



UPCOM Revents

Steel 101 Workshop

Ontario, Calif. || Jan. 13-14, 2026

An introduction to steelmaking and market fundamentals Includes workbook, *tour of Nucor CSI*, and networking

* Tampa Steel Conference 2026

Tampa, Fla. // Feb. 11-13, 2026

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Edward Meir's Week in Review for AMU

SMU price ranges: Sheet market rising ahead of holidays

January scrap market poised for bump - but how much?

Final Thoughts: US-Canada scrap flows set for change?

Steel imports historically weak through November license data

Spot market hopes sheet price hikes indicate a bullish start to 2026



Survey participants

Our survey is by invitation only. Over 1,000 companies, mostly in the manufacturing or distribution industries, are asked to participate. Here are the percentages of participation in this week's survey by market sector.





Hot-rolled steel prices vs. lead times

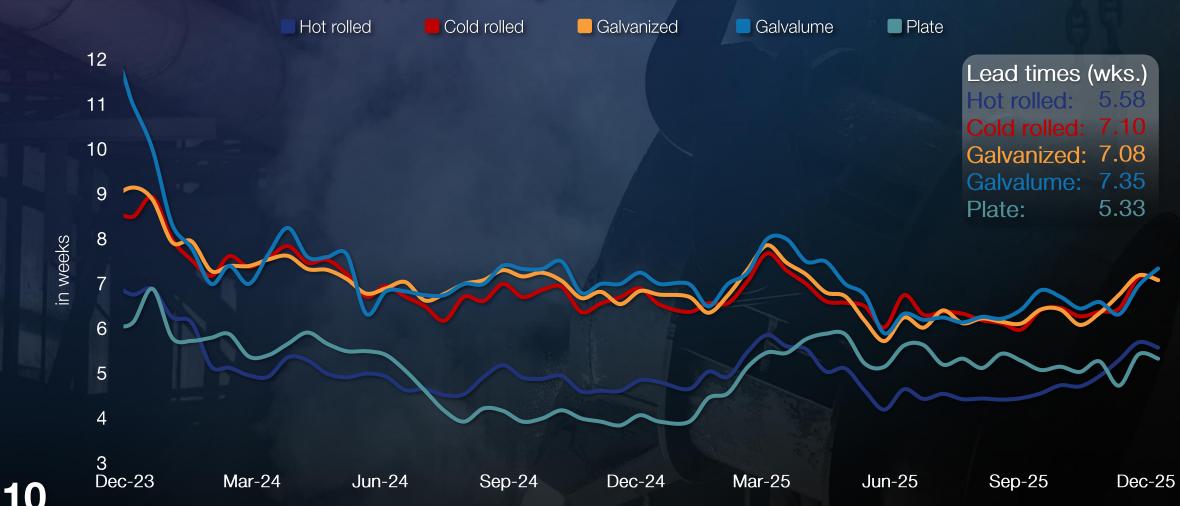
SMU's hot-rolled steel prices and lead times, with data through Dec. 16, 2025.





