

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index kept stable yesterday (15.4.21) at US\$883/t, MTD US\$820.50/t.

China's domestic market cools with the pace of HRC mill-trader inventory declines slowing, down by 140,000t this week compared with a decline of over 270,000t last week. The seaborne market is following potential Chinese steel export tax rebate changes that could be announced next week, with no news confirmed. A small quantity of Chinese strips was heard sold at \$865/t cfr Vietnam this week amid the rising trend.

Vietnamese buyers are not in a hurry to import coils after local mills announced much lower domestic selling prices. Vietnam-based Hoa Phat offered June deliveries at \$896-900/t cif Vietnam for SAE1006 grade coils, competitive with import offers at \$920-952/t cfr Vietnam. Some deals were heard sold at \$900/t cif Vietnam by Hoa Phat. (Argus)

Turkish Scrap

Bids cited as low as \$415-\$420/mt CFR depending on origin

Outright FOB rebar-scrap spread reaches near three-year high

Turkish Deepsea import ferrous scrap prices inched down further April 15, 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 15 at \$427.50/mt CFR, down \$1.50/mt day on day.

"Because the local market is weak, mills are staying away as there are many offers and availability is good," one Turkish mill source said, citing indicative bids for premium HMS 1/2 (80:20) at \$415-\$420/mt CFR, and indicative offer levels around \$425-\$430/mt CFR. "Some think that when the mill demand for June shipment sales comes, prices will rise, but there are already so many offers for May shipment, with not so many cargoes sold to Egypt, and bulk freight is decreasing," the mill source said.

The mill source expected larger Turkish buyers to hold back from buying, which is expected to recommence the week starting April 19, with around 10 further May shipment cargoes estimated to be required. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,344.50/st EXW Indiana April 15, up \$1 from April 14.

A Midwest buyer and a service centre source indicated offers at \$1,360/st from a Midwest converter. The market was at a minimum of that level, according to a trader. A service centre source, meanwhile, placed an order at \$1,430/st for 200 st from an integrated mill for mid-June production. That transaction 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)	427.50	-1.50	430.61
Steel Rebar FOB Turkey (\$/mt)	635.00	5.00	631.44
Argus HRC NW Europe (€/mt)	920.00	12.50	897.44
Argus FOB China HRC (\$/mt)	883.00	0.00	725.35

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-21	855	865	860
May-21	875	885	880
Jun-21	860	870	865
Jul-21	855	865	860
Q2-21	863	873	868
Q3-21	770	780	775

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-21	425	435	430
May-21	450	460	455
Jun-21	460	470	465
Jul-21	460	470	465
Q2-21	445	455	463
Q3-21	458	468	463

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

BUSHELING			
	Bid	Ask	Value
May-21	615	625	620
Jun-21	660	670	665
Jul-21	645	655	650
Aug-21	655	665	660
Q2-21	640	650	645
Q3-21	652	662	657

US HRC USD/short ton			
	Bid	Ask	Value
Apr-21	1354	1364	1359
May-21	1425	1435	1430
Jun-21	1420	1430	1425
Jul-21	1405	1415	1410
Q2-21	1400	1410	1405
Q3-21	1382	1392	1387

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-21	905	915	910
May-21	945	955	950
Jun-21	925	935	930
Jul-21	905	915	910
Q2-21	925	935	930
Q3-21	875	885	880