

# FIS Steel and Scrap Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

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## Turkish Scrap

Turkish deepsea import ferrous scrap prices weakened slightly on July 21, with mills seeking lower levels amid poor finished steel demand but suppliers remained hesitant amid low scrap inflows. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$354/mt CFR July 21, down \$1/mt on the day. A US-origin deal was booked on July 20 by an Izmir mill, with HMS 1/2 (80:20) at \$355/mt CFR. A second US-origin deal was booked on July 19 by a Marmara mill, with HMS 1/2 (80:20) at \$354.50/mt CFR. A Baltic-origin deal was also heard to be booked on July 20 by an Iskenderun mill, with HMS 1/2 (80:20) at \$353/mt CFR. The cargo was heard to consist of HMS 1/2 (80:20) shredded scrap and bonus scrap, with the shipment totaling 28,000 mt, but could not be confirmed on the day. Various market participants shared indicative workable values for US-origin or premium HMS 1/2 (80:20) that were largely clustered around \$353-\$355/mt CFR, in line with the deals heard within the market on the day. "There haven't been many deals in July and we're already well into the second half of the month, which suggests there is more scrap in the yards than the recyclers would like," a Turkish mill source said, who expected prices for premium HMS 1/2 (80:20) to drop to \$345/mt CFR in the week to July 28.

A Turkish agent source, however, suggested that only US suppliers were happy to sell around \$355/mt CFR and below, adding "there are no more US cargoes available and EU sellers cannot sell at those levels." Tradable values for EU-origin material were shared at higher levels, amid sticky collection costs and slow inflows. "For UK and Benelux recyclers, that price (\$355/mt CFR) is not workable today. Scrap collection and availability is low, and their dock prices are high, with very strong resistance against lower levels," a UK trader said, sharing an indicative minimum seller workable value for EU-origin HMS 1/2 (80:20) at \$360- \$363/mt CFR. HMS collection prices in the Benelux region continued to be heard at Eur270-285/mt delivered to the docks. "The mills were trying to get below \$350/mt CFR, but the European recyclers could not decrease their prices this week, so the mills had to accept \$355/mt CFR offers from the US," a second Turkish agent source said, "but next week, European recyclers might be able to, depending on collection prices and exchange rates." Platts assessed the euro against the US dollar at \$1.1121 at 4:30 pm London time July 21, down from \$1.1238 on the week from July 14.

A second UK trader said that the depreciation could decrease European seller workable levels by about \$4/mt on a CFR Turkey basis. "The UK has also seen significant weakness in the pound this week, which equates to about a \$7/mt decrease [in export offer terms]. I wouldn't be surprised if they sold between \$345-\$350/mt CFR," the second UK trader added. Platts assessed the pound against the US dollar at \$1.2851 at 4:30 pm London time July 21, down from \$1.3117 on July 14. HMS collection prices in the UK were heard at GBP 220-235/mt delivered to the docks, depending on the volume, down from approximately GBP235-240/mt delivered in the week to July 14. Elsewhere, Platts assessed shortsea A3 scrap at \$325/mt CFR July 21, down \$5/mt on the day. "Trading is very limited. Bulgaria is out of the market and Romania is only participating in negotiations due to the abundance of scrap the sellers have that no mill would be able to take," a shortsea supplier said, citing an indicative tradable value for shortsea A3 scrap at \$320-\$325/mt CFR. (Platts)

# Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	354.00	-1.00	368.83
Platts Steel Rebar FOB Turkey (\$/mt)	570.00	0.00	587.33
US HRC CRU	823.00	-62.00	862.67

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-23	360	370	365
Aug-23	355	365	360
Sep-23	360	370	365
Q3-23	360	370	365
Q4-23	360	370	365
Q1-24	355	365	360

US HRC USD/short ton			
	Bid	Ask	Value
Jul-23	855	865	860
Aug-23	840	850	845
Sep-23	830	840	835
Q3-23	840	850	845
Q4-23	790	800	795
Q1-24	795	805	800

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-23	570	580	575
Aug-23	565	575	570
Sep-23	565	575	570
Q3-23	565	575	570
Q4-23	565	575	570
Q1-24	565	575	570

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-23	650	660	655
Aug-23	625	635	630
Sep-23	630	640	635
Q3-23	635	645	640
Q4-23	630	640	635
Q1-24	640	650	645

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-23	545	555	550
Aug-23	550	560	555
Sep-23	555	565	560
Q3-23	550	560	555
Q4-23	555	565	560
Q1-24	555	565	560

BUSHELING			
	Bid	Ask	Value
Aug-23	455	465	460
Sep-23	455	465	460
Oct-23	465	475	470
Q4-23	465	475	470
Q1-24	465	475	470
Q2-24	465	475	470

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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	18	-51	-28	35	0	Tightened
	JUL 23	SEP 23	23	-32	-2	57	0	Tightened
	JUL 23	OCT 23	48	40	45	71	0	Tightened
	AUG 23	SEP 23	5	19	26	22	0	Eased
	AUG 23	OCT 23	30	91	73	36	0	Eased
	SEP 23	OCT 23	25	72	47	14	0	Eased
EU HRC	JUL 23	AUG 23	18	-1	-15	5	50	Tightened
	JUL 23	SEP 23	4	-4	-18	10	30	Tightened
	JUL 23	OCT 23	9	-10	-20	25	145	Tightened
	AUG 23	SEP 23	-14	-3	-3	5	-20	Eased
	AUG 23	OCT 23	-9	-9	-5	20	95	Unchanged
	SEP 23	OCT 23	5	-6	-2	15	115	Tightened
Atlantic Spread (US-EU)	JUL 23	JUL 23	209	233	256	195	-3	Eased
	AUG 23	AUG 23	209	283	269	165	47	Eased
	SEP 23	SEP 23	190	261	240	148	27	Eased
	OCT 23	OCT 23	170	183	191	149	142	Eased
ARC Spread (Rebar - Scrap)	JUL 23	JUL 23	207	202.5	205	222	271.5	Tightened
	AUG 23	AUG 23	208	204.5	209	219.5	271.5	Tightened
	SEP 23	SEP 23	205	202	206.5	219	271.5	Tightened
	OCT 23	OCT 23	200	207	206.5	225	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	858	460	654	368	549	577	Current
	892	460	659	372	548	575	T-1W
	901	465	675	379	546	584	T-1M
	895	460	841	383	570	605	T-3M
	795	470	722	418	649	674	T-6M
	897	490	815	360	638	632	T-12M
	829	475	646	394	676	663	YTD

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