

08/01/2024

Turkish Scrap

Turkish deepsea scrap trade was quiet on the day with prices remaining firm after a few earlier deals supporting some recovery and near-term outlook offering further modest upside, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$422.50/mt CFR Jan. 5, up \$1.25 from Jan. 4 and up \$10/mt on the week. Based on the recent deals the market had already climbed above \$420/mt CFR Turkey. Sources remained cautiously optimistic in their price expectations, giving the levels around \$425/mt CFR Turkey as the possible peak in bookings of premium HMS 1/2 (80:20). Higher levels, between \$427-\$428/mt CFR were indicated as offers from recyclers, but it was too early to expect buyers to pay it.

Reported sales of rebar in the domestic Turkish market supporting rebar prices suggested that the demand for scrap would remain healthy with further bookings for February shipment still expected in the coming days. Collection prices in the US and Europe will determine whether suppliers would be pushing for even higher levels. In Europe, with lower collection volumes and the recent deepsea sales to Turkey, scrap subcontractors would remain bullish, a trader said. The last deepsea cargo was reported at \$412/mt CFR Marmara for UK-origin HMS 1/2 (80:20), indicating \$420-\$422/mt CFR for premium HMS 1/2 (80:20), a trader said. The deal, reportedly closed on Jan. 4, was not confirmed. (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. 5, unchanged from the previous assessment.

A trader reported receiving an offer at \$1,100/st ex-works from a Midwest integrated mill for under 100 st and with a late-February lead time. A Midwest service center source indicated value at \$1,100/st ex-works from Midwest mini-mills. Recent prevailing offer levels have been reported in the range of \$1,100-\$1,150/st ex-works with lead times in late February and March. (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	422.50	1.25	417.94
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	600.00	5.00	598.25
US HRC CRU *CHG WoW*	1098.00	-1.00	1098.00

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

US HRC USD/short ton			
	Bid	Ask	Value
Jan-24	1085	1095	1090
Feb-24	1030	1040	1035
Mar-24	935	945	940
Q1-24	1017	1027	1022
Q2-24	865	875	870
Q3-24	845	855	850

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-24	591	601	596
Feb-24	590	600	595
Mar-24	594	604	599
Q1-24	591	601	596
Q2-24	595	605	600
Q3-24	597	607	602

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-24	700	710	705
Feb-24	700	710	705
Mar-24	700	710	705
Q1-24	700	710	705
Q2-24	700	710	707
Q3-24	700	710	705

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-24	577	587	582
Feb-24	589	599	594
Mar-24	586	596	591
Q1-24	584	594	589
Q2-24	591	601	596
Q3-24	592	602	597

BUSHELING			
	Bid	Ask	Value
Jan-24	505	515	510
Feb-24	505	515	510
Mar-24	500	510	505
Q1-24	503	513	508
Q2-24	500	510	507
Q3-24	490	500	495

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	JAN 24	FEB 24	40	42	53	-1	6	Eased
	JAN 24	MAR 24	135	140	117	-1	4	Eased
	JAN 24	APR 24	200	205	178	-9	0	Eased
	FEB 24	MAR 24	95	98	64	0	-2	Eased
	FEB 24	APR 24	160	163	125	-8	-6	Eased
	MAR 24	APR 24	65	65	61	-8	-4	Unchanged
EU HRC	JAN 24	FEB 24	-6	0	1	-2	0	Eased
	JAN 24	MAR 24	-6	0	1	-7	0	Eased
	JAN 24	APR 24	0	4	10	-15	130	Eased
	FEB 24	MAR 24	0	0	0	-5	0	Unchanged
	FEB 24	APR 24	6	4	9	-13	130	Tightened
	MAR 24	APR 24	6	4	9	-8	130	Tightened
Atlantic Spread (US-EU)	JAN 24	JAN 24	375	440	387	166	33	Eased
	FEB 24	FEB 24	329	398	335	165	27	Eased
	MAR 24	MAR 24	234	300	271	160	29	Eased
	APR 24	APR 24	175	239	219	160	163	Eased
ARC Spread (Rebar - Scrap)	JAN 24	JAN 24	181	194	187	195.5	262	Eased
	FEB 24	FEB 24	189	193	186	196.5	262.5	Eased
	MAR 24	MAR 24	182	187	187	195.5	262.5	Eased
	APR 24	APR 24	180	193	194	199.5	265	Eased

Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1080	510	705	417	582	595	Current
	1135	535	685	406	576	600	T-1W
	1118	545	700	432	594	619	T-1M
	809	480	613	381	578	577	T-3M
	816	460	674	380	546	582	T-6M
	823	450	727	400	654	662	T-12M
	1135	535	685	406	576	600	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