

Steel Price Tracker

Brazilian steelmakers successful on HRC hike

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 you find it useful. We welcome any 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 (%)
China Domestic			
HRC	553.3	0.00	0.00%
Rebar	535.2	0.00	0.00%
China Export			
HRC	553.0	0.00	0.00%
Rebar	566.0	0.00	0.00%
Brazil Domestic*			
HRC	4,100.0	0.00	0.00%
Rebar	3,750.0	0.00	0.00%
US Domestic			
HRC	992.1	0.00	0.00%
Rebar	855.0	-15.00	-1.72%
Türkiye Export			
HRC	680.0	0.00	0.00%
Rebar	610.0	0.00	0.00%
Raw Materials			
HCC Australia	315.0	-0.50	-0.16%
HCC China	320.0	0.00	0.00%
Iron Ore 58	116.5	0.60	0.52%
Iron Ore 62	130.0	1.00	0.78%
Iron Ore 65	143.2	1.00	0.70%
Iron Ore Pellet	152.7	0.00	0.00%
Brazil Pig Iron	452.5	0.00	0.00%
Black Sea Pig Iron	407.5	2.50	0.62%
Scrap			
US	447.8	0.00	0.00%
Brazil	191.3	-0.45	-0.24%
Türkiye	416.0	-3.25	-0.78%

Source: BofA Global Research, Platts

(*) Brazilian prices in BRL

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20 February 2024

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HRC = hot rolled coil

CRC = cold rolled coil

HDG = hot dip galvanized

HMS = heavy melting scrap

HCC = hard coking coal

w/w = week over week

y/y = year over year

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Refer to important disclosures on page 25 to 26.

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Timestamp: 20 February 2024 06:58PM EST

Weekly news flow

Asia: Prices stable w/w; BF op rates up to 83.97%

Steel export prices were stable w/w in China last week, with Chinese exported hot rolled coil (HRC) stable at \$553/t, and rebar flat w/w at \$566/t. The blast furnace (BF) capacity utilization rate among the 247 Chinese steel producers under Mysteel's regular tracking nudged up for the sixth straight week to reach 83.97% during February 9-15, higher by 0.17 percentage point from the prior week, while the daily hot metal output among these steelmakers also rose by 4,800 tonnes/day on week to average 2.25Mt per day.

Larger-than-expected 5yr LPR cut signals policy support to property sector

China's benchmark 1-year Loan Prime Rate (LPR) remained unchanged at 3.45% in February, against market expectations of a small 5bp cut. However, the 5y LPR was lowered by 25bps to 3.95%, beating consensus forecast of a 10bp cut. The magnitude of the 5y LPR cut was larger than the previous few reductions (10bps in June '23, 15bps in May and August '22) and also marked the biggest move on record. This reduction in the 5y LPR came on the back of prior rounds of deposit rate cuts and the 50bp reserve requirement ratio (RRR) cut that took effect on February 5. Note that the People's Bank of China (PBoC) did not cut the medium-term lending facility (MLF) rate two days ago, amid renewed currency depreciation pressure as the market expected timeline for Fed cuts was delayed further.

In our economists' view, the PBoC will likely step up on monetary easing this year, as external constraints gradually ease. In the near term, the pace of further interest rate cuts could be limited, given the PBoC's continued focus on FX stability and pressure on the net interest margins of commercial banks. However, they see room for more rate cuts for the rest of the year, facilitated by likely further deposit rate reductions and the Fed's pivot to rate cuts (our US Economics team expects the first cut in June). They still expect the 1y LPR to decline by a cumulative 45bps in 2024, mostly during the 2H. But even before the Fed pivot mid-year, they think the PBoC may still guide down the 5y loan prime rate (LPR) further without changing the 1y tenor. Meanwhile, they think the PBoC is likely to provide more funding support to several targeted areas (technology, green economy, small and midsize enterprises (SMEs), senior care and digital economy) and continue to drive a reasonable pace of credit growth. Policymakers may also continue to utilize quasi-fiscal tools (such as pledged supplementary lending (PSL)) to prop up investment growth ([link to China Watch](#)).

Post-CNY ground checks on steel: quiet but less bearish sentiment

Mysteel suggests the market remains in low production, low demand, low inventory, and high cost. Specifically, most BF's maintained production while electric arc furnace (EAF) plants halted for maintenance. Molten iron production was more stable, while finished steel production declined. Demand was -14%wow (long steel -29%, flat steel -10%) and -38%yoy at 5.51mnt as construction and trader procurement were suspended during the holiday. The market appears positive on the marginal demand improvement post-holiday. Inventory was +18%wow/-12%yoy at 21.03mnt. Steel mills usually hike prices after the holiday based on past trends. Mysteel reported steel billet price was +RMB80/t on 18 Feb. Price should be supported by cost near term ([link to our China Basic Materials' team report](#)).

China property - Primary home: tier 1 cities outperformed

According to China Index Academy (a leading real estate consulting firm), the registered primary home sales volume in 25 cities dropped 27% y/y compared to the Lunar New Year (LNY) in 2023. Tier 1 cities' rose by 108% y/y, yet tier 2 cities' dropped 46% y/y and lower tier cities' dropped 29% y/y. Also, per the China Index Academy, foot traffic at sales centers was seen to have improved, but conversion rate remained lukewarm. "Zhuge Home Search" (online property agency) also showed a similar trend: 10 key cities' primary home sales volume was down by 13.6% y/y during LNY: tier 1 cities' was slightly up, and the rest of the cities saw decline compared to the CNY period in 2023. New

supplies for primary homes were seen down by around 10% in 50 cities tracked by CRIC (China Real Estate Information Corporation) ([link to our team's tracker](#)).

Quality developers' monthly land acquisition tracker – Jan

In Jan 2024, the largest quality developers that our China Property team tracks (the largest state-owned enterprises (SOEs), along with Vanke and Longfor) spent RMB10.5bn on land acquisitions on a gross basis, down 66% y/y and 85% m/m. Our colleagues believe the large y/y decline in land acquisitions was probably due to quality developers' more cautious stance towards land investments amid weak new home sales volume and prices. 302 cities land sales revenue in Jan was up by 61% y/y – either smaller developers and non-developer SOEs were more proactive or local-government financing vehicles (LGFVs) were buying, and the timing of Chinese New Year (in Jan 2023 but in Feb 2024) also played a role in the increase ([link to our China property team report](#)).

Will strong LNY travel lead to a broader consumption recovery and less easing?

