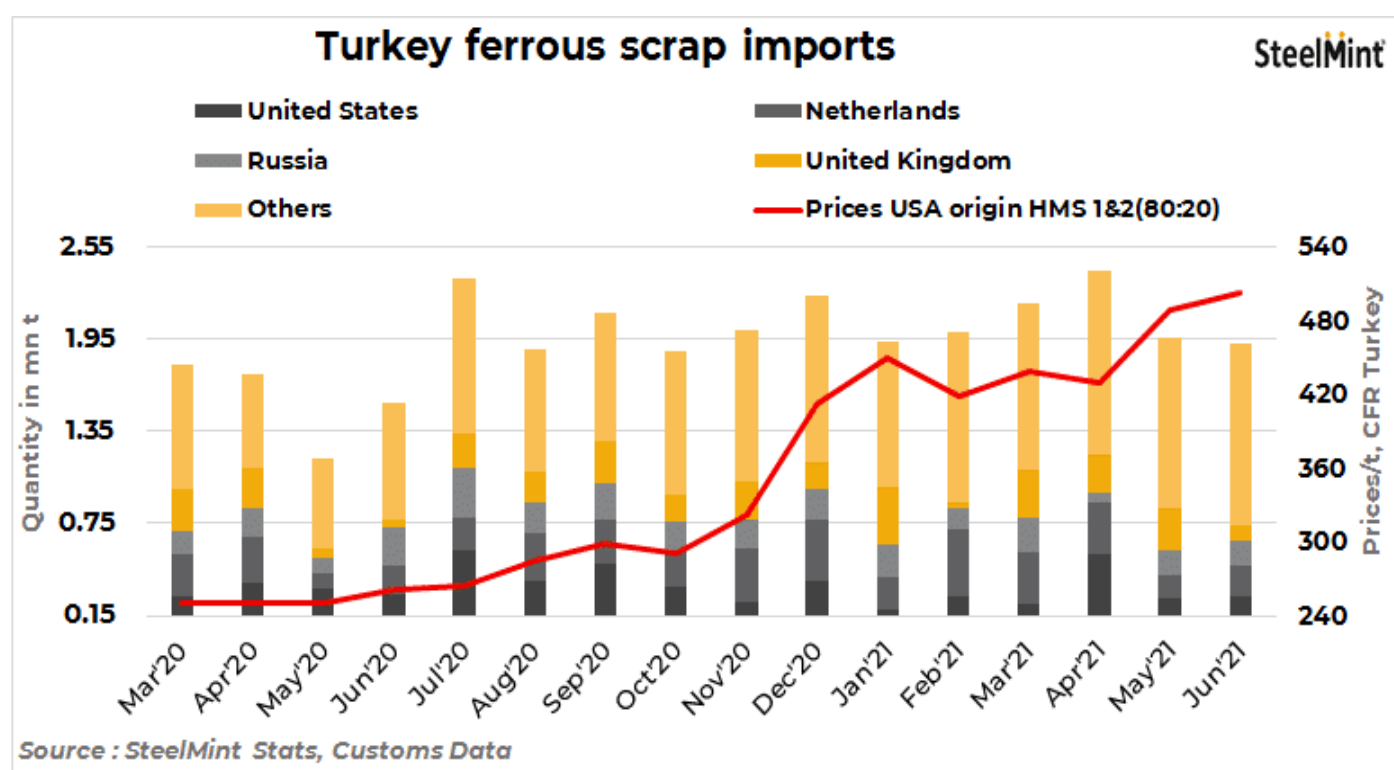


GLOBAL FERROUS SCRAP

MONTHLY REVIEW JULY 2021

Index

Page No.	Content
01	Turkey: Ferrous scrap imports up 24% in H1CY'21 on increased steel output
02	South Asian Market Overview (India, Pakistan, Bangladesh) Imported & domestic scrap prices Metallics prices (DRI, pig iron) price trends Semi-finished steel (billet) prices
03	India's domestic steel scrap index
04	Japan, South Korea and South East Asia (Vietnam & Indonesia) Japan domestic scrap & export market overview Japanese monthly scrap export tender results SE Asia imported scrap price trends (Vietnam & Indonesia)
05	China and Taiwan China: Domestic scrap & billet price trends Taiwan: Domestic & imported scrap prices Rebar price trends in Taiwan
06	Turkey, USA and Europe Imported scrap price movements & deep-sea cargo deals Turkey country-wise scrap imports
07	Ship-breaking (India, Bangladesh and Pakistan) Ship breaking prices Vessel import data
08	Imported scrap bookings



Turkey, the world's leading ferrous scrap importer, witnessed a sharp rise in imports of the material by 24% y-o-y to 12.4 million tons (mn t) in the Jan-Jun'21 period in contrast to 9.8 mn t seen in the same period last year, as per data compiled by SteelMint.

