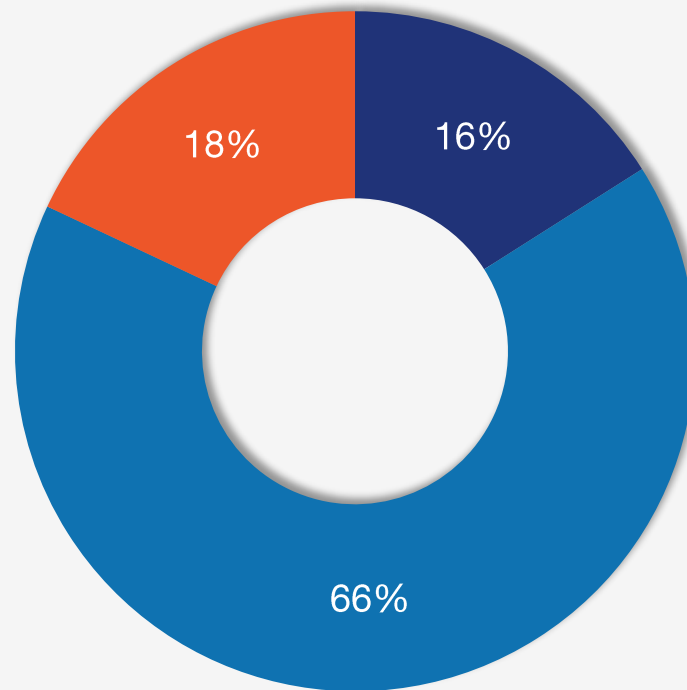


# Steel mills

Is the current order book at your mill better or worse than last month?\*

■ Better
 ■ Same
 ■ Worse

Oct. 23, 2024



\*Limited number of responses to this question

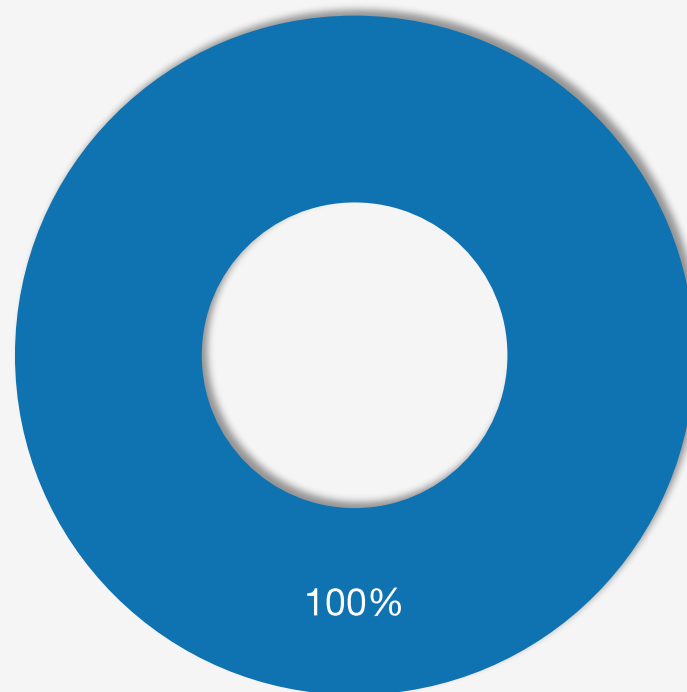


# Trading companies

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

■ Increase   ■ Decrease

Oct. 23, 2024



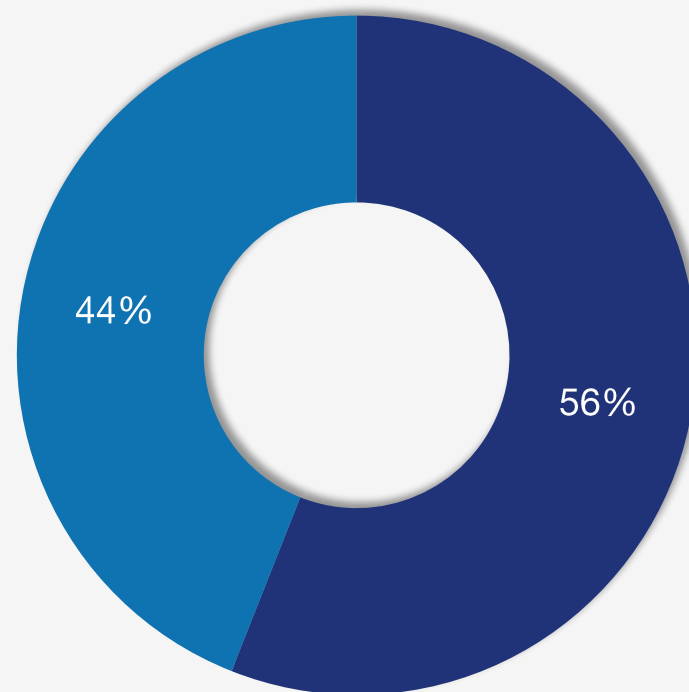
\*Limited number of responses to this question

