

The logo features a stylized circular emblem composed of two curved segments, one orange and one red, forming a partial circle.

Steel Market Update

CRU

Community Chat with Flack Global Metals Founder and CEO Jeremy Flack

Oct. 2, 2024 | Michael Cowden, Managing Editor

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Upcoming events



Live Steel 101 Workshop
 Oct. 8-9, 2024 | Columbus, Miss.
Tour of SDI Columbus



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

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

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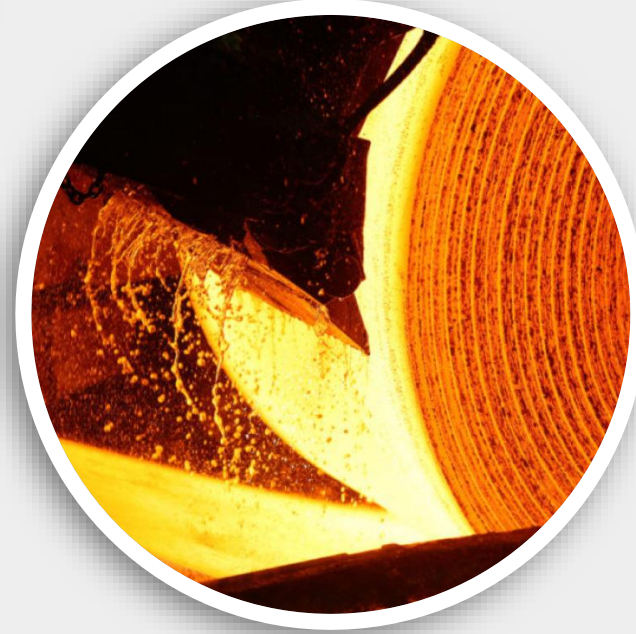


Luis Corona
Chicago
Sr. Account Exec.

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



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

Contact info@steelmarketupdate.com for participation information.



Some recent headlines

Commerce launches investigation into imports of coated flat-rolled steel

ILA rejects 50% raise, strikes ports on East Coast, Gulf Coast

Op-Ed: Despite misclassification games, import data supports surge of Mexican conduit

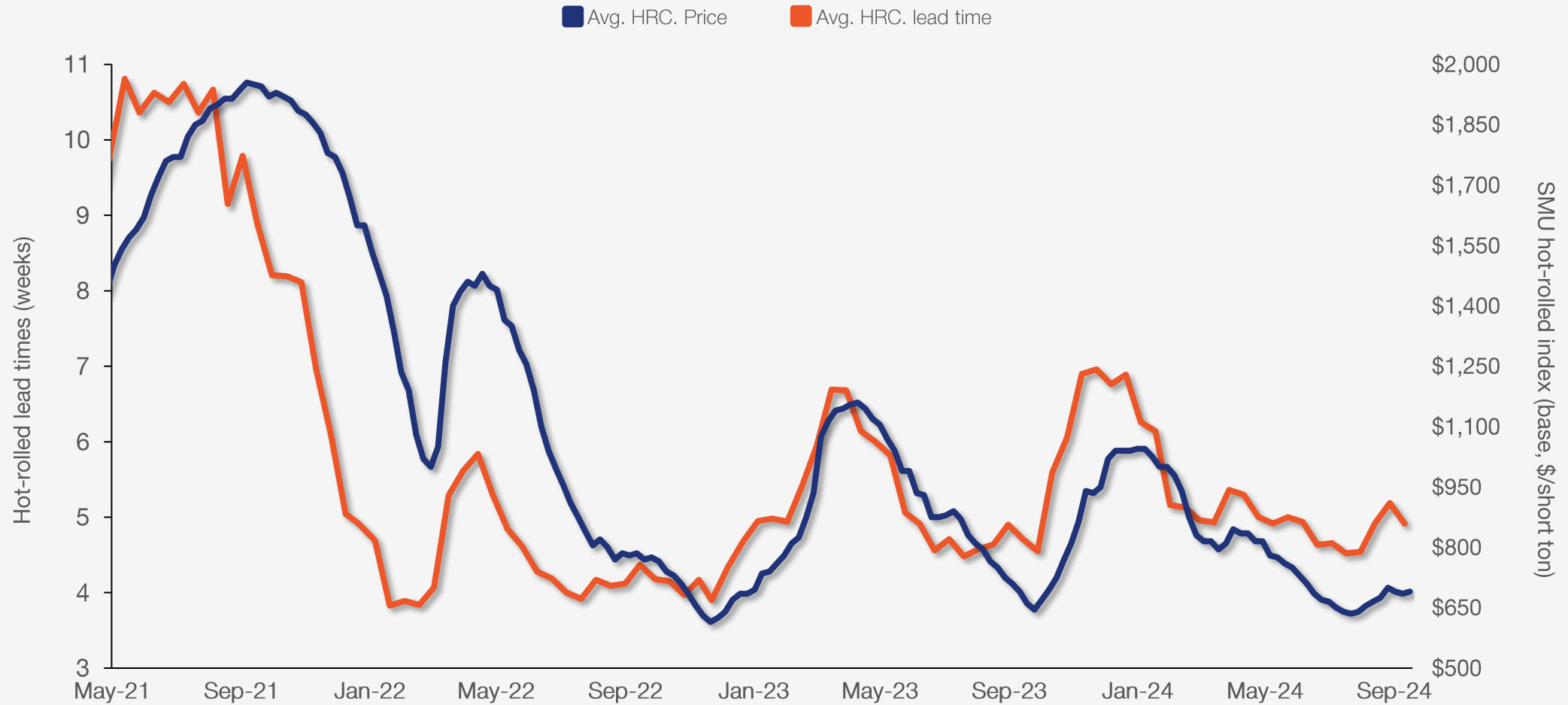
AISI: Weekly raw steel output stumbles to 19-month low

