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Turkish Scrap

Turkish deepsea import ferrous scrap prices fell Oct. 4, with market participants expecting further drops following recent US-origin deals booked at lower levels. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$370/mt CFR Oct. 4, down \$3/mt on the day. A confirmed US-origin deal was booked on Oct. 4 by an Iskenderun mill with 5,000 mt of HMS 1/2 (80:20) at \$370/mt CFR; 7,000 mt of HMS 1/2 (90:10) at \$374/mt CFR; 15,000 mt of shredded scrap at \$390/mt CFR; and 3,000 mt of PNS scrap at \$390/mt CFR for November shipment. A second US-origin deal was also confirmed as booked on Oct. 3 by a Marmara mill with HMS 1/2 (80:20) at \$371/mt CFR and bonus and shredded scrap at \$391/mt CFR for November shipment. A third confirmed US-origin deal was booked on Oct. 2 by the same Marmara mill with HMS 1/2 (80:20) at \$370/mt CFR and bonus and shredded scrap at \$390/mt CFR for November shipment. These two deals were reported to Platts Oct. 4. Indicative tradable values for US/Baltic-origin or premium HMS 1/2 (80:20) were largely shared at around \$370/mt CFR following the news of the deals, as market participants largely considered the deals reflective of premium HMS 1/2 (80:20) prices on the day.

“There is a lot of doom and gloom in the market,” an EU recycler said, citing an indicative workable value for EU-origin HMS 1/2 (80:20) at \$365/mt CFR and for US-origin material at \$370/mt CFR. The EU recycler also confirmed that HMS collection prices in the Benelux region remained at Eur295-300/mt delivered to the docks. More market participants shared bearish near-term price sentiment Oct. 4. They said that imports of raw materials remained too expensive considering the recent announcement of 20% increases in natural gas and electricity prices for the Turkish mills, which has been said to add \$10-\$15/mt to finished steel production costs for EAF producers. “We will keep dropping, but I feel the downside will be limited for now. First, we will test \$365-\$370/mt CFR and then \$360-\$365/mt CFR,” a Turkish trader said.

“The prices in Turkey are going down and it was obvious. The sellers tried to resist but it happened eventually. Everyone will now target even lower because scrap is still too expensive,” a Turkish mill source said. However, a US recycler considered US-origin HMS 1/2 (80:20) at above \$373/mt CFR, following the deals into Turkey, due to US domestic HMS prices “bottoming out” during the buy-week. Heavy melting scrap 1/2 prices were steady at \$330-\$350/mt delivered Midwest, with the support of overseas demand from Turkey and India. Platts assessed US HMS export prices at \$347.75/mt FOB US East Coast Oct. 3, steady at around midAugust levels. (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	370.00	-3.00	372.33
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	567.50	-2.50	568.33
US HRC CRU *CHG WoW*	663.00	-3.00	663.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-23	367	377	372
Nov-23	366	376	371
Dec-23	374	384	379
Q4-23	369	379	374
Q1-24	375	385	382
Q2-24	380	390	386

US HRC USD/short ton			
	Bid	Ask	Value
Oct-23	695	705	700
Nov-23	770	780	775
Dec-23	785	795	790
Q4-23	750	760	755
Q1-24	815	825	818
Q2-24	835	845	838

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-23	570	580	575
Nov-23	568	578	573
Dec-23	569	579	574
Q4-23	569	579	574
Q1-24	575	585	580
Q2-24	580	590	585

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-23	605	615	610
Nov-23	625	635	630
Dec-23	630	640	635
Q4-23	620	630	625
Q1-24	650	660	657
Q2-24	665	675	670

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-23	540	550	545
Nov-23	545	555	550
Dec-23	556	566	561
Q4-23	545	555	552
Q1-24	575	585	580
Q2-24	575	585	580

BUSHELING			
	Bid	Ask	Value
Oct-23	385	395	390
Nov-23	415	425	420
Dec-23	445	455	450
Q4-23	415	425	420
Q1-24	465	475	470
Q2-24	475	485	480

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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	OCT 23	NOV 23	-75	-90	-33	18	0	Tightened
	OCT 23	DEC 23	-100	-116	-53	34	0	Tightened
	OCT 23	JAN 24	-115	-130	-66	26	0	Tightened
	NOV 23	DEC 23	-25	-26	-20	16	0	Tightened
	NOV 23	JAN 24	-40	-40	-33	8	0	Unchanged
	DEC 23	JAN 24	-15	-14	-13	-8	0	Eased
EU HRC	OCT 23	NOV 23	-14	-5	0	-1	0	Eased
	OCT 23	DEC 23	-23	-20	-5	-5	0	Eased
	OCT 23	JAN 24	-33	-35	-15	-5	-35	Tightened
	NOV 23	DEC 23	-9	-15	-5	-4	0	Tightened
	NOV 23	JAN 24	-19	-30	-15	-4	-35	Tightened
	DEC 23	JAN 24	-10	-15	-10	0	-35	Tightened
Atlantic Spread (US-EU)	OCT 23	OCT 23	90	100	12	152	70	Eased
	NOV 23	NOV 23	151	185	45	133	70	Eased
	DEC 23	DEC 23	167	196	60	113	70	Eased
	JAN 24	JAN 24	172	195	63	121	35	Eased
ARC Spread (Rebar - Scrap)	OCT 23	OCT 23	200	200	189	206.5	291	Unchanged
	NOV 23	NOV 23	203.5	196.5	190	205.5	289.5	Tightened
	DEC 23	DEC 23	203	196	184.5	202.5	289.5	Tightened
	JAN 24	JAN 24	199	197.5	184.5	199.5	262	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	691	390	610	370	545	572	Current
	715	400	632	376	545	576	T-1W
	677	425	663	375	569	584	T-1M
	832	465	677	375	553	582	T-3M
	837	500	850	435	624	686	T-6M
	825	400	730	368	606	659	T-12M
	824	472	646	382	679	656	YTD

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