

FIS Steel & Scrap Morning Report

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Good Morning,

Turkish Scrap

Prices close to all-time index high of \$510/mt CFR

UK, Benelux dock prices rise further

Turkish Deepsea import ferrous scrap prices rose sharply May 12, as buy-side sources cited higher workable levels following multiple deals booked over May 11. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 12 at \$507.50/mt CFR, up \$7.50/mt on day. The index reached its highest level since the Platts index record high of \$510/mt CFR on January 10, 2011. A UK-origin cargo totalling 24,000 mt was booked May 11 by an Izmir mill, with 6,000 mt HMS 1/2 (80:20) at \$499/mt CFR, and 18,000 mt shredded scrap at \$519/mt CFR. The deal was confirmed by sell side for second-half June shipment.

A Benelux-origin cargo totalling 40,000 mt was booked May 11 by an Iskenderun mill, with 20,000 mt HMS 1/2 (80:20), 6,000 mt HMS1/PNS, 10,000 mt shredded scrap, at \$500/mt CFR cargo average. The deal was confirmed by the sell side for June shipment. A Baltic-origin cargo was reported to be booked May 11 by an Iskenderun mill, with HMS 1/2 (80:20) at \$500/mt CFR, and bonus scrap at \$510/mt CFR. The deal was confirmed by the buyer and heard to be for July shipment. (Platts)

EHR CME

EU HRC: Fresh hike pushes market up Italian hot-rolled coil prices jumped again yesterday, despite credit becoming an increasing problem.

Argus' daily Italian hot-rolled coil index rose by €14.50/t to €1,052.75/t, while the daily northwest EU HRC index nudged up to €1,056.75/t. The daily NW EU cold-rolled coil assessment increased to €1,200/t. ArcelorMittal hiked its coil offers again to €1,100/t for HRC and €1,250/t for HDG and CRC. The hike came earlier in the week than usual because Thursday-Friday are holidays in much of mainland Europe. In Italy, two producers and several steel service centres (SSCs) shortened their payment terms, the former reducing from 90 to 60 days.

Some SSCs moved from 60 days to 30 days. More transactions were concluded on a cash basis because credit limits were an increasing issue, but stellar margins meant trading liquidity remained high. With offers scarce and prices having surged nearly twofold in the past few months, it was difficult to replenish stocks. Inventories were expected to remain below historic levels at least until the end of the year, given the strength and tightness in the market, with sentiment boosted by China, as well as talk of the 'supercycle'. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,513.50 EXW Indiana May 12, down 75 cents from May 11. A Midwest mill indicated a minimum selling price of \$1,500/st for July production. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	507.50	7.50	486.18
Steel Rebar FOB Turkey (\$/mt)	770.00	40.00	708.21
Argus HRC NW Europe (€/mt)	1056.75	1.50	1047.14
Argus FOB China HRC (\$/mt)	0.00	0.00	957.14

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	1035	1045	1040
Jun-21	1025	1035	1030
Jul-21	1055	1065	1060
Aug-21	1015	1025	1020
Q3-21	1018	1028	1023
Q4-21	938	948	943

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-21	525	535	530
Jun-21	545	555	550
Jul-21	545	555	550
Aug-21	540	550	545
Q3-21	540	550	532
Q4-21	527	537	532

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	755	765	760
Jun-21	815	825	820
Jul-21	805	815	810
Aug-21	800	810	805
Q3-21	797	807	802
Q4-21	742	752	747

BUSHELING			
	Bid	Ask	Value
Jun-21	615	625	620
Jul-21	655	665	660
Aug-21	685	695	690
Sep-21	680	690	685
Q3-21	680	690	685
Q4-21	665	675	670

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1505	1515	1510
Jun-21	1620	1630	1625
Jul-21	1636	1646	1641
Aug-21	1636	1646	1641
Q3-21	1622	1632	1627
Q4-21	1463	1473	1468

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1067	1077	1072
Jun-21	1115	1125	1120
Jul-21	1062	1072	1067
Aug-21	1023	1033	1028
Q3-21	1029	1039	1034
Q4-21	924	934	929