
S&P Global

Commodity Insights

Global Steel Outlook

LME Metals Seminar

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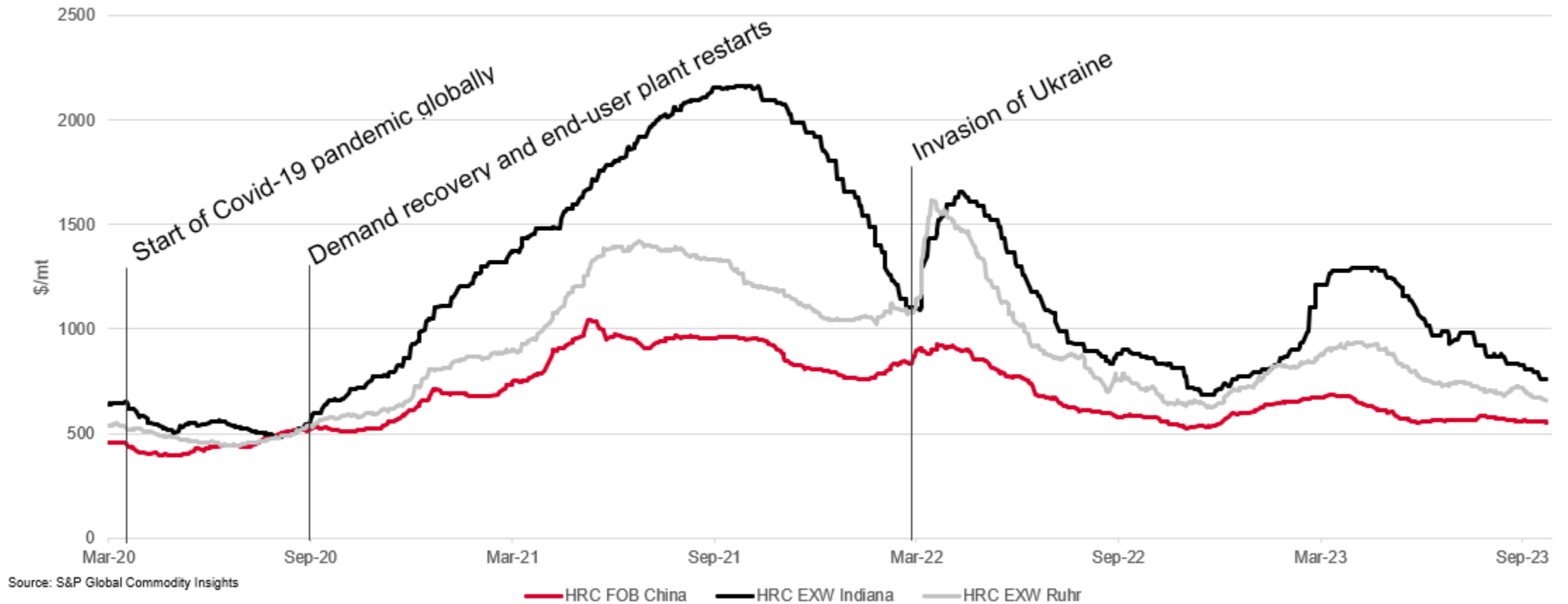
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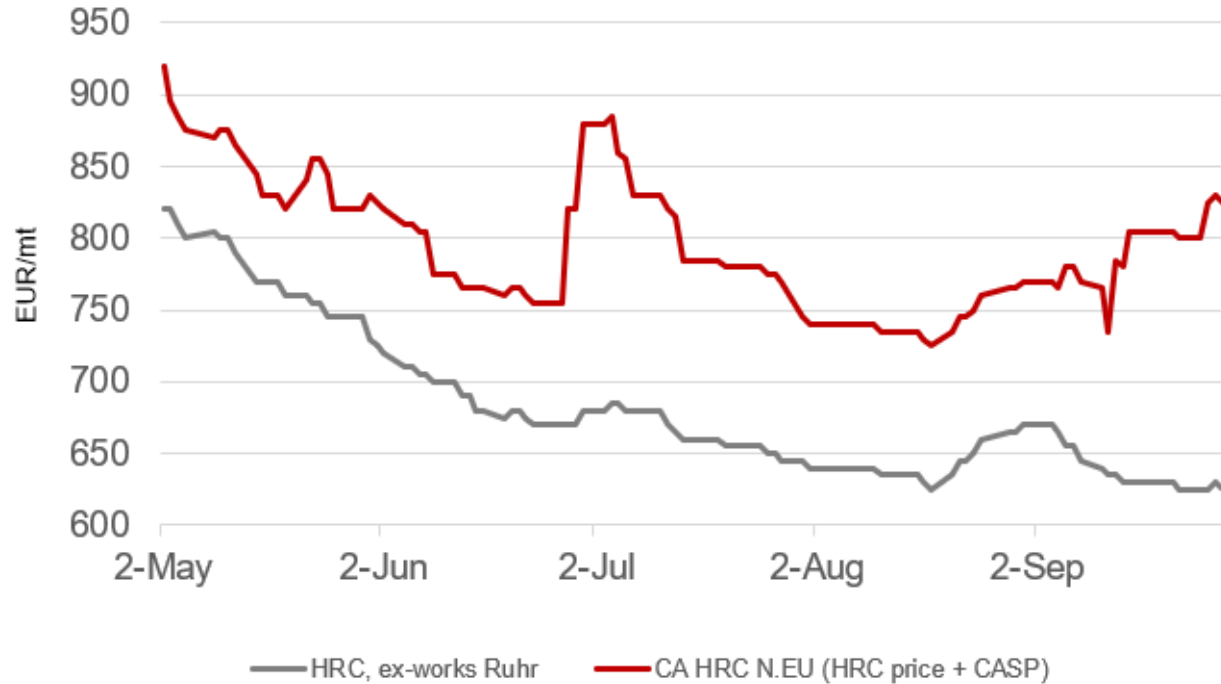
Global Hot-Rolled-Coil price development

