

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$5/t yesterday (13.7.21) to US\$895/t, MTD US\$881.44/t.

Most Chinese mills have stopped quoting export coil prices after some were asked by local authorities to limit full-year steel exports to 2020 levels. The industry and information technology department for east China's Jiangxi province held meetings yesterday with its mills, asking them to control output so it does not grow this year.

A deal for 3,000t SS400 HRC sold at \$915/t cfr South Korea last week. Several smaller mills in north China lifted offers or workable levels to \$900-915/t fob China after deals were done at an equivalent of \$865/t fob last week.

Deals totalling 40,000-50,000t of Indian SAE1006 grade coils sold at \$915-925/t cfr Vietnam last week. A Russian mill was heard inviting bids at \$890/t cfr Vietnam for SAE1006 grade coils, yet no deals were induced given its longer shipment in October. (Argus)

EHR CME

North European hot-rolled coil (HRC) prices rose slightly yesterday, despite lower prices from one Italian seller trying to move its remaining October-November volumes.

Argus' daily NW EU HRC index increased by €2.75/t to €1,173/t ex-works, while the daily cold-rolled coil (CRC) marker was unchanged at €1,317.50/t.

A Visegrad producer was offering into Germany at €1,150-1,200/t delivered and closed some business at these prices, for August and September production. A Romanian producer was offering around €990/t cif Spain for September production, but this involved some prepayment and a limited range of sizes and grades. One Visegrad producer is now operating at two-thirds of its installed capacity, after being as low as 30-40pc because of working capital problems.

An Italian re-roller reduced its sheet prices by €30/t into Germany, to around €1,290/t delivered effective, to finalise the last sales of its October production. Another Italian producer was asking for a €20/t increase for its November production compared with October. The mill offered at €1,270/t base delivered for dd11 material, although no buyers have reported closing at these prices yet.

The mill cited tightness in pickled and oiled supply for its higher offer. A Spanish electric arc furnace-based producer was offering September deliveries at €1,210-1,225/t effective delivered, equating to a base price of around €1,180/t. An Austrian mill offered CRC and hot-dip galvanised at €1,500/t base. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,817.25/st EXW Indiana July 13, up 75 cents from July 12.

A Midwest buyer cited an offer at a minimum of \$1,800/st from a Midwest converter, up from \$1,770/st of the week prior. A service centre source confirmed that level from the converter for its September availability and cited an offer from a converter in the South at \$1,830/st for its August availability. He added that a mini-mill in the South informed him of no spot availability but cited any opening would be priced at \$1,860/st. That indication, however, was 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)	484.50	-8.00	494.67
Steel Rebar FOB Turkey (\$/mt)	720.00	-5.00	721.39
Argus HRC NW Europe (€/mt)	1173.00	2.75	1159.31
Argus FOB China HRC (\$/mt)	895.00	5.00	881.44

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-21	895	905	900
Aug-21	915	925	920
Sep-21	912	922	917
Oct-21	910	920	915
Q3-21	907	917	912
Q4-21	903	913	908

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-21	503	513	508
Aug-21	495	505	500
Sep-21	495	505	500
Oct-21	490	500	495
Q3-21	498	508	492
Q4-21	487	497	492

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-21	735	745	740
Aug-21	727	737	732
Sep-21	730	740	735
Oct-21	730	740	735
Q3-21	731	741	736
Q4-21	727	737	732

BUSHELING			
	Bid	Ask	Value
Aug-21	665	675	670
Sep-21	670	680	675
Oct-21	670	680	675
Nov-21	670	680	675
Q3-21	670	680	675
Q4-21	670	680	675

US HRC USD/short ton			
	Bid	Ask	Value
Jul-21	1787	1797	1792
Aug-21	1795	1805	1800
Sep-21	1753	1763	1758
Oct-21	1711	1721	1716
Q3-21	1778	1788	1783
Q4-21	1658	1668	1663

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-21	1155	1165	1160
Aug-21	1150	1160	1155
Sep-21	1133	1143	1138
Oct-21	1093	1103	1098
Q3-21	1146	1156	1151
Q4-21	1058	1068	1063