

13/06/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged on June 12, with limited market activity reported to Platts on the day. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$389.50/mt CFR June 12, stable on day. Two agent sources cited indicative tradable values for US/ Baltic-origin HMS 1/2 (80:20) at \$389-\$390/mt CFR, while a third agent source said that US-origin HMS 1/2 (80:20) was workable below \$390/mt CFR, with EU-origin HMS 1/2 (80:20) workable at a maximum of \$380/mt CFR. An EU trader cited an indicative tradable value for premium HMS 1/2 (80:20) at \$390-\$392/mt CFR. "It's been quiet today, but there are still some domestic sales in the Iskenderun region, so I think there will still be some bookings into that region soon," a Turkish mill source said, citing an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$389-\$390/mt CFR.

The Turkish mill source reported recent domestic sales in the Iskenderun region at \$635-\$640/mt EXW. However, export activity for Turkish steel rebar continued to be limited, as continued weakness in the Turkish lira failed to improve the mills' export competitiveness enough to incite sustained activity. The midmarket rate for the Turkish lira continued to decline sharply during the week, falling to Lira 23.652 against the US dollar at 16:30 London time on June 12, depreciating from Lira 21.262 against the US dollar at the same time on June 5, according to xe.com. Platts assessed Turkish exported rebar at \$622.50/mt FOB on June 12, down \$2.50/mt on day. The daily outright spread between Turkish export rebar and import scrap was assessed at \$233/mt on June 12, weakening closer to its lowest level since Feb. 25, 2022, when the outright spread sat at \$231/mt. Elsewhere, tradable value indications for the shortsea A3 scrap market were heard within a wide range of \$360- \$375/mt CFR. Platts assessed shortsea A3 scrap unchanged on the day at \$367.50/mt CFR. (Platts)

China HRC

The index was flat yesterday (12.6.23) at US\$541/t, MTD US\$538.43/t. Major Chinese steel mills, including Baosteel, kept HRC ex-works prices unchanged for July deliveries from June basis, showing steel mills were not bearish towards the market in the traditional off-season for demand in July. A large Chinese mill kept its offer flat at \$590/t fob China for SS400 HRC, while another mill in east China also held its offer unchanged at \$570/t fob China. A third mill in north China cut its offer by \$5/t to \$585/t fob China. All those offers were still much higher to seaborne buyers as trading firms held sales prices unmoved at \$540-545/t cfr Vietnam. Vietnamese mill Formosa Ha Tinh kept its monthly offers unchanged at \$580-605/t cif Vietnam for SS400 and SAE1006-grade coil, for July and August shipments. The mill cut its offers to \$580-605/t cif Vietnam on 24 May after it announced offers at \$620-628/t cif Vietnam on 17 May given weak demand and lower offers from other countries. Formosa's offers remained too high for mainstream Vietnamese buyers as trading firms were willing to receive orders at \$570-580/t cfr Vietnam for SAE-grade coil from other countries, Vietnamese participants said. (Argus)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	389.50	0.00	388.25
Steel Rebar FOB Turkey (\$/mt)	625.00	-2.50	622.50
Argus HRC NW Europe (€/mt)	681.25	-0.25	696.94
Argus FOB China HRC (\$/mt)	541.00	0.00	538.43
US HRC CRU	987.00	-21.00	1008.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-23	385	395	390
Jul-23	375	385	380
Aug-23	370	380	375
Q3-23	370	380	375
Q4-23	375	385	380
Q1-24	380	390	385

US HRC USD/short ton			
	Bid	Ask	Value
Jun-23	925	935	930
Jul-23	855	865	860
Aug-23	845	855	850
Q3-23	840	850	845
Q4-23	815	825	820
Q1-24	810	820	815

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-23	610	620	615
Jul-23	590	600	595
Aug-23	585	595	590
Q3-23	585	595	590
Q4-23	585	595	590
Q1-24	585	595	590

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-23	680	690	685
Jul-23	630	640	635
Aug-23	630	640	635
Q3-23	630	640	635
Q4-23	630	640	635
Q1-24	635	645	640

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-23	535	545	540
Jul-23	540	550	545
Aug-23	540	550	545
Q3-23	540	550	545
Q4-23	540	550	545
Q1-24	535	545	540

BUSHELING			
	Bid	Ask	Value
Jul-23	470	480	475
Aug-23	455	465	460
Sep-23	450	460	455
Q3-23	460	470	465
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	78	89	98	106	0	Eased
	JUN 23	AUG 23	83	101	133	155	0	Eased
	JUN 23	SEP 23	96	110	152	151	0	Eased
	JUL 23	AUG 23	5	12	35	49	0	Eased
	JUL 23	SEP 23	18	21	54	45	0	Eased
	AUG 23	SEP 23	13	9	19	-4	0	Tightened
EU HRC	JUN 23	JUL 23	39	32	44	6	-100	Tightened
	JUN 23	AUG 23	30	37	49	11	-50	Eased
	JUN 23	SEP 23	45	52	49	28	-70	Eased
	JUL 23	AUG 23	-9	5	5	5	50	Eased
	JUL 23	SEP 23	6	20	5	22	30	Eased
	AUG 23	SEP 23	15	15	0	17	-20	Unchanged
Mill Margin	JUL 23	JUL 23	375	366	375	510	386	Tightened
	AUG 23	AUG 23	385	369	355	461	386	Tightened
	SEP 23	SEP 23	367	370	346	470	386	Eased
Atlantic Spread (US-EU)	JUL 23	JUL 23	214	191	205	206	-24	Tightened
	JUN 23	JUN 23	253	248	259	306	76	Tightened
	JUL 23	JUL 23	214	191	205	206	-24	Tightened
	AUG 23	AUG 23	200	184	175	162	26	Tightened
ARC Spread (Rebar - Scrap)	JUN 23	JUN 23	225.5	228	243	308	288	Eased
	JUL 23	JUL 23	216	214	238	310	288	Tightened
	AUG 23	AUG 23	211	213	244	310.5	288	Eased
	SEP 23	SEP 23	213	213	240	312	283.5	Unchanged

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	930	475	682	385	534	608	Current
	935	480	687	387	552	615	T-1W
	948	475	762	370	560	613	T-1M
	1176	560	835	450	696	758	T-3M
	769	430	630	388	599	664	T-6M
	876	490	880	390	730	678	T-12M
	827	475	646	397	674	668	YTD

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