Platts HRC EXW Ruhr, EXW Indiana and FOB China

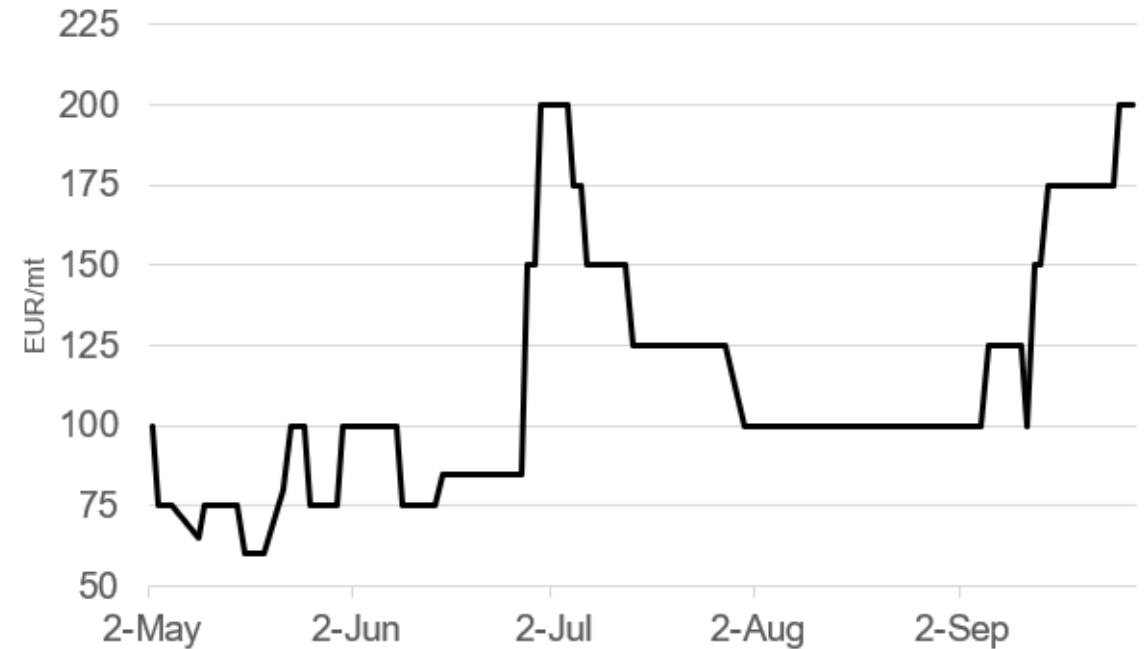


Platts Carbon-Accounted Steel price trend

