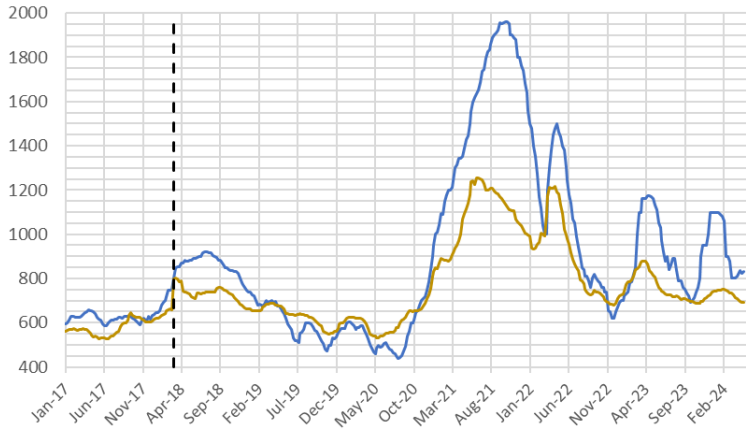


Supply-Side Takeaway:

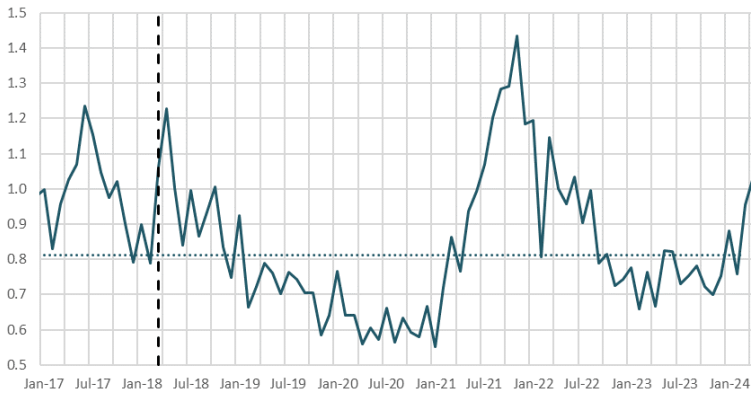
March census data for import arrivals came in below estimates and domestic production is on a two-week down trend, as we enter the “peak” of spring outages. This moderate restriction of supply is an important factor in why spot pricing has been so rangebound for the last 2 months.

The Domestic – Global HRC price differential slightly widened, mainly due to the domestic spot price increasing more than the also rising global average. For imports, final census data for sheet arrivals came in an official showed that March reached a level for imports not seen in nearly two years. Preliminary data for imports in April indicate a continued trend higher. However, the increase in arrivals from March to April show some easing, potentially suggesting that this may be the peak for imports. Meanwhile, domestic production scaled back further, yet continues to remain above the 1.7m net tons level.



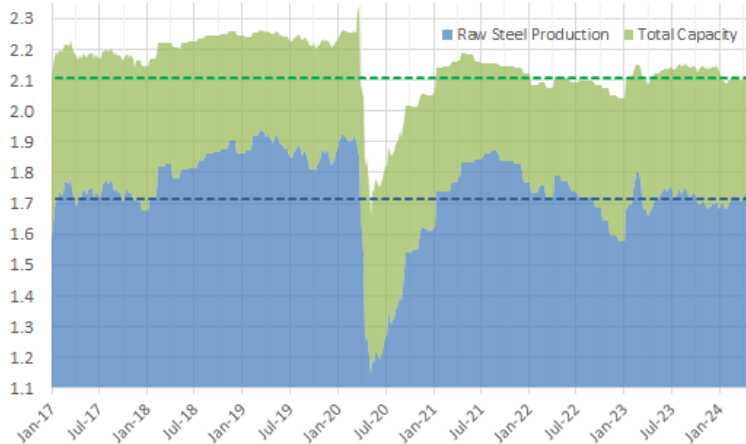
HRC Spot Prices – US Domestic & Global

- The **global HRC spot price** rose to \$694 from \$693. This week the increase was primarily due to China rising by \$9, while Europe fell by \$8.
- The **Domestic – Global HRC spread** expanded by \$4 to \$136.



Total Sheet Imports (s.ton)

- **Imports** estimated sheet arrivals for **April** indicated a continued trend higher for imports, climbing to 1,034k from **March’s** final census figure of 955k, both pointing to levels not seen since the summer of 2022.
- Potentially seeing the impact/roll over from the shipping delays caused by the supply chain disruptions.



Domestic Production (s.ton)

- For the week ending on April 20th, **capacity utilization** ticked down by 0.4% to 77.3% and **domestic raw steel production** fell to 1.716m from 1.726m/tpw.
- This brings the year-to-date production to 26.939m, operating at a rate of 76.5%, -2.5% below this point last year.



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