



Steel & Scrap Morning Report

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

Good Morning,

FOB China HRC

The index jumped by \$6/t yesterday to US\$590/t, MTD US\$587/t.

Buyers from South America, Africa, Vietnam and Pakistan were actively lifting bids to as high as \$590-600/t fob China for SS400 HRC given tight international supply. Certain Chinese mills have already shifted to offer for April shipment and mills from South Korea and Japan also started to offer for March shipment after sold out February shipment coils.

Deals were done at \$620/t cfr Pakistan for Chinese SAE grade coil this week. A deal for 30,000t SAE grade positional Indian coils was concluded at \$615/t cfr Vietnam. While a large Chinese mill sold 20,000-30,000t SAE grade coils at \$627/t cfr Vietnam after another Chinese mill sold at only \$605/t cfr Vietnam earlier this week. Mills from Japan and South Korea were heard to have sold coils at \$620-635/t cfr Vietnam this week. (Argus)

Turkish Scrap

Turkish import scrap prices largely stable as mills look to slow down increases

Near-term sentiment positive, but mills look to cool down market

US recycler offers heard at \$362/mt CFR, \$365/mt CFR

Deep-sea Turkish import scrap prices were heard largely stable, as mills looked to halt the rate of scrap price increases over the past month, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$359.50/mt CFR Dec. 2, down 50 cents. "Mills are trying to cool down the market, and they may step back a little this week," a Turkish trading source said. "They need perhaps only 10 more cargoes for January shipment as we're already seeing some February-shipment bookings." The Turkish trader cited an indicative tradable value for premium HMS 1/2 (80:20) at around \$359-\$360/mt CFR, relative to a Baltic-origin cargo totaling 31,500 mt booked Dec. 1 by an Iskenderun mill. The cargo comprised 24,000 mt HMS 1/2 (80:20) at \$358/mt CFR, 6,000 mt bonus scrap at \$368/mt CFR, and 1,500 mt rail scrap at \$373/mt CFR. The deal was confirmed by both the buyer and sell-side, and for February shipment. (Platts)

EHR CME

Northwest European hot-rolled coil (HRC) prices firmed again Yesterday, as spot tonnage had all but evaporated and mills exited the market.

Argus' daily northwest EU HRC index rose by €13.50/t to €575.50/t ex-works, taking the month-to-date average to €568.75/t. The Italian index was unchanged at €564.50/t.

One large producer was not offering as it was sold out for the first quarter and not ready to offer April-June tonnes. Another north European HRC and hot-dip galvanised producer was off market, having sold out. A mill in the Visegrad region was no longer able to offer, as financial difficulties had it running at 50pc of capacity and unable to cash in on the uptrend. (Argus)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	359.50	-0.50	359.75
Steel Rebar FOB Turkey (\$/mt)	530.00	-2.50	531.25
Argus HRC NW Europe (€/mt)	575.50	13.50	568.75
Argus FOB China HRC (\$/mt)	590.00	6.00	587.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-20	595	605	600
Jan-21	590	600	595
Feb-21	560	570	565
Mar-21	555	545	550
Q1-21	550	560	555
Q2-21	550	560	555

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-20	385	395	390
Jan-21	380	390	385
Feb-21	365	375	370
Mar-21	350	365	358
Q1-21	366	376	371
Q2-21	341	351	346

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-20	550	560	555
Jan-21	545	555	550
Feb-21	525	535	530
Mar-21	520	530	525
Q1-21	512	522	517
Q2-21	512	522	517

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	806	816	811
Jan-21	860	870	865
Feb-21	835	845	840
Mar-21	816	826	821
Q1-21	837	847	842
Q2-21	754	764	759

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