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Turkish Scrap - Turkey's H1 scrap imports fall 6% on year

- Imports from US up 25% on year
- Dutch shipments fall 33% on year

Turkish mills' scrap bookings in the first half of 2022 fell 6% year on year to 12.48 million mt, according to the latest monthly Turkish Statistical Institute data sent to S&P Global Commodity Insights. The drop was in line with the 4.6% decline in H1 crude steel output to 19 million mt. H1 imports from the US jumped 25% on the year to 2.23 million mt, although shipments from the Netherlands fell 33% to 1.16 million mt. Scrap imports from the UK fell 17% on the year to 1.14 million mt, while imports from Belgium were relatively stable at 880,000 mt. Imports from Russia slumped 62% year on year to 408,000 mt in H1 amid the Russia-Ukraine war, while imports from Ukraine were 358,000 mt, up from 190,000 mt a year ago.

Other scrap suppliers to Turkey in H1 were Lithuania at 710,000 mt, Romania at 678,000 mt, Venezuela at 666,000 mt and Denmark at 612,000 mt. The cost of Turkey's overall scrap imports totaled \$6.38 billion in H1, up from \$5.38 billion a year ago amid higher pricing. Platts, part of S&P Global Commodity Insights, assessed the Turkish imports of premium heavy melting scrap 1/2 (80:20) Aug. 1 at \$347.50/mt CFR, unchanged from July 29. (Platts)

FOB China HRC – The index rose by \$6/t yesterday (2.8.22) to US\$602/t, MTD US\$599/t.

China's domestic market sentiment was negatively affected by uncertainties because of US house speaker Nancy Pelosi's possible visit to Taiwan. But the worries retreated later yesterday afternoon. The MIIT, the NDRC, and the Ministry of Ecology and Environment issued the implementation plan for hitting carbon peak in the industrial sector. The plan states that by 2025, the per unit energy consumption of industrial units above designated size will be reduced by 13.5pc compared with 2020. China will strictly implement the relevant regulations on capacity replacement and effectively control steel production capacity. By 2025, the annual processing capacity of steel scrap processing enterprises will exceed 180mnt, and EAF output is to account for over 15pc of the total crude steel production and up to 20pc by 2030. The market was lukewarm to the plan as it was in line with the guidance announced in February.

Chinese mills and traders pushed up offers to an equivalent of \$608-650/t fob China for SS400 HRC given firm domestic sales prices, with most mills reluctant to receive orders below \$610/t fob China. Vietnamese buyers lifted bids to equivalent of \$570-585/t fob China. Offers rose to \$630-650/t cfr Vietnam for SAE1006 grade coils from China and Taiwan, with a Taiwanese mills willing to receive orders at \$635-640/t cfr Vietnam. Vietnamese buyers held bids unchanged at \$595-600/t cfr Vietnam as an Indian mill was willing to sell cargoes at \$605/t cfr Vietnam. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	352.00	4.50	349.75
Steel Rebar FOB Turkey (\$/mt)	615.00	5.00	612.50
Argus HRC NW Europe (€/mt)	813.50	13.00	806.88
Argus FOB China HRC (\$/mt)	602.00	6.00	599.00

US HRC USD/short ton			
	Bid	Ask	Value
Aug-22	815	835	825
Sep-22	820	840	830
Oct-22	840	860	850
Q4-22	853	873	863
Q1-23	890	910	900
Q2-23	905	925	915

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-22	815	835	825
Sep-22	830	850	840
Oct-22	835	855	845
Q4-22	845	855	850
Q1-23	840	850	845
Q2-23	830	840	835

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-22	615	645	630
Sep-22	620	650	635
Oct-22	625	655	640
Q4-22	637	647	642
Q1-23	620	630	625
Q2-23	580	590	585

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-22	360	370	365
Sep-22	365	375	370
Oct-22	370	380	375
Q4-22	375	385	377
Q1-23	372	382	377
Q2-23	360	370	365

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-22	630	640	635
Sep-22	630	640	635
Oct-22	630	640	635
Q4-22	630	640	635
Q1-23	620	630	625
Q2-23	620	630	625

BUSHELING			
	Bid	Ask	Value
Aug-22	35	45	40
Sep-22	465	475	470
Oct-22	470	480	475
Q4-22	475	485	480
Q1-23	475	485	480
Q2-23	465	475	470

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