

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$2/t yesterday (2.3.21) to US\$693/t, MTD US\$692/t.

Beijing will hold its two annual parliamentary meetings starting 4 March that usually unveil policies supportive to the economy. North China's Tangshan city has begun a pilot program to cut pollution emissions from its steel industry by 40pc in 2021 from 2020 to improve local air quality. Meeting the 40pc emissions target drop with production cuts alone would require pig iron output fall by around 53mn t and crude steel output fall by 58mn t as market participants said.

More major Chinese mills hiked offers by \$5-30/t to \$710-745/t fob for SS400 HRC. Some buyers from South Korea could accept \$690/t fob China. Limited buyers may even be willing to place orders at \$700/t fob China. Certain trader offered as low as \$720/t cfr Vietnam for positional Chinese SS400 HRC for March shipment. A deal for 10,000t SAE1006 grade coils from China sold at \$735/t cfr Vietnam this week. (Argus)

## Turkish Scrap

Mills hold back, with end-March shipment cargoes still available

Benelux HMS dock prices heard as high as Eur330/mt delivered

Turkish Deepsea import ferrous scrap prices were unchanged March 2, as mills continued to hold back from the scrap market in search of improved rebar demand, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 2 at \$457.50/mt CFR, unchanged on the day.

Two Turkish mill sources cited indicative tradable values for premium HMS 1/2 (80:20) at below \$460/mt CFR. "Nobody will buy scrap at \$460/mt CFR as all the US sellers are in the market and some recyclers still have March shipment cargoes available," one of the mill sources said. "Mills don't need prompt shipment cargoes as they all have good quantities in stock, but for April shipment, perhaps more mills would pay \$460/mt CFR - for now there is no room to increase." A third Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$455-\$460/mt CFR, with a seller target for premium HMS 1/2 (80:20) cited at \$465-\$470/mt CFR. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,242.50/st EXW Indiana March 2, unchanged from March 1.

A service center source indicated \$1,240/st as a minimum tradable value. A Midwest service center, meanwhile, indicated an offer at \$1,340/st for 200 st inquiry from a converter. That indication, however, remained 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)	457.50	0.00	457.50
Steel Rebar FOB Turkey (\$/mt)	642.50	0.00	642.50
Argus HRC NW Europe (€/mt)	745.50	5.00	743.00
Argus FOB China HRC (\$/mt)	693.00	2.00	692.00

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

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	465	475	470
Apr-21	465	475	470
May-21	465	475	470
Jun-21	465	475	470
Q2-21	465	475	462
Q3-21	457	467	462

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-21	655	665	660
Apr-21	655	665	660
May-21	655	665	660
Jun-21	655	665	660
Q2-21	655	665	660
Q3-21	645	655	650

BUSHELING			
	Bid	Ask	Value
Mar-21	590	600	595
Apr-21	595	605	600
May-21	595	605	600
Jun-21	595	605	600
Q2-21	595	605	600
Q3-21	595	605	600

US HRC USD/short ton			
	Bid	Ask	Value
Mar-21	1265	1275	1270
Apr-21	1290	1300	1295
May-21	1209	1219	1214
Jun-21	1107	1117	1112
Q2-21	1202	1212	1207
Q3-21	999	1009	1004

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	765	775	770
Apr-21	735	745	740
May-21	705	715	710
Jun-21	675	685	680
Q2-21	445	715	710
Q3-21	450	667	662