



# Steel & Scrap Morning Report

London +44 20 7090 1120 | info@freightinvestor.com | www.freightinvestorservices.com

Good morning,

- Sep EHR trades €432 in 500t
- Scrap activity quietens as Eid holiday approaches
- FOB China HRC index moves \$38/t high since the start of the month

No new physical scrap activity reported yesterday as mills take a step back from purchasing until after Eid holiday. The scrap futures curve held relatively stable, September ended in a standoff at 275/277 in 500t. Northwest European HRC saw activity on the futures market with Sep trading at €432/t, down €3 from last done. Argus reports that Tata Steel have announced a €55/t price increase, increasing offers to €450/t for DD11 material.

FOB China HRC continues to remain elevated as the index gained a further \$2 yesterday, \$38/t up over the course of the month. September futures traded 468 in 2kT. Argus reported that major Chinese mills have increased their offers by \$5/t to \$485-495/t fob for SS400 HRC amid a strong domestic market.

Yesterday's trades:

### CME US HRC Midwest

Jan21 v Feb21 @ -5 in 1kT/m

Q4 @ 518 in 1kT/m + 500t/m

Q121 @ 532 in 500t/m

Q4 @ 518 in 1300t,1300t and 1100t

Q2 @ 536 in 700t/m + 200t/m

Aug @ 487 in 1kT

Aug @ 490 in 1kT + 1kT

Sep @ 507 in 500t

Nov-Dec @ 515 in 600t+400t

### CME Northwest European HRC

Sep vs Oct @ -4 (438/442) in 500t/m

Sep @ 432 in 500t

### LME FOB China HRC

Sep @ 468 in 2kT

Please see yesterday's closing curves:

US HRC USD/short ton			
	Bid	Ask	Value
Jul-20	475	485	480
Aug-20	485	495	490
Sep-20	498	508	503
Q4 20	516	526	521
Q1 21	528	538	533
Q2 21	532	542	537

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-20	390	410	400
Aug-20	416	436	426
Sep-20	422	442	432
Q4 20	427	447	437
Q1 21	432	452	442
Q2 21	431	451	441



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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	272.00	0.50	260.84
Steel Rebar FOB Turkey (\$/mt)	430.00	0.00	417.00
Argus HRC NW Europe (€/mt)	409.00	0.50	400.04
Argus FOB China HRC (\$/mt)	476.00	2.00	455.32

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-20	453	463	458
Aug-20	463	473	468
Sep-20	458	468	463
Oct-20	457	467	462
Q4 20	453	463	458
Q1 21	446	456	451

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-20	258	268	263
Aug-20	277	287	282
Sep-20	271	281	276
Oct-20	260	270	265
Q4 20	270	280	275
Q1 21	270	280	275

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-20	413	423	418
Aug-20	435	445	440
Sep-20	432	442	437
Oct-20	432	442	437
Q4 20	428	438	433
Q1 21	426	436	431

BUSHELING			
	BID	ASK	Value
Aug-20	270	280	275
Sep-20	280	290	285
Oct-20	288	298	293
Q4 20	294	304	299
Q1 21	304	314	309

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