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Hot Rolled Futures Stabilize This Week

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HRC FUTURES PRICES CONTINUED TO HEAD LOWER THIS WEEK DROPPING OVER \$20 PER TON.

Volume on the CME U.S. Midwest Hot Rolled futures contract has been steady so far this week with 20,560 tons (1,028 lots) changing hands. The majority of this week's transactions were for contractual months in 2012.

Some of the Hot Rolled Coil (HRC) trades that were recorded this week on CME included: November 2011 at \$640; March 2012 at \$650, Q2-2012 at \$685; and Q3-2012 at \$700. Despite the general softness to the market some buyers are locking in forward prices for next year at these levels.

Below is a table with yesterday's HRC futures settlement prices on the CME contract for each month through June 2012:

CME Contract Month	HRC Closing Price	Change from Last Week	CME Contract Month	HRC Closing Price	Change from Last Week
			January 2012	\$660	(\$36)
October 2011	\$665	(\$5)	February 2012	\$662	(\$33)
November 2011	\$640	(\$26)	March 2012	\$650	(\$47)
December 2011	\$640	(\$33)	April 2012	\$685	(\$20)
			May 2012	\$695	(\$10)
			June 2012	\$695	(\$10)
Average	\$648	(\$21)	Average	\$675	(\$26)

NEXT HEDGING PRICE RISK WORKSHOP – NOVEMBER 2, 2011 – NEW YORK CITY

Our next **Hedging Price Risk workshop** will be held at the NYMEX building in New York City on November 2, 2011. Our instructor is Andre Marshall, CEO of Crunch Risk, LLC and one of the most active brokers in the Hot Rolled Futures markets. Assisting Andre will be the CME Group and not showing on our **program** is the inclusion of the CRU Group which will do a short presentation about how their indices are collected and work in conjunction CME/NYMEX.

Registration is now open and more details can be found at: www.SteelMarketUpdate.com/Events or you are welcome to contact our office at 800-432-3475 (706-216-5440). You can also reach us by contacting: Sophia@SteelMarketUpdate.com