

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$4/t last Friday to US\$562/t, MTD US\$540.67/t.

Most Chinese mills have sold out February shipment coils last week. A deal for Chinese SS400 HRC was concluded at \$570/t cfr Vietnam last week. Some Vietnamese buyers could accept that level, but only one trader with positional Chinese coils on hand was willing to sell and other sellers all pushed up workable levels to around \$565/t fob China.

A South Korean mill was aiming to lift offers to \$615-620/t cfr Vietnam for SAE grade coils when a Russian mill returned to the market late last week with offers higher at \$600-605/t cfr Vietnam, even for March or April shipments. Pakistan buyers were bidding higher at \$588-593/t cfr for SAE1006 HRC, and the workable levels for deals should be around \$595/t cfr. (Argus)

EHR CME

Argus' domestic northwest EU HRC index slipped by €0.25/t Friday to €535.75/t, taking the month-to-date average to €520.55/t.

Northwest European hot-rolled coil (HRC) buyers were confronted with a growing lack of spot availability from tier-one mills this week.

German producers were fully booked for the first quarter and not offering spot tonnages, while one mill with galvanising assets in the Benelux and furnaces in central and eastern Europe pulled all its offers.

Buyers were offered €600/t base delivered yesterday by a large mill from its Spanish electric arc furnace. Offers from the company's French assets were at the same level. One Italian mill restarted offers to the north this week as an independent commercial entity, and sold out the first quarter in a matter of days. The mill was offering at a competitive €520/t delivered, although it was not clear how much material they would receive.

The transactions concluded by large monthly buyers were in a €525-545/t range, on an S235 basis. These were primarily from one producer in the northwest, as well as mills in the Visegrad region and two Italian producers. (Argus)

Turkish Scrap

Turkish HMS trade keeps bullish following strong weekly price rally

Turkish heavy melting scrap pricing demonstrated some of the fastest weekly increases ever during the week to Nov. 20, while many market players expected the rally to continue, possibly at a lower pace. On Nov. 20, S&P Global Platts daily premium HMS 1/2 (80:20) assessment reached \$332.50/mt CFR Turkey, up \$1/mt on day and \$20/mt on week. In total, the assessment has climbed \$38.50/mt this month so far. The Turkish rebar export to scrap import price spread was \$167.50/mt on the day, remaining significantly above the average for this year, highlighting the strength of the Turkish rebar export prices in the recent period. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	332.50	1.00	308.93
Steel Rebar FOB Turkey (\$/mt)	500.00	0.00	474.43
Argus HRC NW Europe (€/mt)	535.75	-0.25	520.52
Argus FOB China HRC (\$/mt)	562.00	4.00	540.67

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-20	558	569	564
Dec-20	570	580	575
Jan-21	567	587	577
Feb-21	550	560	555
Q1-21	548	558	553
Q2-21	530	540	535

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-20	312	322	317
Dec-20	350	360	355
Jan-21	348	358	353
Feb-21	335	345	340
Q1-21	336	346	341
Q2-21	328	338	333

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-20	485	495	490
Dec-20	534	544	539
Jan-21	495	505	500
Feb-21	505	515	510
Q1-21	515	525	520
Q2-21	505	515	510

BUSHELING			
	Bid	Ask	Value
Dec-20	330	340	335
Jan-21	350	360	355
Feb-21	355	365	360
Mar-21	346	356	351
Q1-21	350	360	355
Q2-21	326	337	331

US HRC USD/short ton			
	Bid	Ask	Value
Nov-20	710	720	715
Dec-20	765	775	770
Jan-21	770	780	775
Feb-21	758	768	763
Q1-21	760	770	765
Q2-21	698	708	703

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-20	520	530	525
Dec-20	540	550	545
Jan-21	534	541	538
Feb-21	520	527	524
Q1-21	525	545	535
Q2-21	510	530	520