

FIS Steel & Scrap Morning Report

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

Good Morning,

FOB China HRC

The index kept flat last Friday (14.5.21) at US\$1,031/t, MTD US\$973.56/t.

Steel prices fell sharply in China after its main economic planning agency the NDRC questioned mills in Tangshan and Shanghai for recent sharp steel price gains. Regulators questioned Tangshan and Shanghai steel producers, sending Chinese steel futures down by their maximum daily limits last Friday.

Major Chinese mills kept offers unchanged at around \$1,100/t fob for SS400 HRC, but buyers expressed no buying interest as they worry prices may start to follow domestic prices lower this week. Two deals of SS400 HRC was heard to be done at \$1,050-1,080/t fob to South Korea, while two Indian mills were heard sold large amounts of SAE grade coils at \$1,070-1,080/t cfr Vietnam earlier last week, but those levels were no longer acceptable after Chinese domestic prices dropped fast in the end of last week. (Argus)

Turkish Scrap

Turkish Deepsea import scrap prices stable amid China uncertainty.

Market reaction to China physical, futures sell-off is expected post-Eid holiday

LME scrap forward curves sees losses, maintains near-term contango.

Turkish Deepsea import ferrous scrap prices were unchanged in a holiday market May 14, but market participants voiced concerns over volatility in Chinese steel prices. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 14 at \$503/mt CFR, unchanged on day.

An EU recycler cited an indicative tradable value for EU-origin HMS 1/2 (80:20) at \$500/mt CFR minimum. One Turkish mill source cited an indicative near-term tradable value for premium HMS 1/2 (80:20) at \$510/mt CFR and above but added that iron ore prices were too high and had to drop.

Platts 62% Fe iron ore prices, or IODEX, plunged by its biggest single-day loss of \$23.75/dmt on May 14 to \$209.35/dmt, as the previous price rise had deviated from market fundamentals, sources said. The Platts Turkey Scrap-Iron Ore daily ratio was assessed at 2.40 on May 14, up from an all-time low of 2.18. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,554.75/st EXW Indiana May 14, up \$34 from May 13.

A Midwest service centre source was able to place an order at \$1,550/st for 1,000 st from an integrated mill. A Midwest mill, meanwhile, quoted four separate inquiries totalling 400 st at \$1,540/st, according to a Midwest buyer. Rising indications moved the single standard deviation spread above and below the mean higher, including data points at \$1,570/st in accordance with Platts methodology. (Platts)

FIS 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)	503.00	0.00	489.92
Steel Rebar FOB Turkey (\$/mt)	770.00	0.00	721.94
Argus HRC NW Europe (€/mt)	1056.75	0.00	1049.28
Argus FOB China HRC (\$/mt)	1031.00	0.00	973.56

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	1010	1020	1015
Jun-21	970	980	975
Jul-21	965	975	970
Aug-21	955	965	960
Q3-21	955	965	960
Q4-21	915	925	920

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-21	500	510	505
Jun-21	525	535	530
Jul-21	515	525	520
Aug-21	505	515	510
Q3-21	505	515	490
Q4-21	485	495	490

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	770	780	775
Jun-21	785	795	790
Jul-21	780	790	785
Aug-21	775	785	780
Q3-21	775	785	780
Q4-21	742	752	747

BUSHELING			
	Bid	Ask	Value
Jun-21	610	620	615
Jul-21	650	660	655
Aug-21	695	705	700
Sep-21	680	690	685
Q3-21	680	690	685
Q4-21	658	668	663

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1500	1510	1505
Jun-21	1545	1555	1550
Jul-21	1535	1545	1540
Aug-21	1500	1510	1505
Q3-21	1493	1503	1498
Q4-21	1326	1336	1331

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1065	1075	1070
Jun-21	1085	1095	1090
Jul-21	1038	1048	1043
Aug-21	1005	1015	1010
Q3-21	1005	1015	1010
Q4-21	910	920	915