North America’s leading weekly carbon steel price assessments – trusted by the industry

In the U.S. steel sheet market alone, an estimated 50% of direct mills shipments are priced against CRU

Weekly US Midwest Price Assessments for:
- Hot-rolled coil
- Cold-rolled coil
- Hot-dipped galvanised coil
- Plate

Our price assessments are used in the settlement of CME’s ‘U.S.Midwest Domestic HRC Steel Futures Contract’
Join the curve...

If you are active in the North American Carbon Steel market you need to have access to accurate price assessments. In short, you need CRU’s market leading, weekly US Midwest price assessments for: **hot-rolled coil; cold-rolled coil; hot-dipped galvanized coil; plate**

CRU has tracked prices in the world’s major steel markets for over 25 years and has established a reputation for publishing accurate, independent and accepted price assessments.

Price volatility has increased significantly in recent years and as a consequence there has been a concerted move for transactions in the physical market to be priced against independent assessments of industry prices.
We have tracked monthly U.S. steel sheet prices for over 25 years and moved to weekly prices in 2008

How are CRU’s steel price assessments utilized by the industry?
• In ‘physical contracts’
• In ‘variable cost contracts’
• As a reference point in determining surcharges
• In the settlement of ‘Over the Counter’ (OTC) derivative products
• In the settlement of ‘Exchange Traded’ derivative products

How are the indices calculated?
The indices are derived from verifiable price and volume data entered online every week at www.cruindices.com.
Data is supplied by established, reputable physical players from across the supply chain: mills (integrated and mini); traders; service centers and end-users.
The final price is a weighted-average of the data and is approved by a leading CRU Analyst before being published.

Why do companies contribute data?
Given the thousands of physical and financial contracts settled against CRU’s steel prices, it is in the interest of market participants to contribute data. In doing so, it better reflects their business and its role in the market. We truly value our data providers and offer an extensive package of benefits for those who contribute.
These include:
• Weekly price assessments for each index to which you contribute
• The facility to chart* historic data and your contributions versus the index online
• Access to CRU’s internationally renowned steel industry analysts via monthly conference call
• The opportunity to have a CRU analyst present CRU’s latest outlook at your offices
• An annual white paper on the US steel market
• Introductory offers for CRU’s Steel Monitors
• A discount on licences for CRU’s Steel Price Data
• A VIP discount on CRU’s Steel Conferences

Confidentiality?
In order to protect the integrity of the index, each data provider signs a non-disclosure agreement, which addresses confidentiality and security. CRU Indices will never advertise, publish or disclose the names of the companies who contribute to its price assessments, nor any details relating to their transactions.

Don’t fall behind the price curve – join it!

*The charting tool on www.cruindices.com, which is exclusive for data providers and data licensees.
Related Steel Products from CRU:
- **Steel Monitor** provides a monthly analysis of steel production and consumption in the major world markets. It reviews market trends by region, and carries price assessments for steel sheet, plate and long products.
- **Steel Plate Quarterly** analyses recent trends in market fundamentals and presents five year forecasts of production, consumption and prices.
- **The Steel Sheet Products Monitor** is where CRU’s assessments of current market prices are published. It also provides detailed analysis of key market fundamentals, along with production, consumption and trade data.
- **The Steel Sheet Quarterly Outlook** presents historical data and five year forecasts of production, consumption, trade and prices for hot-rolled, cold-rolled and galvanised steel sheet.

For further information, visit [www.crugroup.com](http://www.crugroup.com)

Examples of index-based pricing models:

**Example 1: The absolute index value**
Hot rolled coil, US$/s.ton

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Q1</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Q2</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index price</td>
<td>655</td>
<td>625</td>
<td>615</td>
<td>632</td>
<td>558</td>
<td>540</td>
<td>500</td>
<td>533</td>
<td>450</td>
<td>425</td>
<td>510</td>
<td>462</td>
</tr>
<tr>
<td>Selling price</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>533</td>
</tr>
</tbody>
</table>

Example: Price received for Q3 shipments (US$533/s.ton) equal to average index value for the previous quarter (US$533/s.ton)

**Example 2: The period-on-period change**
Hot rolled coil, US$/s.ton

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Q1</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Q2</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting price</td>
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<td>-</td>
<td>-</td>
<td>650</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Index price</td>
<td>655</td>
<td>625</td>
<td>615</td>
<td>632</td>
<td>558</td>
<td>540</td>
<td>500</td>
<td>533</td>
<td>450</td>
<td>425</td>
<td>510</td>
<td>462</td>
</tr>
<tr>
<td>Change in index</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(27)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(99)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(71)</td>
</tr>
<tr>
<td>Change in price</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>623</td>
<td>-</td>
<td>-</td>
<td>524</td>
</tr>
<tr>
<td>Selling price</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
</tbody>
</table>

*From previous quarter*

Starting price is arrived at through negotiation and is used to determine the actual price for the first quarter of the programme only: thereafter the previous quarter’s price is used.

