

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index fell by \$1/t yesterday (1.25.21) to US\$640/t, MTD US\$651.94/t.

North China's Tangshan government intensified steel production restrictions from cuts imposed on 19 January, calling a Level II pollution warning over 24-28 January. An east China mill cut offer by \$10/t to \$680/t fob and would consider selling at \$665/t fob. Some Mill sales were heard even lower at \$630-640/t cfr Vietnam last week. But no further details could be confirmed and participants believed only one or two mills in north China facing huge domestic sales pressure would be willing to accept those levels.

Traders cut offers to \$670/t cfr Vietnam for positional Chinese SAE1006 grade coils. Two Japanese mills cut offers by \$20/t to \$780/t cfr Vietnam. A deal was heard at \$660/t cfr Vietnam for Chinese SAE grade coils last week. (Argus)

Turkish Scrap

Poor rebar demand continues

Mills expected to wait before buying

Activity in the Turkish Deepsea import scrap market remained low, as Turkish mills continued to hold back from buying, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Jan. 25 at \$430/mt CFR, down \$2.50/mt on day.

"\$430-\$435/mt CFR seems workable but if mills aren't selling anything [finished products] then even \$420/mt CFR doesn't make sense," a Turkish agent source said. "I'm expecting a rebound in the short-term, but maybe not to \$470-\$480/mt CFR - these levels were like the foam on the beer."

A Turkish mill source cited an indicative tradable value for US- or Baltic-origin HMS 1/2 (80:20) at below \$430/mt CFR, adding that the rebar market remains "very quiet, even on the domestic market, nothing is moving." (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	430.00	-2.50	463.64
Steel Rebar FOB Turkey (\$/mt)	615.00	-4.50	635.59
Argus HRC NW Europe (€/mt)	709.50	0.00	695.31
Argus FOB China HRC (\$/mt)	640.00	-1.00	651.94

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-21	645	655	650
Feb-21	615	625	620
Mar-21	605	615	610
Apr-21	600	615	608
Q1-21	622	632	627
Q2-21	590	600	595

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-21	450	460	455
Feb-21	410	425	418
Mar-21	415	430	423
Apr-21	415	430	423
Q1-21	410	437	423
Q2-21	410	420	415

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-21	625	635	630
Feb-21	595	605	600
Mar-21	605	615	610
Apr-21	605	615	610
Q1-21	608	618	613
Q2-21	585	595	590

BUSHELING			
	Bid	Ask	Value
Feb-21	481	510	496
Mar-21	471	500	486
Apr-21	461	490	476
May-21	450	478	464
Q1-21	471	500	486
Q2-21	457	480	469

US HRC USD/short ton			
	Bid	Ask	Value
Jan-21	1055	1065	1060
Feb-21	1123	1133	1128
Mar-21	1063	1073	1068
Apr-21	978	988	983
Q1-21	1080	1090	1085
Q2-21	899	909	904

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-21	675	685	680
Feb-21	670	690	680
Mar-21	645	665	655
Apr-21	625	645	635
Q1-21	662	682	672
Q2-21	625	645	635