
Turkish steel mills restart scrap purchase after a pause

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Turkish companies resumed purchases and thus gave the suppliers the opportunity to return the prices to the level of the H1 of August. The US companies offer HMS ? 1&2 at USD 395 per tonne to 400 per tonne CFR. The prices for European and Russian scrap keep at USD 395 per tonne CFR.

The main reason of scrap purchases resumption is acute shortage of scrap in global market. In summer the collecting volumes were rather small, and the demand grew significantly recently in Eastern Asia, Japan and the USA. At that the price of the US HMS ? 1&2 with the delivery to Far East reached USD 400 per tonne to USD 410 per tonne CFR.

In ASEAN countries it reached USD 420 per tonne CFR. Japanese H2 scrap is offered at USD 375 per tonne to USD 385 per tonne CFR in Korea and China and at the prices up to USD 420 per tonne CFR in Taiwan. In Japan Tokyo Steel Manufacturing increased scrap purchases price and other consumers had to follow this example.

The US traders are waiting for a new prices jump in domestic market in Sep. The majority of local rolling mills are finishing the season with empty warehouses. That is why they will have to refill the stockpiles very soon. Earlier the analysts believed that the prices for the key grades of scrap would grow by USD 20 per tonne to USD 40 per tonne.

(Sourced from ugmk.info)

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