

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$4/t on Monday to US\$531/t, MTD US\$523.67/t.

Steel prices in both Chinese domestic and seaborne market witnessed sharp gains on Monday boosted by Joe Biden's presidential election victory as market participants believed the trade tension between China and the US would ease and Chinese yuan would appreciate further as a result. The offshore exchange rate of Chinese yuan against US dollar appreciated to 6.5517:1 at the highest.

A large Chinese mill hiked its offer by \$30/t to \$575/t fob China for SS400 HRC considering strong domestic sales, yuan appreciation and tight supply, for January shipment. Another mill from northern China increased its offer by \$15/t to \$555/t fob China for the same grade coils. Buyers were slow to bid in response to the rapid price increase, an international trader said. (Argus)

EHR

At least one large European steelmaker was considering another price increase as buyers grappled with the ongoing supply shortage. Argus' domestic northwest EU HRC index nudged up by €1/t to €511.50/t ex-works, taking the month-to-date average to €509/t.

Some processors were operating lines at reduced capacity because they had insufficient feedstock — at least one mill was quoting as far out as March delivery as it awaited sufficient raw materials to ramp up and caught up on a backlog of orders. Orders that some buyers placed in September for November arrival have been pushed out into next year, and import alternatives were both limited and expensive. (Argus)

Turkish Scrap

Turkish import scrap prices hold firm amid lira volatility

Rising Fob rebar prices point to market strength

Further Dec. 15-20 shipment cargoes expected

Deepsea Turkish import scrap prices were unchanged Nov. 9 as market participants held back amid a sharp exchange rate volatility, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$298/mt CFR on Nov. 9, unchanged day on day. "It seems scrap demand will be quiet over the first few days this week until things settle down with exchange rate," a Turkish trading source said, citing a near-term tradable value for premium HMS 1/2 (80:20) at above \$300/mt CFR, with \$295/mt CFR not considered to be workable. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	298.00	0.00	295.67
Steel Rebar FOB Turkey (\$/mt)	462.50	2.50	459.42
Argus HRC NW Europe (€/mt)	511.50	1.00	508.92
Argus FOB China HRC (\$/mt)	531.00	4.00	523.67

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-20	528	548	538
Dec-20	540	548	544
Jan-21	539	545	542
Feb-21	515	525	520
Q1-21	523	533	528
Q2-21	513	523	518

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-20	303	313	308
Dec-20	314	324	319
Jan-21	320	330	325
Feb-21	314	320	317
Q1-21	313	323	318
Q2-21	305	315	310

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-20	470	478	474
Dec-20	475	485	480
Jan-21	473	483	478
Feb-21	472	482	477
Q1-21	471	481	476
Q2-21	461	471	466

BUSHELING			
	Bid	Ask	Value
Nov-20	299	309	304
Dec-20	324	334	329
Jan-21	331	341	336
Feb-21	333	343	338
Q1-21	332	342	337
Q2-21	321	331	326

US HRC USD/short ton			
	Bid	Ask	Value
Nov-20	705	715	710
Dec-20	750	760	755
Jan-21	742	752	747
Feb-21	705	715	710
Q1-21	707	717	712
Q2-21	631	641	636

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-20	503	513	508
Dec-20	512	522	517
Jan-21	480	490	485
Feb-21	470	480	475
Q1-21	490	510	500
Q2-21	477	497	487