Buyers say galv prices stable mill level but stuck in swamp on the street

SMU survey: More buyers report mills willing to talk price

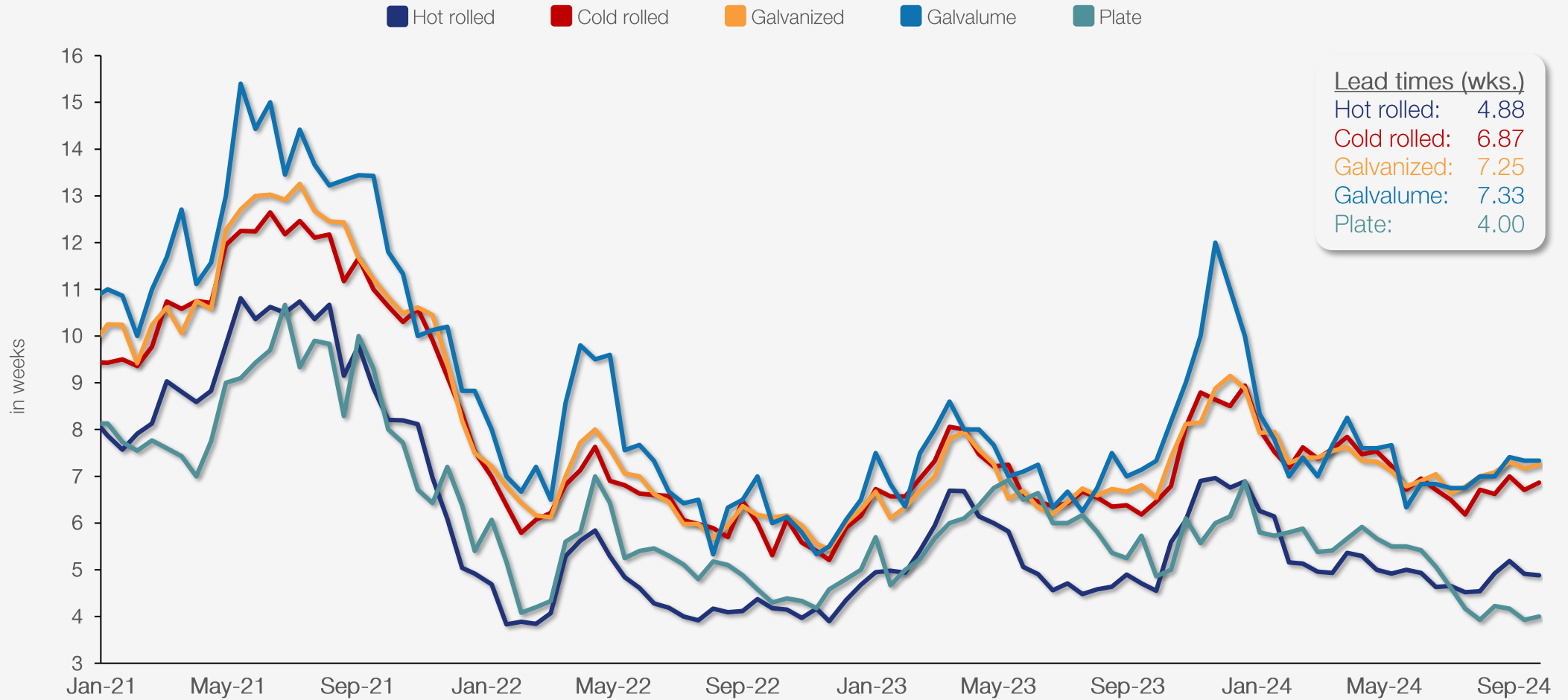
Hot-rolled steel prices vs. lead times

SMU's hot-rolled steel prices and lead times



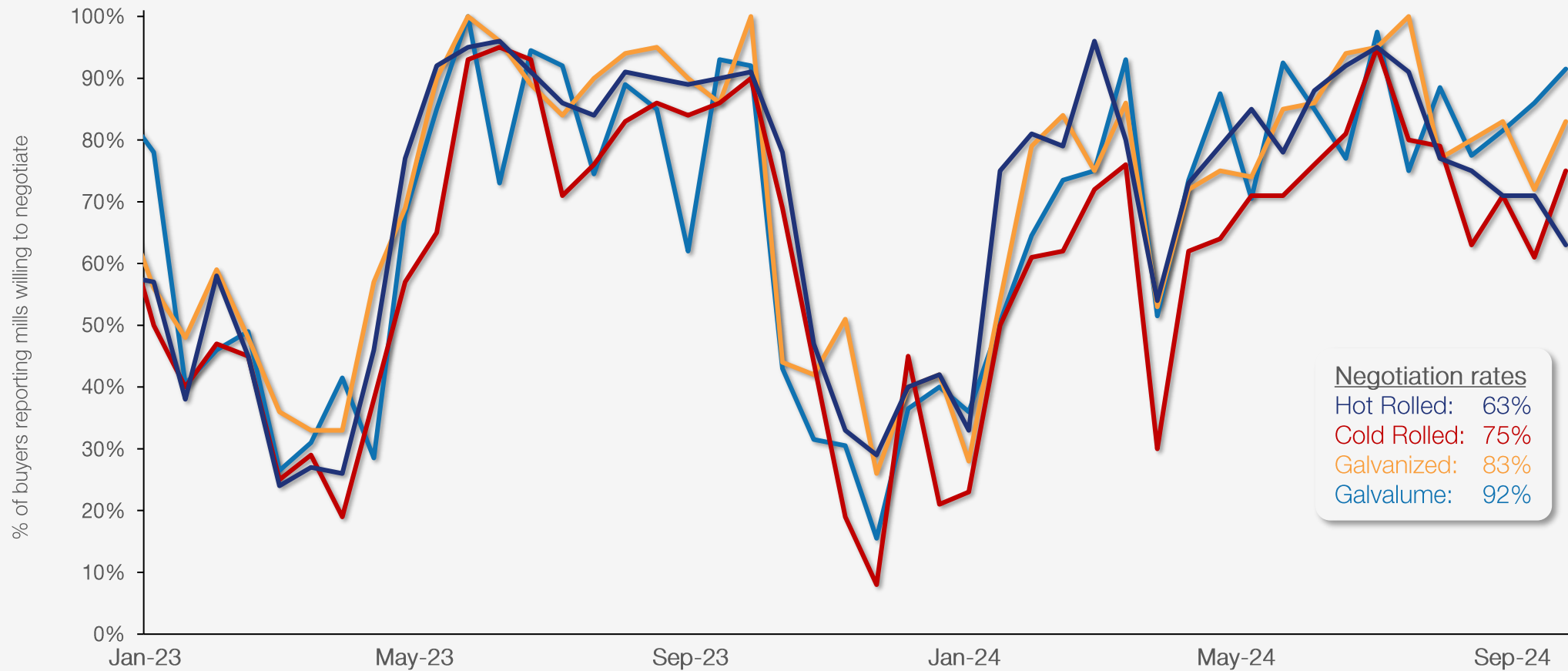
Steel mill lead times by product

