

# Global Ferrous Scrap

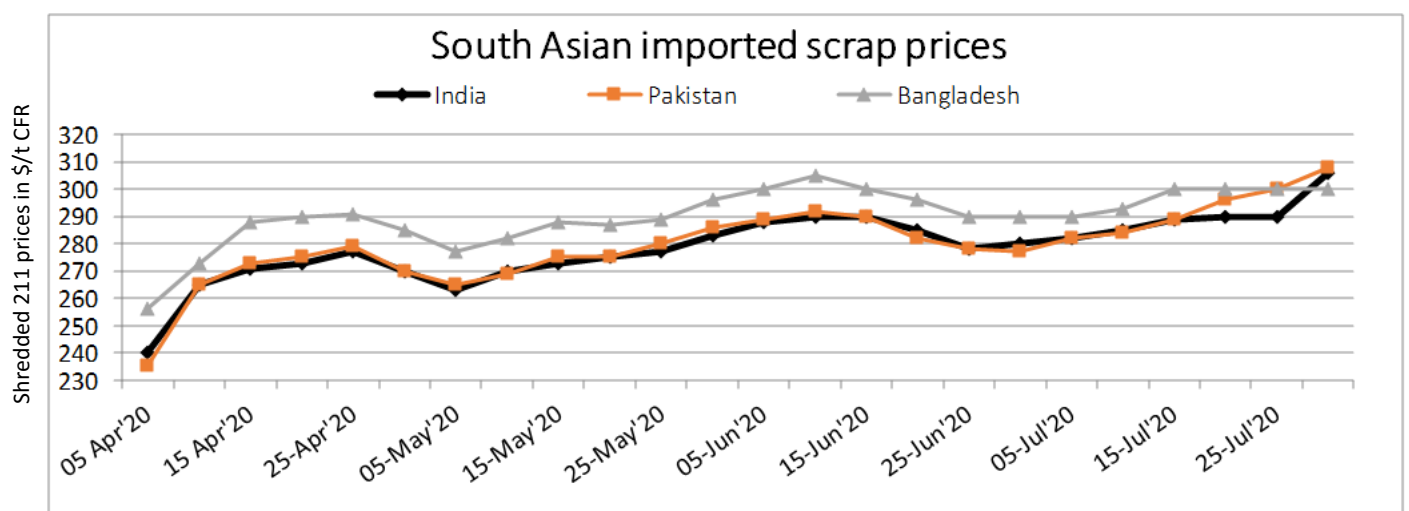
Monthly Overview  
July 2020

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## South Asia (India, Bangladesh and Pakistan)

Assessment	Jul'20 Avg Price	Lowest Price in Jul'20	Highest Price in Jul'20	Jun'20 Avg Price	May'20 Avg Price	Aug'19 Avg Price
<b>India</b>						
<b>India imported scrap (\$/t)</b>						
Shredded, CNF Nhava Sheva	290	282 (5th Jul)	306 (30th Jul)	285	273	301
HMS 1&2 (80:20), ex UK, CNF Nhava Sheva	254	253 (6th Jul)	260 (27th Jul)	259	248	281
<b>India Domestic scrap (₹/t)</b>						
HMS (80:20) EXW Mumbai	20,860	19,700 (3th Jul)	22,400 (30th Jul)	20,426	20,616	21,222
Alang Ship yard melting scrap	21,530	20,800 (1st Jul)	22,900 (28th Jul)	21,496	22,143	21,690
<b>Indian Metallics (₹/t)</b>						
C-DRI exw Raipur	17,439	16,700 (3rd Jul)	18,600 (29th Jul)	16,540	16,467	17,019
P-DRI exw Raipur	16,494	15,700 (3rd Jul)	17,700 (29th Jul)	15,580	15,517	15,889
Pig Iron (Steel Grd) Exw Durgapur	24,903	24,100 (4th Jul)	26,500 (31st Jul)	23,980	23,567	24,141
<b>Indian Domestic Billet (₹/t)</b>						
Billet (DAP Mumbai)	27,991	27,000 (7th Jul)	29,600 (29th Jul)	28,326	29,383	27,580
Billet (DAP Chennai)	29,708	29,200 (2th Jul)	30,500 (30th Jul)	29,718	30,741	28,502
<b>Bangladesh</b>						
<b>Bangladesh imported scrap (\$/t)</b>						
Shredded, CNF Chittagong	297	290 (5th Jul)	300 (15th Jul)	296	286	312
HMS 1&2 (80:20) Ex Brazil, CNF Chittagong	265	262 (1st Jul)	270 (22th Jul)	263	250	297
HMS 1 Ex Australia, CNF Chittagong	279	275 (8th Jul)	283 (29th Jul)	284	272	305
<b>Bangladesh Domestic Scrap (₹/t)</b>						
Chittagong Ship yard melting scrap	26,420	26,300 (1st Jul)	27,100 (29th Jul)	28,467	28,900	32,850
<b>Bangladesh imported DRI (\$/t)</b>						
DRI ex India, CNF Chittagong	277	260 (6th Jul)	290 (27th Jul)	264	267	277
<b>Bangladesh Domestic Billet (₹/t)</b>						
Billet (Exw Dhaka)	40,140	40,000 (22th Jul)	41,000 (1st Jul)	41,100	42,000	-
<b>Pakistan</b>						
<b>Pakistan imported scrap (\$/t)</b>						
Shredded 211, CNF Qasim	293	282 (5th Jul)	308 (30th Jul)	284	275	300
<b>Pakistan Domestic Scrap (PKR/t)</b>						
Local Scrap Eq. to Shred, Exw Punjab	71,625	71,000 (7th Jul)	72,500 (28th Jul)	69,200	66,000	65,200
<b>Pakistan Domestic Billet (PKR/t)</b>						
Bala Billet, Exw Punjab	92,500	92,000 (14th Jul)	93,000 (21st Jul)	91,600	87,500	88,700
CC Billet, Grade 40 Exw Punjab	96,125	96,000 (28th Jul)	96,500 (7th Jul)	95,400	93,000	95,700
CC Billet, Grade 60 Exw Punjab	97,125	97,000 (28th Jul)	97,500 (7th Jul)	96,400	94,000	96,700