# Trading companies

Are foreign products attractive to US buyers?\*

■ Yes   ■ No

Oct. 23, 2024

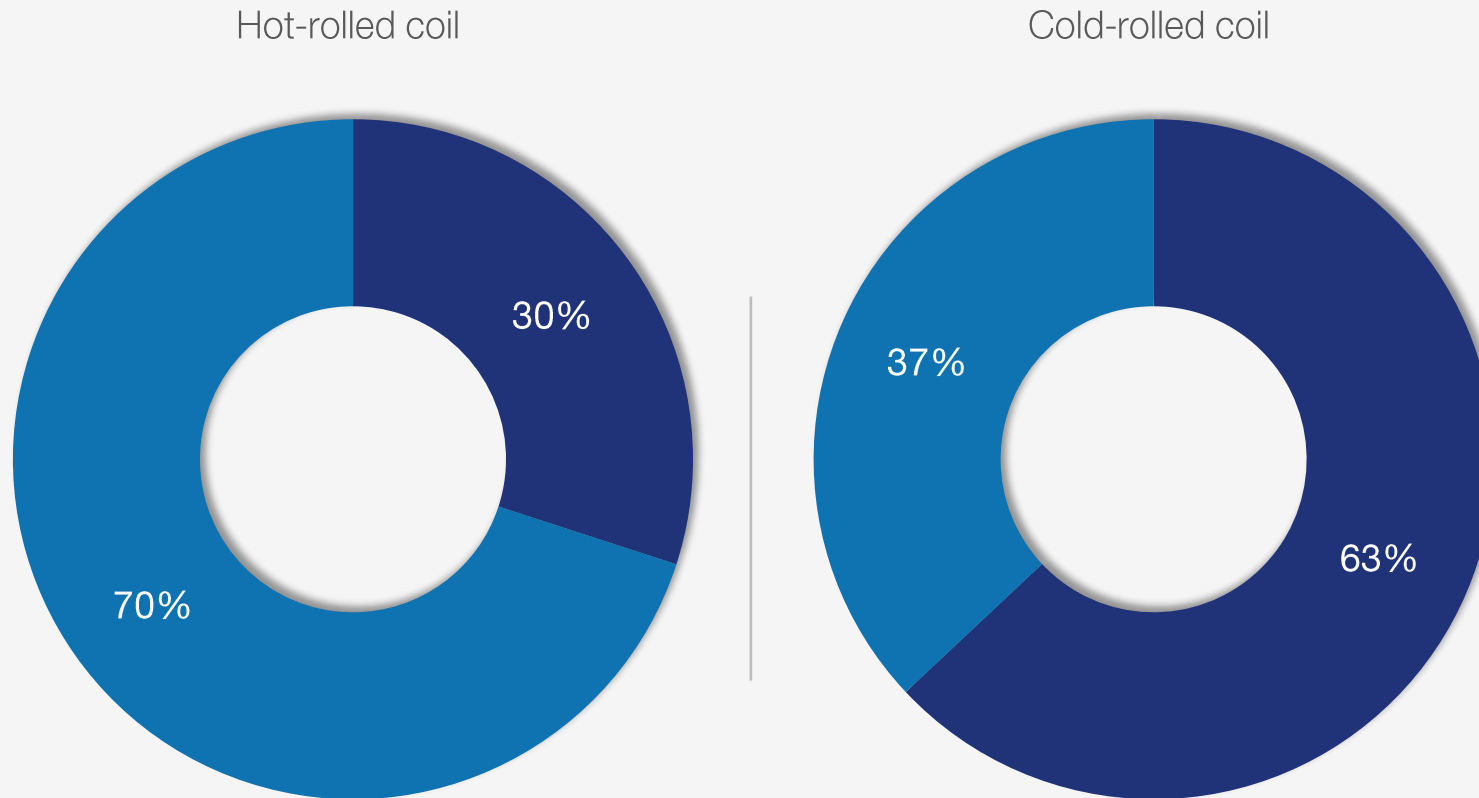


\*Limited number of responses to this question

# Trading companies on hot rolled and cold rolled

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

■ Yes   ■ No

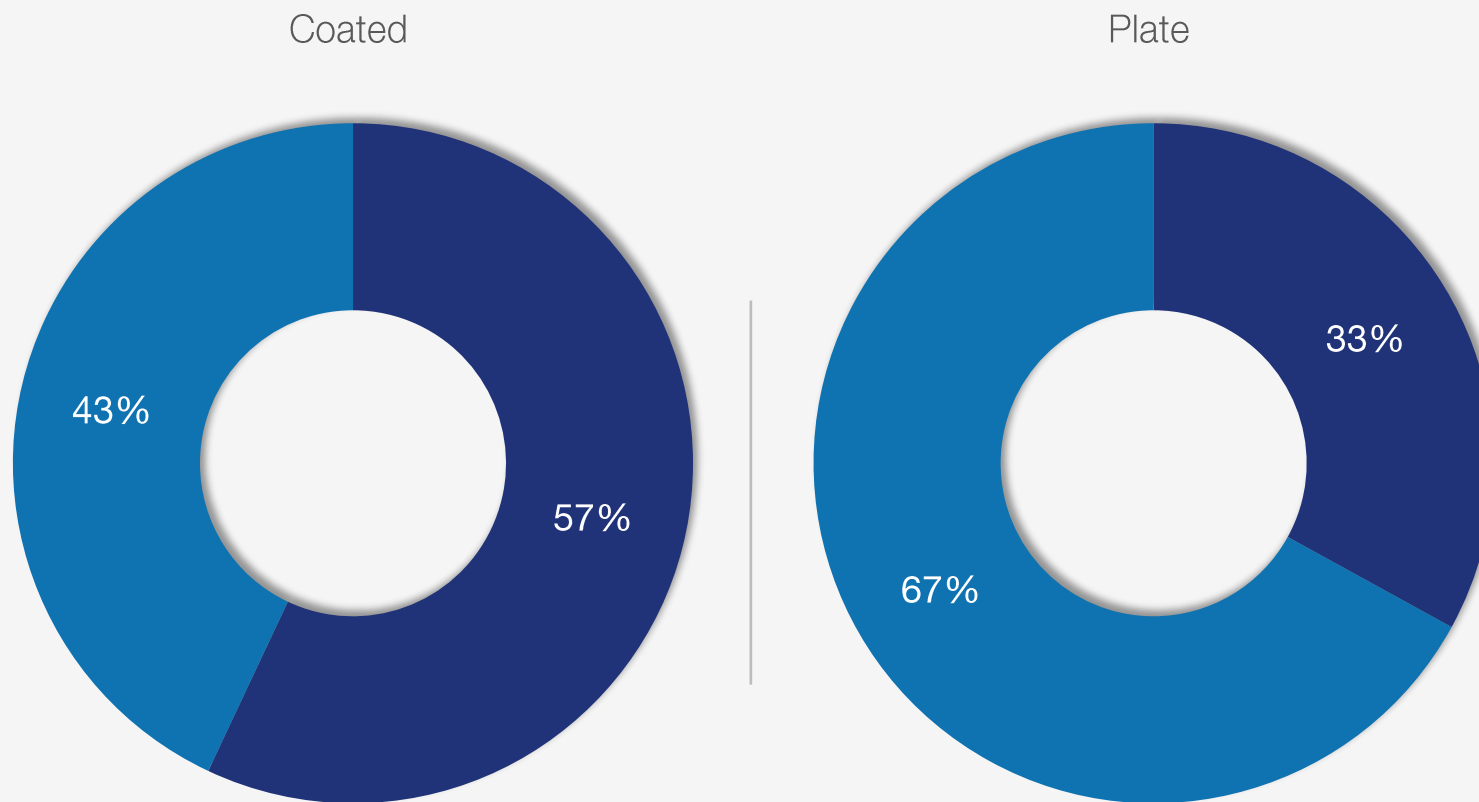


\*Limited number of responses to this question

# 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 get in touch with 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 [luis.corona@crugroup.com](mailto:luis.corona@crugroup.com)



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

Look for our next survey on Nov. 8, 2024

If you would like to participate in our survey, please contact [david@steelmarketupdate.com](mailto:david@steelmarketupdate.com)