Steel mill lead times by product

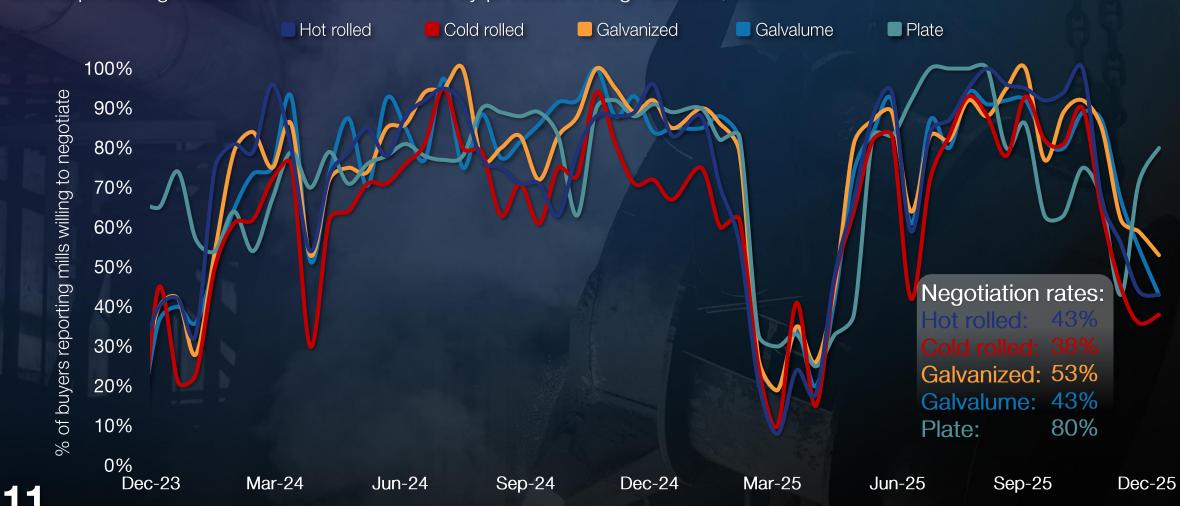
SMU lead times on new steel orders by product through Dec. 10, 2025.





Steel mill negotiations

SMU's price negotiations on new steel orders by product through Dec.10, 2025.





Future hot rolled prices

Where do you think HRC prices will be in two months?





Future hot rolled prices

Where do you think HRC prices will be in two months?

\$950 per ton or higher 3% 22% \$900-949 per ton \$850-899 per ton 20% \$800-849 per ton 8% \$750-799 per ton 1% \$700-749 per ton 0% \$699 per ton or lower

46%



Hot rolled inflection point

When do you think steel prices will peak?

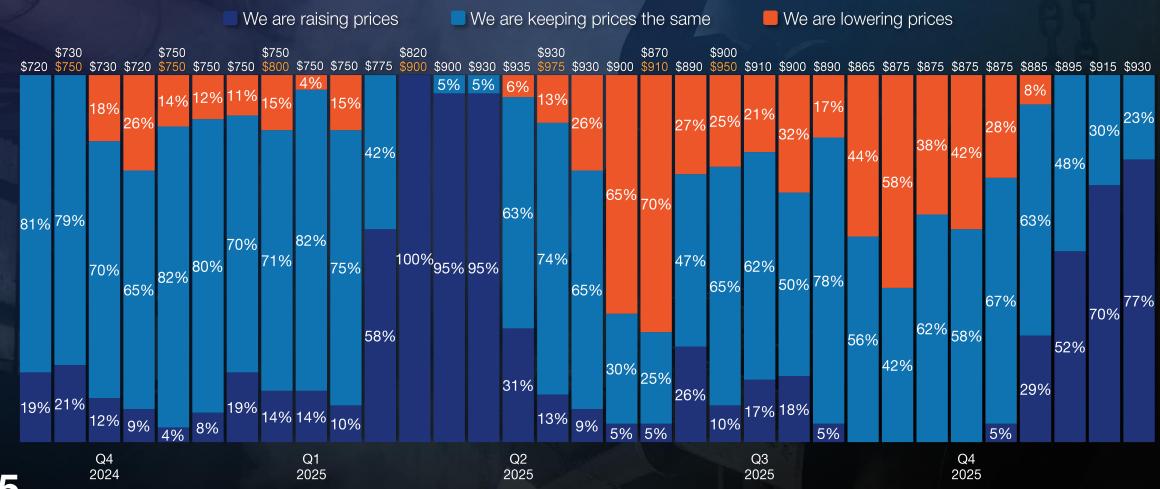




Service center view of selling prices history

Service centers

Compared to two weeks ago, how is your company handling spot pricing to your customers?





