

FIS Steel & Scrap Morning Report

London +44 20 7090 1120 | info@freightinvestor.com | www.freightinvestorservices.com

Good Morning,

FOB China HRC

The index rose by \$3/t yesterday to US\$504/t, MTD US\$500.63/t.

Northern China's Tangshan imposed sintering and blast furnaces restrictions through March that are looser than expected but could be supplemented by aggressive emergency actions. Two major Chinese mills increased offers by \$5-10/t to \$520-530/t for SS400 HRC considering sharp rising domestic prices. Three other mills kept offers unchanged at \$510-535/t fob China, which is also higher than previous levels given yuan appreciation. (Argus)

EHR

The market remains quiet, but prices ticked up yesterday, as mills held firm on their offers. The CME contract continues to trade up for Q4 too, with November and December trading at €483 (up €5) and €485 (up €1). Buyers are reluctant to book for Q1, hoping for cheaper alternatives to arise. There is a school of thought that the market will soften, based on slippage in import prices, static demand and the return of capacity.

If cheaper alternatives do not materialise, though, buyers will have little option but to pay up provided domestic sellers hold their nerve. (Argus)

Turkish Scrap

Turkish Deepsea import scrap prices inch up on fresh us deal, firmer sell side

Firmer sell-side sentiment heard amid stronger euro-us dollar rate

Mills aim to resist sharp hikes, cite uncertainty over Chinese sentiment

Deepsea Turkish import scrap prices inched up on Oct. 12, as an Izmir mill was heard to book 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 \$285/mt CFR on Oct. 12, up \$2/mt on day. A US-origin cargo was heard by multiple sources to have been booked on Oct. 12 by an Izmir mill, with HMS 1/2 (80:20) at \$285/ mt CFR, shredded scrap at \$290/mt CFR and bonus material at \$295/mt CFR. A Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$285/mt CFR. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	285.00	2.00	286.78
Steel Rebar FOB Turkey (\$/mt)	440.00	0.00	444.44
Argus HRC NW Europe (€/mt)	493.00	2.00	491.97
Argus FOB China HRC (\$/mt)	504.00	3.00	500.63

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