

## Steel Price Tracker

## Weak demand prevents steel price hikes in Brazil as mills cut HRC operating rates

Industry Overview

## Tracking global steel and raw materials price variations

Our Steel Price Tracker aims to track variations in steel prices across the globe as well as regional simplified cash margins. We also provide a snippet of key news articles related to price movements as well as a weekly tracking of import parity premiums in Brazil and a summary of the latest industry data.

We hope that you find it useful. We welcome feedback or suggestions readers may have.

**Exhibit 1: Snapshot of steel prices (USD/t)**

Summary of weekly price movements

Steel Price Reference	Current Price (USD/t)	w/w Change (USD/t)	w/w Change (%)
<b>China Domestic</b>			
HRC	535.1	-19.66	-3.54%
Rebar	491.2	-32.17	-6.15%
<b>China Export</b>			
HRC	529.0	-20.00	-3.64%
Rebar	542.0	-18.00	-3.21%
<b>Brazil Domestic*</b>			
HRC	4,800.0	0.00	0.00%
Rebar	3,900.0	0.00	0.00%
<b>US Domestic</b>			
HRC	1,135.4	-22.04	-1.90%
Rebar	925.0	-10.00	-1.07%
<b>Turkey Export</b>			
HRC	680.0	0.00	0.00%
Rebar	622.5	2.00	0.32%
<b>Raw Materials</b>			
HCC Australia	222.0	-2.50	-1.11%
HCC China	223.0	1.00	0.45%
Iron Ore 58	87.7	-5.30	-5.70%
Iron Ore 62	102.5	-5.95	-5.49%
Iron Ore 65	113.8	-8.65	-7.07%
Iron Ore Pellet	130.7	-2.94	-2.20%
Brazil Pig Iron	480.0	0.00	0.00%
Black Sea Pig Iron	375.0	5.00	1.35%
<b>Scrap</b>			
US	462.6	0.00	0.00%
Brazil	230.2	-3.86	-1.65%
Turkey	385.0	9.50	2.53%

Source: BofA Global Research, Platts

(\*) Brazilian prices in BRL

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Equity  
Latin America  
Metals & Mining

**Caio Ribeiro**  
Research Analyst  
BofAS  
+1 646 855 4051  
caio.ribeiro@bofa.com

**Leonardo Neratika >>**  
Research Analyst  
Merrill Lynch (Brazil)  
+55 11 2188 4200  
leonardo.neratika@bofa.com

**Guilherme Rosito >>**  
Research Analyst  
Merrill Lynch (Brazil)  
+55 11 2188 4363  
guilherme.rosito@bofa.com

CRC = cold rolled coil

HCC = hard coking coal

HDG = hot dip galvanized

HMS = heavy melting scrap

HRC = hot rolled coil

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**Refer to important disclosures on page 24 to 25.**

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## Weekly news flow

### Asia: Prices down w/w; BF operating rates up to 89.93%

Steel export prices were down w/w in China last week, with Chinese exported hot rolled coil (HRC) down \$20/t w/w to \$529/t and rebar down \$18/t w/w to \$542/t. Chinese steel spot cash margins dropped RMB6/t w/w to RMB57/t for rebar but rose RMB5/t w/w to RMB27/t for HRC. Weekly production fell 4.2% w/w for rebar but rose 2.6% for HRC, while apparent consumption increased 1.4% w/w for rebar and 2.1% for HRC. Mill inventory dropped 2.7% w/w, while social inventory decreased 3.1% w/w. Downstream demand remained weak as construction and manufacturing still suffered from a shortage of funds ([see the BofA Global Research China Basic Materials team's 29 May 2023 report](#)). The blast furnace (BF) capacity utilization rate among 247 Chinese steel mills under Mysteel's regular survey had risen for the second straight week to 89.93% over May 19-25, inching up by another 0.8 percentage point from the prior week. As of May 25, 52 of the 126 blast furnaces in Tangshan region, North China's Hebei province, under Mysteel's weekly survey are either undergoing maintenance (excluding long-term production halts) or being idled.

### New home sales volume was flattish y/y last week

Primary home sales volume increased by 1% y/y in the 42 cities that the BofA Global Research China property team tracks last week and decreased 4% w/w. The y/y growth rate weakened from the 16% y/y increase during the previous week, in line with channel checks, which indicated a weakening in sell-through rate and show flat visitor traffic. Across Tiers, primary home sales volume grew by 84% y/y in Tier-1 cities but declined by 6% y/y in Tier-2 and 20% y/y in Tier-3 cities. In May MTD, primary new home sales volume in 42 cities grew by 13% y/y, with Tier-1 cities rising by 89% y/y and Tier-2 rising by 8% y/y, while tier-3 cities were down by 11% y/y. Compared to the same period in April, May MTD sales volume declined by 14% m/m versus a typical 10% m/m increase seasonally. Looking into June, the team sees a double-digit y/y decline given a tougher comparison base in previous year ([see the BofA Global Research China property team's 29 May 2023 report](#)).

### BofA China Cement Outlook Indicator

The BofA Global Research team's China cement indicator has stayed in negative territory for an extended period, with the latest reading at -0.75 in May, sequentially weaker from -0.51 in April. 75% of the cement producers throughout the nation have stayed pessimistic on the 3-month market outlook, and concrete producers are slightly more pessimistic at 80%, despite the traditional peak season in 1H. Meanwhile, cement inventory is hovering at a high level at 70%+, up 5%pt y/y. Cement respondents expect national demand to be flattish MoM in May. Overall, cement producers expect both property and infrastructure cement demand to be flattish in May on a sequential basis, a continuation of weak demand year to date. In the East, lukewarm demand fails to live up to expectations, while in the South & Central, prices are likely to drop further in the rainy season. In the Northeast & North & Northwest, the end of suspension has materially dampened market confidence, and production halt extensions are likely. In the Southwest, both infra and property demand have continued to disappoint ([see the 30 May 2023 China Cement Outlook Indicator report](#)).

### April China ACT reading jumped higher against a low base

The BofA Global Research China team's Activity Coincident Tracker (ACT) surged further to 55.9% y/y in April from a revised reading of 22.3% in March. The y/y growth of all the underlying components improved, with passenger turnover and fiscal revenue jumping 391.1% and 69.8%, respectively. However, the elevated ACT reading was mainly boosted by a low year-ago base. If measured in two-year average growth terms, the headline China ACT was 16.7% in April (versus 7.9% in March), while electricity production (0.8%), real exports (1.4%), and real retail sales (-1.0%) all slowed down ([see the 29 May 2023 BofA China ACT report](#)).

## **Türkiye: suppliers hold their offers post election week**

Turkish export rebar prices were up \$2/t w/w to \$622.5/t. Platts reported that over the past week Turkish steelmakers held back their offers as they awaited the outcome of the Turkish election. Most suppliers were not willing to sell at prices lower than \$630-635/t, while buyers' tradable levels were \$610-615/t and with the mismatch between bid and ask prices, suppliers chose to wait. There is an expectation of developments in the Turkish domestic steel market in the week after the election, and with scrap prices moving up, mills believed they could hold their prices. The spread between rebar and scrap clocked in at \$237.5/t.

## **Europe: bearish outlook as prices continue to drop**

Platts reported that the outlook in the European HRC market remained bearish, particularly as steel buyers were purchasing limited volumes given their sufficient inventories and expectations that prices would drop going forward. According to Platts' contacts, buyers were expecting prices to reach EUR 700/t. Lead times are now also shorter, given this environment of lower orders and falling prices. Competitive imports were also one of the factors pressuring steel prices in Europe, according to Platts' contacts.

## **North America: steel prices under pressure**

Weekly US HRC prices were down \$22.04/t w/w to \$1,135/t last week, and rebar was down \$10/t w/w at \$925/t, as per Platts. Platt's US lead times dropped again w/w to 5.3 weeks for HRC, down from a recent peak of 8.7 weeks in March, while CRC's was down w/w to 6.9 weeks. According to Platts, HRC buyers were cautious, purchasing only on an as-needed basis and not building inventories now. Despite this, end-user demand remained strong, particularly in the construction and oil sectors, according to Platts' contacts. As for rebar, prices were under pressure over recent weeks, given the combination of increased competition with imported volumes and an anticipation of lower scrap prices for June.