SMU lead times on new steel orders by product through Sept. 25, 2024.



Steel mill negotiations

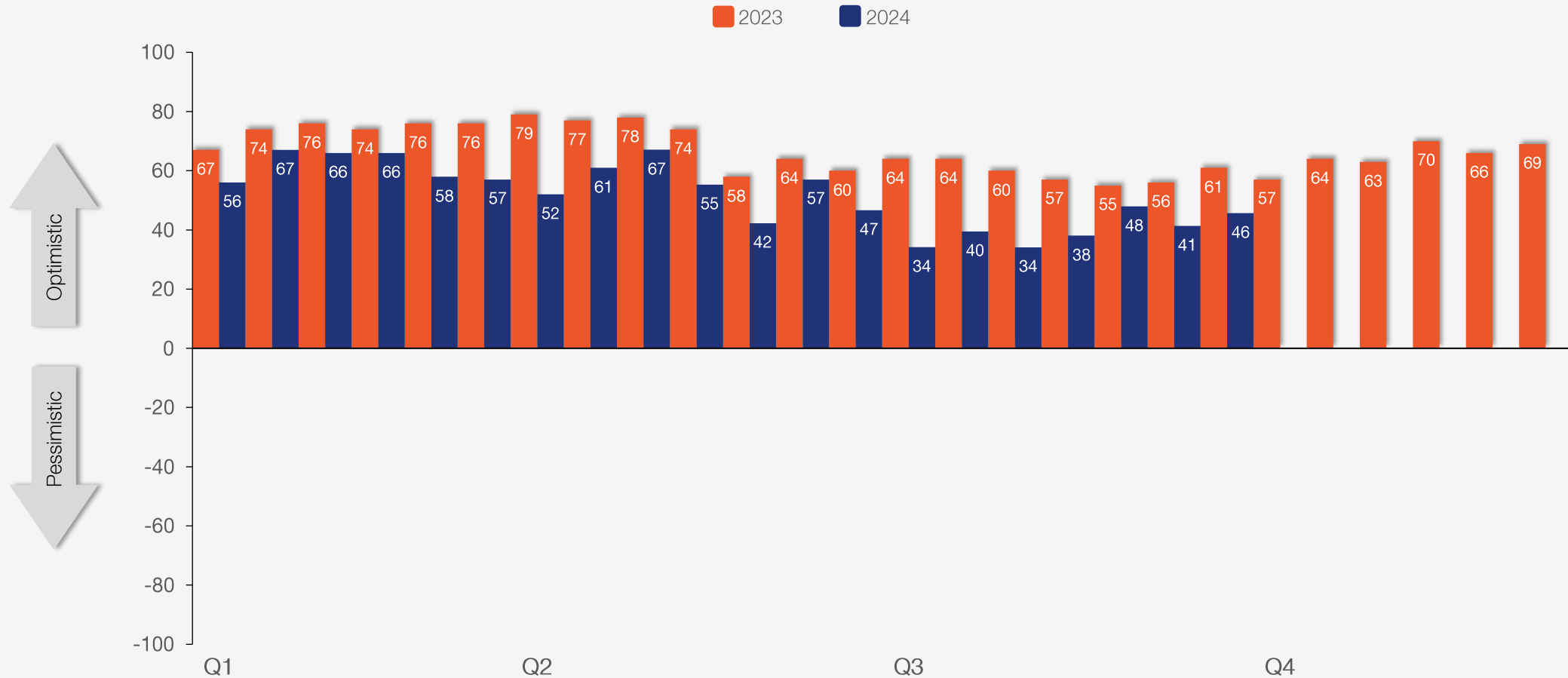
SMU's price negotiations on new steel orders by product through Sept. 25, 2024.



Steel buyers' sentiment

Up five points to +46

SMU's current steel buyers' sentiment index, with data through Sept. 25, 2024.