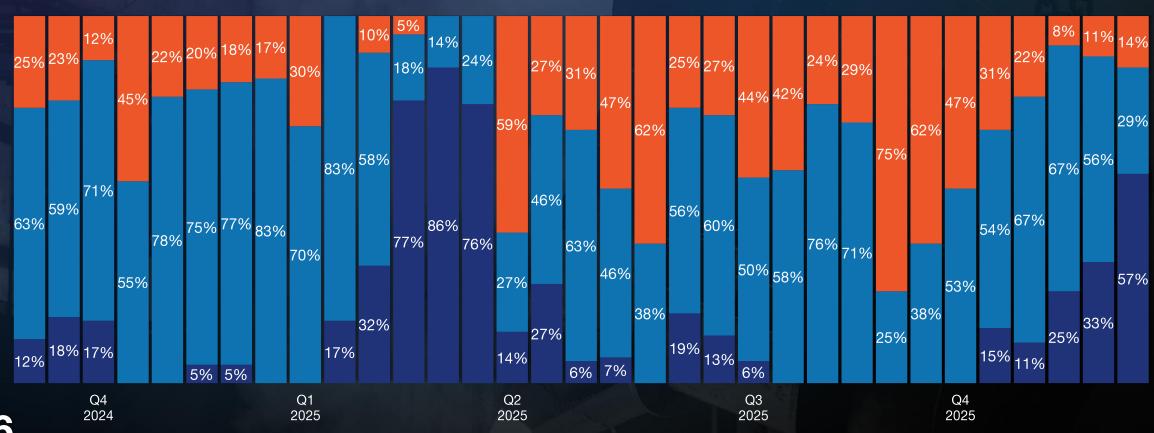
Manufacturers' view of service center selling prices history Manufacturers

Which comment do you feel is representative of service center pricing right now compared to two weeks ago?





