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US steel market in the age of Covid

NASPD Annual Meeting – State of the Industry panel

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Market Reporting
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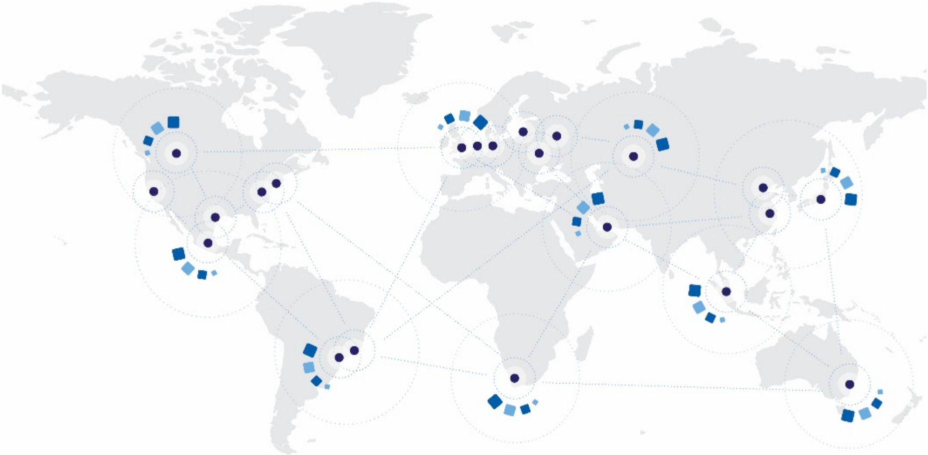

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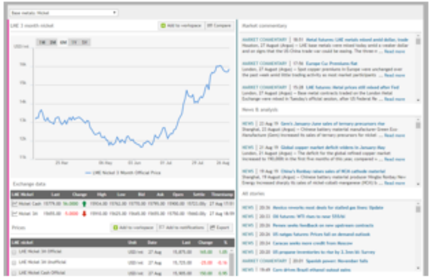

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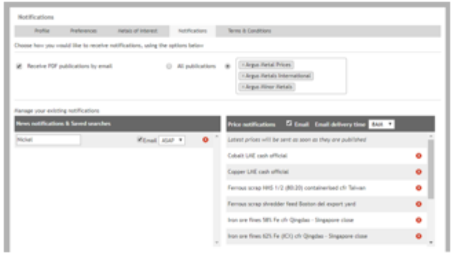

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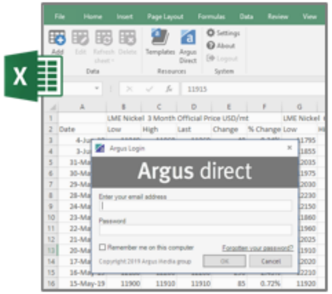

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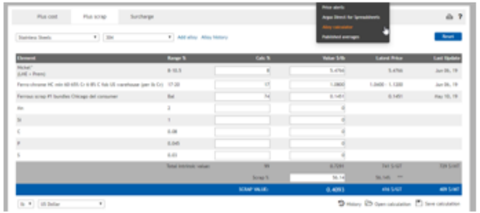

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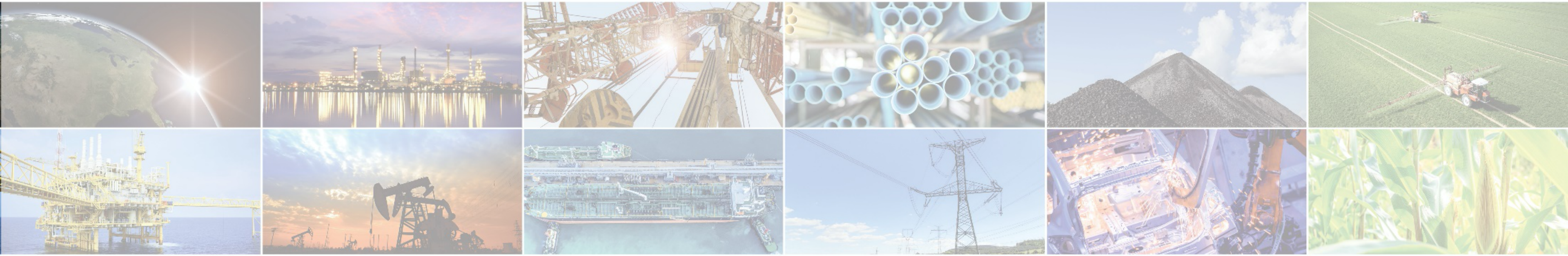