Source: SteelMint Research

**India:** During the first half of the month, imported scrap offers to India remained mostly stable in the range of \$280-285/t CFR. Offers have increased to around \$290-300/t by the closing of the month.

\*Imported scrap trades have slowed down as prices increased.

**Pakistan:** Imported scrap offers to Pakistan continued to move up throughout the month on increased demand and global price uptrend.

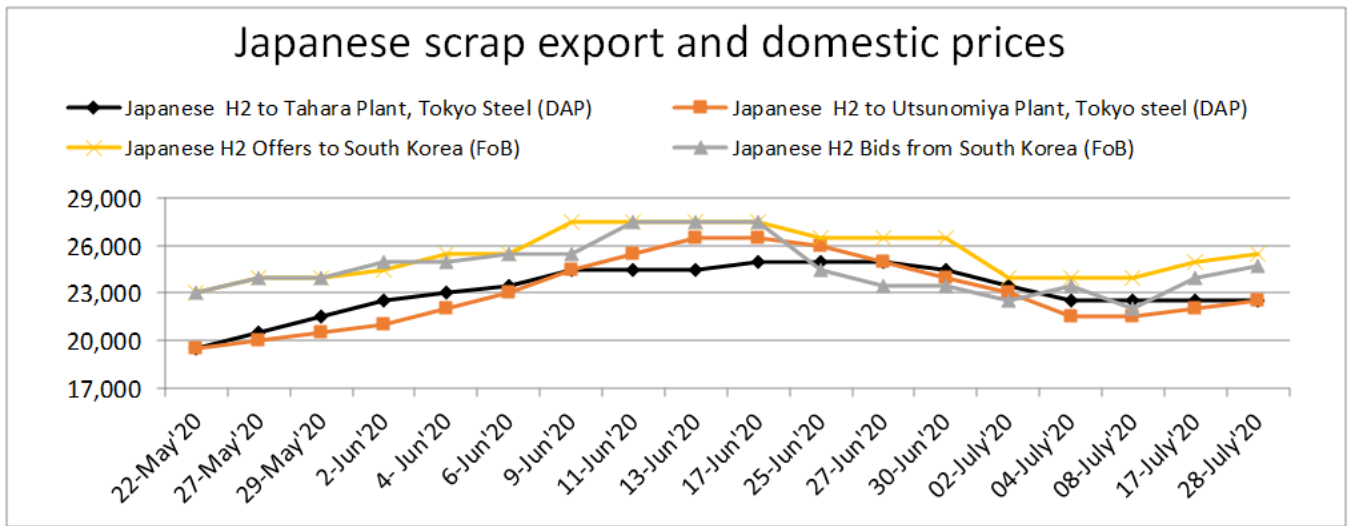
\*Numerous deals in containers were concluded in the range of \$280-290/t before Eid holidays. While, post holiday, prices have moved up to \$300/t CFR level.