Strong finished steel demand, manufacturing activity and rise in Turkish crude steel output kept Turkey's scrap imports on the higher side, SteelMint understands.

However, on a m-o-m basis, scrap imports remained stable at 1.96 mn t in Jun'21.

US major scrap supplier in H1CY'21: The US continued as the top exporter to Turkey at 1.8 mn t in H1 CY'21 followed by the Netherland at 1.7 mn t and the UK at 1.4 mn t respectively. The US and Netherland both increased tonnages and headed the list of sellers.

The higher exports from the US were sustained by the positive outlook in the overseas steel market and the manufacturing sector which allowed the country's steel mills to achieve sustained growth in sales.

Factors supporting higher import volumes

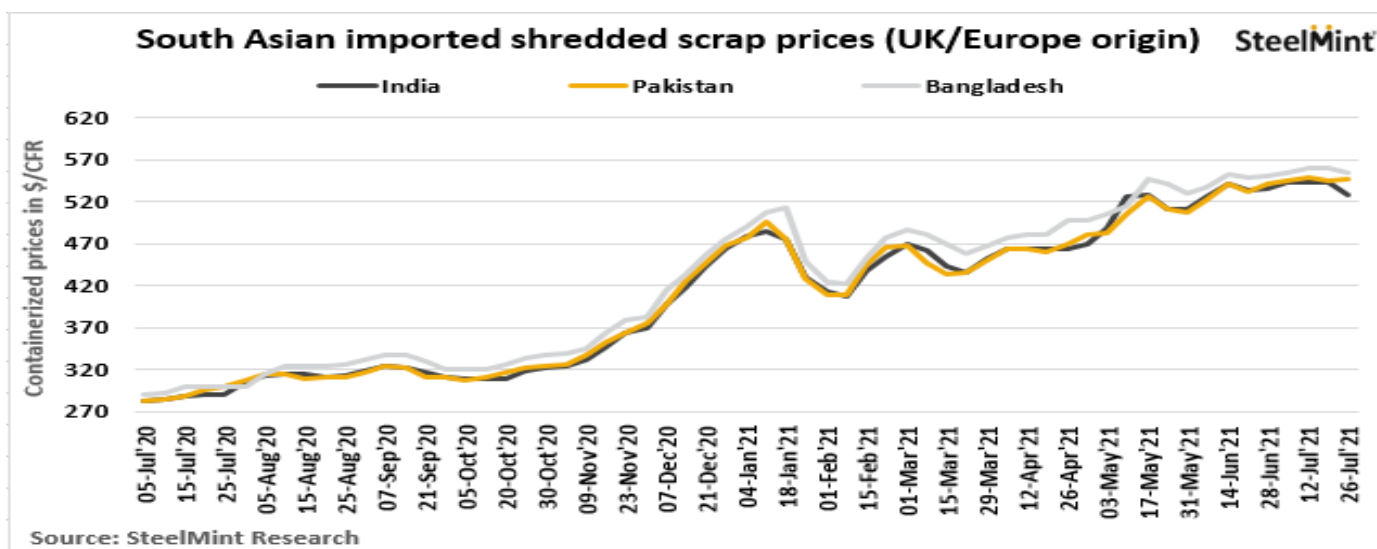
- **Increase in steel production:** Turkey's crude steel output jumped a strong 18% y-o-y to 3.4 mn t in Jun'21, as per the World Steel Association (WSA). In H1CY'21, Turkey produced 19.7 mn t, a rise of 21% y-o-y.
- **Automotive sales hit 4-year high:** Sales of passenger cars and light commercial vehicles in Turkey increased by 12.5% to 79,819 units in Jun'21, as per the Automotive Distributors Association (ODD).
- **Strong rebar exports:** Higher demand from Israel, Singapore and Yemen notably supported Turkish mills' rebar exports, which reached 4.35 mn t in H1CY'21, up 28% y-o-y.

