

17/04/2023

TURKISH SCRAP

Turkish deepsea imported scrap prices softened further April 14, as a Baltic-origin cargo was heard lower. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$431/mt CFR April 14, down \$1.50/mt day on day. A Baltic-origin deal totaling 30,000 mt was booked April 13 by a Marmara mill, with 15,000 mt HMS 1/2 (80:20) at \$431/mt CFR, 13,000 mt shredded scrap at \$451/mt CFR, and 2,000 mt bonus scrap at \$451/mt CFR. Chatter of a US-origin sale around \$425/mt CFR was denied. One Turkish mill source cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) around \$430/mt CFR Turkey and was “expecting a sideways market around \$425-\$430/mt CFR” in the near-term.

Another mill source cited a buyer target at \$420/ mt CFR, with weak finished steel demand prompting mills to remain bearish. Platts assessed Turkish exported rebar at \$680/mt FOB April 14, down \$5/mt day on day. The daily outright spread between Turkish export rebar and import scrap dropped \$3.50/mt day on day to \$249/mt, its lowest level since August 31, 2022. “I don’t think the downwards pressure on scrap is over,” one Turkish agent source said. The market on the sellside was relatively mixed, with some suppliers expecting mill purchasing intensity to increase in the week before the Bayram religious holiday period over April 20-23. “Mills are still looking for first half May shipment and they are light on inventory,” a US recycler said, citing an indicative seller tradable value for US-origin HMS 1/2 (80:20) above \$430/mt CFR Turkey. (Platts)

FOB CHINA HRC

The index was flat last Friday (14.4.23) at US\$624/t, MTD US\$632.44/t. Both sellers and buyers held firm on their positions, awaiting a clear market trend. The rising Chinese domestic sales prices made exporters cautious about accepting orders at low prices, participants in China said. But seaborne buyers were muted. Small quantities of special-grades Chinese HRC were sold at \$650/t fob China this week to southeast Asia and South America. Deals for common grade coil were difficult to settle on uncertainties, several Chinese mills said.

Vietnamese mill Formosa Ha Tinh cut its offers by \$40-45/t to \$682-692/t cif Vietnam for SS400 and SAE1006-grade coil for May and June shipments. Those offers were too high for Vietnamese buyers as sellers were willing to receive orders at \$640-660/t cfr Vietnam for Chinese SAE1006-grade coil. Some trading firms were looking at buyers for \$617/t cfr Vietnam for SAE-grade coil produced by a north China-based mill that was not active in the seaborne market. (Argus)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	431.00	-1.50	436.38
Steel Rebar FOB Turkey (\$/mt)	680.00	-5.00	690.63
Argus HRC NW Europe (€/mt)	843.75	0.00	847.69
Argus FOB China HRC (\$/mt)	631.00	0.00	632.44
US HRC CRU	1203.00	50.00	1178.00
No.1 BUS	530.00	10.00	530.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-23	425	435	430
May-23	415	425	420
Jun-23	415	425	420
Q2-23	415	425	420
Q3-23	415	425	420
Q4-23	420	430	425

US HRC USD/short ton			
	Bid	Ask	Value
Apr-23	1170	1180	1175
May-23	1115	1125	1120
Jun-23	1015	1025	1020
Q2-23	1100	1110	1105
Q3-23	900	910	905
Q4-23	840	850	845

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-23	675	685	680
May-23	655	665	660
Jun-23	655	665	660
Q2-23	660	670	665
Q3-23	655	665	660
Q4-23	660	670	665

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-23	845	855	850
May-23	800	810	805
Jun-23	775	785	780
Q2-23	805	815	810
Q3-23	745	755	750
Q4-23	730	740	735

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-23	620	630	625
May-23	595	605	600
Jun-23	600	610	605
Q2-23	605	615	610
Q3-23	605	615	610
Q4-23	610	620	615

BUSHELING			
	Bid	Ask	Value
May-23	520	530	525
Jun-23	500	510	505
Jul-23	490	500	495
Q3-23	490	500	495
Q4-23	490	500	495
Q1-24	495	505	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	57	73	20	-4	0	Eased
	APR 23	JUN 23	160	177	100	-4	0	Eased
	APR 23	JUL 23	228	246	183	-14	0	Eased
	MAY 23	JUN 23	103	104	80	0	0	Eased
	MAY 23	JUL 23	171	173	163	-10	0	Eased
	JUN 23	JUL 23	68	69	83	-10	0	Eased
EU HRC	APR 23	MAY 23	45	27	0	-5	0	Tightened
	APR 23	JUN 23	75	55	10	-10	0	Tightened
	APR 23	JUL 23	85	85	20	-5	-100	Unchanged
	MAY 23	JUN 23	30	28	10	-5	0	Tightened
	MAY 23	JUL 23	40	58	20	0	-100	Eased
	JUN 23	JUL 23	10	30	10	5	-100	Eased
Mill Margin	MAY 23	MAY 23	588	563	628	350	625	Tightened
	JUN 23	JUN 23	500	479	558	355	625	Tightened
	JUL 23	JUL 23	447	430	490	365	735	Tightened
Atlantic Spread (US-EU)	MAY 23	MAY 23	313	270	373	25	425	Tightened
	JUN 23	JUN 23	240	194	303	20	425	Tightened
	JUL 23	JUL 23	182	155	230	35	325	Tightened
	AUG 23	AUG 23	165	123	165	35	375	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1175	530	845	429	625	680	Current
	1166	530	850	429	626	674	T-1W
	1238	590	845	445	670	735	T-1M
	821	475	795	416	648	676	T-3M
	765	390	740	359	572	649	T-6M
	1225	600	800	525	827	822	T-12M
	817	475	750	405	674	681	YTD

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