

FIS Steel & Scrap Morning Report

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Good morning,

- FOB China HRC moves higher amid heightened onshore market

Turkish import prices continued strengthen as market participants expect near term deals to be reach \$280/t CFR, Platts reports. The index rose \$1.75/t on Friday. Scrap futures have now broken the \$280/t barrier with the front months at those levels. Fastmarkets reported that Northwest European HRC deals have been concluded between €410-415/t. The index held remained unchanged at €409/t.

FOB China HRC futures moved higher this morning, as August and September reached \$495/t and \$490/t value respectively. On-shore rebar futures have continued to gain strengthen, jumping early and remaining steady across this morning.

Friday's trades:

CME Northwest European HRC

Sep vs Oct @ -4 in 500t/m + 1kT/m

CME US HRC Midwest

Aug vs Sep @ -25 in 1500t/m

Aug @ 482 in 1kT + 500t + 1kT + 1200t

Q4 vs Q121 @ flat in 3kT/m

Q4 @ 520 in 500t/m + 500t/m

Please see Friday's closing curves:

| US HRC USD/short ton | | | |
|----------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Aug-20 | 474 | 484 | 479 |
| Sep-20 | 500 | 510 | 505 |
| Oct-20 | 504 | 514 | 509 |
| Q4 20 | 511 | 521 | 516 |
| Q1 21 | 526 | 536 | 531 |

| NWE HRC EUR/metric ton | | | |
|------------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Aug-20 | 415 | 435 | 425 |
| Sep-20 | 422 | 442 | 432 |
| Q4 20 | 429 | 449 | 439 |
| Q1 21 | 439 | 459 | 449 |
| Q2 21 | 437 | 457 | 447 |

| Indices | Price | Change | MTD |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 279.50 | 1.75 | 263.03 |
| Steel Rebar FOB Turkey (\$/mt) | 433.50 | 1.00 | 419.00 |
| Argus HRC NW Europe (€/mt) | 409.00 | 0.00 | 400.85 |
| Argus FOB China HRC (\$/mt) | 482.00 | 0.00 | 457.62 |



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| LME HRC FOB TIANJIN CHINA USD/mt | | | |
|----------------------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Aug-20 | 490 | 500 | 495 |
| Sep-20 | 484 | 494 | 489 |
| Oct-20 | 483 | 493 | 488 |
| Q4 20 | 478 | 488 | 483 |
| Q1 21 | 472 | 482 | 477 |

| LME HMS 80:20 CFR TK | | | |
|----------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Aug-20 | 285 | 295 | 290 |
| Sep-20 | 282 | 292 | 287 |
| Oct-20 | 260 | 270 | 265 |
| Q4 20 | 275 | 285 | 280 |
| Q1 21 | 272 | 282 | 277 |

| LME REBAR FOB TK | | | |
|------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Aug-20 | 441 | 451 | 446 |
| Sep-20 | 432 | 442 | 437 |
| Oct-20 | 432 | 442 | 437 |
| Q4 20 | 430 | 440 | 435 |
| Q1 21 | 426 | 436 | 431 |

| BUSHELING | | | |
|-----------|-----|-----|-------|
| | BID | ASK | Value |
| Aug-20 | 267 | 277 | 272 |
| Sep-20 | 276 | 286 | 281 |
| Oct-20 | 289 | 299 | 294 |
| Q4 20 | 295 | 305 | 300 |
| Q1 21 | 304 | 314 | 309 |