

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$1/t yesterday to US\$520/t, MTD US\$519.50/t.

Two major Chinese mills increased offers by \$5/t to \$530-540/t fob for SS400 HRC. Other mills kept offers unchanged and the likelihood for negotiation was slim. But seaborne buyers could hardly accept prices above \$520/t fob China. An eastern China mill was heard to have sold SS400 HRC at \$535/t cfr Pakistan last week, which was no longer available.

Prevailing offers also rose to \$550/t cfr Vietnam for SAE1006 grade coils produced by mills from China and Taiwan. A Russian mill was reported to have sold 20,000-30,000t same grade coils as low as \$520/t cfr Vietnam on Monday, but for February shipment. (Argus)

EHR

Argus' daily benchmark northwest European HRC index rose by €9.50/t to €511.50/t (\$600/t), taking the month-to-date average to €506.75/t.

Sentiment seems to be firming, despite impending lockdowns, as the sense of supply shortage has not abated, and mills have a potential outlet in North America should domestic buyers play hardball. In Italy mills with Q4 availability are getting close to €500/t as buyers look for short-lead times tonnes, although they appear less bullish for Q1 given slower demand in southern Europe – many buyers are postponing deals, even at the risk of paying more, to conserve cashflow. (Argus)

Turkish Scrap

Turkish import scrap prices stable ahead of us election

Market activity slows ahead of us presidential election

Short-term expectations of sideways pricing for HMS 1/2 (80:20)

Deepsea Turkish import scrap prices were unchanged Nov. 3, as both buyers and sellers stepped back ahead of the US presidential election, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$294/mt CFR on Nov 3, unchanged on day.

A Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$292-\$295/mt CFR, while a second Turkish mill source said \$290/mt CFR was workable for Baltic-origin HMS 1/2 (80:20), citing the weaker euro against the US dollar, although this level was not considered workable by other market participants.

“I don’t see great scrap availability around, and four or five Baltic exporters don’t have material left [for first half December shipment],” an EU trader said, citing a tradable value for premium HMS 1/2 (80:20) at \$294-\$295/mt CFR, with \$290/mt CFR workable for EU-origin HMS 1/2 (80:20). (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	294.00	0.00	294.00
Steel Rebar FOB Turkey (\$/mt)	460.00	5.00	457.50
Argus HRC NW Europe (€/mt)	511.50	9.50	506.75
Argus FOB China HRC (\$/mt)	520.00	1.00	519.50

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-20	518	528	523
Dec-20	513	523	518
Jan-21	513	518	516
Feb-21	509	519	514
Q1-21	505	515	510
Q2-21	495	505	500

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-20	293	303	298
Dec-20	299	305	302
Jan-21	300	310	305
Feb-21	301	311	306
Q1-21	300	310	305
Q2-21	297	307	302

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-20	455	465	460
Dec-20	453	463	458
Jan-21	456	466	461
Feb-21	455	465	460
Q1-21	454	464	459
Q2-21	453	463	458

BUSHELING			
	Bid	Ask	Value
Nov-20	302	312	307
Dec-20	317	327	322
Jan-21	323	333	328
Feb-21	326	336	331
Q1-21	324	334	329
Q2-21	317	327	322

US HRC USD/short ton			
	Bid	Ask	Value
Nov-20	693	703	698
Dec-20	688	698	693
Jan-21	670	680	675
Feb-21	647	657	652
Q1-21	651	661	656
Q2-21	622	632	627

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-20	503	513	508
Dec-20	493	503	498
Jan-21	480	490	485
Feb-21	470	480	475
Q1-21	475	495	485
Q2-21	465	485	475