Outlook

It is expected that imported scrap volumes and bookings may go down due to weak finished steel demand in the domestic and overseas markets amid bid-offer disparities.

South Asia (India, Bangladesh and Pakistan)

Assessment	Jul'21 Avg	Lowest Price in Jul'21	Highest Price in Jul'21	Jun'21 Avg	% Change (m-o-m)	Jul'20 Avg
India						
India imported scrap (\$/t)						
Shredded, CNF Nhava Sheva	540	530 (26th Jul)	545 (7th Jul)	530	2%	290
HMS 1&2 (80:20), ex UK, CNF Nhava	500	493 (26th Jul)	515 (12th Jul)	495	1%	255
India Domestic scrap (₹/t)						
HMS (80:20) EXW Mandi	34,085	31,800 (14th Jul)	37,100 (31st Jul)	36,550	7%	-
HMS (80:20) EXW Mumbai	33,750	32,500 (5th Jul)	35,800 (31st Jul)	34,360	6%	20,910
Alang Ship yard melting scrap	34,700	33,600 (1st Jul)	36,900 (26th Jul)	36,610	5%	21,540
Indian Metallics (₹/t)						
C-DRI exw Raipur	30,870	30,000 (14th Jul)	32,700 (31st Jul)	31,830	3%	-
P-DRI exw Raipur	29,380	28,700 (8th Jul)	30,600 (31st Jul)	30,500	4%	16,495
Pig Iron (Steel Grd) Exw Durgapur	37,325	36,200 (8th Jul)	39,000 (31st Jul)	38,810	4%	24,900
Indian Domestic Billet (₹/t)						
Billet (DAP Mumbai)	42,900	40,600 (2nd Jul)	45,200 (31st Jul)	42,900	0%	27,970
Billet (DAP Chennai)	42,775	42,000 (6th Jul)	44,000 (13th Jul)	45,230	5%	29,710
Bangladesh						
Bangladesh imported scrap (\$/t)						
Shredded, CNF Chittagong	558	555 (5th Jul)	560 (12th Jul)	545	2%	295
HMS 1&2 (80:20), CNF Chittagong	526	523 (12th Jul)	533 (5th Jul)	525	0%	275
Japanese H2 Bulk, CNF Chittagong	600	600(26th Jul)	600 (5th Jul)	545	10%	-
Bangladesh Domestic Scrap (₳/t)						
Chittagong Ship yard melting scrap	50,665	50,000 (7th Jul)	51,000 (14th Jul)	49,050	3%	26,850
Bangladesh imported DRI (\$/t)						
DRI ex India, CNF Chittagong	460	450 (5th Jul)	485 (26th Jul)	485	5%	265
Pakistan						
Pakistan imported scrap (\$/t)						
Shredded 211, CNF Qasim	545	544 (5th Jul)	548 (12th Jul)	535	2%	290
Pakistan Domestic Scrap (PKR/t)						
Local Scrap Eq. to Shred, Exw Punjab	101,500	100,000 (6th Jul)	102,000 (13th Jul)	95,300	6%	72,250
Pakistan Domestic prices (PKR/t)						
CC Billet, Grade 60 Exw Punjab	134,875	131,500 (6th Jul)	140,000 (27th Jul)	126,050	7%	97,000
CC Rebar, Grade 60 Exw Punjab	155,200	151,300 (5th Jul)	160,000 (26th Jul)	155,200	0%	111,500



India's imported scrap market subdued in Jul'21: India's imported scrap market remained subdued throughout the month. There was almost no activity seen as Indian mills did not accept prices owing to the disparity in the rates of domestic substitutes and the landed prices of the imported material.

A bulk scrap vessel carrying around 23,000 tonnes (t) of HMS 1&2 (80:20) from the US is expected to arrive at Chennai Port in the first week of Aug'21, according to the vessel line-up data maintained with SteelMint. With a decline in Turkey's imported scrap prices, trade inquiries in India improved slightly towards the last week of July.

Pakistani buyers active in restocking: Pakistan's imported scrap market remained strong as buyers and steelmakers turned active in restocking inventory throughout the month even during the Eid holidays.

