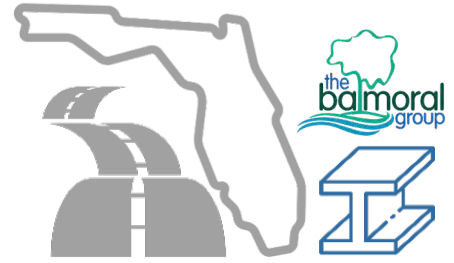
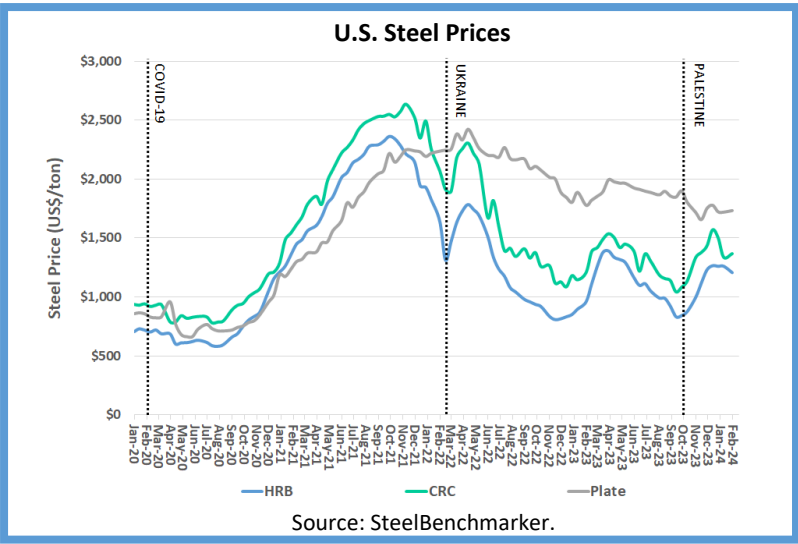


February 2024: High Demand Expected to Continue in 2024



Sampled FDOT steel makers are once again seeing price increases and expect them to continue in the short-term. Fabricators report prices increase for structural steel, steel plate, steel pipe, and galvanized steel in January 2024. Increases are expected to continue through March. Bid prices increased significantly for all reported materials in January, while production decreased slightly for structural steel and galvanized steel. Steel makers expect production to increase through February for all reported materials. Nucor Steel expects higher average selling prices and volumes at steel mills in the first quarter of 2024. Cleveland Cliffs expects steel unit prices to decrease by \$30/net ton and shipments to slightly increase by 2024 year-end. Record high U.S. infrastructure funding, the Inflation Reduction Act, and some Department of Energy programs are expected to drive domestic steel demand in 2024. Further, Steel Dynamics believes firmer steel prices and solid customer order entry activity, alongside low customer inventories, will prop up demand.

February 2024 Quotes	Structural Steel	Steel Plate	Steel Pipe	Galvanized Steel
Price Change, January 2024	5.3%	5.3%	8.0%	2.5%
Expected Price Change, Feb. 2024	2.5%	2.5%	2.5%	2.5%
Expected Price Change by End of Next Quarter (March 2024)	5.3%	5.3%	8.0%	2.5%
Bid Price Change, January 2024	10.3%	18.0%	18.0%	5.3%
Production Change, January 2024	-2.5%	2.5%	NA	-2.5%
Expected Production Change, Feb. 2024	18.0%	2.5%	NA	2.5%
Expected Production Change by End of Next Quarter (March 2024)	13.0%	2.5%	NA	2.5%



- On average, U.S. benchmark steel prices were down 2% in February 2024 compared to January.
- U.S. steel prices averaged \$1,436 per ton in February 2024, 4% higher than the same month last year.
- U.S. steel costs are now 41% (hot-rolled band), 30% (cold-rolled coil), and 110% (steel plate) higher than Nov. 2020 in February 2024.
- Chinese steel prices were \$547 per ton in February 2024, down 8% year-over-year.
- World steel prices rose 1% over the last month to \$661 per ton. Year-over-year, world steel prices are down 14%.

Helpful Anecdotes: (1) Labor availability issues were the primary driver of production changes in January according to FDOT fabricators, followed by supply chain disruptions. (2) Price changes were about the same as last month according to surveyed fabricators. (3) FDOT fabricators continue to mention difficulty obtaining skilled labor and some now report having issues with acquiring good quality materials.