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Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged June 1, with market participants unclear about price direction in the wake of reelected President Recep Tayyip Erdogan's cabinet appointments. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$385/mt CFR on June 1, stable on the day. A Benelux-origin deal was heard booked June 1 by a Marmara mill, with HMS 1/2 (80:20) at \$377/mt CFR. Various market sources considered the deal to be true, but it was officially denied by the buy side. The deal rumor prompted weaker tradable value indications, with one Turkish mill source citing Baltic-origin HMS 1/2 (80:20) to be workable at \$378/mt, while agent sources cited workable levels for the same origin in the \$380-\$387/mt CFR range depending on the recycler. News of an older Baltic-origin deal also circulated. The deal was booked May 26 by an Iskenderun mill and consisted of HMS 1/2 (85:15) at \$386/mt CFR. The deal was confirmed by sell and buy sides.

Continental European recyclers continued to cite minimum workable value indications at \$380/mt CFR for Benelux/Europeorigin HMS 1/2 (80:20). "Everybody is waiting for Monday and the cabinet announcement. The names are important, especially the minister of finance. The Turkish lira is expected to reach Lira 25/dollar on Monday," a trader said. Reelected President Erdogan's cabinet reshuffle is expected to be announced by June 3. Speculation in Turkey that former Finance Minister Mehmet Şimşek could be included in Erdogan's new cabinet has raised market expectation of a return to a more orthodox monetary policy. The midmarket rate for the Turkish lira declined during the week, falling to Lira20.832 against the dollar at 4:30 pm London time June 1, from Lira 20.410 on May 30, according to xe.com. "There isn't any solid movement, the market will stay quiet until Turkey becomes clearer," a shortsea supplier said. Platts is part of S&P Global Commodity Insights. (Platts)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	385.00	0.00	385.00
Steel Rebar FOB Turkey (\$/mt)	620.00	-5.00	620.00
Argus HRC NW Europe (€/mt)	714.75	-9.00	714.75
US HRC CRU	1008.00	-68.00	1008.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-23	380	390	385
Jul-23	370	380	375
Aug-23	370	380	375
Q3-23	370	380	375
Q4-23	370	380	375
Q1-24	375	385	380

US HRC USD/short ton			
	Bid	Ask	Value
Jun-23	935	945	940
Jul-23	805	815	810
Aug-23	795	805	800
Q3-23	795	805	800
Q4-23	780	790	785
Q1-24	780	790	785

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-23	605	615	610
Jul-23	595	605	600
Aug-23	590	600	595
Q3-23	590	600	595
Q4-23	590	600	595
Q1-24	595	605	600

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-23	665	675	670
Jul-23	630	640	635
Aug-23	620	630	625
Q3-23	620	630	625
Q4-23	615	625	620
Q1-24	610	620	615

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-23	535	545	540
Jul-23	535	545	540
Aug-23	535	545	540
Q3-23	535	545	540
Q4-23	530	540	535
Q1-24	535	545	540

BUSHELING			
	Bid	Ask	Value
Jun-23	520	530	525
Jul-23	480	490	485
Aug-23	465	475	470
Q3-23	465	475	470
Q4-23	455	465	460
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	JUN 23	JUL 23	129	113	79	100	0	Tightened
	JUN 23	AUG 23	141	135	114	152	0	Tightened
	JUN 23	SEP 23	141	143	140	179	0	Eased
	JUL 23	AUG 23	12	22	35	52	0	Eased
	JUL 23	SEP 23	12	30	61	79	0	Eased
	AUG 23	SEP 23	0	8	26	27	0	Eased
EU HRC	JUN 23	JUL 23	31	40	35	0	-100	Eased
	JUN 23	AUG 23	45	45	50	5	-50	Unchanged
	JUN 23	SEP 23	50	50	50	25	-70	Unchanged
	JUL 23	AUG 23	14	5	15	5	50	Tightened
	JUL 23	SEP 23	19	10	15	25	30	Tightened
	AUG 23	SEP 23	5	5	0	20	-20	Unchanged
Mill Margin	JUN 23	JUN 23	416	430	449	601	331	Eased
	JUL 23	JUL 23	327	347	405	521	416	Eased
	SEP 23	SEP 23	340	327	369	442	416	Tightened
Atlantic Spread (US-EU)	JUN 23	JUN 23	271	265	249	321	106	Tightened
	JUN 23	JUN 23	271	265	249	321	106	Tightened
	JUL 23	JUL 23	173	192	205	221	6	Eased
	AUG 23	AUG 23	175	175	185	174	56	Unchanged
ARC Spread (Rebar - Scrap)	JUN 23	JUN 23	228	230	231	306	280	Eased
	JUL 23	JUL 23	225	228	232.5	315.5	280	Eased
	AUG 23	AUG 23	222	228	233	315	280	Eased
	SEP 23	SEP 23	217.5	229.5	230.5	317.5	283.5	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	935	525	670	384	540	610	Current
	935	505	770	370	550	600	T-1w
	959	510	780	389	569	620	T-1M
	1196	595	843	464	664	770	T-3M
	762	435	645	381	581	657	T-6M
	906	575	922	441	744	721	T-12M
	827	475	646	397	674	668	YTD

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