National tourism recovery came in better than the market originally expected during the LNY holiday (10-17 Feb), with more on the move and higher tourism spending. This is corroborated with a faster y/y growth of value-added tax (VAT) invoice data in services sectors and the record-high box office revenue, implying strong growth in service consumption. Such holiday tourism strength is consistent with what we already know - tourism demand has been very resilient since 2023, and the market believes it was partly driven by the pent-up demand. Hence, a more important set of follow-up questions may be 1) will the pent-up demand for services eventually fade?, 2) will the services consumption recovery eventually lead to a goods consumption recovery? While the strong LNY service spending data beat analyst expectations, they do not change the fact that the other part of the economy, the more investment-driven and commodity-intensive industrial activities remained below par. Not to forget persistent deflationary pressure shown in headline CPI inflation and PMI data in Jan. Our economists do not think the policy trajectory will deviate from the current accommodative stance ([link to our China economists' report](#)).

Türkiye: rebar prices to correct on lower scrap prices

Turkish export rebar prices were stable w/w at \$610/t last week. According to Platts' contacts, Turkish rebar prices were expected to drop given weaker scrap prices. According to Platts' sources, rebar was tradable around \$605-610/t, however mills were offering rebar at higher prices, around \$615-620/t, with some willing to accept prices of \$610/t for larger volume deals. Platts assessed the Turkish heavy melting scrap at \$416/t. The spread between rebar and scrap was \$194/t.

Europe: prices down on weak demand and higher supply

Platts reported that European steel prices were pressured by the combination of weak real demand, increased supply and the end of restocking and dropped over the past week. Market participants were expecting prices to decrease to EUR 700/t. Steel buyers reduced their orders given both the end of restocking, as well as their bearish outlook for prices and are waiting to see mills' next move.

North America: further downside for HRC prices

Platts' weekly prices were stable w/w at \$992.1/t for US HRC and down \$15/t w/w to \$855/t for rebar last week. Platts' US lead times dropped w/w to 5.4 weeks for HRC and 7.4 weeks for CRC. Platts reported that market participants were seeing further downside to HRC prices in the US. According to some contacts prices should drop more before it is time to restock and some contacts indicated mills were offering HRC at \$840-860/st already. As for rebar, Platts reported that buyers were able to get rebar price discounts given lower scrap prices.



Latin America: HRC hike ongoing

Brazilian steel prices were flat w/w at R\$3,750/t for rebar and at R\$4,100/t for HRC. Platts reported that the HRC price hikes were being absorbed and as of now the increase in prices averaged 2.5%. Prices were expected to continue to increase in the coming months as we reach the new contract periods. Industry and auto contacts mentioned that mills were first focused on increasing prices for distribution now and would then turn to negotiating with the industry. As for rebar, Platts' contacts said that mills were trying to increase prices by 4% but were unsuccessful so far. The market was still dealing with the new import tariffs, but most contacts agreed that the increases were small and would not mean an increase for rebar.

Exhibit 2: Summary of steel price movements

Snapshot of steel price movements

Steel Price Reference	Current Price (USD/t)	w/w Change (USD/t)	w/w Change (%)	m/m Change (%)	y/y Change (%)	Last Change
China Domestic						
HRC	553.3	0.00	0.00%	-0.71%	-10.70%	9-Feb-24
HRC Cash Margin	-47.5	-5.56	-13.27%	23.13%	-150.98%	16-Feb-24
Rebar	535.2	0.00	0.00%	0.04%	-10.88%	9-Feb-24
Rebar Cash Margin	-55.8	-5.56	-11.06%	24.38%	-458.10%	16-Feb-24
China Export						
HRC	553.0	0.00	0.00%	-0.72%	-14.26%	2-Feb-24
Rebar	566.0	0.00	0.00%	1.07%	-11.01%	26-Jan-24
Brazil Domestic*						
HRC	4,100.0	0.00	0.00%	2.50%	-12.77%	9-Feb-24
HRC Cash Margin	2,132.1	-23.05	-1.07%	7.19%	-13.39%	16-Feb-24
Rebar	3,750.0	0.00	0.00%	0.00%	-3.85%	27-Oct-23
Rebar Cash Margin	2,800.0	0.00	0.00%	0.46%	-3.45%	22-Jan-24
Mexico Domestic						
HRC	971.8	-91.46	-8.60%	-20.74%	10.40%	16-Feb-24
HRC Cash Margin	524.0	-91.46	-14.86%	-32.67%	19.81%	16-Feb-24
Rebar	968.6	-20.10	-2.03%	-9.26%	-12.98%	16-Feb-24
Rebar Cash Margin	520.7	-20.10	-3.72%	-15.95%	-22.29%	16-Feb-24
Argentina Domestic						
HRC	889.0	0.00	0.00%	0.00%	0.00%	1-Mar-18
HRC Cash Margin	492.7	-3.72	-0.75%	2.39%	7.08%	16-Feb-24
Rebar	805.0	0.00	0.00%	0.00%	-4.17%	14-Dec-23
Rebar Cash Margin	408.7	-3.72	-0.90%	2.90%	-0.59%	16-Feb-24
US Domestic						
HRC	992.1	0.00	0.00%	-18.18%	5.88%	9-Feb-24
HRC Cash Margin	544.3	0.00	0.00%	-28.83%	10.16%	9-Feb-24
Rebar	855.0	-15.00	-1.72%	-2.29%	-7.07%	16-Feb-24
Rebar Cash Margin	407.2	-15.00	-3.55%	-4.68%	-14.66%	16-Feb-24
Türkiye Domestic						
HRC	690.0	-10.00	-1.43%	-2.82%	-9.80%	16-Feb-24
HRC Cash Margin	274.0	-6.75	-2.40%	-4.86%	-22.16%	16-Feb-24
Rebar	752.6	-3.55	-0.47%	0.22%	-11.07%	16-Feb-24
Rebar Cash Margin	336.6	-0.30	-0.09%	2.32%	-22.31%	16-Feb-24
Türkiye Export						
HRC	680.0	0.00	0.00%	-0.73%	-9.93%	9-Feb-24
Rebar	610.0	0.00	0.00%	0.00%	-12.86%	7-Feb-24
Russia Domestic						
HRC	463.4	0.00	0.00%	1.85%	5.32%	31-Jan-24
HRC Cash Margin	67.1	-3.72	-5.25%	42.22%	500.66%	16-Feb-24
Rebar	438.1	8.43	1.96%	6.12%	24.00%	14-Feb-24
Rebar Cash Margin	41.9	4.71	12.68%	724.89%	n.m.	16-Feb-24
Black Sea Export						
HRC	580.0	-5.00	-0.85%	-1.69%	-16.55%	14-Feb-24
Rebar	550.0	0.00	0.00%	0.00%	-9.09%	1-Jan-24

Source: BofA Global Research, Platts

(*) Brazilian prices in BRL

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Exhibit 3: Summary of raw materials price movements