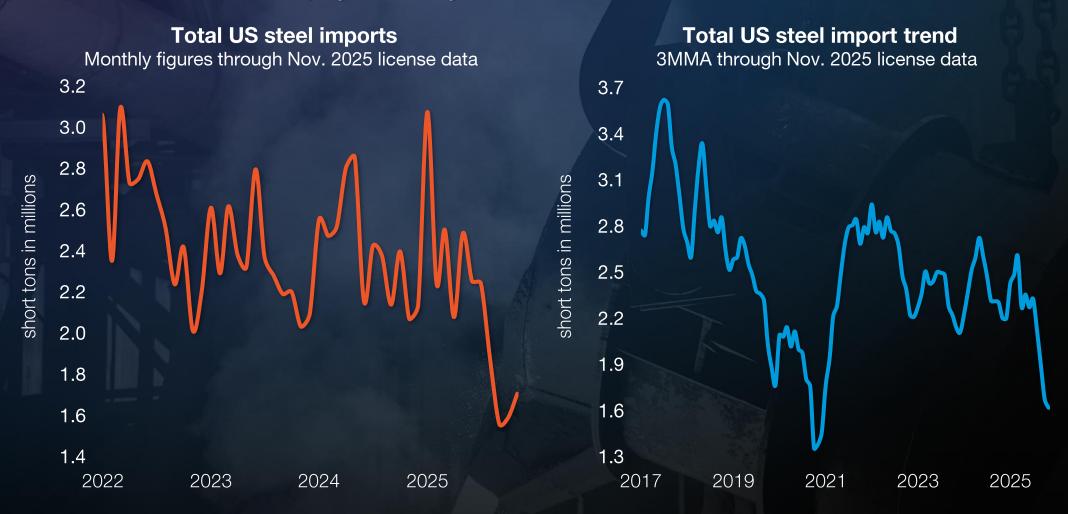






Total US steel imports

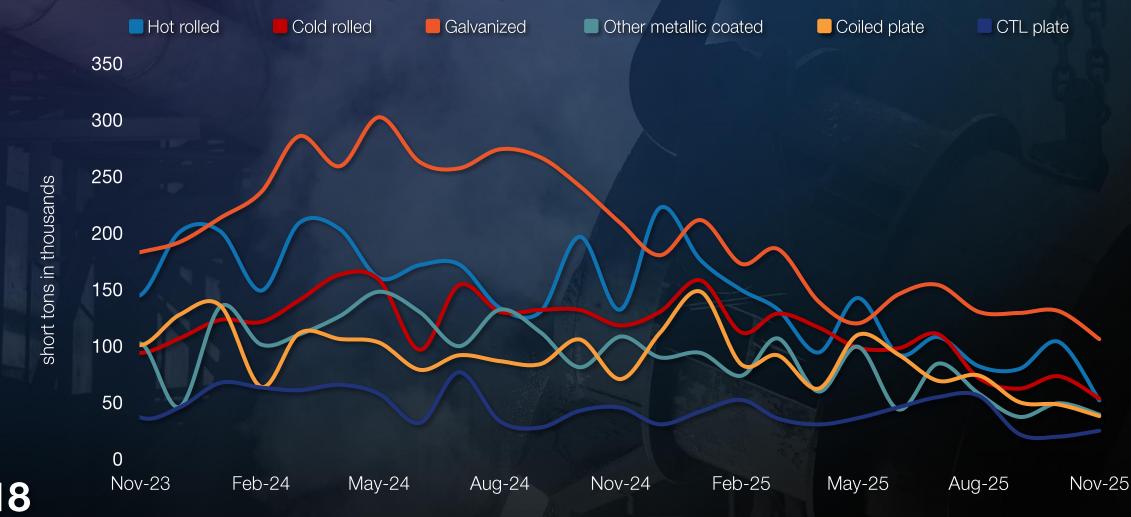
US Department of Commerce monthly figures through November 2025 license data.





Flat-rolled steel imports by product

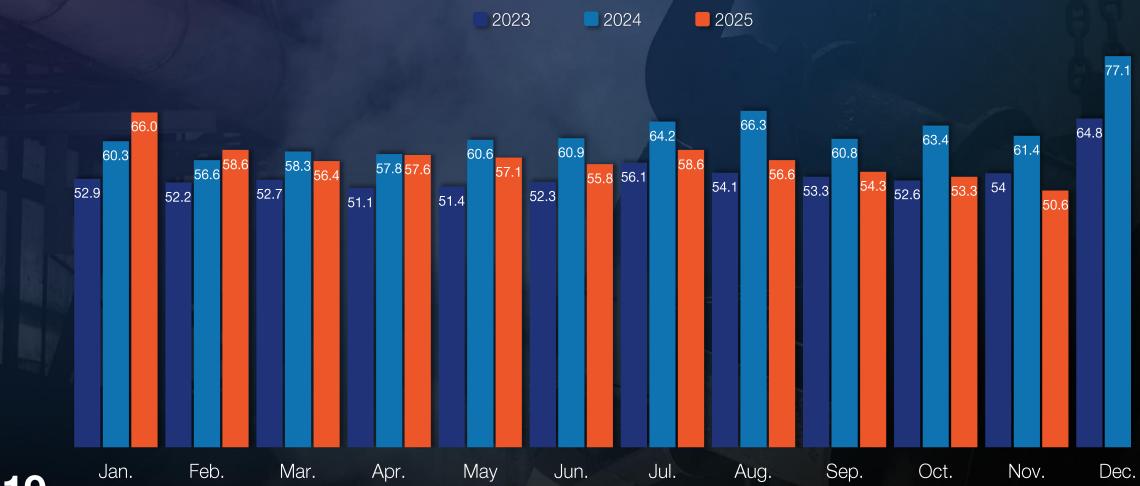
US Department of Commerce monthly figures through November 2025 license data.