**Bangladesh:** A major steel mill in Bangladesh had booked US-origin bulk cargo from a West Coast based recycler, comprising 32,000 t of Shredded scrap, at \$280/t CFR Chittagong

\*Imported scrap offers to Bangladesh remained stable in the range of \$295-300/t CFR level throughout the month.

Japan, South Korea and South East Asia

Assessment	Jul'20 Avg Price	Lowest Price in Jul'20	Highest Price in Jul'20	Jun'20 Avg Price	May'20 Avg Price	Aug'19 Avg Price
<b>Japan</b>						
<b>Tokyo Steel</b>						
Tahara Plant (JPY/t)	22,700	22,500 (4th Jul)	23,500 (2nd Jul)	24,167	20,500	25,750
Utsunomiya Plant (JPY/t)	22,100	21,500 (4th Jul)	23,000 (2nd Jul)	24,400	20,000	26,375
<b>Kanto Tetsugan Tender (JPY/t)</b>	23,574	-	-	26,360	22,476	
<b>South Korea</b>						
Japanese H2 Offers (JPY/t FAS Japan)	23,350	22,000 (8th Jul)	24,750 (28th Jul)	25,600	23,667	27,000
Japanese H2 Bid (JPY/t FAS Japan)	24,400	24,000(2nd Jul)	25,000 (28th Jul)	26,300	23,667	
<b>Vietnam</b>						
Japanese H2 (CFR \$/t)	259	245 (6th Jul)	269 (27th Jul)	268	250	-
USA HMS 1&2 (80:20) (CFR \$/t)	267	265 (6th Jul)	270 (27th Jul)	274	264	-
<b>Indonesia</b>						
P&S Scrap 40 ft container (CFR \$/t)	279	275 (6th Jul)	283 (20th Jul)	272	250	-
Busheling scrap (CFR \$/t)	287	280 (6th Jul)	295 (27th Jul)	277	272	-



Source: SteelMint Research

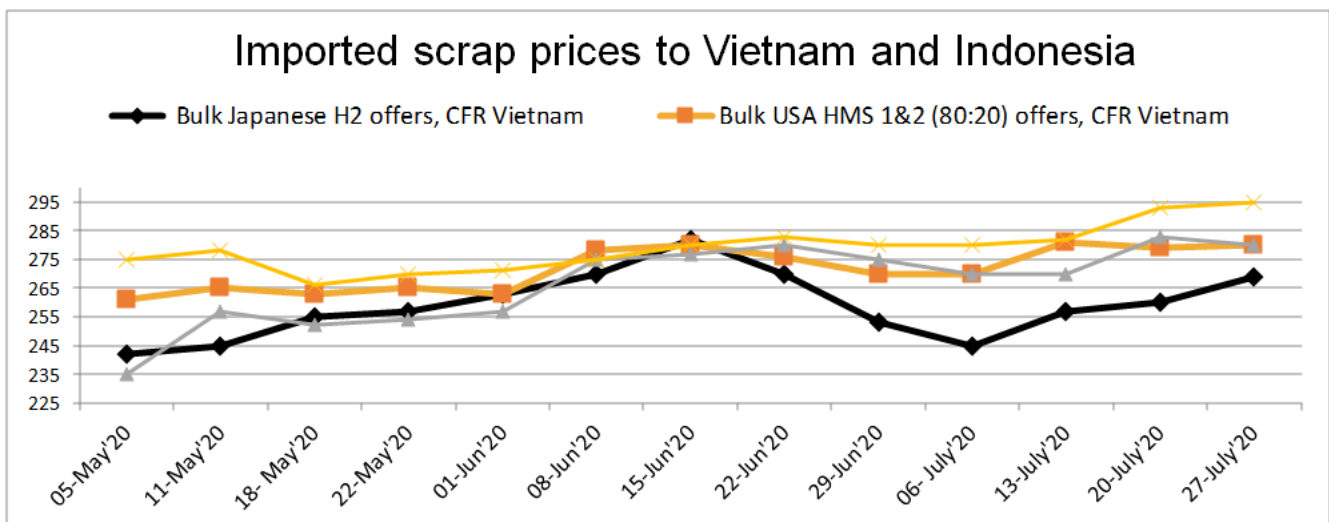
**Japan domestic:** Japan's domestic prices have continued to decrease in the first two weeks of the month.

\*However, after the Kanto export tender result was concluded on 9th of July, domestic prices have moved up in Kanto region.

**Japanese export offers to South Korea:** Japanese scrap export prices bottomed out at around JPY 22,500-23,000/t FoB Japan for H2 scrap by the end of first week.