Snapshot of raw materials price movements

Steel Price Reference	Current Price (USD/t)	w/w Change (USD/t)	w/w Change (%)	m/m Change (%)	y/y Change (%)	Last Change
Raw Materials						
HCC Australia	315.0	-0.50	-0.16%	-6.53%	-18.18%	14-Feb-24
HCC China	320.0	0.00	0.00%	0.00%	-4.76%	7-Feb-24
Iron Ore 62 Kallanish	129.5	2.51	1.98%	0.83%	4.77%	16-Feb-24
Iron Ore 58	116.5	0.60	0.52%	2.73%	9.19%	16-Feb-24
Iron Ore 62	130.0	1.00	0.78%	1.84%	4.21%	16-Feb-24
Iron Ore 65	143.2	1.00	0.70%	2.36%	2.32%	16-Feb-24
Iron Ore 58 Discount to 62	13.6	0.40	3.04%	-5.24%	-25.14%	14-Feb-24
Iron Ore 65 Premium to 62	13.2	0.00	0.00%	7.76%	-13.16%	11-Feb-24
Iron Ore 62 Lump	141.3	0.00	0.00%	-1.05%	8.28%	9-Feb-24
Iron Ore Pellet	152.7	0.00	0.00%	0.04%	-1.67%	9-Feb-24
Brazil Pig Iron	452.5	0.00	0.00%	0.00%	-6.70%	8-Jan-24
Black Sea Pig Iron	407.5	2.50	0.62%	3.16%	-0.61%	16-Feb-24
Scrap						
US	447.8	0.00	0.00%	0.00%	1.11%	11-Jan-24
Brazil	191.3	-0.45	-0.24%	-2.02%	-0.13%	16-Feb-24
Türkiye	416.0	-3.25	-0.78%	-1.42%	0.73%	16-Feb-24
Semi-Finished						
Türkiye Billet	570.0	0.00	0.00%	0.00%	-8.06%	1-Jan-24
Black Sea Billet	515.0	0.00	0.00%	0.00%	-10.43%	16-Feb-24
Southeast Asia Billet	539.0	0.00	0.00%	0.00%	-9.87%	8-Feb-24
Latin America Billet	545.0	0.00	0.00%	0.00%	18.48%	11-Jan-24
Black Sea Slab	540.0	0.00	0.00%	3.85%	-9.24%	31-Jan-24
Southeast Asia Slab	620.0	0.00	0.00%	0.00%	1.64%	1-Jan-24
Brazil Slab	660.0	-10.00	-1.49%	-4.35%	-10.81%	16-Feb-24
Futures						
Iron Ore Active Contract	94.0	0.00	0.00%	0.04%	-22.55%	9-Feb-24
China HRC Active Contract	553.0	0.00	0.00%	-1.08%	N/A	N/A
China Rebar Active Contract	779.0	0.00	0.00%	0.04%	-4.67%	9-Feb-24
China HRC Simplified Cash Margin**	402.6	0.00	0.00%	-1.49%	n.m.	N/A
China Rebar Simplified Cash Margin**	628.7	0.00	0.00%	0.04%	0.90%	9-Feb-24

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

Price snapshot

Steel Price Reference	Current Price	Last Week Price	Last Month Price	Last Year Price	12M Average	5Y Average
China Domestic						
HRC	553	553	557	620	560	632
HRC Cash Margin	-47	-42	-62	-19	-18	29
Rebar	535	535	535	601	540	612
Rebar Cash Margin	-56	-50	-74	-10	-15	35
China Export						
HRC	553	553	557	645	568	616
Rebar	566	566	560	636	564	579
Brazil Domestic*						
HRC	4,100	4,100	4,000	4,700	4,344	4,358
HRC Cash Margin	2,132	2,155	1,989	2,462	2,504	2,661
Rebar	3,750	3,750	3,750	3,900	3,808	3,770
Rebar Cash Margin	2,800	2,800	2,787	2,900	2,793	2,652
Mexico Domestic						
HRC	972	1,063	1,226	880	1,019	1,004
HRC Cash Margin	524	615	778	437	588	621
Rebar	969	989	1,067	1,113	1,005	859
Rebar Cash Margin	521	541	620	670	575	475
Argentina Domestic						
HRC	889	889	889	889	889	889
HRC Cash Margin	493	496	481	460	519	550
Rebar	805	805	805	840	798	885
Rebar Cash Margin	409	412	397	411	427	546
US Domestic						
HRC	992	992	1,213	937	1,054	1,052
HRC Cash Margin	544	544	765	494	624	669
Rebar	855	870	875	920	894	874
Rebar Cash Margin	407	422	427	477	463	491
Türkiye Domestic						
HRC	690	700	710	765	703	704
HRC Cash Margin	274	281	288	352	306	326
Rebar	753	756	751	846	746	699
Rebar Cash Margin	337	337	329	433	350	320
Türkiye Export						
HRC	680	680	685	755	680	689
Rebar	610	610	610	700	612	590
Russia Domestic						
HRC	463	463	455	440	448	575
HRC Cash Margin	67	71	47	11	77	237
Rebar	438	430	413	353	407	489
Rebar Cash Margin	42	37	5	-75	37	150
Black Sea Export						
HRC	580	585	590	695	635	632
Rebar	550	550	550	605	551	553
Raw Materials						
HCC Australia	315	316	337	385	295	240
HCC China	320	320	320	336	283	268
Iron Ore 62 Kallanish	130	127	128	124	121	122
Iron Ore 58	116	116	113	107	106	99
Iron Ore 62	130	129	128	125	121	122
Iron Ore 65	143	142	140	140	133	138
Iron Ore 58 Discount to 62	14	13	14	18	15	23
Iron Ore 65 Premium to 62	13	13	12	15	12	16
Iron Ore 62 Lump	141	141	143	131	132	140
Iron Ore Pellet	153	153	153	155	143	164
Brazil Pig Iron	453	453	453	485	452	453
Black Sea Pig Iron	408	405	395	410	373	413
Scrap						
US	448	448	448	443	430	383
Brazil	191	192	195	192	205	223
Türkiye	416	419	422	413	397	379

Exhibit 4: Steel price period comparison

Price snapshot

Steel Price Reference	Current Price	Last Week Price	Last Month Price	Last Year Price	12M Average	5Y Average
Semi-Finished						
Türkiye Billet	570	570	570	620	569	546
Black Sea Billet	515	515	515	575	508	506
Southeast Asia Billet	539	539	539	598	538	542
Latin America Billet	545	545	545	460	531	511
Black Sea Slab	540	540	520	595	532	538
Southeast Asia Slab	620	620	620	610	572	569
Brazil Slab	660	670	690	740	665	621
Futures						
Iron Ore Active Contract	94	94	94	121	105	119
China HRC Active Contract	553	553	559	N/A	N/A	N/A
China Rebar Active Contract	779	779	779	817	786	701
China HRC Simplified Cash Margin**	403	403	409	N/A	N/A	N/A
China Rebar Simplified Cash Margin**	629	629	628	623	619	614