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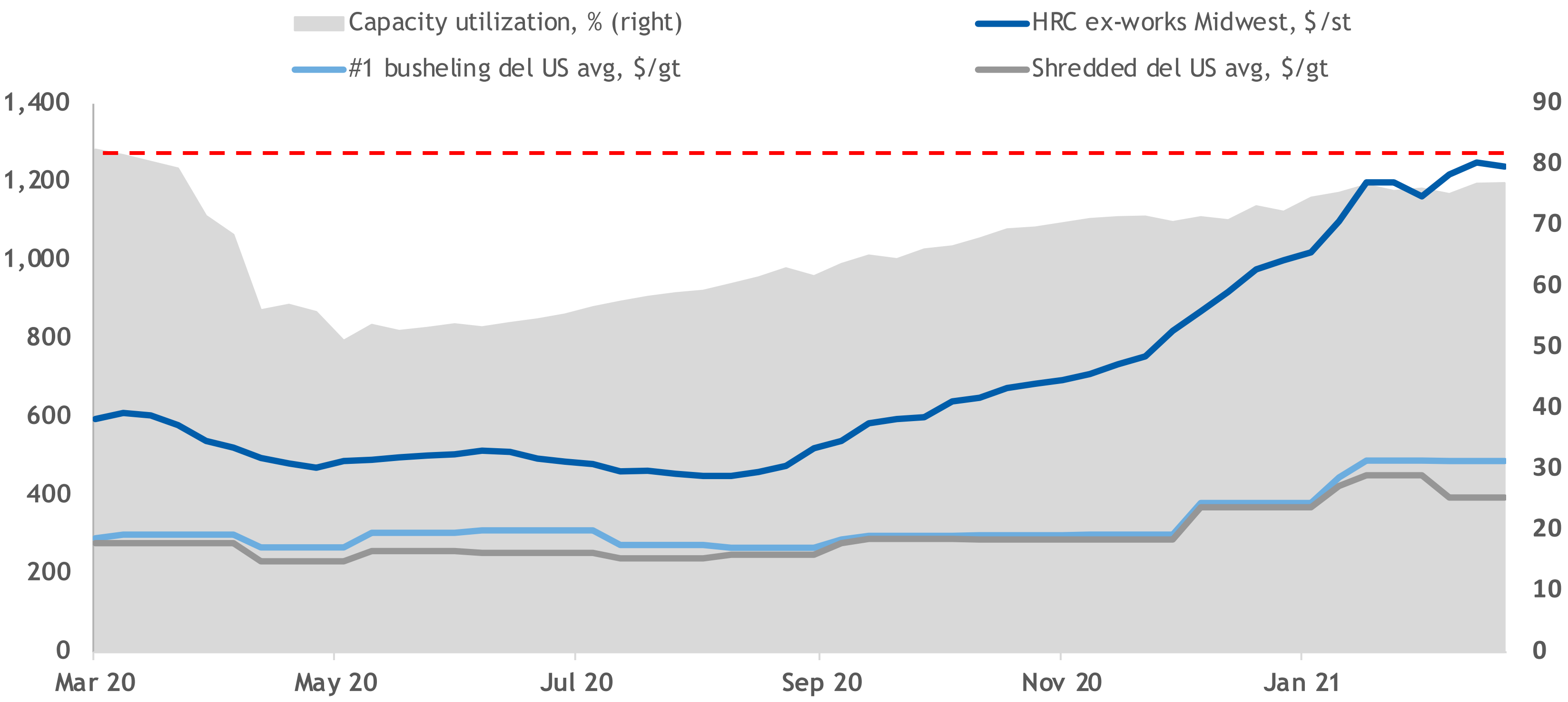
Steel prices soar, capacity and scrap costs plateau



