
Monday Market Monitor - Scrap (WEEK 45) - Recovery signals

Monday, 09 Nov, 2009

On the weekend signals started to appear that steel scrap prices have bottomed out after Japanese steel majors started to increase their buying price by about JPY 1,500 per tonne last week.

The other factors supporting price increase are:

1. A positive sentiment among steel scrap buyers in South Europe
2. Tightening of scrap supply situation in China
3. Buoyancy in scrap prices in SEA (Vietnam and Thailand)
4. Partial resumption of buying by some Turkish mills

On the other hand the sentiments in US market remained weak, with expectations of at least USD 20 per tonne reduction in November.

1. Turkey - Resumption of buying on the anvil

Change is on November 6th as compared to October 30th 2009

Change
0

In USD per tonne

2. China - Declines slows

Scrap
6-8mm

Location	CNY	USD
Acheng	-200	-29
Anyang	-170	-25
Beijing	-210	-31
Benxi	50	7
Chongqing	0	0
Dalian	-60	-9
Guangzhou	100	15
Hefei	100	15
Jiangyin	250	37
Jinan	-250	-37
Kunming	-200	-29
Laiwu	0	0

Lanzhou	-150	-22
Lingyuan	120	18
Liupanshui	10	1
Loudi	190	28
Tangshan	-200	-29
Tianjin	310	45
Tonghua	300	44
Wuhan	20	3
Wuyang	230	34
Zhangjiagang	50	7

Change is on November 6th as compared to October 30th 2009

3. India - Reels under long back kick

Melting scrap

80:20

HMS

Location	Change
Chennai	0
Mumbai	-300
Mandi	0
Kolkata	-92
Kanpur	0
Rudrapur	0
Hyderabad	-100

Change is on November 6th as compared to October 30th 2009

Change is in INR per tonne

There were hardly any buyers at USD 310 per tonne CFR levels in India as they expect prices to soften further

4. Rotterdam - Small gain

Change
5

Change is on November 6th as compared to October 30th 2009

In EUR per tonne

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