

# FIS Steel & Scrap Morning Report

London +44 20 7090 1120 | info@freightinvestor.com | www.freightinvestorservices.com

Good Morning,

## FOB China HRC

The index kept stable yesterday (9.3.21) at US\$711/t, MTD US\$703.57/t.

Chinese domestic steel prices fell sharply yesterday on lukewarm trade and cautious attitude after paper market prices tumbled. The sentiment was dampened by the fast falling feedstock prices after Tangshan imposed a red alert for the first time since 2017, implying that the most stringent measures for pollution curbs would be implemented.

Major Chinese mills kept offers unchanged at \$740-770/t fob for SS400 HRC, eliciting no buying interest. Certain traders offered at only \$750-771/t cfr Pakistan, but buyers there could not accept prices above \$700/t cfr on the expectation of a further price fall in China. Vietnamese buyers are preferring to wait for local Formosa Ha Tinh and Hoa Phat's new monthly offers announcement before taking further actions. (Argus)

## Turkish Scrap

Mills book lower-priced US cargoes amid multitude of offers

Exporters likely to aim to lower HMS dock prices in near term

Turkish Deepsea import ferrous scrap prices fell sharply March 9, as mills booked US-origin cargoes at lower levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 9 at \$455/mt CFR, down \$7.50/mt on day.

A US-origin cargo was booked on March 8 by an Iskenderun mill, with HMS 1/2 (80:20) at \$453/mt CFR, shredded scrap at \$458/mt CFR and bonus at \$463/mt CFR, for end March/beginning April shipment. A second US-origin cargo was also booked on March 8 by an Izmir mill, with 18,000 mt shredded scrap and 12,000 mt bonus scrap at \$467/mt CFR cargo average. The same Izmir mill was heard to have bought another US-origin cargo before March 8, with 12,000 mt HMS 1/2 (80:20) at \$456/mt CFR, 12,000 mt shredded scrap at \$466/mt CFR and 1,000 mt bonus scrap at \$466/mt CFR.

"It looks like the market is softening as the number of offers available are on the high side," a Turkish trading source said, adding that \$453-\$457/mt CFR was workable for premium HMS 1/2 (80:20) relative to the two deals booked March 8, with a near-term workable level possible as low as \$440-\$445/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 9, down \$3 from March 8.

A service centre source was able to place an order on March 5 at \$1,240/st for more than 1,000 st from a converter with an April lead time. A mill source, meanwhile, cited a minimum of \$1,260/st as a tradable value for limited April availability left, after transacting at a minimum of \$1,240/st last week. Another service center source reported a transaction at \$1,170/st for more than 1,000 st from a Midwest converter with a mid-April lead time. That transaction, however, was excluded from the index calculation as its repeatability was not verified. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	455.00	-7.50	458.79
Steel Rebar FOB Turkey (\$/mt)	645.00	0.00	643.21
Argus HRC NW Europe (€/mt)	766.25	0.00	752.71
Argus FOB China HRC (\$/mt)	711.00	0.00	703.57

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-21	680	690	685
Apr-21	680	690	685
May-21	665	675	670
Jun-21	655	665	660
Q2-21	667	677	672
Q3-21	635	645	640

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	435	445	440
Apr-21	448	458	453
May-21	448	458	453
Jun-21	448	458	453
Q2-21	448	458	452
Q3-21	447	457	452

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-21	630	640	635
Apr-21	630	640	635
May-21	630	640	635
Jun-21	630	640	635
Q2-21	630	640	635
Q3-21	628	638	633

BUSHELING			
	Bid	Ask	Value
Mar-21	573	583	578
Apr-21	655	665	660
May-21	670	680	675
Jun-21	665	675	670
Q2-21	663	673	668
Q3-21	645	655	650

US HRC USD/short ton			
	Bid	Ask	Value
Mar-21	1260	1270	1265
Apr-21	1295	1305	1300
May-21	1290	1300	1295
Jun-21	1255	1265	1260
Q2-21	1280	1290	1285
Q3-21	1137	1147	1142

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	772	782	777
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