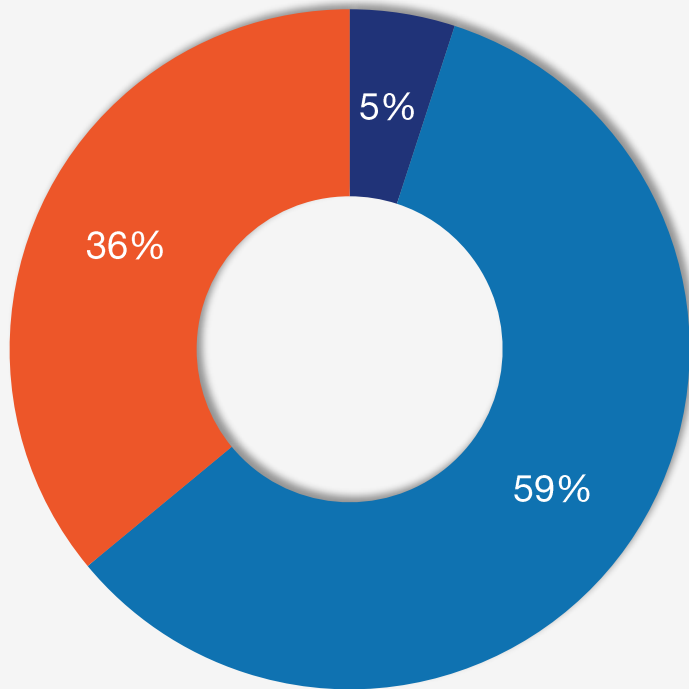


Business forecasts

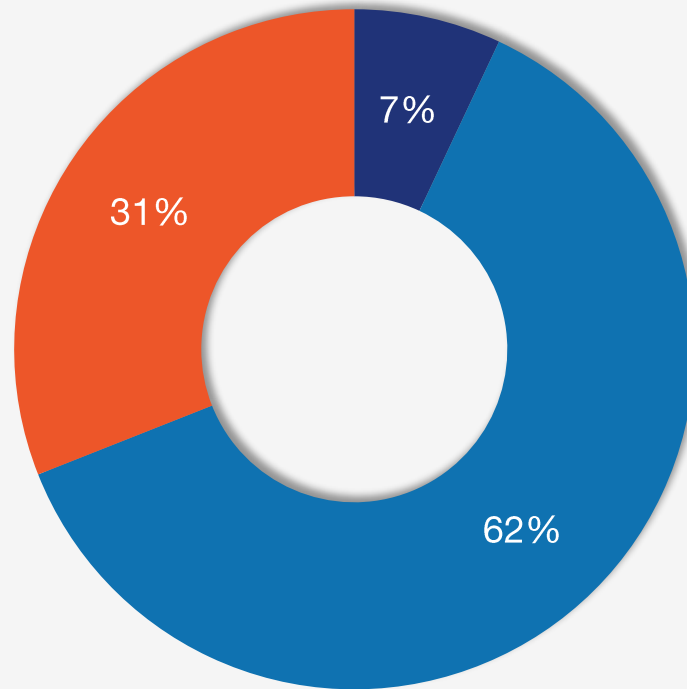
How will your company perform this month compared to your forecast?

