



Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index was unmoved yesterday (30.8.21) at US\$908/t, MTD US\$920.60/t.

Southwest China's Guangxi province asked three of its major mills to cut output to 20pc current levels in September and other mills to limit output and electricity usage to within 70pc of first-half average monthly levels in September. Angang in Liaoning will shut down a blast furnace for maintenance in September and idle a plate production line to cut output by 120,000t plate.

Participants expect that Beijing may not impose any export tax if there is no news till today with exports already sluggish by the tax risk, sharply rising freight and uncompetitive prices to Russia and India. Some traders were actively inviting bids at \$870-880/t cfr Vietnam for Indian SAE1006 grade coils and \$850-860/t cfr Vietnam for Russian coils. (Argus)

Turkish Scrap

The Turkish Deepsea scrap import market remained quiet as Turkish buyers refrained from making notable scrap purchases amid shaky demand for the finished steel prices, sources said Aug. 27.

"Our scrap purchasing side is very slow because first we want to sell our rebars and billet ... for export markets. Because of slow sales it's been slow in heavy melting scrap trade in the last four weeks. Turks are buying only what they need. I think all prices will be gradually falling. Demand in the Turkish domestic market is going down," a local steelmaker said.

The steelmaker added that Turkish mills were still sitting on unsold production of the second half of September and October. Unless sales pick up, Turkish producers might be forced to cut steel output, which also means lower requirements for scrap. He expected a further \$5-\$10/mt drop in scrap prices in the next two to three weeks. The last offers for deepsea heavy melting scrap cargoes were at \$450-\$455/mt CFR Turkey, while buyers targeted \$440-\$443/mt CFR. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,938.25/st EXW Indiana Aug. 30, up \$16 from Aug. 27.

A service centre source indicated an offer at \$1,960/st from a Southern mill for October production. A Midwest service center source, meanwhile, was able to place an order at \$1940/st for more than 250 st of October production from a Midwest mini-mill. (Platts)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	HOL	N/A	457.62
Steel Rebar FOB Turkey (\$/mt)	HOL	N/A	694.87
Argus HRC NW Europe (€/mt)	HOL	N/A	1144.38
Argus FOB China HRC (\$/mt)	908.00	0.00	925.71

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-21	915	925	920
Sep-21	910	920	915
Oct-21	905	915	910
Q4-21	905	915	910
Q1-22	905	915	910
Q2-22	892	902	897

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-21	450	460	455
Sep-21	460	470	465
Oct-21	460	470	465
Q4-21	459	469	455
Q1-22	450	460	455
Q2-22	443	453	448

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-21	682	692	687
Sep-21	670	680	675
Oct-21	670	680	675
Q4-21	670	680	675
Q1-22	667	677	672
Q2-22	642	652	647

BUSHELING			
	Bid	Ask	Value
Sep-21	625	635	630
Oct-21	630	640	635
Nov-21	640	650	645
Q4-21	635	645	640
Q1-22	620	630	625
Q2-22	615	625	620

US HRC USD/short ton			
	Bid	Ask	Value
Aug-21	1875	1885	1880
Sep-21	1934	1944	1939
Oct-21	1870	1880	1875
Q4-21	1780	1790	1785
Q1-22	1590	1600	1595
Q2-22	1425	1435	1430

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-21	1137	1147	1142
Sep-21	1090	1100	1095
Oct-21	1077	1087	1082
Q4-21	1025	1035	1030
Q1-22	949	959	954
Q2-22	856	866	861