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

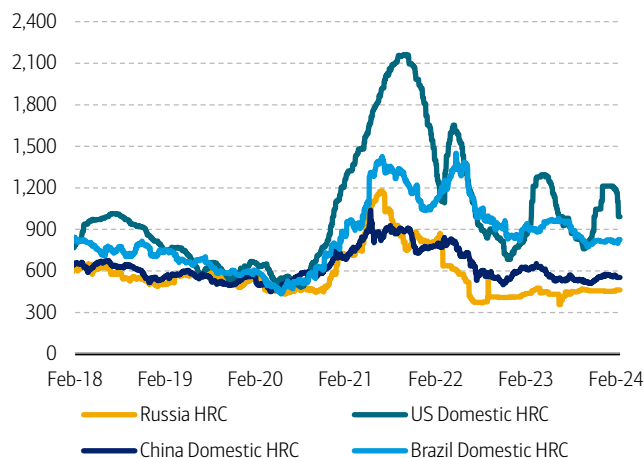
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Key charts

Main global steel references

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

US HRC prices are correcting

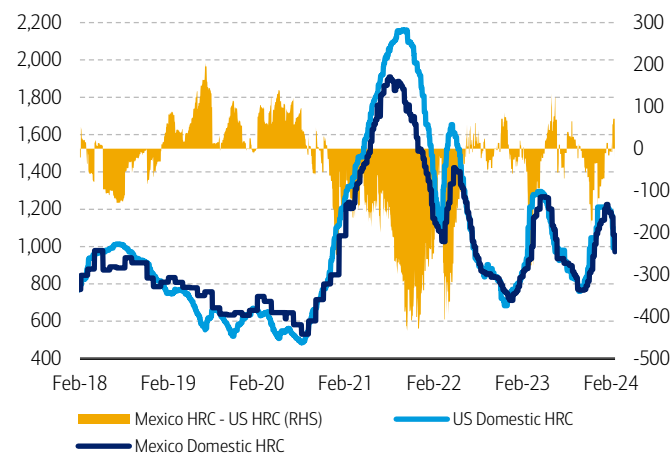


Source: BofA Global Research, Platts

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

Mexican HRC historically follows US prices, and both started to drop



Source: BofA Global Research, Platts

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

HRC prices are rebounding, but remain below recent peaks



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

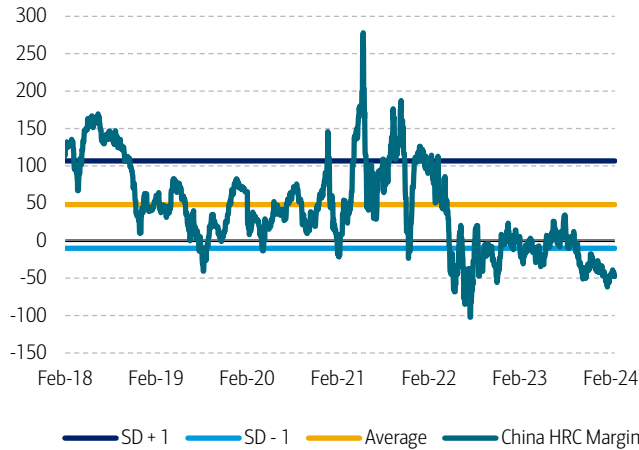


Source: BofA Global Research, Platts

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

Margins are below the historical average

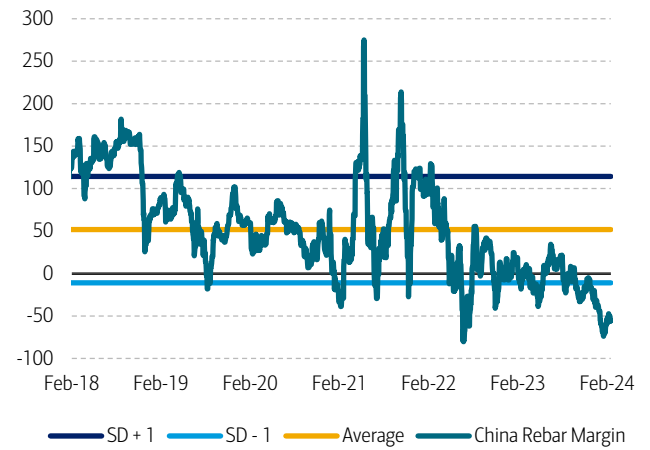


Source: BofA Global Research, Platts

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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 began 2024 increasing



Source: BofA Global Research, Platts

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

Prices are recovering early in 2024



Source: BofA Global Research, Platts

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Brazil

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

HRC prices were recently hiked



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 and remain flat

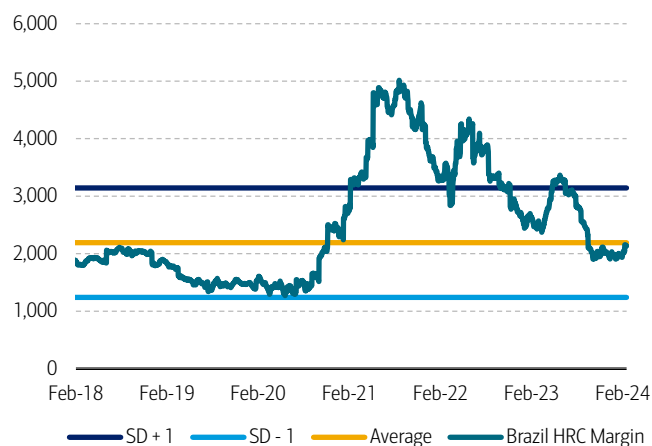


Source: BofA Global Research, Platts

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

Margins are close to the historical avg. of ~R\$2,200/t

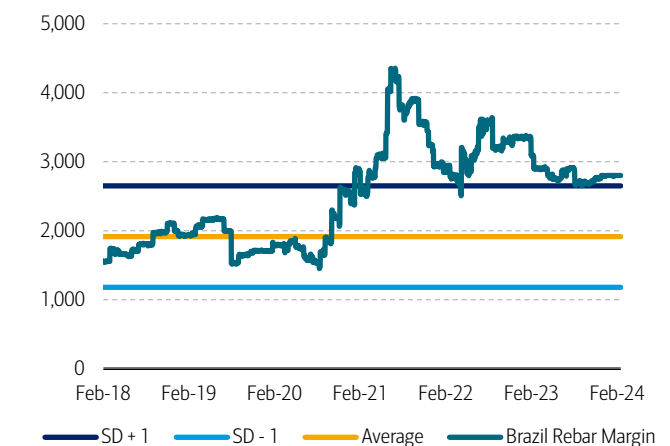


Source: BofA Global Research, Platts

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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 8.6% premium, considering a \$60/t freight

