

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$7/t yesterday to US\$648/t, MTD US\$613.69/t.

Cisa member mills increased crude steel output to a record high of 2.2025mn t/d in early December. Vietnamese buyers lifted bids to above \$630/t fob China for SS400 HRC as offers were at above \$675/t fob China. Only limited traders with positional coils on hand were willing to receive orders at around \$640/t fob China. A northern China mill sold altogether 5,000t of same grade coils at \$670/t fob this week, but most participants felt that level remained outside mainstream expectations.

Around 5,000t of positional Chinese SAE grade coils was done at \$670/t cfr Vietnam after other deals were done at \$662-665/t cfr Vietnam earlier this week. Another deal also for positional Chinese SAE grade coils was heard to be done at \$655/t cfr Vietnam as it was for coils with thickness above 2.5mm. Offers were above \$700/t cfr Vietnam for coils from Taiwan, Japan and South Korea. (Argus)

## EHR CME

European hot-rolled coil (HRC) prices rose today on the back of continued supply tightness, and as ArcelorMittal hiked its offer to €700/t ex-works Europe-wide.

In Italy traders were selling two-metre-wide stock at as high as €700-720/t ex-works. A larger buyer in the market was unable to find sufficient material, while some mills were holding back as they could not meet customer requirements, and with scrap costs surging: the latest confirmed deal for premium HMS 1/2 (80:20) was confirmed done at \$444/t cfr.

One Italian mill was last quoting €650/t ex-works, but it was unclear if this was still standing considering ArcelorMittal's increase and news about the Turkish anti-dumping duties. (Argus)

## Turkish Scrap

Turkish scrap prices jump on new deals in strong seller-market

Prices up on new Baltic deals

Bullish sentiment prevails

Price peak still unclear

Turkish imported heavy melting scrap prices surged again as deals were closing at increasingly higher levels, sources said on Dec. 17. The last sale heard on the day, after 16:30 UK time, was closed at \$450/mt CFR Samsun for 13,500 mt of HMS 1/2 (80:20) of Baltic origin, February shipment, closed on Dec. 17. The deal was confirmed by an agent source. A cargo also consisted of 14,000 mt (sold at \$460/mt CFR), 3,000 mt bonus (\$460/mt CFR) and 2,000 mt bushelling (\$470/ mt CFR). In comparison, a sale of similar quality material reported only a day earlier was \$15/mt lower for HMS 1/2 (80:20). Another trade heard earlier on Dec. 17, also Baltic-origin, was closed at \$444/mt CFR Marmara for HMS 1/2 (80:20) and \$454/mt for bonus, 27,000 mt in total, late January shipment. The buyer confirmed the purchase. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	444.00	9.00	399.03
Steel Rebar FOB Turkey (\$/mt)	610.00	0.00	573.27
Argus HRC NW Europe (€/mt)	638.50	3.50	611.62
Argus FOB China HRC (\$/mt)	648.00	7.00	617.07

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-20	620	630	625
Jan-21	652	662	657
Feb-21	625	635	630
Mar-21	600	545	573
Q1-21	610	620	615
Q2-21	555	565	560

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-20	402	409	406
Jan-21	425	435	430
Feb-21	415	425	420
Mar-21	420	430	425
Q1-21	420	430	425
Q2-21	395	405	400

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