

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$4/t yesterday (8.3.21) to US\$711/t, MTD US\$702.33/t.

North China's Tangshan government again issued Level II pollution warnings on 7 March, which boosted sentiment over the week-end and pushed up prices sharply yesterday. A north China mill lifted its offer by \$10/t to \$770/t fob for SS400 HRC. Three other Chinese mills kept offers unchanged at \$740-765/t fob. Several thousand tonnages of coils were reported to be sold at \$740-745/t fob China to South America and South Korea last week. But most seaborne buyers could not accept prices above \$710/t fob China.

Vietnamese buyers were waiting for new monthly offers from local Formosa Ha Tinh this week. It may offer prices above \$750/t cif Vietnam for SAE1006 grade coils as current mainstream offers were highly unchanged at \$730-850/t cfr Vietnam from other countries. (Argus)

Turkish Scrap

Mills expected to require 20-22 further April shipment cargoes

Recyclers hold offers at \$465/mt CFR minimum for premium HMS 1/2 (80:20)

Turkish Deepsea import ferrous scrap prices remained firm on March 8, as recyclers maintained elevated offer levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 8 at \$462.50/mt CFR, up \$2.50/mt on the day.

"I think we will see some activity this week as scrap recyclers are still pushing offers," a Turkish mill source said, adding that \$460-\$465/mt CFR was workable for premium HMS 1/2 (80:20), with recyclers holding offers at \$465-\$470/mt CFR. "Once [scrap] purchases start happening, rebar sales activity will be more visible," the mill source added. "If buyers give in [to current offer levels], that will be the working level at the minimum."

A second mill source cited a tradable value for premium HMS 1/2 (80:20) below \$465/mt CFR. A Marmara mill sold a cargo totaling over 50,000 mt rebar at \$685/mt CFR Singapore theoretical weight, with bulk freight for May shipment estimated at over \$50/mt, with some sources even citing \$60/mt freight, which would put FOB rebar actual weight prices around \$645-\$650/mt. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,245.50/st EXW Indiana March 8, up \$1.75 from March 5.

A mini-mill source indicated an offer at \$1,260/st from a competing mill. A Midwest service centre source, meanwhile, indicated \$1,260-\$1,300/st as a tradable value for June production. That indication, however, was excluded from the index calculation as its delivery window did not meet Platts methodology guidelines. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	462.50	2.50	459.42
Steel Rebar FOB Turkey (\$/mt)	645.00	2.50	642.92
Argus HRC NW Europe (€/mt)	766.25	5.00	750.46
Argus FOB China HRC (\$/mt)	711.00	4.00	702.33

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-21	690	700	695
Apr-21	695	705	700
May-21	680	690	685
Jun-21	670	680	675
Q2-21	682	692	687
Q3-21	650	660	655

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	450	460	455
Apr-21	460	470	465
May-21	463	473	468
Jun-21	463	473	468
Q2-21	462	472	464
Q3-21	459	469	464

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-21	635	645	640
Apr-21	640	650	645
May-21	640	650	645
Jun-21	640	650	645
Q2-21	640	650	645
Q3-21	635	645	640

BUSHELING			
	Bid	Ask	Value
Mar-21	577	587	582
Apr-21	665	675	670
May-21	675	685	680
Jun-21	670	680	675
Q2-21	670	680	675
Q3-21	665	675	670

US HRC USD/short ton			
	Bid	Ask	Value
Mar-21	1259	1269	1264
Apr-21	1315	1325	1320
May-21	1290	1300	1295
Jun-21	1295	1305	1300
Q2-21	1300	1310	1305
Q3-21	1203	1213	1208

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	768	778	773
Apr-21	775	785	780
May-21	750	760	755
Jun-21	725	735	730
Q2-21	445	760	755
Q3-21	450	685	680