Service center inventories history

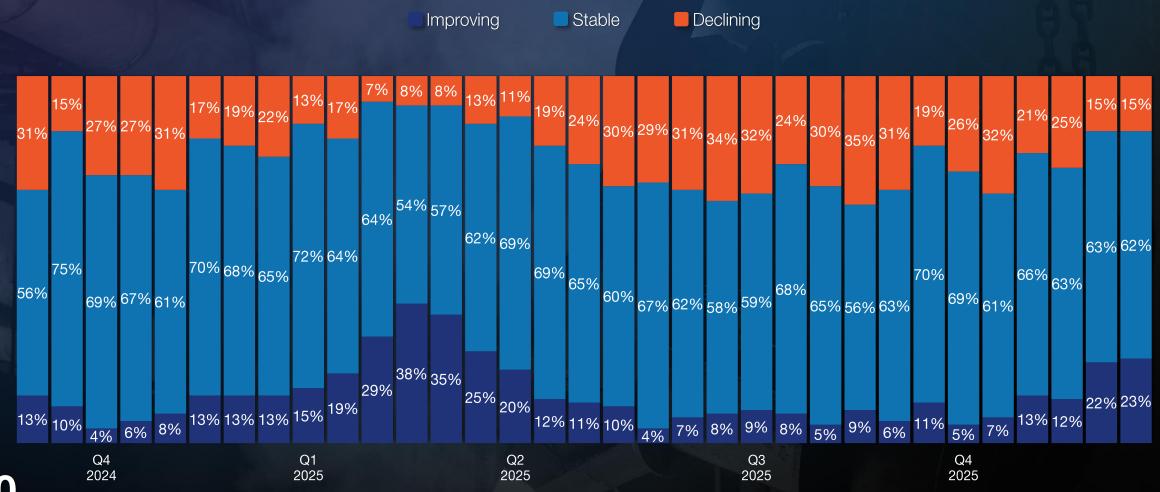
SMU's flat rolled product shipping days of supply, with data through November 2025.





Overall demand history

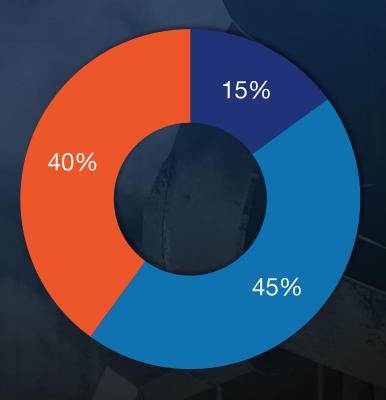
How is demand for your products?





Business forecasts

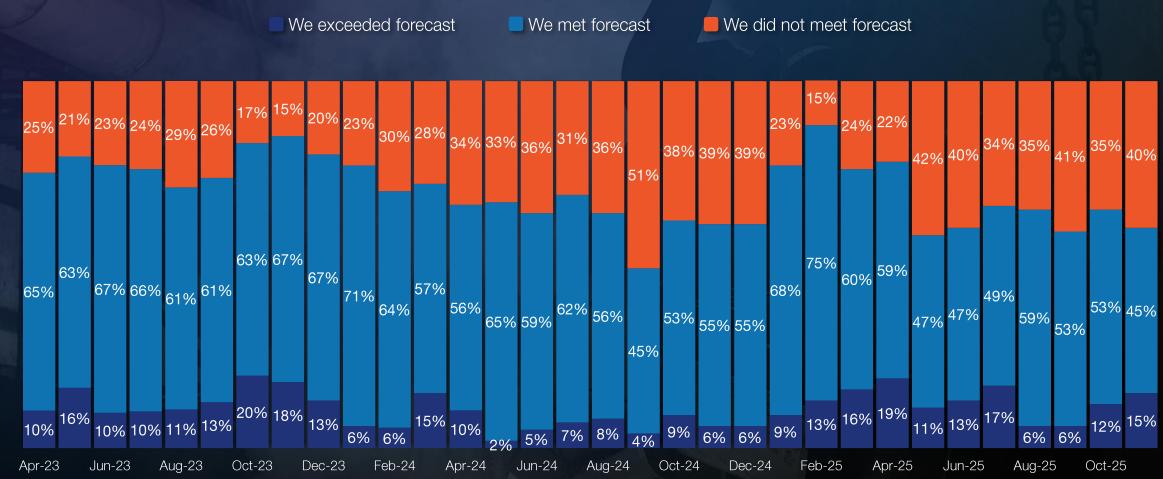
How did your company perform last month compared to your forecast?





