

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index kept flat yesterday (1.7.21) at US\$660/t, MTD US\$660.25/t.

China steel market rose amid buyers' restocking demand, despite inventory accumulating. A north China mill stopped offering after hiking domestic selling prices by Yn100/t. The mill previously was reported to be selling SS400 HRC and hot rolled strip at around \$645-650/t fob China and \$635/t cfr Vietnam respectively.

Traders with positional Chinese SAE1006 grade coils on hand lifted offers by around \$5/t to \$690-695/t cfr Vietnam yesterday afternoon. The quantity for positional coils on traders' hands were also limited after several deals were concluded last week. Some of them may fear supply further tightening in China amid the rise in Covid-19 cases in north China's Hebei province. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,042.75/st EXW Indiana Jan. 7, up \$33 from Jan. 6.

One offer at \$1,040 was heard available from a Midwest mini-mill by a Midwest buyer. Another service centre source indicated \$1,040 as a tradable value. There were higher offers heard at \$1,100 but no buying activity could be confirmed at the higher prices. (Platts)

Turkish Scrap

Turkish mills continued to book Deepsea import scrap purchases at largely unchanged levels Jan. 7, with near-term market sentiment firm, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Jan. 7 at \$479/mt CFR, up 50 cents/mt on day.

A US-origin cargo was booked Jan. 6 by a Marmara mill, with HMS 1/2 (80:20) at \$480/mt CFR, and shredded material at \$490/mt CFR. The deal was confirmed by the sell side for end-January shipment.

A reported Baltic-origin cargo was heard by multiple sources to be booked Jan 6. by an Izmir mill, with HMS 1/2 (80:20) at \$478/mt CFR, and bonus scrap at \$488/mt, for March shipment.

A Turkish agent source cited indicative offers for Baltic-origin HMS 1/2 (80:20) at \$480-\$485/mt CFR, adding that the prospect of further scrap-price increases "all depends on [end] product sales."

Market sources cited three Baltic-origin cargoes on offer for February shipment, with one Benelux-origin cargo also heard to be available. One sell-side source estimated mills to require around 10 further February shipment cargoes. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	479.00	0.50	480.63
Steel Rebar FOB Turkey (\$/mt)	640.00	0.00	640.00
Argus HRC NW Europe (€/mt)	664.00	0.00	664.25
Argus FOB China HRC (\$/mt)	660.00	0.00	660.25

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-21	675	690	683
Feb-21	685	695	690
Mar-21	680	690	685
Apr-21	640	660	650
Q1-21	681	691	686
Q2-21	645	655	650

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-21	480	495	488
Feb-21	490	505	498
Mar-21	460	485	473
Apr-21	405	415	410
Q1-21	425	491	458
Q2-21	425	445	435

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-21	665	675	670
Feb-21	665	675	670
Mar-21	650	660	655
Apr-21	645	655	650
Q1-21	660	670	665
Q2-21	615	625	620

BUSHELING			
	Bid	Ask	Value
Jan-21	505	515	510
Feb-21	505	515	510
Mar-21	510	530	520
Apr-21	505	525	515
Q1-21	503	523	513
Q2-21	480	500	490

US HRC USD/short ton			
	Bid	Ask	Value
Jan-21	1055	1065	1060
Feb-21	1068	1078	1073
Mar-21	1035	1045	1040
Apr-21	978	988	983
Q1-21	1053	1063	1058
Q2-21	934	944	939

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-21	670	690	680
Feb-21	665	685	675
Mar-21	655	675	665
Apr-21	660	670	665
Q1-21	663	683	673
Q2-21	610	630	620