

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$2/t yesterday (4.3.21) to US\$707/t, MTD US\$699/t.

The total stockpiles of five major steel products at mills and traders' warehouses increased by over 1mn t this week, slowing down from the increment of 3mn t last week. Tangshan government intensified steel production restrictions over 2-5 March in response to new levels of potential heavy pollution. Sintering output was required to be further cut by 50pc and the number of trucks entering steel mills was to be reduced by 10pc.

An Indian mill sold 30,000t of SAE1006 grade coils at \$745/t cfr Vietnam to Vietnamese end-users. That was concluded after Indian coils were sold at \$735-740/t cfr Vietnam earlier this week. A large Indian mill lifted its offer to \$765/t cfr Vietnam following those deals. Japanese mills also pushed up offers to \$830-850/t cfr Vietnam after some Chinese mills increased offers to \$800/t cfr Vietnam. (Argus)

Turkish Scrap

\$465/mt CFR expected by mills in the near term

Scrap-rebar outright spread could narrow amid rebar demand concerns

Turkish Deepsea import ferrous scrap prices rose March 4, as a fresh Baltic-origin deal was heard breaking the recent market silence, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 4 at \$461/mt CFR, up \$3/mt on day. A Baltic-origin cargo was heard by multiple sources to be booked March 4 by Samsun, with HMS 1/2 (80:20) at \$461/mt CFR, shredded scrap at \$466/mt CFR, bonus/PNS at \$471/mt CFR, for April shipment.

A Baltic-origin cargo totalling 35,000 mt, booked the week ending Feb. 26 by an Iskenderun mill, was also heard, with 27,000 mt HMS 1/2 (80:20) at \$455.50/mt CFR. "Bulk freights are very high and sellers are firm, so I am not expecting a downtrend now despite limited rebar activity," a Turkish agent source said, citing an indicative tradable value for premium HMS 1/2 (80:20) at \$460/mt CFR and higher, but said US or Baltic sellers may not accept this level. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,243.75/st EXW Indiana March 4, up 25 cents from March 3.

A trader put the market for HRC in the \$1,240-\$1,280/st range. A Midwest mill source, meanwhile, said that their transactions for April production remained within \$1,250-\$1,300/st. The indications above \$1,272/st still 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)	461.00	3.00	458.50
Steel Rebar FOB Turkey (\$/mt)	642.50	0.00	642.50
Argus HRC NW Europe (€/mt)	743.50	-2.00	743.75
Argus FOB China HRC (\$/mt)	707.00	2.00	699.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-21	700	710	705
Apr-21	695	705	700
May-21	685	695	690
Jun-21	680	690	685
Q2-21	687	697	692
Q3-21	670	680	675

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	460	470	465
Apr-21	470	480	475
May-21	470	480	475
Jun-21	470	480	475
Q2-21	470	480	462
Q3-21	457	467	462

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-21	645	655	650
Apr-21	645	655	650
May-21	645	655	650
Jun-21	645	655	650
Q2-21	645	655	650
Q3-21	638	648	643

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	1263	1273	1268
Apr-21	1283	1293	1288
May-21	1250	1260	1255
Jun-21	1198	1208	1203
Q2-21	1244	1254	1249
Q3-21	1080	1090	1085

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	755	765	760
Apr-21	760	770	765
May-21	715	725	720
Jun-21	705	715	710
Q2-21	445	737	732
Q3-21	450	695	690