Business forecast monthly history

How did your company perform last month compared to your forecast?

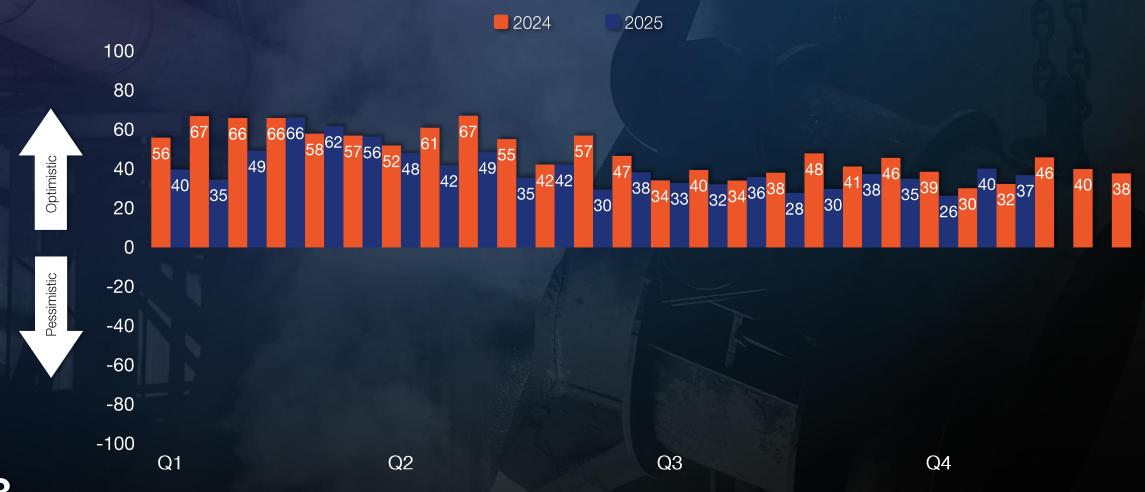




Steel buyers' sentiment

Down three points to +37

SMU's current steel buyers' sentiment index, with data through Nov. 12, 2025.





Steel buyers' future sentiment

Up seven points to +64

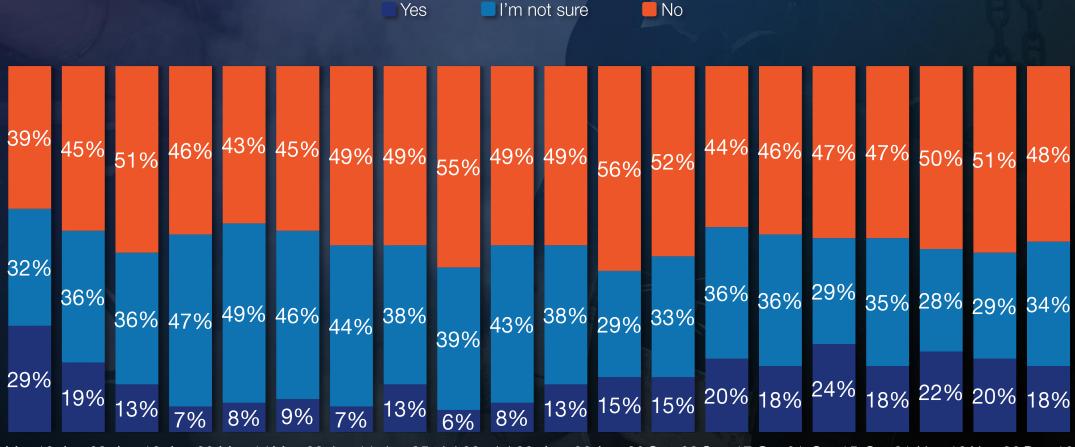
SMU's future steel buyers' sentiment index, with data through Dec. 10, 2025.





Popularity of Trump's tariffs

Are President Trump's tariff policies helping your business?



