

**01/11/2023**

## Turkish Scrap

Turkish deepsea imported scrap prices moved up further on Oct, 31, as a new US-origin deal was reported on the day. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$363.50/mt CFR Oct. 31, up \$6 from Oct. 30. The average assessment for the full month was \$360.95/mt CFR Turkey. A new trade closed on the day, with 25,000 mt HMS 1/2 (90:10) at \$367/mt and 8,000 mt shred at \$385/mt, CFR Iskenderun, of US-origin, for November shipment. Several market players said that the deal represented the top level of prices achievable in the Turkish market. A trader said the price was only workable in the Iskenderun area, where rebar was selling at \$570/mt ex-works. For steelmakers in Marmara, where rebar prices were \$20 lower, purchasing scrap at \$365/mt CFR Turkey would be below break even, the trader said. Platts assessed Turkish exported rebar at \$547.50/mt FOB on Oct. 31, down \$2.50 on the day. The daily outright spread between Turkish export rebar and import was \$184/mt, which was below most mills' \$200/mt target. It remained to be seen whether a wider Turkish market would accept prices above \$360/mt CFR Turkey for premium quality HMS 1/2 (80:20) in the coming days.

Some sources held a view that Turkey-based buyers had no choice but to pay above \$360/ mt CFR if they need material. Offers for premium US and Baltic HMS 1/2 (80:20) were already heard at \$365/mt CFR and higher. An agent source also believed that for mills outside of Iskenderun, the alternative was to focus on booking shortsea scrap. However, shortsea offers were also seen moving up following the latest deepsea deal. One recycler in the Balkans put his target level at \$330/mt CFR Turkey. An agent source expected offers to be at least \$340/mt CFR now. The futures contract for Turkish import ferrous scrap on the London Metal Exchange, which settles basis Platts, saw a stronger contango so far during the week beginning Oct. 30. Platts assessed the LME October scrap contract at \$360.5/ mt Oct. 31, which was stable on the week. The November contract was \$380/mt, up from \$355.50/mt a week earlier. The December and January contracts were sharply up to \$400/mt and \$405/mt, respectively, from \$372.75/mt and \$381.5/mt a week earlier. (Platts)

# Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	363.50	6.00	360.95
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	547.50	-2.50	556.82
US HRC CRU *CHG WoW*	742.00	28.00	702.25

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-23	377	383	380
Dec-23	395	401	398
Jan-24	398	404	401
Q1-24	400	406	403
Q2-24	402	408	405
Q3-24	402	408	405

US HRC USD/short ton			
	Bid	Ask	Value
Nov-23	870	880	875
Dec-23	980	990	985
Jan-24	980	990	985
Q1-24	967	977	972
Q2-24	940	950	943
Q3-24	885	895	890

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-23	565	575	570
Dec-23	577	587	582
Jan-24	589	599	594
Q1-24	592	602	597
Q2-24	599	609	604
Q3-24	603	613	608

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-23	670	680	675
Dec-23	690	700	695
Jan-24	690	700	695
Q1-24	695	705	702
Q2-24	705	715	708
Q3-24	715	725	720

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-23	549	559	554
Dec-23	566	576	571
Jan-24	575	585	580
Q1-24	575	585	580
Q2-24	577	587	582
Q3-24	580	590	585

BUSHELING			
	Bid	Ask	Value
Nov-23	450	460	455
Dec-23	485	495	490
Jan-24	500	510	505
Q1-24	515	525	520
Q2-24	525	535	530
Q3-24	525	535	530

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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	NOV 23	DEC 23	-115	-54	-20	-4	0	Eased
	NOV 23	JAN 24	-118	-58	-40	-1	-20	Eased
	NOV 23	FEB 24	-100	-51	-45	-16	-38	Eased
	DEC 23	JAN 24	-3	-4	-20	3	-20	Tightened
	DEC 23	FEB 24	15	3	-25	-12	-38	Tightened
	JAN 24	FEB 24	18	7	-5	-15	-18	Tightened
EU HRC	NOV 23	DEC 23	-25	-17	-10	0	0	Eased
	NOV 23	JAN 24	-25	-20	-29	-10	-30	Eased
	NOV 23	FEB 24	-23	-30	-40	-10	-30	Tightened
	DEC 23	JAN 24	0	-3	-19	-10	-30	Tightened
	DEC 23	FEB 24	2	-13	-30	-10	-30	Tightened
	JAN 24	FEB 24	2	-10	-11	0	0	Tightened
Atlantic Spread (US-EU)	NOV 23	NOV 23	200	192	170	109	25	Tightened
	DEC 23	DEC 23	290	229	180	113	25	Tightened
	JAN 24	JAN 24	293	230	181	100	15	Tightened
	FEB 24	FEB 24	277	213	175	115	33	Tightened
ARC Spread (Rebar - Scrap)	NOV 23	NOV 23	186.5	196	188.5	203.5	262.5	Eased
	DEC 23	DEC 23	189.5	189	191	201.5	262	Tightened
	JAN 24	JAN 24	196	190	191.5	199	262	Tightened
	FEB 24	FEB 24	191.5	189	189	199.5	267	Tightened

## Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	875	455	675	380	550	566	Current
	827	445	610	355	542	551	T-1W
	795	435	631	387	553	575	T-1M
	769	467	655	371	583	575	T-3M
	793	420	790	389	575	618	T-6M
	785	405	650	366	559	629	T-12M
	824	460	646	385	673	650	YTD

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