

FIS Steel & Scrap Morning Report

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Good Morning,

HMS 80:20 Scrap

Turkish Deepsea import scrap prices continue to firm

Sell side continues push for \$300/m

Weak dollar maintains upside pressure

Deepsea Turkish import scrap prices were heard to be higher Sept. 1, as ex-Benelux and ex-Baltic cargoes were heard to be booked over the week ending Aug. 28, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$291/mt CFR on Sept. 1, up \$2.50/mt from Aug. 28, to reach the index's highest level since Jan. 15, when it sat at \$299/mt CFR.

A Benelux-origin cargo was heard by multiple sources to be booked the week ending Aug. 28, with HMS 1/2 (80:20) at \$286/mt CFR, with sources putting the cargo value as equivalent to \$291/mt CFR for premium HMS 1/2 (80:20). (Platts)

FOB China HRC

The index rose by another \$5/t yesterday (9.1.20) to US\$516/t, MTD US\$516/t.

Northern China's Tangshan sections rolling mills, which were supposed to restart production on 1 September, were asked to delay resumptions until today or later. Major Chinese mills increased offers by \$5-10/t yesterday to \$525-535/t fob for SS400 HRC, with none of them willing to receive orders below \$520-525/t fob given strength in the domestic market. (Argus)

NWE HRC

Italian hot-rolled coil (HRC) prices continued to increase on a lack of supply, while northwest Europe was quieter. The daily Italian index jumped again — to €445.25/t ex-works, up by €8/t. The benchmark northwest European index nudged up by €0.75/t to €450.75/t ex-works. While buyers in northern Europe are waiting before concluding new purchases, mills are positive that the market there is headed higher, as the spread with Italy is narrowing day by day, and as lead times are also now overlapping. Despite sufficient stocks, end-user demand is strengthening, which is buoying demand for forward deliveries. (Argus)

Sep20 US HRC trades 523 in 1500t

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Yesterday's Trades

Q420 EHR trades at 469 in 1kt
 Q420 v Q421 US HRC at flat (555) in 5kt/m
 Q121 US HRC trades 565 in 800t
 Apr21-Dec21 US HRC 570 in 500t
 Sep20 v Nov20 US HRC -34
 Cal21 BUS trades 330 in 300t/m
 Sep20 US HRC trades 523 in 1500t

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	291.00	2.50	291.00
Steel Rebar FOB Turkey (\$/mt)	446.00	1.00	446.00
Argus HRC NW Europe (€/mt)	450.75	0.75	450.75
Argus FOB China HRC (\$/mt)	516.00	5.00	516.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-20	516	526	521
Oct-20	513	523	518
Nov-20	509	523	516
Dec-20	509	515	512
Q4 20	509	519	514
Q1 21	475	485	480

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-20	296	306	301
Oct-20	293	306	300
Nov-20	293	300	297
Dec-20	287	297	292
Q4 20	290	300	295
Q1 21	273	283	278

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-20	455	465	460
Oct-20	452	462	457
Nov-20	450	462	456
Dec-20	450	449	450
Q4 20	447	457	452
Q1 21	430	440	435

BUSHELING			
	Bid	Ask	Value
Sep-20	280	290	285
Oct-20	308	318	313
Nov-20	315	325	320
Dec-20	320	330	325
Q4 20	314	324	319
Q1 21	325	335	330

US HRC USD/short ton			
	Bid	Ask	Value
Sep-20	515	525	520
Oct-20	545	555	550
Nov-20	554	564	559
Q4 20	554	564	559
Q1 21	563	573	568
Q2 21	566	576	571

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-20	462	482	472
Oct-20	460	482	471
Nov-20	460	480	470
Q4 20	462	482	472
Q1 21	438	458	448
Q2 21	435	455	445