

12/09/2023

Turkish Scrap

Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$377/mt CFR Sept. 11, up \$1/mt on day. A US-origin deal was booked on Sept. 8 by a Marmara mill, with HMS 1/2 (80:20) at \$377/mt CFR and shredded scrap at \$397/mt CFR. The deal was confirmed and largely considered repeatable on the day. Indicative workable values for US/Baltic-origin or premium HMS 1/2 (80:20) were largely shared between \$370-\$380/mt CFR on the day as near-term sentiment was mixed on the day. "Based on finished steel prices [in Turkey], I would be very surprised if prices continue to increase," an EU trader said. "But nothing is impossible." Platts assessed Turkish exported rebar at \$567.50/mt FOB, having traded within a narrow range of \$565-\$570/mt FOB since Aug.17 as rebar sales in the export market remained sparse.

As such, the daily outright spread between Turkish export rebar and import scrap narrowed \$1/mt on day to \$190.50/mt Sept. 11. "[Scrap prices] seem strong and our [sales] prices are not that strong," a Turkish mill source said. "There are no sales yet and demand seems weak." Meanwhile, other market participants were less bearish on the day and said prices could continue to climb in the near-term as mills continued to restock for October shipment cargoes. "The market is slowly going up, but the mills are trying to pretend that it isn't," a second trader said. "It's very early in the week but I am hoping for an improvement to above \$370/mt for EU-origin HMS 1/2 (80:20)," an EU recycler said. The EU recycler also shared HMS collection costs at Eur300- 305/mt delivered to the docks in the Benelux region, and noted that [sub]suppliers were potentially targeting higher levels already. (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	377.00	1.00	375.29
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	567.50	0.00	565.71
US HRC CRU *CHG WoW*	754.00	-13.00	754.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-23	375	385	380
Oct-23	380	390	385
Nov-23	380	390	385
Q4-23	380	390	385
Q1-24	385	395	390
Q2-24	385	395	390

US HRC USD/short ton			
	Bid	Ask	Value
Sep-23	710	720	715
Oct-23	705	715	710
Nov-23	735	745	740
Q4-23	730	740	735
Q1-24	790	800	795
Q2-24	810	820	815

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-23	565	575	570
Oct-23	570	580	575
Nov-23	570	580	575
Q4-23	570	580	575
Q1-24	570	580	575
Q2-24	565	575	570

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-23	645	655	650
Oct-23	650	660	655
Nov-23	655	665	660
Q4-23	655	665	660
Q1-24	670	680	675
Q2-24	670	680	675

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-23	540	550	545
Oct-23	560	570	565
Nov-23	560	570	565
Q4-23	560	570	565
Q1-24	560	570	565
Q2-24	560	570	565

BUSHELING			
	Bid	Ask	Value
Oct-23	420	430	425
Nov-23	430	440	435
Dec-23	430	440	435
Q4-23	425	435	430
Q1-24	445	455	450
Q2-24	450	460	455

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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	3	34	5	13	-10	Eased
	SEP 23	NOV 23	-22	1	-1	14	-10	Eased
	SEP 23	DEC 23	-44	-19	-20	16	-10	Eased
	OCT 23	NOV 23	-25	-33	-6	1	0	Tightened
	OCT 23	DEC 23	-47	-53	-25	3	0	Tightened
	NOV 23	DEC 23	-22	-20	-19	2	0	Eased
EU HRC	SEP 23	OCT 23	-7	-2	0	5	85	Eased
	SEP 23	NOV 23	-12	-2	-10	0	85	Eased
	SEP 23	DEC 23	-12	-7	-15	0	85	Eased
	OCT 23	NOV 23	-5	0	-10	-5	0	Eased
	OCT 23	DEC 23	-5	-5	-15	-5	0	Unchanged
	NOV 23	DEC 23	0	-5	-5	0	0	Tightened
Atlantic Spread (US-EU)	SEP 23	SEP 23	70	48	105	199	40	Tightened
	OCT 23	OCT 23	60	12	100	191	135	Tightened
	NOV 23	NOV 23	80	45	96	185	135	Tightened
	DEC 23	DEC 23	102	60	110	183	135	Tightened
ARC Spread (Rebar - Scrap)	SEP 23	SEP 23	188	186.5	199.5	213	281	Tightened
	OCT 23	OCT 23	185.5	189	200.5	212	281	Eased
	NOV 23	NOV 23	191	190	201	208.5	281	Tightened
	DEC 23	DEC 23	192	184.5	197	214	292	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	720	423	648	377	547	565	Current
	711	425	663	376	562	562	T-1W
	750	463	625	373	559	572	T-1M
	829	459	682	373	546	586	T-3M
	1030	525	842	451	688	767	T-6M
	880	455	770	368	649	649	T-12M
	820	472	646	385	674	659	YTD

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