

03/01/2024

Turkish Scrap

Turkish deepsea imported scrap prices faced pressure from Turkish mills, but recyclers remained resistant. Turkish mills were expected to return to the market to book February shipment cargoes. The last trade activity in December supported price uptick. A deal of Venezuelan origin was booked Dec. 29, with HMS 1/2 (80:20) at \$410/mt CFR Marmara. The price implied the range \$413-\$415/mt CFR Turkey for US-origin HMS 1/2 (80:20), a recycler said. On the first trading day of 2024, market players reported somewhat bearish sentiment coming from scrap importers in Turkey. A mill source said the new price should be slightly below \$410/mt CFR Turkey for premium HMS 1/2 (80:20). "Looks like [Turkish buyers] indeed want to lower prices," a European recycler said. "Now mills will push the bids down below \$400/mt CFR and will try to achieve low \$400s/mt [CFR]," an agent said. However, no downward adjustments were confirmed by market observers as scrap recyclers were resisting the pressure from Turkish mills. A Baltic recycler said that \$410/mt CFR Turkey had "zero margin" with the latest dockside price at Eur335/mt (\$367/mt) for cargo size 50,000 mt. With smaller quantities, the margin would be negative, the recycler added. Offers for premium HMS 1/2 (80:20) were reported at \$415- \$420/mt CFR Turkey, firm on the back of elevated collection cost, a trader said. European asking prices were minimum \$410/ mt CFR, he added. He believed that recent sales of rebar in the Turkish domestic market and offers hiked to \$620-\$625/mt ex-works should support scrap prices in near term. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$413/mt CFR Jan. 2, up 50 cents from Dec. 29. (Platts)

US HRC

Platts assessed the daily TSI US hot-rolled coil index at \$1,100/st on an ex-works Indiana basis on Jan. 2, unchanged from the previous assessment.

There were no new bids, offers or transactions reported on the day. Recent prevailing tradable value remains at \$1,100/st ex-works from Midwest mills. (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	413.00	0.50	413.00
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	599.00	-1.00	599.00
US HRC CRU *CHG WoW*	1099.00	1.00	1077.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-24	408	414	411
Feb-24	408	414	411
Mar-24	410	416	413
Q1-24	409	415	412
Q2-24	411	417	414
Q3-24	412	418	415

US HRC USD/short ton			
	Bid	Ask	Value
Jan-24	1115	1125	1120
Feb-24	1110	1120	1115
Mar-24	1005	1015	1010
Q1-24	1077	1087	1082
Q2-24	905	915	908
Q3-24	860	870	865

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-24	594	604	599
Feb-24	590	600	595
Mar-24	599	609	604
Q1-24	594	604	599
Q2-24	598	608	603
Q3-24	604	614	609

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-24	705	715	710
Feb-24	710	720	715
Mar-24	705	715	710
Q1-24	705	715	712
Q2-24	700	710	703
Q3-24	695	705	700

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-24	579	589	584
Feb-24	588	598	593
Mar-24	591	601	596
Q1-24	586	596	591
Q2-24	596	606	601
Q3-24	594	604	599

BUSHELING			
	Bid	Ask	Value
Jan-24	540	550	545
Feb-24	545	555	550
Mar-24	540	550	545
Q1-24	542	552	547
Q2-24	520	530	527
Q3-24	500	510	505

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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	JAN 24	FEB 24	7	55	36	2	6	Eased
	JAN 24	MAR 24	103	148	96	-15	4	Eased
	JAN 24	APR 24	175	220	141	-25	0	Eased
	FEB 24	MAR 24	96	93	60	-17	-2	Tightened
	FEB 24	APR 24	168	165	105	-27	-6	Tightened
	MAR 24	APR 24	72	72	45	-10	-4	Unchanged
EU HRC	JAN 24	FEB 24	-10	5	1	-14	0	Eased
	JAN 24	MAR 24	5	2	-4	-20	0	Tightened
	JAN 24	APR 24	0	6	-4	-30	130	Eased
	FEB 24	MAR 24	15	-3	-5	-6	0	Tightened
	FEB 24	APR 24	10	1	-5	-16	130	Tightened
	MAR 24	APR 24	-5	4	0	-10	130	Eased
Atlantic Spread (US-EU)	JAN 24	JAN 24	420	446	360	150	28	Eased
	FEB 24	FEB 24	403	396	325	134	22	Tightened
	MAR 24	MAR 24	322	300	260	145	24	Tightened
	APR 24	APR 24	245	232	215	145	158	Tightened
ARC Spread (Rebar - Scrap)	JAN 24	JAN 24	181	188	193.5	187.5	278	Eased
	FEB 24	FEB 24	190.5	190.5	185.5	195.5	272.5	Unchanged
	MAR 24	MAR 24	186.5	189	186	191.5	272.5	Eased
	APR 24	APR 24	195	189	193	189.5	265	Tightened

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1125	535	705	411	586	592	Current
	1146	535	684	415	578	603	T-1W
	1096	525	700	414	587	607	T-1M
	800	471	618	388	573	576	T-3M
	798	465	667	382	544	579	T-6M
	818	455	730	385	670	663	T-12M
	1135	535	685	406	576	600	YTD

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