

**18/12/2023**

## Turkish Scrap

Turkish deepsea import ferrous scrap prices remained steady on Dec. 15, as the lack of deal activity seen throughout much of the week persisted. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$425/mt CFR Dec. 15, unchanged on day. Marker participants shared indicative tradable values for US/ Baltic-origin or premium HMS 1/2 (80:20) at \$425/mt CFR, while indicative tradable values for EU-origin HMS 1/2 (80:20) were shared at \$420/mt CFR. "The Turkish buyers have bought significant quantities recently and are trying to pressure prices, but I am not so sure they will succeed. I don't see any downward movement [happening], the prices may be stable," a Turkish mill source said.

Other sources suggested that prices could remain rangebound as the year draws to a close, with mills satisfactorily stocked and recyclers "in no rush to sell." "I think the market has found an equilibrium, if it corrects then it will only correct a little bit, the fundamentals in the market remain the same: no significant improvement in collection and stable demand," a shortsea supplier said. However, two buy-side sources anticipated declines in Turkish import scrap prices in the near term. "It seems we have reached the top of the longs market [in Turkey], so I believe we have to see some decrease in scrap and rebar prices. It is too expensive, especially scrap," a second Turkish mill source said. Platts assessed Turkish exported rebar at \$603/mt FOB Turkey, down \$2/mt on day, with activity in the export and domestic markets heard to slow down in the week to Dec. 15.

"Many Turkish mills have completed their urgent needs and even bought for February, so they can wait until the holidays are over, and if they don't want to pay \$425/mt CFR today [for premium HMS 1/2 (80:20)] they can wait to see lower levels," a third Turkish mill source said, suggesting that a decline in freight rates could soften import scrap prices in the near term. Elsewhere, the futures contract for Turkish import ferrous scrap on the London Metal Exchange, which settles basis Platts, was largely flat Dec. 15, highlighting steady price sentiment from futures traders. Platts assessed the LME December scrap contract at \$423/mt Dec. 15, unchanged on the day, while the January contract weakened by \$5/mt on the day to \$422.50/mt. The February contract weakened by \$6/mt to \$423.50/mt CFR while the March contract dropped \$9/mt to \$422.50/mt. (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*	425.00	0.00	421.23
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	603.00	-2.00	600.55
US HRC CRU *CHG WoW*	1067.00	23.00	1055.50

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-23	421	427	424
Jan-24	419	425	422
Feb-24	419	425	422
Q1-24	419	425	422
Q2-24	417	423	420
Q3-24	416	422	419

US HRC USD/short ton			
	Bid	Ask	Value
Dec-23	1065	1075	1070
Jan-24	1115	1125	1120
Feb-24	1075	1085	1080
Q1-24	1065	1075	1070
Q2-24	900	910	903
Q3-24	855	865	858

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-23	600	610	605
Jan-24	596	606	601
Feb-24	595	605	600
Q1-24	597	607	602
Q2-24	601	611	606
Q3-24	607	617	612

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-23	680	690	685
Jan-24	710	720	715
Feb-24	710	720	715
Q1-24	710	720	715
Q2-24	705	715	712
Q3-24	700	710	705

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-23	561	571	566
Jan-24	576	586	581
Feb-24	586	596	591
Q1-24	582	592	587
Q2-24	587	597	592
Q3-24	590	600	595

BUSHELING			
	Bid	Ask	Value
Jan-24	550	560	555
Feb-24	550	560	555
Mar-24	550	560	555
Q1-24	550	560	555
Q2-24	520	530	523
Q3-24	495	505	500

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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	-56	-48	-33	-23	-8	Eased
	DEC 23	FEB 24	-21	-3	5	-32	7	Eased
	DEC 23	MAR 24	59	66	57	-42	7	Eased
	JAN 24	FEB 24	35	45	38	-9	15	Eased
	JAN 24	MAR 24	115	114	90	-19	15	Tightened
	FEB 24	MAR 24	80	69	52	-10	0	Tightened
EU HRC	DEC 23	JAN 24	-27	-30	-15	-8	-15	Tightened
	DEC 23	FEB 24	-22	-30	-16	-8	-15	Tightened
	DEC 23	MAR 24	-25	-25	-20	-18	-15	Unchanged
	JAN 24	FEB 24	5	0	-1	0	0	Tightened
	JAN 24	MAR 24	2	5	-5	-10	0	Eased
	FEB 24	MAR 24	-3	5	-4	-10	0	Eased
Atlantic Spread (US-EU)	DEC 23	DEC 23	384	372	347	96	45	Tightened
	JAN 24	JAN 24	413	390	365	111	38	Tightened
	FEB 24	FEB 24	383	345	326	120	23	Tightened
	MAR 24	MAR 24	300	281	270	120	23	Tightened
ARC Spread (Rebar - Scrap)	DEC 23	DEC 23	180	183	182.5	192.5	274.5	Eased
	JAN 24	JAN 24	180	182	182.5	191.5	271.5	Eased
	FEB 24	FEB 24	180	183	188.5	186.5	271.5	Eased
	MAR 24	MAR 24	177	180.5	187	194.5	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	1068	555	684	423	565	600	Current
	1072	540	700	424	567	607	T-1W
	1042	525	651	398	572	580	T-1M
	758	456	636	391	555	583	T-3M
	878	480	680	389	564	596	T-6M
	820	430	650	385	596	660	T-12M
	824	450	646	382	677	650	YTD

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