

07/11/2023

## Turkish Scrap

Turkish deepsea import ferrous scrap prices continued to climb on Nov. 6, as market participants mostly expressed bullish near-term price sentiment as mills look to restock ahead of winter holiday periods. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$372.50/mt CFR Nov. 6, up \$2.50/mt on day. A reported UK-origin deal was heard to be booked by an Izmir mill sometime between Nov 4-6, with HMS 1/2 (80:20) at \$365/mt CFR. A reported EU-origin deal was heard to be booked on Nov. 3 by an Iskenderun mill, with HMS 1/2 (80:20) at \$370/mt CFR. The average of the two reported deals, when normalized to a premium HMS 1/2 (80:20) equivalent, was \$372.50/mt CFR. A second reported EU-origin deal heard to be booked by an Iskenderun mill was also shared late in the day, with HMS 1/2 (80:20) at \$367/mt CFR, but was unconfirmed on the day.

Indicative tradable values for US/Baltic-origin HMS 1/2 (80:20) were shared between \$372-\$375/mt CFR on the day. "Turkey have had a chance to export rebars to Europe recently to compensate for losing [export opportunities to] Israel and Iran, so the mills are actively importing scrap. The [scrap] market has slightly overheated, but I do not think the US will sell below \$375/ mt CFR," a Turkish mill source said. The Turkish mill source also shared a near-term tradable value for US-origin HMS 1/2 (80:20) at a maximum of \$380/mt CFR, with an EU recycler also suggesting that prices of premium HMS 1/2 (80:20) could test \$380/mt CFR in the near-term. European workable levels were also shared at higher levels due to recent strength in the Euro against the dollar, and higher collection costs seen in the Benelux region. Platts assessed the euro at \$1.0743 Nov. 6, appreciating from \$1.0606 on Oct. 30, one week prior, while HMS collection costs in the Benelux region were shared at the higher cost of Eur295/mt delivered to the docks Nov. 6.

"European recyclers will have to accept \$375/mt CFR for the next deal levels. The dollar is so weak," a second EU recycler said. Elsewhere, the futures market also echoed the bullish price sentiment exhibited by physical market participants on the day. The futures contract for Turkish import ferrous scrap on the London Metal Exchange, which settles basis Platts, strengthened its contango, highlighting bullish price expectations from futures traders. Platts assessed the LME November scrap contract at \$376.50/mt Nov. 6, up \$1/mt on the day, with the December contract also strengthening by \$5/mt on the day to \$391.50/mt. The January and February contracts also increased on the day, with the former climbing by \$4/mt to \$393.50/mt Nov. 6 and the latter by \$3/mt to \$393.50/mt on 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*	372.50	2.50	369.38
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	560.00	2.50	556.88
US HRC CRU *CHG WoW*	802.00	60.00	802.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-23	374	380	377
Dec-23	391	397	394
Jan-24	394	400	397
Q1-24	394	400	397
Q2-24	399	405	402
Q3-24	402	408	405

US HRC USD/short ton			
	Bid	Ask	Value
Nov-23	880	890	885
Dec-23	1025	1035	1030
Jan-24	1030	1040	1035
Q1-24	995	1005	1000
Q2-24	920	930	927
Q3-24	870	880	875

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-23	560	570	565
Dec-23	578	588	583
Jan-24	587	597	592
Q1-24	586	596	591
Q2-24	596	606	601
Q3-24	598	608	603

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-23	660	670	665
Dec-23	700	710	705
Jan-24	700	710	705
Q1-24	715	725	718
Q2-24	715	725	722
Q3-24	730	740	735

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-23	543	553	548
Dec-23	575	585	580
Jan-24	583	593	588
Q1-24	587	597	592
Q2-24	589	599	594
Q3-24	593	603	598

BUSHELING			
	Bid	Ask	Value
Nov-23	445	455	450
Dec-23	495	505	500
Jan-24	515	525	520
Q1-24	527	537	532
Q2-24	535	545	540
Q3-24	530	540	535

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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	-151	-123	-25	-14	0	Eased
	NOV 23	JAN 24	-146	-125	-39	-26	-25	Eased
	NOV 23	FEB 24	-122	-103	-40	-19	-25	Eased
	DEC 23	JAN 24	5	-2	-14	-12	-25	Tightened
	DEC 23	FEB 24	29	20	-15	-5	-25	Tightened
	JAN 24	FEB 24	24	22	-1	7	0	Tightened
EU HRC	NOV 23	DEC 23	-44	-13	-9	-4	-5	Eased
	NOV 23	JAN 24	-49	-16	-18	-10	-40	Eased
	NOV 23	FEB 24	-36	-9	-20	-20	-40	Eased
	DEC 23	JAN 24	-5	-3	-9	-6	-35	Eased
	DEC 23	FEB 24	8	4	-11	-16	-35	Tightened
	JAN 24	FEB 24	13	7	-2	-10	0	Tightened
Atlantic Spread (US-EU)	NOV 23	NOV 23	212	187	145	99	27	Tightened
	DEC 23	DEC 23	319	297	161	109	22	Tightened
	JAN 24	JAN 24	309	296	166	115	12	Tightened
	FEB 24	FEB 24	298	281	165	98	12	Tightened
ARC Spread (Rebar - Scrap)	NOV 23	NOV 23	186	186.5	200.5	193.5	268.5	Eased
	DEC 23	DEC 23	183	187	195	191	268.5	Eased
	JAN 24	JAN 24	188.5	192.5	195.5	195	268.5	Eased
	FEB 24	FEB 24	205	194	196.5	193.5	267	Tightened

## Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	890	443	671	376	550	562	Current
	871	455	611	380	550	566	T-1W
	770	425	613	370	550	571	T-1M
	749	450	635	369	569	563	T-3M
	786	435	750	381	555	596	T-6M
	777	405	655	359	562	628	T-12M
	824	460	646	385	673	650	YTD

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