

18/04/2023

TURKISH SCRAP

Turkish deepsea import ferrous scrap prices inched down slightly on April 17, as sell side sources cited lower workable values amid softer collection prices. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$430/mt CFR April 17, down \$1/mt on the day. A US-origin deal was booked on April 13 by a Marmara mill, with HMS 1/2 (80:20) at \$430/mt CFR. The deal was confirmed by the sell side. Near-term sentiment appeared mixed heading into the week started April 17, ahead of the Eid al-Fitr holiday beginning in Turkey on April 20, while an expected tight race in the upcoming Turkish presidential elections, scheduled for May 14, is also bringing an element of uncertainty.

"I wouldn't exclude the market continuing to move lower because of low demand, the trend is looking downward," a Turkish trader said. "The market direction is difficult to predict due to economic factors, general elections and holidays, so we are not in the market for now," a Turkish mill source said before citing a buyer target at below \$400/mt CFR. Sell-side sentiment was also bearish in the near-term, but expected a recovery in the medium term. However, softening collection costs in the Baltic and Benelux regions did drop minimum seller workable values, which were heard at \$430/mt CFR on the day.

HMS collection prices were heard to have dropped to Eur350/ mt delivered to the docks in the Baltic region, while one EU recycler was targeting Eur340/mt delivered to the docks in the Benelux region but noted that material was difficult to find at this price. "Raw material prices are in a negative trend as we all know, but this is short term. The Turkish buyers are not in a good position given their foreign-dollar shortage and trade balance," a Baltic recycler said, adding that \$430/mt CFR Turkey was possible from the Baltic region. (Platts)

FOB CHINA HRC

The index fell by \$2/t on Monday (17.4.23) to US\$622/t, MTD US\$631.40/t. Market sentiment improved as participants expected China's macro-economic data in the first quarter would turn out to be higher than expectations. China is scheduled to publish its first quarter gross domestic product (GDP) growth rate on 18 April, and the previous expectations for it were at around 4pc. If the data was higher than this, it would boost steel market sentiment.

A major Chinese mill cut its export offers for SS400 HRC by \$10/t from late last week to \$625/t fob on 17 April, but they still lacked orders for May-June shipment. Another private mill in north China kept its offers unchanged at \$610/t fob as China's domestic market firmed today and its prices had already been at the lower end among all mills. Chinese steel mills held offers for SAE1006-grade HRC into Vietnam at firm at \$645-665/t cfr and some traders were willing to sell at \$640-650/t cfr Vietnam, but buyers' target levels were only heard at \$615/t cfr Vietnam, making deals difficult to be made. (Argus)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	430.00	-1.00	435.67
Steel Rebar FOB Turkey (\$/mt)	680.00	0.00	689.44
Argus HRC NW Europe (€/mt)	843.50	-0.25	847.22
Argus FOB China HRC (\$/mt)	622.00	-2.00	631.40
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	420	430	425
May-23	420	430	425
Jun-23	415	425	420
Q2-23	420	430	425
Q3-23	415	425	420
Q4-23	415	425	420

US HRC USD/short ton			
	Bid	Ask	Value
Apr-23	1175	1185	1180
May-23	1110	1120	1115
Jun-23	1005	1015	1010
Q2-23	1095	1105	1100
Q3-23	900	910	905
Q4-23	835	845	840

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	795	805	800
Jun-23	770	780	775
Q2-23	805	815	810
Q3-23	740	750	745
Q4-23	725	735	730

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

BUSHELING			
	Bid	Ask	Value
May-23	515	525	520
Jun-23	500	510	505
Jul-23	480	490	485
Q3-23	480	490	485
Q4-23	470	480	475
Q1-24	480	490	485

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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	58	70	20	-10	0	Eased
	APR 23	JUN 23	163	174	100	-10	0	Eased
	APR 23	JUL 23	237	239	183	-14	0	Eased
	MAY 23	JUN 23	105	104	80	0	0	Tightened
	MAY 23	JUL 23	179	169	163	-4	0	Tightened
	JUN 23	JUL 23	74	65	83	-4	0	Tightened
EU HRC	APR 23	MAY 23	45	20	0	-5	0	Tightened
	APR 23	JUN 23	75	45	10	-10	0	Tightened
	APR 23	JUL 23	75	65	20	-5	-100	Tightened
	MAY 23	JUN 23	30	25	10	-5	0	Tightened
	MAY 23	JUL 23	30	45	20	0	-100	Eased
	JUN 23	JUL 23	0	20	10	5	-100	Eased
Mill Margin	MAY 23	MAY 23	587	565	628	349	625	Tightened
	JUN 23	JUN 23	512	481	558	354	625	Tightened
	JUL 23	JUL 23	438	436	490	358	735	Tightened
Atlantic Spread (US-EU)	MAY 23	MAY 23	312	265	373	19	425	Tightened
	JUN 23	JUN 23	237	186	303	14	425	Tightened
	JUL 23	JUL 23	163	141	230	23	325	Tightened
	AUG 23	AUG 23	168	115	165	23	375	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1175	530	848	430	625	682	Current
	1165	530	850	435	626	680	T-1W
	1238	590	845	445	670	735	T-1M
	814	475	800	421	656	684	T-3M
	755	400	715	365	572	649	T-6M
	1225	600	800	525	827	822	T-12M
	817	475	750	405	674	681	YTD

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