

FIS Steel & Scrap Morning Report

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

Good Morning,

FOB China HRC

The index rose by \$8/t yesterday (29.3.21) to US\$762/t, MTD US\$721.76/t.

China's strong spot sales volumes strained north China steel supply that has been curbed by production restrictions. South China mills are expected to begin shipping coil to north China to fill the supply gap. Coil supply is particularly tight in north China with production restrictions limiting up-stream product billet supply, sending its prices to a 13-year high.

A north China mill sold a small quantity of SS400 HRC at \$790/t fob to South America after another mill sold a large volume of coils at \$760/t fob last week. There are few bids and offers in the market ahead of China confirming its tax rebate policies.

A Chinese mill sold SAE1006 grade coils at around \$790/t cfr Vietnam last week but contract language that would allow it to default if more than \$15/t of additional costs are occurred from China cutting its export rebates. Mills from India and Taiwan are considering increasing offers above \$840/t cfr Vietnam. (Argus)

Turkish Scrap

Turkish lira depreciation continues

Turkish mills aim to resist swift scrap price hike

Turkish Deepsea import ferrous scrap prices rose March 29, as Turkish mills were heard to return to book several late-April and May shipment cargoes, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) March 29 at \$421.50/mt CFR, up \$4/mt on the day. "I think the majority of mills can hold back this week then we can see more purchases during the first [full] week of April," a Turkish mill source said, citing an indicative tradable value for premium HMS 1/2 (80:20) at \$420-\$425/mt CFR, while a US trader and an EU trader both also said \$420-\$425/mt CFR was workable.

"I believe the Turks are well-stocked and the price will gradually inch up over April," the EU trader said. "Personally, I don't see a steep price hike." A Turkish agent source cited an indicative tradable value for Baltic-origin HMS 1/2 (80:20) at \$415-\$425/mt CFR, depending on the buyer/seller position. An EU recycler cited a near-term tradable value for premium HMS 1/2 (80:20) at \$430/mt CFR. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,342.50/st EXW Indiana March 29, unchanged from March 26.

A service centre source placed a small order at \$1,340 from a Midwest converter with late May lead time, while a manufacturer was offered HRC at \$1,340 from two separate mini-mills for June production. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	421.50	4.00	437.33
Steel Rebar FOB Turkey (\$/mt)	617.50	2.50	629.00
Argus HRC NW Europe (€/mt)	830.00	0.00	782.87
Argus FOB China HRC (\$/mt)	762.00	8.00	721.76

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-21	720	730	725
Apr-21	765	775	770
May-21	745	755	750
Jun-21	725	735	730
Q2-21	745	755	750
Q3-21	685	695	690

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-21	430	440	435
Apr-21	440	450	445
May-21	450	460	455
Jun-21	450	460	455
Q2-21	447	457	450
Q3-21	445	455	450

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	1266	1276	1271
Apr-21	1340	1350	1345
May-21	1305	1315	1310
Jun-21	1284	1294	1289
Q2-21	1310	1320	1315
Q3-21	1168	1178	1173

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-21	774	784	779
Apr-21	897	907	902
May-21	860	870	865
Jun-21	835	845	840
Q2-21	864	874	869
Q3-21	798	808	803