

04/04/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices remained rangebound on April 3 as mills waited to assess finished steel demand before returning to purchase deepsea cargoes.

Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$439.50/mt CFR April 3, down 50 cents on the day. "This week is very important for mills to decide to buy scrap for end April shipment or first half May shipment and if Turkey doesn't purchase then there will be a big drop in the price," one Turkey-based mill source said. "Mills could decide to stop [purchasing] due to the low demand for finished products in the domestic market is so low."

A second Turkey-based mill source cited an indicative tradable value for US-origin HMS 1/2 (80:20) below \$440/mt CFR Turkey and for EU-origin HMS below \$430/mt CFR Turkey.

"For the time being, we are talking with different suppliers and mainly checking the trend — we might postpone buying until mid-April as we check the [finished steel] sales performance," the second mill source said.

An EU-based recycler cited an indicative tradable value for EU-origin HMS 1/2 (80:20) at \$430-\$435/mt CFR Turkey for a limited number of deals, adding that the EU domestic market was still firm and scrap inflow still relatively low.

"I think sellers will try to resist, there's no big panic to make prompt shipment," a Baltic-based supplier said. The same supplier cited an indicative tradable value for Baltic-origin HMS 1/2 (80:20) around \$440/mt CFR Turkey, adding that mills were silent, while scrap inflows were expected to strengthen over April. (Platts)

FOB CHINA HRC

The index fell by \$4/t yesterday (3.4.23) to US\$640/t, MTD US\$640/t. Steel demand in China was expected to slow down in the coming few days on forecast of heavy rains in more over 10 provinces in China during 3-4 April. China's Caixin manufacturing purchasing managers' index (PMI) fell by 1.6 points from February to 50.0 in March, showing the sector's recovery had slowed down.

A large Chinese mill cut its offer by \$5/t to \$675/t fob China for SS400 HRC. Another mill in north China cut its offer by \$10/t to \$675/t fob China. Trading firms offered SS400 HRC at \$625-630/t fob China, produced by a third mill in north China. Some took orders at \$610-615/t fob China. But seaborne buyers were silent, fearing a further fall in prices.

Vietnamese mill Hoa Phat announced its offer at around \$673/t cif Vietnam for May and June shipment SS400 and SAE1006-grade coil. Those offers were about \$12/t lower than its previous monthly offers. Trading firms cut offers to \$665-670/t cfr Vietnam for SAE1006-grade coil produced by a Chinese mill, but failed to induce any buying interest. (Argus)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	439.50	-0.50	439.50
Steel Rebar FOB Turkey (\$/mt)	705.00	-4.50	705.00
Argus HRC NW Europe (€/mt)	849.75	2.25	849.75
Argus FOB China HRC (\$/mt)	640.00	-4.00	640.00

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

US HRC USD/short ton			
	Bid	Ask	Value
Apr-23	1180	1190	1185
May-23	1100	1110	1105
Jun-23	1000	1010	1005
Q2-23	1095	1105	1100
Q3-23	900	910	905
Q4-23	845	855	850

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-23	670	690	680
May-23	670	690	680
Jun-23	670	690	680
Q2-23	670	690	680
Q3-23	675	695	685
Q4-23	675	695	685

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-23	835	855	845
May-23	810	830	820
Jun-23	785	805	795
Q2-23	810	830	820
Q3-23	780	800	790
Q4-23	755	775	765

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-23	623	643	633
May-23	623	643	633
Jun-23	620	640	630
Q2-23	625	645	635
Q3-23	620	640	630
Q4-23	610	630	620

BUSHELING			
	Bid	Ask	Value
Apr-23	555	575	565
May-23	520	540	530
Jun-23	500	520	510
Q2-23	525	545	535
Q3-23	490	510	500
Q4-23	490	510	500

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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	74	50	27	-2	0	Tightened
	APR 23	JUN 23	175	157	70	-7	0	Tightened
	APR 23	JUL 23	240	254	147	-12	0	Eased
	MAY 23	JUN 23	101	107	43	-5	0	Eased
	MAY 23	JUL 23	166	204	120	-10	0	Eased
	JUN 23	JUL 23	65	97	77	-5	0	Eased
EU HRC	APR 23	MAY 23	25	5	0	-5	0	Tightened
	APR 23	JUN 23	60	5	-5	-20	0	Tightened
	APR 23	JUL 23	55	25	5	-24	-100	Tightened
	MAY 23	JUN 23	35	0	-5	-15	0	Tightened
	MAY 23	JUL 23	30	20	5	-19	-100	Tightened
	JUN 23	JUL 23	-5	20	10	-4	-100	Eased
Mill Margin	APR 23	APR 23	615	600	656	328	600	Tightened
	MAY 23	MAY 23	561	610	629	330	600	Eased
	JUN 23	JUN 23	475	493	596	335	600	Eased
Atlantic Spread (US-EU)	APR 23	APR 23	320	370	371	47	475	Eased
	MAY 23	MAY 23	271	325	344	44	475	Eased
	MAY 23	MAY 23	271	325	344	44	475	Eased
	JUN 23	JUN 23	205	218	296	34	475	Eased
	JUL 23	JUL 23	135	141	229	35	375	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1175	563	850	440	640	682	Current
	1190	590	820	435	640	686	T-1W
	1236	580	865	461	673	756	T-1M
	798	470	751	405	641	679	T-3M
	790	400	805	366	598	664	T-6M
	1275	675	800	555	838	858	T-12M
	817	475	750	405	674	681	YTD

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