

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index fell by \$4/t yesterday (18.5.21) to US\$1,008/t, MTD US\$980.18/t.

China's main economic planning agency the NDRC is investigating steel and iron ore markets with the general administration of market regulation, the NDRC said at a regular news conference yesterday. Relative departments will keep monitoring the markets, while targeted measures to be adopted later to maintain market stability.

Major Chinese mills cut or held offers unchanged at \$1,030-1,100/t fob for SS400 HRC, while buyers adopted a wait-and-see approach. A deal for positional Chinese SAE1006 grade coils was concluded at \$1,010/t cfr Vietnam late last week, and traders cut offers further to \$1,000/t cfr Vietnam this week for positional Chinese coils.

There is market chatter that China is mulling adding an export tariff on HRC to restrain steel exports with its steel output continuing to notch new record levels. But there is no official news. The risk is one reason mills are requiring buyers to take full responsibility for any tax changes in the contract terms. (Argus)

Turkish Scrap

Higher collection prices heard in US, Benelux docks

Limited number of July shipment offers heard

Turkish Deepsea import ferrous scrap prices inched up May 18, as Turkish mills indicated higher workable levels with few offers heard for July shipment, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 18 at \$505/mt CFR, up \$2/mt on day. "Mills are focused on Deepsea cargoes [rather than shortsea cargoes] now - June shipment cargoes are mostly done, most buyers looking for July shipment now," a Turkish agent source said. "China is not giving so many positive signals and the Turkish mills are not in a hurry."

Platts assessed China imported 3SP 150 mm spot billet down \$12/mt on day at \$738/mt CFR China May 18, while in the Beijing retail market, 18-25 mm diameter HRB400 rebar was assessed down Yuan 80/mt on day at Yuan 5,950/mt (\$925/mt) ex-stock actual weight, including 13% value added tax. However, Platts assessed the 62% Fe Iron Ore Index at \$223.75/dry mt CFR North China on May 18, up \$6.75/dmt from May 17. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,550.75/st EXW Indiana May 18, down \$3.75 from May 17.

A Midwest service center source was able to place a 150-st order at \$1,540/st from a Midwest mini-mill with a mid-June lead time. A trader, meanwhile, put the market at \$1,550-\$1,600/st. Still, multiple transactions and indications at \$1,595/st and \$1,600/st were not factored into the volume-weighted average calculation based on Platts methodology. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	505.00	2.00	492.48
Steel Rebar FOB Turkey (\$/mt)	765.00	0.00	729.77
Argus HRC NW Europe (€/mt)	1084.75	0.00	1055.66
Argus FOB China HRC (\$/mt)	1008.00	-4.00	980.18

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	990	1000	995
Jun-21	950	960	955
Jul-21	935	945	940
Aug-21	925	935	930
Q3-21	923	933	928
Q4-21	893	903	898

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-21	505	515	510
Jun-21	510	520	515
Jul-21	510	520	515
Aug-21	510	520	515
Q3-21	510	520	505
Q4-21	500	510	505

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	765	775	770
Jun-21	780	790	785
Jul-21	770	780	775
Aug-21	760	770	765
Q3-21	762	772	767
Q4-21	733	743	738

BUSHELING			
	Bid	Ask	Value
Jun-21	610	620	615
Jul-21	635	645	640
Aug-21	665	675	670
Sep-21	665	675	670
Q3-21	665	675	670
Q4-21	650	660	655

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1491	1501	1496
Jun-21	1530	1540	1535
Jul-21	1490	1500	1495
Aug-21	1395	1405	1400
Q3-21	1400	1410	1405
Q4-21	1205	1215	1210

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1062	1072	1067
Jun-21	1085	1095	1090
Jul-21	982	992	987
Aug-21	948	958	953
Q3-21	949	959	954
Q4-21	878	888	883