

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$45/t yesterday (12.4.21) to US\$865/t, MTD US\$795/t.

More Chinese mills hiked offers to a level assumes China zeroing out the export tax rebate. An east China mill hiked offers to \$920/t fob for SS400 HRC from its previous offer of \$780/t fob as the mill is willing to take all the tax risk from any rebate changes after seeing more buyers lift acceptable price levels amid increase in global prices. Two other Chinese mills also lifted offers to \$895-900/t fob, with the same terms that the mills would accept any added tax costs. Some traders with positional coils on hand offered at \$895-896/t cfr Vietnam. Chinese HRC was heard sold at \$840-880/t cfr Pakistan last week, but no further details were available.

Vietnam-based Formosa Ha Tinh hiked its monthly offers by around \$150/t to \$910-918/t cif Vietnam for both SS400 and SAE1006 grade coils, which were competitive to import prices at \$930-1000/t cfr Vietnam for coils from China, India and Japan. (Argus)

## Turkish Scrap

US/EU asking prices largely stable

Turkish scrap demand on hold

Rebar-scrap spread spikes

Turkish Deepsea imported scrap pricing showed no clear direction despite being under pressure in a well-supplied market. Demand from Turkish mills was on hold for the time being after earlier bookings of May shipments, sources said April 12.

S&P Global Platts daily HMS 1/2 (80:20) assessment was unchanged at \$431/mt CFR Turkey. The outright rebar-scrap spread increased 50 cents to \$204/mt, its widest since August 2018. One cargo was reported April 12, but sources close to the deal confirmed it to have been closed April 7 before a subsequent dip in the deepsea scrap pricing at the end of last week. The cargo comprised 25,000 mt P&S, 20,000 mt HMS 1/2 (95:5) and 5,000 mt shredded at the average price of \$444-\$445/mt CFR Iskenderun, normalized to \$437/mt CFR Turkey. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1343/st EXW Indiana April 12, down \$8.75 from April 9.

Most reported transactions were at \$1,340 with more than 1,200 st being transacted at that level from various mills. Two transactions at the same mill were at \$1,330 and \$1,350 totaling 400 st for one buyer. While some mills were heard to be offering closer to \$1,400 the values were not counted in the volume-weighted average calculation in line with Platts methodology. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	431.00	0.00	431.50
Steel Rebar FOB Turkey (\$/mt)	635.00	0.50	630.50
Argus HRC NW Europe (€/mt)	903.50	2.50	890.75
Argus FOB China HRC (\$/mt)	865.00	45.00	725.35

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-21	815	825	820
May-21	860	870	865
Jun-21	840	850	845
Jul-21	825	835	830
Q2-21	838	848	843
Q3-21	770	780	775

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-21	440	450	445
May-21	455	465	460
Jun-21	460	470	465
Jul-21	460	470	465
Q2-21	452	462	463
Q3-21	458	468	463

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-21	630	640	635
May-21	640	650	645
Jun-21	645	655	650
Jul-21	645	655	650
Q2-21	638	648	643
Q3-21	642	652	647

BUSHELING			
	Bid	Ask	Value
Apr-21	585	595	590
May-21	620	630	625
Jun-21	620	630	625
Jul-21	620	630	625
Q2-21	608	618	613
Q3-21	620	630	625

US HRC USD/short ton			
	Bid	Ask	Value
Apr-21	1349	1359	1354
May-21	1349	1359	1354
Jun-21	1334	1344	1339
Jul-21	1298	1308	1303
Q2-21	1344	1354	1349
Q3-21	1274	1284	1279

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-21	915	925	920
May-21	950	960	955
Jun-21	940	950	945
Jul-21	910	920	915
Q2-21	935	945	940
Q3-21	877	887	882