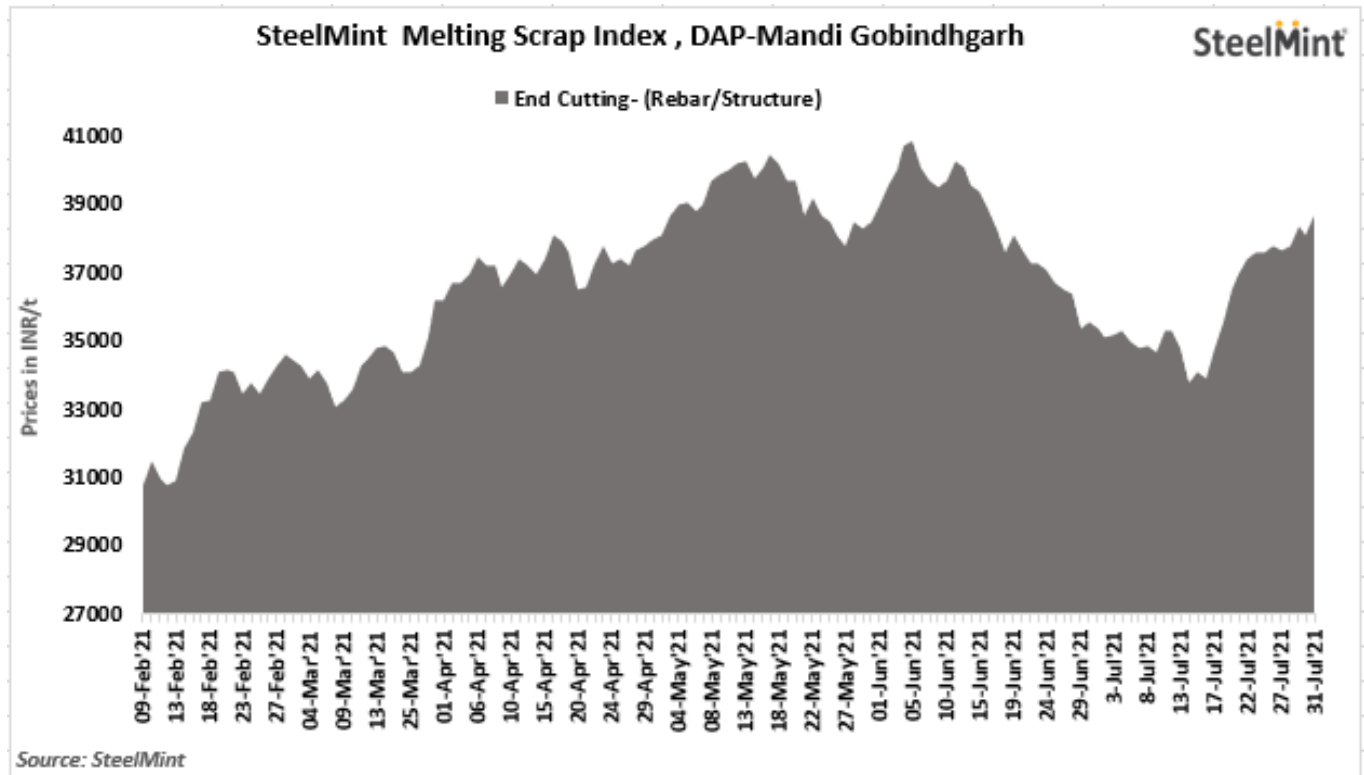
Imported scrap offers continued their marginal upward movement through the month, while towards the month –end, offers were around \$540-542/t CFR Qasim levels. Mills raised rebar offers from PKR 151,000/t assessed towards the beginning of July to PKR160,000towards the month-end.

Bangladesh steel market quiet on lockdown, Eid holidays: Bangladesh remained quiet in July due to strict lockdown on increasing number of Covid cases and Eid holidays. The government had dragged the lockdown till 5 Aug'21 which was further extended to 10 Aug in an attempt to curb Covid spread. In addition to it, Eid holidays kept scrap buyers away from the market.

Bulk scrap trade offers to Bangladesh remained absent for yet another week, despite a few offers from bulk suppliers being quoted. But buyers showed little interest. Market players would likely resume their bookings in the coming weeks as part of their seasonal buying, sources informed SteelMint.