Mar 19 Apr 02 Apr 16 Apr 30 May 14 May 28 Jun 11 Jun 25 Jul 09 Jul 23 Aug 06 Aug 20 Sep 03 Sep 17 Oct 01 Oct 15 Oct 31 Nov 12 Nov 26 Dec 10









Edward Meir's Week in Review

Tomago smelter gets a lifeline

Mexico's tariffs on China: Important move ahead of USMCA Talks

AKFA Aluminum Solutions to build first US manufacturing facility in Kentucky

Teamsters ratify first-ever contract at Real Alloy Morgantown after strike authorization

Airbus' low-profile overhaul takes flight

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FEATUR FUNCEST



Timna Tanners
Wells Fargo

Timna Tanners is a managing director and senior Equity analyst at Wells Fargo Securities, covering the Metals & Mining and Building Materials sectors.

Timna's sell-side career spans more than two decades at firms including Wolfe Research, Bank of America, and UBS, highlighted by 15 Top 3 rankings and nine consecutive years as the No. 1-ranked Metals & Mining analyst in the Extel All-America Equity Research survey.

Timna began her career as a financial reporter for Thomson Reuters. She earned a BA in politics from Pomona College, a Master of Science in journalism from Northwestern University, and an MBA from the Anderson School of Management at UCLA.



for listening

We're glad you joined!

To contact Michael: michael.cowden@crugroup.com

To contact Stephanie: stephanie.ritenbaugh@crugroup.com

To subscribe to SMU or AMU, contact Luis Corona at luis.corona@crugroup.com

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Equity Research

No Steel TACO Trumps Sheet Storm

December 17, 2025

Timna Tanners

Wells Fargo Securities Senior Equity Analyst Metals & Mining, Building Materials 212-214-5437 | Timna.Tanners@wellsfargo.com

Your latest catchphrase fix...

What if there is no steel TACO?

Aka the more time with no steel TACO, the more we suspect there is no steel TACO

What if there is no aluminum TACO?

A "demandless" recovery

Past pithy predictions

\$900/st by year end (check!)

Next stop \$1,000...

Sheet Storm (aka Steelmageddon)

Capacity additions totaled as much 8Mt/yr, and another 4-5Mt/yr coming in 2026E

Galvanized Galore

Galvanized premiums at lows, more capacity still ramping up

Scrap Shortages

Did not happen, but 2026 could still see a squeeze

A more in-depth look at the TACO debates

The Trump administration has taken the most sophisticated approach to metal tariffs we have ever seen.

Any carveout likely requires comparable tariff policy, and even then could see Section 232 drop to 25% from 50%, could include a quota, not likely zero. CBAM also can reduce exports to the U.S., maybe redirect Asian exports to the U.S.?

For now, the mills who committed billions to add capacity to the U.S. are seeing their investments protected by the U.S. govt, and replacing imports.

This import displacement is how they can talk about improving orderbooks DESPITE "meh" underlying demand.

NO ONE likes our demandless recovery argument, but more tons from less supply vs more demand are still more tons.

Aluminum is less straightforward. The U.S. imports ~3.5-4Mt/yr and produces <1Mt at just four facilities from 23 at the start of the century. Protecting that market is more inflationary, with limited appetite to add new capacity.

Tariffs cause inflation BUT Joe voter probably doesn't notice. Some debate over pennies a can adding up for a 24 pack, switching back to steel from ali in auto?

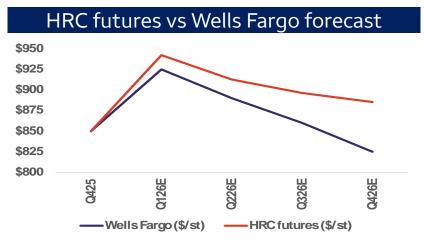
Wells Fargo steel forecasts: A grand a hot band?

U.S. hot rolled coil (HRC) prices could rise to >\$1,000/st in H126E, in our view, supported by mill pricing power from restocking and further import slippage.

Rebar price hikes have largely stuck, further AD/CVD cases can limit imports further.

