

03/10/2022**FOB China HRC**

The index was unchanged Friday (30.9.22) at US\$561/t, MTD US\$567.32/t.
No commentary as China on holiday.

CFR Taiwan Containerised Ferrous Scrap

The index was unchanged at \$350/t cfr Taiwan on Friday and MTD at \$362.91.

No deal on containerised HMS 1/2 80:20 scrap was heard on Friday as both sellers and buyers decided to stay out of the market while they observe and wait for fresh pricing indication.

Many Taiwanese steelmakers could not accept the last done deal price of \$350/t cfr Taiwan on containerised HMS 1/2 80:20 scrap because they said current market fundamentals do not support any price rebound. They expect seaborne scrap price to show weakness in the coming week due to weak demand in north and south-east Asia region. Those mills that bought at \$350/t last week were not willing to consider any higher price as they felt market factors do not support so. Although, bulk ferrous scrap price into Turkey might be going up, but many felt that because Turkish mills were out to compete with south Asia mills, as they were known to have secure quite a few bulk shipments of ferrous scrap from Europe. This should not be affecting containerised scrap prices and many buyers idea price was at below \$340/t.

Suppliers and traders believed that raising bulk ferrous scrap into Turkey will push up containerised scrap prices as sellers were getting tired of low bids and would rather focus their sales elsewhere. Many felt that containerized HMS 1/2 80:20 scrap should be around \$355-360/t come next week. (Argus)

Turkish Scrap

Turkish deepsea import scrap prices rangebound as market digests gas price hike

Natural gas costs up 37.2% for Turkish mills in October

Sources expect scrap price stability in short-term

Turkish import deepsea scrap prices remained largely rangebound on Sept. 30, as market participants considered the sharp hike in natural gas prices for October, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 Sept. 30 at \$367.50/mt CFR, down 50 cents/mt on day. The latest natural gas pricing mechanism announced by state gas distributor Botas on Sept. 30 means a 37.2% further increase in gas prices for the steel sector. Botas previously increased natural gas prices for industrial use by 50.8% on Sept. 1 while Turkey's Energy Market Regulatory Authority raised electricity prices for industrial use by 50%.

"Natural gas prices are up 37.2% for heavy industry like steel mills, ceramics, glass, and I'm expecting another 30-40% increase in November so most producers will cut production," one Turkish mill source said, a view echoed by multiple producers.

"Sellers want to sell at \$365-\$370/mt CFR and some mills will accept this and some will wait, but in the short-term, I don't expect any increase or decrease – it will stay in the \$365-\$370/mt CFR range but in the medium-long term, prices will drop," the mill source added. Iskenderun-based long steel maker Koc Metalurji, which restarted production Sept. 19 after a 15-day stoppage, has decided to pause output for a month again starting Oct. 1, as Platts previously reported. A Baltic recycler cited an indicative tradable value for Baltic-origin HMS 1/2 80:20 at closer to \$365/mt CFR. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	367.50	-0.50	364.15
Steel Rebar FOB Turkey (\$/mt)	682.50	0.00	672.74
Argus HRC NW Europe (€/mt)	751.25	-0.75	753.83
Argus FOB China HRC (\$/mt)	561.00	0.00	567.32

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-22	550	580	565
Nov-22	560	590	575
Dec-22	565	595	580
Q4-22	568	578	573
Q1-23	590	600	595
Q2-23	620	630	625

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-22	357	367	362
Nov-22	357	367	362
Dec-22	356	366	361
Q4-22	357	367	356
Q1-23	351	361	356
Q2-23	343	353	348

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-22	675	685	680
Nov-22	670	680	675
Dec-22	665	675	670
Q4-22	670	680	675
Q1-23	653	663	658
Q2-23	625	635	630

BUSHELING			
	Bid	Ask	Value
Oct-22	405	415	410
Nov-22	405	415	410
Dec-22	410	420	415
Q4-22	407	417	412
Q1-23	417	427	422
Q2-23	438	448	443

US HRC USD/short ton			
	Bid	Ask	Value
Oct-22	765	785	775
Nov-22	755	775	765
Dec-22	760	780	770
Q4-22	760	780	770
Q1-23	763	783	773
Q2-23	790	810	800

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-22	740	760	750
Nov-22	750	770	760
Dec-22	760	780	770
Q4-22	755	765	760
Q1-23	781	791	786
Q2-23	805	815	810

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