

FIS Steel & Scrap Morning Report

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

Good Morning,

FOB China HRC

The index rose by \$6/t yesterday (6.7.21) to US\$879/t, MTD US\$874.50/t.

Mills' production cuts are spreading to more areas like Shandong, Jiangsu province and even north eastern areas in China, as some of the steel mills received local provincial notice to control steel output this year no more than that in 2020. But there are still doubts in the market on whether the production cuts could be implemented or not.

Major Chinese mills kept offers almost unchanged at \$900-1,000/t fob for SS400 HRC, expecting a further price rise in the domestic market. Some traders were still offering at around \$870/t fob China for SS400 HRC produced by a small Chinese mill, but most other traders would not accept to sell at such a low level. A deal for a small quantity of SS400 HRC produced by a smaller Chinese mill sold at \$880/t cfr Vietnam last Friday. Such a low-priced level could not be available after Chinese domestic prices jumped by Yn120/t over two days. (Argus)

EHR CME

Northwest nudges up amid delays Northwest European hot-rolled coil (HRC) prices edged higher yesterday in quiet trade, as mill delivery backlogs meant some service centres still felt short of material.

Argus' daily benchmark northwest Europe HRC index rose by €5/t to €1,154.75/t, while the daily northwest Europe cold-rolled coil (CRC) assessment increased by €15/t to €1,315/t ex-works. The daily Italian HRC index was unchanged, while the weekly CRC assessment was down by €10/t at €1,270/t. There was still a lack of material, which had some service centres trying to lock in first-quarter 2022 volumes. Some mills were willing to provide tonnage commitments, but none would discuss prices. Service centres were also trying to get clarity over mill production budgets for next year, in order to ascertain the amount, they would need to import. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1783.25/st EXW Indiana July 6, up \$40.50 from July 2.

A Midwest service centre placed an order at \$1,800 for more than 1,000 st from an integrated mill. Meanwhile, a mill source said the average selling price had been at \$1,750 for approximately 10,000 st of spot sales for August production. (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)	497.50	2.50	497.13
Steel Rebar FOB Turkey (\$/mt)	720.00	0.00	720.63
Argus HRC NW Europe (€/mt)	1154.75	5.00	1148.25
Argus FOB China HRC (\$/mt)	879.00	6.00	874.50

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-21	895	905	900
Aug-21	905	915	910
Sep-21	905	915	910
Oct-21	905	915	910
Q3-21	902	912	907
Q4-21	895	905	900

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-21	505	515	510
Aug-21	515	525	520
Sep-21	510	520	515
Oct-21	505	515	510
Q3-21	510	520	493
Q4-21	488	498	493

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-21	735	745	740
Aug-21	745	755	750
Sep-21	745	755	750
Oct-21	735	745	740
Q3-21	742	752	747
Q4-21	718	728	723

BUSHELING			
	Bid	Ask	Value
Jul-21	665	675	670
Aug-21	695	705	700
Sep-21	707	717	712
Oct-21	705	715	710
Q3-21	704	714	709
Q4-21	685	695	690

US HRC USD/short ton			
	Bid	Ask	Value
Jul-21	1795	1805	1800
Aug-21	1799	1809	1804
Sep-21	1789	1799	1794
Oct-21	1760	1770	1765
Q3-21	1794	1804	1799
Q4-21	1685	1695	1690

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-21	1162	1172	1167
Aug-21	1150	1160	1155
Sep-21	1115	1125	1120
Oct-21	1066	1076	1071
Q3-21	1142	1152	1147
Q4-21	1017	1027	1022