Platts HRC Ruhr prices



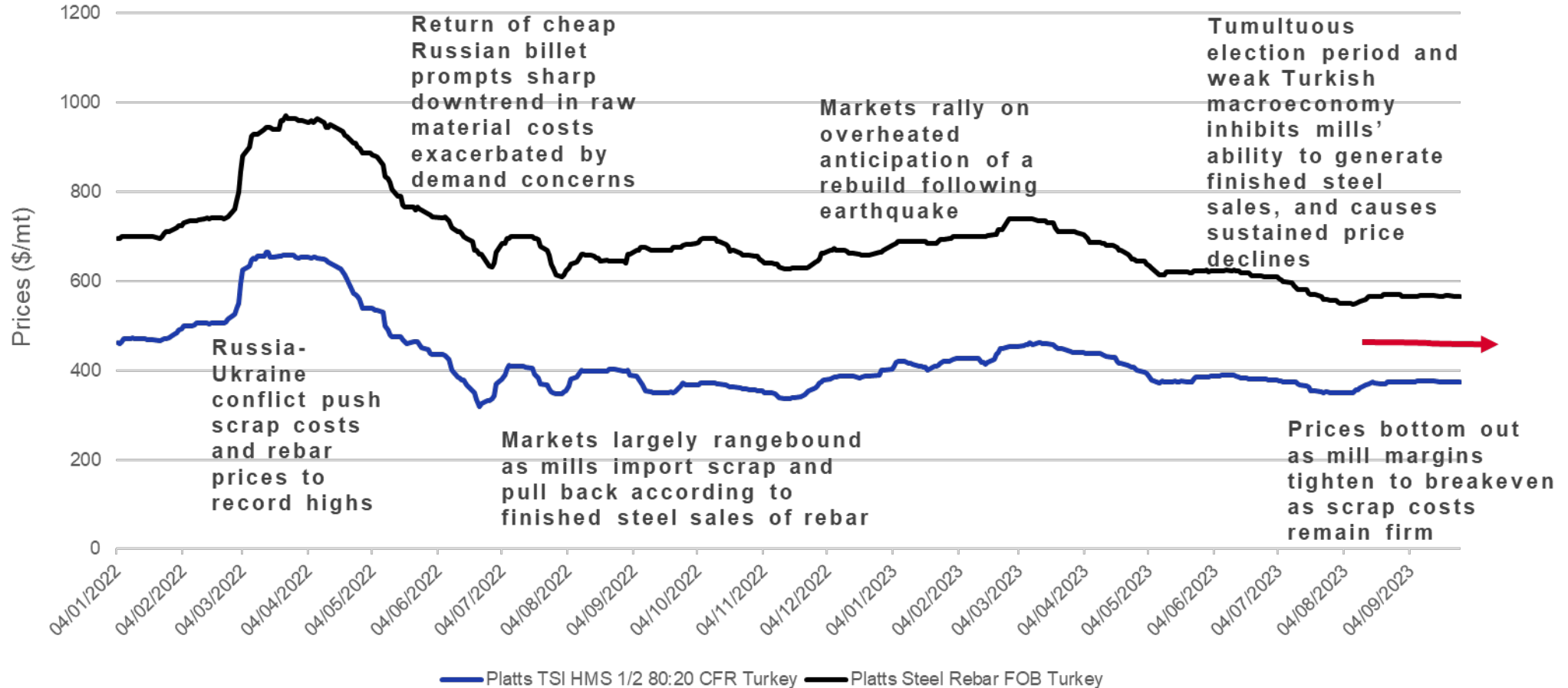
Platts Carbon-accounted Steel Premium (CASP)