\*Suppliers have hiked their export offers to around JPY 24,000/t FoB Japan for H2 scrap, after the Kanto tender result.

\*South Korean steelmakers increased their preferences for USA and Russian grade scrap displacing Japanese scrap though by the end of last month, POSCO hiked their bid price for Japanese scrap.



Source: SteelMint Research

**Vietnam:** Earlier in Jul, imported scrap prices bottomed out at \$245/t.

\*Japanese suppliers increased scrap export offers up to \$269/t in the second half of Jul. Japanese offers increased by around \$24/t this month.

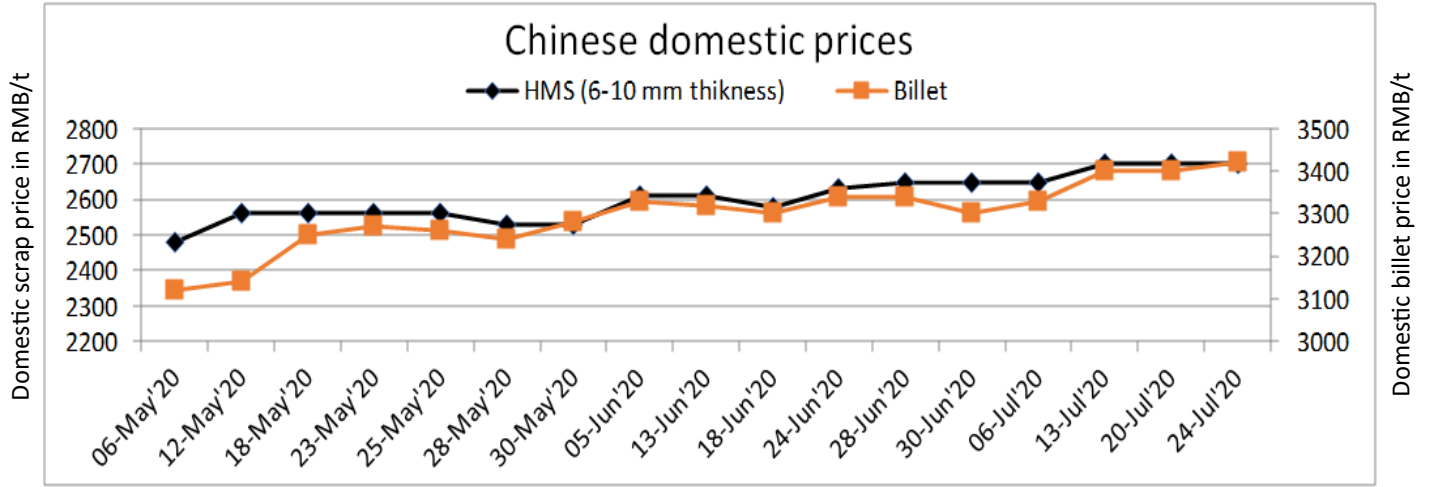
\*Several deep sea bulk cargoes have been booked for delivering USA and Japanese scrap to Vietnam.

**Indonesia:** Imported scrap offers to Indonesia floated in the range of \$270-280/t in Jul.

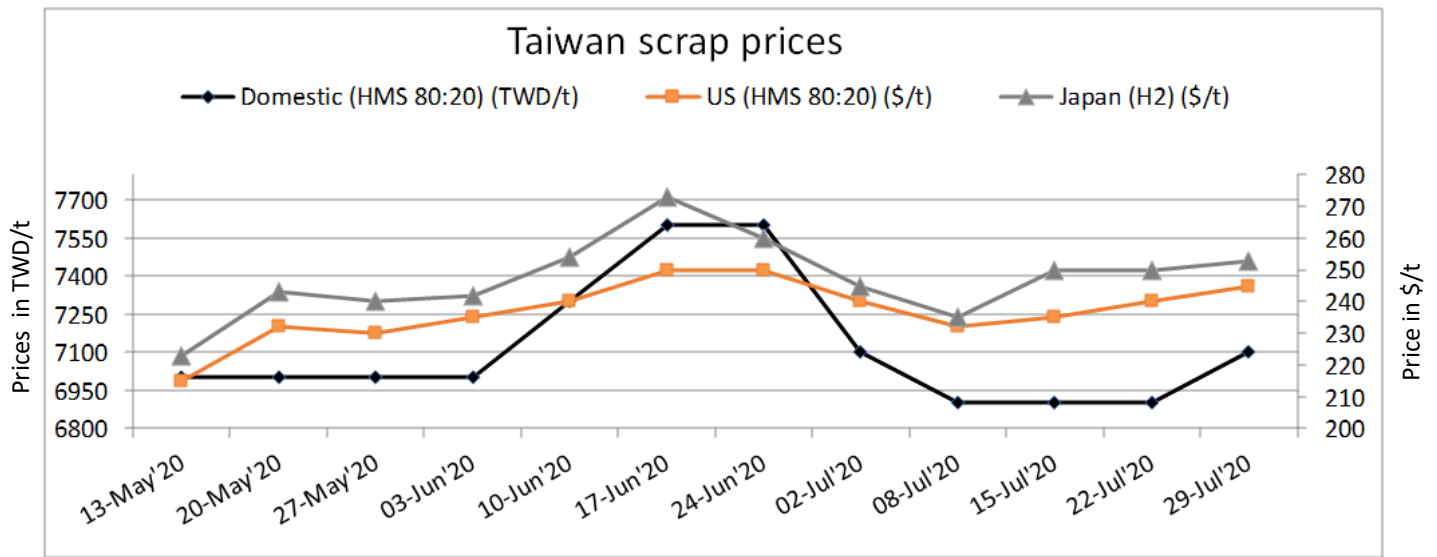
\*Indonesian scrap buyers remained active throughout the month, consistently booking Busheling and P&S via containers.

