



# Steel & Scrap Morning Report

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Good Morning,

## FOB China HRC

The index fell by \$5/t yesterday (29.6.21) to US\$874/t, MTD US\$904.43/t.

An east China mill cut offers by \$10-20/t to \$905-915/t fob for SS400 HRC. Seaborne buyers were unmoved, especially in Vietnam as a Russian mill sold SS400 HRC much lower at around \$850/t cfr Vietnam. Certain traders offered at \$860/t cfr Vietnam for SS400 HRC produced by smaller Chinese mills.

Deals for a total quantity of 30,000t Russian SAE1006 grade coils have sold at \$860-885/t cfr Vietnam this week. A Russian mill was heard to be rushing to export coils at low levels for July shipment before 1 August when the country would impose export duties. Vietnamese buyers are reluctant to place orders for such a prompt shipment as they have enough inventory at hands and demand is under pressure from pandemic controls. Traders are willing to postpone the shipment to September and bear the additional costs under the contract terms signed with Vietnamese buyers. (Argus)

## EHR CME

EU HRC: Russian sales cause pause for thought

The European hot-rolled coil (HRC) market was quiet yesterday, with participants preoccupied with aggressive prices from Russia to Vietnam and elsewhere. The daily Italian HRC index fell today by €19/t (\$22/t) to €1,091.75/t ex-works, while the weekly cold-rolled coils (CRC) assessment was unchanged at €1,280/t ex-works. The daily NW EU HRC index was static at €1,161/t, while the daily CRC assessment was static at €1,302.50/t

Activity was already quiet, and the illiquidity was exacerbated by today's news of very competitive prices from one Russian mill, which sold large tonnages for July to beat the impending export tax that will be implemented on 1 August. This news also worsened sentiment in the CRC market. Turkish re-rollers were asking for bids from European customers today, but buyers were referring to the HRC sales from the Russian mill

Some expressed concern that if there is such a widespread between what the Russian producer is quoting in the Mediterranean, and what it is allegedly selling at in the far East, then Vietnamese downstream products would be increasingly competitive. There have also been suggestions that Russia could be competitive into Europe even with the anti-dumping duty on top. (Argus)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,740.25/st EXW Indiana June 29, unchanged from June 28.

No new bids, offers or transactions were heard. Market conditions indicated unchanged prices. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	501.75	2.75	500.71
Steel Rebar FOB Turkey (\$/mt)	720.00	0.00	726.79
Argus HRC NW Europe (€/mt)	1161.00	0.00	1157.99
Argus FOB China HRC (\$/mt)	874.00	-5.00	904.43

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-21	910	920	915
Jul-21	875	885	880
Aug-21	875	885	880
Sep-21	873	883	878
Q3-21	874	884	879
Q4-21	857	867	862

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-21	505	515	510
Jul-21	499	509	504
Aug-21	497	507	502
Sep-21	490	500	495
Q3-21	495	505	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	711	721	716

BUSHELING			
	Bid	Ask	Value
Jul-21	700	710	705
Aug-21	715	725	720
Sep-21	715	725	720
Oct-21	710	720	715
Q3-21	710	720	715
Q4-21	685	695	690

US HRC USD/short ton			
	Bid	Ask	Value
Jun-21	1659	1669	1664
Jul-21	1811	1821	1816
Aug-21	1831	1841	1836
Sep-21	1845	1855	1850
Q3-21	1829	1839	1834
Q4-21	1677	1687	1682

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-21	1153	1163	1158
Jul-21	1155	1165	1160
Aug-21	1140	1150	1145
Sep-21	1105	1115	1110
Q3-21	1133	1143	1138
Q4-21	987	997	992