

# FIS Steel & Scrap Morning Report

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

Good Morning,

## FOB China HRC

The index fell by \$22/t yesterday (25.5.21) to US\$928/t, MTD US\$977.06/t.

China's premier Li Keqiang met with manufactures in east China Zhejiang province to get feedback on effects of rapid commodity price increases. Li said the central government would ensure commodity supply, stable prices and rational market expectations to prevent the transfer of high costs to the consumption sector.

Two east China mills cut offers by \$50-150/t to \$890-960/t fob for SS400 HRC yesterday after other two mills cut offers to \$930/t fob the day before. Some traders offered at \$880/t cfr Vietnam, receiving no buying interest neither as the seller required buyers to take half the responsibility of any further tax changes in China. There is market chatter that China may levy a 10pc steel export tariff on certain products in June or July. That has left seaborne buyers more cautious. But large Chinese mills remained silent on export offers, being reluctant to cut offers too much amid the uncertain market. (Argus)

## Turkish Scrap

Mills heard to step back

Market participants eye China developments

Turkish Deepsea import ferrous scrap prices remained unchanged at a record high May 25, as Turkish mills were heard to hold back, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 25 at \$515.75/mt CFR, unchanged on the day, at the highest level since the Platts index began in April 2010.

"Firstly, one needs a buyer to throw a firm bid, and then we will understand [the situation]," one Turkish agent source said, citing Baltic-origin offers for July shipment at \$517/mt CFR and \$522/mt CFR for HMS 1/2 (80:20). One Turkish mill source cited an indicative tradable range for premium HMS 1/2 (80:20) at \$510-\$520/mt CFR. "Some stability in prices seem possible nowadays but the Chinese [market] drop gives an insecure feeling to the market," the mill source said. A second mill source said scrap prices have not yet peaked.

Platts assessed China imported 3SP 150 mm spot billet at \$672/mt CFR China on May 25, unchanged on the day, making it the first day the index didn't fall since a 2021 peak of \$788/mt on May 12. An EU recycler source cited an indicative tradable value for Benelux-origin HMS 1/2 (80:20) at \$505/mt CFR, while a Turkish agent source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$505-\$510/mt CFR. HMS dock prices in the Benelux region were heard to be stable around Eur365-370/mt delivered. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,602.25/st EXW Indiana May 25, up \$6.25 from May 24.

A Midwest service centre source put the market at a minimum of \$1,600/st, adding that most mills started targeting the \$1,640-\$1,660/st range. A mill source was still uncertain about their July spot availability but said it would be at a minimum of \$1,600/st if any availability opens up. A Midwest mini-mill quoted a 100-st inquiry at 1,540/st with a late June lead time, according to a Midwest buyer. Indications and transactions at below \$1,561/st and above \$1,631/st were not factored into the volume-weighted average calculation based on 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)	515.75	0.00	498.38
Steel Rebar FOB Turkey (\$/mt)	770.00	0.00	742.50
Argus HRC NW Europe (€/mt)	1131.50	0.00	1074.42
Argus FOB China HRC (\$/mt)	928.00	-22.00	977.06

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	945	955	950
Jun-21	905	915	910
Jul-21	890	900	895
Aug-21	880	890	885
Q3-21	878	888	883
Q4-21	842	852	847

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-21	505	515	510
Jun-21	513	523	518
Jul-21	510	520	515
Aug-21	507	517	512
Q3-21	507	517	505
Q4-21	500	510	505

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	765	775	770
Jun-21	760	770	765
Jul-21	757	767	762
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	650	660	655
Aug-21	650	660	655
Sep-21	650	660	655
Q3-21	650	660	655
Q4-21	653	663	658

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1507	1517	1512
Jun-21	1667	1677	1672
Jul-21	1645	1655	1650
Aug-21	1575	1585	1580
Q3-21	1566	1576	1571
Q4-21	1312	1322	1317

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1066	1076	1071
Jun-21	1125	1135	1130
Jul-21	1045	1055	1050
Aug-21	985	995	990
Q3-21	988	998	993
Q4-21	885	895	890