



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$5/t yesterday to US\$550/t, MTD US\$530.22/t.

A Chinese mill sold 6,000t of SS400 HRC at the equivalent of \$550/t fob to Vietnam this week. The mill was heard to have sold over 100,000t of coils this week amid the fast-rising trend and then increased offers to above \$570/t cfr Vietnam. Buyers from Pakistan, Vietnam and South America were active in placing orders amid supply tensions. Vietnam-based Formosa Ha Tinh increased its January delivery offer by \$25/t late yesterday to \$555-560/t cif Vietnam for SS400 HRC. (Argus)

EHR

European contractual hot-rolled coil (HRC) buyers were struggling to find counter arguments to aggressive mill offers yesterday given tight supply, a lack of alternatives and spot market momentum.

Argus' domestic spot northwest EU HRC index rose by €2/t today to €523.75/t ex-works, taking the month-to-date average to €512.75/t.

North European service centres and cold-rollers were confronted with contract offers of €530-550/t for January-June supply, up by around €100/t or more on last year. Some were soliciting import quotes in the hope of getting cheaper material, or at least some leverage for negotiations. But third-country offers were high and limited. One German buyer was offered material at €510/t cfr by a Turkish integrated mill, but said this was too high considering safeguard quotas and potential import duties. (Argus)

Turkish Scrap

Recyclers reluctant to make formal cargo offers in rising market

Strong lira recovery could support domestic rebar demand

Deepsea Turkish import scrap prices continued their sharp climb, as a further US-origin December shipment cargo was heard to be booked, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$310/mt CFR on Nov. 12, up \$4.50/mt on day, to reach the highest level since May 24, 2019, when the index sat at \$311.50/mt CFR. The index has jumped \$27.75/mt over the past month since a recent low point of \$282.25/mt on Oct. 8.

A reported US-origin cargo totalling 40,000 mt was heard to be booked Nov. 11 by a Marmara mill, with 35,000 mt HMS 1/2 (80:20) at \$306.50/mt CFR, 5,000 mt bonus scrap at \$316.50/mt CFR, for Dec. shipment. Turkish mill and agent sources cited a tradable value for premium HMS 1/2 (80:20) relative to the 40,000 mt US-origin cargo booked Nov. 11 by a Marmara mill, at \$309.50/mt CFR minimum. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	310.00	4.50	298.83
Steel Rebar FOB Turkey (\$/mt)	475.00	5.00	462.72
Argus HRC NW Europe (€/mt)	523.75	2.00	512.69
Argus FOB China HRC (\$/mt)	550.00	5.00	530.22

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-20	533	542	538
Dec-20	550	560	555
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	322	332	327
Jan-21	320	330	325
Feb-21	316	320	318
Q1-21	314	324	319
Q2-21	306	316	311

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-20	470	478	474
Dec-20	485	495	490
Jan-21	473	483	478
Feb-21	476	486	481
Q1-21	476	486	481
Q2-21	466	476	471

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	711	721	716
Dec-20	742	752	747
Jan-21	741	751	746
Feb-21	708	718	713
Q1-21	712	722	717
Q2-21	647	657	652

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-20	520	530	525
Dec-20	530	540	535
Jan-21	534	541	538
Feb-21	520	527	524
Q1-21	505	525	515
Q2-21	490	510	500