

FIS Steel & Scrap Morning Report

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Good Morning,

EHR

The lagging sheet market in Europe is keeping a lid on hot-rolled coil (HRC) prices, as service centres and distributors cannot afford to pay more.

In Italy some mills are fuelling this situation by competing to capture end-demand, which is not allowing service centres to increase prices despite hikes in HRC costs.

In the north, prices for speed-stock commodity grade sheet are around €530-550/t delivered, which leaves no margin compared with coil. Argus' daily benchmark northwest EU HRC index slipped by €1.25/t to €491/t ex-works yesterday. The daily Italian index fell by €2/t to €482.50/t ex-works. (Argus)

Turkish Scrap

Turkish Deepsea import scrap market awaits china return

Poor finished steel sales hold Turkish mills back from scrap buying

US recyclers look to hold offers at \$290-\$292/mt CFR

Workable Deepsea Turkish import scrap prices were unchanged on Oct. 7, as Turkish mills awaited the return of the Chinese market for an indication of near-term finished steel demand. The Chinese domestic market is currently quiet due to the Golden Week holiday, which takes place over Oct 1-8. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$288.50/mt CFR on Oct. 7, unchanged on day. "The market is quiet and waiting for China to return – demand for November shipment is most likely to return next week, but perhaps there will be a few buyers before," a Turkish mill source said, citing an indicative tradable value for HMS 1/2 (80:20) at \$285-\$290/mt CFR, with prices unlikely to soften further. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	288.50	0.00	288.80
Steel Rebar FOB Turkey (\$/mt)	445.00	0.00	447.10
Argus HRC NW Europe (€/mt)	491.00	-1.25	492.10
Argus FOB China HRC (\$/mt)	500.00	0.00	500.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-20	485	495	490
Nov-20	485	495	490
Dec-20	481	495	488
Jan-20	475	485	480
Q4 20	481	491	486
Q1 21	472	482	477

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-20	281	291	286
Nov-20	281	291	286
Dec-20	281	291	286
Jan-21	284	294	289
Q4 20	282	292	287
Q1 21	277	287	282

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-20	443	453	448
Nov-20	443	453	448
Dec-20	440	453	447
Jan-21	441	432	437
Q4 20	435	445	440
Q1 21	435	445	440

BUSHELING			
	Bid	Ask	Value
Oct-20	390	300	345
Nov-20	390	300	345
Dec-20	305	315	310
Jan-21	310	320	315
Q4 20	335	312	323
Q1 21	325	335	330

US HRC USD/short ton			
	Bid	Ask	Value
Oct-20	620	630	625
Nov-20	623	633	628
Dec-20	605	615	610
Q4 20	616	626	621
Q1 21	580	590	585
Q2 21	576	586	581

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-20	477	497	487
Nov-20	477	490	484
Dec-20	477	497	487
Q4 20	471	491	481
Q1 21	462	482	472
Q2 21	459	479	469