Source: S&P Global Commodity Insights

Platts FOB Turkish Rebar and CFR Turkish Scrap

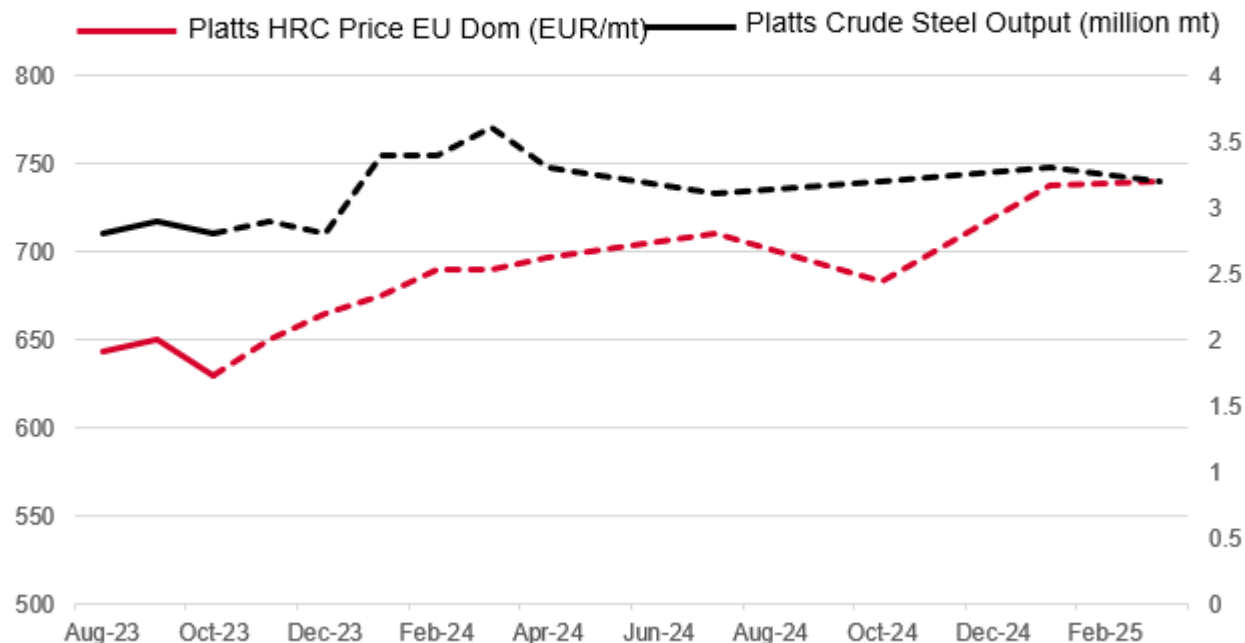
Scrap and Rebar Price Trend



Source: S&P Global Commodity Insights

EU Steel Price Forecast – S&P Global Analytics

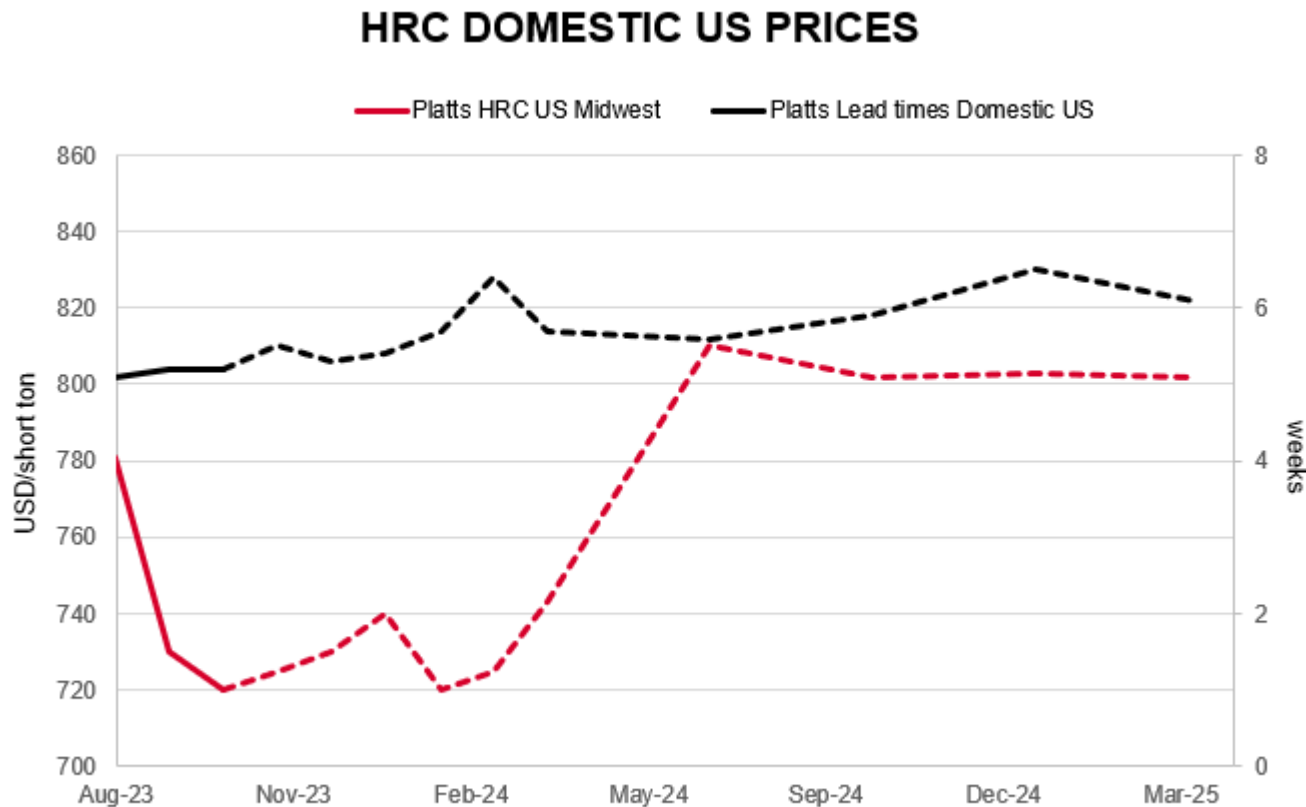
EUROPEAN EXW RUHR AND GERMAN CRUDE STEEL OUTPUT FORECAST



- EU mills looking to cut production on low demand
- Price downside risk into Q4, S&P 2024 price forecast to be reevaluated in Oct
- Inflation, economic uncertainty, and high energy prices are likely to continue well into 2024
- German PMI manufacturers' purchasing activity indicates negative steel demand and prices outlook in Northern Europe over the rest of this year

