

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index rose by \$7/t yesterday (2.6.21) to US\$917/t, MTD US\$913.50/t.

Major Chinese mills kept offers unchanged at \$930-1,050/t fob for SS400 HRC, receiving no buying interest from seaborne buyers. But mills are no longer willing to negotiate too much on prices as Chinese export prices have already been quite competitive among the world and they expected international supply to remain tight in the near term.

Limited traders with positional coils on hand also kept SS400 HRC offers unchanged at above \$940/t cfr Vietnam and were reluctant to receive orders below that level after hearing market talks that some Chinese coils were sold much higher to countries like Turkey. A deal of position cargo for SAE1006 grade HRC was heard concluded at an equivalent price of \$940/t fob earlier this week. (Argus)

## Turkish Scrap

Mills prioritize cargoes with shredded scrap

Market awaits signal from Chinese market amid softening finished steel demand

Turkish Deepsea import ferrous scrap prices softened June 2, as market participants reported a wide bid-offer spread for HMS material with buyers seeking shredded scrap, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) June 2 at \$502/mt CFR, down \$6/mt on day.

Baltic suppliers were heard to indicate \$505-\$510/mt CFR for HMS 1/2 (80:20). "Most Baltic suppliers realized there's no need to be so aggressive - the EU and US domestic settlements are positive, while iron ore has recovered \$20/dmt in the last few days," one Turkish trading source said, citing an indicative mill tradable value for premium HMS 1/2 (80:20) at \$500-\$502/mt CFR.

Platts assessed the 62% Fe Iron Ore Index at \$209.45/dry mt CFR North China on June 2, up 35 cents/dmt on day and up \$21.80/dmt from a recent low of \$187.65/dmt on May 27. However, Chinese billet prices declined on day June 2, as buying indications faded after the futures market ended a four-day rally while physical market extended losses. Platts assessed China imported 3SP 150 mm spot billet at a midpoint of \$674/mt CFR China, down \$1/mt on day. (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,632/st EXW Indiana June 2, up \$11.25 from June 1.

A service centre source indicated an offer at \$1,670/st from an integrated mill for its July production. That indication was not factored into the volume-weighted average calculation based on Platts methodology but rising indications moved the single standard deviation spread above and below the mean higher, excluding some lower data points in accordance with Platts methodology. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	502.00	-6.00	505.00
Steel Rebar FOB Turkey (\$/mt)	730.00	-5.00	732.50
Argus HRC NW Europe (€/mt)	1142.00	1.75	1141.13
Argus FOB China HRC (\$/mt)	917.00	7.00	913.50

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-21	915	925	920
Jul-21	915	925	920
Aug-21	905	915	910
Sep-21	895	905	900
Q3-21	905	915	910
Q4-21	858	868	863

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-21	510	520	515
Jul-21	510	520	515
Aug-21	508	518	513
Sep-21	507	517	512
Q3-21	508	518	505
Q4-21	500	510	505

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-21	740	750	745
Jul-21	735	745	740
Aug-21	735	745	740
Sep-21	730	740	735
Q3-21	733	743	738
Q4-21	715	725	720

BUSHELING			
	Bid	Ask	Value
Jun-21	615	625	620
Jul-21	655	665	660
Aug-21	675	685	680
Sep-21	675	685	680
Q3-21	670	680	675
Q4-21	670	680	675

US HRC USD/short ton			
	Bid	Ask	Value
Jun-21	1653	1663	1658
Jul-21	1665	1675	1670
Aug-21	1645	1655	1650
Sep-21	1585	1595	1590
Q3-21	1632	1642	1637
Q4-21	1409	1419	1414

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-21	1140	1150	1145
Jul-21	1065	1075	1070
Aug-21	1000	1010	1005
Sep-21	955	965	960
Q3-21	1007	1017	1012
Q4-21	893	903	898