



Steel & Scrap Morning Report

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Good morning,

- HMS 80:20 fixture completed at \$270/t CFR
- NWE HRC jumps €5.75/t on the index
- Q1 FOB China HRC futures trades 458 in 1kT/m

Additional physical scrap deals were reported yesterday, with HMS 80:20 reaching the \$270/t CFR barrier. A US based seller transacted an HMS 80:20 cargo at \$270/t, the cargo also included shred and bonus scrap at \$275/t and \$280/t CFR respectively. A Baltic-origin HMS 95:5 cargo was completed at \$275/t CFR, which Platts assesses to represent \$269/t CFR for HMS 80:20. The scrap futures curve moved \$5 higher yesterday, with August scrap trading at \$276/t in 1kT. The Northwest European HRC index jumped €5.75/t yesterday, amid increasing buyer activity with mills reported receiving orders at €420/t delivered and higher for second-half September/October shipment, Argus reports. September futures traded €435 in 1kT.

Chinese steel sentiment continues to remain strong, with several market participants expecting prices to continue their uptrend into August, Platts reports. FOB China HRC futures held steady on the front months today, whilst Q4 and Q121 moved higher. Q121 futures traded \$458/t in 1kT/m.

Yesterday's trades:

CME Northwest European HRC

Sep @ 435 in 1kT

CME US HRC Midwest

Aug vs Q4 @ -23 in 900t vs 300t/m

Aug @ 499 in 500t + 500t

CME US Busheling Midwest

Oct @ 298 in 1500t

Aug @ 278 in 2kT

Please see yesterday's closing curves:

US HRC USD/short ton			
	Bid	Ask	Value
Jul-20	470	480	475
Aug-20	495	505	500
Sep-20	511	521	516
Q4 20	516	526	521
Q1 21	528	538	533
Q2 21	531	541	536

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-20	389	409	399
Aug-20	415	435	425
Sep-20	423	443	433
Q4 20	425	445	435
Q1 21	432	452	442
Q2 21	431	451	441

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	269.75	2.25	258.99
Steel Rebar FOB Turkey (\$/mt)	428.00	2.00	414.71
Argus HRC NW Europe (€/mt)	407.75	5.75	398.51
Argus FOB China HRC (\$/mt)	469.00	3.00	451.88



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LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-20	452	462	457
Aug-20	467	477	472
Sep-20	464	474	469
Oct-20	463	473	468
Q4 20	458	468	463
Q1 21	453	463	458

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-20	257	267	262
Aug-20	271	281	276
Sep-20	270	280	275
Oct-20	260	270	265
Q4 20	266	276	271
Q1 21	262	272	267

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-20	413	423	418
Aug-20	434	444	439
Sep-20	431	441	436
Oct-20	431	441	436
Q4 20	427	437	432
Q1 21	422	432	427

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	BID	ASK	Value
Aug-20	273	283	278
Sep-20	280	290	285
Oct-20	290	300	295
Q4 20	295	305	300
Q1 21	305	315	310