



# Steel and Scrap Report

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### FOB China HRC

The index rose by \$1/t yesterday (14.10.21) to US\$908/t, MTD US\$908.30/t.

Jiangsu had relaxed restrictions on mills this month, with its EAF mills operating at night to avoid power shortages, but several EAF mills received notices to halt production again from 14 October due to electricity shortages. Major BF mills were also heard asked to cut electricity consumption by 30pc. Henan province asked some of its EAF producers to cut production by 30-50pc. Nationwide steel inventories fell by 870,000t this week against an increase of 650,000t last week when China was on holiday.

Mills from Russia, Ukraine, Kazakhstan and Saudi Arabia are actively offering into Pakistan at lower prices at around \$880/t cfr for HRC, with Chinese coils uncompetitive to the destination. Japanese mills were heard offering at \$960-970/t cfr Vietnam for SAE1006 grade coils. Vietnamese mill Hoa Phat announced late yesterday to lower its offers by \$8/t to \$889-892/t cif for December shipment HRC. (Argus)

### Turkish Scrap

Several Deepsea scrap cargoes booked  
Benelux HMS dock prices jump sharply

Turkish Deepsea import ferrous scrap prices continued to jump Oct. 14, with both buyers and sellers expecting prices to reach the \$500/mt CFR in the near-term, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Oct. 14 at \$490/mt CFR, up \$9.75/mt on day to reach the highest level since July 12, when the index sat at \$492.50/mt CFR. The index has risen \$57/mt since Sept. 28.

"The market is like a scary movie -- in my opinion it is not something sustainable, and it's going up like it's out of control," a Turkish mill source said, citing an indicative tradable value for US-origin HMS 1/2 (80:20) at \$485-\$490/mt CFR. "Considering the [price] trend and acceleration, I am expecting [\$500/mt CFR] next week, if not earlier." A second mill source said \$490-\$495/mt CFR was likely to be workable for premium HMS 1/2 (80:20). (Platts)

### US HRC

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,920/st EXW Indiana Oct. 14, down \$30 from Oct. 13.

A Midwest service center source cited offers as low as \$1,920/st but any bid for November production would be lower. Still, a mini-mill source indicated selling prices at \$1,940 for November availability for limited tonnage. The price was \$20 lower than a recently reported transaction at the mill. Another service center source received an offer at \$1,900/st from a Midwest mini-mill for less than 500 st and had placed 100 st. It was unclear if the price was repeatable. (Platts)

## Market Rates

| Indices                                     | Price  | Change | MTD    |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 490.00 | 9.75   | 458.58 |
| Steel Rebar FOB Turkey (\$/mt)              | 710.00 | 7.50   | 682.00 |
| Argus HRC NW Europe (€/mt)                  | 985.50 | -2.50  | 989.80 |
| Argus FOB China HRC (\$/mt)                 | 908.00 | 1.00   | 908.60 |

| LME HRC FOB TIANJIN CHINA USD/mt |     |     |       |
|----------------------------------|-----|-----|-------|
|                                  | Bid | Ask | Value |
| Oct-21                           | 895 | 905 | 900   |
| Nov-21                           | 905 | 915 | 910   |
| Dec-21                           | 905 | 915 | 910   |
| Q4-21                            | 902 | 912 | 907   |
| Q1-22                            | 895 | 905 | 900   |
| Q2-22                            | 887 | 897 | 892   |

| LME HMS 80:20 CFR TK |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Oct-21               | 455 | 465 | 460   |
| Nov-21               | 485 | 495 | 490   |
| Dec-21               | 485 | 495 | 490   |
| Q4-21                | 475 | 485 | 483   |
| Q1-22                | 478 | 488 | 483   |
| Q2-22                | 468 | 478 | 473   |

| LME REBAR FOB TK |     |     |       |
|------------------|-----|-----|-------|
|                  | Bid | Ask | Value |
| Oct-21           | 680 | 690 | 685   |
| Nov-21           | 735 | 745 | 740   |
| Dec-21           | 735 | 745 | 740   |
| Q4-21            | 717 | 727 | 722   |
| Q1-22            | 723 | 733 | 728   |
| Q2-22            | 698 | 708 | 703   |

| BUSHELING |     |     |       |
|-----------|-----|-----|-------|
|           | Bid | Ask | Value |
| Nov-21    | 610 | 620 | 615   |
| Dec-21    | 620 | 630 | 625   |
| Jan-22    | 620 | 630 | 625   |
| Q1-22     | 612 | 622 | 617   |
| Q2-22     | 605 | 615 | 610   |
| Q3-22     | 598 | 608 | 603   |

| US HRC USD/short ton |      |      |       |
|----------------------|------|------|-------|
|                      | Bid  | Ask  | Value |
| Oct-21               | 1890 | 1900 | 1895  |
| Nov-21               | 1790 | 1800 | 1795  |
| Dec-21               | 1655 | 1665 | 1660  |
| Q4-21                | 1778 | 1788 | 1783  |
| Q1-22                | 1395 | 1405 | 1400  |
| Q2-22                | 1219 | 1229 | 1224  |

| NWE HRC EUR/metric ton |     |     |       |
|------------------------|-----|-----|-------|
|                        | Bid | Ask | Value |
| Oct-21                 | 985 | 995 | 990   |
| Nov-21                 | 970 | 980 | 975   |
| Dec-21                 | 930 | 940 | 935   |
| Q4-21                  | 962 | 972 | 967   |
| Q1-22                  | 888 | 898 | 893   |
| Q2-22                  | 838 | 848 | 843   |

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