

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index fell by \$38/t yesterday (24.5.21) to US\$950/t, MTD US\$980.33/t.

Prices slumped yesterday after five central government ministries held joint talks with key market players in iron ore, steel, copper and aluminium vowing “zero tolerance” on illegal price activity.

Three major Chinese mills cut offers by \$20-50/t to \$930-990/t fob for SS400 HRC after witnessing tumbling Chinese paper and spot prices. Some traders invited bids at an equivalent of \$875-880/t fob China to Vietnam and Pakistan, but they received no bids. Smaller Chinese mills’ domestic selling prices are at an equivalent of around \$850/t fob, leaving participants to expect larger mills to cut offers today.

Offers also decreased to \$970-1,030/t cfr Vietnam for SAE1006 grade coils from China and \$1,020-1,080/t cfr Vietnam for coils from India. (Argus)

## Turkish Scrap

Further deals push index to new record high

US recyclers heard to target \$530/mt CFR for HMS 1/2 (80:20)

Turkish Deepsea import ferrous scrap prices rose to a new record high May 24, as fresh Benelux- and UK-origin deals were heard, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 24 at \$515.75/mt CFR, up \$5.25/mt on day. On May 21, the index had already surpassed the previous record high of \$510/mt CFR in January 2011.

A Benelux-origin cargo was booked May 21 by an Iskenderun mill, with 19,000 mt HMS 1/2 (80:20), 11,000 mt shredded scrap, 8,000 mt bonus scrap, and 2,000 mt bushelling scrap at \$516/mt CFR cargo average. The deal was confirmed by the buyer for July shipment. A reported UK-origin cargo was heard to be booked May 20 by Iskenderun mill, with 30,000 mt HMS 1/2 (80:20) at \$513/mt CFR, and 10,000 mt shredded scrap for \$533/mt CFR, for July shipment. There was also market chatter of a Venezuela-origin cargo booked on May 20 by an Iskenderun mill via a trader, with HMS 1/2 (80:20) at \$515-\$520/mt CFR, but this could not be confirmed by the time of publication. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,596/st EXW Indiana May 24, up \$1.25 from May 21.

A mini-mill source reported a recent transaction at \$1,660/st but the mill was sold out for the month after that order. That transaction, however, was not factored into the volume-weighted average calculation based on Platts methodology but rising indications led to the exclusion of some lower data points. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	515.75	5.25	497.22
Steel Rebar FOB Turkey (\$/mt)	770.00	-5.00	740.67
Argus HRC NW Europe (€/mt)	1131.50	0.00	1070.62
Argus FOB China HRC (\$/mt)	950.00	-38.00	980.33

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	945	955	950
Jun-21	905	915	910
Jul-21	885	895	890
Aug-21	875	885	880
Q3-21	875	885	880
Q4-21	842	852	847

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

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	765	775	770
Jun-21	765	775	770
Jul-21	755	765	760
Aug-21	755	765	760
Q3-21	752	762	757
Q4-21	733	743	738

BUSHELING			
	Bid	Ask	Value
Jun-21	615	625	620
Jul-21	655	665	660
Aug-21	655	665	660
Sep-21	655	665	660
Q3-21	655	665	660
Q4-21	653	663	658

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1507	1517	1512
Jun-21	1615	1625	1620
Jul-21	1590	1600	1595
Aug-21	1520	1530	1525
Q3-21	1512	1522	1517
Q4-21	1290	1300	1295

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1064	1074	1069
Jun-21	1107	1117	1112
Jul-21	1007	1017	1012
Aug-21	955	965	960
Q3-21	958	968	963
Q4-21	867	877	872