China & Taiwan

Assessment	Jul'20 Avg	Lowest Price in Jul'20	Highest Price in Jul'20	Jun'20 Avg Price	May'20 Avg Price	Aug'19
<b>China</b>						
Jiangsu Shagang Group (RMB/t)	2,700	2,700 (13th Jul)	2,700(13th Jul)	2,621	2,540	2,687
Billet Exw Tangshan (RMB/t)	3,400	3,400(13th Jul)	3,400(13th Jul)	3,321	3,222	-
<b>Taiwan</b>						
Domestic (HMS 80:20) (TWD/t)	7,033	6,900 (8th Jul)	7,100 (2nd Jul)	7,375	7,000	-
Domestic Rebar (13 mm) (TWD/t)	14,680	14,600 (8th Jul)	14,800 (2nd Jul)	14,975	14,600	-
USA HMS 1&2 (80:20) (\$/t)	238	232 (8th Jul)	245(29th Jul)	243	225	-
Japanese H2 (\$/t)	246	235 (8th Jul)	253 (29th Jul)	257	235	-



Source: SteelMint Research



Source: SteelMint Research

**China:** A leading mill and scrap consumer in East China, Shagang Steel, increased bid for domestic HMS (6-10mm) once in Jul.

\*HMS procurement price for Shagang Steel is currently at RMB 2700/t, DAP Zhangjiagang, inclusive of taxes.

**Taiwan:** Imported scrap prices to Taiwan have strengthened after continuous decline in the first two weeks of Jul. Japanese H2 offers have increased over \$8/t in the month.

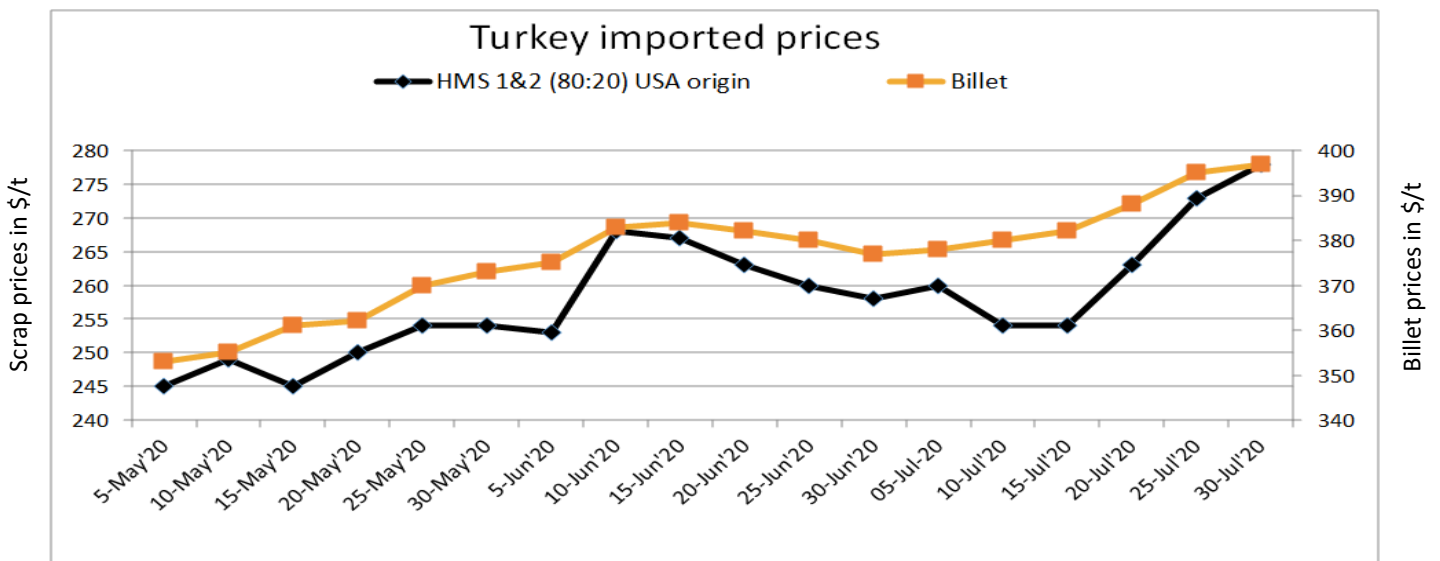
\*Steel supply in Taiwan usually declines in summer to ensure enough electricity for household use, therefore, many local mini-mills, often conduct annual maintenance on their rolling mills during Jun-Sep.

