

Monday Market Monitor - Scrap (WEEK 13) - Signs of recovery

Monday, 30 Mar, 2009

Both demand and price of finished steel products have slightly rebounded since last week. As a result, some Turkish steel mills with lower scrap stocks have shifted their focus from billet to scrap, so the scrap price has been gradually rising. Turkish purchasing volume will consequently influence the price of scrap.

Turkish imports (CNF Turkey)

Scrap

A3

500x500x1500	20-Mar	27-Mar	Change
	220-230	230-240	10

Change is on March 13th 2009 as compared to March 6th 2009

In USD per tonne

It is reported that steel scrap prices of European origin FOB Rotterdam improved by USD 5 per tonne last week after loosing USD 10 per tonne in the previous week.

20-Mar	27-Mar	Change
140-160	150-160	5

Change is on March 27th 2009 as compared to March 20th 2009 In USD per tonne

FOB Rotterdam

It is reported that Japan's scrap prices are enjoying a pick up recently as demand stable. As per report, Korea purchased Japanese H2 scrap price at around USD 240 per tonne CNF recently.

Korea has increased purchases of scrap, as H1 scrap was settled at about USD 232 per tonne CNF, while Hyundai Steel purchased H2 scrap from Japan at a price of USD 217 to USD 218 per tonne CNF in the last week.

Meanwhile, Taiwan's scrap import market seems to be quite quiet. Buyers are still adopting a wait and see attitude. The import price of container scrap was settled at USD 230 per tonne, but the new offer has increased to USD 235 per tonne. The main reason for the price rise is because Korea is increasing its buying in the market.

Indian domestic prices also firmed up a bit at important location like Mumbai and Mandi although downward trend was reported at Kolkata and Kanpur. Import offers also started to firm up a bit for both HMS and shredded.

Indian domestic

Melting scrap

80:20

HMS	Location	Change	%
	Chennai	0	0.0%
	Kandla	0	0.0%
	Mumbai	300	1.9%
	Mandi	267	1.4%
	Kolkata	-577	-3.1%

Kanpur	-178	-1.0%
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Change is on March 27th 2009 as compared to March 20th 2009

Change is in INR per tonne

However Chinese domestic scrap prices continued to go down during last week in line with slide in the steel prices.

Chinese domestic

Scrap

6-8mm

Foundry?	Location	20/Mar	27/Mar	CNY	USD	%
	Zhangjiagang	2420	2360	-60	-9	-2%
	Loudi	2450	2400	-50	-7	-2%
	Lingyuan	2550	2500	-50	-7	-2%
	Beijing	2500	2450	-50	-7	-2%
	Hefei	2450	2400	-50	-7	-2%
	Jiangyin	2400	2350	-50	-7	-2%
	Guangzhou	2450	2400	-50	-7	-2%
	Chongqing	2500	2450	-50	-7	-2%
	Wuhan	2450	2350	-100	-15	-4%
	Anyang	2450	2400	-50	-7	-2%
	Liupanshui	2600	2500	-100	-15	-4%
	Lanzhou	2100	2000	-100	-15	-5%
	Tianjin	2450	2350	-100	-15	-4%
	Dalian	2550	2450	-100	-15	-4%
	Benxi	2500	2400	-100	-15	-4%
	Acheng	2450	2400	-50	-7	-2%

Change is on March 27th 2009 as compared to March 20th 2009

In CNY per tonne inclusive of VAT

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