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

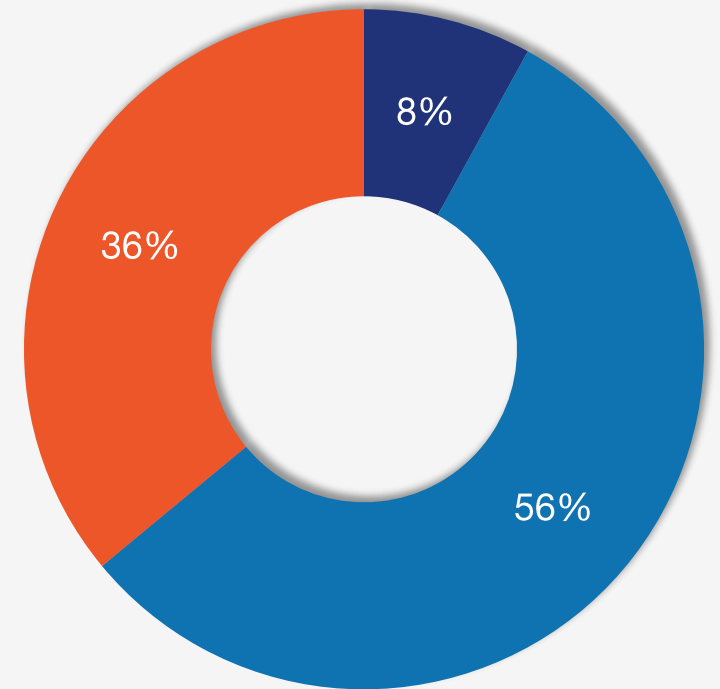
July 31, 2024



Aug. 28, 2024



Sept. 25, 2024



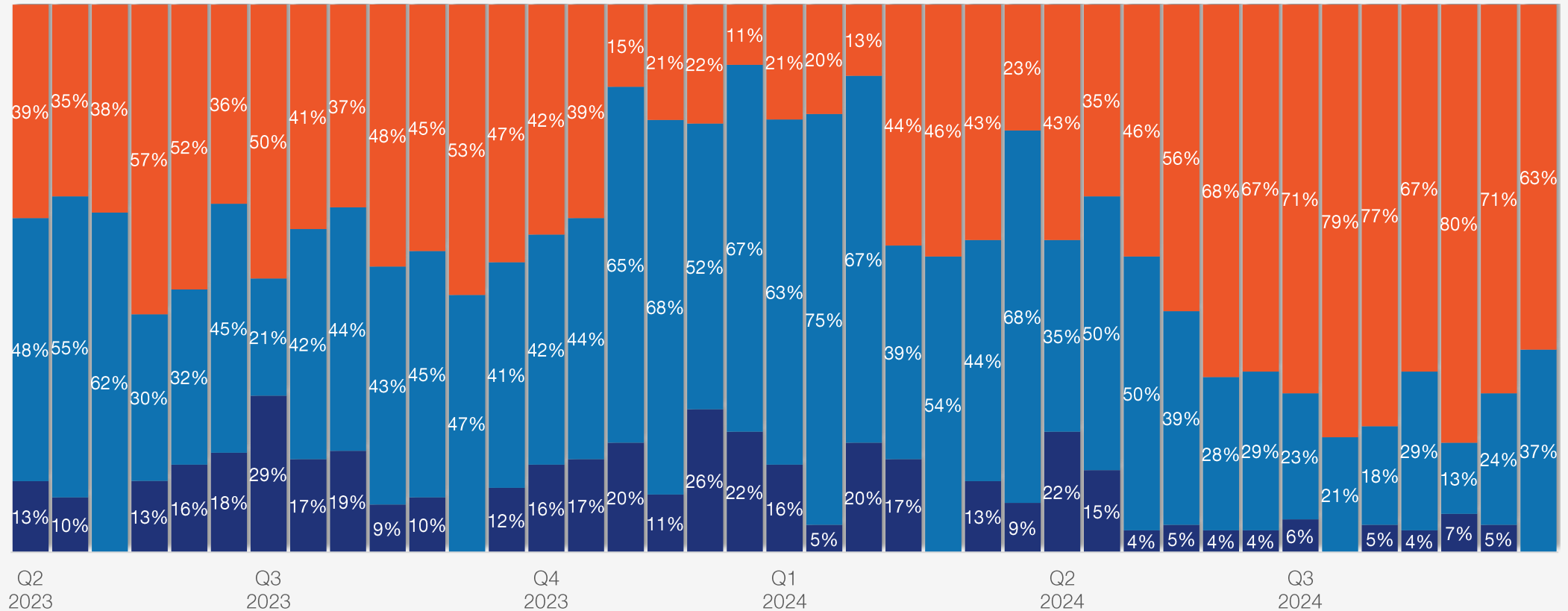
Service center releases history

Service centers

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

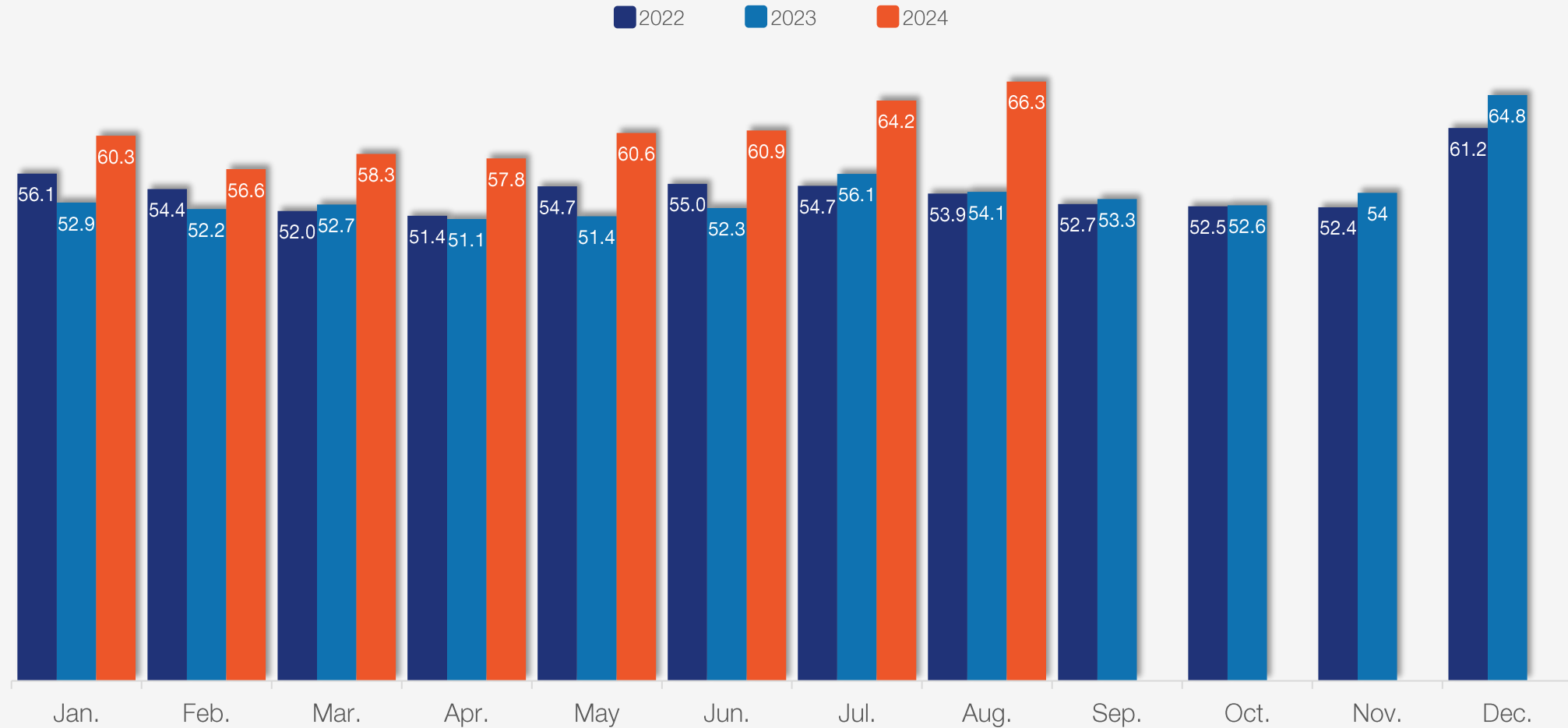
■ Releasing more steel
 ■ Releasing the same amount of steel
 ■ Releasing less steel