\*Leading Steelmaker Feng Hsin finally hiked its domestic scrap procurement price by TWD 200/t (\$ 7) in the second half of Jul, after keeping prices unchanged for almost first three weeks.

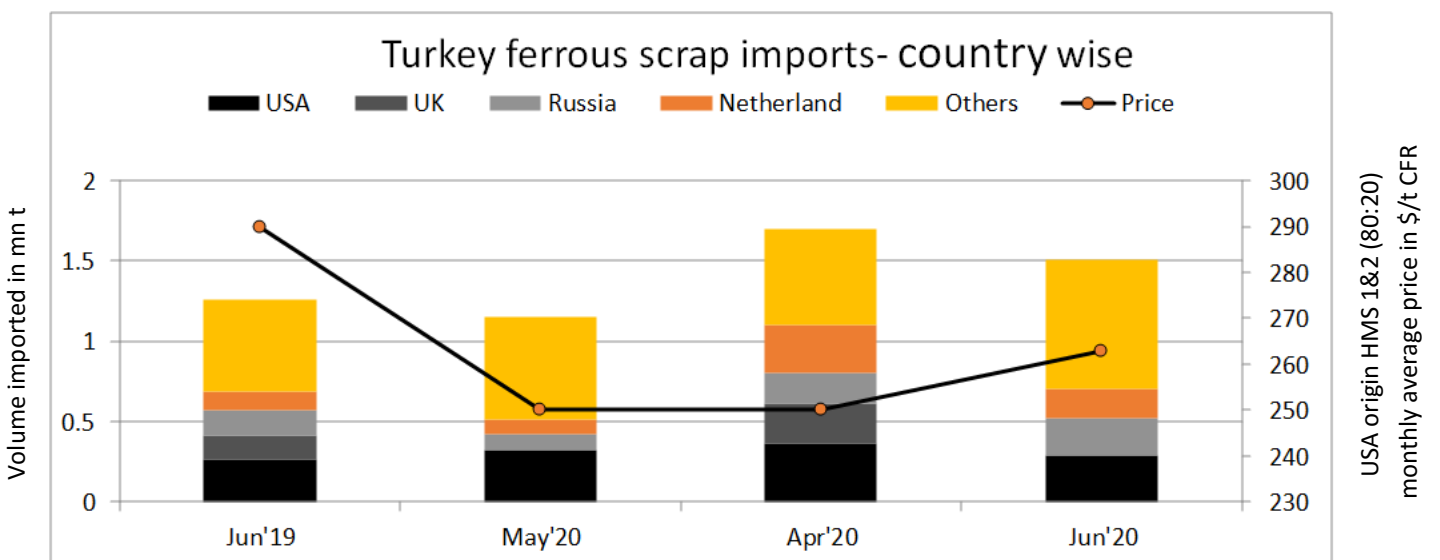
Turkey, USA & Europe

Assessment	Jul'20 Avg Price	Lowest Price in Jul'20	Highest Price in Jul'20	Jun'20 Avg Price	May'20 Avg Price	Aug'19 Avg Price
<b>Turkey</b>						
HMS 1&2 (80:20) (\$/t)	263	254 (10th Jul)	278 (30th Jul)	261	250	278
Billet CNF Iskenderun (\$/t)	386	378 (5th Jul)	397 (30th Jul)	380	362	417

