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FIS Steel & Scrap Morning Report

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

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