India's domestic steel scrap index

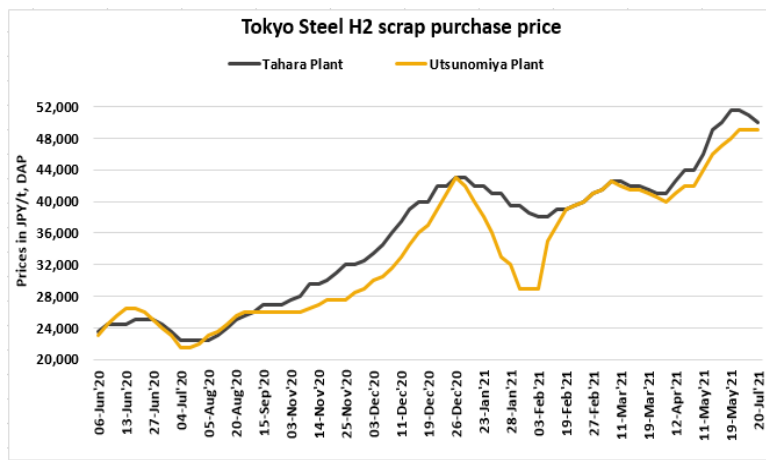
India's domestic steel scrap index up: SteelMint's domestic steel scrap (end-cutting) index moved up toward month end. Lack of arrival of scrap into the market along with supportive substitutes and semi-finished (ingots/billets) prices prompted trade partners to offer higher prices today. Few sellers are holding their offers expecting prices to rise further. While, earlier domestic steel scrap (end-cutting) index was fall. Few trading activities were done today due to healthy availability of scrap stock at buyers' premises.



Particulars	Specifications
Index	India Domestic Steel Scrap Price Index(End Cutting), DAP Gobindgarh Mandi, Punjab
Other Assessments	Old Scrap, HMS (80:20) Selected, CR Sheet Cutting
Dimensions	Length up to 3 Ft.
Packing	Loose
Quantity	50 MT - 100 t
Delivery Terms	Delivered at plant (DAP), (Induction Furnace) site located in Mandi Gobindgarh, Dist. Fatehgarh (Punjab)
Payment Terms	Immediate after delivery
Delivery Period	Within 3-5 days
Assessment Frequency	Daily
Data Submission (IST)	11.00 AM to 4.30 PM
Publication (IST)	1.00 PM & 5.00 PM

Japan, South Korea and South East Asia

Assessment	Jul'21 Avg	Lowest Price in Jul'21	Highest Price in Jul'21	Jun'21 Avg	% Change (m-o-m)	Jul'20 Avg
Japan						
Tokyo Steel						
Tahara Plant (JPY/t, DAP)	50,500	50,000 (20th Jul)	51,000 (10th Jul)	51,500	2%	22,750
Utsunomiya Plant (JPY/t, DAP)	49,000	49,000 (10th Jul)	49,000 (20th Jul)	49,000	0%	22,000
Kanto Tetsugan Tender (JPY/t, FoB)	47,888	47,888(9th Jul)	47,888 (9th Jul)	49,195	3%	23,575
South Korea						
Bulk Japanese H2 Offers (JPY/t FoB)	47,920	47,300 (30th Jul)	48,800 (02th Jul)	48,500	3%	23,350
Vietnam						
Bulk Japanese H2 (CFR \$/t)	495	490 (12th Jul)	500 (19th Jul)	500	2%	255
Bulk USA HMS 1&2 (80:20) (CFR \$/t)	510	505 (19th Jul)	515 (07th Jul)	510	1%	270
Indonesia						
P&S Scrap 20 ft container (CFR \$/t)	510	510 (05th Jul)	510 (05th Jul)	515	1%	280
Busheling scrap (CFR \$/t)	400	400(19th Jul)	400(19th Jul)	400	0%	285

