



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$7/t last Friday (12.11.20) to US\$625/t, MTD US\$602.56/t.

Most Chinese mills stopped offering last Friday after seeing sharp price increase in China. Only limited ones still offering, but they hiked offers to \$655-670/t fob for SS400 HRC for March shipment. Some sellers were inviting bids quite low at around \$640/t cfr Vietnam, but that remained \$10/t higher than the highest bid.

Vietnamese buyers hiked bids to above \$645/t cfr for SAE1006 grade coils and some limited buyers who were short of coils even could accept \$665-670/t cfr for coils produced by large mills. However, those remained much lower the consecutive rising offers of \$680-735/t. Vietnamese buyers preferred to wait for local-based Formosa Ha Tinh to announce new monthly offers this week. (Argus)

EHR CME

The Argus daily Italian HRC index surged by €24/t to €625.25/t ex-works Friday, while the Northwest EU index was static at €631.50/t (month-to-date €594.28/t).

As reported earlier in the week, €630/t ex-works has been achieved, and with import and domestic offers thin and sparse, the market was trending higher. Offers appear indicatively on par with Arcelor's €650/t ex-works, and some mills were suggesting that they had got close to such levels.

An import sale was heard concluded from India at €640/t cfr effective, but traders reported offers at €660/t to both Spain and Italy. In Spain, bid levels were heard at €630/t cfr effective. One Spanish group has been aggressively seeking tonnes this week, ordering from domestic producers as well as imports.

The supply scarcity in Italy was pushing it back towards parity with northwest Europe. (Argus)

Turkish Scrap

Turkish Deepsea import prices reach over 8-year high as recyclers hold back

US recyclers heard to target \$415-\$420/mt CFR, but no offers heard

Higher HMS dock prices heard in key exporting regions

Deepsea Turkish import scrap prices rose to their highest level since August 2012, as mills continued to raise workable levels with recyclers holding back from offering, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$410/mt CFR on Dec. 11, up \$10/mt on the day, to reach the index's highest level since Aug. 12, 2012, when the price was at \$413/mt CFR. The index has risen almost \$130/mt in just over two months, up from \$282.25/mt CFR on Oct. 8. A Turkish mill source cited an indicative tradable value at \$410/mt CFR for US-origin HMS 1/2 (80:20), adding that no ex-US offers were heard. A second mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$400-\$405/mt CFR, also noting a lack of offers in the market. "The US recyclers are not willing to offer to Turkey right now as their local prices jumped up again [Dec. 10] and still continue, so they don't know which price they can collect," a Turkish agent source said. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	410.00	10.00	377.33
Steel Rebar FOB Turkey (\$/mt)	590.00	20.00	549.61
Argus HRC NW Europe (€/mt)	625.00	7.00	593.75
Argus FOB China HRC (\$/mt)	631.50	0.00	602.56

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-20	620	630	625
Jan-21	640	650	645
Feb-21	610	620	615
Mar-21	590	545	568
Q1-21	610	620	615
Q2-21	555	565	560

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-20	397	405	401
Jan-21	443	453	448
Feb-21	425	435	430
Mar-21	420	430	425
Q1-21	429	439	434
Q2-21	404	414	409

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-20	473	483	478
Jan-21	615	625	620
Feb-21	600	610	605
Mar-21	590	600	595
Q1-21	600	610	605
Q2-21	550	560	555

BUSHELING			
	Bid	Ask	Value
Dec-20	345	355	350
Jan-21	446	456	451
Feb-21	435	445	440
Mar-21	427	437	432
Q1-21	436	446	441
Q2-21	402	412	407

US HRC USD/short ton			
	Bid	Ask	Value
Dec-20	848	858	853
Jan-21	943	953	948
Feb-21	948	958	953
Mar-21	898	908	903
Q1-21	929	939	934
Q2-21	831	841	836

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-20	591	601	596
Jan-21	635	645	640
Feb-21	641	651	646
Mar-21	525	545	535
Q1-21	528	548	538
Q2-21	500	520	510