Brazilian HRC import parity calculation	
Chinese HRC price (US\$/t)	553
Freight (US\$/t)	60
Insurance rate (%)	0.5%
Insurance (US\$/t)	3.1
Import tariff rate (%)	12.0%
Import tariff (US\$/t)	73.9
Other costs (US\$/t)	70
Total (US\$/t)	760
USDBRL	4.97
Imported HRC price (R\$/t)	3,774
Brazilian HRC price (R\$/t)	4,100
Premium/discount	8.6%

Source: BofA Global Research, Platts, Bloomberg

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Exhibit 18: Brazil Rebar parity premium/discount calculation

We estimate Brazilian Rebar at a 6.6% discount, considering a \$55/t freight

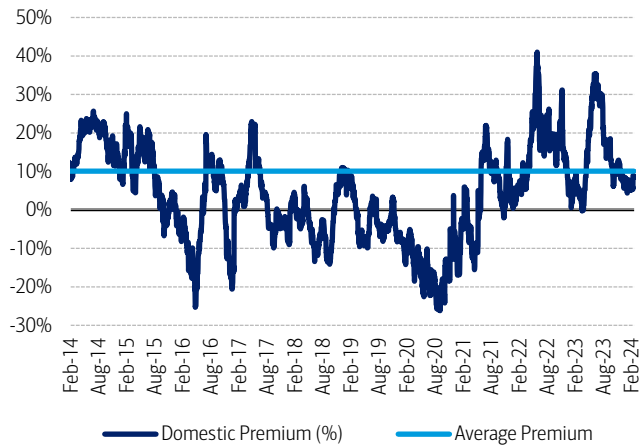
Brazilian rebar import parity calculation	
Turkish Rebar price (US\$/t)	610
Freight (US\$/t)	55
Insurance rate (%)	0.5%
Insurance (US\$/t)	3.33
Import tariff rate (%)	12.0%
Import tariff (US\$/t)	80
Other costs (US\$/t)	60
Total (US\$/t)	809
USDBRL	4.97
Imported rebar price (R\$/t)	4,015
Brazilian rebar price (R\$/t)	3,750
Premium/discount	-6.6%

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 at ~5.9%

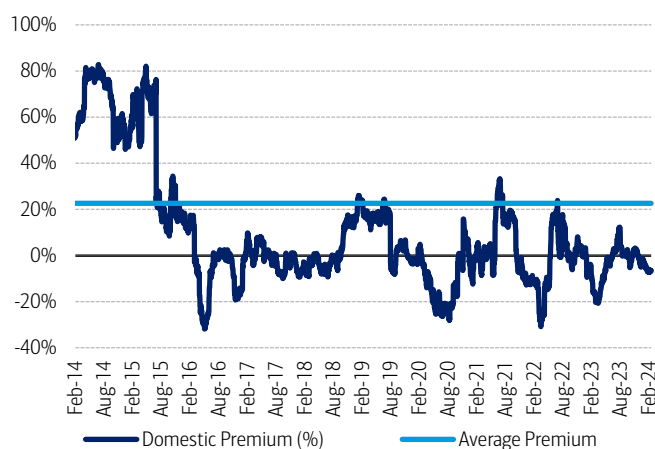


Source: BofA Global Research, Platts, Bloomberg

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

The discount is currently at ~-6.5%



Source: BofA Global Research, Platts, Bloomberg

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Mexico

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

HRC prices were increasing as US prices were moving up and are now correcting



Source: BofA Global Research, Platts

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

Rebar prices are rising

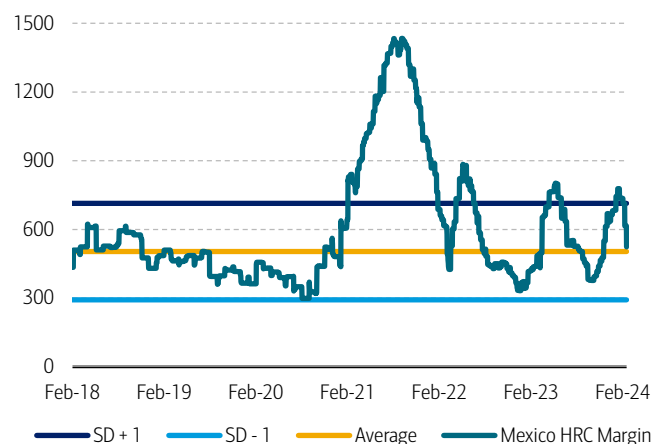


Source: BofA Global Research, Platts

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

Margins are now above close to the historical average

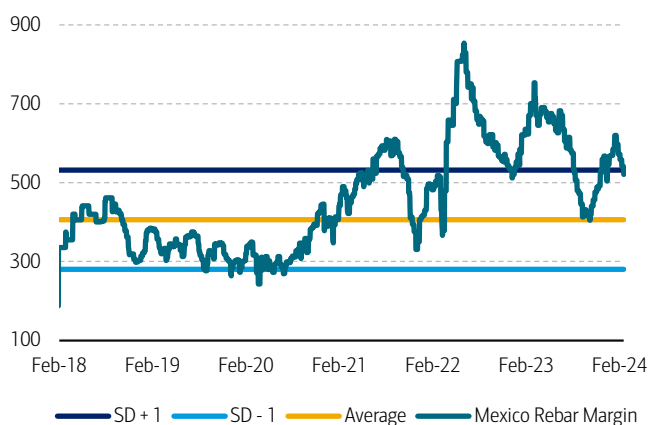


Source: BofA Global Research, Platts

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

Rebar margins are above historical average



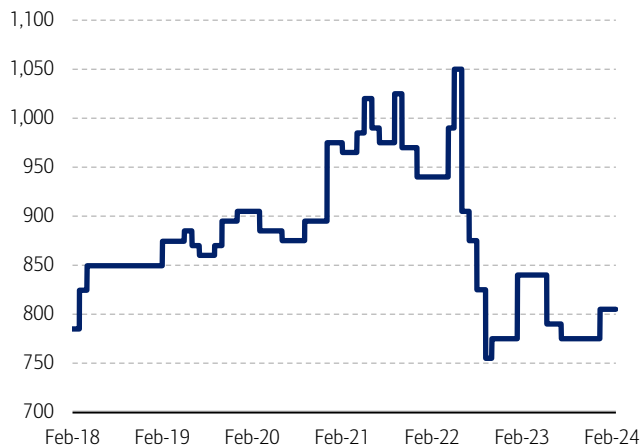
Source: BofA Global Research, Platts

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Argentina

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

Rebar prices remained low by early 2024

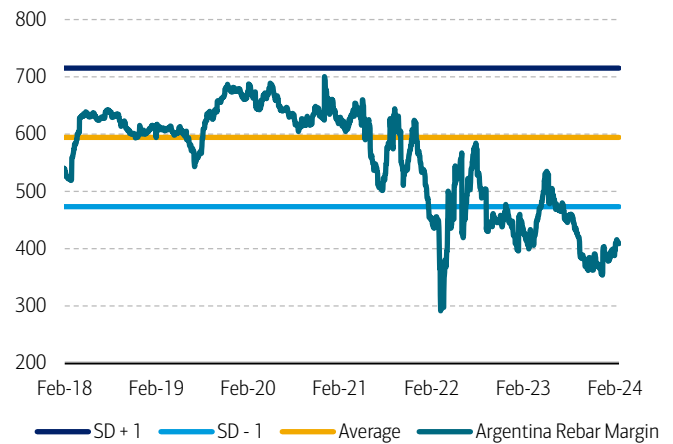


Source: BofA Global Research, Platts

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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 prices are increasing recently



