

**24/10/2023**

## Turkish Scrap

Turkish deepsea import ferrous scrap prices were stable Oct. 23 as Turkish mills attempted to drop prices further despite sticky collection costs faced by recyclers, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$351.75/mt CFR Oct. 23, unchanged day on day, according to indications from mills, traders, agents and recyclers. A UK-origin deal was confirmed as booked by an Izmir mill Oct. 19, with HMS 1/2 (80:20) at \$345.50/mt CFR. Indicative workable values for EU-origin HMS 1/2 (80:20) were largely shared between \$343-\$350/mt CFR and largely clustered around \$344-\$347/mt CFR, which Platts normalized to a premium HMS 1/2 (80:20) equivalent of \$349-\$352/mt CFR. Indicative tradable values for US/Baltic-origin or premium HMS 1/2 (80:20) were in a range of \$345-\$355/mt CFR on the day. "Our stocks are too expensive to sell [at current prices]; there is no logic," said an EU recycler who was not offering any material at the moment. "Today the Turkish mills want \$340/mt CFR, and tomorrow they'll want \$335/mt CFR, and the next day, if they find a seller, they'll target \$330/mt CFR."

The EU recycler also shared HMS collection costs in the Benelux region at Eur280-285/mt delivered to the docks Oct. 23, which other recyclers in the region also repeated, having found stability after recent drops. "No material is moving at these [collection] prices," a second EU recycler said, suggesting that availability of HMS to collect in the Benelux region was limited. However, buy-side sentiment continued to remain bearish on the day, as Turkish mills began to mention upcoming pauses in their production of finished steel due to unworkable costs given currently achievable prices. "Due to market conditions, we are not able to continue, so we decided to stop our facility for a while," a Turkish mill source said, citing an indicative mill workable value for US/Baltic-origin HMS 1/2 (80:20) at \$345/mt CFR. A second Turkish mill source also suggested that US/Baltic-origin HMS 1/2 (80:20) prices would have to soften to \$346-\$349/mt CFR to be workable for the mills given current rebar prices. Platts assessed Turkish exported rebar at \$550/mt FOB Oct. 23, unchanged day on day. The outright scrap to rebar spread stood at \$198.25/mt Oct. 23, slightly lower than the \$200/mt production cost margin generally shared by market participants. (Abdi Salad; Platts)

# Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	351.75	0.00	363.16
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	550.00	0.00	560.63
US HRC CRU *CHG WoW*	714.00	24.00	689.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-23	356	362	359
Nov-23	354	360	357
Dec-23	370	376	373
Q4-23	360	366	363
Q1-24	377	383	380
Q2-24	378	384	381

US HRC USD/short ton			
	Bid	Ask	Value
Oct-23	696	706	701
Nov-23	810	820	815
Dec-23	860	870	865
Q4-23	789	799	794
Q1-24	860	870	863
Q2-24	850	860	856

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-23	550	560	555
Nov-23	551	561	556
Dec-23	556	566	561
Q4-23	552	562	557
Q1-24	566	576	571
Q2-24	576	586	581

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-23	605	615	611
Nov-23	620	630	625
Dec-23	640	650	645
Q4-23	620	630	627
Q1-24	655	665	658
Q2-24	670	680	675

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-23	523	533	528
Nov-23	536	546	541
Dec-23	539	549	544
Q4-23	533	543	538
Q1-24	557	567	562
Q2-24	560	570	565

BUSHELING			
	Bid	Ask	Value
Nov-23	430	440	435
Dec-23	460	470	465
Jan-24	480	490	485
Q4-23	457	467	462
Q1-24	485	495	492
Q2-24	490	500	495

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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	-114	-73	-45	9	0	Eased
	OCT 23	DEC 23	-162	-125	-81	5	-1	Eased
	OCT 23	JAN 24	-159	-132	-113	11	-21	Eased
	NOV 23	DEC 23	-48	-52	-36	-4	-1	Tightened
	NOV 23	JAN 24	-45	-59	-68	2	-21	Tightened
	DEC 23	JAN 24	3	-7	-32	6	-20	Tightened
EU HRC	OCT 23	NOV 23	-10	-7	-6	2	0	Eased
	OCT 23	DEC 23	-27	-25	-27	2	0	Eased
	OCT 23	JAN 24	-37	-35	-45	10	-35	Eased
	NOV 23	DEC 23	-17	-18	-21	0	0	Tightened
	NOV 23	JAN 24	-27	-28	-39	8	-35	Tightened
	DEC 23	JAN 24	-10	-10	-18	8	-35	Unchanged
Atlantic Spread (US-EU)	OCT 23	OCT 23	91	95	100	144	25	Eased
	NOV 23	NOV 23	195	161	139	137	25	Tightened
	DEC 23	DEC 23	226	195	154	141	26	Tightened
	JAN 24	JAN 24	213	192	168	143	11	Tightened
ARC Spread (Rebar - Scrap)	OCT 23	OCT 23	197	192.5	203	199	283	Tightened
	NOV 23	NOV 23	194.5	193	194	199.5	282	Tightened
	DEC 23	DEC 23	186.5	186.5	193	207	282	Unchanged
	JAN 24	JAN 24	188	186	197.5	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	701	445	611	360	526	555	Current
	705	445	610	364	534	557	T-1W
	729	450	635	379	558	582	T-1M
	804	475	654	366	563	565	T-3M
	824	435	841	380	565	605	T-6M
	780	420	690	363	568	646	T-12M
	824	460	646	382	679	656	YTD

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