

20/04/2023

TURKISH SCRAP

Turkish deepsea import ferrous scrap prices fell sharply on April 19, as mills continued to pressure suppliers by dropping buyer targets and bids amid poor finished steel demand. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$420/mt CFR April 19, down \$8.50/mt day on day to a two-month low. Only 14 deepsea bulk cargoes were recorded by Platts to have been booked since March 15, during the Turkish mill pullback from scrap purchasing, which has led to a short-term accumulation of supply at several suppliers and thus ample cargo on offer. Chatter of a US-origin deal heard to be booked April 17-18 by an Izmir mill, with HMS 1/2 (80:20) around \$417/mt CFR Turkey, was denied by the buyer.

A rumored Baltic-origin deal to the same buyer at \$415/mt CFR for HMS 1/2 (80:20) was also denied. "I think prices are bearish in the near-term too — the [downward] pressure is coming from the US," a Baltic recycler said. News of older deals also circulated in the market. This included a Venezuela-origin deal totaling 23,000 mt booked on April 14 by another Izmir mill, with HMS 1/2 (80:20) at \$426.50/mt CFR for May shipment. A further US-origin deal was also heard to be booked April 14 by the second Izmir mill, with HMS 1/2 (80:20) at \$426/mt CFR Turkey. (Platts)

FOB CHINA HRC

The index fell by \$5/t on Wednesday (19.4.23) to US\$613/t, MTD US\$628.75/t. Some electric arc furnace (EAF) steel mills in Zhejiang, Guangdong and Sichuan province have reduced their operating hours to bring down production as they were operating at losses of around Yn40-50/t while demand showed no signs of a pickup. Iron ore prices were also under downward pressures as the central economic body NDRC said it would maintain its scrutiny on the iron ore market, stoking caution among participants.

Major Chinese mills and trading firms lowered sales prices to \$600-630/t fob China for SS400 HRC on sluggish seaborne buying. Some seaborne buyers were looking at cargoes for \$600-610/t fob, below large Chinese mills' acceptable levels of \$620-630/t fob China. Buyers in Vietnam were bearish given slow economic growth and poor downstream demand. A large Chinese mill sold 30,000-40,000t SAE1006-grade coil at \$642/t cfr Vietnam earlier this week. Trading firms held offers unchanged at \$635/t cfr Vietnam for SAE1006-grade coil produced by other Chinese mills. A Japanese mill was willing to receive orders at around \$635-640/t cfr Vietnam, participants said. (Argus)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	420.00	-8.50	433.59
Steel Rebar FOB Turkey (\$/mt)	675.00	-2.50	687.05
Argus HRC NW Europe (€/mt)	836.25	-0.25	845.25
Argus FOB China HRC (\$/mt)	613.00	-5.00	628.75
US HRC CRU	1195.00	-8.00	1183.67
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	400	410	405
Jun-23	400	410	405
Q2-23	410	420	415
Q3-23	400	410	405
Q4-23	400	410	405

US HRC USD/short ton			
	Bid	Ask	Value
Apr-23	1175	1185	1180
May-23	1105	1115	1110
Jun-23	1005	1015	1010
Q2-23	1095	1105	1100
Q3-23	895	905	900
Q4-23	825	835	830

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-23	675	685	680
May-23	645	655	650
Jun-23	645	655	650
Q2-23	655	665	660
Q3-23	645	655	650
Q4-23	640	650	645

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-23	840	850	845
May-23	795	805	800
Jun-23	760	770	765
Q2-23	800	810	805
Q3-23	730	740	735
Q4-23	715	725	720

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	595	605	600
Q4-23	590	600	595

BUSHELING			
	Bid	Ask	Value
May-23	510	520	515
Jun-23	495	505	500
Jul-23	480	490	485
Q3-23	475	485	480
Q4-23	460	470	465
Q1-24	470	480	475

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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	64	50	25	-3	0	Tightened
	APR 23	JUN 23	161	155	109	-10	0	Tightened
	APR 23	JUL 23	238	230	190	-10	0	Tightened
	MAY 23	JUN 23	97	105	84	-7	0	Eased
	MAY 23	JUL 23	174	180	165	-7	0	Eased
	JUN 23	JUL 23	77	75	81	0	0	Tightened
EU HRC	APR 23	MAY 23	40	15	5	-5	0	Tightened
	APR 23	JUN 23	65	40	15	-10	0	Tightened
	APR 23	JUL 23	90	60	25	-9	-100	Tightened
	MAY 23	JUN 23	25	25	10	-5	0	Unchanged
	MAY 23	JUL 23	50	45	20	-4	-100	Tightened
	JUN 23	JUL 23	25	20	10	1	-100	Tightened
Mill Margin	MAY 23	MAY 23	583	600	610	328	545	Eased
	JUN 23	JUN 23	516	510	536	340	545	Tightened
	JUL 23	JUL 23	439	450	470	335	635	Eased
Atlantic Spread (US-EU)	MAY 23	MAY 23	313	295	365	17	325	Tightened
	JUN 23	JUN 23	241	215	291	19	325	Tightened
	JUL 23	JUL 23	189	160	220	20	225	Tightened
	AUG 23	AUG 23	156	129	165	21	275	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1176	530	843	427	623	679	Current
	1180	530	850	424	622	680	T-1W
	1225	590	840	439	640	700	T-1M
	795	470	776	409	653	675	T-3M
	755	410	715	365	566	648	T-6M
	1125	580	800	502	837	801	T-12M
	817	475	750	405	674	681	YTD

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