Turkey country-wise ferrous scrap imports (in t)					
	Jun'20	May'20	Apr'20	Jun'19	Jul'19-Jun'20
Total Turkey Imports	1,534,582	1,167,318	1,721,996	1,286,430	19,523,472
USA	293,075	326,844	361,596	263,402	4,177,180
UK	-	-	257,368	150,840	1,783,319
Russia	237,270	107,042	194,946	277,343	1,747,012
Netherland	189,050	90,807	300,724	129,177	2,730,535
Others	815,185	642,625	607,360	576,505	9,085,425



Source: SteelMint Research



Source: SteelMint Research

**Turkey:** Imported scrap offers to Turkey climbed up to a 4-months high by the end of Jul at \$278/t compared with \$256/t earlier in the month, increasing by a total of \$18 in the month.

\*Low material availability in scrap yards are responsible for driving prices up. Turkish mills may not be able to resist the hike, given their restocking necessities for August shipment steel cargoes.

\*Several deep-sea bulk cargoes have been booked for Baltic and USA origin scrap pre and post-Eid-holidays in Jul.

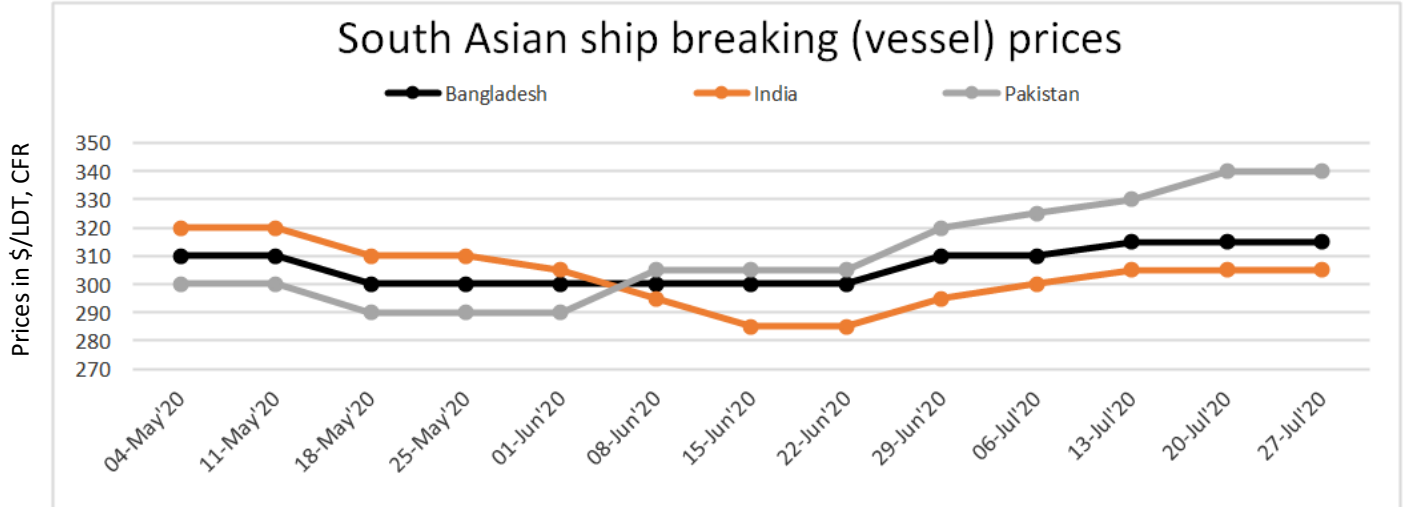
**Turkish statistics:** Turkish ferrous scrap imports have increased by 31% m-o-m to 1.53 mn t in Jun '20 vs 1.16 mn t imported in May '20.

\*Scrap imports from the USA fell by 10% m-o-m to 0.29 mn t in Jun '20 due to tight availability while imports from Russia have increased by 122% on a monthly basis.

\* Turkish scrap inventories were depleted in May as industry closures due to Covid lockdown led to less generation of scrap. Jun '20 buying surpassed the levels for a normal month as mill were running low on scrap stocks.

