

FIS Steel & Scrap Morning Report

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Good Morning,

Turkish Scrap

Turkish Deepsea import scrap prices rise amid further US bookings

Turkish Deepsea import ferrous scrap prices rose further Feb. 12, following news of further US-origin bookings and higher buyer workable levels, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Feb. 12 at \$412.50/mt CFR, up \$2.50/mt on day.

Two Turkish mill sources cited indicative tradable values for premium HMS 1/2 (80:20) at \$410-\$415/mt CFR, while a third mill source said \$415-\$420/mt CFR was workable, adding that “we will see if the rebar demand supports [higher scrap prices] or not.”

A Turkish agent source said sellers were hiking prices, citing indicative offers for premium HMS 1/2 (80:20) at \$420-\$425/mt CFR and offers for EU-origin HMS 1/2 (80:20) at \$417-\$420/mt CFR.

A second Turkish agent said \$410/mt CFR minimum was workable for premium HMS 1/2 (80:20), adding that “sellers have naturally stepped away.” (Platts)

FOB China HRC

The index was unchanged at last print (11.2.21) at US\$640/t, MTD US\$638.56/t.

While the physical market predictably quiet, it’s worth noting that the overseas market has been becalmed for the whole month. While CFR Vietnam prices eased back a couple of dollars, FOB China offers firmed in the same period. With domestic prices rising US\$34/t between Feb 2-11, the domestic market seemingly held out the prospect of better sales at home.

Market firming has been echoed in Europe, India and Turkey and the forward curve for FOB China has adjusted upwards strongly in recent days, too. (Argus)

EHR CME

The European hot-rolled coil (HRC) market was quiet Friday, as mills and buyers largely pulled back, with many waiting to see how China reopens after the lunar new year.

The NW EU HRC index slipped by €0.50/t to €726.50/t, while the Italian index was static at €694.25/t.

Some anticipated that mills might announce another increase to create further momentum after the new year — an upward reversal in scrap prices saw import offers dissipate further as Turkish mills pulled back.

Indian mills, which had been more aggressive as they looked to tighten domestic supply, pushed offers back up by \$20/t, to around €675/t cfr Antwerp. But offers were limited. A Russian offer at €675-680/t fca Antwerp was heard to have been pulled after buyers took the limited allocation. One trader did a deal into Germany at around €670/t cif.

Some larger buyers were expecting third-country producers to increase prices in the coming days, while domestic mills were largely off market. One large German mill has sent a letter to customers informing them of further delays — it is already booked up until the end of July. (Argus)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	412.50	2.50	400.80
Steel Rebar FOB Turkey (\$/mt)	600.00	2.50	587.75
Argus HRC NW Europe (€/mt)	726.50	-0.50	715.95
Argus FOB China HRC (\$/mt)	640.00	0.00	638.70

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-21	650	660	655
Mar-21	675	685	680
Apr-21	630	650	640
May-21	650	660	655
Q2-21	650	660	655
Q3-21	625	645	635

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-21	420	430	425
Mar-21	450	460	455
Apr-21	450	460	455
May-21	450	460	455
Q2-21	450	460	455
Q3-21	410	430	420

LME REBAR FOB TK			
	Bid	Ask	Value
Feb-21	610	620	615
Mar-21	630	640	635
Apr-21	625	635	630
May-21	625	635	630
Q2-21	625	635	630
Q3-21	590	600	595

BUSHELING			
	Bid	Ask	Value
Mar-21	475	495	485
Apr-21	465	485	475
May-21	450	470	460
Jun-21	440	460	450
Q2-21	440	460	450
Q3-21	385	395	390

US HRC USD/short ton			
	Bid	Ask	Value
Feb-21	1165	1175	1170
Mar-21	1215	1225	1220
Apr-21	1159	1169	1164
May-21	650	1060	855
Q2-21	1060	1070	1065
Q3-21	866	876	871

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-21	740	760	750
Mar-21	715	735	725
Apr-21	675	695	685
May-21	650	670	660
Q2-21	640	650	645
Q3-21	610	620	615