

**19/01/2024**

## Turkish Scrap

Turkish deepsea import ferrous scrap prices were unchanged Jan. 18, with market participants mixed about near-term sentiment, while the futures market was in steeper backwardation. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$422/mt CFR on Jan. 18, unchanged on the day. Market participants largely shared indicative tradable values for US/Baltic-origin HMS 1/2 (80:20) in the \$420-\$423/mt CFR range on the day. An offer for US-origin HMS 1/2 (80:20) was reported at \$422/ mt CFR on the day but was unconfirmed. While sellers cited tight scrap availability as a factor that was keeping prices firm, Turkish mills expressed little buying interest at current prices. "You will find arguments for every [price] direction you want to take, and nobody is 100% right or wrong," an EU recycler said. "The Turkish mills have bought enough for February and still have time for March coverage, so they are all singing bearish tunes. All the scrap traders are fighting with tight tonnages and think that increasing purchase [collection] prices will fix it, but it never did."

A Turkish mill source shared an indicative buyer target for US/ Baltic HMS 1/2 (80:20) at \$420/mt CFR and said the mills could achieve this price in the near term. "Due to the difficult winter situation in the US, Europe and the Baltic region scrap supply has been affected, so they haven't followed [softer] iron ore prices," a Turkish trader said, indicating that prices could be rangebound between \$420/mt and \$425/mt CFR in the near term. Platts assessed the 62% Fe Iron Ore Index at \$131.05/dry mt CFR North China on Jan. 18, up \$3.40/dmt from Jan. 17 but down from a recent peak of \$143.95/dry mt on Jan. 3. The futures contract for Turkish import ferrous scrap on the London Metal Exchange, which settles basis Platts, was in steeper backwardation on the day and highlighted futures traders' expectations of a correction in prices. Platts assessed the LME January contract at \$415.50/mt on Jan. 18, unchanged on the day, while the February scrap contract was assessed at \$400/mt, down \$5/mt on the day. The March and April contracts were assessed respectively at \$396.50/mt and \$397.50/mt on Jan. 18, down \$7.50/mt and 50 cents/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*	422.00	0.00	422.25
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	610.00	0.00	605.92
US HRC CRU *CHG WoW*	1077.00	-19.00	1090.33

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-24	415	421	418
Feb-24	398	404	401
Mar-24	397	403	400
Q1-24	403	409	406
Q2-24	393	399	396
Q3-24	394	400	397

US HRC USD/short ton			
	Bid	Ask	Value
Jan-24	1065	1075	1070
Feb-24	930	940	935
Mar-24	840	850	845
Q1-24	945	955	950
Q2-24	830	840	833
Q3-24	835	845	840

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-24	597	607	602
Feb-24	594	604	599
Mar-24	596	606	601
Q1-24	596	606	601
Q2-24	597	607	602
Q3-24	597	607	602

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-24	720	730	725
Feb-24	740	750	745
Mar-24	725	735	730
Q1-24	730	740	733
Q2-24	705	715	708
Q3-24	700	710	705

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-24	565	575	570
Feb-24	567	577	572
Mar-24	569	579	574
Q1-24	567	577	572
Q2-24	577	587	582
Q3-24	587	597	592

BUSHELING			
	Bid	Ask	Value
Feb-24	480	490	485
Mar-24	475	485	480
Apr-24	465	475	470
Q2-24	473	483	478
Q3-24	465	475	468
Q4-24	460	470	465

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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	140	113	38	10	-5	Tightened
	JAN 24	MAR 24	229	195	132	6	-7	Tightened
	JAN 24	APR 24	235	220	184	9	-11	Tightened
	FEB 24	MAR 24	89	82	94	-4	-2	Tightened
	FEB 24	APR 24	95	107	146	-1	-6	Eased
	MAR 24	APR 24	6	25	52	3	-4	Eased
EU HRC	JAN 24	FEB 24	-20	9	0	-7	0	Eased
	JAN 24	MAR 24	-10	24	0	-10	0	Eased
	JAN 24	APR 24	8	19	5	-19	130	Eased
	FEB 24	MAR 24	10	15	0	-3	0	Eased
	FEB 24	APR 24	28	10	5	-12	130	Tightened
	MAR 24	APR 24	18	-5	5	-9	130	Tightened
Atlantic Spread (US-EU)	JAN 24	JAN 24	345	352	428	215	25	Eased
	FEB 24	FEB 24	185	248	390	198	30	Eased
	MAR 24	MAR 24	106	181	296	199	32	Eased
	APR 24	APR 24	118	151	249	187	166	Eased
ARC Spread (Rebar - Scrap)	JAN 24	JAN 24	190	184	181	187	265.5	Tightened
	FEB 24	FEB 24	205	191	179.5	186	266.5	Tightened
	MAR 24	MAR 24	202	187.5	180.5	189.5	266.5	Tightened
	APR 24	APR 24	205.5	190.5	185	196.5	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	1070	480	725	415	570	606	Current
	1076	495	724	414	569	598	T-1W
	1128	560	685	414	574	595	T-1M
	865	490	612	381	550	568	T-3M
	804	470	649	360	557	571	T-6M
	815	455	730	414	662	680	T-12M
	1135	550	685	406	576	600	YTD

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