out of 100%



Service center inventories history

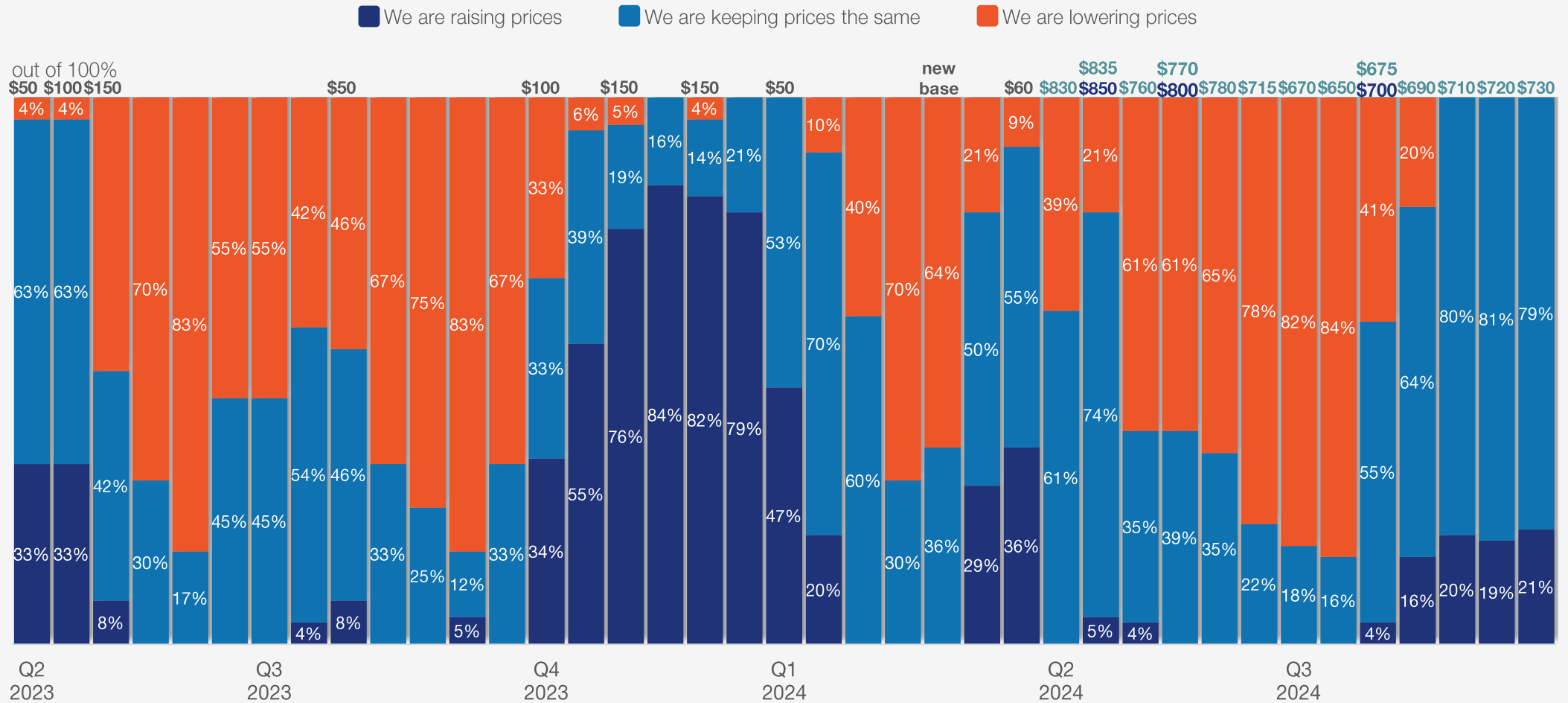
SMU's flat rolled product shipping days of supply, with data through August 2024.