Source: BofA Global Research, Platts

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

Rebar prices are recovering in the US



Source: BofA Global Research, Platts

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Exhibit 29: CRU – US monthly steel prices

Prices were mostly flat m/m in the US

	Feb-23	Jan-24	m/m%	y/y%
U.S.				
Scrap price (\$/gt)	390	410	-4.9%	-4.9%
Rebar prices (\$/st)	880	880	0.0%	6.0%
Metal spread (rebar vs. scrap) (\$/gt)	586	566	3.5%	14.6%
Beam price (\$/st)	1,345	1,345	0.0%	3.9%
M. bar price (\$/st)	1,176	1,176	0.0%	5.4%

Source: BofA Global Research, CRU

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Exhibit 30: CRU – US weekly prices

Prices mostly down w/w in the US

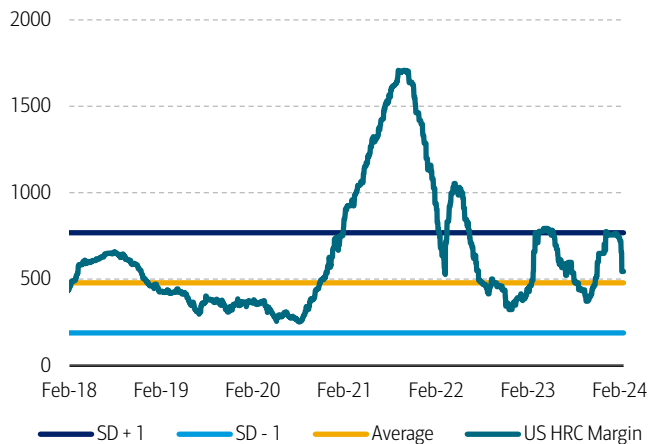
	14-Feb-24	w/w%	m/m%	y/y%
U.S. Flat steel weekly				
HRC price (\$/st)	926	-8.0%	-14.0%	14.5%
CRC price (\$/gt)	1,259	-1.6%	-4.9%	20.6%
HDG (\$/st)	1,310	-1.4%	-7.1%	21.9%
Plate (\$/gt)	1,309	-0.4%	-3.7%	-8.8%

