

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$4/t yesterday (21.4.21) to US\$890/t, MTD US\$839.50/t.

HRC supply remains tight in South America and Vietnam. Taiwanese mills shifted export spot sales to CRC instead of HRC given wider profits into countries like Vietnam. There was market chatter that China's central government is mulling delegating to provincial governments the task of setting policies to reduce steel output. The prospect of cuts to supply lifted price outlooks in domestic trade.

A large China mill sold a small quantity of SS400 HRC at \$900/t fob this week, most of it to South America, after other mills sold at \$873-900/t fob to other regions. A large Japanese mill declined bids at \$960/t cfr Vietnam for SAE1006 grade coils that it offered at \$1,000/t cfr Vietnam. (Argus)

Turkish Scrap

Remaining May shipment cargoes may slow near-term upside

CFR Turkey index at 1.71% below expected value according to Platts Turkey ARC

Turkish Deepsea import ferrous scrap prices rose sharply April 21, following fresh higher-priced sales from Baltic and Benelux suppliers, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) April 21 at \$427.50/mt CFR, up \$7.50/mt on day. This was the first upward movement in the index since April 7. A Benelux-origin cargo totaling 35,000 mt was booked April 20 by an Iskenderun mill, with 22,500 mt HMS 1/2 (80:20) and 12,500 mt PNS/HMS1 scrap, at \$429/mt CFR cargo average. The deal was confirmed by the buyer and sellside, for end May/early June shipment.

A reported Baltic-origin cargo was heard to be booked April 20 by a Samsun mill, with HMS 1/2 (80:20) at \$427/mt CFR, shredded scrap at \$432/mt CFR, and PNS scrap at \$437/mt CFR, for end-May/beginning-June shipment. Another Benelux-origin cargo totaling 35,000 mt was also heard by multiple sources to be booked April 19 by a Marmara mill, with HMS 1/2 (80:20) at \$413/mt CFR, while a US-origin cargo was heard to be booked by an Iskenderun mill but this was unconfirmed. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,429.50/st EXW Indiana April 21, up \$9.75 from April 20.

A service centre source was able to place an order at \$1,420/st for 1,000 st from an integrated mill for its June production. A Midwest buyer also reported a transaction from an integrated mill at \$1,450/st for 1,000 st for June production. The majority of recent transactions fell within the \$1,420-\$1,450/st range and pulled the index higher. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	427.50	7.50	428.15
Steel Rebar FOB Turkey (\$/mt)	642.50	2.50	634.08
Argus HRC NW Europe (€/mt)	948.50	6.25	911.52
Argus FOB China HRC (\$/mt)	890.00	4.00	725.35

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-21	865	875	870
May-21	910	920	915
Jun-21	895	905	900
Jul-21	875	885	880
Q2-21	890	900	895
Q3-21	770	780	775

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-21	425	435	430
May-21	445	455	450
Jun-21	455	465	460
Jul-21	455	465	460
Q2-21	442	452	460
Q3-21	455	465	460

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-21	635	645	640
May-21	645	655	650
Jun-21	647	657	652
Jul-21	650	660	655
Q2-21	642	652	647
Q3-21	648	658	653

BUSHELING			
	Bid	Ask	Value
May-21	595	605	600
Jun-21	620	630	625
Jul-21	670	680	675
Aug-21	675	685	680
Q2-21	628	638	633
Q3-21	670	680	675

US HRC USD/short ton			
	Bid	Ask	Value
Apr-21	1355	1365	1360
May-21	1483	1493	1488
Jun-21	1475	1485	1480
Jul-21	1455	1465	1460
Q2-21	1438	1448	1443
Q3-21	1430	1440	1435

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-21	908	918	913
May-21	965	975	970
Jun-21	970	980	975
Jul-21	945	955	950
Q2-21	948	958	953
Q3-21	914	924	919