



Steel and Scrap Report

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Good Morning,

FOB China HRC

The index rose by \$2/t yesterday (22.9.21) to US\$911/t, MTD US\$909.13/t.

A new round of production cuts in China's Shandong, Yunnan and Zhejiang provinces will extend until the end of the month to control energy consumption further, mainly targeted at long steel output. China's central bank on the first day back from a public holiday injected 120bn yuan of financial liquidity via reverse repo, for a net injection of 90bn yuan, and held interest rates flat from previous levels.

A deal for a small quantity of Chinese SS400 HRC was concluded at \$940/t cfr South Korea last week. South Korean buyers were heard to have bought a large amount of Indian SAE1006 grade coils at \$930/t cfr South Korea last week.

A Kazakhstan mill was reported to have sold 20,000t SAE1006 grade coils at \$870/t cfr Vietnam to several Vietnamese buyers over the past two weeks. A Russian mill was even willing to receive orders at \$850/t cfr Vietnam, but no deals were induced. (Argus)

Turkish Scrap

Mills hold back amid concerns of poor domestic finished steel demand, energy costs

Firmer Benelux HMS dock prices heard, while bulk freight continues to surge

Turkish Deepsea import ferrous scrap prices remained unchanged Sept. 22, as mills held back, while few offers were heard, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Sept. 22 at \$440/mt CFR, unchanged on day.

Two Turkish mill sources said around \$440/mt CFR was workable for premium HMS 1/2 (80:20). "It is difficult to decide [to buy scrap] for steel mills, as costs are going up and profit margins are going down, especially rebar and steel billet producers," one of the mill sources said. Turkish and European steel producers have raised concerns over rising steel production costs amid record high gas prices in the region.

The second mill source said a lack of "action in domestic rebar sales" has kept scrap market activity quiet. Buyside sources also cited uncertainty ahead of a Turkish Central Bank meeting Sept. 23 to decide on any change to the current benchmark interest rate of 19%. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was calculated at \$1,959.25 EXW Indiana on Sept. 22, down 75 cents from Sept. 21.

Price indications were in a wide range. A service centre source said he received an offer at \$2,000 for 1,000 st of November production. Meanwhile, a second service center source said he had been able to buy below \$1,840 after receiving offers from two separate mills at that level for late October production. Neither price was factored into the volume weighted average calculation in accordance with Platts methodology. A Midwest buyer indicated a mini-mill was willing to sell at \$1,940. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	440.00	0.00	441.70
Steel Rebar FOB Turkey (\$/mt)	667.50	0.00	666.75
Argus HRC NW Europe (€/mt)	1029.75	-37.25	1087.08
Argus FOB China HRC (\$/mt)	911.00	2.00	909.13

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-21	910	920	915
Oct-21	895	905	900
Nov-21	895	905	900
Q4-21	895	905	900
Q1-22	890	900	895
Q2-22	887	897	892

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-21	440	450	445
Oct-21	438	448	443
Nov-21	438	448	443
Q4-21	438	448	440
Q1-22	435	445	440
Q2-22	433	443	438

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-21	665	675	670
Oct-21	665	675	670
Nov-21	665	675	670
Q4-21	665	675	670
Q1-22	663	673	668
Q2-22	640	650	645

BUSHELING			
	Bid	Ask	Value
Oct-21	580	590	585
Nov-21	580	590	585
Dec-21	580	590	585
Q4-21	580	590	585
Q1-22	570	580	575
Q2-22	570	580	575

US HRC USD/short ton			
	Bid	Ask	Value
Sep-21	1930	1940	1935
Oct-21	1875	1885	1880
Nov-21	1715	1725	1720
Q4-21	1705	1715	1710
Q1-22	1355	1365	1360
Q2-22	1278	1288	1283

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-21	1081	1091	1086
Oct-21	990	1000	995
Nov-21	955	965	960
Q4-21	966	976	971
Q1-22	912	922	917
Q2-22	834	844	839

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