Ship Breaking

Assessment	Jul'20 Avg Price	Lowest Price in Jul'20	Highest Price in Jul'20	Jun'20 Avg Price	May'20 Avg Price	Aug'19 Avg Price
<b>India</b>						
Tanker (\$/LDT)	303	300 (6th Jul)	305 (25th Jul)	293	315	355
Container (\$/LDT)	313	310 (6th Jul)	315 (27th Jul)	303	325	365
<b>Pakistan</b>						
Tanker (\$/LDT)	333	225 (6th Jul)	340 (27th Jul)	305	295	365
Container (\$/LDT)	315	300 (1st Jul)	330 (29th Jul)	305	305	375
<b>Bangladesh</b>						
Tanker (\$/LDT)	313	310 (6th Jul)	315 (27th Jul)	302	305	377
Container (\$/LDT)	312	310 (1st Jul)	320 (29th Jul)	315	315	389



Source: SteelMint Research

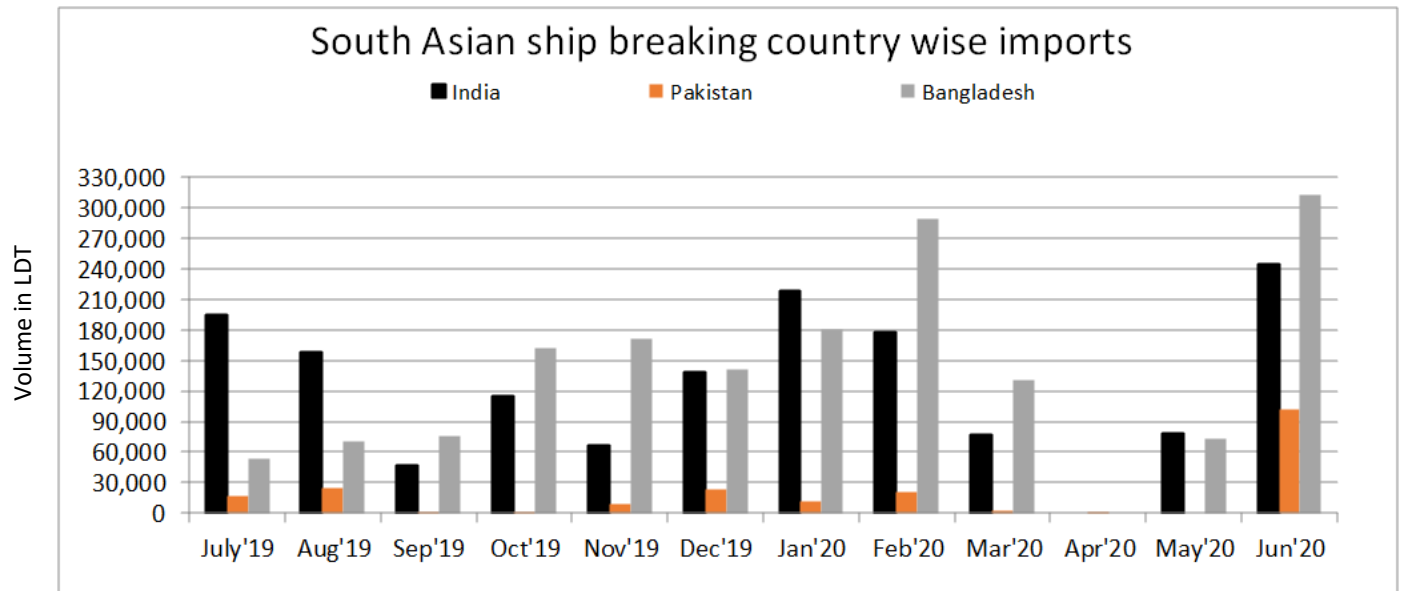
Ship Breaking country wise import			
	India	Pakistan	Bangladesh
July'19	195,297	16,229	53,732
Aug'19	157,729	24,538	70,969
Sep'19	46,494	1,148	75,893
Oct'19	115,264	1,179	162,063
Nov'19	66,586	9,193	170,684
Dec'19	138,316	23,772	141,570
Jan'20	217,740	11,875	180,564
Feb'20	177,419	20,159	288,467
Mar'20	76,559	2,484	131,030
Apr'20	-	1,284	-
May'20	78,003	-	73,120
Jun'20	243,809	102,448	312,856

\*Imported scrapped ship prices have continued to move up by \$10-15/LDT in Jul as compared with offers of around \$305- 310/LTD to South Asian countries. Ship breaking activities slowed down in Jul due to heavy rain and floods as well as Eid-holidays.

\*A total tonnage of 339,707 LDT was imported by India in Jul (up by 39% m-o-m) in the Alang port and prices remained favourable in the range of \$310-315/LDT throughout the month.

\*Pakistan remained the most active destination for scrapped ship in last two weeks of Jul, as prices have increased by \$15 to \$340/LDT by the end of Jul.

\*Cash buyers in Bangladesh were active during the month.



Source: SteelMint Research