## **Latin America: weak demand prevents price hikes**

Brazilian steel prices remained flat w/w last week, with HRC at R\$4,800/t and rebar at R\$3,900/t. Platts reported that mills continued to try to implement the sheet price hike, and some even reduced operating rates, with capacities halted for maintenance. However, prices remained stable due to weak demand. Some of Platts' contacts mentioned that they expected Chinese HRC prices to continue to drop, and with iron ore prices dropping, that could pressure Brazilian HRC prices. With a high import parity premium, players are incentivized to increase steel imports, according to Platts' contacts. As for rebar, prices were steady for the 12th straight week, mainly due to weak construction demand. Mills were not going to attempt to hike prices in the current scenarios, unless there is some development in terms of steel supply, according to Platts' contacts. The 2H23 outlook was bearish, as most market participants were expecting developments in the new fiscal framework and the start of a monetary easing cycle to see a boost in consumption and, therefore, steel demand.

**Exhibit 2: Summary of steel price movements**

Steel prices down w/w in China last week

Steel Price Reference	Current Price (USD/t)	w/w Change (USD/t)	w/w Change (%)	m/m Change (%)	y/y Change (%)	Last Change
<b>China Domestic</b>						
HRC	535.1	-19.66	-3.54%	-6.91%	-23.95%	26-May-23
HRC Cash Margin	0.4	-3.03	-89.64%	n.m.	n.m.	26-May-23
Rebar	491.2	-32.17	-6.15%	-15.14%	-31.21%	26-May-23
Rebar Cash Margin	-8.0	-0.45	-5.94%	78.50%	51.83%	26-May-23
<b>China Export</b>						
HRC	529.0	-20.00	-3.64%	-11.54%	-28.61%	26-May-23
Rebar	542.0	-18.00	-3.21%	-8.60%	-24.09%	26-May-23
<b>Brazil Domestic*</b>						
HRC	4,800.0	0.00	0.00%	0.00%	-28.36%	20-Apr-23
HRC Cash Margin	3,322.4	55.40	1.70%	4.75%	-23.47%	26-May-23
Rebar	3,900.0	0.00	0.00%	0.00%	-23.53%	10-Feb-23
Rebar Cash Margin	2,750.1	20.10	0.74%	-1.97%	-10.89%	26-May-23
<b>Mexico Domestic</b>						
HRC	1,200.6	-1.39	-0.12%	-5.26%	-9.73%	26-May-23
HRC Cash Margin	738.0	-1.39	-0.19%	-3.57%	-8.71%	26-May-23
Rebar	1,094.3	-17.62	-1.58%	-6.25%	-17.72%	26-May-23
Rebar Cash Margin	631.7	-17.62	-2.71%	-5.05%	-21.86%	26-May-23
<b>Argentina Domestic</b>						
HRC	889.0	0.00	0.00%	0.00%	0.00%	1-Mar-18
HRC Cash Margin	593.2	10.88	1.87%	4.75%	50.37%	26-May-23
Rebar	790.0	0.00	0.00%	-5.95%	-24.76%	12-May-23
Rebar Cash Margin	494.2	10.88	2.25%	-4.47%	-11.04%	26-May-23
<b>US Domestic</b>						
HRC	1,135.4	-22.04	-1.90%	-11.97%	-16.94%	25-May-23
HRC Cash Margin	672.8	-22.04	-3.17%	-14.59%	-20.40%	25-May-23
Rebar	925.0	-10.00	-1.07%	-3.65%	-21.28%	26-May-23
Rebar Cash Margin	462.4	-10.00	-2.12%	0.95%	-29.23%	26-May-23
<b>Turkey Domestic</b>						
HRC	690.0	-10.00	-1.43%	-9.21%	-22.47%	26-May-23
HRC Cash Margin	305.0	-19.50	-6.01%	-13.48%	-29.56%	26-May-23
Rebar	791.3	16.40	2.12%	-1.26%	-8.71%	26-May-23
Rebar Cash Margin	406.3	6.90	1.73%	3.14%	-0.85%	26-May-23
<b>Turkey Export</b>						
HRC	680.0	0.00	0.00%	-8.72%	-21.84%	19-May-23
Rebar	622.5	2.00	0.32%	-4.23%	-18.36%	25-May-23
<b>Russia Domestic</b>						
HRC	431.8	0.00	0.00%	-3.30%	-21.20%	3-May-23
HRC Cash Margin	136.0	10.88	8.69%	9.81%	154.25%	26-May-23
Rebar	387.6	0.00	0.00%	-0.54%	-5.36%	3-May-23
Rebar Cash Margin	91.7	10.88	13.45%	37.03%	n.m.	26-May-23
<b>Black Sea Export</b>						
HRC	605.0	-10.00	-1.63%	-3.97%	-21.43%	24-May-23
Rebar	565.0	0.00	0.00%	-5.44%	-19.29%	2-May-23

Source: BofA Global Research, Platts

(\*) Brazilian prices in BRL

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**Exhibit 3: Summary of raw materials price movements**

Raw material prices were down last week

Steel Price Reference	Current Price (USD/t)	w/w Change (USD/t)	w/w Change (%)	m/m Change (%)	y/y Change (%)	Last Change
<b>Raw Materials</b>						
HCC Australia	222.0	-2.50	-1.11%	-11.20%	-53.26%	23-May-23
HCC China	223.0	1.00	0.45%	-15.37%	-46.78%	22-May-23
Iron Ore 62 Kallanish	101.6	-5.86	-5.45%	-5.85%	-22.38%	26-May-23
Iron Ore 58	87.7	-5.30	-5.70%	-3.78%	-16.71%	26-May-23
Iron Ore 62	102.5	-5.95	-5.49%	-4.83%	-21.94%	26-May-23
Iron Ore 65	113.8	-8.65	-7.07%	-6.07%	-26.78%	26-May-23
Iron Ore 58 Discount to 62	14.8	-0.65	-4.22%	-10.61%	-43.16%	26-May-23
Iron Ore 65 Premium to 62	11.3	-2.70	-19.29%	-15.99%	-53.11%	26-May-23
Iron Ore 62 Lump	113.1	-3.48	-2.99%	-5.40%	-33.27%	26-May-23
Iron Ore Pellet	130.7	-2.94	-2.20%	-5.21%	-29.15%	26-May-23
Brazil Pig Iron	480.0	0.00	0.00%	-10.28%	-45.14%	19-May-23
Black Sea Pig Iron	375.0	5.00	1.35%	-2.60%	-25.00%	26-May-23
<b>Scrap</b>						
US	462.6	0.00	0.00%	-7.84%	-11.32%	8-May-23
Brazil	230.2	-3.86	-1.65%	6.13%	-45.47%	26-May-23
Turkey	385.0	9.50	2.53%	-5.52%	-15.75%	26-May-23
<b>Semi-Finished</b>						
Turkey Billet	580.0	0.00	0.00%	-7.57%	-21.62%	1-May-23
Black Sea Billet	522.5	-5.00	-0.95%	-2.79%	-13.99%	24-May-23
Southeast Asia Billet	518.0	-4.00	-0.77%	-3.18%	-19.81%	22-May-23
Latin America Billet	550.0	0.00	0.00%	0.00%	-25.68%	14-Apr-23
Black Sea Slab	530.0	-10.00	-1.85%	-7.83%	-11.67%	24-May-23
Southeast Asia Slab	595.0	0.00	0.00%	-3.41%	-21.71%	1-May-23
Brazil Slab	700.0	-35.00	-4.76%	-17.16%	-17.16%	26-May-23
<b>Futures</b>						
Iron Ore Active Contract	95.7	-0.72	-0.74%	-1.93%	-4.61%	26-May-23
China HRC Active Contract	504.2	-27.73	-5.21%	-7.20%	N/A	26-May-23
China Rebar Active Contract	793.3	-5.94	-0.74%	-1.93%	-4.61%	26-May-23
China HRC Simplified Cash Margin**	351.1	-26.59	-7.04%	-9.32%	n.m.	26-May-23
China Rebar Simplified Cash Margin**	640.2	-4.79	-0.74%	-1.93%	-4.61%	26-May-23

