
Monday Market Monitor - Scrap (WEEK 26) - Upswing in prices

Monday, 29 Jun, 2009

Charged with accelerated price movements in domestic as well as export market Turkish mills are vying aggressively to go full stream thereby entailing enhanced demand for scrap and pushing global levels.

1. Turkey

It is learnt that HMS 1&2 80:20 scrap is being offered at USD 265 per tonne to USD 270 per tonne CFR and shredded scrap is being offered at USD 274 per tonne CFR from US suppliers, up by USD 10 per tonne to USD 15 per tonne. HMS 1&2 70:30 scrap is priced at USD 260 per tonne CFR from EU suppliers, also USD 10 per tonne to USD 15 per tonne higher than last week.

From the Baltic region some A3 grade scrap has been booked at USD 270 per tonne CFR while the same product is being offered from CIS region at USD 264 per tonnes CFR Istanbul and USD 267 per tonne CFR Izmir, showing USD 10 per tonne to USD 12 per tonne increase on last week.

Turkish Import

?Change	%
10	4%

Change is on June 26th 2009 as compared to June 19th 2009

In USD per tonne

CNF Turkey

2. European export

Rotterdam export

?Change	%
0	0%

Change is on June 26th 2009 as compared to June 19th 2009

USD per tonne

FOB Rotterdam

3. Indian

Contrary to the global tidings the Indian scrap market is in for an extended hibernation with levels plummeting week on week across the country primarily due to falling long product prices.

It is reported that imported shredded scrap in HMS 1 & 2 80:20 is being offered at USD 265 per tonne to USD 270 per tonne CFR Mumbai.

Indian domestic

?Location	Change	%
Chennai	-500	-3%
Kandla	178	1%
Mumbai	100	1%
Mandi	-88	-1%
Kolkata	0	0%

Kanpur	-444	-2%
Rudrapur	-533	-3%
Hyderabad	185	1%

Change is on June 26th 2009 as compared to June 19th 2009

Change is in INR per tonne

4. China

Augmented domestic prices have stimulated Chinese manufacturers to enhance production thereby enhancing demand for scrap. In a similar scenario last year there was abundant availability of scrap which is not true today. Moreover the international scrap levels are cheaper than from the domestic sources.

Scrap traders opine that domestic steel scrap position will remain tight for the time being as the industry is yet to go full throttle and increasing steel prices are likely to push up domestic scrap prices thereby catapulting import of scrap .

Chinese customs statistics show that China imported 1.66 million tonnes of scrap in May, up from 1.48 million tonnes in April. The imports volume in May was up a staggering 760% YoY from only 192,454 tonne in May 2008. In the first five months of this year, China imported 6.3 million tonnes of steel scrap, up by around 409% YoY.

As a fall out this hyper activity of in scrap market in China the import levels have gone through the roof touching a peak of USD 290 per tonne CFR Main Chinese port. US scrap levels have recently been revised to USD 295 per tonne to USD 300 per tonne CFR China for H1 grade.

China domestic

?Location	Change	%
Acheng	0	0%
Anyang	0	0%
Beijing	50	2%
Benxi	100	4%
Chongqing	50	2%
Dalian	50	2%
Guangzhou	100	4%
Hefei	0	0%
Jiangyin	150	6%
Jinan	50	2%
Kunming	0	0%
Laiwu	0	0%
Lanzhou	0	0%
Lingyuan	50	2%
Liupanshui	0	0%

Loudi	50	2%
Tangshan	0	0%
Tianjin	100	4%
Tonghua	0	0%
Wuhan	50	2%
Wuyang	150	6%
Zhangjiagang	50	2%

Change is on June 26th 2009 as compared to June 19th 2009
In CNY per tonne inclusive of VAT

To keep tab on steel prices in Europe, subscribe to services of www.steelprices-europe.com by registering or sending a mail to admin@steelprices-europe.com with full contact details. Please note that this is a paid service with subscription charges of EUR 500 for 12 months.

(Sourced from www.steelprices-europe.com)

For more news visit at www.steelguru.com