

29/01/2024

Turkish Scrap

With new deals for March shipment expected in the near term, some sell-side sources were still anticipating further recovery in scrap pricing to the levels seen earlier in January. The highest level for HMS 1/2 (80:20) registered by Platts this month was \$427.50/mt CFR Turkey Jan. 10. "Turkish buyers are not that hungry," a mill source said against the price upside. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$420/mt CFR Jan. 26, unchanged on the day. A confirmed US-origin booking closed Jan. 24-25 was reported on the day, with shred and bonus, total cargo size of 30,000 mt, at the average price \$438.50/mt CFR, implying \$418.50/ mt CFR Turkey for premium 1/2 (80:20). Another deal closed on Jan. 25 and confirmed on the same day was reported at \$420/ mt CFR Marmara for Baltic HMS 1/2 (80:20), which was viewed as a repeatable level on Jan. 26. The level \$420/mt CFR Turkey seemed to be the level where both sides could meet, with Turkish mills seeking to book at \$415-\$420/mt CFR and recyclers insisting on \$420-\$425/mt CFR.

The offers for premium HMS 1/2 (80:20) were cited at \$423- \$428/mt CFR. The European origin cargoes were quoted at \$418- \$422/mt CFR. "The market will be settled next week most likely," an agent said. He added that offers were above \$420/mt CFR for premium HMS 1/2 (80:20) but there was no strong demand from mills at those levels. Another agent put a workable level for premium HMS 1/2 (80:20) at \$420/mt CFR Turkey. "Mills are resisting higher prices. I could have sold higher otherwise," the agent added. In the shortsea scrap business, the tight supply continued to be an issue, which was also supporting prices. A recycler said that Turkish mills targeted \$390-\$395/mt CFR for shortsea cargoes. "The issue is that there's no scrap at ports," he said. "So, I think below \$400/mt CFR is workable only if someone is in some form of trouble." (Platts)

Market Rates

PRODUCT (WoW = Week on Week)	LAST	CHG	MTD AVG
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) *CHG 1D*	420.00	0.00	421.28
Platts Steel Rebar FOB Turkey (\$/mt) *CHG 1D*	617.50	2.50	608.39
US HRC CRU *CHG WoW*	1083.00	6.00	1088.50

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-24	418	424	421
Feb-24	416	422	419
Mar-24	413	419	416
Q1-24	416	422	419
Q2-24	410	416	413
Q3-24	406	412	409

US HRC USD/short ton			
	Bid	Ask	Value
Jan-24	1070	1080	1075
Feb-24	945	955	950
Mar-24	835	845	840
Q1-24	950	960	955
Q2-24	825	835	830
Q3-24	830	840	835

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-24	606	616	611
Feb-24	590	600	595
Mar-24	612	622	617
Q1-24	603	613	608
Q2-24	611	621	616
Q3-24	608	618	613

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-24	720	730	725
Feb-24	750	760	755
Mar-24	730	740	735
Q1-24	735	745	738
Q2-24	710	720	717
Q3-24	710	720	717

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-24	567	577	572
Feb-24	576	586	581
Mar-24	580	590	585
Q1-24	574	584	579
Q2-24	590	600	595
Q3-24	601	611	606

BUSHELING			
	Bid	Ask	Value
Feb-24	480	490	485
Mar-24	480	490	485
Apr-24	475	485	480
Q1-24	478	488	483
Q2-24	475	485	480
Q3-24	470	480	475

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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	138	131	42	16	0	Tightened
	JAN 24	MAR 24	238	231	140	26	-2	Tightened
	JAN 24	APR 24	260	243	205	36	0	Tightened
	FEB 24	MAR 24	100	100	98	10	-2	Unchanged
	FEB 24	APR 24	122	112	163	20	0	Tightened
	MAR 24	APR 24	22	12	65	10	2	Tightened
EU HRC	JAN 24	FEB 24	-35	-35	0	4	0	Unchanged
	JAN 24	MAR 24	-20	-16	0	-1	0	Eased
	JAN 24	APR 24	10	-5	4	-10	130	Tightened
	FEB 24	MAR 24	15	19	0	-5	0	Eased
	FEB 24	APR 24	45	30	4	-14	130	Tightened
	MAR 24	APR 24	30	11	4	-9	130	Tightened
Atlantic Spread (US-EU)	JAN 24	JAN 24	350	345	440	286	0	Tightened
	FEB 24	FEB 24	177	179	398	274	0	Eased
	MAR 24	MAR 24	92	98	300	259	2	Eased
	APR 24	APR 24	100	97	239	240	130	Tightened
ARC Spread (Rebar - Scrap)	JAN 24	JAN 24	189	186.5	194	195	269.5	Tightened
	FEB 24	FEB 24	198.5	202.5	193	195	266.5	Eased
	MAR 24	MAR 24	207.5	204.5	187	195.5	266.5	Tightened
	APR 24	APR 24	207	206.5	193	196	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	1077	475	726	421	570	609	Current
	1070	480	725	420	570	606	T-1W
	1135	550	685	406	576	600	T-1M
	956	490	610	385	560	580	T-3M
	786	470	654	377	583	574	T-6M
	790	455	722	420	655	690	T-12M
	1135	550	685	406	576	600	YTD

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