

21/12/2023

Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged on Dec. 20, as sellers kept indicative offers firm despite a pause in buyers' interest from the Turkish mills. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$425/mt CFR Dec. 20, unchanged on the day. Indicative tradable values for US/Baltic-origin or premium HMS 1/2 (80:20) were shared between \$420-\$430/mt CFR. Seller targets and indicative offers for US-origin HMS 1/2 (80:20) were reported at \$430/mt CFR, while EU-origin seller targets were shared at a minimum of \$420/mt CFR. An offer for Baltic-origin HMS 1/2 (80:20) was reported at \$423/mt CFR. Sources reported a continued pause in deal activity and did not expect any fundamental changes in the market ahead of the holiday season. "There is no demand for [finished steel] sales and no demand for scrap. Considering the high logistics costs [faced by sellers] and slow flow of scrap then somewhere between \$420-\$425/mt CFR makes sense [for the mills]," a Turkish mill source said. "It's a buyers' market now but the sellers are trying to hold their ground," a Turkish trader said, adding that "any seller would sell at \$425/mt CFR but if a buyer pushed for \$420/mt CFR [for premium HMS 1/2 (80:20) they might be able to achieve it." The Turkish trader also said that a slight price correction was being projected by the futures market already.

The futures contract for the Turkish import of ferrous scrap on the London Metal Exchange, which settles basis Platts, sharpened its recent backwardation, highlighting futures traders' growing expectations of a price correction in the near term. Platts assessed the LME January scrap contract at \$410/mt Dec. 20, down \$3.75/mt on the day, while the February contract weakened by \$5.50/mt on the day to \$410/mt. The March contract weakened by \$4.50/mt to an assessment of \$413/mt Dec. 20 (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	422.04
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	602.50	0.00	600.96
US HRC CRU *CHG WoW*	1098.00	31.00	1069.67

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-23	420	426	423
Jan-24	411	417	414
Feb-24	411	417	414
Q1-24	411	417	414
Q2-24	412	418	415
Q3-24	414	420	417

US HRC USD/short ton			
	Bid	Ask	Value
Dec-23	1069	1079	1074
Jan-24	1130	1140	1135
Feb-24	1090	1100	1095
Q1-24	1070	1080	1075
Q2-24	900	910	905
Q3-24	850	860	857

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-23	599	609	604
Jan-24	590	600	595
Feb-24	593	603	598
Q1-24	592	602	597
Q2-24	600	610	605
Q3-24	605	615	610

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	705	715	712
Q2-24	700	710	703
Q3-24	690	700	695

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-23	556	566	561
Jan-24	575	585	580
Feb-24	576	586	581
Q1-24	576	586	581
Q2-24	584	594	589
Q3-24	590	600	595

BUSHELING			
	Bid	Ask	Value
Jan-24	535	545	540
Feb-24	540	550	545
Mar-24	535	545	540
Q1-24	533	543	538
Q2-24	495	505	500
Q3-24	485	495	490

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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	-62	-52	-39	-34	-8	Eased
	DEC 23	FEB 24	-18	-12	-3	-29	7	Eased
	DEC 23	MAR 24	74	63	46	-35	7	Tightened
	JAN 24	FEB 24	44	40	36	5	15	Tightened
	JAN 24	MAR 24	136	115	85	-1	15	Tightened
	FEB 24	MAR 24	92	75	49	-6	0	Tightened
EU HRC	DEC 23	JAN 24	-30	-33	-22	-23	-14	Tightened
	DEC 23	FEB 24	-30	-31	-27	-28	-14	Tightened
	DEC 23	MAR 24	-21	-20	-27	-33	-14	Eased
	JAN 24	FEB 24	0	2	-5	-5	0	Eased
	JAN 24	MAR 24	9	13	-5	-10	0	Eased
	FEB 24	MAR 24	9	11	0	-5	0	Eased
Atlantic Spread (US-EU)	DEC 23	DEC 23	389	383	336	153	33	Tightened
	JAN 24	JAN 24	421	402	353	164	27	Tightened
	FEB 24	FEB 24	377	364	312	154	12	Tightened
	MAR 24	MAR 24	294	300	263	155	12	Eased
ARC Spread (Rebar - Scrap)	DEC 23	DEC 23	180	180.5	182.5	192	279.5	Eased
	JAN 24	JAN 24	180	187	183.5	194	278.5	Eased
	FEB 24	FEB 24	183.5	183	186.5	196	278.5	Tightened
	MAR 24	MAR 24	180.5	182	190	198	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	1074	540	685	423	561	605	Current
	1068	560	685	425	568	605	T-1W
	1039	535	646	395	582	578	T-1M
	805	480	632	395	560	587	T-3M
	830	470	675	381	545	578	T-6M
	809	445	645	379	597	659	T-12M
	824	450	646	382	677	650	YTD

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