

**11/08/2023**

## Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged on Aug. 10, but reports of mills requiring September shipments amid firmer seller targets provide bullish near-term sentiment. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$357/mt CFR Aug. 10, stable on the day. "Suppliers will not target anything below \$360/mt CFR, and everyone needs shipments for September, so the next deal [for US/Baltic-origin HMS 1/2 (80:20)] seems like it'll be above \$360/ mt CFR," a Turkish mill source said. Other market participants, including traders and agent sources, expected prices to increase in the near term. A Baltic recycler reported that there were more buyers in the market competing for limited offers and shared their seller target as being above \$360/mt CFR as a result of the increase in mill interest. "We have been seeing some inquiries for September shipments from the mills. Given the current collection prices, \$350/mt CFR could work [for Baltic recyclers], but it's a sellers' market now and the target will be \$355-\$360/mt CFR," a second Baltic recycler said. HMS collection prices in the Baltic region were shared at Eur280/mt delivered to the docks Aug. 10, with prices expected to increase Eur5/mt next week.

A Baltic-origin deal was also heard to be booked on Aug. 7 by a Marmara mill, with the pricing based on the forward average of a basket of indices including Platts. HMS collection prices in the Benelux region continued to be reported at Eur280-285/mt delivered to the docks, with cheaper prices only available in limited quantities. A second Turkish mill source said that Turkish finished steel prices have not yet climbed enough to justify importing scrap at the current elevated offers. "Either scrap prices have to fall down, or steel prices have to go up, and Turkey cannot compete for exports because of our high prices, so it doesn't look like steel prices can go up," the second Turkish mill source said, citing an indicative workable value for HMS 1/2 (80:20) at below \$350-\$355/mt CFR. Platts assessed Turkish exported rebar at \$552.50/mt FOB on Aug. 10, up \$2.50/mt on the day, and up \$2.50/mt from Aug. 3, one week earlier, as mills mostly increased their offer levels to between \$555-\$600/mt FOB in response to higher offers for scrap imports. (Platts)

# Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	357.00	0.00	351.78
Platts Steel Rebar FOB Turkey (\$/mt)	552.50	2.50	550.50
US HRC CRU	812.00	-54.00	839.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-23	355	365	360
Sep-23	365	375	370
Oct-23	365	375	370
Q4-23	365	375	370
Q1-24	370	380	375
Q2-24	370	380	375

US HRC USD/short ton			
	Bid	Ask	Value
Aug-23	800	810	805
Sep-23	745	755	750
Oct-23	745	755	750
Q4-23	755	765	760
Q1-24	775	785	780
Q2-24	780	790	785

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-23	550	560	555
Sep-23	565	575	570
Oct-23	565	575	570
Q4-23	565	575	570
Q1-24	565	575	570
Q2-24	565	575	570

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-23	625	635	630
Sep-23	640	650	645
Oct-23	645	655	650
Q4-23	650	660	655
Q1-24	675	685	680
Q2-24	680	690	685

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-23	555	565	560
Sep-23	560	570	565
Oct-23	565	575	570
Q4-23	565	575	570
Q1-24	560	570	565
Q2-24	560	570	565

BUSHELING			
	Bid	Ask	Value
Sep-23	445	455	450
Oct-23	445	455	450
Nov-23	450	460	455
Q4-23	450	460	455
Q1-24	470	480	475
Q2-24	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	AUG 23	SEP 23	49	61	45	20	0	Eased
	AUG 23	OCT 23	57	60	94	33	0	Eased
	AUG 23	NOV 23	45	54	136	40	0	Eased
	SEP 23	OCT 23	8	-1	49	13	0	Tightened
	SEP 23	NOV 23	-4	-7	91	20	0	Tightened
	OCT 23	NOV 23	-12	-6	42	7	0	Eased
EU HRC	AUG 23	SEP 23	-25	-5	-5	0	-20	Eased
	AUG 23	OCT 23	-20	0	-14	0	95	Eased
	AUG 23	NOV 23	-30	-11	-9	0	95	Eased
	SEP 23	OCT 23	5	5	-9	0	115	Unchanged
	SEP 23	NOV 23	-5	-6	-4	0	115	Tightened
	OCT 23	NOV 23	-10	-11	5	0	0	Tightened
Atlantic Spread (US-EU)	AUG 23	AUG 23	176	173	295	190	71	Tightened
	SEP 23	SEP 23	102	107	245	170	51	Eased
	OCT 23	OCT 23	99	113	187	157	166	Eased
	NOV 23	NOV 23	101	108	150	150	166	Eased
ARC Spread (Rebar - Scrap)	AUG 23	AUG 23	196	193.5	213.5	234.5	266	Tightened
	SEP 23	SEP 23	196.5	193.5	207.5	233.5	263	Tightened
	OCT 23	OCT 23	194	191.5	208	234	263	Tightened
	NOV 23	NOV 23	192	193.5	206	230.5	261.5	Eased

## Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	806	460	630	359	558	555	Current
	803	452	630	355	561	549	T-1W
	960	460	660	368	548	582	T-1M
	825	455	759	373	560	607	T-3M
	808	480	780	435	650	730	T-6M
	921	500	779	391	648	657	T-12M
	824	475	646	388	668	660	YTD

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