

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 \$6/t (23.6.21) to US\$894/t, MTD US\$910.24/t.

China has suspended some coal mining in Shanxi after accidents and ahead of the 100th anniversary of the founding of the Chinese communist party in July. Cisa member mills increased daily crude steel output by 2.6pc to 2.395mn t over 11-20 June from early June. The output also marked a 16pc gain from one year earlier.

Traders cut offers to \$860/t cfr Vietnam for SS400 HRC produced by smaller Chinese mills. Those traders bet Chinese export prices will fall further on negative pressure from domestic prices. The traders' offers are below the market levels and most other sellers kept offers unchanged at an equivalent of \$862-940/t fob China.

Traders cut offers sharply to \$970-980/t cfr Vietnam for Indian SAE1006 grade coils although mills' official offers were much higher at \$990-1,015/t cfr Vietnam. (Argus)

Turkish Scrap

Turkish Deepsea scrap prices stay flat on resistance from sellers

Turkish Deepsea scrap import prices showed no movement in the absence of bookings and some resistance from suppliers to cut their offers to those indicated by buyers, sources said June 23. The import activity from the US, EU and the Baltic area seemed quiet in the absence of fresh deals. Offers were still in the range of \$500-\$505/mt CFR Turkey for premium heavy melting scrap 1/2 (80:20). In Europe, the minimum collection cost was Eur360-\$365/mt (\$430-\$436/mt), an agent said. This implied a break-even price for recyclers equivalent to \$490/mt CFR Turkey, the agent calculated. "Therefore, sellers need minimum \$495/mt CFR basis," he added.

A trader said he saw there was more appetite from buyers for scrap on the day but nothing had been concluded yet. Scrap importers were targeting \$485-\$490/mt CFR Turkey. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,712.75/st EXW Indiana June 23, up \$5.25 from June 22.

A trader indicated the \$1,720-\$1,750/st range as a tradable value. The market was at \$1,670-\$1,750/st, according to a broker. Indications and transactions below \$1,691/st and above \$1,745/st fell outside of the Platts methodology to be included in the volume-weighted average. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	495.00	0.00	500.96
Steel Rebar FOB Turkey (\$/mt)	725.00	-2.50	727.79
Argus HRC NW Europe (€/mt)	1206.00	0.00	1152.72
Argus FOB China HRC (\$/mt)	894.00	-6.00	910.24

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-21	910	920	915
Jul-21	885	895	890
Aug-21	880	890	885
Sep-21	877	887	882
Q3-21	881	891	886
Q4-21	858	868	863

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-21	505	515	510
Jul-21	495	505	500
Aug-21	491	501	496
Sep-21	490	500	495
Q3-21	492	502	485
Q4-21	480	490	485

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-21	725	735	730
Jul-21	732	742	737
Aug-21	732	742	737
Sep-21	732	742	737
Q3-21	732	742	737
Q4-21	710	720	715

BUSHELING			
	Bid	Ask	Value
Jul-21	700	710	705
Aug-21	705	715	710
Sep-21	710	720	715
Oct-21	705	715	710
Q3-21	705	715	710
Q4-21	683	693	688

US HRC USD/short ton			
	Bid	Ask	Value
Jun-21	1653	1663	1658
Jul-21	1735	1745	1740
Aug-21	1755	1765	1760
Sep-21	1733	1743	1738
Q3-21	1741	1751	1746
Q4-21	1543	1553	1548

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-21	1145	1155	1150
Jul-21	1170	1180	1175
Aug-21	1123	1133	1128
Sep-21	1077	1087	1082
Q3-21	1123	1133	1128
Q4-21	970	980	975