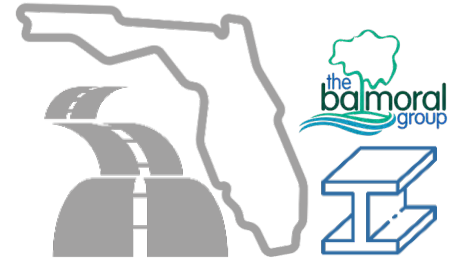
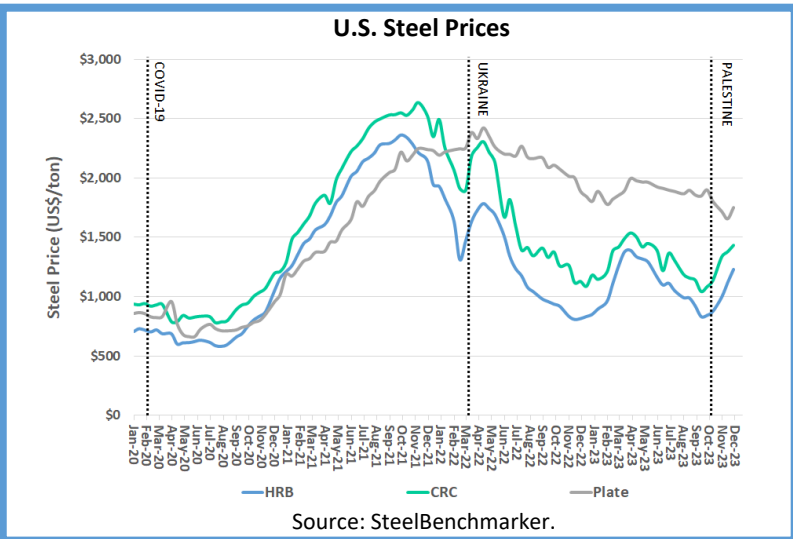


# December 2023: Prices Expected to Rise in 2024



**Sampled FDOT steel makers are beginning to see price increases and expect increases to continue.** In November, prices for structural steel, guardrail, overhead sign, steel plate, steel pipe, steel railing, steel strand, and galvanizing all increased. Florida producers expect prices and bid prices for these materials to continue to increase over the next quarter (ending March 2024). Steel makers saw declines in production levels across all reported materials and expected production to decline in December for structural steel and guardrail when surveyed mid-month. Production declines are expected to continue through the end of March 2024 for structural steel. All other materials are expected to increase in production through the end of March 2024. Publicly traded companies are expecting increasing prices and an improving domestic market heading into 2024 (increasing selling prices, increasing consumer demand, strong order activity) after 2023 4<sup>th</sup> quarter results are expected to show lower pricing and volumes once released.

December 2023 Survey Results	Structural Steel	Guardrail	Overhead Sign	Steel Plate	Steel Pipe	Steel Strand	Galvanizing
Price Change, November 2023	2.5%	13.0%	2.5%	2.5%	2.5%	2.5%	2.5%
Expected Price Change, Dec. 2023	6.2%	8.0%	8.0%	2.5%	4.3%	2.5%	2.5%
Expected Price Change by End of Next Quarter (March 2024)	7.8%	2.5%	13.0%	4.3%	6.2%	2.5%	2.5%
Bid Price Change, November 2023	6.0%	8.0%	2.5%	6.0%	6.0%	2.5%	2.5%
Production Change, November 2023	-13.0%	-2.5%	N/A	-7.8%	-2.5%	N/A	-2.5%
Expected Production Change, Dec. 2023	-13.0%	-2.5%	N/A	0.0%	13.0%	N/A	5.3%
Expected Production Change by End of Next Quarter (March 2024)	-13.0%	8.0%	N/A	0.0%	13.0%	N/A	10.5%



- On average, U.S. benchmark steel prices are up 10% in December 2023 compared to November.
- U.S. steel prices averaged \$1,505 per ton in December 2023, 19% higher than the same month last year.
- U.S. steel costs are now 46% (hot-rolled band), 42% (cold-rolled coil), and 114% (steel plate) higher than Nov. 2020 in December 2023. Steel plate, HRB and CRC costs increased in December 2023.
- Chinese steel prices were \$557 per ton in December 2023; prices were flat year over year.
- World steel prices rose 3% over the last month to \$661 per ton. Year over year, world prices were 3% higher.

**Helpful Anecdotes:** (1) Supply chain disruptions were the primary driver of production changes in November according to FDOT fabricators, followed by material price increases and infrastructure demand. (2) Price changes were about the same as last month (50%) or worse than last month (50%) according to most surveyed fabricators. (3) Major U.S. steel companies expect lower 4<sup>th</sup> quarter growth through the end of calendar year 2023 compared to the 3<sup>rd</sup> quarter and year-over-year results, but expect to see increased consumer demand and steel prices in 2024. If so, FDOT steel prices may rise.