

FIS Steel & Scrap Morning Report

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Good Morning,

FOB China HRC

The index was flat last Friday (10.9.21) at US\$911/t, MTD US\$908.50/t.

Chinese mills are still bullish about the market outlook, expecting supply to shrink further for the rest of the year. A Jiangsu electrical arc furnace was heard to stop production from 13-30 September, removing 5,000t/d steel output. Buyers were reluctant to chase further seeing Beijing's moves to dampen soaring metallurgical coke prices, which would loosen steel costs together with sliding iron ore. But most participants do not expect much down-side to steel prices given large-scaled production curbs.

A Russian mill was heard to have sold 60,000t SAE1006 grade coils at \$820/t fob last week, equivalent to around \$860/t cfr Vietnam. Some others heard the transaction levels were at \$870-890/t cfr Vietnam. But most participants deemed those levels could not be accepted by Vietnamese customers as traders failed to induce buying as low as \$850-860/t cfr Vietnam. (Argus)

Turkish Scrap

Positive sentiment emerges on large-volume Chinese billet imports

One Benelux exporter cites HMS dock prices as low as Eur300/mt delivered

Turkish deepsea import ferrous scrap prices were softened Sept. 10, as some lower-priced Benelux-origin deals were heard, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 Sept. 10 at \$439.75/mt CFR, down \$2.75/mt on day.

A reported Benelux-origin cargo was heard to have been booked Sept. 8-9 by a Marmara mill, with HMS 1/2 80:20 around \$429/mt CFR, with a cargo average at \$436/mt CFR. The deal was not officially confirmed. Sources also cited a second Benelux-origin cargo booked Sept. 8 by a Marmara mill, first heard by Platts Sept. 9, with HMS 1/2 80:20 around \$433/mt CFR. "Turkey will continue to purchase cargoes for October shipment but nobody wants to take the risk so they will first try to sell finished steel and then purchase scrap," one Turkish mill source said. "I expect scrap to continue to be in downtrend."

The mill source added that \$445/mt CFR was easily available from US and Baltic recyclers for their HMS 1/2 80:20, but said Turkish mills were targeting \$435/mt CFR for this material. A Turkish agent said \$435/mt CFR was workable for Baltic-origin HMS 1/2 80:20, with below \$430/mt CFR expected in the near-term for Benelux-origin HMS 1/2 80:20. (Platts)

EU HRC

In the north, lead times have also slipped somewhat. One mill sold a small lot for November delivery around €1,120/t to a service centre, down €80/t on its last deal. Larger mills were trying to stay off market to avoid prices slipping while they debate automotive contracts. Their official offers were still around €1,140-1,150/t. Polish sheet was reportedly offered below €1,100/t cpt Germany, while Italian material had traded at €1,100/t base for very small tonnages last week.

Pickled and oiled material remained tight, but availability of dry hot-rolled coil, as well as cold-rolled coil and hot-dip galvanised was normalising. Sheet prices have started to come under pressure with service centre inventories increasing amid brisker arrivals and lower demand. (Argus)

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	439.75	-2.75	443.81
Steel Rebar FOB Turkey (\$/mt)	665.00	-2.00	666.94
Argus HRC NW Europe (€/mt)	1099.00	1.00	1098.16
Argus FOB China HRC (\$/mt)	911.00	0.00	908.50

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-21	910	920	915
Oct-21	930	940	935
Nov-21	925	935	930
Q4-21	927	937	932
Q1-22	915	925	920
Q2-22	893	903	898

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-21	440	450	445
Oct-21	450	460	455
Nov-21	450	460	455
Q4-21	450	460	453
Q1-22	448	458	453
Q2-22	435	445	440

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-21	685	695	690
Oct-21	685	695	690
Nov-21	685	695	690
Q4-21	685	695	690
Q1-22	663	673	668
Q2-22	642	652	647

BUSHELING			
	Bid	Ask	Value
Oct-21	585	595	590
Nov-21	585	595	590
Dec-21	595	605	600
Q4-21	588	598	593
Q1-22	595	605	600
Q2-22	595	605	600

US HRC USD/short ton			
	Bid	Ask	Value
Sep-21	1922	1932	1927
Oct-21	1887	1897	1892
Nov-21	1831	1841	1836
Q4-21	1819	1829	1824
Q1-22	1616	1626	1621
Q2-22	1455	1465	1460

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-21	1091	1101	1096
Oct-21	1035	1045	1040
Nov-21	1005	1015	1010
Q4-21	1008	1018	1013
Q1-22	933	943	938
Q2-22	856	866	861