Source: BofA Global Research, Platts, MySteel, Bloomberg

(\*\*) Simplified cash margins calculated based on steel futures prices - iron ore futures

**Exhibit 4: Steel price period comparison**

Most prices have been above their historical averages

Steel Price Reference	Current Price	Last Week Price	Last Month Price	Last Year Price	12M Average	5Y Average
<b>China Domestic</b>						
HRC	535	555	575	704	594	640
HRC Cash Margin	0	3	-33	-44	-17	46
Rebar	491	523	579	714	588	625
Rebar Cash Margin	-8	-8	-37	-17	-3	55
<b>China Export</b>						
HRC	529	549	598	741	610	615
Rebar	542	560	593	714	604	575
<b>Brazil Domestic*</b>						
HRC	4,800	4,800	4,800	6,700	4,947	4,163
HRC Cash Margin	3,322	3,267	3,172	4,341	3,109	2,602
Rebar	3,900	3,900	3,900	5,100	4,307	3,613
Rebar Cash Margin	2,750	2,730	2,805	3,086	3,184	2,525
<b>Mexico Domestic</b>						
HRC	1,201	1,202	1,267	1,330	961	989
HRC Cash Margin	738	739	765	808	528	615
Rebar	1,094	1,112	1,167	1,330	1,073	827
Rebar Cash Margin	632	649	665	808	639	453
<b>Argentina Domestic</b>						
HRC	889	889	889	889	889	889
HRC Cash Margin	593	582	566	394	533	570
Rebar	790	790	840	1,050	823	894
Rebar Cash Margin	494	483	517	555	468	575
<b>US Domestic</b>						
HRC	1,135	1,157	1,290	1,367	983	1,040
HRC Cash Margin	673	695	788	845	550	666
Rebar	925	935	960	1,175	992	872
Rebar Cash Margin	462	472	458	653	559	494
<b>Turkey Domestic</b>						
HRC	690	700	760	890	721	688
HRC Cash Margin	305	325	353	433	327	319
Rebar	791	775	801	867	808	683
Rebar Cash Margin	406	399	394	410	413	313
<b>Turkey Export</b>						
HRC	680	680	745	870	709	676
Rebar	623	621	650	763	676	578
<b>Russia Domestic</b>						
HRC	432	432	447	548	424	590
HRC Cash Margin	136	125	124	53	68	271
Rebar	388	388	390	410	361	500
Rebar Cash Margin	92	81	67	-85	6	181
<b>Black Sea Export</b>						
HRC	605	615	630	770	625	618
Rebar	565	565	598	700	584	548
<b>Raw Materials</b>						
HCC Australia	222	225	250	475	293	227
HCC China	223	222	264	419	316	257
Iron Ore 62 Kallanish	102	108	108	131	112	114
Iron Ore 58	88	93	91	105	96	89
Iron Ore 62	102	108	108	131	112	114
Iron Ore 65	114	122	121	155	126	132
Iron Ore 58 Discount to 62	15	15	17	26	16	25
Iron Ore 65 Premium to 62	11	14	13	24	14	18
Iron Ore 62 Lump	113	117	120	169	123	134
Iron Ore Pellet	131	134	138	184	148	164
Brazil Pig Iron	480	480	535	875	516	443
Black Sea Pig Iron	375	370	385	500	392	414
<b>Scrap</b>						
US	463	463	502	522	433	374
Brazil	230	234	217	422	218	224
Turkey	385	376	408	457	394	369

**Exhibit 4: Steel price period comparison**

Most prices have been above their historical averages

Steel Price Reference	Current Price	Last Week Price	Last Month Price	Last Year Price	12M Average	5Y Average
<b>Semi-Finished</b>						
Turkey Billet	580	580	628	740	625	537
Black Sea Billet	523	528	538	608	538	503
Southeast Asia Billet	518	522	535	646	565	540
Latin America Billet	550	550	550	740	548	503
Black Sea Slab	530	540	575	600	515	533
Southeast Asia Slab	595	595	616	760	582	562
Brazil Slab	700	735	845	845	675	605
<b>Futures</b>						
Iron Ore Active Contract	96	96	98	100	98	118
China HRC Active Contract	504	532	543	0	566	566
China Rebar Active Contract	793	799	809	832	811	677
China HRC Simplified Cash Margin**	351	378	387		411	411
China Rebar Simplified Cash Margin**	640	645	653	671	655	624

**Source:** BofA Global Research, Platts, MySteel, Bloomberg

(\*) All prices are quoted in USD per metric ton, except Brazil Domestic prices and margins which are quoted in BRL per metric ton. (\*\*) Simplified cash margins calculated based on steel futures prices – iron ore futures

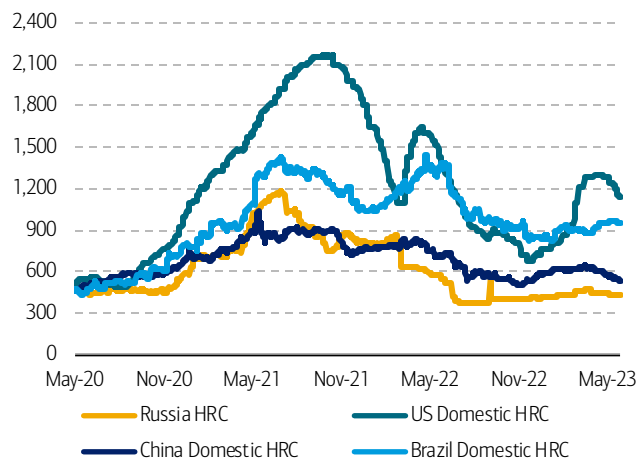
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# Key charts

## Main global steel references

### Exhibit 5: HRC price comparison around the globe (US\$/t)

US HRC prices are currently rising

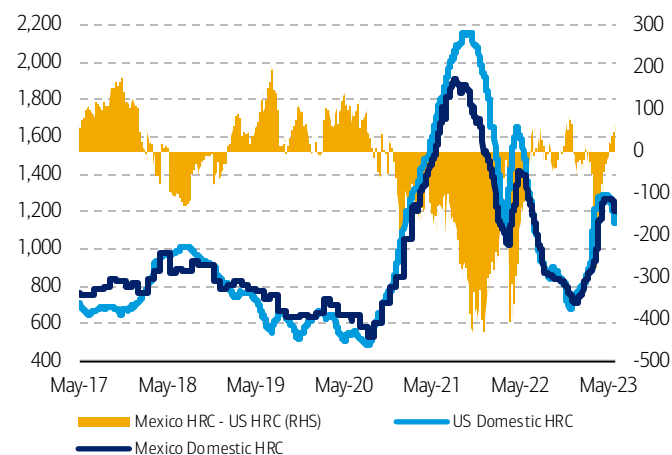


Source: BofA Global Research, Platts

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### Exhibit 6: Mexico HRC and US HRC prices (US\$/t)

Mexican HRC historically follows US prices and is \$1,200/t, while US HRC is \$1,279/t



Source: BofA Global Research, Platts

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### Exhibit 7: China HRC domestic prices (US\$/t)

HRC prices are declining again after increasing in the last months



Source: BofA Global Research, Platts

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### Exhibit 8: China rebar domestic prices (US\$/t)

