

FIS Steel & Scrap Morning Report

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

Good Morning,

FOB China HRC

The index rose by \$4/t on Monday (12.14.20) to US\$629/t, MTD US\$605.20/t.

Vietnam buyers increased bids for Chinese coils by \$9/t to around \$640/t cfr Vietnam with few mills offering on the first working day of the week. Market sentiment was mixed with Chinese weather getting colder and colder and some market participants worrying about weaker demand in the winter season.

Vietnamese import market was quiet on Monday with local buyers waiting for offers from Formosa Ha Tinh, which are likely to be announced on Tuesday. Local buyers are cautious about the market outlook with Chinese domestic market and sentiment cooling down. (Argus)

EHR CME

Hot-rolled coil (HRC) import offers into Europe increased yesterday, after news of a higher-priced scrap deal broke over the weekend, concluded at \$419/t cfr Turkey for HMS 1/2 80:20.

The Argus daily Italian HRC index inched up by €0.75/t to €626/t ex-works, while the northwest EU index rose by €3.50/t to €635/t.

Turkish mills were offering at \$745-760/t fob, which with freight of \$25-35/t and an exchange rate of €1:\$1.21 would equate to €635-655/t cif south Europe, depending on producer and destination. Many buyers calculated with a maximum potential anti-dumping duty of 8pc for Turkey, which would mean the lowest price from the country today would work out at around €685/t cif.

A buyer had an offer from Turkey at \$775-780/t cif, while traders reported that an Egyptian mill had sold into Europe at \$740/t fob. It was unclear when that happened, but considering Turkish offers today, it could have been last week. Domestic offers in Turkey were today reported at \$760-770/t ex-works. (Argus)

Turkish Scrap

Turkish scrap importers look for cargoes amid scarce availability

HMS price rally continues

Few offers in the market

buyers show healthy appetite

Turkish imported premium heavy melting scrap prices maintained their uptrend Dec. 14 on the back of a new Baltic trade as well as solid demand from Turkish steelmakers and tightness on the supply side. Market players particularly noted the absence of offers for US premium scrap cargoes. A trader indicated recyclers' price targets of \$430-\$440/mt CFR Turkey for February shipments. Industry sources agreed that scrap availability was tight and therefore prices were very likely to keep moving up. At the same time, many sources were clueless about where HMS prices would peak. "Some say next level is \$450/mt CFR," an agent source said. "Every day has a new price. Maybe we are heading for \$450/mt?" a northern European supplier pondered. (Platts)

FIS Steel & Scrap Morning Report

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

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	420.50	10.50	381.65
Steel Rebar FOB Turkey (\$/mt)	607.50	17.50	555.40
Argus HRC NW Europe (€/mt)	629.00	4.00	597.88
Argus FOB China HRC (\$/mt)	635.00	3.50	605.20

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	946	956	951
Feb-21	943	953	948
Mar-21	908	918	913
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