Service center view of selling prices history

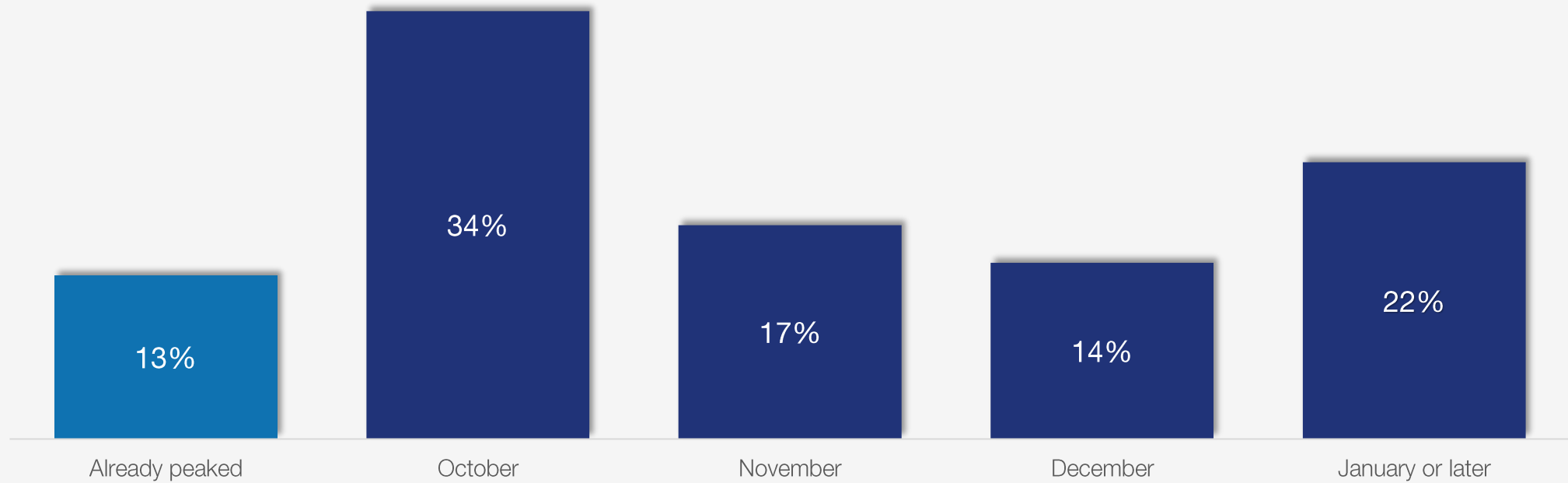
Service centers

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



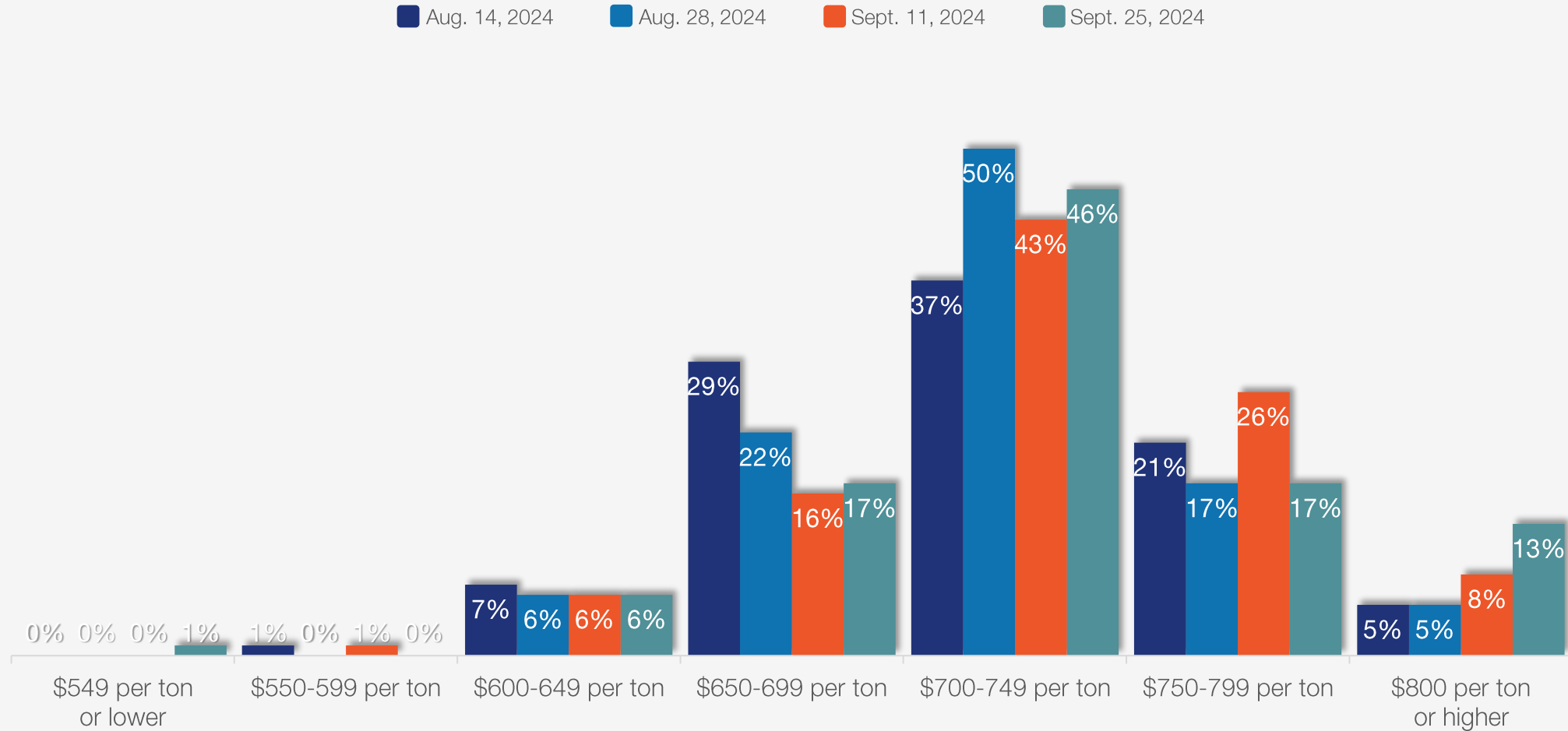
Hot rolled inflection point

When do you think steel prices will peak?



Future hot rolled prices

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



Jeremy Flack



Jeremy Flack founded FGM in 2010 with the mission to reinvent how metal is bought and sold.

Flack Global Metals operates through four interconnected divisions: Flack Metal Supply (FMS), Flack Capital Markets (FCM), Flack Manufacturing Investments (FMI), and Flack Metal Trading (FMT).

They work together to deliver a unified solution for metal supply and financial stability through integrated distribution, risk management, and market intelligence



Where the **PHYSICAL** meets the **FINANCIAL**

FLACK | **METAL SUPPLY** | **CAPITAL MARKETS** | **METAL TRADING** | **MANUFACTURING INVESTMENTS**





PACESETTER
A FLACK GLOBAL METALS COMPANY

Flack Global Metals specializes in **buying, selling, manufacturing, trading, and investing** in flat-rolled steel.

The physical informs the financial.



The financial stabilizes the physical.

FLACK | METAL SUPPLY

Multi-Disciplined Metals Distribution

FLACK | CAPITAL MARKETS

Risk Management and Hedging Services

FLACK | METAL TRADING

International Metal Trading

FLACK | MANUFACTURING INVESTMENTS

Direct Equity Investments

We're the only steel experts offering comprehensive solutions to manage financial risk and supply stability.