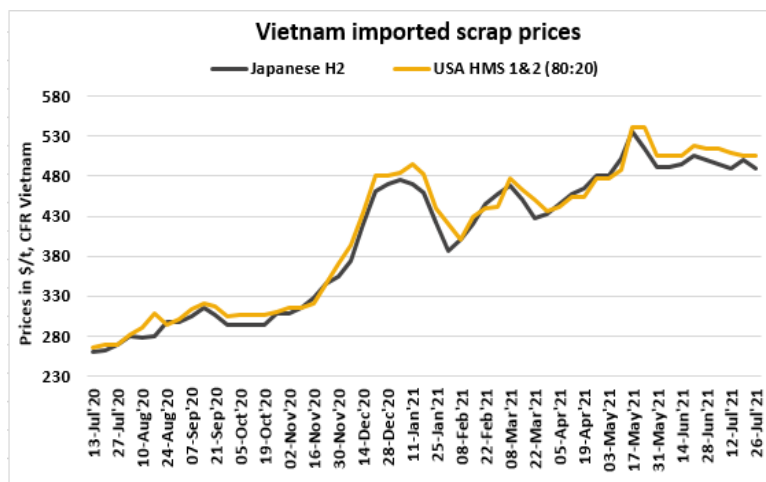


Tokyo Steel cuts scrap purchase prices: Japan's leading EAF steel mill, Tokyo Steel, announced two price cuts this month for scrap purchases. The company decreased prices by JPY 500-1,000/t (\$5-9/t) for the second time for four of its steelworks, excluding the Utsunomiya plant. After the revision, the company is currently paying a bid price for H2 scrap at JPY 50,000/t (\$455/t) for the Tahara works. However, prices stay stable for the Utsunomiya plant at JPY 49,000/t (\$446/t).



Japan scrap export prices fall on lower bids: Japanese scrap prices have witnessed some correction after the decline in bids seen in the monthly Kanto scrap export tender. A total of around 14,000 tonnes (t) of Japanese H2 scrap were awarded at an average price of JPY 47,888/t (\$436/t), FAS in Japan's monthly Kanto Tetsugen ferrous scrap export tender for Jul'21.

South Korean steel major Hyundai Steel reportedly lowered bids for Japanese ferrous scrap towards month end, after maintaining silence for the whole month. No major deals were reported.



Vietnam buyers waiting for clear direction: Vietnam, an emerging prominent scrap buyer in South East Asia, remained mostly quiet for the month, owing to the worsening Covid situation and disparity in bids and offers, resulting in limited trade.

Towards the month-end imported scrap prices for bulk Japanese H2 was hovering at \$485-495/t CFR levels. However, limited deals were reported throughout the month as market insiders awaited clear market directions. The Covid lockdown was extended till 14Aug'21.



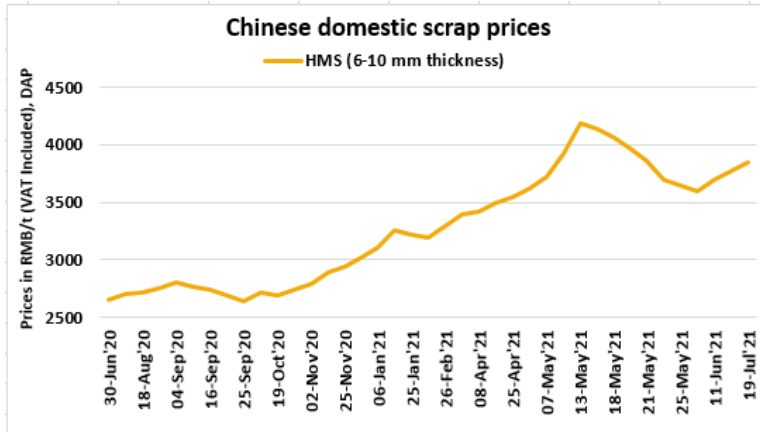
Indonesia scrap market quiet on lockdown: The Covid situation in Indonesia is yet to normalise. Many mills were forced to close. Due to a dull domestic market, and slow steel consumption, there were no active bookings last week, said a market source.

Less demand for steel led to a slowdown in imported scrap bookings. Imported shredded scrap offers were at \$510-515/t CFR towards month-end.

