



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index was unchanged yesterday (25.3.21) to US\$740/t, MTD US\$717.95/t.

Export liquidity remains slow with traders and producers showing little interest to offer given the tax rebate issues. Most mills require buyers for 100pc payment for any tax rebate changes.

Just like HRC, Chinese mills were not willing to offer for cold-rolled coil (CRC) or hot-dipped galvanized steel (HDG) regarding the uncertain tax rebate issues. Some mills offered SPCC CRC at \$810-820/t fob and HDG at \$855-870/t fob based on 50pc sharing of taxes if rebate rate were lowered from 13pc to 9pc, and mills were requesting renegotiation in case the rebate rate came below 9pc. But buyers just stayed quiet amid slow demand. (Argus)

Turkish Scrap

Spread between shortsea and Deepsea prices narrows

Turkish mills expected to return soon for May shipment bookings

Turkish Deepsea import ferrous scrap prices inched up March 25, as Turkish mills indicated higher workable levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 25 at \$417.50/mt CFR, up \$2.50/mt on day. "I think \$415-\$420/mt CFR is workable and the next round of bookings will be for May shipment, most likely for the second half of May -- we have some bookings for May too," one Turkish mill source said. "I think scrap is at the bottom and will go up from now on."

A second Turkish mill source also cited indicative tradable value for premium HMS 1/2 (80:20) at \$415-420/mt CFR, while a third mill source said recyclers were holding back from offering actively. "The scrap guys might hold it here [at \$420/mt CFR minimum] because they know the Turks cannot wait forever [to buy] ... I would act now and buy a couple cargoes to make the Turks start acting which definitely would help rebar [demand]," the third mill source said. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,342.50/st EXW Indiana March 25, down 25 cents from March 24.

A service center source was able to place an order at \$1,340 for more than 500 st from a mini-mill in the South for June production. Another service center, meanwhile, booked 500 st at \$1,335/st from an integrated mill for either May or June production. The mill indicated \$1,360/st as a new target level for June production, he added. That indication, however, was not factored into the volume-weighted average calculation based on Platts methodology. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	417.50	2.50	439.21
Steel Rebar FOB Turkey (\$/mt)	612.50	0.00	630.34
Argus HRC NW Europe (€/mt)	816.75	12.25	777.91
Argus FOB China HRC (\$/mt)	740.00	0.00	717.95

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-21	720	730	725
Apr-21	740	750	745
May-21	730	740	735
Jun-21	715	725	720
Q2-21	728	738	733
Q3-21	678	688	683

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	425	435	430
Apr-21	440	450	445
May-21	443	453	448
Jun-21	443	453	448
Q2-21	442	452	447
Q3-21	442	452	447

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-21	625	635	630
Apr-21	625	635	630
May-21	625	635	630
Jun-21	625	635	630
Q2-21	625	635	630
Q3-21	619	629	624

BUSHELING			
	Bid	Ask	Value
Apr-21	575	585	580
May-21	585	595	590
Jun-21	600	610	605
Jul-21	600	610	605
Q2-21	587	597	592
Q3-21	593	603	598

US HRC USD/short ton			
	Bid	Ask	Value
Mar-21	1267	1277	1272
Apr-21	1338	1348	1343
May-21	1310	1320	1315
Jun-21	1295	1305	1300
Q2-21	1314	1324	1319
Q3-21	1188	1198	1193

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	767	777	772
Apr-21	855	865	860
May-21	840	850	845
Jun-21	830	840	835
Q2-21	842	852	847
Q3-21	798	808	803