Prices remain below recent peaks, close to 2019 levels



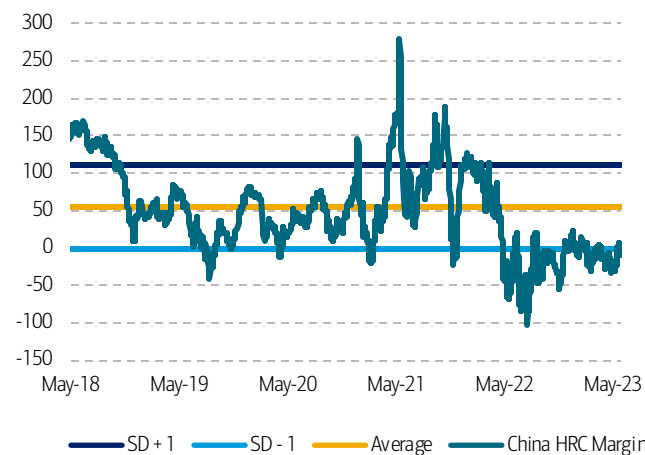
Source: BofA Global Research, Platts

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**Exhibit 9: China HRC margins (US\$/t)**

Margins are below the historical average

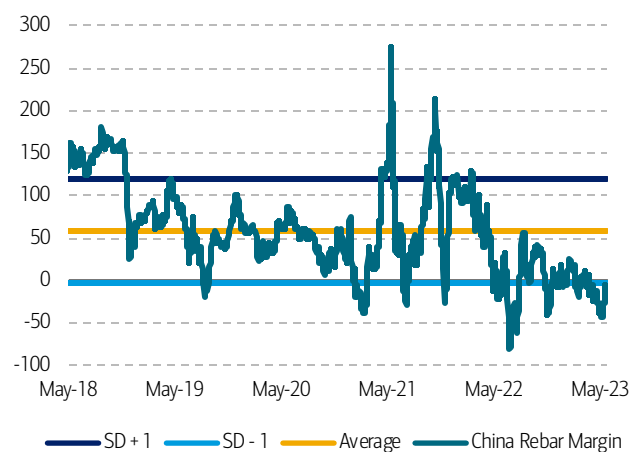


Source: BofA Global Research, Platts

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**Exhibit 10: China rebar margins (US\$/t)**

Margins are below the historical average



Source: BofA Global Research, Platts

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**China Exports****Exhibit 11: China HRC export prices (US\$/t)**

HRC prices are rising but continue below recent peaks in 2021



Source: BofA Global Research, Platts

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**Exhibit 12: China rebar export prices (US\$/t)**

Prices have been rising in 2023



Source: BofA Global Research, Platts

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## Brazil

### Exhibit 13: Brazil HRC domestic prices (R\$/t)

HRC prices stopped dropping and are now flat



Source: BofA Global Research, Platts

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### Exhibit 14: Brazil rebar domestic prices (R\$/t)

Long steel prices started to drop in the second half of 2022

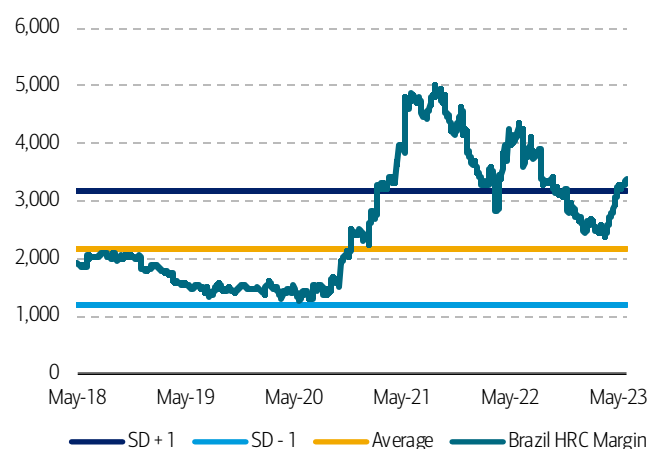


Source: BofA Global Research, Platts

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### Exhibit 15: Brazil HRC margins (R\$/t)

Margins remain above historical average of around R\$2,150/t

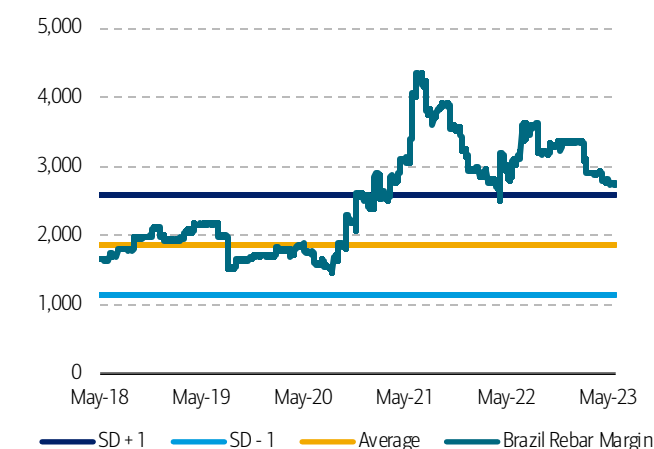


Source: BofA Global Research, Platts

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### Exhibit 16: Brazil rebar margins (R\$/t)

Margins are still above average



Source: BofA Global Research, Platts

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### Exhibit 17: Brazil HRC parity premium/discount calculation

We estimate Brazilian HRC at an 28.8% premium, considering a \$85/t freight

Brazilian HRC import parity calculation	
Chinese HRC price (US\$/t)	529
Freight (US\$/t)	85
Insurance rate (%)	0.5%
Insurance (US\$/t)	3.1
Import tariff rate (%)	9.6%
Import tariff (US\$/t)	59.2
Other costs (US\$/t)	70
<b>Total (US\$/t)</b>	<b>746</b>
USDBRL	4.99
<b>Imported HRC price (R\$/t)</b>	<b>3,728</b>
<b>Brazilian HRC price (R\$/t)</b>	4,800
<b>Premium/discount</b>	<b>28.8%</b>

Source: BofA Global Research, Platts, Bloomberg

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**Exhibit 18: Brazil Rebar parity premium/discount calculation**

We estimate Brazilian Rebar at an 3.2% discount, considering a \$55/t freight

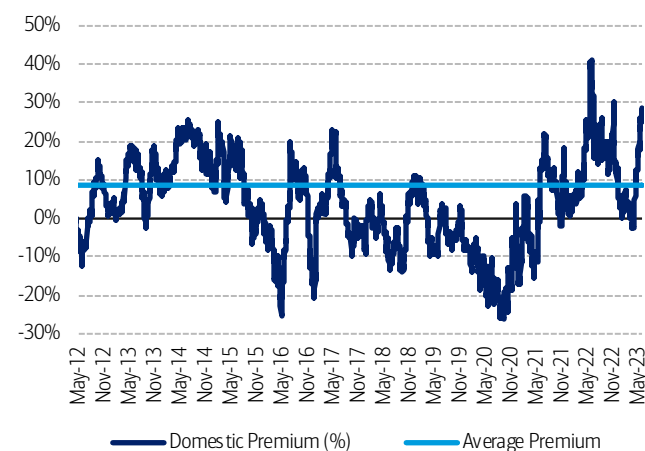
Brazilian rebar import parity calculation	
Turkish Rebar price (US\$/t)	623
Freight (US\$/t)	55
Insurance rate (%)	0.5%
Insurance (US\$/t)	3.39
Import tariff rate (%)	9.6%
Import tariff (US\$/t)	65
Other costs (US\$/t)	60
<b>Total (US\$/t)</b>	<b>806</b>
USDBRL	4.99
<b>Imported rebar price (R\$/t)</b>	<b>4,027</b>
<b>Brazilian rebar price (R\$/t)</b>	3,900
<b>Premium/discount</b>	<b>-3.2%</b>

Source: BofA Global Research, Platts, Bloomberg

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**Exhibit 19: Brazilian historical premium/discount to Chinese HRC landed prices (%)**

