



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index kept rising by \$7/t yesterday to US\$584/t, MTD US\$584/t.

Chinese mills sharply pushed up offers by as much as \$15-20/t given tight supply. Several of them have already shifted to offer for March shipment, which is unusual from previous year. Most seaborne buyers were shocked by fast rate of Chinese offers, and have yet to respond.

Transactions for SAE grade coils remained decent. A Chinese mill was reported to have sold around 20,000t of SAE1006 grade coils at \$615/t cfr Vietnam on Monday. A South Korean mill also sold same quantity of SAE grade coils \$5/t higher at \$620/t cfr Vietnam. Vietnamese buyers also lifted bids to \$605-607/t cfr Vietnam after witnessing consecutive rising offers at \$615-665/t cfr Vietnam. (Argus)

EHR CME

Northwest Europe HRC index was unchanged at €562/t.

It was still difficult for buyers and traders to obtain quotes from producers, in Italy and abroad, as sellers withheld material in anticipation of higher prices. One of the more competitive northwest European coil producers was also off market after selling out for the first quarter.

With supply so tight and mills holding all the cards, most offers were released to test where liquidity could be found.

Offers from northern European suppliers into Italy were heard for the second quarter, with no availability up to March. Some European mills may be able to quote for delivery in the first quarter, but there were concerns surrounding the financial state of some.

There was talk of Indian HRC being offered into Europe today, but it was unclear if this was traders or a mill. (Argus)

Turkish Scrap

Turkish import scrap prices continue to firm

Minimum 15-20 Jan shipment cargoes still required

Collection prices continue to rise in Benelux, Baltic docks

Deepsea Turkish import scrap prices strengthened further, as buyers' workable levels continued to move up, sources said Dec. 1. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$360/mt CFR on Dec. 1, up \$2.50/mt on the day, to reach the highest level since March 29, 2018, when the index was at \$365/mt CFR. The index has jumped \$66/mt since Nov. 2, when it was at \$294/mt CFR. "I think \$360/mt [for US material] is possible, and the lack of shredded scrap will continue to put tension in the market," a Turkish mill source said, adding that mills were trying to "enlarge their [rebar-scrap] margin to \$170/mt, with rebar at \$530/mt and scrap at \$360/mt." (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	360.00	2.50	360.00
Steel Rebar FOB Turkey (\$/mt)	532.50	2.50	532.50
Argus HRC NW Europe (€/mt)	562.00	0.00	562.00
Argus FOB China HRC (\$/mt)	584.00	7.00	584.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-20	590	600	595
Jan-21	583	593	588
Feb-21	560	570	565
Mar-21	561	545	553
Q1-21	556	566	561
Q2-21	556	566	561

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-20	395	602	499
Jan-21	382	387	385
Feb-21	365	375	370
Mar-21	355	365	360
Q1-21	367	377	372
Q2-21	347	357	352

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-20	555	565	560
Jan-21	525	535	530
Feb-21	520	530	525
Mar-21	528	538	533
Q1-21	520	530	525
Q2-21	519	529	524

BUSHELING			
	Bid	Ask	Value
Dec-20	345	355	350
Jan-21	375	388	382
Feb-21	378	388	383
Mar-21	379	389	384
Q1-21	377	388	383
Q2-21	359	369	364

US HRC USD/short ton			
	Bid	Ask	Value
Dec-20	795	805	800
Jan-21	841	851	846
Feb-21	815	825	820
Mar-21	795	805	800
Q1-21	817	827	822
Q2-21	746	756	751

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-20	565	573	569
Jan-21	563	570	567
Feb-21	553	560	557
Mar-21	525	545	535
Q1-21	510	530	520
Q2-21	510	530	520