

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$2/t yesterday (2.9.21) to US\$640/t, MTD US\$638.14/t.

China demand outlooks got a boost from central bank that promised no “sharp turns” in monetary policy, signalling stable support for the economy. China’s excavator sales in January rose by 97.2pc on year to 19,601 units, with the domestic sales jumping by 107pc on year and exports increasing by 64pc on year, CCMA said.

A north China mill lifted offer by \$10/t to \$710/t fob after selling SS400 and SAE grade HRC at \$700/t fob to South America this week. Another major Chinese mill offered at \$690/t fob for SS400 HRC. The rest of the market remained mostly quiet with only one more day before the holiday in China and Vietnam starts its week-long holiday today. No sellers would sell at the deal level late last week for 2,000t Chinese SS400 HRC sold at \$620/t cfr Vietnam for March shipment. (Argus)

## EHR CME

The Northwest European hot-rolled coil (HRC) market bucked somewhat downbeat sentiment of late yesterday, as the reality of tight local supply meant buyers had to pay strong prices.

Argus' daily northwest European HRC index rose by €10.75/t to €721.75/t ex-works, as service centres reported paying as much as €750/t delivered to secure relatively prompt shipments. The daily cold-rolled coil (CRC) assessment increased by €2.50/t to €815/t ex-works.

One Visegrad steelmaker was informing customers that it would increase its HRC offer by around €20/t to €750/t delivered Germany.

A Russian producer offered dry HRC at €678/t fca Antwerp, which was probably the most competitive import offer in the market after stripping out €17.60/t duty and €5-6/t discharge. Some mills seemed to be withholding offers in response to firming futures prices in Shanghai, and an expectation China would return from the lunar new year holiday in ebullient mood. The Russian import offer will surely find interest if domestic producers continue to try and achieve €700/t plus. (Argus)

## Turkish Scrap

US- and Baltic-origin offers heard at \$410-\$415/mt CFR

Mills accept higher workable levels

Turkish Deepsea import ferrous scrap prices rose Feb. 9, as Turkish mills raised workable levels amid higher reported US-origin offers, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Feb. 9 at \$397.50/mt CFR, up \$3.50/mt on day.

A Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$395-\$400/mt CFR, with an indicative recycler tradable value for US-origin HMS 1/2 (80:20) at \$397-\$398/mt CFR.

A second Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$400/mt CFR. A Turkish trading source cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$395/mt CFR minimum, with up to \$400/mt CFR workable. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	397.50	3.50	397.57
Steel Rebar FOB Turkey (\$/mt)	580.00	0.00	585.00
Argus HRC NW Europe (€/mt)	721.75	10.75	638.14
Argus FOB China HRC (\$/mt)	640.00	2.00	711.29

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-21	640	650	645
Mar-21	645	655	650
Apr-21	630	650	640
May-21	625	635	630
Q2-21	625	635	630
Q3-21	590	600	595

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-21	405	415	410
Mar-21	420	435	428
Apr-21	420	435	428
May-21	415	430	423
Q2-21	415	430	423
Q3-21	410	420	415

LME REBAR FOB TK			
	Bid	Ask	Value
Feb-21	590	600	595
Mar-21	595	605	600
Apr-21	595	605	600
May-21	595	605	600
Q2-21	590	600	595
Q3-21	590	600	595

BUSHELING			
	Bid	Ask	Value
Feb-21	480	500	490
Mar-21	475	495	485
Apr-21	465	485	475
May-21	450	470	460
Q2-21	473	493	483
Q3-21	440	460	450

US HRC USD/short ton			
	Bid	Ask	Value
Feb-21	1152	1162	1157
Mar-21	1130	1140	1135
Apr-21	1030	1040	1035
May-21	640	950	795
Q2-21	945	955	950
Q3-21	803	813	808

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-21	690	710	700
Mar-21	685	705	695
Apr-21	660	680	670
May-21	640	660	650
Q2-21	640	650	645
Q3-21	600	610	605