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FIS Steel & Scrap Morning Report

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Good morning,

- A Baltic based seller transacted HMS 80:20 at \$265/t CFR
- Strong Chinese sentiment move FOB China HRC futures higher

Physical scrap continues to gain strength, with a Baltic-origin cargo reported booked yesterday. The 35kT cargo included 29kT HMS 80:20 and 6kT bonus scrap, transacted at \$265/t CFR and \$275/t CFR respectively, with first-half August shipment. Strong finished steel demand continues to support physical scrap prices. The scrap futures curve moved higher, Oct traded at \$268/t.

Argus reports a large Chinese mill increased offers by \$5/t yesterday amid strong domestic activity. Furthermore, demand from Pakistan and South America remain robust. FOB China HRC futures continued to move higher yesterday amid stronger sentiment. Q4 futures were offered last Friday at \$445/t, following the onshore rally Q4 is now trading \$460/t levels.

Yesterday's trades:

CME US HRC Midwest

Q121 @ 528 in 1kT/m + odd lots

Q4 @ 520 in 2kT/m + 400t/m

Feb-Mar21 @ 528 in 2kt/m

Aug @ 501 in 500t

Aug @ 498 in 500t + 500t

Aug @ 499 in 1kT

CME US Busheling Midwest

Aug @ 276 in 2kT

Aug @ 274 in 2kT

Please see yesterday's closing curves:

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US HRC USD/short ton			
	Bid	Ask	Value
Jul-20	477	487	482
Aug-20	493	503	498
Sep-20	500	510	505
Q4 20	514	524	519
Q1 21	528	538	533
Q2 21	531	541	536

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-20	388	408	398
Aug-20	408	428	418
Sep-20	416	436	426
Q4 20	423	443	433
Q1 21	432	452	442
Q2 21	431	451	441

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	265.00	5.00	257.14
Steel Rebar FOB Turkey (\$/mt)	424.00	4.00	412.21
Argus HRC NW Europe (€/mt)	401.50	0.00	397.39
Argus FOB China HRC (\$/mt)	464.00	1.00	448.46

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LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-20	455	465	460
Aug-20	450	460	455
Sep-20	448	458	453
Oct-20	447	457	452
Q4 20	445	455	450
Q1 21	435	445	440

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-20	411	421	416
Aug-20	420	430	425
Sep-20	420	430	425
Oct-20	420	430	425
Q4 20	418	428	423
Q1 21	417	427	422

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-20	254	264	259
Aug-20	260	270	265
Sep-20	260	270	265
Oct-20	260	270	265
Q4 20	258	268	263
Q1 21	257	267	262

BUSHELING			
	BID	ASK	Value
Aug-20	271	281	276
Sep-20	275	285	280
Oct-20	285	295	290
Q4 20	292	302	297
Q1 21	305	315	310