

08/09/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices remained up on the day, with fresh US and EU-origin deals confirmed at higher levels. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$376/mt CFR Sept. 7, up \$1.50/mt on day. A US-origin deal totaling 29,000 mt was booked on Sept. 7 by an Iskenderun mill, with 24,000mt of HMS 1/2 (90:10) at \$381/mt CFR, 3,000 mt of shred at \$396/mt CFR and 2,000 mt of PNS for end-October shipment. The deal was confirmed on the day. Market participants shared a HMS 1/2 (80:20) equivalent for the cargo at between \$376-\$379/mt CFR on the day. Platts normalized the deal to a HMS 1/2 (80:20) equivalent of \$376/mt CFR, applying the prevalent \$20/mt discount to the price of shredded scrap in the cargo. A second US-origin deal was also booked on Sept. 7 by an Iskenderun mill but was heard after the 16:30 London deadline. The deal consisted of 13,000 mt of HMS 1/2 (95:5) at \$381/mt CFR and 17,000 mt of shredded scrap at \$396/mt CFR. The deal was confirmed on the day. An EU-origin deal was also booked on Sept. 7 by an Iskenderun mill but was also heard after the 16.30 London deadline.

The deal totaled 30,000 mt and consisted of HMS 1/2 (80:20) at \$369.50/mt CFR and bonus scrap at \$394.50/mt CFR for October shipment. The deal was confirmed on the day. The deals inspired bullish price sentiment in the near term, with recyclers pointing to strength in the Indian market as to why they are resisting any price drops in the Turkish market. India-based buyers were heard to import large volumes of bulk scrap in recent weeks, with some market sources estimating that as much as 200,000 mt has been sold to the country from EU/ US-based recyclers. "The price [into India] is \$20/mt better than Turkish prices even with the additional freight costs. It will reduce the volume of shred in cargoes to Turkey and draw material to India," a US recycler said. "Turkey aren't the strongest buyers in the market at the moment, India are. While they are in the market, I am not sure if prices can drop down," a Turkish mill source said. "Be ready for prices to increase to the \$380s for Turkey," an agent source said, with various other market participants in agreement as the day drew to a close. (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	376.00	1.50	374.80
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	565.00	0.00	565.00
US HRC CRU *CHG WoW*	754.00	-13.00	754.00

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

US HRC USD/short ton			
	Bid	Ask	Value
Sep-23	720	730	725
Oct-23	710	720	715
Nov-23	735	745	740
Q4-23	730	740	735
Q1-24	780	790	785
Q2-24	795	805	800

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

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-23	645	655	650
Oct-23	650	660	655
Nov-23	650	660	655
Q4-23	655	665	660
Q1-24	675	685	680
Q2-24	685	695	690

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-23	545	555	550
Oct-23	555	565	560
Nov-23	555	565	560
Q4-23	555	565	560
Q1-24	560	570	565
Q2-24	560	570	565

BUSHELING			
	Bid	Ask	Value
Sep-23	425	435	430
Oct-23	430	440	435
Nov-23	430	440	435
Q4-23	430	440	435
Q1-24	445	455	450
Q2-24	445	455	450

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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	SEP 23	OCT 23	15	23	-2	8	0	Eased
	SEP 23	NOV 23	-15	2	-7	12	0	Eased
	SEP 23	DEC 23	-25	-16	-17	17	0	Eased
	OCT 23	NOV 23	-30	-21	-5	4	0	Eased
	OCT 23	DEC 23	-40	-39	-15	9	0	Eased
	NOV 23	DEC 23	-10	-18	-10	5	0	Tightened
EU HRC	SEP 23	OCT 23	-4	-10	-3	8	130	Tightened
	SEP 23	NOV 23	-4	-6	-13	8	130	Tightened
	SEP 23	DEC 23	-9	-10	-19	5	130	Tightened
	OCT 23	NOV 23	0	4	-10	0	0	Eased
	OCT 23	DEC 23	-5	0	-16	-3	0	Eased
	NOV 23	DEC 23	-5	-4	-6	-3	0	Eased
Atlantic Spread (US-EU)	SEP 23	SEP 23	79	70	111	192	10	Tightened
	OCT 23	OCT 23	60	37	110	192	140	Tightened
	NOV 23	NOV 23	90	62	105	188	140	Tightened
	DEC 23	DEC 23	95	76	109	180	140	Tightened
ARC Spread (Rebar - Scrap)	SEP 23	SEP 23	187	184.5	192	213	295	Tightened
	OCT 23	OCT 23	181.5	187	192.5	212	293	Eased
	NOV 23	NOV 23	179	191	193.5	211.5	293	Eased
	DEC 23	DEC 23	184	191.5	193.5	211	292	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	725	430	651	374	553	561	Current
	720	445	650	375	555	559	T-1W
	748	452	625	365	561	557	T-1M
	837	456	681	378	550	591	T-3M
	1005	570	845	459	675	763	T-6M
	895	460	795	357	644	652	T-12M
	820	475	646	385	674	659	YTD

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