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Turkish Scrap

Turkish deepsea import ferrous scrap prices increased further on Dec. 7, as the recent rally in prices was expected to persist due to limited availability and climbing freight rates, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$426/mt CFR Dec. 7, up \$6 on the day. A US-origin deal totaling 30,000 mt was confirmed to have been booked on Dec. 7 by an Iskenderun mill with HMS 1/2 (80:20) at \$428/mt CFR and shredded and P&S scrap at \$448/mt CFR for mid-January shipment. A second US-origin deal was confirmed as booked on Dec. 6 by the same Iskenderun mill, with HMS 1/2 (95:5) at \$437/mt CFR and P&S scrap at \$448.50/mt CFR. Platts normalized the HMS 1/2 (95:5) in the cargo to a premium HMS 1/2 (80:20) equivalent of \$426/mt CFR, based on market feedback on quality differentials gathered on the day. An EU-origin deal was also confirmed as booked on Dec. 6 by an Izmir mill, with HMS 1/2 (80:20) at \$419/mt CFR and shredded or bonus scrap at \$441/mt CFR. Platts normalized the HMS 1/2 (80:20) in the cargo to a premium HMS 1/2 (80:20) equivalent of \$424/mt CFR on the day, based on prevailing market feedback on quality differentials. The average of the three deals, when normalized to premium HMS 1/2 (80:20), came to \$426/mt CFR. Market sources considered the normalized value of the above deals as reflective of premium HMS 1/2 (80:20) and repeatable on the day.

A second EU-origin deal was also heard booked on Dec. 6 by a Marmara mill with 25,000 mt of HMS, 10,000 mt of bonus and 5,000 mt of shredded at an average price of \$426/mt CFR, but the exact details could not be confirmed. Market participants continued to cite elevated freight rates as the main driver of the rally in prices recently, citing that persistent delays in the Panama Canal and a lack of vessel availability were affecting key scrap routes into Turkey. "Freights are climbing at the same pace [that Turkish scrap prices are climbing], so offers into Turkey will rise further," an EU-based recycler said. Platts assessed the dry bulk freight rate for the RotterdamAliaga route for a 30,000 mt Supramax at \$34/mt Dec. 7, up a further 25 cents on the day and up from \$25.50/mt from Nov. 15. "It isn't just the freight rates, it's about vessel availability," a US based trader said, suggesting that freight rates from the US East Coast into Turkey could have reached \$40-\$45/mt for some deals. Platts assessed the dry bulk freight rate for the New JerseyAliaga route for a 40,000 mt Supramax at \$39/mt Dec. 7, up \$1.50 on the day and up from \$30.50/mt on Nov. 15. Difficulty in collecting HMS also impacted sentiment in the market, with a shortsea supplier citing that they were only able to collect approximately half as much HMS as they were able to at this time last year. "There is room for much further increases in price, a lot of the sellers are having difficulty gathering material which means that a reason for this price hike has still not been overcome," the supplier said. "The prices will start peaking when we have seen enough collection." The same shortsea supplier reported a deal booked Dec. 6 for Romania-origin shortsea scrap at \$400/mt CFR and reported offers ex-Romania at \$405/mt CFR. An agent source reported a deal booked for shortsea scrap at \$405/mt CFR. Platts assessed Turkish imports of shortsea scrap at \$402.50/mt CFR Dec. 7, up \$4.50 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*	426.00	6.00	416.40
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	600.00	0.00	595.60
US HRC CRU *CHG WoW*	1044.00	76.00	1044.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-23	427	433	430
Jan-24	431	437	434
Feb-24	429	435	432
Q1-24	431	437	434
Q2-24	424	430	427
Q3-24	421	427	424

US HRC USD/short ton			
	Bid	Ask	Value
Dec-23	1065	1075	1070
Jan-24	1115	1125	1120
Feb-24	1065	1075	1070
Q1-24	1058	1068	1063
Q2-24	905	915	910
Q3-24	850	860	855

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-23	606	616	611
Jan-24	617	627	622
Feb-24	617	627	622
Q1-24	617	627	622
Q2-24	618	628	623
Q3-24	615	625	620

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-23	710	720	715
Jan-24	740	750	745
Feb-24	735	745	740
Q1-24	735	745	742
Q2-24	720	730	727
Q3-24	730	740	735

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-23	560	570	565
Jan-24	580	590	585
Feb-24	591	601	596
Q1-24	588	598	593
Q2-24	591	601	596
Q3-24	592	602	597

BUSHELING			
	Bid	Ask	Value
Dec-23	505	515	510
Jan-24	530	540	535
Feb-24	530	540	535
Q1-24	530	540	535
Q2-24	530	540	535
Q3-24	530	540	533

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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	DEC 23	JAN 24	-50	-57	-4	-29	-8	Tightened
	DEC 23	FEB 24	9	-21	20	-30	-8	Tightened
	DEC 23	MAR 24	75	39	66	-40	-8	Tightened
	JAN 24	FEB 24	59	36	24	-1	0	Tightened
	JAN 24	MAR 24	125	96	70	-11	0	Tightened
	FEB 24	MAR 24	66	60	46	-10	0	Tightened
EU HRC	DEC 23	JAN 24	-25	-36	-34	-3	-29	Tightened
	DEC 23	FEB 24	-25	-35	-33	-10	-29	Tightened
	DEC 23	MAR 24	-25	-40	-33	-17	-29	Tightened
	JAN 24	FEB 24	0	1	1	-7	0	Eased
	JAN 24	MAR 24	0	-4	1	-14	0	Tightened
	FEB 24	MAR 24	0	-5	0	-7	0	Tightened
Atlantic Spread (US-EU)	DEC 23	DEC 23	365	339	344	95	25	Tightened
	JAN 24	JAN 24	390	360	314	121	4	Tightened
	FEB 24	FEB 24	331	325	291	115	4	Tightened
	MAR 24	MAR 24	265	260	245	118	4	Tightened
ARC Spread (Rebar - Scrap)	DEC 23	DEC 23	178	187.5	190.5	181.5	283.5	Eased
	JAN 24	JAN 24	178	193.5	200.5	179.5	288.5	Eased
	FEB 24	FEB 24	192.5	185.5	210.5	178	288.5	Tightened
	MAR 24	MAR 24	194	186	210	179.5	272.5	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME \$CRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1070	510	705	430	565	608	Current
	1039	485	700	412	566	599	T-1W
	1046	510	670	399	588	590	T-1M
	760	445	650	380	558	562	T-3M
	820	461	681	380	547	591	T-6M
	786	421	635	378	578	662	T-12M
	824	460	646	382	677	650	YTD

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