The premium is currently ~28.8%

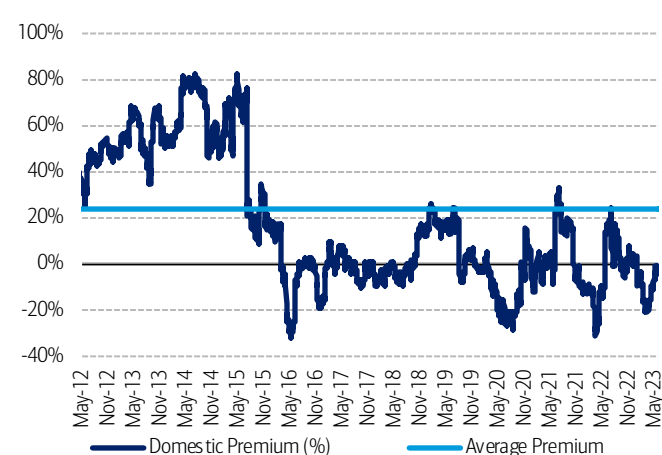


Source: BofA Global Research, Platts, Bloomberg

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**Exhibit 20: Brazilian historical premium/discount to Turkish rebar landed prices (%)**

The discount is currently 3.2%



Source: BofA Global Research, Platts, Bloomberg

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## Mexico

### Exhibit 21: Mexico HRC prices (US\$/t)

HRC prices dropped ~46% in 2022 and started to increase this year



Source: BofA Global Research, Platts

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### Exhibit 22: Mexico rebar prices (US\$/t)

Rebar prices are increasing after bottom, still at high levels

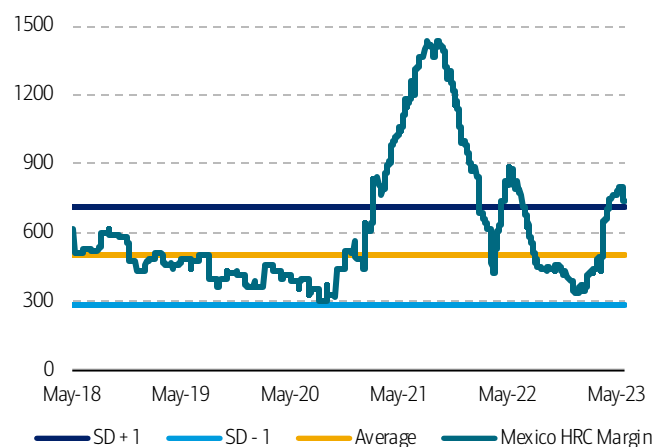


Source: BofA Global Research, Platts

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### Exhibit 23: Mexico HRC margins (US\$/t)

Margins are now above the historical average

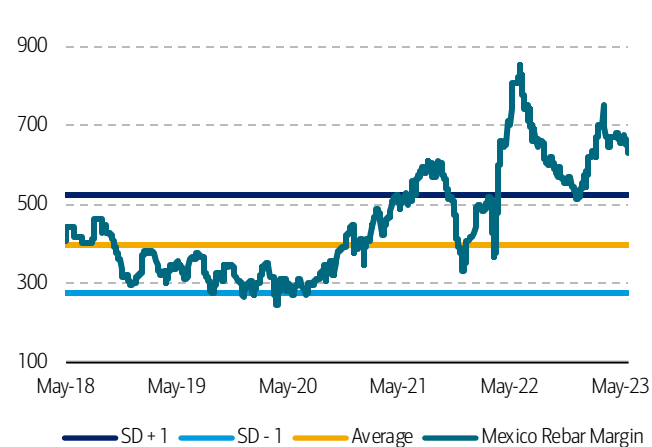


Source: BofA Global Research, Platts

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### Exhibit 24: Mexico rebar margins (US\$/t)

Rebar margins are rising since December 2022



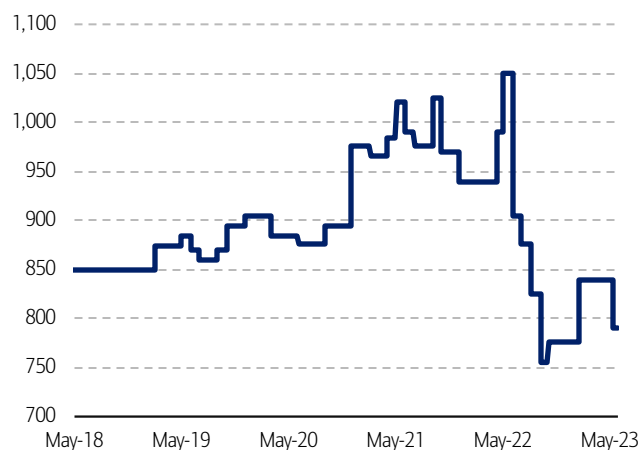
Source: BofA Global Research, Platts

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## Argentina

### Exhibit 25: Argentina rebar prices (US\$/t)

Rebar prices slightly recovered

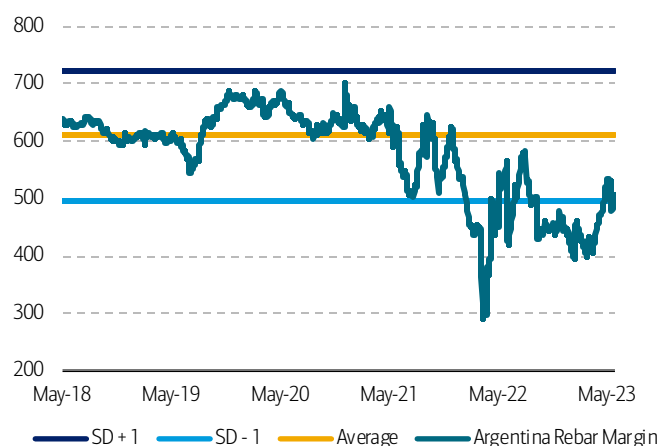


Source: BofA Global Research, Platts

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### Exhibit 26: Argentina rebar margins (US\$/t)

Margins are below historical average in Argentina



Source: BofA Global Research, Platts

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## US

### Exhibit 27: US HRC prices (US\$/t)

US HRC are rising after a downward trend



Source: BofA Global Research, Platts

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### Exhibit 28: US rebar prices (US\$/t)

Rebar prices rebounded slightly in the US



Source: BofA Global Research, Platts

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### Exhibit 29: CRU – US monthly steel prices

Prices were flat m/m in the US

	May-23	Apr-23	m/m%	y/y%
<b>U.S.</b>				
Rebar prices (\$/st)	940	940	0.0%	-6.0%
Beam price (\$/st)	1,370	1,370	0.0%	-2.8%
M. bar price (\$/st)	1,166	1,166	0.0%	-4.1%

Source: BofA Global Research, CRU

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### Exhibit 30: CRU – US weekly prices

Prices down w/w in the US

	24-May-23	w/w%	m/m%	y/y%
<b>U.S. Flat steel weekly</b>				
HRC price (\$/st)	1,076	-1.2%	-7.9%	-18.4%
CRC price (\$/gt)	1,230	-5.3%	-10.2%	-30.2%
HDG (\$/st)	1,315	-1.4%	-8.5%	-28.5%
Plate (\$/gt)	1,560	-1.5%	1.5%	-15.4%

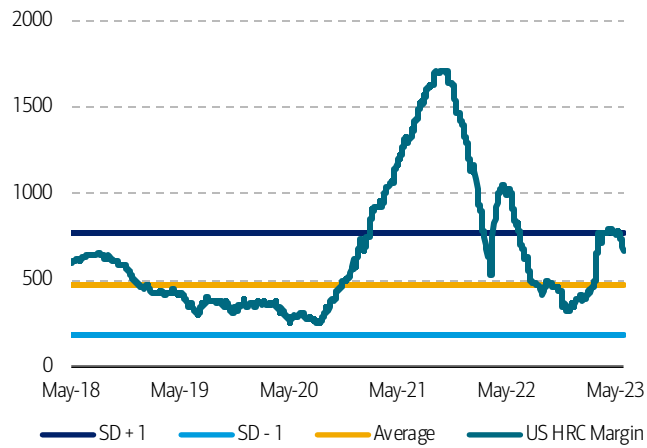
Source: BofA Global Research, CRU

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**Exhibit 31: US HRC margins (US\$/t)**