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 avg

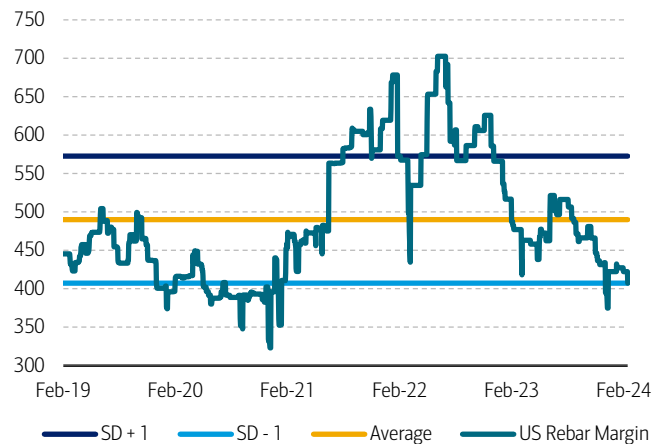


Source: BofA Global Research, Platts

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

Margins are below the historical average

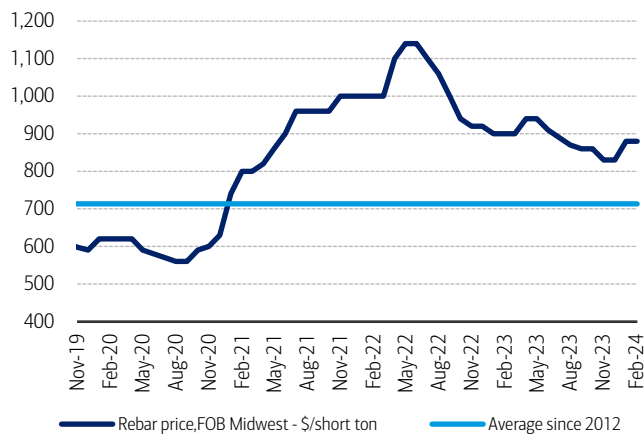


Source: BofA Global Research, Platts

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

Rebar prices are currently above the historical average

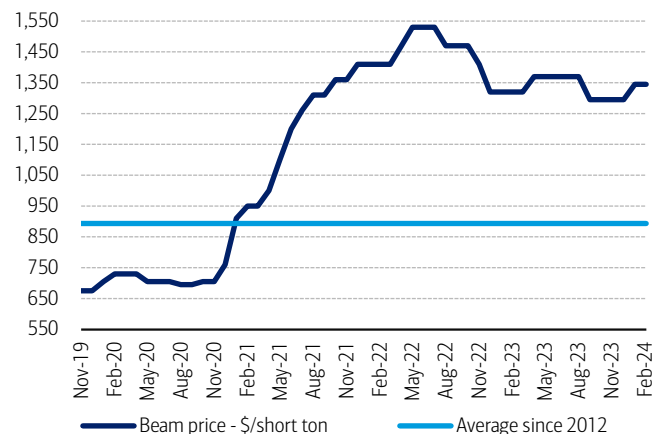


Source: BofA Global Research, CRU

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

Beam prices are currently above the historical average

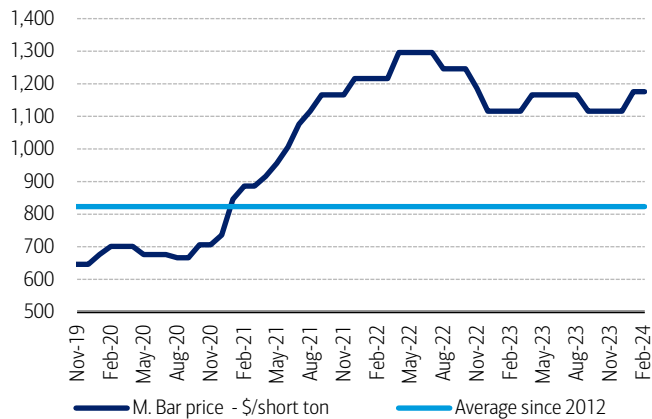


Source: BofA Global Research, CRU

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

M. bar prices are currently above the historical average

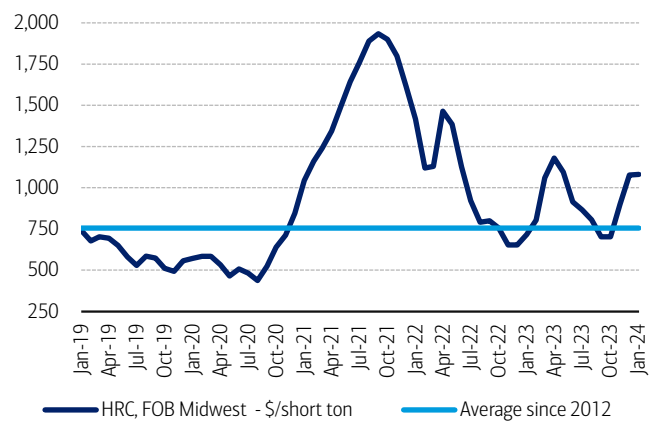


Source: BofA Global Research, CRU

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

US HRC prices are above the historical average

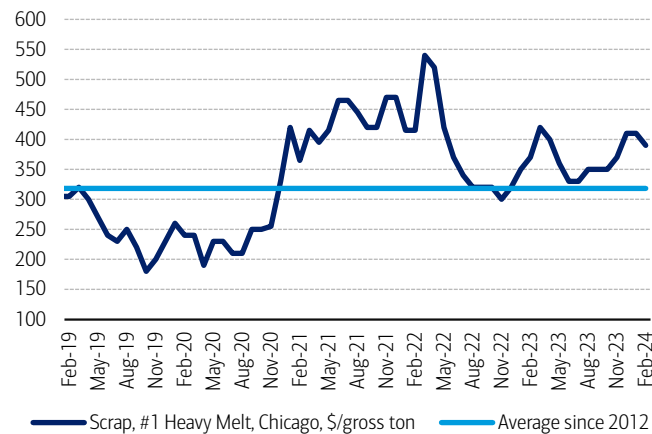


Source: BofA Global Research, CRU

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

US scrap prices are above the historical average

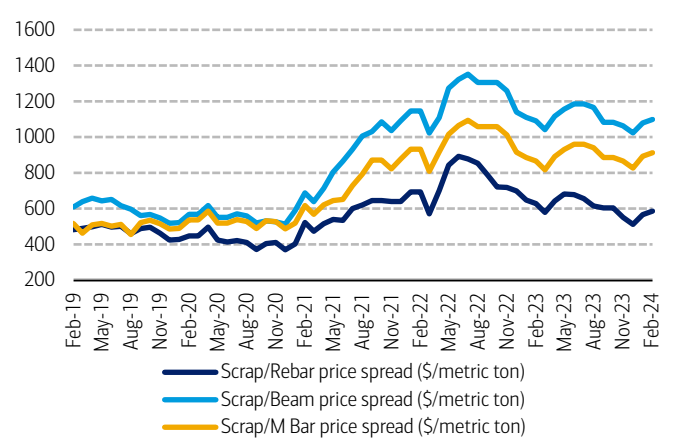


Source: BofA Global Research, CRU

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

Spreads are rebounding



Source: BofA Global Research, CRU

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Türkiye

Exhibit 39: Türkiye 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

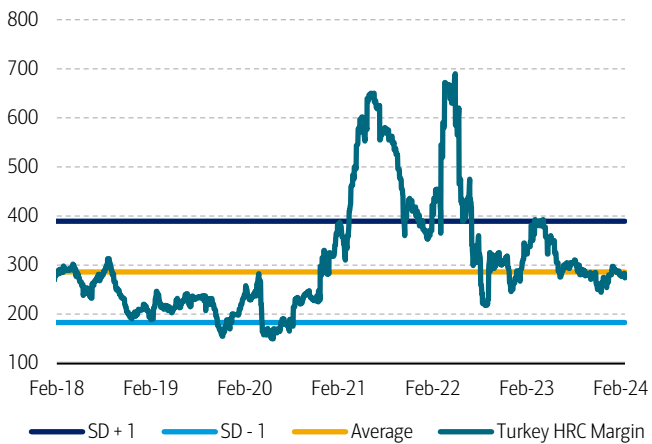


Source: BofA Global Research, Platts

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

Margins are close to the historical level

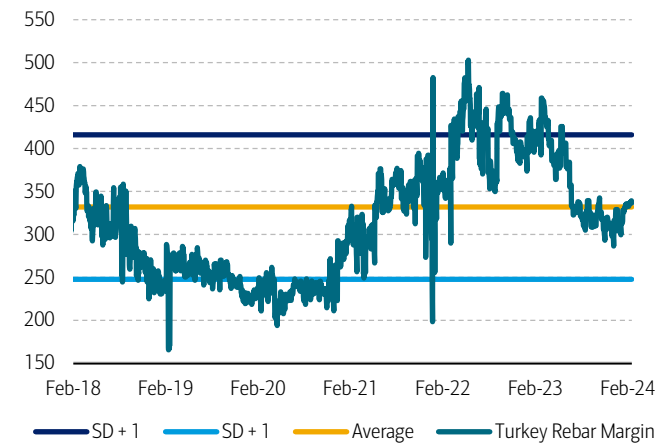


Source: BofA Global Research, Platts

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

Margins are close to 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 rebounding recently



Source: BofA Global Research, Platts

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

Rebar prices declined and are lower than 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 declining



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 dropped after a rebound



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

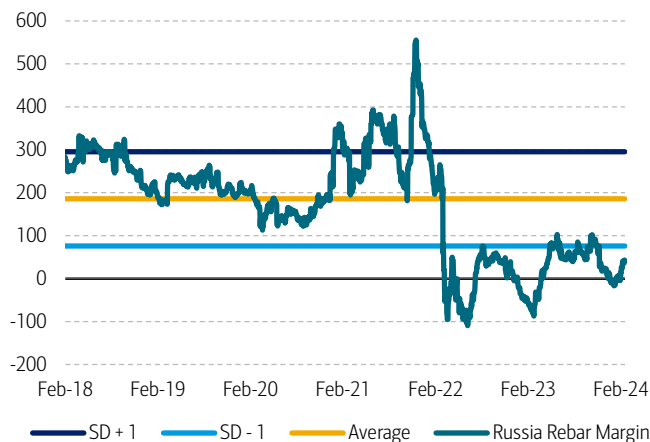


Source: BofA Global Research, Platts

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

Margins have dropped strongly, 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 are correcting after having increased

