

# FIS Steel & Scrap Morning Report

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Good Morning,

## Turkish Scrap

Turkish import scrap market quiet amid start of religious holiday

Outright rebar-scrap spread widens to highest level since late May

Turkish Deepsea import ferrous scrap prices fell on July 19, as sell side sources cited lower workable levels, market sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 at \$482.50/mt CFR on July 19, down \$1.50/mt on the day.

The Turkish import scrap market was quiet on July 19 amid the start of the Eid religious holiday, which runs over July 19-23. Market activity was expected to pick up towards the end of the week, sources said.

"Maybe \$480/mt CFR for HMS 1/2 80:20 [is workable] from areas without alternative [markets] nearby. This is, however, difficult for European suppliers who can reach the intra-European market where the market is stronger," a Baltic supplier said.

A Turkey-based agent source indicated a tradable value for premium HMS 1/2 80:20 at \$480/mt CFR maximum, while a second agent source said \$480/mt CFR was not workable ex-Baltic due to the current collection costs. (Platts)

## EU HRC

Trading has quietened in the European hot-rolled coil (HRC) market during the summer holiday period, with transactions and enquiries scarce.

But flooding in western Germany, which resulted in ThyssenKrupp declaring force majeure at the end of last week, is affecting sentiment to an extent, with disruptions expected for the next few weeks.

The daily northwest EU HRC index edged up by €3/t to €1,178/t ex-works. The Italian index, on the other hand, fell by €5.75/t to €1,079.25/t ex-works.

The flooding is also expected to affect deliveries of raw materials and finished steel to and from northern European mills other than ThyssenKrupp, although no other disruptions have so far been announced. River transportation on the Rhine from Rotterdam to Duisburg could be impacted by high water levels.

No new HRC import offers were heard today. An offer for Vietnamese cold-rolled coil (CRC) was heard at €1,180-1,200/t cfr Europe for September-October shipment. (Argus)

## US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,839.25/st EXW Indiana July 19, up \$14 from July 16.

A Midwest service centre source was able place an order at \$1,850/st for 1,000 st of September production from an integrated mill. Another service centre source, meanwhile, indicated an offer at \$1,800/st from a converter in the South. That indication, however, was not factored into the volume-weighted average calculation based on Platts methodology. The majority of recent transactions fell within the \$1,840-\$1,850/st range. (Platts)

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| Indices                                     | Price   | Change | MTD     |
|---|---------|--------|---------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 482.50  | -1.50  | 491.27  |
| Steel Rebar FOB Turkey (\$/mt)              | 720.00  | 0.00   | 720.96  |
| Argus HRC NW Europe (€/mt)                  | 1178.00 | 3.00   | 1164.21 |
| Argus FOB China HRC (\$/mt)                 | HOL     | HOL    | 887.00  |

| LME HRC FOB TIANJIN CHINA USD/mt |     |     |       |
|----------------------------------|-----|-----|-------|
|                                  | Bid | Ask | Value |
| Jul-21                           | 895 | 905 | 900   |
| Aug-21                           | 930 | 940 | 935   |
| Sep-21                           | 930 | 940 | 935   |
| Oct-21                           | 927 | 937 | 932   |
| Q3-21                            | 918 | 928 | 923   |
| Q4-21                            | 917 | 927 | 922   |

| LME HMS 80:20 CFR TK |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Jul-21               | 500 | 510 | 505   |
| Aug-21               | 489 | 499 | 494   |
| Sep-21               | 487 | 497 | 492   |
| Oct-21               | 485 | 495 | 490   |
| Q3-21                | 492 | 502 | 488   |
| Q4-21                | 483 | 493 | 488   |

| LME REBAR FOB TK |     |     |       |
|------------------|-----|-----|-------|
|                  | Bid | Ask | Value |
| Jul-21           | 735 | 745 | 740   |
| Aug-21           | 730 | 740 | 735   |
| Sep-21           | 730 | 740 | 735   |
| Oct-21           | 730 | 740 | 735   |
| Q3-21            | 732 | 742 | 737   |
| Q4-21            | 727 | 737 | 732   |

| BUSHELING |     |     |       |
|-----------|-----|-----|-------|
|           | Bid | Ask | Value |
| Aug-21    | 680 | 690 | 685   |
| Sep-21    | 687 | 697 | 692   |
| 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               | 1770 | 1780 | 1775  |
| Aug-21               | 1807 | 1817 | 1812  |
| Sep-21               | 1765 | 1775 | 1770  |
| Oct-21               | 1715 | 1725 | 1720  |
| Q3-21                | 1781 | 1791 | 1786  |
| Q4-21                | 1680 | 1690 | 1685  |

| NWE HRC EUR/metric ton |      |      |       |
|------------------------|------|------|-------|
|                        | Bid  | Ask  | Value |
| Jul-21                 | 1160 | 1170 | 1165  |
| Aug-21                 | 1170 | 1180 | 1175  |
| Sep-21                 | 1155 | 1165 | 1160  |
| Oct-21                 | 1102 | 1112 | 1107  |
| Q3-21                  | 1162 | 1172 | 1167  |
| Q4-21                  | 1057 | 1067 | 1062  |