Margins have followed price's movements and are above the historical average

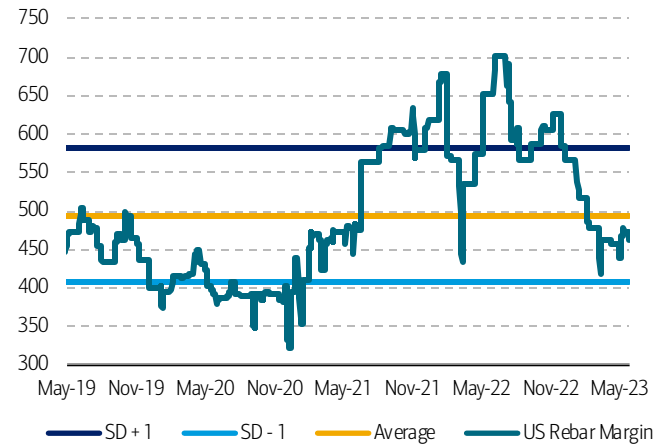


Source: BofA Global Research, Platts

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**Exhibit 32: US rebar margins (US\$/t)**

Margins are below the historical average

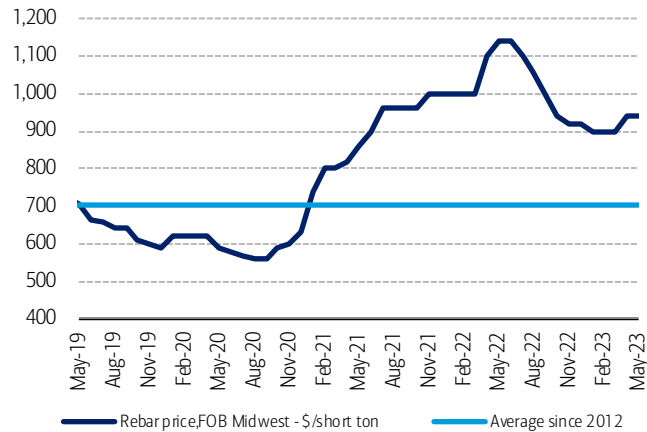


Source: BofA Global Research, Platts

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**Exhibit 33: US rebar prices (US\$/short ton)**

Rebar prices are currently above the historical average

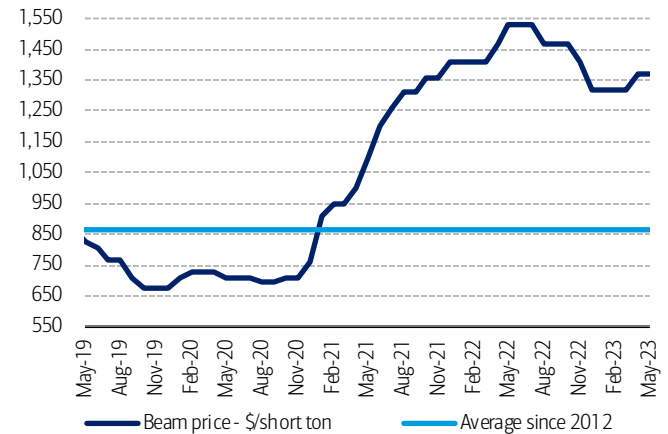


Source: BofA Global Research, CRU

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**Exhibit 34: US beam prices (US\$/short ton)**

Beam prices are currently above the historical average

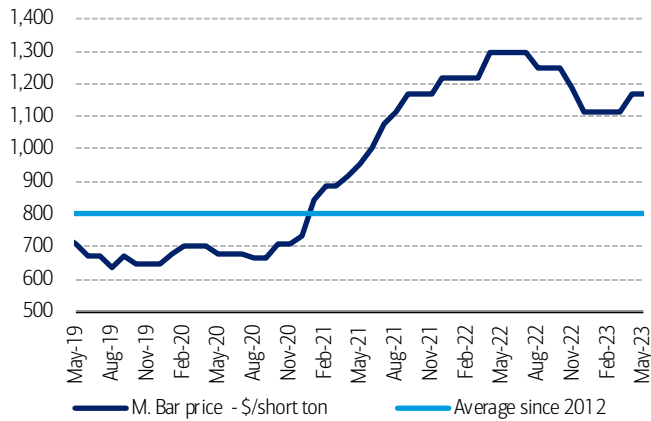


Source: BofA Global Research, CRU

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**Exhibit 35: US M. bar prices (US\$/short ton)**

M. bar prices are currently above the historical average

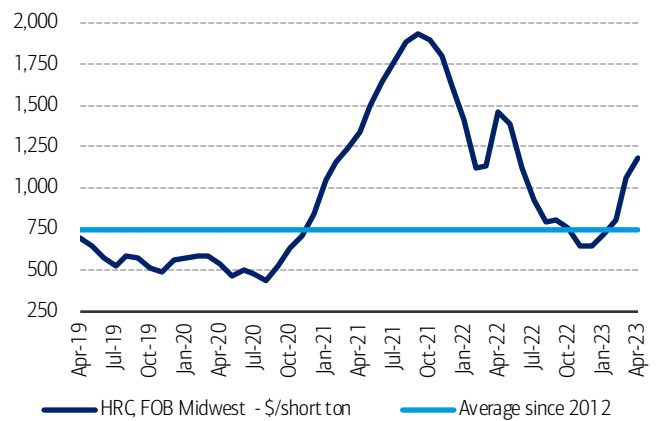


Source: BofA Global Research, CRU

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**Exhibit 36: US HRC prices (US\$/short ton)**

US HRC prices are above the historical average

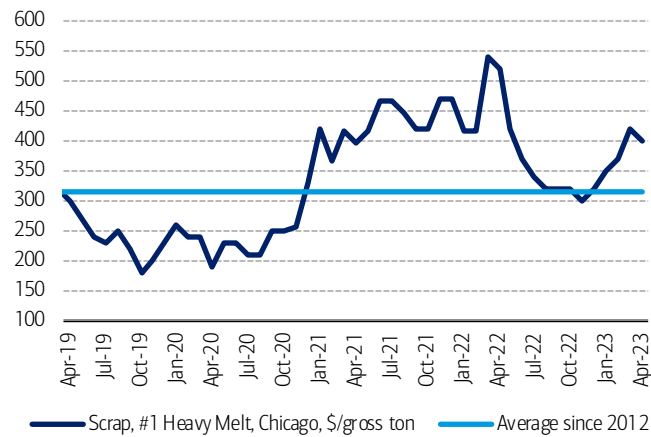


Source: BofA Global Research, CRU

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**Exhibit 37: US scrap prices (US\$/gross ton)**

US scrap prices are above the historical average

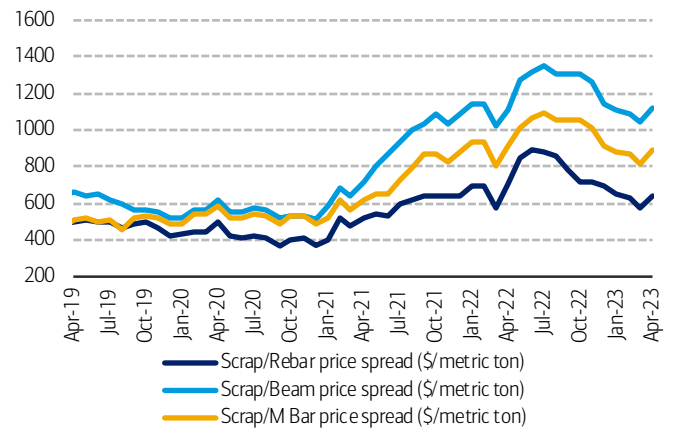


Source: BofA Global Research, CRU

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**Exhibit 38: Long steel metal spreads (US\$/t)**