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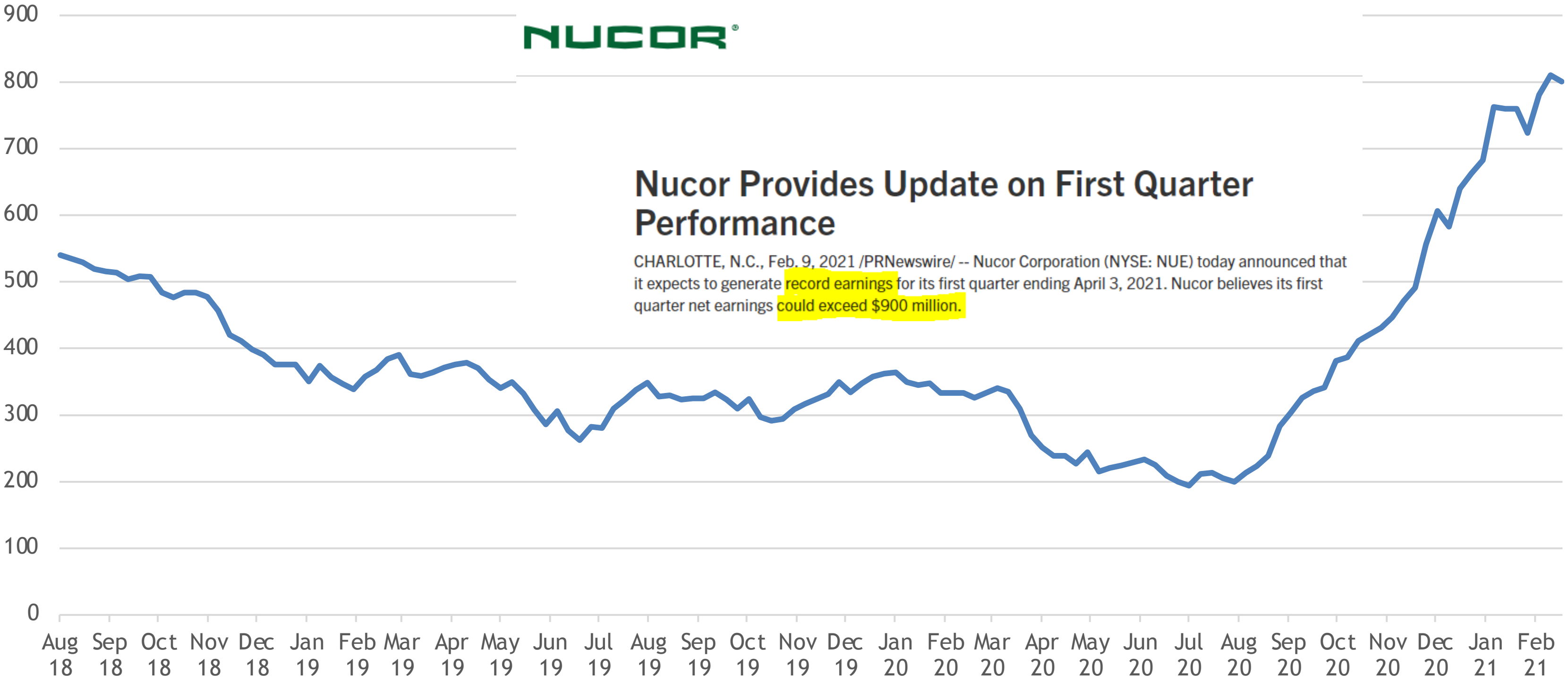
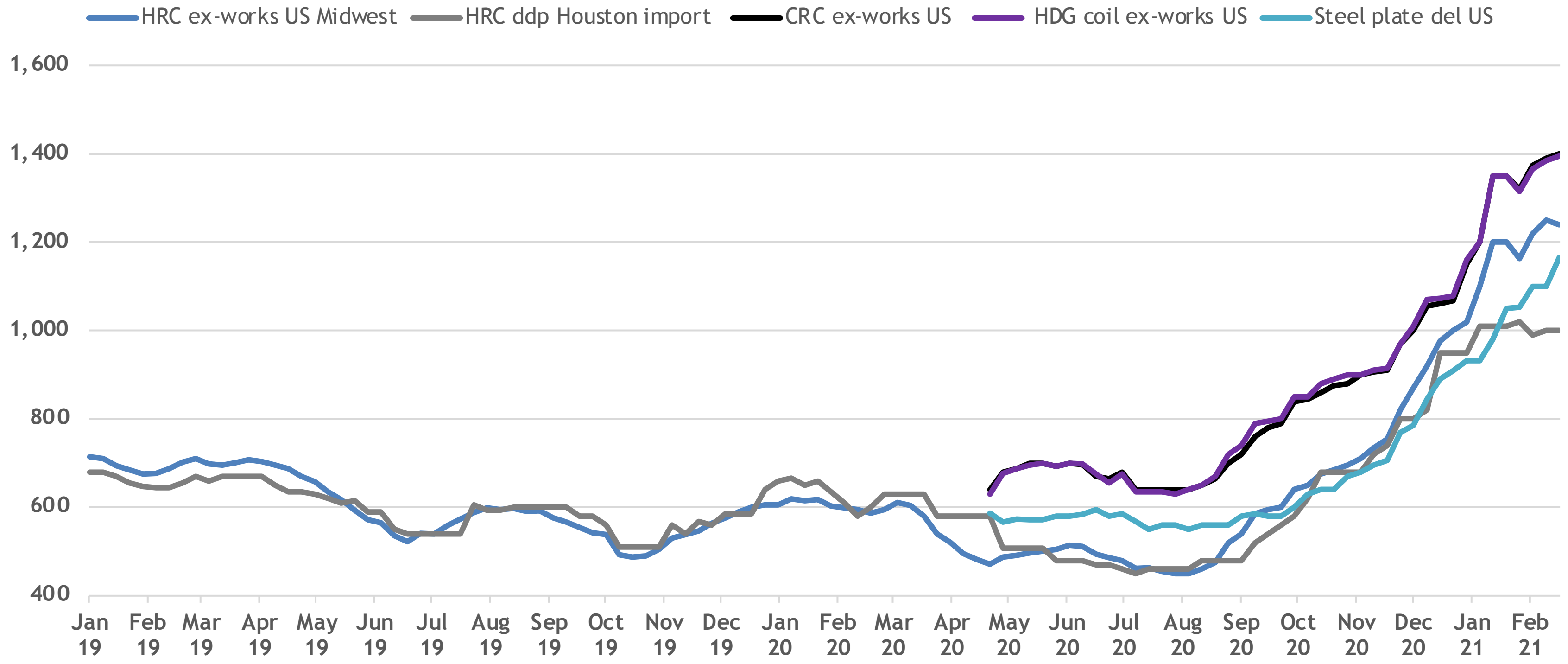
Record high HRC/scrap margins yield record profits



