

# FIS Steel & Scrap Morning Report

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

Good Morning,

## FOB China HRC

There is no index yesterday given Singapore public holiday.

China's new steel capacity replacement measure to be put into effect from 1 June was publicised by CISA at a meeting held the day before to publicise the implementation of the measures while MIIT said that price volatility did more harm to downstream manufacturing sectors and sustained price increments were not supported by fundamentals and policies.

Most Chinese mills stopped quoting after witnessing the rapid drop in domestic prices. Market chatter expectation that Vietnam is mulling measures to restrain certain steel products exports to divert volumes to the domestic market amid high international steel prices, dampened local market sentiment and local steel prices. But some participants expect it will take a long time for Vietnam to issue any changes. (Argus)

## Turkish Scrap

Lower Baltic-origin offers heard, US suppliers enter market

Mills able to wait before buying remaining July shipment requirements

Turkish Deepsea import ferrous scrap prices softened from a record high May 26, as Turkish mills held back from buying, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 26 at \$512/mt CFR, down \$3.75/mt on day. "Mills would like to stabilize the price, and if they can get lower scrap prices and widen their margin by staying away from the market for a few days, why wouldn't they?" an EU recycler said.

"Scrap demand is there, but it will only materialize when we see deals - but the Baltic suppliers are the first to signal lower numbers," the recycler said, citing an indicative offer for Baltic-origin HMS 1/2 (80:20) at below \$515/mt CFR. A Turkish agent source cited an indicative tradable value for Baltic-origin HMS 1/2 (80:20) at \$512/mt CFR. North American suppliers were heard to be active in the Turkish import market, with a Canadian supplier heard to offer a cargo at \$535/mt CFR average, and two US East Coast suppliers heard to offer at \$525/mt CFR for HMS 1/2 (80:20). (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,609.50/st EXW Indiana May 26, up \$7.25 from May 25.

A Midwest mill source reported recent transactions at \$1,600-\$1,620/st for undisclosed tons of their July production. A service centre source, meanwhile, was able to place an order at the upper-end of that range from an integrated mill for more than 2,000 st of its July production. Another service centre source put the market at a minimum of \$1,600/st. A mini-mill source also cited recent transactions at \$1,620-\$1,660/st for its late June production. Upper-end of that indication, however, was 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)	512.00	-3.75	499.18
Steel Rebar FOB Turkey (\$/mt)	765.00	-5.00	743.82
Argus HRC NW Europe (€/mt)	1129.25	-2.25	1077.65
Argus FOB China HRC (\$/mt)	0.00	0.00	977.06

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-21	945	955	950
Jun-21	895	905	900
Jul-21	880	890	885
Aug-21	865	875	870
Q3-21	868	878	873
Q4-21	842	852	847

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-21	505	515	510
Jun-21	503	513	508
Jul-21	503	513	508
Aug-21	503	513	508
Q3-21	503	513	503
Q4-21	498	508	503

LME REBAR FOB TK			
	Bid	Ask	Value
May-21	765	775	770
Jun-21	745	755	750
Jul-21	745	755	750
Aug-21	745	755	750
Q3-21	745	755	750
Q4-21	732	742	737

BUSHELING			
	Bid	Ask	Value
Jun-21	610	620	615
Jul-21	655	665	660
Aug-21	675	685	680
Sep-21	675	685	680
Q3-21	675	685	680
Q4-21	657	667	662

US HRC USD/short ton			
	Bid	Ask	Value
May-21	1507	1517	1512
Jun-21	1665	1675	1670
Jul-21	1655	1665	1660
Aug-21	1595	1605	1600
Q3-21	1588	1598	1593
Q4-21	1332	1342	1337

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-21	1068	1078	1073
Jun-21	1145	1155	1150
Jul-21	1045	1055	1050
Aug-21	995	1005	1000
Q3-21	988	998	993
Q4-21	887	897	892