

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index fell by \$5/t yesterday (1.13.21) to US\$653/t, MTD US\$658.88/t.

Demand from construction sites weakens gradually with the approach of Chinese Lunar New Year. Market sentiment remained cautious as the outlook is uncertain amid the Covid-19 resurgence in China. More cities are appealing to residents to avoid travel during the holiday.

Traders with positional coils on hand were willing to sell at \$650/t fob China for SS400 HRC, which was far below Chinese mills' offers at above \$700/t fob China. A northern China mill sold 5,000t of same grade coils at \$650/t cfr Vietnam this week. But most participants thought that was not representative of the mainstream market level as quality from the mill is weaker than coils from other mills. (Argus)

## Turkish Scrap

Turkish Deepsea import scrap prices continued to inch down Jan. 13, as Turkish mills held back amid concerns over rebar demand and reports of multiple scrap offers in the market, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Jan. 13 at \$478.50/mt CFR, down \$1.50/mt on day.

"We are checking the market for March shipment cargoes but we're waiting as there are lots of offers around," a Turkish mill source said, citing an indicative tradable value for premium HMS 1/2 (80:20) at \$477-\$480/mt CFR.

The mill source added that some mills would still prefer to buy US-origin HMS 1/2 (80:20) at \$481-\$482/mt CFR, rather than Benelux material at lower prices due to the iron yield.

A Baltic-origin cargo booking by a Marmara mill was cited amid market chatter, with HMS 1/2 (80:20) at \$478/mt CFR, with shred/bonus material at \$488/mt CFR, but market sources said it was booked the week started Jan. 4.

A second mill source also cited a tradable value for premium HMS 1/2 (80:20) at \$477-\$480/mt CFR, while a Turkish trading source cited a mill target for premium material at \$475/mt CFR maximum. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,089.75/st EXW Indiana Jan. 13, up \$16.25/st from Jan. 12.

Multiple buy-side sources indicated \$1,100 as a tradable value. Transactions were heard at \$1,090-\$1,100 earlier in the week. There were higher offers which fell outside the Platts methodology to be included in the volume-weighted average calculation. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	478.50	-1.50	480.53
Steel Rebar FOB Turkey (\$/mt)	645.00	0.00	641.56
Argus HRC NW Europe (€/mt)	696.50	8.00	676.81
Argus FOB China HRC (\$/mt)	653.00	-5.00	658.88

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-21	645	655	650
Feb-21	650	660	655
Mar-21	635	645	640
Apr-21	615	625	620
Q1-21	643	653	648
Q2-21	600	610	605

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-21	460	470	465
Feb-21	458	468	463
Mar-21	445	455	450
Apr-21	430	440	435
Q1-21	425	464	445
Q2-21	425	445	435

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-21	630	640	635
Feb-21	630	640	635
Mar-21	615	625	620
Apr-21	605	615	610
Q1-21	625	635	630
Q2-21	570	580	575

BUSHELING			
	Bid	Ask	Value
Jan-21	505	520	513
Feb-21	505	520	513
Mar-21	505	520	513
Apr-21	495	510	503
Q1-21	497	512	504
Q2-21	479	494	486

US HRC USD/short ton			
	Bid	Ask	Value
Jan-21	1053	1063	1058
Feb-21	1093	1103	1098
Mar-21	1028	1038	1033
Apr-21	993	1003	998
Q1-21	1058	1068	1063
Q2-21	933	943	938

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-21	670	690	680
Feb-21	675	685	680
Mar-21	650	670	660
Apr-21	620	640	630
Q1-21	663	683	673
Q2-21	610	630	620