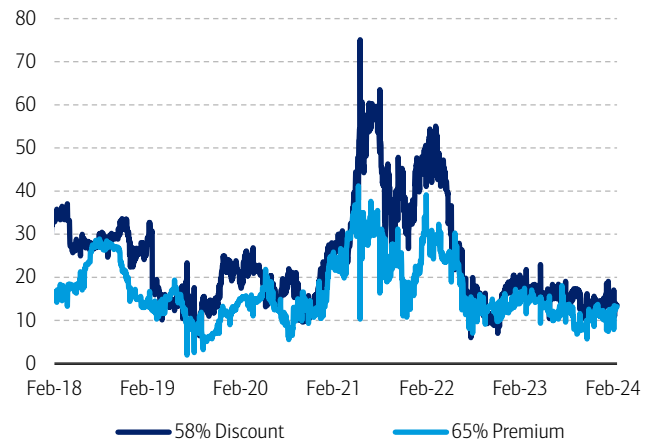


Source: BofA Global Research, Platts

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

Discounts dropped from higher levels

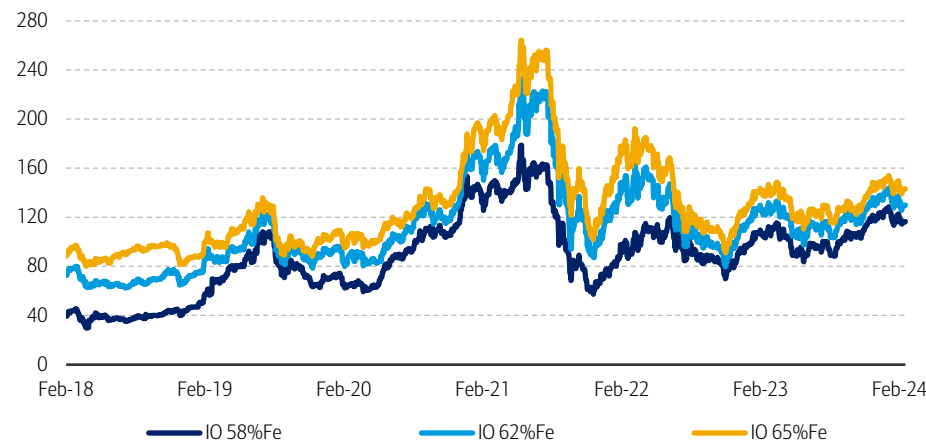


Source: BofA Global Research, Platts

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

Prices have been increasing since the end of 2022

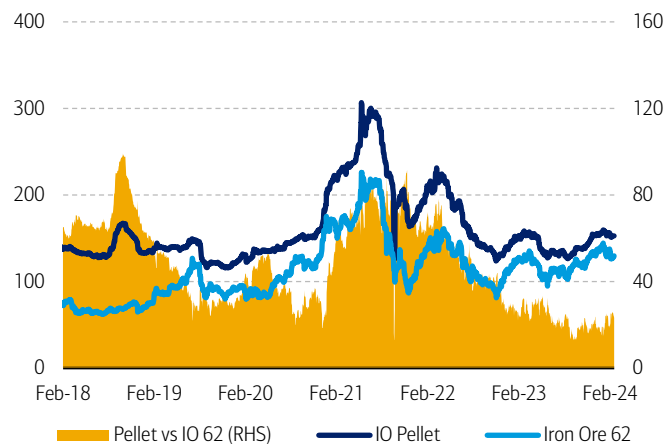


Source: BofA Global Research, Platts

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

Iron ore pellet prices are increasing, premium below 2022 level

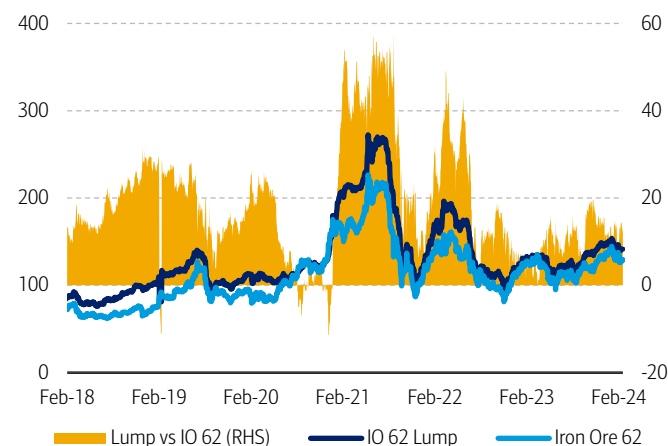


Source: BofA Global Research, Bloomberg

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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 close to 2020 levels



Source: BofA Global Research, Platts

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

Coal prices are increasing again in Australia and China

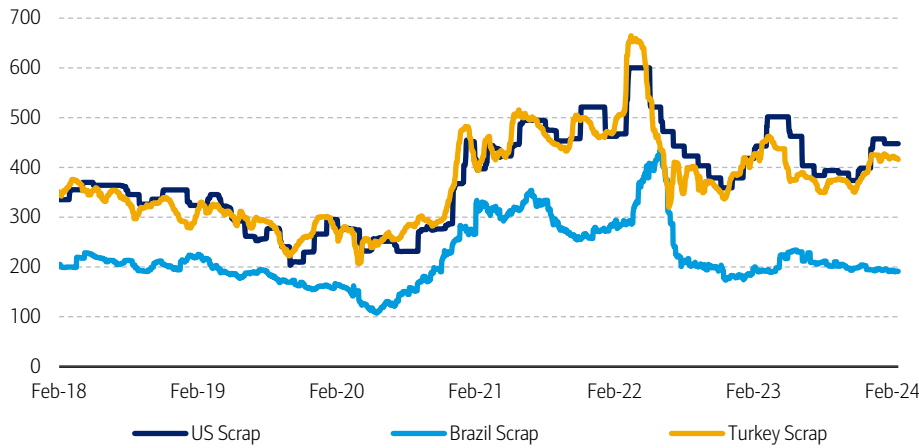


Source: BofA Global Research, Platts

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

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



Source: BofA Global Research, Platts

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

Türkiye billet prices started to normalize after the peak in 2021, but 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 are mainly dropping during 2023



Source: BofA Global Research, Platts

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

Southeast Asia billet has been relatively stable



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 above 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 decreasing



Source: BofA Global Research, Platts

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

Southeast Asian slab started rising in the end of 2022



Source: BofA Global Research, Platts

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Exhibit 65: Brazil slab prices (US\$/t)

Brazilian slab prices are recovering recently



Source: BofA Global Research, Platts

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