Spreads are at high levels but correcting



Source: BofA Global Research, CRU

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## Türkiye

### Exhibit 39: Turkey HRC prices (US\$/t)

HRC prices declined after peak post the Russian invasion in Ukraine



Source: BofA Global Research, Platts

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### Exhibit 40: Türkiye rebar prices (US\$/t)

Rebar prices dropped from peaks in 2022 but rebounded lately

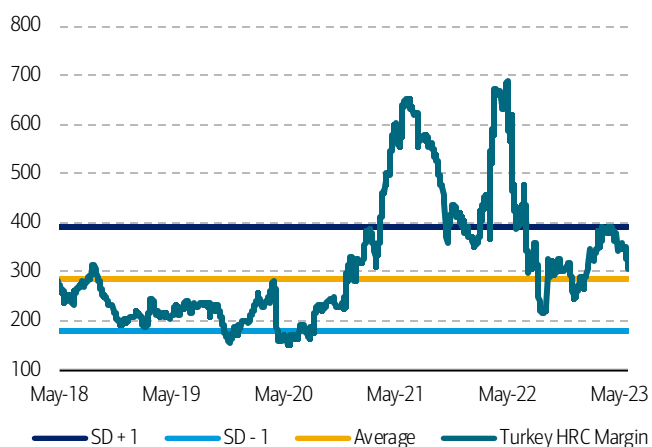


Source: BofA Global Research, Platts

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### Exhibit 41: Türkiye HRC margins (US\$/t)

Margins are currently above the historical level

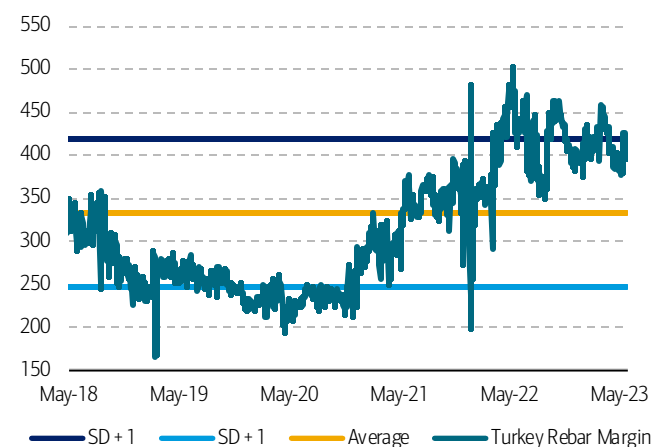


Source: BofA Global Research, Platts

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### Exhibit 42: Türkiye rebar margins (US\$/t)

Margins are above the historical average



Source: BofA Global Research, Platts

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## Türkiye & Black Sea exports

### Exhibit 43: Türkiye HRC export prices (US\$/t)

HRC prices are moving up in 2023



Source: BofA Global Research, Platts

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### Exhibit 44: Türkiye rebar export prices (US\$/t)

Rebar prices declined and are closer to 2021 levels



Source: BofA Global Research, Platts

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### Exhibit 45: Black Sea HRC export prices (US\$/t)

Prices for Black Sea HRC are rising



Source: BofA Global Research, Platts

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### Exhibit 46: Black Sea rebar export prices (US\$/t)

Prices for Black Sea's rebar have corrected but remain above past years



Source: BofA Global Research, Platts

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## Russia

### Exhibit 47: Russia HRC prices (US\$/t)

Russia HRC prices dropped sharply since conflict with Ukraine



Source: BofA Global Research, Platts

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### Exhibit 48: Russia rebar prices (US\$/t)

Russia rebar prices dropped sharply since conflict with Ukraine

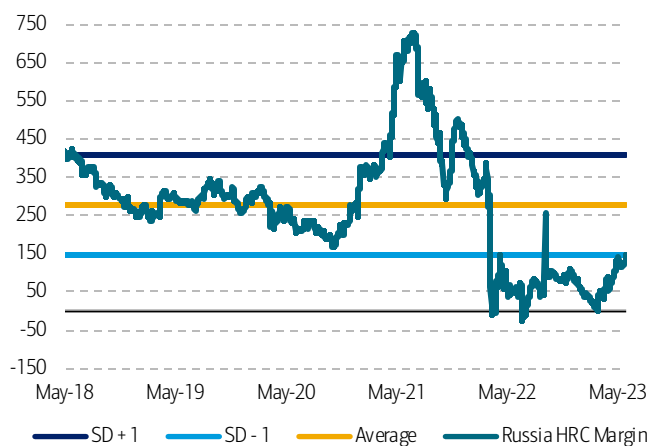


Source: BofA Global Research, Platts

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### Exhibit 49: Russia HRC margins (US\$/t)

HRC margin levels have bottomed and are now way below historical average

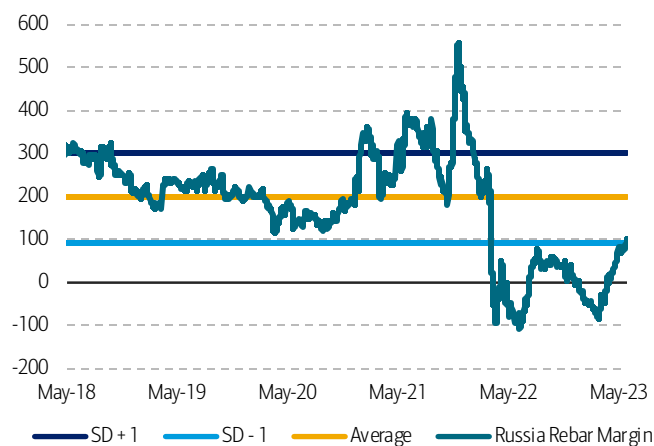


Source: BofA Global Research, Platts

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### Exhibit 50: Russia rebar margins (US\$/t)

Margins have dropped strongly and are now below historical average



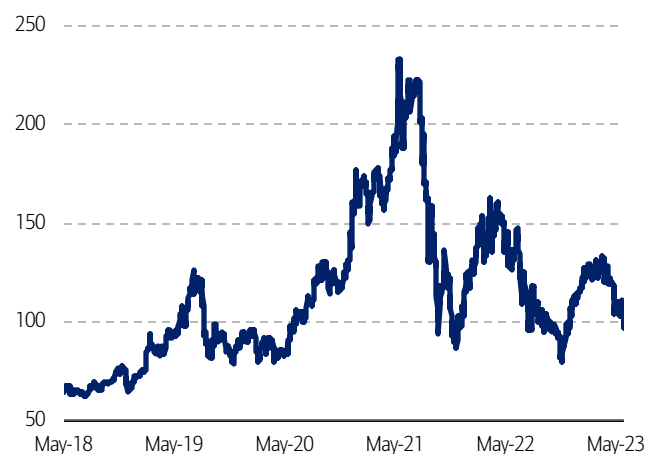
Source: BofA Global Research, Platts

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## Raw Materials

### Exhibit 51: Iron ore 62% CFR China prices (US\$/t)

Prices have been rising since the end of 2022

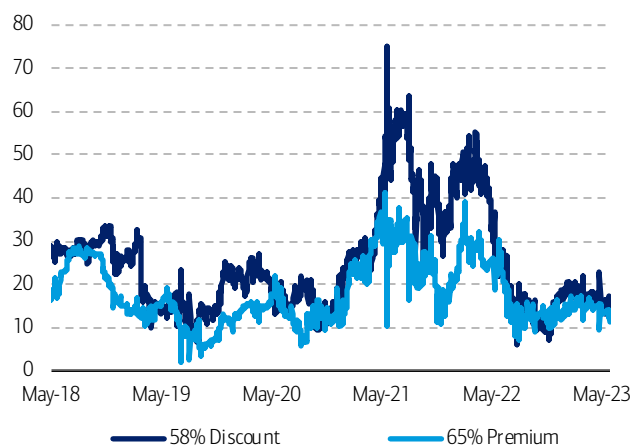


Source: BofA Global Research, Platts

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### Exhibit 52: Iron ore grade discount/premium to 62% Fe content benchmark product (US\$/t)