US flat steel price comparison, $/st



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New capacity to the rescue?

Company	Location	Product	Capacity (st/yr)	Start-up
Nucor	Sedalia, Missouri	Rebar	450,000	1Q 2020
Nucor	Frostproof, Florida	Rebar	450,000	4Q 2020
US Steel	Fairfield, Alabama	Tubular	1.6 million	4Q 2020
Big River Steel (US Steel)	Osceola, Arkansas	Sheet	1.6 million	4Q 2020
SDI	Sinton, Texas	Sheet	3 million	Mid-2021
Nucor	Gallatin, Kentucky	Sheet	1.4 million	Mid-2021
Nucor	Brandenburg, Kentucky	Plate	1.2 million	2022
North Star BlueScope	Delta, Ohio	Sheet	850,000	2022
ArcelorMittal	Calvert, Alabama	Sheet	1.6 million	2H 2022
CMC	Mesa, Arizona	MBQ	500,000	2023

Imports to the rescue?

- US Department of Commerce

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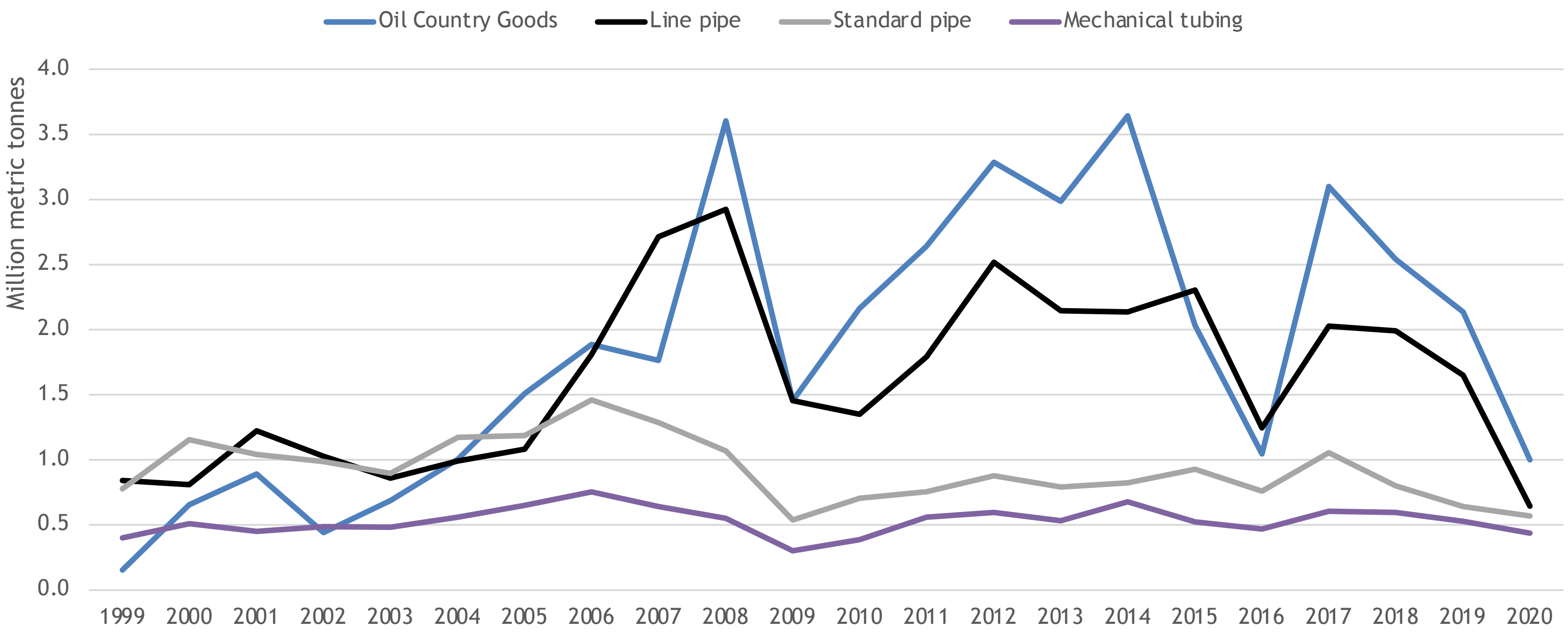
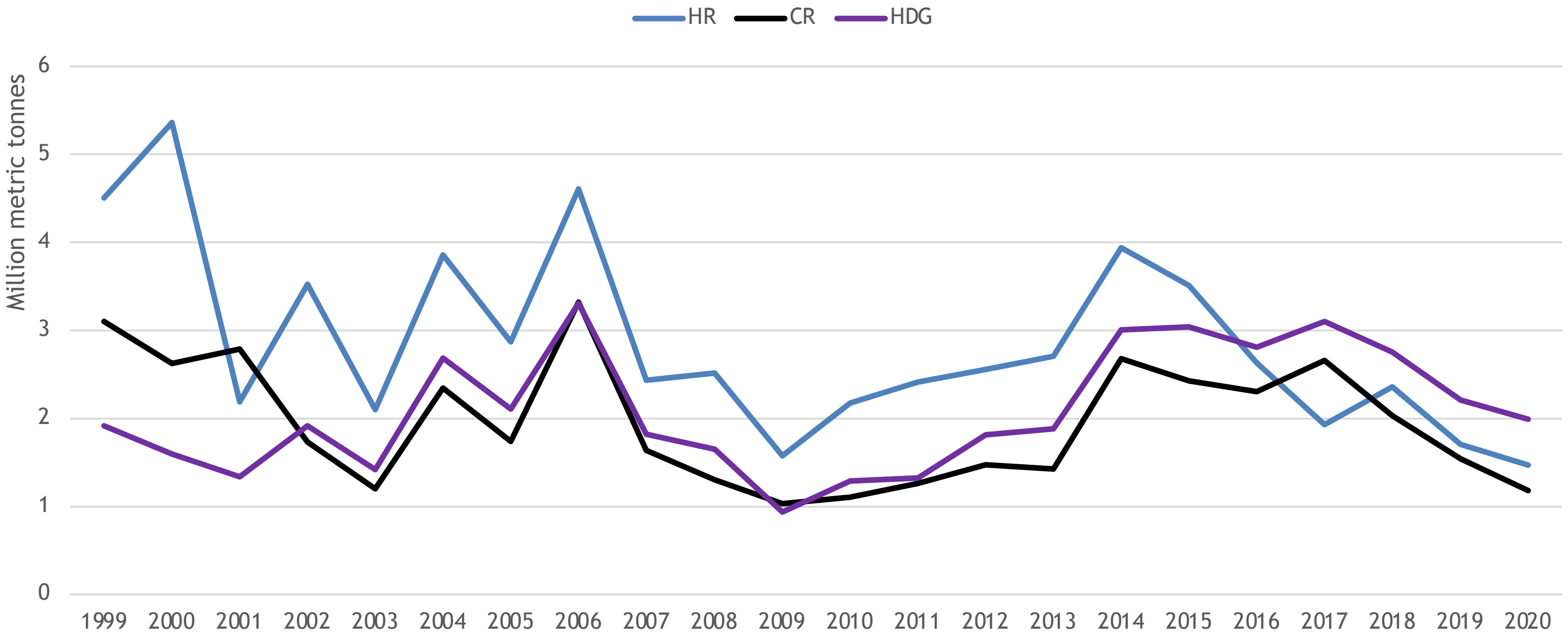
Tubular imports continue to decline



