



# Steel & Scrap Morning Report

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Good morning,

- Premium HMS 80:20 reaches \$286/t CFR following UK physical booking
- Sep-Oct EHR trades €441/t in 1kT/m

A UK based seller transacted an HMS 80:20 cargo at \$281/t CFR, Platts assesses this to represent \$286/t CFR value for premium HMS 80:20. Furthermore, a Baltic-origin cargo was reported completed on Wednesday at \$283/t CFR, the cargo also included shredded and bonus at \$288/t and \$293/t CFR respectively. The scrap futures curve remained steady with Aug stuck at 289/294 in 1kT. Northwest European HRC held steady at €411.75/t yesterday, Sep-Oct futures traded €441 in 1kT/m.

Argus reports falling steel inventories in China supported market sentiment yesterday. Chinese mills maintained offer levels at \$500-505/t fob for SS400 HRC. Onshore rebar this morning moved a touch lower early and has remained subdued. The FOB China HRC futures curve held steady yesterday.

Yesterday's trades:

### CME Northwest European HRC

Sep-Oct @ 441 in 1kT/m

### CME US HRC Midwest HRC

Aug @ 469 in 640t

Please see yesterday's closing curves:

| US HRC USD/short ton |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Aug-20               | 460 | 470 | 465   |
| Sep-20               | 490 | 500 | 495   |
| Oct-20               | 506 | 516 | 511   |
| Q4 20                | 514 | 524 | 519   |
| Q1 21                | 530 | 540 | 535   |
| Q2 21                | 539 | 549 | 544   |

| NWE HRC EUR/metric ton |     |     |       |
|------------------------|-----|-----|-------|
|                        | Bid | Ask | Value |
| Aug-20                 | 414 | 434 | 424   |
| Sep-20                 | 425 | 445 | 435   |
| Oct-20                 | 428 | 448 | 438   |
| Q4 20                  | 429 | 449 | 439   |
| Q1 21                  | 433 | 453 | 443   |
| Q2 21                  | 437 | 457 | 447   |

| Indices                                     | Price  | Change | MTD    |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 284.50 | 1.50   | 282.25 |
| Steel Rebar FOB Turkey (\$/mt)              | 440.00 | 0.00   | 437.13 |
| Argus HRC NW Europe (€/mt)                  | 411.75 | 0.00   | 411.75 |
| Argus FOB China HRC (\$/mt)                 | 491.00 | 2.00   | 488.50 |



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| LME HRC FOB TIANJIN CHINA USD/mt |     |     |       |
|----------------------------------|-----|-----|-------|
|                                  | Bid | Ask | Value |
| Aug-20                           | 493 | 503 | 498   |
| Sep-20                           | 489 | 499 | 494   |
| Oct-20                           | 482 | 492 | 487   |
| Nov-20                           | 480 | 490 | 485   |
| Q4 20                            | 480 | 490 | 485   |
| Q1 21                            | 470 | 480 | 475   |

| LME HMS 80:20 CFR TK |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Aug-20               | 286 | 296 | 291   |
| Sep-20               | 280 | 290 | 285   |
| Oct-20               | 275 | 285 | 280   |
| Nov-20               | 270 | 280 | 275   |
| Q4 20                | 275 | 285 | 280   |
| Q1 21                | 270 | 280 | 275   |

| LME REBAR FOB TK |     |     |       |
|------------------|-----|-----|-------|
|                  | Bid | Ask | Value |
| Aug-20           | 445 | 455 | 450   |
| Sep-20           | 442 | 452 | 447   |
| Oct-20           | 440 | 450 | 445   |
| Nov-20           | 438 | 448 | 443   |
| Q4 20            | 435 | 445 | 440   |
| Q1 21            | 428 | 438 | 433   |

| BUSHELING |     |     |       |
|-----------|-----|-----|-------|
|           | Bid | Ask | Value |
| Aug-20    | 260 | 270 | 265   |
| Sep-20    | 273 | 285 | 279   |
| Oct-20    | 290 | 300 | 295   |
| Nov-20    | 302 | 312 | 307   |
| Q4 20     | 301 | 311 | 306   |
| Q1 21     | 318 | 328 | 323   |