



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index fell by \$1/t yesterday (10.3.21) to US\$710/t, MTD US\$704.38/t.

China's steel market sentiment remained bearish as the sharp drop in iron ore prices eased the cost pressures on steel production. The government of east China's Jiangsu province will lift electricity fees for steel mills that have not completed ultra-low emission refurbishments. But the impact to steel costs would be limited as most mills have their own electricity generation equipment.

Some sellers cut offers to \$700-750/t fob for SS400 HRC, inducing limited bids at \$680/t fob. A deal for positional Indian SAE grade coils was concluded at \$735/t cfr Vietnam this week. But most traders remained reluctant to sell below \$740-745/t cfr Vietnam. Vietnam-based Formosa Ha Tinh increased its May shipment offers by \$45/t to \$760-774/t cif Vietnam for SS400 and SAE grade coils late yesterday. (Argus)

Turkish Scrap

Mills hold back as some recyclers lower workable levels

HMS dock prices in UK heard lower

Turkish Deepsea import ferrous scrap prices continued to soften, as mills pulled back amid news of some aggressive recycler offers, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 10 at \$449.50/mt CFR, down \$5.50/mt on the day. One Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$445-\$450/mt CFR.

"Mills are holding back as they think prices could soften to \$435-\$440/mt CFR levels in the near-term, and lower scrap prices could help lower FOB finished steel prices and thus make high bulk freights more acceptable to buyers," the mill source said, adding that he expects bulk freights to remain firm over April and May. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,256.75/st EXW Indiana March 10, up \$14.25 from March 9.

A service centre source put the market at a minimum of \$1,260/st. A trader, meanwhile, noted April availability from only one Midwest mill and indicated a minimum of \$1,300/st as a tradable value for those limited tons. A Midwest buyer and a service centre source cited limited April availability from a Midwest mini-mill, which was quoted at \$1,300/st. Those indications at \$1,300/st fell outside the Platts methodology for the volume-weighted average calculation but removed some lower prices from the calculation. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	449.50	-5.50	457.63
Steel Rebar FOB Turkey (\$/mt)	639.50	-5.50	642.75
Argus HRC NW Europe (€/mt)	776.75	10.50	755.72
Argus FOB China HRC (\$/mt)	710.00	-1.00	704.38

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

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	435	445	440
Apr-21	450	460	455
May-21	445	455	450
Jun-21	445	455	450
Q2-21	447	457	445
Q3-21	440	450	445

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-21	630	640	635
Apr-21	632	642	637
May-21	632	642	637
Jun-21	632	642	637
Q2-21	632	642	637
Q3-21	631	641	636

BUSHELING			
	Bid	Ask	Value
Apr-21	650	660	655
May-21	655	665	660
Jun-21	665	675	670
Jul-21	670	680	675
Q2-21	657	667	662
Q3-21	660	670	665

US HRC USD/short ton			
	Bid	Ask	Value
Mar-21	1258	1268	1263
Apr-21	1300	1310	1305
May-21	1290	1300	1295
Jun-21	1265	1275	1270
Q2-21	1285	1295	1290
Q3-21	1137	1147	1142

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	785	795	790
Apr-21	780	790	785
May-21	750	760	755
Jun-21	730	740	735
Q2-21	753	763	758
Q3-21	677	687	682