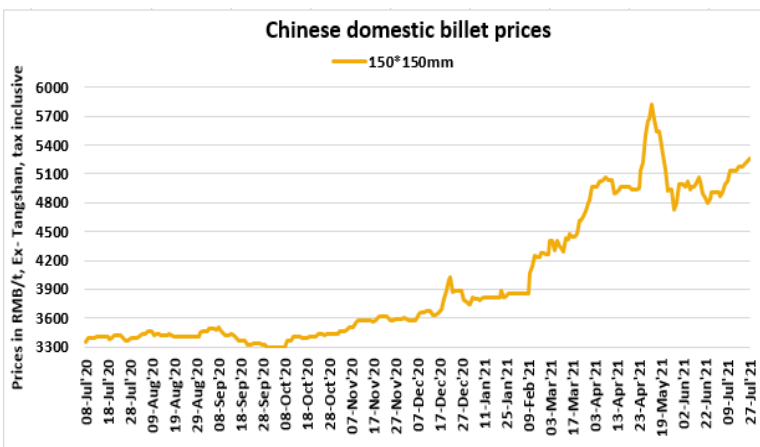
Source: SteelMint Research

China & Taiwan

Assessment	Jul'21 Avg	Lowest Price in Jul'21	Highest Price in Jul'21	Jun'21 Avg	% Change (m-o-m)	Jul'20 Avg
China						
Shagang 6-10 mm price DAP Jiangsu	3,850	3,850 (19th Jul)	3,850 (19th Jul)	3,730	3%	2,700
Billet Exw Tangshan (RMB/t)	5,085	4,870 (5th Jul)	5,260 (27th Jul)	4,950	3%	3,375
Taiwan						
Domestic (HMS 80:20) (TWD/t)	11,825	11,600 (28th Jul)	11,900 (6th Jul)	11,360	4%	6,980
Domestic Rebar (13 mm) (TWD/t)	23,200	23,200 (6th Jul)	23,200 (14th Jul)	22,760	2%	14,680
USA HMS 1&2 (80:20) (\$/t)	460	450 (28th Jul)	470 (14th Jul)	450	2%	235
Japanese H2 (\$/t)	485	477 (28th Jul)	497 (6th Jul)	500	3%	245



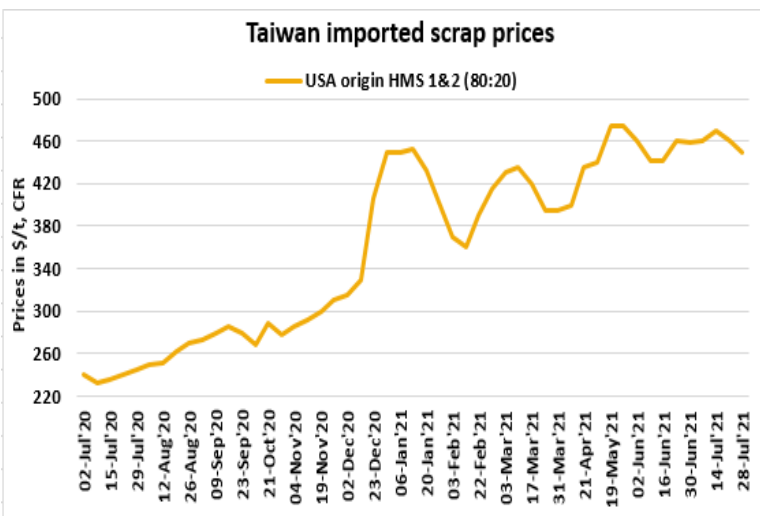
China's Shagang lifts scrap purchase prices by \$12/t after 1-month gap: China's largest electric-arc furnace (EAF) steel maker, the Jiangsu Shagang Group, announced its first hike for scrap purchases by RMB 80/tonne (t) (\$12/t) across all grades on 19th Jul. The reasons behind the hike in the scrap bids include securing more scrap deliveries and hike in semi-finished and finished steel prices. After the revision, prices for HMS (6-10 mm) stand at RMB 3,850/t (\$594/t), inclusive of 13% VAT, delivered to headquarters towards month end.



Chinese domestic billet prices rise: Domestic billet prices in China rose by RMB 40/t (\$6/t) d-o-d on 19 Jul'21. Prices of the commonly traded Q235 billet (150 mm) were reported at RMB 5,180/t (\$799/t) in Tangshan, including 13% VAT. According to data maintained with SteelMint, Chinese rebar futures for Oct contracts closed at RMB 5,568/t (\$859/t), up by RMB 9/t (\$1.5) against the closing on 16 Jul.



