

**16/11/2023**

## Turkish Scrap

Turkish imported scrap prices were still showing upward potential as mills' requirements for December shipments were not fully covered yet and more bookings were expected. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$385/mt CFR Nov. 15, up \$2.50/mt on the day and up \$12/mt on the week. "Turkish mills still need more [scrap] for December, possibly seven more [cargoes]," an agent said. He added that some mills were looking to replenish their scrap inventory before Christmas and New Year holidays, when the suppliers are not active. A trader said that Turkish steelmakers, particularly flat steel producers, would also be looking to book January shipments soon. There was a consensus in the market that, for the time being, scrap prices should not turn down and, on the contrary, some up-tick was still expected. Several sources mentioned an offer for US HMS 1/2 (80:20) at \$388/mt CFR Turkey.

Other indications of suppliers' target levels for premium quality HMS 1/2 (80:20) were at a minimum of \$385/mt CFR. Target prices from the EU suppliers were heard at a minimum of \$380/mt CFR Turkey, a few US dollars below the US and Baltic material. However, a European recycler argued that the sale margins of European scrap exporters for Turkey contracted \$5-6/mt due to the strengthening Euro and therefore, European suppliers would be looking for prices similar to the US-origin. "The strong Euro makes it difficult to export from Europe," he added. Euro traded at \$1.085 on Nov. 15, nearly 3% up compared with the beginning of the month, according to S&P Global Market Intelligence data. Turkish scrap importers confirmed the deep-sea market was already above \$380/mt CFR Turkey for premium HMS 1/2 (80:20). One mill indicated bids at \$383-\$384/mt CFR on the day. Another mill source said he was ready to pay between \$385-\$390/mt CFR. (Platts)

# Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	385.00	2.50	375.05
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	565.00	0.00	560.68
US HRC CRU *CHG WoW*	898.00	45.00	851.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-23	382	388	385
Dec-23	405	411	408
Jan-24	405	411	408
Q1-24	404	410	407
Q2-24	404	410	407
Q3-24	404	410	407

US HRC USD/short ton			
	Bid	Ask	Value
Nov-23	885	895	890
Dec-23	1020	1030	1025
Jan-24	1055	1065	1060
Q1-24	1013	1023	1018
Q2-24	900	910	905
Q3-24	860	870	865

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-23	563	573	568
Dec-23	579	589	584
Jan-24	585	595	590
Q1-24	591	601	596
Q2-24	596	606	601
Q3-24	600	610	605

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-23	645	655	652
Dec-23	690	700	695
Jan-24	710	720	715
Q1-24	720	730	723
Q2-24	735	745	738
Q3-24	750	760	755

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-23	544	554	549
Dec-23	575	585	580
Jan-24	597	607	602
Q1-24	596	606	601
Q2-24	595	605	600
Q3-24	594	604	599

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	515	525	518
Q3-24	495	505	502

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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	-135	-130	-51	-14	-10	Eased
	NOV 23	JAN 24	-163	-142	-61	-27	-35	Eased
	NOV 23	FEB 24	-135	-114	-57	-31	-35	Eased
	DEC 23	JAN 24	-28	-12	-10	-13	-25	Eased
	DEC 23	FEB 24	0	16	-6	-17	-25	Eased
	JAN 24	FEB 24	28	28	4	-4	0	Unchanged
EU HRC	NOV 23	DEC 23	-48	-30	-10	-5	-5	Eased
	NOV 23	JAN 24	-66	-55	-17	-15	-55	Eased
	NOV 23	FEB 24	-83	-55	-25	-21	-55	Eased
	DEC 23	JAN 24	-18	-25	-7	-10	-50	Tightened
	DEC 23	FEB 24	-35	-25	-15	-16	-50	Eased
	JAN 24	FEB 24	-17	0	-8	-6	0	Eased
Atlantic Spread (US-EU)	NOV 23	NOV 23	238	229	142	108	55	Tightened
	DEC 23	DEC 23	325	329	183	117	60	Eased
	JAN 24	JAN 24	335	316	186	120	35	Tightened
	FEB 24	FEB 24	290	288	174	118	35	Tightened
ARC Spread (Rebar - Scrap)	NOV 23	NOV 23	184	183.5	192.5	203	263.5	Tightened
	DEC 23	DEC 23	181	187.5	194	200.5	263	Eased
	JAN 24	JAN 24	191	193	188.5	204	263	Eased
	FEB 24	FEB 24	189	204	193	199	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	890	505	652	385	549	566	Current
	889	505	660	382	550	565	T-1W
	770	469	614	368	534	561	T-1M
	753	460	630	378	568	581	T-3M
	775	450	760	378	547	611	T-6M
	790	430	630	371	576	634	T-12M
	824	460	646	385	673	650	YTD

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