

FIS Steel & Scrap Morning Report

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Good Morning,

Turkish Scrap

Deepsea recyclers expect near-term downside

Slow market expected over Eid al-Adha July 19-23

Turkish Deepsea import ferrous scrap prices remained stable July 15, in a quiet market due to a Turkish national holiday. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) July 15 at \$484/mt CFR, unchanged on the day. Market activity is expected to remain slow over July 19-23, with another national holiday in Turkey when the Islamic holiday of Eid al-Adha takes place.

Three offers for US-origin HMS 1/2 (80:20) at \$485/mt CFR were heard for cargoes containing mainly HMS, according to a Turkish agent source, who added, "The week after the holiday there might not [be] much left to cover Turkish [scrap] demand." A second agent source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$480-\$485/mt CFR. An EU recycler cited an indicative tradable value for US-origin HMS 1/2 (80:20) at \$480-\$485/mt CFR. "I do not expect much activity over the holiday period, but the downside appears to be quite limited and I maintain the view that this will be a short and shallow correction," a second EU recycler said. (Platts)

EHR CME

Fatal flooding and unseasonal inclement weather were the focus of the northwest European hot-rolled coil market today, in otherwise quiet trade.

Flooding impacted some steel service centres in western Germany, with numerous video clips showing water gushing next to cutting lines. One video filmed near a cold-rolling works in Hagen showed cars being carried off by the water after the Volme river burst its banks. Sources at the site said equipment had been damaged, as well as the railroad, which could interrupt hot-rolled coil deliveries for weeks to come. A state of emergency has been declared in Hagen, North Rhine-Westphalia — Hagen is home to most of Germany's cold-rollers that serve the automotive sector. Germany's two largest coil makers said they were so far unaffected by the flooding.

Rain was also impacting logistics in Holland, meaning some service centres could not dispatch or receive material, but the country's largest coil maker said it was unaffected. In Belgium, flooding is also escalating, with the Meuse River bursting its banks near Liege. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,824.75/st EXW Indiana July 15, down \$2.25 from July 14.

A service centre source was able to place two orders with two different mills for approximately 100 st. He paid \$1,800/st to a Midwest mini-mill and \$1,810/st to a converter. A mill source said they have been active selling August production at \$1,800 for 1,000-2,000 st sales. Prices throughout the week have remained at \$1,800-\$1,840 for reported transactions, bids, offers and indications. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	484.00	0.00	492.73
Steel Rebar FOB Turkey (\$/mt)	720.00	0.00	721.14
Argus HRC NW Europe (€/mt)	1179.50	-4.50	1161.98
Argus FOB China HRC (\$/mt)	905.00	9.00	884.91

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-21	895	905	900
Aug-21	917	927	922
Sep-21	912	922	917
Oct-21	910	920	915
Q3-21	908	918	913
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	493	503	498
Oct-21	490	500	495
Q3-21	497	507	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	731	741	736
Oct-21	730	740	735
Q3-21	731	741	736
Q4-21	727	737	732

BUSHELING			
	Bid	Ask	Value
Aug-21	655	665	660
Sep-21	665	675	670
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	1775	1785	1780
Aug-21	1803	1813	1808
Sep-21	1757	1767	1762
Oct-21	1713	1723	1718
Q3-21	1778	1788	1783
Q4-21	1673	1683	1678

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-21	1155	1165	1160
Aug-21	1147	1157	1152
Sep-21	1115	1125	1120
Oct-21	1073	1083	1078
Q3-21	1139	1149	1144
Q4-21	1053	1063	1058