

12/10/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices declined on Oct. 11, as mills dropped their buyer targets further, intensifying pressure on Europe-based and Baltic-based recyclers. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$362.50/mt CFR Oct. 11, down \$2.50 on the day. Indicative buyer targets for premium HMS 1/2 (80:20) were heard between \$355-\$360/mt CFR on the day, while indicative tradable values for Baltic-origin HMS 1/2 (80:20) were mostly shared at \$365/mt CFR and below. "I think we will see \$360/mt CFR for premium HMS 1/2 (80:20) soon," a Turkey-based mill source said. "[Finished steel sales] were not good for a long time, Israel is a very important market to us and now that the war has broken out the sellers [of scrap] wont be able to push prices easily." A Baltic-based recycler also described sentiment as a buyers' market, with sellers unable to influence prices much at the moment.

"To sell [to the Turkish mills] at \$365/mt CFR would be challenging," the Baltic-based recycler said, reporting that offers at \$365/mt CFR for Baltic-origin HMS 1/2 (80:20) were rejected by Turkish mills. HMS collection prices in the region were heard to be firm at Eur305/mt delivered, but prices were expected to soften in the near term. "Collection prices seem to be firm and competition over material is tough," a second Baltic-based recycler added. However, sellside sentiment in the US was slightly firmer on the day, with offers from the region heard to be limited as Turkish mills turned to Europe-based recyclers. "Availability in the US is quite limited so \$365/mt CFR doesn't work for US-origin material today, but it looks like it will be very difficult for the Turkish mills to pay any higher for scrap," an agent source said. "In fact, they might slow importing down depending on the war [in Israel]." Indicative tradable values for US-origin HMS 1/2 (80:20) were heard at above \$365-\$370/mt CFR on the day. "Anything below \$370/mt CFR for US-origin HMS 1/2 (80:20) is difficult to achieve," a second 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*	362.50	-2.50	368.69
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	562.50	-2.50	566.88
US HRC CRU *CHG WoW*	690.00	27.00	676.50

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-23	362	372	367
Nov-23	364	374	369
Dec-23	376	386	381
Q4-23	367	377	372
Q1-24	375	385	380
Q2-24	380	390	385

US HRC USD/short ton			
	Bid	Ask	Value
Oct-23	695	705	700
Nov-23	775	785	780
Dec-23	805	815	810
Q4-23	758	768	763
Q1-24	820	830	826
Q2-24	830	840	837

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-23	560	570	565
Nov-23	566	576	571
Dec-23	567	577	572
Q4-23	564	574	569
Q1-24	580	590	583
Q2-24	585	595	591

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-23	615	625	618
Nov-23	630	640	635
Dec-23	640	650	645
Q4-23	630	640	633
Q1-24	650	660	657
Q2-24	665	675	670

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-23	516	526	521
Nov-23	516	526	521
Dec-23	529	539	534
Q4-23	520	530	525
Q1-24	540	550	545
Q2-24	560	570	563

BUSHELING			
	Bid	Ask	Value
Nov-23	425	435	430
Dec-23	445	455	450
Jan-24	460	470	465
Q1-24	467	477	472
Q2-24	475	485	480
Q3-24	470	480	477

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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	-79	-75	-20	51	-1	Eased
	OCT 23	DEC 23	-115	-100	-50	52	-1	Eased
	OCT 23	JAN 24	-114	-113	-75	67	-21	Eased
	NOV 23	DEC 23	-36	-25	-30	1	0	Eased
	NOV 23	JAN 24	-35	-38	-55	16	-20	Tightened
	DEC 23	JAN 24	1	-13	-25	15	-20	Tightened
EU HRC	OCT 23	NOV 23	-17	-14	-3	5	0	Eased
	OCT 23	DEC 23	-32	-23	-8	5	0	Eased
	OCT 23	JAN 24	-32	-28	-13	4	-35	Eased
	NOV 23	DEC 23	-15	-9	-5	0	0	Eased
	NOV 23	JAN 24	-15	-14	-10	-1	-35	Eased
	DEC 23	JAN 24	0	-5	-5	-1	-35	Tightened
Atlantic Spread (US-EU)	OCT 23	OCT 23	82	93	54	201	26	Eased
	NOV 23	NOV 23	144	154	71	155	27	Eased
	DEC 23	DEC 23	165	170	96	154	27	Eased
	JAN 24	JAN 24	164	178	116	138	12	Eased
ARC Spread (Rebar - Scrap)	OCT 23	OCT 23	200	200.5	192	206.5	284.5	Eased
	NOV 23	NOV 23	193.5	200	190	203	277.5	Eased
	DEC 23	DEC 23	188	199	191	200.5	277.5	Eased
	JAN 24	JAN 24	206	197.5	193	200	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	700	425	618	368	529	567	Current
	705	420	612	369	544	570	T-1W
	711	433	644	383	562	575	T-1M
	880	475	660	374	556	580	T-3M
	864	485	850	421	620	668	T-6M
	781	409	690	364	598	649	T-12M
	824	460	646	382	679	656	YTD

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