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# FIS Steel & Scrap Morning Report

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Good Morning,

#### **Turkish Scrap**

Turkish import scrap prices inch down as mills step back

Concerns over finished steel demand keep mills back

Benelux HMS collection prices at eur210/mt; sub suppliers target hikes

Workable deepsea Turkish import scrap prices inched down on Sept. 29 as Turkish mills held back buying activity, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$292.50/mt CFR on Sept. 29, down 50 cents/mt day on day. "Today, the market will wait, but we will see some Baltic suppliers ready to sell at \$290-\$291/mt CFR soon -- all depends on China's return after the midautumn holiday and Turkish mills will perhaps try to squeeze the price to get lower scrap during this period," a Turkish trading source said, citing a tradable value for EU-origin HMS 1/2 (80:20) at \$285/mt CFR. (Platts)

### **FOB China HRC**

The index kept flat yesterday at US\$500/t, MTD US\$511.67/t.

China rolled out the draft plan for air pollution control in this autumn and winter mainly affecting Beijing, Tianjin, Hebei and surrounding areas. But it had limited influence on the market due to no specific measures given.

Chinese mills kept offers unchanged, citing there was not enough time to complete transactions. Some traders cut offers to \$520/t cfr Vietnam for Chinese SAE1006 grade coils, expecting a further price fall after the week-long holiday in China. Some other sellers expressed willingness to receive orders at \$500-510/t cfr Vietnam for Russian coils. But those lower offers elicited limited bids at \$500/t cfr Vietnam as Vietnamese buyers were risk averse amid the uncertain market. (Argus)

### **EHR**

Northwest European hot-rolled coil (HRC) prices fell again yesterday, as buyers put off purchasing in the face of high offers and long lead times.

Argus' domestic northwest European HRC index slipped to €490.50/t ex-works, taking the month-to-date average to €476.47/t.

Buyers that needed November-December delivery have had to pay up, but today there was no interest in booking first quarter volumes.

Some northern European mills were still delaying deliveries yesterday, as they prioritised larger automotive customers that needed material. (Argus)

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### Yesterday's Interests

LME SCRAP

Nov Scrap 284/290

Dec Scrap 283/288

Jan Scrap 281/289

Oct v Dec Scrap +2/+6

**EHR** 

Nov EHR 472/480

Nov v Q1 EHR +13/+16

**FOB CHINA** 

Q4 FOB China 477/482 in 500tpm

Oct FOB China 480/484 in 500t

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| Indices                                     | Price  | Change | MTD    |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 292.50 | -0.50  | 298.46 |
| Steel Rebar FOB Turkey (\$/mt)              | 452.00 | 0.00   | 456.00 |
| Argus HRC NW Europe (€/mt)                  | 490.50 | -0.50  | 469.45 |
| Argus FOB China HRC (\$/mt)                 | 500.00 | 0.00   | 515.57 |

| LME HRC FOB TIANJIN CHINA USD/mt |     |     |       |
|----------------------------------|-----|-----|-------|
|                                  | Bid | Ask | Value |
| Sep-20                           | 501 | 511 | 506   |
| Oct-20                           | 480 | 490 | 485   |
| Nov-20                           | 477 | 490 | 484   |
| Dec-20                           | 477 | 484 | 481   |
| Q4 20                            | 477 | 487 | 482   |
| Q1 21                            | 470 | 480 | 475   |

| LME HMS 80:20 CFR TK |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Sep-20               | 295 | 305 | 300   |
| Oct-20               | 282 | 305 | 294   |
| Nov-20               | 282 | 293 | 288   |
| Dec-20               | 281 | 291 | 286   |
| Q4 20                | 282 | 292 | 287   |
| Q1 21                | 277 | 287 | 282   |

| LME REBAR FOB TK |     |     |       |
|------------------|-----|-----|-------|
|                  | Bid | Ask | Value |
| Sep-20           | 455 | 465 | 460   |
| Oct-20           | 440 | 450 | 445   |
| Nov-20           | 440 | 450 | 445   |
| Dec-20           | 438 | 435 | 437   |
| Q4 20            | 435 | 445 | 440   |
| Q1 21            | 435 | 445 | 440   |

| BUSHELING |     |     |       |
|-----------|-----|-----|-------|
|           | Bid | Ask | Value |
| Sep-20    | 280 | 300 | 290   |
| Oct-20    | 300 | 310 | 305   |
| Nov-20    | 310 | 320 | 315   |
| Dec-20    | 320 | 330 | 325   |
| Q4 20     | 310 | 320 | 315   |
| Q1 21     | 330 | 340 | 335   |

| US HRC USD/short ton |     |     |       |  |
|----------------------|-----|-----|-------|--|
|                      | Bid | Ask | Value |  |
| Sep-20               | 545 | 555 | 550   |  |
| Oct-20               | 582 | 592 | 587   |  |
| Nov-20               | 578 | 588 | 583   |  |
| Q4 20                | 579 | 589 | 584   |  |
| Q1 21                | 578 | 588 | 583   |  |
| Q2 21                | 574 | 584 | 579   |  |

| NWE HRC EUR/metric ton |     |     |       |  |
|------------------------|-----|-----|-------|--|
|                        | Bid | Ask | Value |  |
| Sep-20                 | 467 | 487 | 477   |  |
| Oct-20                 | 475 | 487 | 481   |  |
| Nov-20                 | 475 | 495 | 485   |  |
| Q4 20                  | 462 | 482 | 472   |  |
| Q1 21                  | 463 | 483 | 473   |  |
| 02 21                  | 460 | 480 | 470   |  |