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\$512/t, MTD US\$502.82/t.

Chinese domestic trade was muted yesterday morning with futures falling sharply but picked up slightly in the afternoon after better-than-expected inventory decline. A China mill sold SS400 HRC at \$520/t fob to South America this week. But bids from other countries remained much lower at \$505-510/t fob China.

A large Chinese mill sold 10,000t of SAE1006 grade coils at \$530/t cfr Vietnam this week after two other deals for over 50,000t same grade coils from Russia and Kazakhstan respectively were concluded at \$510/t cfr Vietnam earlier this week. That low-priced coils could no longer be obtained as traders have sold out allocation already. (Argus)

Turkish Scrap

Turkish Deepsea import scrap prices hold largely stable

Mills look to resist further price hike

Softer euro may pressure on EU-origin cargoes

Deepsea Turkish import scrap prices were largely stable on Oct. 15, as mills made further bookings at similar levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$286.50/mt CFR on Oct. 15, down 50 cents/ mt on day. A Venezuela-origin cargo totaling 24,000-27,000 mt was booked on Oct. 14 by an Izmir mill, with HMS 1/2 (80:20) at \$282/mt CFR, putting value for premium HMS 1/2 (80:20) at \$287/mt CFR. The cargo is slated for H2 November shipment. A Turkish trading source also said value for US-origin HMS 1/2 (80:20) was around \$288-\$289/mt relative to the cargo, also citing tradable value for premium material at \$287/mt CFR. (Platts)

EHR

The daily northwest EU HRC index was unchanged at €493/t.

Some activity further out in the cash market was traded yesterday with Dec20-Apr21 EHR trading at 468 in 1kt on CME. Relatively quiet still in the physical market.

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	286.50	-0.50	286.59
Steel Rebar FOB Turkey (\$/mt)	442.50	2.50	443.45
Argus HRC NW Europe (€/mt)	493.00	0.00	492.25
Argus FOB China HRC (\$/mt)	512.00	3.00	502.82

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-20	501	511	506
Nov-20	507	517	512
Dec-20	504	514	509
Jan-20	492	499	496
Q4 20	504	514	509
Q1 21	495	505	500

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

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-20	282	292	287
Nov-20	282	299	291
Dec-20	287	299	293
Jan-21	287	297	292
Q4 20	286	296	291
Q1 21	285	295	290

BUSHELING			
	Bid	Ask	Value
Oct-20	300	309	305
Nov-20	295	305	300
Dec-20	295	305	300
Jan-21	302	312	307
Q4 20	299	309	304
Q1 21	308	317	313

US HRC USD/short ton			
	Bid	Ask	Value
Oct-20	632	642	637
Nov-20	656	666	661
Dec-20	647	657	652
Q4 20	645	655	650
Q1 21	602	612	607
Q2 21	598	608	603

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

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