

# FIS Steel & Scrap Morning Report

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Good morning,

- Stronger finished steel demand supports Turkish import prices
- Sep and Oct EHR trade 417 and 428 respectively

According to Platts, a US based seller transacted an HMS 90:10 cargo (which also included shredded scrap) at an average of \$262.50/t CFR. This normalises to approximately \$258.50/t CFR for HMS 80:20. Turkish import prices of late have been supported by stronger finished steel demand. The scrap futures curve has ticked up a touch on the front whilst Q4 through to Q121 continues to hold steady. Northwest European HRC moved €1.25 higher yesterday, with August and September clearing on the block at 417/t and 428/t respectively.

A strong domestic Chinese steel market helped lift the FOB China HRC index \$6 yesterday. Sentiment has also been supported by planned maintenance cuts in July, Argus reports this would reduce HRC output by 250,000t. September fob China HRC futures narrowed early to 439/445, with the offer then retreating back post the index print.

Yesterday's trades:

### CME Northwest Europe HRC

Aug @ 417 in 500t

Sep @ 428 in 1kT

### CME US Busheling Midwest

Sep @ 285 in 1500t

Please see yesterday's closing curves:

US HRC USD/short ton			
	Bid	Ask	Value
Jul-20	475	485	480
Aug-20	477	487	482
Sep-20	494	504	499
Q4 20	501	511	506
Q1 21	525	535	530
Q2 21	530	540	535

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-20	387	407	397
Aug-20	407	427	417
Sep-20	418	438	428
Q4 20	421	441	431
Q1 21	430	450	440
Q2 21	429	449	439

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	258.00	1.50	255.63
Steel Rebar FOB Turkey (\$/mt)	415.00	5.00	408.95
Argus HRC NW Europe (€/mt)	400.75	1.25	395.83
Argus FOB China HRC (\$/mt)	454.00	6.00	443.22

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-20	447	457	452
Aug-20	442	452	447
Sep-20	449	459	444
Oct-20	437	445	441
Q4 20	435	445	440
Q1 21	425	435	430

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-20	251	261	256
Aug-20	258	268	263
Sep-20	257	267	262
Oct-20	256	266	261
Q4 20	256	266	261
Q1 21	255	265	260

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-20	405	415	410
Aug-20	415	425	420
Sep-20	415	425	420
Oct-20	415	425	420
Q4 20	415	425	420
Q1 21	414	424	419

BUSHELING			
	BID	ASK	Value
Aug-20	270	280	275
Sep-20	280	290	285
Oct-20	287	297	292
Q4 20	297	307	302
Q1 21	316	326	321