

24/05/2023

## Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged on May 23 amid thin trading activity in the run up to the second round of the presidential election. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$375/mt CFR on May 23, unchanged on the day. Sell-side sentiment was mostly firm despite limited demand from Turkish mills, while most tradable value indications for premium HMS 1/2 (80:20) remained at \$375/mt CFR. "The volumes available for collection are decreasing because of seasonality and given current prices we would offer at a minimum of \$375/mt CFR," a Baltic recycler said. The Baltic recycler said its HMS collection price target in the Baltic region was at Eur290/mt delivered to the docks, while collection prices in the Benelux region were heard at Eur305-310/mt delivered. "Achieving more than \$370/mt CFR [for EU-origin material] from the mills seems to be hard, but it is also not easy to collect material at the levels that make \$370/mt CFR workable," an EU recycler said.

On the scrap side, collection prices are not workable enough for prices to drop further, a Turkish trader said, citing an indicative workable value at \$375/mt CFR for US/Baltic-origin HMS 1/2 (80:20). While most price indications were firm on the day, the euro's sharp decline against the dollar was likely to make European exports of ferrous scrap more competitive, with an agent source for a Baltic recycler saying that \$370-\$375/mt CFR could be workable for them depending on the exchange rate. Platts assessed the euro at \$1.07748 at 4.30 pm London time May 23, compared with \$1.0916 on May 16. The forward curve for Turkey scrap futures on the London Metal Exchange that settles basis the Platts assessment, entered a slight backwardation over May-August, highlighting futures traders' possible expectations of a slight near-term decline in the physical price. Platts assessed the LME May scrap contract at \$378.25/mt on May 23, unchanged on the day, while the June contract was down \$2.75/mt on the day at \$375.50/mt. The July and August contracts were also down on the day respectively at \$375.50/mt and \$374.50/mt. (Platts)

# Market Rates

<b>Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)</b>	375.00	0.00	378.50
<b>Steel Rebar FOB Turkey (\$/mt)</b>	617.50	-2.50	623.57
<b>Argus HRC NW Europe (€/mt)</b>	757.00	-3.75	779.73
<b>Argus FOB China HRC (\$/mt)</b>	561.00	-3.00	574.50
<b>US HRC CRU</b>	1089.00	-40.00	1129.33

<b>LME HMS 80:20 CFR TK</b>			
	<b>Bid</b>	<b>Ask</b>	<b>Value</b>
<b>May-23</b>	375	385	380
<b>Jun-23</b>	365	375	370
<b>Jul-23</b>	365	375	370
<b>Q3-23</b>	365	375	370
<b>Q4-23</b>	375	385	380
<b>Q1-24</b>	380	390	385

<b>US HRC USD/short ton</b>			
	<b>Bid</b>	<b>Ask</b>	<b>Value</b>
<b>May-23</b>	1080	1090	1085
<b>Jun-23</b>	925	935	930
<b>Jul-23</b>	835	845	840
<b>Q3-23</b>	810	820	815
<b>Q4-23</b>	775	785	780
<b>Q1-24</b>	785	795	790

<b>LME REBAR FOB TK</b>			
	<b>Bid</b>	<b>Ask</b>	<b>Value</b>
<b>May-23</b>	620	630	625
<b>Jun-23</b>	595	605	600
<b>Jul-23</b>	590	600	595
<b>Q3-23</b>	595	605	600
<b>Q4-23</b>	595	605	600
<b>Q1-24</b>	595	605	600

<b>NWE HRC EUR/metric ton</b>			
	<b>Bid</b>	<b>Ask</b>	<b>Value</b>
<b>May-23</b>	760	770	765
<b>Jun-23</b>	670	680	675
<b>Jul-23</b>	640	650	645
<b>Q3-23</b>	630	640	635
<b>Q4-23</b>	610	620	615
<b>Q1-24</b>	610	620	615

<b>LME HRC FOB TIANJIN CHINA USD/mt</b>			
	<b>Bid</b>	<b>Ask</b>	<b>Value</b>
<b>May-23</b>	570	580	575
<b>Jun-23</b>	545	555	550
<b>Jul-23</b>	545	555	550
<b>Q3-23</b>	540	550	545
<b>Q4-23</b>	535	545	540
<b>Q1-24</b>	535	545	540

<b>BUSHELING</b>			
	<b>Bid</b>	<b>Ask</b>	<b>Value</b>
<b>Jun-23</b>	495	505	500
<b>Jul-23</b>	465	475	470
<b>Aug-23</b>	455	465	460
<b>Q3-23</b>	460	470	465
<b>Q4-23</b>	445	455	450
<b>Q1-24</b>	450	460	455

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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	MAY 23	JUN 23	156	145	103	35	10	Tightened
	MAY 23	JUL 23	255	242	189	55	10	Tightened
	MAY 23	AUG 23	286	272	224	90	10	Tightened
	JUN 23	JUL 23	99	97	86	20	0	Tightened
	JUN 23	AUG 23	130	127	121	55	0	Tightened
	JUL 23	AUG 23	31	30	35	35	0	Tightened
EU HRC	MAY 23	JUN 23	85	75	59	0	0	Tightened
	MAY 23	JUL 23	121	95	90	15	-100	Tightened
	MAY 23	AUG 23	135	110	95	20	-50	Tightened
	JUN 23	JUL 23	36	20	31	15	-100	Tightened
	JUN 23	AUG 23	50	35	36	20	-50	Tightened
	JUL 23	AUG 23	14	15	5	5	50	Eased
Mill Margin	JUN 23	JUN 23	420	442	486	465	315	Eased
	JUL 23	JUL 23	351	370	435	465	405	Eased
	SEP 23	SEP 23	340	348	388	425	405	Eased
Atlantic Spread (US-EU)	JUN 23	JUN 23	250	252	250	145	95	Eased
	JUN 23	JUN 23	250	252	250	145	95	Eased
	JUL 23	JUL 23	187	175	195	140	-5	Tightened
	AUG 23	AUG 23	170	160	165	110	45	Tightened
ARC Spread (Rebar - Scrap)	MAY 23	MAY 23	242	249.5	229	299	289	Eased
	JUN 23	JUN 23	222	230.5	226.5	307	289	Eased
	JUL 23	JUL 23	224	230	222	310.5	289	Eased
	AUG 23	AUG 23	224.5	229.5	219.5	313	280	Eased

## Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1090	500	765	378	572	622	Current
	1092	505	770	383	574	633	T-1W
	1084	495	841	386	572	615	T-1M
	1070	570	783	470	672	769	T-3M
	752	410	638	371	567	636	T-6M
	905	580	1105	439	726	728	T-12M
	820	475	646	400	674	673	YTD

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