

# FIS Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index kept flat last Friday (18.6.21) at US\$905/t, MTD US\$912.64/t.

Major Chinese mills kept offers unchanged, yet a north China mill lifted its offer by \$20/t to \$1,050/t fob for SS400 HRC late last week and required buyers to share the potential Chinese steel export tax risks. That level was far above market levels as South Korean buyers could only accept around \$930/t cfr. Vietnamese buyers bid much lower at \$900/t cfr. Limited customers from South America may accept much higher at \$930/t fob China.

Vietnamese buyers decreased bids to \$900-920/t cfr last Friday in face of stable offers of \$950-1,000/t cfr for SAE1006 grade coils from China. Mills from Russia and Japan offered much higher at \$1,100/t cfr for September and August shipments, respectively. But no buying interest was induced as Vietnamese buyers could obtain coils much lower at \$940-945/t cfr from certain Chinese mills or traders. (Argus)

## Turkish Scrap

Turkish Deepsea import scrap prices soften amid mill silence, rising dollar.

Strengthening US dollar puts downward pressure on CFR Turkey prices

Shortsea scrap prices heard to drop sharply

Turkish Deepsea import ferrous scrap prices softened June 18, as suppliers' accepted deals could be possible below \$500/mt CFR amid the strengthening US dollar, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) June 18 at \$497.50/mt CFR, down \$2.50/ mt on day. An EU recycler cited an indicative tradable value for Benelux-origin HMS 1/2 (80:20) at \$490/mt CFR minimum, adding that a higher HMS price could be achieved if the cargo had shred/bonus.

A second EU supplier cited an indicative tradable value for premium HMS 1/2 (80:20) around \$500/mt CFR but said lower was possible depending on the seller. "Someone will get nervous, or perhaps they aren't so meticulous with currency hedging – others may gamble more, so if the US dollar strengthens further then they can take a lower price," the second EU supplier said. "As time goes by, it's more likely someone will drop [their workable price]." (Platts)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,685/st EXW Indiana June 18, down \$3.75 from June 17.

A source from a converter reported recent transactions at \$1,680/st for their late July availability. A service centre source, meanwhile, said that he was able to place an order at \$1,650/st for 400 st of late July production from a mini-mill in the South. Two separate Midwest service centre sources indicated offers at \$1,720/st and \$1,750/st for August production from two separate integrated mills. Still, the indications and transactions below \$1,661 and above \$1,717/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)	497.50	-2.50	502.05
Steel Rebar FOB Turkey (\$/mt)	727.50	-2.50	728.04
Argus HRC NW Europe (€/mt)	1192.00	11.25	1142.36
Argus FOB China HRC (\$/mt)	905.00	0.00	912.64

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-21	910	920	915
Jul-21	895	905	900
Aug-21	890	900	895
Sep-21	885	895	890
Q3-21	890	900	895
Q4-21	860	870	865

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-21	505	515	510
Jul-21	509	519	514
Aug-21	505	515	510
Sep-21	503	513	508
Q3-21	506	516	503
Q4-21	498	508	503

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-21	725	735	730
Jul-21	740	750	745
Aug-21	738	748	743
Sep-21	735	745	740
Q3-21	738	748	743
Q4-21	710	720	715

BUSHELING			
	Bid	Ask	Value
Jul-21	695	705	700
Aug-21	695	705	700
Sep-21	695	705	700
Oct-21	695	705	700
Q3-21	695	705	700
Q4-21	683	693	688

US HRC USD/short ton			
	Bid	Ask	Value
Jun-21	1656	1666	1661
Jul-21	1741	1751	1746
Aug-21	1745	1755	1750
Sep-21	1703	1713	1708
Q3-21	1730	1740	1735
Q4-21	1497	1507	1502

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-21	1141	1151	1146
Jul-21	1095	1105	1100
Aug-21	1045	1055	1050
Sep-21	1010	1020	1015
Q3-21	1050	1060	1055
Q4-21	931	941	936