

**11/07/2023**

## Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged on July 10, as domestic finished steel sales were yet to gain enough momentum in Turkey to spark import interest. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$375/mt CFR July 10, stable on day. A US-origin deal was heard to be booked July 7 by an Iskenderun mill, with shredded and bonus scrap at \$395/mt CFR, although the deal could not be confirmed on the day. The deal implies a netback to HMS 1/2 (80:20) of \$375/mt CFR, when a \$20/mt discount is applied. "The market is very silent and the mood is negative," an agent source said, citing an indicative tradable value for US/Baltic origin 80:20 at \$375/mt CFR, and for EU-origin material at below \$370/mt CFR. Buy-side sentiment remained largely bearish on the day, as a long period of slow rebar sales both domestically and in the export market persisted. "Export demand for Turkish finished steel is still weak, we are not selling anything, and we cannot collect enough dollars to purchase scrap.

The Turkish banks are also not taking many credit applications since the elections, which is directly affecting domestic demand," a Turkish mill source said, also saying there was bearish near-term sentiment for scrap prices. Platts assessed Turkish exported rebar at \$597.50/mt FOB on July 10, down \$1.50/mt on day, and down from \$609.50/mt one week earlier on July 3. However, sell-side sources noted that scarce availability of scrap and high collection costs was limiting any potential downside in scrap prices. HMS collection costs in the Benelux region were heard at Eur290-305/mt delivered to the docks, although one European recycler said that as low as Eur270/mt delivered to the docks could be achieved. "I really do see it's difficult from both sides," a UK recycler said, "on the one hand, the mills haven't managed any sales and need scrap prices to drop to become more competitive, but then again availability is tight and the recyclers can't drop their offers either. Its really hard to call which way the market is going to go." (Platts)

# Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	375.00	0.00	375.92
Platts Steel Rebar FOB Turkey (\$/mt)	597.50	-1.50	602.08
US HRC CRU	880.00	2.00	880.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-23	370	380	375
Aug-23	360	370	365
Sep-23	370	380	375
Q3-23	365	375	370
Q4-23	370	380	375
Q1-24	375	385	380

US HRC USD/short ton			
	Bid	Ask	Value
Jul-23	895	905	900
Aug-23	925	935	930
Sep-23	890	900	895
Q3-23	905	915	910
Q4-23	825	835	830
Q1-24	800	810	805

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-23	580	590	585
Aug-23	575	585	580
Sep-23	575	585	580
Q3-23	575	585	580
Q4-23	575	585	580
Q1-24	575	585	580

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-23	665	675	670
Aug-23	670	680	675
Sep-23	675	685	680
Q3-23	670	680	675
Q4-23	675	685	680
Q1-24	675	685	680

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-23	535	545	540
Aug-23	545	555	550
Sep-23	545	555	550
Q3-23	540	550	545
Q4-23	540	550	545
Q1-24	545	555	550

BUSHELING			
	Bid	Ask	Value
Jul-23	455	465	460
Aug-23	455	465	460
Sep-23	455	465	460
Q3-23	455	465	460
Q4-23	455	465	460
Q1-24	455	465	460

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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	JUL 23	AUG 23	-33	-28	15	31	0	Eased
	JUL 23	SEP 23	-1	0	27	57	0	Eased
	JUL 23	OCT 23	56	46	32	68	-7	Tightened
	AUG 23	SEP 23	32	28	12	26	0	Tightened
	AUG 23	OCT 23	89	74	17	37	-7	Tightened
	SEP 23	OCT 23	57	46	5	11	-7	Tightened
EU HRC	JUL 23	AUG 23	0	-8	5	5	50	Tightened
	JUL 23	SEP 23	-5	-12	10	20	30	Tightened
	JUL 23	OCT 23	-10	-12	15	30	145	Tightened
	AUG 23	SEP 23	-5	-4	5	15	-20	Eased
	AUG 23	OCT 23	-10	-4	10	25	95	Eased
	SEP 23	OCT 23	-5	0	5	10	115	Eased
Atlantic Spread (US-EU)	JUL 23	JUL 23	226	198	218	141	-15	Tightened
	AUG 23	AUG 23	259	218	208	115	35	Tightened
	SEP 23	SEP 23	222	186	201	104	15	Tightened
	OCT 23	OCT 23	160	140	201	103	137	Tightened
ARC Spread (Rebar - Scrap)	JUL 23	JUL 23	214.5	221.5	216	249	288	Eased
	AUG 23	AUG 23	207.5	216.5	214.5	240	288	Eased
	SEP 23	SEP 23	205	212	211.5	248	288	Eased
	OCT 23	OCT 23	211	212	210	246	263.5	Eased

## Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	901	460	672	372	542	587	Current
	865	465	667	372	547	593	T-1W
	858	466	682	382	550	598	T-1M
	926	490	850	433	630	682	T-3M
	820	475	722	409	660	676	T-6M
	885	490	806	374	664	662	T-12M
	829	475	646	394	676	663	YTD

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