

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index rose by \$5/t on Friday (16.7.21) to US\$910/t, MTD US\$887/t.

Ministry of Industry & Information Technology (MIIT) said it will make more efforts to ensure raw material supply and stabilize commodity prices. But export supply remains tight amid concerns of export taxes and export quotas in the remainder of this year.

Market chatters went that there would be 20pc export tax being imposed on HRC to reduce exports and ensure domestic supply. Market participants were worrying that there might be export quota for steel too. Chinese mills showed no interests in accepting lower bids with workable levels standing firm.

In Vietnam market, a deal of around 10,000-20,000t of Indian HRC was heard concluded at \$920/t cfr Vietnam this week, which represented the mainstream level buyers could accept from Vietnam. (Argus)

Turkish Scrap

Sell-side sources continue to expect near-term downside

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

Turkish Deepsea import ferrous scrap prices remained stable July 16 in a quiet holiday market, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 July 16 at \$484/mt CFR, unchanged on day.

"Yesterday was a national holiday and starting this evening, Turkey will be on holiday till July 26," a Turkish agent source said.

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. "After the holiday, we will start to see deals, I guess - the domestic [finished steel market] was slow and that's why mills most probably didn't want to buy before selling their products," a Turkish mill source said, noting that \$480/mt CFR was workable for premium HMS 1/2 80:20 but buying activity was unlikely. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,825.25/st EXW Indiana July 16, up 50 cents from July 15.

A Midwest service center source indicated a bid at \$1,820/st for 500 st of August or September production. No other bids, offers or transactions were heard. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	484.00	0.00	492.00
Steel Rebar FOB Turkey (\$/mt)	720.00	0.00	721.04
Argus HRC NW Europe (€/mt)	1175.00	-4.50	1163.06
Argus FOB China HRC (\$/mt)	910.00	5.00	887.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-21	895	905	900
Aug-21	932	942	937
Sep-21	932	942	937
Oct-21	930	940	935
Q3-21	920	930	925
Q4-21	918	928	923

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-21	500	510	505
Aug-21	490	500	495
Sep-21	490	500	495
Oct-21	490	500	495
Q3-21	493	503	492
Q4-21	487	497	492

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-21	735	745	740
Aug-21	732	742	737
Sep-21	731	741	736
Oct-21	730	740	735
Q3-21	733	743	738
Q4-21	727	737	732

BUSHELING			
	Bid	Ask	Value
Aug-21	655	665	660
Sep-21	662	672	667
Oct-21	675	685	680
Nov-21	675	685	680
Q3-21	675	685	680
Q4-21	683	693	688

US HRC USD/short ton			
	Bid	Ask	Value
Jul-21	1775	1785	1780
Aug-21	1825	1835	1830
Sep-21	1780	1790	1785
Oct-21	1720	1730	1725
Q3-21	1793	1803	1798
Q4-21	1686	1696	1691

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-21	1156	1166	1161
Aug-21	1147	1157	1152
Sep-21	1125	1135	1130
Oct-21	1060	1070	1065
Q3-21	1143	1153	1148
Q4-21	1033	1043	1038