



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$7/t yesterday (7.4.21) to US\$787/t, MTD US\$773.25/t.

Major Chinese mills raised offers by \$10-50/t to \$787-920/t fob for SS400 HRC on the base of different requirements that buyers or sellers bear the costs of any additional taxes. Bids for Pakistani buyers rose to \$850/t cfr based on buyers sharing half the cost of any rebate changes.

Vietnam kept scrambling for cargoes amid tight supply. A small quantity of positional Chinese SAE1006-grade HRC sold at \$900/t cfr Vietnam this week. A large Chinese mill was heard to have sold the same grade of coils at \$940/t cfr Vietnam after it sold at \$860-890/t cfr Vietnam late last week. The mill will take responsibility of any additional tax costs. Indian mills pushed up offers to \$925-940/t cfr Vietnam. A Japanese mill raised its offers to \$1,000/t cfr Vietnam after hearing offers at \$970/t cfr Vietnam from a large Chinese mill. (Argus)

Turkish Scrap

Turkish deepsea import ferrous scrap prices rose April 7, as Turkish mills were heard to book multiple deepsea cargoes, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) April 7 at \$434/mt CFR, up \$5/mt on day. "I expect \$440/mt CFR to be the top in the near term unless something else happens in the market," one Turkish mill source said, while a second mill also expected \$440/mt to be possible in the near term.

The LME scrap forward curve remained in contango over near-term contracts, suggesting futures traders continue to expect near-term strength in the physical market. Platts assessed the April contract at \$455/mt on April 7, while the May contract was assessed at \$475.50/mt, and the June contract was at \$478/mt on the day.

Speculation regarding a possible reduction or removal of the Chinese steel export rebate has been rife in regional Asian rebar markets, which are a key target for Turkish exports. Any cut could cause FOB Chinese prices to jump, and thus make Turkish finished steel more competitive into the region, and subsequently support import scrap prices. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,344.75/st EXW Indiana April 7, down 25 cents from April 6.

A Midwest service center source indicated an offer at \$1,340/st from a Midwest converter and noted limited size and specification availability depending on its slab supplies. Another service center source, meanwhile, cited an offer \$1,340/st from a converter with a late May lead time, also noting limited options. The market was in the \$1,340-\$1,350/st range, according to a trader. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	434.00	5.00	431.00
Steel Rebar FOB Turkey (\$/mt)	629.00	4.00	626.17
Argus HRC NW Europe (€/mt)	881.50	35.50	881.50
Argus FOB China HRC (\$/mt)	787.00	7.00	773.25

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-21	820	830	825
May-21	840	850	845
Jun-21	825	835	830
Jul-21	815	825	820
Q2-21	828	838	833
Q3-21	770	780	775

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-21	450	460	455
May-21	471	481	476
Jun-21	471	481	476
Jul-21	471	481	476
Q2-21	464	474	462
Q3-21	457	467	462

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-21	640	650	645
May-21	645	655	650
Jun-21	645	655	650
Jul-21	645	655	650
Q2-21	643	653	648
Q3-21	628	638	633

BUSHELING			
	Bid	Ask	Value
Apr-21	545	555	550
May-21	595	605	600
Jun-21	605	615	610
Jul-21	585	595	590
Q2-21	582	592	587
Q3-21	570	580	575

US HRC USD/short ton			
	Bid	Ask	Value
Apr-21	1353	1363	1358
May-21	1358	1368	1363
Jun-21	1335	1345	1340
Jul-21	1290	1300	1295
Q2-21	1349	1359	1354
Q3-21	1189	1199	1194

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-21	920	930	925
May-21	930	940	935
Jun-21	910	920	915
Jul-21	890	900	895
Q2-21	920	930	925
Q3-21	845	855	850