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FIS

Steel and Scrap Report

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28/11/2022

FOB China HRC

The index rose by \$1/t last Friday (25.11.22) to US\$533/t, MTD US\$524.16/t.

China's central bank cut the RRR by 0.25 percentage points from 5 December to maintain reasonable capital liquidity and consolidate economic stability. An east China steel mill was planning to make maintenance on an HRC production line from 22 November until the end of the month, cutting 7,000t/d HRC output.

Major Chinese mills held offers unchanged at \$540-550/t fob China for SS400 HRC. But the negotiation room for firm bids were limited because of firm domestic sales prices. Vietnamese buyers maintained a cautious attitude on flat offers at \$540-565/t cfr Vietnam for SAE1006-grade coil from China and Taiwan. Some customers expected prices to fall to \$525-530/t cfr Vietnam on poor demand, ignoring sales prices at \$550/t and \$540/t cif Vietnam from domestic mills Formosa Ha Tinh and Hoa Phat, respectively. (Argus)

Turkish Scrap

Turkish deepsea import scrap prices continue to increase Suppliers bullish amid expectations of tight scrap Fresh Benelux-origin sale is heard

Turkish import deepsea scrap prices continued to rise Nov. 25, following a fresh Benelux-origin deal. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Nov. 25 at \$355.25/mt CFR, up \$5.25/mt day on day. The assessment has risen \$18.75/mt from a recent low of \$336.50/mt CFR on Nov. 16 as Turkish mills began restocking. A Benelux-origin deal totaling 40,000 mt was booked Nov. 24 by an Iskenderun mill, with 30,000 mt HMS 1/2 (80:20), 5,000 mt HMS1/PNS, and 5,000 mt shredded scrap at \$353-\$354/mt CFR cargo average. A Baltic-origin deal totaling 24,500 mt was also booked Nov. 24 by a Marmara mill, with HMS 1/2 (80:20) at \$351/mt CFR, and 13,000 mt shredded scrap at \$371/mt CFR, but this level was no longer considered repeatable. "We are going too fast - I am expecting \$360/mt CFR soon," one Turkish mill source said, adding that EU-origin HMS 1/2 (80:20) could be at \$355/mt CFR or above in the near-term.

A second Turkish mill source suggested US/Baltic-origin HMS 1/2 (80:20) was workable at \$355-\$360/mt CFR, while a third mill source said buyers would show resistance at \$360/mt CFR for US/Baltic-origin HMS 1/2 (80:20). "There is still no significant improvement in finished steel sales, and the mills haven't increased capacity usage, so scrap demand actually didn't increase - I don't see much increase in scrap prices in the long-term," the third mill source said. Platts assessed Turkish export rebar at \$632.50/mt FOB Turkey on Nov. 25, up \$2.50/mt day on day, as mills raised workable FOB rebar indications on higher scrap prices despite a largely silent export market. The daily outright spread between Turkish export rebar and import scrap was assessed at \$277.25/mt Nov. 25, narrowing \$2.75/mt day on day to its lowest level since Sept. 2. "I think, general demand malaise notwithstanding, we might see \$360/mt CFR next week and maybe even higher, depending on how badly the mills are understocked," a Turkish agent source said. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	355.25	5.25	345.86
Steel Rebar FOB Turkey (\$/mt)	632.50	2.50	635.47
Argus HRC NW Europe (€/mt)	618.75	0.00	636.22
Argus FOB China HRC (\$/mt)	533.00	1.00	524.16

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-22	515	545	530
Dec-22	537	567	552
Jan-23	551	581	566
Q1-23	568	578	573
Q2-23	577	587	582
Q3-23	590	600	595

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-22	347	357	352
Dec-22	351	361	356
Jan-23	352	362	357
Q1-23	356	366	361
Q2-23	365	375	370
Q3-23	368	378	373

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-22	623	633	628
Dec-22	635	645	640
Jan-23	635	645	640
Q1-23	632	642	637
Q2-23	621	631	626
Q3-23	605	615	610

BUSHELING			
	Bid	Ask	Value
Dec-22	375	385	380
Jan-23	370	380	375
Feb-23	390	400	395
Q1-23	388	398	393
Q2-23	425	435	430
Q3-23	472	482	477

US HRC USD/short ton			
	Bid	Ask	Value
Nov-22	655	675	665
Dec-22	665	685	675
Jan-23	690	710	700
Q1-23	703	723	713
Q2-23	722	742	732
Q3-23	735	755	745

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-22	625	645	635
Dec-22	620	640	630
Jan-23	640	660	650
Q1-23	660	670	665
Q2-23	688	698	693
Q3-23	730	740	735

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