

15/11/2023

Turkish Scrap

Turkish deepsea imported ferrous scrap prices increased again on Nov. 14, as deals booked on Nov. 10 emboldened recycler offers, despite Turkish mills being in less need of cargoes, market sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$382.50/mt CFR Nov. 14, up \$3/mt on day. Market participants shared indicative tradable values for premium or US/Baltic-origin HMS 1/2 (80:20) mostly between \$380-\$385/mt CFR on the day. Sources largely discussed a reported UK -origin deal that was heard to be booked on Nov. 10 by an Izmir-based mill, with HMS 1/2 (80:20) at \$379/mt CFR, shredded scrap at \$404/mt CFR and bonus scrap at \$404/mt CFR. Market consensus over the repeatability of the deal was mixed on the day, with the deal heard to command a premium due to its shipment timing. However, reports of the deal were heard to embolden sellside sentiment that appeared to target higher levels since. Offers for US-origin HMS 1/2 (80:20) were shared at \$385/mt CFR and above on the day, while offers for EU-origin HMS 1/2 (80:20) were reported at \$380/mt CFR and above. "All the suppliers seem to have increased their prices today based on the deal, but many mills have now purchased their needs and I don't think they are ready to pay more," an agent source said, "the market is not very active today, but the general atmosphere is still promising for the coming days."

The agent source shared an indicative buyer workable value for US/Baltic HMS 1/2 (80:20) at a maximum of \$380- \$381/mt CFR. The higher offers were reported to have been met with counterbids from the Turkish mills on Nov. 14, who were heard to only require one or two more December shipments of scrap, which would allow them to be more patient in imports of deepsea scrap. A Turkey-based mill also said that Turkish mills were actively purchasing scrap domestically in the absence of deepsea deal activity seen so far in the week, and reported increased HMS 1 collection bids of around \$368/mt delivered to the mill in Turkey. "Turkey only needs one or two more cargoes for December shipment, so we may have reached a top for scrap for a while," the Turkey-based mill said. "I am not seeing much demand, the mills seem to have covered their needs," a trader also said. Elsewhere, a Baltic-based recycler shared HMS collection costs in the Baltic region at Eur310/mt delivered to the docks, while an EU-based recycler also reported HMS collection costs in the Benelux region at Eur315/mt delivered to the docks. The EU-based recycler suggested that current collection costs in the Benelux region implied \$383/mt CFR was workable for HMS 1/2 (80:20) exports to Turkey at a minimum on the day. (Platts; Abdi Salad)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	382.50	3.00	374.05
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	565.00	0.00	560.25
US HRC CRU *CHG WoW*	853.00	51.00	827.50

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-23	383	389	386
Dec-23	406	412	409
Jan-24	407	413	410
Q1-24	406	412	409
Q2-24	407	413	410
Q3-24	408	414	411

US HRC USD/short ton			
	Bid	Ask	Value
Nov-23	888	898	893
Dec-23	1035	1045	1040
Jan-24	1065	1075	1070
Q1-24	1025	1035	1030
Q2-24	910	920	915
Q3-24	860	870	865

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-23	563	573	568
Dec-23	582	592	587
Jan-24	589	599	594
Q1-24	595	605	600
Q2-24	604	614	609
Q3-24	606	616	611

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-23	665	675	668
Dec-23	705	715	710
Jan-24	720	730	725
Q1-24	720	730	725
Q2-24	735	745	739
Q3-24	750	760	755

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-23	563	573	568
Dec-23	582	592	587
Jan-24	589	599	594
Q1-24	595	605	600
Q2-24	604	614	609
Q3-24	606	616	611

BUSHELING			
	Bid	Ask	Value
Dec-23	495	505	500
Jan-24	525	535	530
Feb-24	525	535	530
Q1-24	527	537	532
Q2-24	525	535	528
Q3-24	500	510	507

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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	-150	-154	-49	-15	-5	Tightened
	NOV 23	JAN 24	-175	-158	-59	-26	-30	Eased
	NOV 23	FEB 24	-160	-134	-59	-30	-30	Eased
	DEC 23	JAN 24	-25	-4	-10	-11	-25	Eased
	DEC 23	FEB 24	-10	20	-10	-15	-25	Eased
	JAN 24	FEB 24	15	24	0	-4	0	Eased
EU HRC	NOV 23	DEC 23	-60	-32	-7	-10	-5	Eased
	NOV 23	JAN 24	-70	-66	-12	-19	-60	Eased
	NOV 23	FEB 24	-75	-65	-17	-25	-60	Eased
	DEC 23	JAN 24	-10	-34	-5	-9	-55	Tightened
	DEC 23	FEB 24	-15	-33	-10	-15	-55	Tightened
	JAN 24	FEB 24	-5	1	-5	-6	0	Eased
Atlantic Spread (US-EU)	NOV 23	NOV 23	225	222	128	100	52	Tightened
	DEC 23	DEC 23	315	344	170	105	52	Eased
	JAN 24	JAN 24	330	314	175	107	22	Tightened
	FEB 24	FEB 24	310	291	170	105	22	Tightened
ARC Spread (Rebar - Scrap)	NOV 23	NOV 23	185	187	198	206	260.5	Eased
	DEC 23	DEC 23	185	190.5	191	197.5	260.5	Eased
	JAN 24	JAN 24	192.5	200.5	191	202	260.5	Eased
	FEB 24	FEB 24	197	210.5	198.5	198.5	267	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	895	505	660	384	549	589	Current
	892	510	670	382	555	589	T-1W
	761	450	615	367	537	585	T-1M
	750	463	630	375	563	581	T-3M
	784	445	762	378	552	607	T-6M
	782	430	637	372	576	633	T-12M
	824	460	646	385	673	650	YTD

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