DRY FFA | WET FFA | OIL | IRON ORE | STEEL | COKING COAL | CONTAINERS | FERTS | METALS | AFFA | PHYS FREIGHT

FIS Steel & Scrap Morning Report

London +44 20 7090 1120 | info@freightinvestor.com | www.freightinvestorservices.com

Good Morning,

FOB China HRC

The Argus index saw no movement on Tuesday (4.5.21), holding at US\$925/t, MTD US\$925.00

Although there has been little activity in the physical market, the forward curve has flipped from backwardation to contango: up \$20/t overnight in prompt months.

That may partially reflect reducing opportunities for lower-priced alternatives. The Indian market is roiled by Covid and seeing domestic HRC offers revised sharply higher. Meanwhile, European importers are simply paying safeguarding duties of 25% on previously booked Indian HRC imports, as the cargoes are deep enough in the money to absorb the 25pc hit. (Argus)

Turkish Scrap

Buy-side sources expect \$470/mt CFR likely to be tradable in near term

Benelux HMS dock prices at Eur330-335/mt delivered

Turkish Deepsea import ferrous scrap prices continued their sharp rise May 4, as mills cited higher workable levels and recyclers hiked offers, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 4 at \$457.50/mt CFR, up \$9.50/mt on the day.

"It seems \$450-\$455/mt CFR is a nice price for buyers today," one Turkish mill source said. A US-origin offer was heard at \$462/mt CFR, while a Baltic-origin offer was heard at \$465/mt CFR. A second Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$460/mt CFR minimum, with offers up at \$465/mt CFR.

Another mill source said \$450-\$455/mt CFR was workable, while a fourth mill source cited a near-term tradable value at \$470/mt CFR for premium HMS 1/2 (80:20). Mills were estimated to require around 10-15 further cargoes for June shipment, with buyers focusing on second-half June shipment now. "We need to watch the collection prices for a couple days," a Turkish agent source said, citing collection prices for HMS material in the Baltic region as equivalent to \$450-\$455/mt CFR Turkey without margin. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,481/st EXW Indiana May 4, up \$9 from May 3.

A Midwest service center source placed a small-sized order at \$1,440/st April 30 from a Midwest converter for its late June or early July production. Another service centre source, meanwhile, placed an order at \$1,520/st for 500 st from a mini-mill in the South with a July lead time. That transaction, however, remained outside the Platts methodology for the volume-weighted average calculation but moved the single standard deviation spread above and below the mean higher, excluding some lower data points in accordance with Platts methodology. (Platts)

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com

FERTS DRY FFA | WET FFA | OIL | IRON ORE | STEEL | COKING COAL | CONTAINERS **PHYS FREIGHT METALS** AFFA

Steel & Scrap Morning Report

London +44 20 7090 1120 | info@freightinvestor.com | www.freightinvestorservices.com

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	457.50	9.50	457.50
Steel Rebar FOB Turkey (\$/mt)	672.50	15.00	672.50
Argus HRC NW Europe (€/mt)	1026.00	17.75	1026.00
Argus FOB China HRC (\$/mt)	925.00	0.00	925.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	935	945	940
Jun-21	930	940	935
Jul-21	920	930	925
Aug-21	905	915	910
Q3-21	770	780	775
Q4-21	740	750	745

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-21	470	480	475
Jun-21	480	490	485
Jul-21	480	490	485
Aug-21	480	490	485
Q3-21	477	487	465
Q4-21	460	470	465

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	695	705	700
Jun-21	705	715	710
Jul-21	695	705	700
Aug-21	685	695	690
Q3-21	678	688	683
Q4-21	633	643	638

BUSHELING			
	Bid	Ask	Value
May-21	575	585	580
Jun-21	625	635	630
Jul-21	665	675	670
Aug-21	675	685	680
Q3-21	680	690	685
Q4-21	663	673	668

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1499	1509	1504
Jun-21	1566	1576	1571
Jul-21	1565	1575	1570
Aug-21	1558	1568	1563
Q3-21	1546	1556	1551
Q4-21	1411	1421	1416

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1035	1045	1040
Jun-21	1035	1045	1040
Jul-21	1010	1020	1015
Aug-21	975	985	980
Q3-21	982	992	987
Q4-21	892	902	897