

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$1/t last Friday to US\$501/t, MTD US\$500.14/t.

An eastern China mill increased its offer by \$5/t to \$525/t fob for SS400 HRC last Friday after witnessing sharp price increase for physical and paper markets. Another large Chinese mill kept its offer unchanged at \$535/t fob last Friday and early this morning.

A third Chinese mill sold altogether 15,000t of SAE1006 grade coils at \$515/t cfr Vietnam late last week, but most Vietnamese buyers are still bidding lower at \$510/t cfr Vietnam. Offers increased to \$525/t cfr Vietnam for Chinese coils. Indian mills still have limited allocation for export as they can secure decent domestic sales, with just a few offering higher at \$540/t cfr Vietnam. (Argus)

## EHR

The northwest European hot-rolled coil (HRC) market remains at an impasse, with buyers not ready to book major tonnes for the first quarter and mills well sold for the remainder of this year.

Argus' daily benchmark northwest European HRC index slipped by €0.25/t on Friday to €491/t ex-works, taking the month-to-date average to €491.82/t. The daily Italian index was unmoved at €481.25/t ex-works.

Activity has dwindled quite dramatically in the past week or so, with both buy- and sell-sides covered and buyers anticipating the market has reached, or is close to, its peak. With lead times stretched into next year, buyers are reticent to commit to high offers unless they desperately need the material. (Argus)

## Turkish Scrap

Turkish Deepsea import scrap price largely stable amid fresh us deal

Latest us deal heard at \$283/mt for 80:20 material

Mixed sentiment on near-term price direction

Deepsea Turkish import scrap prices were largely stable on Oct. 9, as a Marmara mill booked a fresh US-origin Deepsea cargo, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$283/mt CFR on Oct. 9, up 75 cents/mt on day. A US-origin cargo was booked on Oct. 8 by a Marmara mill, with HMS 1/2 (80:20) at \$283/mt CFR. The deal was confirmed by the sell side. The cargo breakdown could not be confirmed, with multiple sources citing 38,000 mt HMS 1/2 (80:20) and 2,000 mt PNS scrap, while other sources said the cargo was comprised of HMS material, shred and bonus scrap. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	283.00	0.75	287.04
Steel Rebar FOB Turkey (\$/mt)	440.00	0.00	445.07
Argus HRC NW Europe (€/mt)	491.00	-0.25	491.82
Argus FOB China HRC (\$/mt)	501.00	1.00	500.14

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-20	499	509	504
Nov-20	501	511	506
Dec-20	500	510	505
Jan-20	497	507	502
Q4 20	500	510	505
Q1 21	495	505	500

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-20	282	292	287
Nov-20	282	295	289
Dec-20	288	295	292
Jan-21	288	298	293
Q4 20	285	295	290
Q1 21	285	295	290

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-20	442	452	447
Nov-20	448	458	453
Dec-20	448	452	450
Jan-21	440	425	433
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	626	636	631
Nov-20	635	645	640
Dec-20	611	621	616
Q4 20	624	634	629
Q1 21	590	600	595
Q2 21	586	596	591

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