

03/04/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged March 31 in a quiet market, although sell-side sources were looking to hold firm on their target levels. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$440/mt CFR March 31, unchanged on the day. "With the strong euro, EU sellers will resist [until] the last minute, knowing that the mills need to make purchases. However, we may see desperate sales," a Turkish agent source said. The agent cited indicative tradable values for EU-origin HMS 1/2 (80:20) at \$435-\$440/mt CFR Turkey, Baltic-origin HMS 1/2 (80:20) at \$440-\$442/mt CFR Turkey, and US-origin HMS 1/2 (80:20) at \$445-\$450/mt CFR Turkey. Platts assessed the euro at \$1.0864 at 4:30 pm London time March 31, down slightly on the day from \$1.0902, but up from \$1.0759 on the week.

A weaker dollar may reduce the pressure on the dollar-denominated CFR Turkey price. "Mills have been unable to push scrap down. Rather, we see a small reversal upward since yesterday with offers from premium sellers at \$445-450/mt CFR minimum, and EU sellers are not offering at all with HMS collection prices still at Eur370 /mt delivered to the docks minimum," an EU supplier said. A UK recycler cited a seller tradable value for UK-origin HMS 1/2 (80:20) at \$440/mt CFR Turkey, factoring in a weaker dollar and if further drops in HMS collection prices below GBP300/mt delivered to the dock were not achieved, amid continued supply tightness. (Platts)

FOB CHINA HRC

The index was flat last Friday (31.3.23) at US\$644/t, MTD US\$650.74/t. China's official manufacturing sector PMI fell by 0.7 points to 51.9 in March, the National Bureau of Statistics said on 31 March. The index was the second highest in the past two years, following 52.6 in February 2023, and marked a third consecutive month of reading above 50.

Chinese export prices for SS400 HRC from mills were flat at \$660-680/t while traders offers were at \$635-640/t. Offers into Vietnam were unchanged at \$635-640/t cfr, attracting limited buying interest at \$610/t cfr. Chinese steel demand and output was expected to stay firm in April. That means Chinese steel mills were unlikely to cut their export prices significantly, given firm domestic level, although export demand was weak, participants said. Offers for Chinese SAE1006 grade HRC were unchanged at \$670-680/t cfr Vietnam. Offers for HRC from other Asian origins were absent, as suppliers from Japan and Taiwan were focusing on the European market where prices were higher. A steel mill in Taiwan offered HRC at \$770/t fob to European buyers and Japanese suppliers also offered at similar levels. Vietnamese buyers were not willing to consider prices above \$650/t cfr for SAE1006 HRC. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	440	0.00	453.00
Steel Rebar FOB Turkey (\$/mt)	709.5	-0.50	726.93
Argus HRC NW Europe (€/mt)	847.5	6.50	830.47
Argus FOB China HRC (\$/mt)	644.00	0.00	650.74
US HRC CRU	1152.00	23.00	1059.20
No.1 BUS	520.00	50.00	520.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-23	420	430	425
May-23	425	435	430
Jun-23	430	440	435
Q2-23	425	435	430
Q3-23	435	445	440
Q4-23	435	445	440

US HRC USD/short ton			
	Bid	Ask	Value
Apr-23	1155	1165	1160
May-23	1105	1115	1110
Jun-23	1005	1015	1010
Q2-23	1090	1100	1095
Q3-23	885	895	890
Q4-23	845	855	850

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-23	675	685	680
May-23	675	685	680
Jun-23	675	685	680
Q2-23	675	685	680
Q3-23	680	690	685
Q4-23	685	695	690

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-23	835	845	840
May-23	815	825	820
Jun-23	795	805	800
Q2-23	815	825	820
Q3-23	780	790	785
Q4-23	755	765	760

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-23	635	645	640
May-23	635	645	640
Jun-23	635	645	640
Q2-23	635	645	640
Q3-23	620	630	625
Q4-23	615	625	620

BUSHELING			
	Bid	Ask	Value
Apr-23	560	570	565
May-23	525	535	530
Jun-23	510	520	515
Q2-23	530	540	535
Q3-23	485	495	490
Q4-23	485	495	490

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Spread Moves

SPREAD TABLE								
Metal	Front Mth	Back Mth	Current	T-1w	T-1M	T-3M	T-12M	Tight/Eased T-1w
US HRC	APR 23	MAY 23	55	43	27	-5	0	Tightened
	APR 23	JUN 23	146	152	70	-5	0	Eased
	APR 23	JUL 23	226	252	147	-15	0	Eased
	MAY 23	JUN 23	91	109	43	0	0	Eased
	MAY 23	JUL 23	171	209	120	-10	0	Eased
	JUN 23	JUL 23	80	100	77	-10	0	Eased
EU HRC	APR 23	MAY 23	15	10	0	-5	0	Tightened
	APR 23	JUN 23	55	30	-5	-20	0	Tightened
	APR 23	JUL 23	50	35	5	-25	-100	Tightened
	MAY 23	JUN 23	40	20	-5	-15	0	Tightened
	MAY 23	JUL 23	35	25	5	-20	-100	Tightened
	JUN 23	JUL 23	-5	5	10	-5	-100	Eased
Mill Margin	APR 23	APR 23	561	607	656	320	585	Eased
	MAY 23	MAY 23	541	624	629	325	585	Eased
	JUN 23	JUN 23	485	505	596	325	585	Eased
Atlantic Spread (US-EU)	APR 23	APR 23	306	367	371	55	475	Eased
	MAY 23	MAY 23	266	334	344	55	475	Eased
	MAY 23	MAY 23	266	334	344	55	475	Eased
	JUN 23	JUN 23	215	245	296	40	475	Eased
	JUL 23	JUL 23	130	150	229	45	375	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1164	590	850	438	643	685	Current
	1197	590	830	441	640	699	T-1W
	1236	580	865	461	673	756	T-1M
	800	480	745	402	662	688	T-3M
	785	405	795	366	598	664	T-6M
	1275	690	800	545	842	832	T-12M
	817	475	750	405	674	681	YTD

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