

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$4/t on Tuesday to US\$535/t, MTD US\$525.29/t.

Steel prices in seaborne market continued to increase on Tuesday on rising Chinese yuan and optimism that a successful Covid-19 vaccine could lift global steel demand. The central parity rate of Chinese yuan was at 6.58 against US dollar on Tuesday, up by 226 base points from 6.61 on 9 November.

Chinese mills' mainstream offers for SS400 grade coils stayed firm at \$550-555/t fob with limited higher offers at \$575/t fob. The workable levels for mills were around \$545-550/t fob. Most buyers stayed on the side-lines as China's domestic market showed signs of weakening after Monday's sharp gains. Some bids were heard at around \$535/t FOB. (Argus)

EHR

North European hot-rolled coil (HRC) prices firmed again yesterday as supply remained tight and some buyers scrambled for first quarter material.

In October the upward momentum in northern Europe appeared to have stabilised, as buyers were concerned that returning supply would weigh on prices. However, this month the perceived shortage of material has been exacerbated by several buyers returning to secure tonnes, and as import offers have not dipped.

Argus' domestic northwest European HRC index rose by €3.75/t to €515.25/t ex-works, taking the month-to-date average to €509.89/t. A trader has booked Asian material at \$570/t cfr (€482) for Antwerp, but offers have risen in the past few days. Some said Russian material was offered as high as €500/t fca Antwerp, and only for a limited allocation.

Domestic producers are still late with deliveries, with some running behind because of a lack of raw materials, and others because of low staff rates because of Covid-19. Toll processors are also full and experiencing delays. (Argus)

Turkish Scrap

Turkish import scrap prices inch up on strong finished market

Strong billet and rebar prices support \$300/mt CFR level

Recyclers hold back, no offers heard

Deepsea Turkish import scrap prices inched up further on Nov. 10, as recyclers were heard to hold back offers basis a strong finished steel market, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$300/mt CFR on Nov. 10, up \$2/mt on day to reach their highest level since Sept. 10, when the index sat at a 2020-high of \$302.50/mt CFR. One Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at 300/mt CFR in line with firm rebar

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	300.00	2.00	296.29
Steel Rebar FOB Turkey (\$/mt)	463.00	0.50	459.93
Argus HRC NW Europe (€/mt)	515.75	3.75	509.82
Argus FOB China HRC (\$/mt)	535.00	4.00	525.29

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-20	533	542	538
Dec-20	538	548	543
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	315	325	320
Jan-21	321	331	326
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	322	332	327
Jan-21	329	339	334
Feb-21	329	339	334
Q1-21	329	339	334
Q2-21	321	331	326

US HRC USD/short ton			
	Bid	Ask	Value
Nov-20	709	719	714
Dec-20	750	760	755
Jan-21	743	753	748
Feb-21	705	715	710
Q1-21	708	718	713
Q2-21	637	647	642

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