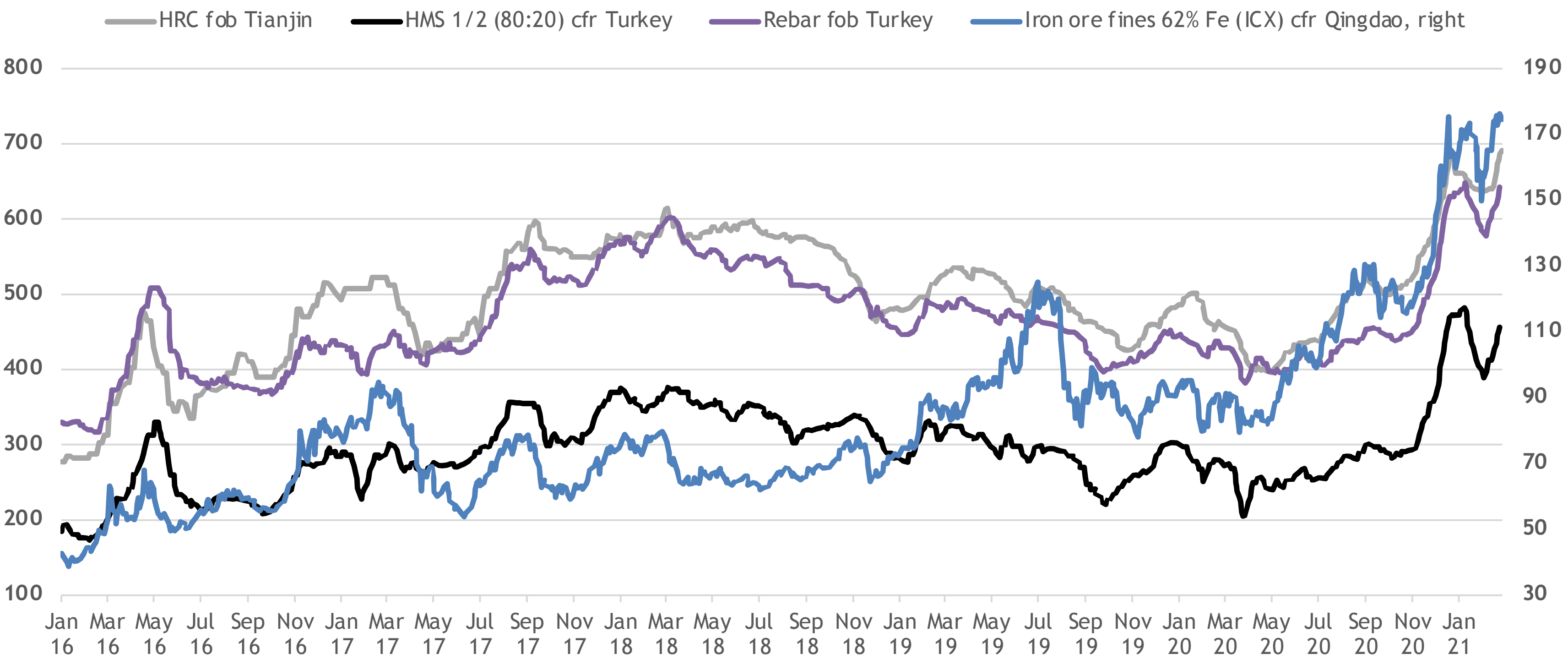
- US Department of Commerce

Flat-rolled imports continue to decline



- US Department of Commerce

Global prices remain elevated



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Concluding thoughts

- Supply tightness in US market persists
- Raw material costs remain elevated
- Traditional pressure valve of imports has not appeared
- Global steel and raw material costs remain elevated

Thank you!

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