Discounts dropped from higher levels last year

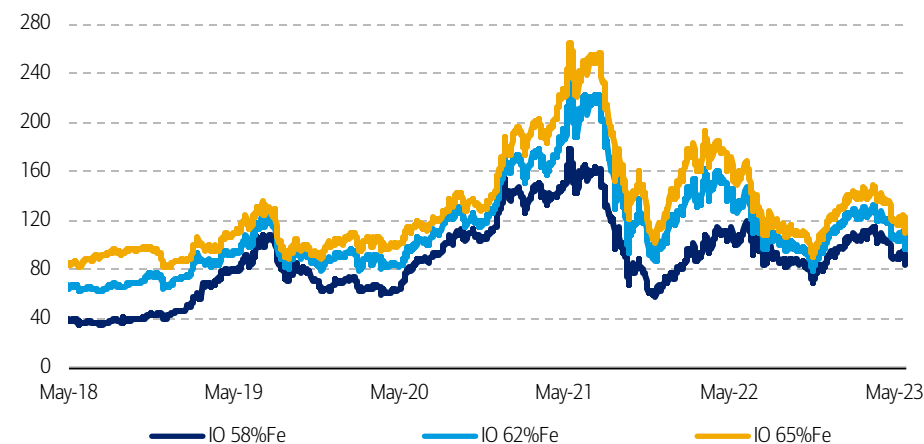


Source: BofA Global Research, Platts

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### Exhibit 53: Iron ore prices by grade (US\$/t)

Prices have been increasing since the end of 2022

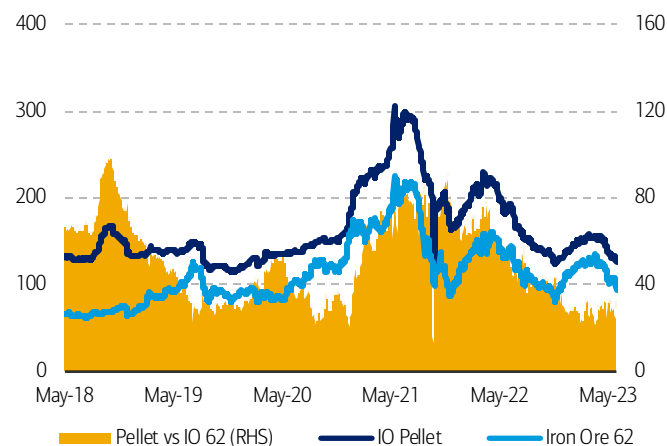


Source: BofA Global Research, Platts

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**Exhibit 54: Iron ore pellets (US\$/t)**

Iron ore pellet prices increased in 2022, with premium still high

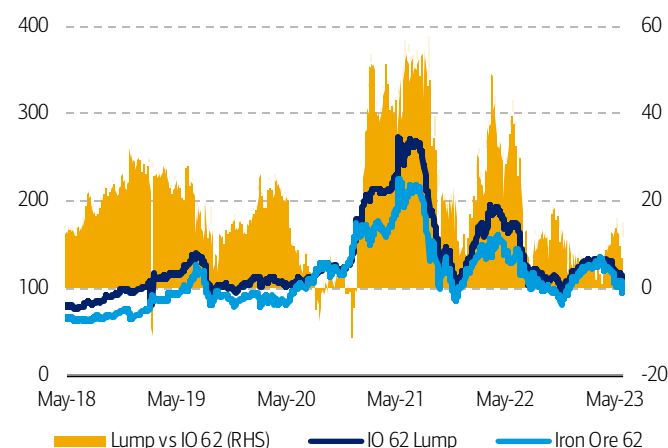


Source: BofA Global Research, Bloomberg

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**Exhibit 55: Iron ore 62% lump (US\$/t)**

Iron ore lump premium showing positive recover after bottom by the end of 2021

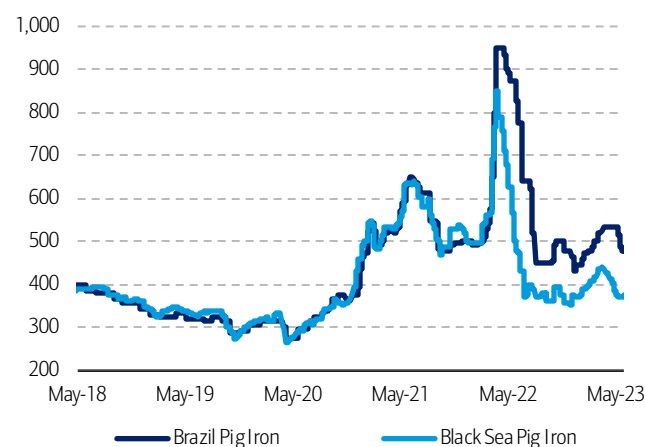


Source: BofA Global Research, Bloomberg

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**Exhibit 56: Pig iron prices (US\$/t)**

Pig iron decreasing after March's peak close to \$900/t



Source: BofA Global Research, Platts

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**Exhibit 57: Hard cooking coal (HCC) prices (US\$/t)**

After reaching peak in March due to tight supply, prices began to normalize, especially from Australia

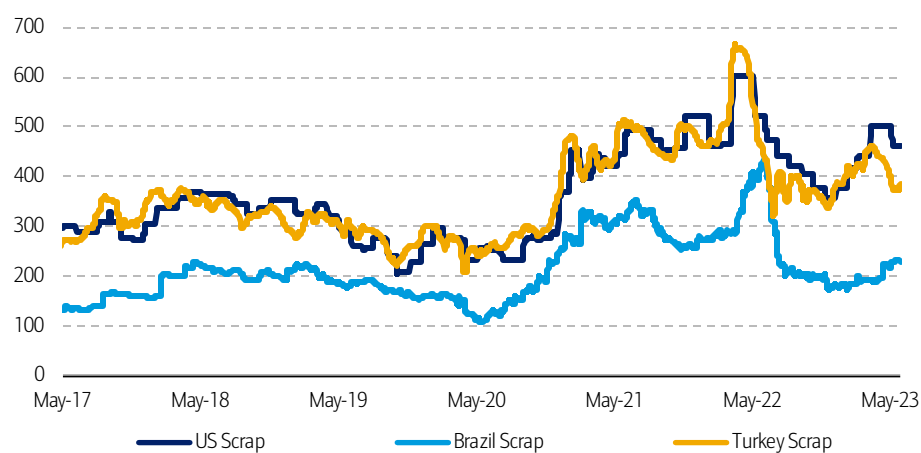


Source: BofA Global Research, Platts

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**Exhibit 58: Scrap prices (US\$/t)**

Scrap prices remain at elevated levels, especially for Türkiye and the US, while Brazilian scrap has started to correct



Source: BofA Global Research, Platts

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**Semi-Finished****Exhibit 59: Türkiye billet prices (US\$/t)**

Türkiye billet prices have started to normalize after the peak in 2021 but are still at high levels



Source: BofA Global Research, Platts

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**Exhibit 60: Black Sea billet prices (US\$/t)**

Black Sea billet prices dropped during 2022



Source: BofA Global Research, Platts

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**Exhibit 61: Southeast Asia billet prices (US\$/t)**

Southeast Asia billet dropped in 2022



Source: BofA Global Research, Platts

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**Exhibit 62: Latin America billet prices (US\$/t)**

As for Latin America, billet prices are currently below US\$500/t



Source: BofA Global Research, Platts

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**Exhibit 63: Black Sea slab prices (US\$/t)**

Black Sea slab prices are increasing



Source: BofA Global Research, Platts

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**Exhibit 64: Southeast Asia slab prices (US\$/t)**

Southeast Asian slab started rising at the end of 2022



Source: BofA Global Research, Platts

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**Exhibit 65: Brazil slab prices (US\$/t)**  
Brazilian slab prices declined after new peak in March and are starting to rise again



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