

10/10/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices fell Oct. 9, as military clashes in the Gaza Strip escalated over the weekend and brewed uncertainty over Turkish rebar exports to Israel, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$366/mt CFR Oct. 9, down \$3/mt day on day. Market participants in the Turkish steel industry were closely tracking the evolving fallout from the escalation of conflict in the Gaza Strip on Oct. 7, amid uncertainty over how the conflict would affect Israeli imports of Turkish rebar and exports of shortsea scrap. "The market will maintain a 'monitoring mode' attitude as they watch the scene unfold in Israel, but the [price] risk is skewed to the downside," a Turkish trader said, with other market participants also expressing uncertainty about how escalations in the conflict will affect the Turkish steel markets in the near-term. Platts assessed Turkish exported rebar at \$567.50/mt FOB on Oct. 6, stable day on day, based on market indications from mill sources and traders. Tradable value indications were heard to range \$565-\$570/ mt FOB, while offers were heard at \$575-\$590/mt FOB despite a persistent lack of sales.

"The export market for rebar has been slow for a long time and the absence of Israel will only affect things even more," a Turkish mill source said, citing indicative buyer targets for US/ Baltic-origin HMS 1/2 (80:20) at \$365/mt CFR. Indicative tradable values for EU-origin HMS 1/2 (80:20) were shared at \$360-\$365/mt CFR and were largely clustered at \$360-\$363/mt CFR. Reports of an EU-origin deal heard to be booked by an Iskenderun mill with HMS 1/2 (80:20) at \$359/mt CFR could not be confirmed on the day, and the exact timing was unclear. Indicative tradable values for US/Baltic-origin or premium HMS 1/2 (80:20) were mostly shared at \$364-\$368/mt CFR. However, a US recycler held firmer sell-side sentiment on the day, citing an indicative minimum seller target for their material at \$370/mt CFR, due to limited availability and elevated freight costs. Elsewhere, Platts assessed Turkish imports of shortsea scrap at \$340/mt CFR Oct. 9, unchanged day on day, with the most recent deals for shortsea scrap reported at \$340/mt CFR. "Israeli shortsea scrap is out of the picture now, so the Bulgarians, Romanians and Croatians will maintain current levels," an agent source said. (PLATTS)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	366.00	-3.00	370.33
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	567.50	0.00	567.92
US HRC CRU *CHG WoW*	663.00	-3.00	663.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-23	364	374	369
Nov-23	366	376	371
Dec-23	373	383	378
Q4-23	367	377	372
Q1-24	380	390	383
Q2-24	385	395	388

US HRC USD/short ton			
	Bid	Ask	Value
Oct-23	695	705	700
Nov-23	765	775	770
Dec-23	790	800	795
Q4-23	750	760	755
Q1-24	815	825	819
Q2-24	825	835	832

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-23	565	575	572
Nov-23	564	574	569
Dec-23	570	580	575
Q4-23	567	577	572
Q1-24	570	580	577
Q2-24	575	585	582

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-23	615	625	620
Nov-23	630	640	635
Dec-23	635	645	640
Q4-23	625	635	632
Q1-24	645	655	652
Q2-24	660	670	665

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-23	537	547	542
Nov-23	537	547	542
Dec-23	547	557	552
Q4-23	540	550	545
Q1-24	560	570	565
Q2-24	565	575	572

BUSHELING			
	Bid	Ask	Value
Oct-23	400	410	405
Nov-23	420	430	425
Dec-23	445	455	450
Q4-23	422	432	427
Q1-24	475	485	480
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	-67	-77	-26	36	0	Tightened
	OCT 23	DEC 23	-94	-101	-50	40	0	Tightened
	OCT 23	JAN 24	-114	-114	-79	48	0	Unchanged
	NOV 23	DEC 23	-27	-24	-24	4	0	Eased
	NOV 23	JAN 24	-47	-37	-53	12	0	Eased
	DEC 23	JAN 24	-20	-13	-29	8	0	Eased
EU HRC	OCT 23	NOV 23	-17	-7	-3	5	0	Eased
	OCT 23	DEC 23	-22	-22	-10	5	0	Unchanged
	OCT 23	JAN 24	-22	-32	-13	7	-35	Tightened
	NOV 23	DEC 23	-5	-15	-7	0	0	Tightened
	NOV 23	JAN 24	-5	-25	-10	2	-35	Tightened
	DEC 23	JAN 24	0	-10	-3	2	-35	Tightened
Atlantic Spread (US-EU)	OCT 23	OCT 23	83	68	55	169	55	Tightened
	NOV 23	NOV 23	133	138	78	138	55	Eased
	DEC 23	DEC 23	155	147	95	134	55	Tightened
	JAN 24	JAN 24	175	150	121	128	20	Tightened
ARC Spread (Rebar - Scrap)	OCT 23	OCT 23	200.5	198.5	180	210.5	292.5	Tightened
	NOV 23	NOV 23	204	196	182	207	286.5	Tightened
	DEC 23	DEC 23	197.5	192	181.5	204.5	286.5	Tightened
	JAN 24	JAN 24	193.5	187.5	179.5	202	262	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	701	405	618	369	532	573	Current
	686	390	618	372	543	570	T-1W
	710	430	650	380	550	560	T-1M
	854	460	672	372	547	582	T-3M
	849	465	850	431	624	673	T-6M
	810	400	720	362	608	655	T-12M
	824	472	646	382	679	656	YTD

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