

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 \$3/t last Friday (16.4.21) to US\$886/t, MTD US\$826.45/t.

China March crude steel output rose to its second-highest level at 94.02mn t. There was some market talk that independent rolling mills in Tangshan's Fengrun district will be asked to suspend production over 22-30 April, which would but billet demand significantly. Shandong province announced it will remove 21.41mn t of installed steel capacity by 2022, in line with its plans to relocate capacity to coastal areas.

A north China mill sold SS400 HRC at \$900/t fob later last week to South America, South Korea and Africa. Those deals followed and were concurrent to transactions at around \$880/t fob China for coils from other mills. Some sellers are still willing to share tax risk with buyers and are offering lower at around \$842/t fob China, requiring buyer to pay for half of any cancelled rebate on export taxes. (Argus)

Turkish Scrap

Fresh Venezuela-origin cargo heard booked at \$416/mt CFR

Baltic recyclers heard to lower workable levels

Turkish Deepsea import ferrous scrap prices fell further April 16, as Baltic recyclers were heard to lower workable levels, while mills continued to hold back, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$422.50/mt CFR April 16, down \$5/mt on the day. A Venezuela-origin cargo totaling 25,000 mt was booked April 16, and heard after the 4.30 pm London pricing deadline at \$416/mt CFR Turkey for HMS 1/2 (80:20), with value for premium HMS 1/2 (80:20) put around \$421/mt CFR relative to the cargo. The cargo was heard to be for first-half May shipment. "The mills are largely covered for May shipment so over the next 10-15 days, they will not be so interested in buying so doesn't matter what sellers can offer," a Turkey-based trader said. "The mills can wait for June shipment scrap cargoes but there is still excess May cargo availability but other markets like Egypt are also active and could accept some of this availability." (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,388.75/st EXW Indiana April 16, up \$44.25 from April 15.

A Midwest service center source was able to place small-tonnage order from a Midwest mill at \$1,370/st. Another service centre source, meanwhile, indicated an offer for more than 500 st from an integrated mill for its June production at \$1,425/st and he was leaning towards booking at that level. A buyer also reported a transaction at \$1,440/st for 500 st from an integrated mill. That transaction, however, was not factored into the volume-weighted average calculation based on Platts methodology but moved the single standard deviation spread above and below the mean higher. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	422.50	-5.00	429.80
Steel Rebar FOB Turkey (\$/mt)	637.50	2.50	632.05
Argus HRC NW Europe (€/mt)	941.00	21.00	901.80
Argus FOB China HRC (\$/mt)	886.00	3.00	725.35

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-21	855	865	860
May-21	885	895	890
Jun-21	860	870	865
Jul-21	855	865	860
Q2-21	867	877	872
Q3-21	770	780	775

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-21	425	435	430
May-21	455	465	460
Jun-21	460	470	465
Jul-21	460	470	465
Q2-21	447	457	463
Q3-21	458	468	463

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-21	635	645	640
May-21	650	660	655
Jun-21	650	660	655
Jul-21	650	660	655
Q2-21	645	655	650
Q3-21	647	657	652

BUSHELING			
	Bid	Ask	Value
May-21	620	630	625
Jun-21	635	645	640
Jul-21	670	680	675
Aug-21	670	680	675
Q2-21	642	652	647
Q3-21	670	680	675

US HRC USD/short ton			
	Bid	Ask	Value
Apr-21	1354	1364	1359
May-21	1448	1458	1453
Jun-21	1445	1455	1450
Jul-21	1435	1445	1440
Q2-21	1416	1426	1421
Q3-21	1410	1420	1415

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-21	909	919	914
May-21	970	980	975
Jun-21	955	965	960
Jul-21	935	945	940
Q2-21	945	955	950
Q3-21	908	918	913