Example: Price received for Q3 shipments (US$524/s.ton) equal to previous quarter’s price (US$623/s.ton), plus the index change for the previous quarter (minus US$99/s.ton)

Become a data provider:
If you are active in the Midwest spot market for flat products you may be eligible to become a data provider. To apply, simply complete the form overleaf.

Free 4 Week Trial
You can register for a free 4 week trial to our Midwest prices, which includes access to historical data online at [www.cruindices.com](http://www.cruindices.com)

License to CRU
Do you need to share our indices with your colleagues or counterparties? If so, then there are some cost-effective licensing options available. For more information visit [www.cruindices.com](http://www.cruindices.com)
Price assessment definitions

The definitions used refer to standardized trades and are strictly adhered to:

U.S. hot-rolled (HR) coil:
- Base price, fob Midwest mill, for spot purchases for forward delivery
- Commercial quality (prime) material, within standard tolerances
- In coils of at least 40,000lbs, with standard packaging
- Extras for gauge and width excluded
- Delivery charges and taxes excluded
- Raw materials surcharges (where applicable) included

U.S. cold-rolled (CR) coil:
- Base price, fob Midwest mill, for spot purchases for forward delivery
- Commercial quality (prime, annealed and tempered) material, within standard tolerances
- In coils of at least 20,000lbs, with standard packaging
- Extras for gauge and width excluded
- Delivery charges and taxes excluded
- Raw materials surcharges (where applicable) included

U.S. hot-dipped galvanised (HDG) coil:
- Base price, fob Midwest mill, for spot purchases for forward delivery
- Commercial quality hot-dipped galvanised coil within standard tolerances
- In coils of at least 20,000lbs, with standard packaging
- Extras for gauge and width excluded
- Delivery charges and taxes excluded
- Steelmaking raw materials surcharges (where applicable) included
- Coating extras excluded

U.S. plate:
- Base price, fob Midwest mill, for spot purchases for forward delivery
- ASTM A36 commercial quality plate, in thickness between 3/8 of an inch and 2 inches, width between 72 and 120 inches and length between approximately 240 and 720 inches
- Extras for length and width excluded
- Delivery charges and taxes excluded
- Raw materials surcharges (where applicable) included

CME’s U.S. Midwest Domestic Hot-Rolled Coil Steel Contract

Contract specifications
- Trading unit: (lot size) 20 short tons
- Price quotation: US dollars and cents per short ton
- Trading months: 24 consecutive months
- Settlement: Financial, against CRU’s US Midwest assessments
- Trading symbol: HR

For further details visit www.cmegroup.com/metals

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CME Group brings buyers and sellers together through its CME Globex® electronic trading platform and its trading facilities in New York and Chicago. CME Group also operates CME Clearing, one of the largest central counterparty clearing services in the world, which provides clearing and settlement services for exchange-traded contracts, as well as for over-the-counter derivatives transactions through CME ClearPort®. These products and services ensure that businesses everywhere can substantially mitigate counterparty credit risk in both listed and over-the-counter derivatives markets.

CRU Indices is part of CRU Group, the world’s leading independent research, consultancy, and events organization in the mining and metals sectors. Headquartered in London, CRU employs over 200 people in its offices throughout the US, China, Chile, India, Brazil and Australia. www.crugroup.com
Enquiry form

Please complete and return this form to CRU INDICES
Post > 31 Mount Pleasant, London, WC1X 0AD, UK
Fax > +44 20 7903 2432
Email > cruindices@crugroup.com

Alternatively, contact Glenn Cooney, Head of Operations: Tel: +44 20 7903 2056; glenn.cooney@crugroup.com

Tick as appropriate

☐ I am interested in becoming a data provider to the following Midwest markets:
  - hot-rolled coil ☐ cold-rolled coil ☐ hot-dipped galvanised coil ☐ plate ☐

☐ I would like a free 4 week trial of CRU’s US Steel Sheet Prices
☐ I would like information on CRU’s Steel Price Licences
☐ I would like a complimentary sample of CRU’s Steel Sheet Products Monitor
☐ I would like a brochure for CRU’s Steel Sheet Quarterly Outlook
☐ I would like a complimentary sample of CRU’s Steel Products Monitor
☐ I would like a brochure for CRU’s Steel Plate Quarterly Outlook
☐ I would like some information on CRU’s Steel Price Risk Management Services

Title __________ First __________________________ Last __________________________

Job Title __________________________________________

Company __________________________________________

Address __________________________________________

________________________________________________________________________

City ______________________________________________

State ______________________________________________

Country __________________________ Zip code __________________________

Email ____________________________________________

Tel __________________________ Fax __________________________

Company type:

☐ Producer
☐ Service Centre / Stockholder
☐ Distributor
☐ Trader
☐ End User
☐ Other

Approximate tonnage purchased/sold per annum

☐ 0-25,000  ☐ 25,000-100,000  ☐ 100,000-500,000  ☐ 500,000-1,000,000  ☐ 1,000,000+

Approximate proportion of which relates to spot transactions

☐ 0-20%
☐ 21%-40%
☐ 41%-60%
☐ 61%-80%
☐ 81%-100%

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WEB