

17/08/2023

Turkish Scrap

Turkish deepsea scrap imports remained active owing to a new tranche of bookings for September shipment, sources said Aug. 16. The delayed demand for scrap cargoes from Turkish mills came in the recent days with seven deals reported in the week so far. A recycler assessed Turkish mills' current scrap requirements at 20 cargoes in total in the current buying campaign. The last few deals closed on Aug. 15 showed a modest price increase. A US-origin deal by a Marmara mill was reported on the day, with HMS 1/2 (90:10) at \$372/mt CFR, normalized to \$370/mt for HMS 1/2 (80:20). The cargo included shred at \$390/mt CFR Marmara as well. Previous US-origin HMS 1/2 (80:20) deals were priced at \$367/mt CFR Turkey. A Baltic cargo was also sold at \$370/mt CFR Marmara for HMS 1/2 (80:20) and \$390/mt CFR for shred. A Baltic recycler put the workable range between \$370-\$372/mt CFR for HMS 1/2 (80:20) and believed that further uptick was still possible in the coming weeks. Many other sources also expected the prices to show gentle uptrend rather than a rally.

One European trade, also closed on Aug. 15, was reported to an Iskenderun mill, with HMS 1/2 (80:20) at \$368.50/mt, exNetherlands, normalized to \$373.50/mt. The collection prices in Europe were reported between Eur285-290/mt (\$310-\$316/mt) delivered to docks. Offers for premium quality HMS 1/2 (80:20) were at minimum \$375/mt CFR Turkey. An Iskenderun mill cited offers at \$375-377/mt CFR and assumed a workable level at \$370-\$375/mt CFR. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$371.25/mt CFR Aug. 16, up \$1.25/mt on day. A stronger price momentum was not a likely scenario according to many market players. Some restocking currently seen in the Turkish domestic rebar market was not a lasting change in the construction sector's fundamentals in Turkey. At the same time, Turkish mills were not competitive in the export rebar market. "My personal idea is that prices will go up another \$5, maybe \$10, but I don't see something very good," an agent said. "Only domestic market is good in terms of rebar sales. They have nothing on export, they can't compete with mills from Saudi or Asia." (Platts)

Market Rates

Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	371.25	1.25	356.96
Platts Steel Rebar FOB Turkey (\$/mt)	565.00	0.00	554.08
US HRC CRU	807.00	-5.00	828.33

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-23	360	370	365
Sep-23	375	385	380
Oct-23	375	385	380
Q4-23	375	385	380
Q1-24	375	385	380
Q2-24	370	380	375

US HRC USD/short ton			
	Bid	Ask	Value
Aug-23	810	820	815
Sep-23	745	755	750
Oct-23	745	755	750
Q4-23	755	765	760
Q1-24	785	795	790
Q2-24	790	800	795

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-23	555	565	560
Sep-23	575	585	580
Oct-23	575	585	580
Q4-23	575	585	580
Q1-24	570	580	575
Q2-24	570	580	575

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-23	625	635	630
Sep-23	635	645	640
Oct-23	640	650	645
Q4-23	645	655	650
Q1-24	2660	2670	2665
Q2-24	665	675	670

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-23	560	570	565
Sep-23	565	575	570
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	460	470	465
Oct-23	460	470	465
Nov-23	465	475	470
Q4-23	465	475	470
Q1-24	475	485	480
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	59	52	19	12	0	Tightened
	AUG 23	OCT 23	73	51	91	22	0	Tightened
	AUG 23	NOV 23	57	45	120	30	0	Tightened
	SEP 23	OCT 23	14	-1	72	10	0	Tightened
	SEP 23	NOV 23	-2	-7	101	18	0	Tightened
	OCT 23	NOV 23	-16	-6	29	8	0	Eased
EU HRC	AUG 23	SEP 23	-5	-25	-3	5	-20	Tightened
	AUG 23	OCT 23	-10	-20	-9	5	95	Tightened
	AUG 23	NOV 23	-15	-30	-10	5	95	Tightened
	SEP 23	OCT 23	-5	5	-6	0	115	Eased
	SEP 23	NOV 23	-10	-5	-7	0	115	Eased
	OCT 23	NOV 23	-5	-10	-1	0	0	Tightened
Atlantic Spread (US-EU)	AUG 23	AUG 23	179	176	283	160	50	Tightened
	SEP 23	SEP 23	115	99	261	153	30	Tightened
	OCT 23	OCT 23	96	105	183	143	145	Eased
	NOV 23	NOV 23	107	101	153	135	145	Tightened
ARC Spread (Rebar - Scrap)	AUG 23	AUG 23	200.5	196	204.5	229.5	263.5	Tightened
	SEP 23	SEP 23	200	196	202	235	263	Tightened
	OCT 23	OCT 23	200.5	194	207	233	263	Tightened
	NOV 23	NOV 23	206	195.5	205.5	224.5	261.5	Tightened

Front Month Price Grid

Field	US HRC	US 60S	NW EOR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	Timeframe
PRICE	811	459	630	367	556	564	Current
	806	460	630	359	558	555	T-1W
	943	460	659	366	555	570	T-1M
	820	460	770	386	575	615	T-3M
	844	480	781	438	661	740	T-6M
	900	465	774	375	633	638	T-12M
	824	475	646	388	668	660	YTD

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