

**03/11/2023**

## Turkish Scrap

The prices of Turkish imported scrap sustained an upward momentum Nov. 2 amid fresh deepsea and shortsea bookings. With the Turkish scrap inventories likely to be depleted and the time to secure November and early December shipments running short, mills were actively searching for cargoes, according to sources. Two US-origin deals were done by a Marmara mill Nov. 1. The first one included HMS 1/2 (80:20) at \$369/mt CFR and shred and bonus at \$389/mt CFR. The second one for a total of 30,000 mt included HMS 1/2 (80:20) at \$370/mt CFR and shred and bonus at \$390/mt CFR. Both deals were confirmed. The tradable values for premium HMS 1/2 (80:20) went up from \$365/mt CFR to \$370-\$375/mt CFR as the latest US deals reached the market. On Nov. 2, Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$370/mt CFR Nov. 2, up \$5/mt from Nov. 1. The assessment has moved up \$20/mt since the rebound started just over a week earlier. The rapid increase took some market participants by surprise. "I expected \$355-\$360/mt CFR for premium HMS 80:20, so I am surprised to see this kind of strong scrap market because it's not like that in the finished products," a trader said.

He attributed the upsurge in price by the approaching winter and low inventory on the mill side. Also, billet imports were not a viable option, he added. The most recently heard European deepsea deal, Dutch-origin, was concluded Oct. 31 at \$361/mt for HMS 1/2 (80:20) and at \$386/mt CFR for bonus. The deal was done by the same Marmara mill, which bought the two US cargoes a day later. The collection prices in Europe were reported at Eur295/mt delivered to docks, a trader said. more bookings were anticipated by the remaining producers, who were either holding back and trying to put pressure on suppliers or focusing on shortsea quantities. Two Italian cargoes were heard earlier in the week, first at \$340/mt CFR and then at \$349/mt CFR Turkey. Turkish mills had pressured shortsea scrap prices down in late October as deepsea suppliers remained firm and hiked offers, temporarily widening the deepsea-shortsea scrap spread to \$35.50/mt Oct. 31. However, with the latest US-origin deepsea HMS 1/2 (80:20) deals reaching \$369-\$370/mt CFR, mills increased shortsea scrap demand, narrowing the deepsea-shortsea spread to \$23.50/mt Nov. 2. The most recent deals were heard from Bulgaria at \$345/mt CFR Marmara and Romania at \$348/mt CFR Turkey. Platts assessed Turkish imports of shortsea scrap at \$346.50/mt CFR Nov. 2, up \$17/mt on the day. (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	5.00	367.50
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	555.00	0.00	555.00
US HRC CRU *CHG WoW*	802.00	60.00	802.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-23	372	378	375
Dec-23	385	391	388
Jan-24	388	394	391
Q1-24	389	395	392
Q2-24	390	396	393
Q3-24	395	401	398

US HRC USD/short ton			
	Bid	Ask	Value
Nov-23	875	885	880
Dec-23	990	1000	995
Jan-24	985	995	990
Q1-24	963	973	968
Q2-24	905	915	909
Q3-24	870	880	873

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-23	558	568	563
Dec-23	574	584	579
Jan-24	584	594	589
Q1-24	584	594	589
Q2-24	595	605	600
Q3-24	598	608	603

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-23	660	670	665
Dec-23	690	700	695
Jan-24	690	700	695
Q1-24	695	705	700
Q2-24	700	710	703
Q3-24	710	720	715

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-23	547	557	552
Dec-23	570	580	575
Jan-24	578	588	583
Q1-24	582	592	587
Q2-24	583	593	588
Q3-24	581	591	586

BUSHELING			
	Bid	Ask	Value
Nov-23	440	450	445
Dec-23	485	495	490
Jan-24	495	505	500
Q1-24	507	517	512
Q2-24	510	520	515
Q3-24	510	520	515

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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	-116	-99	-24	-1	0	Eased
	NOV 23	JAN 24	-112	-90	-37	-6	-25	Eased
	NOV 23	FEB 24	-87	-74	-35	-6	-25	Eased
	DEC 23	JAN 24	4	9	-13	-5	-25	Eased
	DEC 23	FEB 24	29	25	-11	-5	-25	Tightened
	JAN 24	FEB 24	25	16	2	0	0	Tightened
EU HRC	NOV 23	DEC 23	-32	-17	-15	0	-5	Eased
	NOV 23	JAN 24	-35	-25	-25	-15	-60	Eased
	NOV 23	FEB 24	-37	-21	-39	-15	-60	Eased
	DEC 23	JAN 24	-3	-8	-10	-15	-55	Tightened
	DEC 23	FEB 24	-5	-4	-24	-15	-55	Eased
	JAN 24	FEB 24	-2	4	-14	0	0	Eased
Atlantic Spread (US-EU)	NOV 23	NOV 23	216	221	138	114	35	Eased
	DEC 23	DEC 23	300	303	147	115	30	Eased
	JAN 24	JAN 24	293	286	150	105	0	Tightened
	FEB 24	FEB 24	266	274	134	105	0	Eased
ARC Spread (Rebar - Scrap)	NOV 23	NOV 23	188	193	196	195	265.5	Eased
	DEC 23	DEC 23	191	189	192	197	266	Tightened
	JAN 24	JAN 24	198.5	195	187.5	199	266	Tightened
	FEB 24	FEB 24	205	195	195.5	196.5	267	Tightened

## Front Month Price Grid

Field	US HRC	US B0\$	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	882	450	655	372	552	560	Current
	866	442	610	370	550	563	T-1W
	763	425	618	374	549	570	T-1M
	759	455	640	365	562	560	T-3M
	805	435	779	388	557	624	T-6M
	765	405	660	361	560	627	T-12M
	824	460	646	385	673	650	YTD

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