

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$6/t yesterday (25.2.21) to US\$680/t, MTD US\$647/t.

A large Chinese mill sold SS400 and SAE grade coils at \$690/t and \$710/t fob, respectively, to South Korea and Vietnam this week. There is also demand from South America, but given the tight vessels availability, shipowners do not even offer for the freight. Many Vietnamese buyers lifted bids for SAE grade coils by \$10/t to \$710/t cfr Vietnam yesterday after witnessing rising offers at \$735-790/t cfr Vietnam.

Vietnamese steelmaker Hoa Phat offered as low as \$686-690/t cif Vietnam for both SAE and SS400 HRC, which would be easily accepted by local buyers. But the mill is only offering limited volume as buyers are still testing its quality. Hoa Phat will not export HRC for this monthly round as it will save on costs when seaborne prices are rising. (Argus)

Turkish Scrap

Recyclers heard to target \$480/mt CFR in near-term

US HMS dock prices heard higher as exporters seek tons

Turkish Deepsea import ferrous scrap prices rose further, as Turkish mills continued to book cargoes for end-March and first-half April shipment, sources said Feb. 25. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Feb. 25 at \$455/mt CFR, up \$5/mt on the day. "I guess the next target will be the last peak of \$480/mt CFR," a Turkish mill source said, adding that the "[rebar-scrap] spread will drop for sure."

The index last reached levels around \$480/mt CFR in early January 2021, when the index was at a near 10-year high of \$482.50/mt CFR on Jan. 5. The daily outright spread between Turkish export rebar and import scrap was assessed at \$185/mt Feb. 25, down \$5/mt on the day. The spread has averaged \$189.08/mt so far over February 2021, up sharply from \$176.34/mt in January.

A second Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$455/mt CFR, based on current finished steel prices. An EU recycler cited an indicative tradable value for EU-origin HMS 1/2 (80:20) at \$450/mt CFR minimum. A Turkish agent source cited a buyers' tradable value for premium HMS 1/2 (80:20) at \$455/mt CFR, with offers heard at \$460/mt CFR and above. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,200/st EXW Indiana Feb. 25, unchanged from Feb 24.

A Midwest service center source indicated an offer at \$1,200/st from a Midwest mill for May production. Another service center source put the market at a minimum of that level. A third service center source, meanwhile, indicated a minimum of \$1,240/st as a tradable value. A mini-mill quoted a 500 st inquiry at \$1,280/st for May production, according to a fourth service center source. Those indications at 1,240/st and above that level, however, fell outside the Platts methodology for the volume-weighted average calculation. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	455.00	5.00	414.47
Steel Rebar FOB Turkey (\$/mt)	640.00	0.00	603.55
Argus HRC NW Europe (€/mt)	733.50	-0.25	722.59
Argus FOB China HRC (\$/mt)	680.00	6.00	646.63

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-21	640	650	645
Mar-21	695	705	700
Apr-21	670	690	680
May-21	675	685	680
Q2-21	665	675	670
Q3-21	640	650	645

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-21	415	425	420
Mar-21	475	485	480
Apr-21	472	482	477
May-21	469	479	474
Q2-21	470	480	475
Q3-21	460	470	465

LME REBAR FOB TK			
	Bid	Ask	Value
Feb-21	605	615	610
Mar-21	660	670	665
Apr-21	656	666	661
May-21	650	660	655
Q2-21	640	650	645
Q3-21	620	630	625

BUSHELING			
	Bid	Ask	Value
Mar-21	555	575	565
Apr-21	560	580	570
May-21	555	575	565
Jun-21	540	560	550
Q2-21	542	562	552
Q3-21	510	530	520

US HRC USD/short ton			
	Bid	Ask	Value
Mar-21	1248	1258	1253
Apr-21	1235	1245	1240
May-21	1145	1155	1150
Jun-21	1046	1090	1068
Q2-21	1147	1157	1152
Q3-21	965	975	970

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-21	730	750	740
Mar-21	745	765	755
Apr-21	715	735	725
May-21	680	700	690
Q2-21	670	690	680
Q3-21	620	630	625