



# Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$9/t yesterday (14.4.21) to US\$883/t, MTD US\$813.56/t.

The latest chatter is that a zeroing out of the China's rebates will be announced next week and take effect from 1 May. The premium for HRC in overseas markets is driving Chinese fob prices more than the treat of tax changes because buyers can absorb the additional cost.

A north China mill sold SS400 HRC at \$890-895/t fob to South America and South Korea after other mills sold at \$875-880/t fob. The mill will pay for any tax changes. Other mills with official offers at \$880-920/t fob are willing to receive orders at around \$880/t fob. Only one large mill was still offering at \$810/t fob if the buyer assumes the tax risk.

HRC offered by Vietnam-based Formosa Ha Tinh is lower priced than imports but is not enough to meet local buyers' demand. More than 50,000t SAE1006 grade coils from India have sold at \$920-925/t cfr Vietnam since end of last week. (Argus)

## Turkish Scrap

Mills target \$425/mt CFR for premium material

Sources await news on Egyptian scrap cargo tender

Turkish Deepsea import ferrous scrap prices inched down further April 14, as mills continued to hold back from buying activity, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) April 14 at \$429/mt CFR, down \$1/mt on day. "US sellers don't want to go below \$430/mt CFR but mills want below \$430/mt CFR," a Turkish agent source said. "I don't expect any transactions in the next few days as mills want to wait and see how the market develops."

Market sources were awaiting news of a fresh scrap cargo tender which closed April 14 at an Egyptian producer, amid chatter of multiple recent bookings into Egypt ex-UK and Benelux. "We need to know what Egyptian buyers are doing," one Turkish mill source said. Firmer demand competition for Deepsea cargoes could limit the downside into Turkey, with mills still estimated to require 10-13 further cargoes for second half May shipment. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,343.50/st EXW Indiana April 14, up 25 cents from April 13.

A Midwest service centre source indicated an offer at \$1,425/st from an integrated mill. Another Midwest service centre source, meanwhile, cited an offer at \$1,480/st from another integrated mill with a late May or early June lead time. Those indications were 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)	429.00	-1.00	431.00
Steel Rebar FOB Turkey (\$/mt)	630.00	-5.00	631.00
Argus HRC NW Europe (€/mt)	907.50	2.50	894.63
Argus FOB China HRC (\$/mt)	883.00	9.00	725.35

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-21	815	825	820
May-21	865	875	870
Jun-21	850	860	855
Jul-21	830	840	835
Q2-21	843	853	848
Q3-21	770	780	775

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-21	440	450	445
May-21	452	462	457
Jun-21	460	470	465
Jul-21	460	470	465
Q2-21	451	461	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
May-21	620	630	625
Jun-21	630	640	635
Jul-21	625	635	630
Aug-21	620	630	625
Q2-21	625	635	630
Q3-21	620	630	625

US HRC USD/short ton			
	Bid	Ask	Value
Apr-21	1353	1363	1358
May-21	1375	1385	1380
Jun-21	1375	1385	1380
Jul-21	1358	1368	1363
Q2-21	1368	1378	1373
Q3-21	1342	1352	1347

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-21	905	915	910
May-21	950	960	955
Jun-21	935	945	940
Jul-21	905	915	910
Q2-21	930	940	935
Q3-21	875	885	880