**FLACK | METAL
SUPPLY**

By connecting supply
infrastructure and financial
expertise

**FLACK | CAPITAL
MARKETS**

We are transforming the way
metals are bought and sold

FLACK
GLOBAL METALS

So we can increase stability for
steel companies

**FLACK | METAL
TRADING**

To develop
competitive frontiers
on a global scale

**FLACK | MANUFACTURING
INVESTMENTS**

STEEL INDUSTRY

Mills (Producers)

Distributors

OEMs

INDUSTRY BARRIERS

Liquidity
Hedge Accounting
Value at Risk
Leadership Void
Mill/OEM Incentives
Short History
Buyer Incentive Structure
Frozen Middle
Lack of Education
Timing Issues vs. Mill Contracts
Product substrate issues
Xenophobia
Margin
Conformist
Guru Paradox
Settle = average of prints
HRC / Galvanized / Cold Rolled Spreads
Wide Bid / Ask
Trade Protection

THE RISK VACUUM

Why steel is not a commodity



FINANCIAL BARRIERS

Manufactured Product
Lacking Fungibility
No "standard" coil (limitless)
End market outlets
Storage
Spoilage
Index settles
Lead time variability
Bridge to Galvanized / CRC
No central warehouse
No mill buying pattern
Regulatory
Insurance
Wide Bid / Ask
Spot sales subject to discounts

FINANCIAL SYSTEM

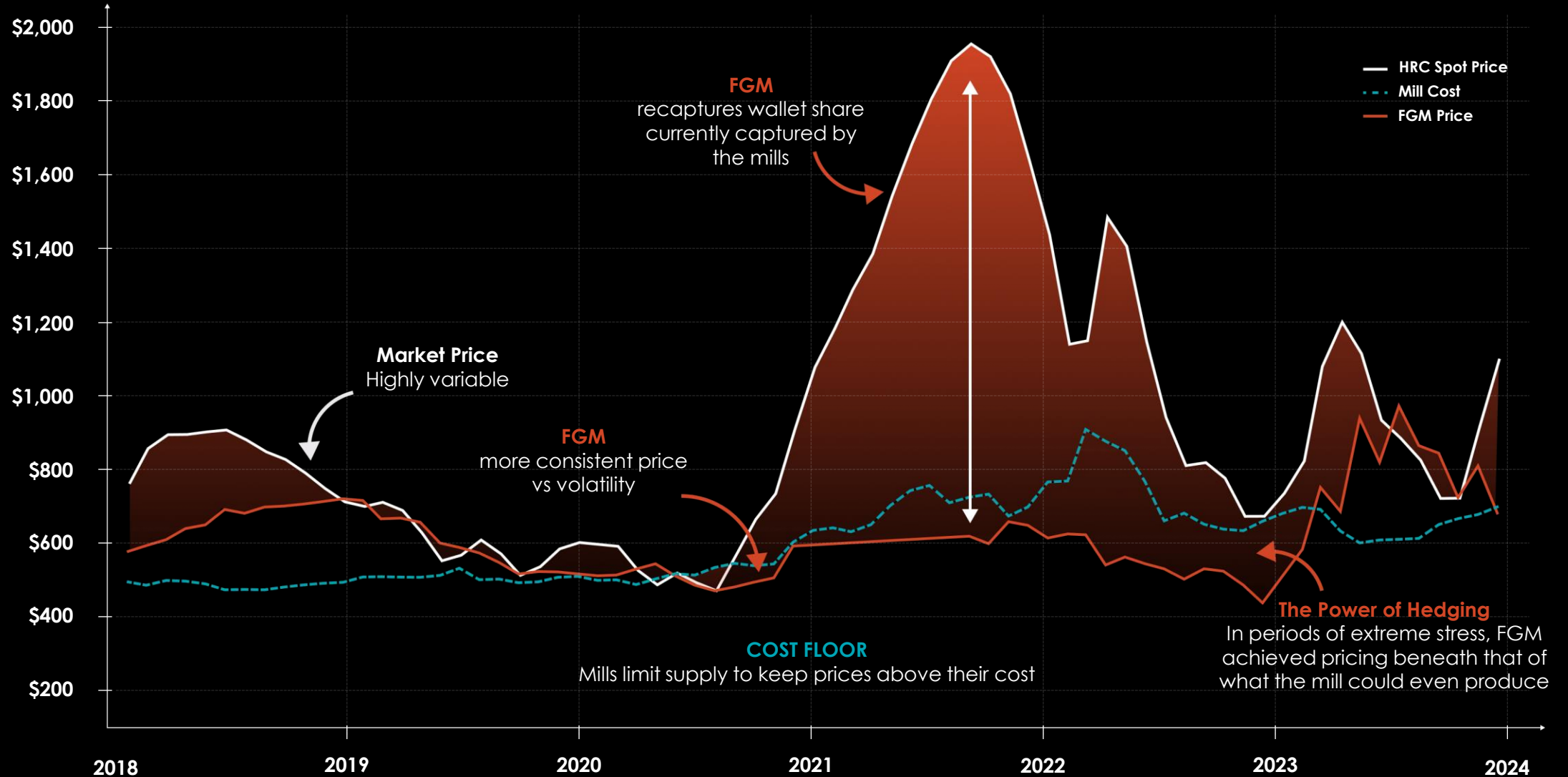
Banks

Hedge Funds

Punters

RECAPTURING VALUE

Steel prices are wildly variable. Success equals avoiding cost spikes.



Thank You!

Thanks for listening!

To contact Michael Cowden: michael@steelmarketupdate.com

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