

FIS Steel & Scrap Morning Report

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

Good Morning,

EHR

Northwest European hot-rolled coil prices firmed today, as spot price realisations increased with more buyers concerned about supply from tier-one domestic mills in the fourth quarter.

Argus' domestic northwest EU HRC index rose by €6.50/t today to €521.75/t ex-works, taking the month-to-date average to €511.38/t.

One producer heavily exposed to the automotive sector was telling customers it was sold out for the first quarter, while others were quoting February-March deliveries at higher prices. One German mill was offering around €535/t ex-works, while another large European steelmaker reportedly offered at €540/t.

Having sat back in anticipation of a softer market, some buyers were now having to scramble for tonnage, and feared not getting sufficient material should demand hold up. Mills were hoping the spot market would reach the price levels being discussed for contracts, providing justification for further hikes in term offers. (Argus)

Turkish Scrap

Turkish import scrap prices rise to 17-month high on fresh bookings

Strong long product order books support firm mill scrap demand

Further 10-15 december-shipment cargoes expected

Deepsea Turkish import scrap prices reached their highest level since May 2019, as mills booked more December shipment cargoes amid a strong finished steel market, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$305.50/mt CFR Nov. 11, up \$5.50, to reach the highest level since May 29, 2019, when the index was at \$306/mt CFR. Following news of three Nov. 10 deep sea bookings, mill and recycler expectations of workable prices moved higher. A Baltic-origin cargo totaling 35,000 mt was booked late Nov. 10 by an Iskenderun mill, with 30,000 mt HMS 1/2 (80:20) at \$305/mt CFR, and 5,000 mt bonus scrap at \$315/mt CFR. The deal was confirmed by both the buyer and seller for December shipment. (Platts)

FOB China HRC

The index rose by \$10/t on Wednesday to US\$545/t, MTD US\$527.75/t.

Seaborne coil prices witnessed a sharp upward trend on Wednesday on Chinese mill's higher workable levels amid tight export supply. Chinese mills took good orders from domestic end users and thus reduced supply to overseas market as the export profit margin is narrower.

Market participants noted that it was almost impossible to obtain HRC export allocations below \$550/t fob for SS400 HRC from Chinese mills at present in line with higher domestic levels. An eastern China mill lifted offers for SS400 HRC to \$550/t fob for February shipment. Buyers also lifted their bids to \$540-545/t fob given the limited export supply. (Argus)

FIS Steel & Scrap Morning Report

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

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	305.50	5.50	297.44
Steel Rebar FOB Turkey (\$/mt)	470.00	7.00	461.19
Argus HRC NW Europe (€/mt)	515.75	6.50	511.31
Argus FOB China HRC (\$/mt)	545.00	10.00	527.75

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	320	330	325
Jan-21	318	328	323
Feb-21	314	320	317
Q1-21	312	322	317
Q2-21	304	314	309

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	710	720	715
Q1-21	708	718	713
Q2-21	637	647	642

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-20	520	530	525
Dec-20	524	534	529
Jan-21	534	541	538
Feb-21	520	527	524
Q1-21	515	535	525
Q2-21	496	516	506