

21/09/2023**Turkish Scrap**

Turkish deepsea import ferrous scrap prices inched up on Sept. 20, as increased freight costs and firm HMS collection prices kept EU and Baltic offers firm, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$375/mt CFR Sept. 20, up 50 cents/mt on the day. A Baltic-origin deal was booked on Sept. 19 by a Marmara mill, with HMS 1/2 (80:20) at \$375/mt CFR and shredded and bonus scrap at \$395/mt CFR. The deal was confirmed. The exact price and timing of a second Baltic-origin deal heard to be booked by an Izmir mill could not be confirmed on the day. Indicative tradable values for US/Baltic-origin or premium HMS 1/2 (80:20) were mostly shared at \$375/mt CFR, in line with the Baltic-origin deal booked on Sept. 19. European recyclers were hard to target a minimum of \$370/mt CFR as collection costs remained firm and freight rates for routes into Turkey increased. "We haven't been able to lower our collection prices, so we still need \$370/mt CFR," a European recycler said, sharing HMS collection prices in the Benelux region at a minimum of Eur300/ mt delivered to the docks.

Considering the slow rebar sales in Turkey, a mill source shared their tradable value expectation for US/Baltic-HMS 1/2 (80:20) at \$371/mt CFR. Platts assessed Turkish exported rebar at \$567.50/mt FOB on Sept. 20, up \$2.50/mt on day, as Turkish mills struggled to drop their workable levels for export due to firm scrap prices, and struggled to generate finished steel sales. "The mills sales are non-existent at the moment so the mills want to drop scrap prices, but freight rates are higher and somebody has to pay them, so I don't think scrap prices can drop as much as the mills expect," a UK trader said. Platts assessed the Rotterdam-Aliaga 30,000 mt scrap route at \$27.75/mt Sept 20, unchanged on the day but up from \$21.75/ mt on Sept. 1. The Riga-Aliaga 35,000 mt scrap route was assessed at \$33.75/mt Sept. 20, up 50 cents/mt on the day and up from \$26.50/mt from Sept. 1. A US trader also said that freight rates were keeping CFR offers into Turkey high and shared freight rate indications for some recyclers at close to \$30-\$35/mt from the Benelux region into Turkey and between \$35-\$40/mt from the Baltic region.

The forward curve for Turkey scrap futures contract on the London Metal Exchange, which settles basis the Platts assessment monthly average, remained in a sharp contango, highlighting futures traders' bullish near-term expectations. Platts assessed LME September contract at \$375.50/mt on Sept. 20, while the October contract was assessed at \$384/mt, up \$2/mt on the day. The November and December contracts saw the sharpest increases on Sept. 20, increasing by \$11/mt and \$9.25/mt to \$397/ mt and \$398.25/mt, respectively. Deals for Romania-origin shortsea scrap were reported between \$342-\$345/mt CFR. Platts assessed Turkish imports of shortsea A3 scrap at \$345/ mt CFR Sept. 20, down \$5/mt on the day. (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	375.00	0.50	375.68
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	567.50	2.50	566.25
US HRC CRU *CHG WoW*	687.00	-12.00	713.33

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-23	370	380	375
Oct-23	375	385	380
Nov-23	390	400	395
Q4-23	385	395	390
Q1-24	395	405	400
Q2-24	395	405	400

US HRC USD/short ton			
	Bid	Ask	Value
Sep-23	700	710	705
Oct-23	715	725	720
Nov-23	755	765	760
Q4-23	750	760	755
Q1-24	825	835	830
Q2-24	825	835	830

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-23	560	570	565
Oct-23	570	580	575
Nov-23	585	595	590
Q4-23	580	590	585
Q1-24	585	595	590
Q2-24	590	600	595

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-23	630	640	635
Oct-23	630	640	635
Nov-23	650	660	655
Q4-23	650	660	655
Q1-24	680	690	685
Q2-24	690	700	695

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-23	535	545	540
Oct-23	550	560	555
Nov-23	550	560	555
Q4-23	550	560	555
Q1-24	565	575	570
Q2-24	565	575	570

BUSHELING			
	Bid	Ask	Value
Oct-23	415	425	420
Nov-23	445	455	450
Dec-23	455	465	460
Q4-23	440	450	445
Q1-24	470	480	475
Q2-24	480	490	485

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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	-10	-1	9	38	0	Eased
	SEP 23	NOV 23	-60	-20	0	58	0	Eased
	SEP 23	DEC 23	-85	-45	-23	70	0	Eased
	OCT 23	NOV 23	-50	-19	-9	20	0	Eased
	OCT 23	DEC 23	-75	-44	-32	32	0	Eased
	NOV 23	DEC 23	-25	-25	-23	12	0	Unchanged
EU HRC	SEP 23	OCT 23	-7	-1	-5	5	65	Eased
	SEP 23	NOV 23	-25	-19	-8	5	65	Eased
	SEP 23	DEC 23	-40	-24	-10	5	65	Eased
	OCT 23	NOV 23	-18	-18	-3	0	0	Unchanged
	OCT 23	DEC 23	-33	-23	-5	0	0	Eased
	NOV 23	DEC 23	-15	-5	-2	0	0	Eased
Atlantic Spread (US-EU)	SEP 23	SEP 23	70	70	112	255	45	Unchanged
	OCT 23	OCT 23	73	70	98	222	110	Tightened
	NOV 23	NOV 23	105	71	104	202	110	Tightened
	DEC 23	DEC 23	115	91	125	190	110	Tightened
ARC Spread (Rebar - Scrap)	SEP 23	SEP 23	190	192.5	207	206	280.5	Eased
	OCT 23	OCT 23	187.5	193	206	200	280.5	Eased
	NOV 23	NOV 23	195	197	208	196.5	280.5	Eased
	DEC 23	DEC 23	194	193.5	198.5	196.5	232	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	704	405	636	376	539	567	Current
	706	405	636	378	544	571	T-1W
	742	466	631	376	555	583	T-1M
	900	455	675	374	554	580	T-3M
	965	515	826	444	648	709	T-6M
	865	455	755	375	624	656	T-12M
	820	472	646	385	674	659	YTD

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