Source: S&P Global Commodity Insights

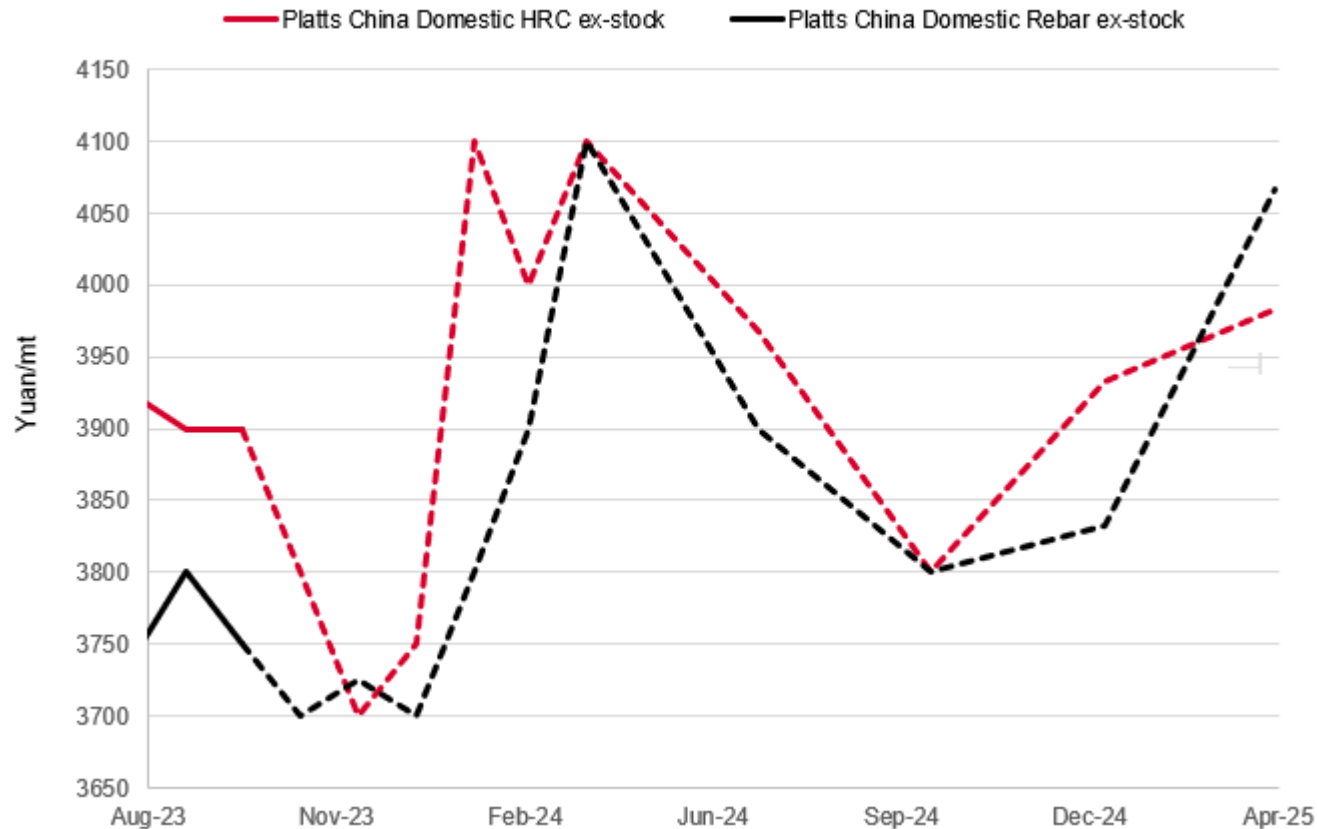
US steel price forecast – S&P Global Analytics



- US auto strikes, potentially overflow of material
- Manufacturing orders continue to be hit by economic challenges
- Expected restocking by manufacturers towards the end of the year should coincide with buyers returning to the spot market
- Softer crude steel production and lengthening delivery lead times should provide some support for prices
- Price softness persisting into 2024 before potentially strengthening in the second half of 2024 on easing of inflationary pressure and pent-up demand

Source: S&P Global Commodity Insights

China steel price forecast – S&P Global Analytics



- Mill margins could start to recover in H1 next year on stronger finished steel prices
- Expected to be largely a consumer-driven economic recovery, which is not so steel and commodity intensive
- Housing stimulus may take longer to support steel demand than previously as confidence needs to be restored
- Infrastructure investment growing but local government debt/land sales a challenge to funding

Source: S&P Global Commodity Insights

Final takeaways:

- Global HRC prices softening again
- US and EU mills start to wind back output due to tepid demand
- Mills facing margin squeeze in Q4
- EU inflationary pressures, economic uncertainty, and high energy prices are likely to continue well into 2024
- US price softness likely to persist into 2024 before potentially strengthening in the second half on easing of inflationary pressure and pent-up demand
- China's finished steel exports on track for 7-year high
- China mill margins could start to recover in H1 2024 on stronger finished steel prices

Thank you!

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