

04/12/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices increased again on Dec. 1 with sentiment remaining largely bullish to conclude a week which saw prices increase by \$18/mt since Nov. 27. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$408/mt CFR Dec. 1, up \$4/mt on day, considering indications from mills, traders, agents and recyclers. Market participants mostly shared indicative tradable values for premium or US/Baltic-origin HMS 1/2 (80:20) between \$404- \$410/mt CFR. A UK-origin deal was heard to be booked by Iskenderun mill with HMS 1/2 (80:20) at \$405/mt CFR, but the deal was heard after the 4:30 pm UK deadline and could not be confirmed on the day. Offers for EU-origin HMS 1/2 (80:20) were reported at \$410/ mt CFR, while an offer for US-origin HMS 1/2 (80:20) was heard at \$420/mt CFR, but was considered unworkable for buyers on the day. "The offer level from Europe is now \$410/mt CFR, but the mills are resisting so the recyclers can wait for next week," a EU recycler said implying bullish near-term price sentiment.

The EU recycler also suggested the recently reported delays in previously booked December shipments was due to increases in spot freight rates seen in the European markets, as well as due to low inflows of HMS in the region. Platts assessed the dry bulk freight rate for the RotterdamAliaga Turkey route for 30,000 mt Supramax at \$32.50/mt Dec. 1, up 75 cents/mt on day and from \$28/mt on Nov. 24, just one week prior, amid the Panama Canal delays. Other market participants on the sell-side also reported difficulty in collecting HMS on the day, with the current price continuing to be heard as Eur315-320/mt delivered to the docks in the Benelux region. "There is a lack of scrap in the ports, there are no stockpiles anywhere, so between \$405-\$410/mt CFR [for premium HMS 1/2 (80:20) should be the level next week," a shortsea supplier said. The shortsea supplier also reported that shortsea scrap exporters were aiming to achieve \$380/mt CFR for sales to Turkey, but were being met with resistance from the mills. "They [the Turkish mills] are trying to push for lower but I am confident this price will be achieved sooner or later," the shortsea supplier said. Platts assessed Turkish imports of shortsea scrap at \$377.50/ mt CFR Dec. 1, up \$2.50/mt on 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*	408.00	4.00	382.64
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	587.50	0.00	569.32
US HRC CRU *CHG WoW*	968.00	1.00	897.60

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-23	411	417	414
Jan-24	411	417	414
Feb-24	410	416	413
Q1-24	410	416	413
Q2-24	404	410	407
Q3-24	403	409	406

US HRC USD/short ton			
	Bid	Ask	Value
Dec-23	1030	1040	1035
Jan-24	1095	1105	1100
Feb-24	1055	1065	1060
Q1-24	1048	1058	1053
Q2-24	920	930	925
Q3-24	850	860	857

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-23	594	604	599
Jan-24	602	612	607
Feb-24	598	608	603
Q1-24	600	610	605
Q2-24	597	607	602
Q3-24	598	608	603

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-23	690	700	695
Jan-24	720	730	725
Feb-24	725	735	730
Q1-24	725	735	728
Q2-24	735	745	740
Q3-24	750	760	755

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-23	558	568	563
Jan-24	570	580	575
Feb-24	577	587	582
Q1-24	577	587	582
Q2-24	584	594	589
Q3-24	587	597	592

BUSHELING			
	Bid	Ask	Value
Dec-23	485	495	490
Jan-24	525	535	530
Feb-24	525	535	530
Q1-24	525	535	530
Q2-24	515	525	520
Q3-24	515	525	518

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com

Spread Moves

SPREAD TABLE								
Metal	Front Mth	Back Mth	Current	T-1w	T-1M	T-3M	T-12M	Tight/Eased T-1w
US HRC	DEC 23	JAN 24	-64	-57	0	-19	-8	Eased
	DEC 23	FEB 24	-34	-9	28	-32	-8	Eased
	DEC 23	MAR 24	26	33	53	-43	-8	Eased
	JAN 24	FEB 24	30	48	28	-13	0	Eased
	JAN 24	MAR 24	90	90	53	-24	0	Unchanged
	FEB 24	MAR 24	60	42	25	-11	0	Tightened
EU HRC	DEC 23	JAN 24	-35	-36	-5	-20	-40	Tightened
	DEC 23	FEB 24	-35	-36	-5	-25	-40	Tightened
	DEC 23	MAR 24	-35	-37	-15	-32	-40	Tightened
	JAN 24	FEB 24	0	0	0	-5	0	Unchanged
	JAN 24	MAR 24	0	-1	-10	-12	0	Tightened
	FEB 24	MAR 24	0	-1	-10	-7	0	Tightened
Atlantic Spread (US-EU)	DEC 23	DEC 23	326	366	283	76	45	Eased
	JAN 24	JAN 24	355	387	278	75	13	Eased
	FEB 24	FEB 24	325	339	250	83	13	Eased
	MAR 24	MAR 24	265	296	215	87	13	Eased
ARC Spread (Rebar - Scrap)	DEC 23	DEC 23	183	191.5	181	185.5	270	Eased
	JAN 24	JAN 24	193.5	185	193.5	184	270	Tightened
	FEB 24	FEB 24	185.5	190	195	182	270	Eased
	MAR 24	MAR 24	186	192	198	182	272.5	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1039	485	700	412	566	599	Current
	1060	495	648	396	582	588	T-1W
	988	495	676	392	570	573	T-1M
	736	440	650	380	567	565	T-3M
	786	460	684	378	550	590	T-6M
	795	430	645	378	575	648	T-12M
	824	460	646	382	677	650	YTD

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com