

23/01/2024

Turkish Scrap

Turkish deepsea import ferrous scrap prices fell Jan. 22, as market participants reported US/EU-origin deals booked Jan. 19, but remained largely uncertain on near-term price direction. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$418.50/mt CFR Jan. 22, down \$2.50 on the day. An EU-origin deal was confirmed as booked Jan. 19 by an Iskenderun mill, with 22,000 mt of HMS 1/2 (80:20) at \$410/mt CFR and 13,000 mt of shredded and bonus scrap, at \$435/mt CFR and \$430/mt CFR, respectively. A US-origin deal was heard to be booked Jan. 19 by the same Iskenderun mill, with 30,000 mt of HMS 1/2 (95:5), 10,000 mt of shredded and 10,000 mt of PNS at an average price of \$435/mt CFR. A UK-origin deal was also heard to be booked on Jan. 19 by the same Iskenderun mill, with HMS 1/2 (80:20) at \$412/mt CFR, but was denied by both the seller and the buyer on the day. Sentiment among market participants was largely split on the day, and they shared indicative tradable values for US/Balticorigin HMS 1/2 (80:20) at between \$415-\$425/mt CFR since the deals were heard.

“A market maker sensed the bottom of prices and restocked, so my call is that this will reinforce prices this week,” an EU trader said, sharing an indicative tradable value for premium HMS 1/2 (80:20) at \$420.50/mt CFR. “The bigger European sellers could maybe sell at \$410/mt CFR, but the others have to wait. The market is very confusing now,” an agent source said, noting a lack of clarity in the markets on the day. A bid for EU-origin material was also reported at \$405/mt CFR Jan. 22, but was heard to be rejected by sellers who continued to face firm collection costs. “For the Europeans their collection prices are too high to accept that bid, but today’s market is very difficult,” a second agent source said, noting that Turkish rebar sales were too slow to encourage further scrap imports, but that collection costs were too high to incentivize reduced offers. HMS collection costs in the Benelux region were shared at Eur340/mt delivered to the docks Jan. 22. A Turkish mill source shared their expectation that scrap prices would climb in the near-term. (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*	418.50	-2.50	421.92
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	610.00	0.00	606.47
US HRC CRU *CHG WoW*	1077.00	-19.00	1090.33

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-24	416	422	419
Feb-24	404	410	407
Mar-24	397	403	400
Q1-24	406	412	409
Q2-24	397	403	400
Q3-24	395	401	398

US HRC USD/short ton			
	Bid	Ask	Value
Jan-24	1065	1075	1070
Feb-24	940	950	945
Mar-24	850	860	855
Q1-24	952	962	957
Q2-24	840	850	845
Q3-24	845	855	850

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-24	602	612	607
Feb-24	602	612	607
Mar-24	600	610	605
Q1-24	601	611	606
Q2-24	602	612	607
Q3-24	604	614	609

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-24	720	730	725
Feb-24	755	765	760
Mar-24	735	745	740
Q1-24	735	745	742
Q2-24	720	730	723
Q3-24	715	725	720

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-24	576	586	581
Feb-24	578	588	583
Mar-24	585	595	590
Q1-24	580	590	585
Q2-24	593	603	598
Q3-24	600	610	605

BUSHELING			
	Bid	Ask	Value
Feb-24	475	485	480
Mar-24	470	480	475
Apr-24	470	480	475
Q2-24	472	482	477
Q3-24	465	475	472
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	125	148	37	5	-5	Eased
	JAN 24	MAR 24	218	222	133	0	-7	Eased
	JAN 24	APR 24	228	238	198	10	-11	Eased
	FEB 24	MAR 24	93	74	96	-5	-2	Tightened
	FEB 24	APR 24	103	90	161	5	-6	Tightened
	MAR 24	APR 24	10	16	65	10	-4	Eased
EU HRC	JAN 24	FEB 24	-30	-10	5	-8	0	Eased
	JAN 24	MAR 24	-14	1	2	-23	0	Eased
	JAN 24	APR 24	-5	5	5	-27	130	Eased
	FEB 24	MAR 24	16	11	-3	-15	0	Tightened
	FEB 24	APR 24	25	15	0	-19	130	Tightened
	MAR 24	APR 24	9	4	3	-4	130	Tightened
Atlantic Spread (US-EU)	JAN 24	JAN 24	338	353	421	217	19	Eased
	FEB 24	FEB 24	183	195	389	204	24	Eased
	MAR 24	MAR 24	106	132	290	194	26	Eased
	APR 24	APR 24	105	120	228	180	160	Eased
ARC Spread (Rebar - Scrap)	JAN 24	JAN 24	188	180	185	191.5	262.5	Tightened
	FEB 24	FEB 24	200	196.5	187	192.5	262.5	Tightened
	MAR 24	MAR 24	197	199	188.5	195	262.5	Eased
	APR 24	APR 24	198.5	201.5	191.5	194	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	1070	480	725	420	578	603	Current
	1073	495	720	420	574	600	T-1W
	1126	547	685	415	580	600	T-1M
	864	490	611	377	554	569	T-3M
	796	470	654	363	557	570	T-6M
	809	450	724	410	656	672	T-12M
	1135	550	685	406	576	600	YTD

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