Mills have been more measured this run, perhaps mindful of White House inflation sensitivity.

U.S. carbon steel	2019	2020	2021	2022	2023	2024	Q125	Q225	Q325	Q425E	2025E	Q126E	Q226E	Q326E	Q426E	2026E	2027E
Hot rolled coil (US\$/st)	\$607	\$587	\$1,605	\$1,007	\$907	\$769	\$801	\$908	\$843	\$850	\$850	\$925	\$890	\$860	\$825	\$875	\$800
Cold rolled coil (US\$/st)	\$771	\$755	\$1,839	\$1,414	\$1,119	\$1,060	\$1,009	\$1,113	\$1,049	\$1,050	\$1,055	\$1,125	\$1,090	\$1,060	\$1,025	\$1,075	\$1,000
Hot dipped galvanized (US	\$846	\$830	\$1,923	\$1,456	\$1,176	\$1,094	\$1,045	\$1,147	\$1,057	\$1,035	\$1,071	\$1,135	\$1,100	\$1,070	\$1,035	\$1,085	\$1,035
Plate (US\$/st)	\$811	\$638	\$1,474	\$1,803	\$1,554	\$1,102	\$999	\$1,180	\$1,093	\$1,050	\$1,081	\$1,150	\$1,115	\$1,085	\$1,050	\$1,100	\$1,045
Rebar (US\$/st)	\$665	\$615	\$911	\$1,046	\$904	\$774	\$756	\$775	\$856	\$880	\$817	\$875	\$860	\$850	\$825	\$853	\$800
U.S. ferrous scrap																	
#1 heavy melt (US\$/t)	\$257	\$250	\$426	\$368	\$358	\$335	\$373	\$352	\$330	\$330	\$346	\$380	\$380	\$380	\$380	\$380	\$380
Shred (US\$/t)	\$284	\$276	\$473	\$468	\$435	\$396	\$423	\$407	\$380	\$380	\$397	\$440	\$440	\$440	\$440	\$440	\$440
Busheling (US\$/t)	\$318	\$312	\$582	\$529	\$472	\$411	\$440	\$432	\$420	\$395	\$422	\$465	\$465	\$465	\$465	\$465	\$465



Source: CRU, Platts, Wells Fargo Securities, LLC estimates

We see mills maintaining the upper hand

- Even assuming limited 2026E demand growth and more supply, we see a market squeeze into H126E.
- Markets could look more balanced into 2027E with more supply and a bit more demand.
- We assume limited change to tariff policy, but also limited re-shoring benefit.

U.S apparent consumption											
(M metric tons)	Q125	Q225	Q325	Q425E	2025E	Q126E	Q226E	Q326E	Q426E	2026E	2027E
U.S. shipments	20.1	20.8	21.4	20.9	83.3	21.4	21.5	21.4	21.3	85.6	87.1
Total imports	7.1	6.2	5.2	4.3	22.7	3.2	3.5	4.0	4.0	14.7	16.0
Less exports	2.0	1.7	1.7	1.6	6.9	1.5	1.5	1.5	1.5	6.0	6.5
U.S. apparent supply	25.3	25.3	24.9	23.6	99.1	23.1	23.5	23.9	23.8	94.3	96.6
Apparent consumption (USGS historical)	23.2	23.8	23.0	22.7	93.0	23.2	23.8	23.0	22.7	92.7	93.2
Surplus/(deficit)	2.0	1.5	1.9	0.9	6.2	-0.1	-0.3	0.9	1.1	1.6	3.4
Surplus as % of apparent consumption	8.8%	6.4%	8.1%	4.1%	6.6%	-0.5%	-1.3%	3.9%	4.7%	1.7%	3.6%

Policy wildcards – more demand stimulus

"Discipline" wildcards – U.S. Steel and the golden share?

Could CLF restart Dearborn?

Will new rebar mills actually add supply?

Source: AISI, Census Bureau, USGS, Wells Fargo Securities, LLC estimates

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As of December 16, 2025

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