

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index kept flat yesterday (10.08.20) at US\$500/t, MTD US\$500/t.

The market was quiet yesterday as China was still absent from the market with nearly no market activities. Yet Chinese market re-starts today with an expected rising trend after the long holiday. Tangshan billet ex-works prices jumped by Yn80/t till this morning compared with pre-holiday level. While Shanghai HRC and rebar ex-warehouse prices rose by Yn60 and Yn50/t respectively during the same period. The LME forward curve is still backwardated from this October to next October. (Argus)

## EHR

Italian hot-rolled coil (HRC) prices nudged lower yesterday on continued lethargic activity levels and as import offers dropped.

Argus' daily Italian HRC index slipped by €1.25/t to €481.25/t ex-works.

Only smaller lots were purchased as buyers awaited China's return, hoping it would provide greater clarity on market direction. Most expect Asia-Pacific to be softer upon reopening, although some expect it to be stable to marginally positive.

Turkish import prices have slipped a little, after large tonnages of CIS material were heard to have been booked there at lower prices.

But most European buyers were not willing to book Turkish material, with only some trading firms taking the risk. Offers were heard at \$510-520/t fob, which at current exchange rates equates to €455-465/t cif. While these levels were theoretically competitive, the ongoing anti-dumping case against Turkey, as well as the safeguard quotas, dissuaded buyers. (Argus)

## Turkish Scrap

Turkish Deepsea import scrap price drops sharply on fresh marmara bookings

Fresh bookings see index hit lowest level since late August

More mills expected to return for November shipment cargoes

Deepsea Turkish import scrap prices dropped sharply on Oct. 8, as a Marmara mill was heard to book two fresh deepsea cargos from the US and Russia, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$282.25/mt CFR on Oct. 08, down \$6.25/mt on day. This is the lowest index level since Aug. 24, when the price was assessed at \$281/mt CFR. A US-origin cargo totaling 45,000 mt was booked on Oct 7 by a Marmara mill, with 20,000 mt HMS 1/2 (80:20) at \$285/mt CFR, and 25,000 mt shredded scrap at \$290/mt CFR. The deal was confirmed by the sellside. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	282.25	-6.25	287.71
Steel Rebar FOB Turkey (\$/mt)	440.00	-5.00	445.92
Argus HRC NW Europe (€/mt)	491.25	0.25	491.96
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	481	491	486
Dec-20	477	487	482
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	284	291	288
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	440	450	445
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	300	309	305
Nov-20	305	315	310
Dec-20	305	315	310
Jan-21	310	320	315
Q4 20	305	315	310
Q1 21	325	335	330

US HRC USD/short ton			
	Bid	Ask	Value
Oct-20	624	634	629
Nov-20	627	637	632
Dec-20	609	619	614
Q4 20	620	630	625
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