Taiwan's domestic scrap prices drop: Domestic scrap prices in Taiwan decreased, reflecting the softening in global scrap prices. Sellers dropped prices to ensure the procurement priced remained competitive.



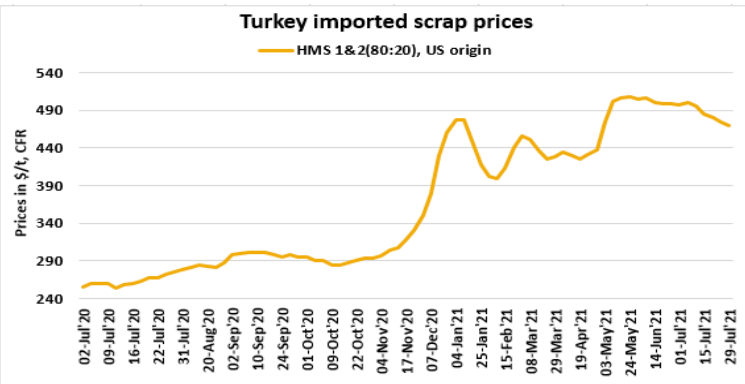
High imported scrap prices keep buyers sidelined in Taiwan: Scrap prices in the global market diverged over the past week, encouraging mini-mills in Taiwan to stay on the sidelines to monitor the changes in the coming term before making any decisions about prices, a company official remarked.

Source: SteelMint Research

Turkey, USA & Europe

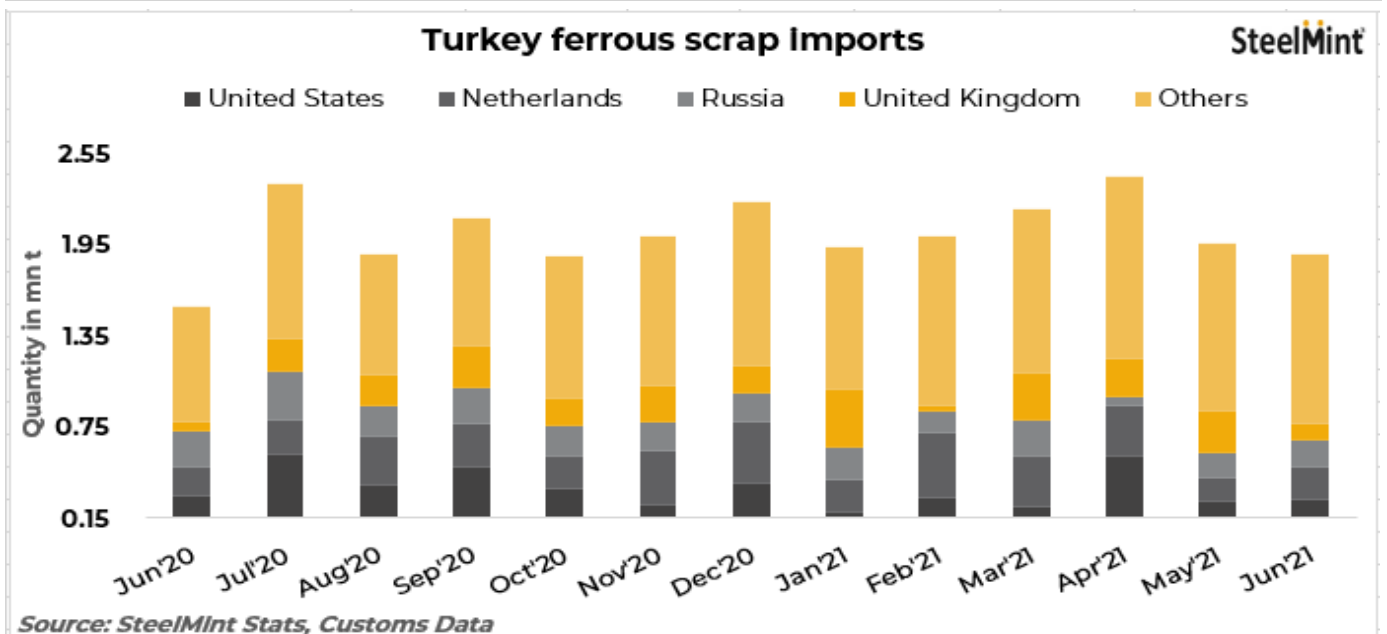
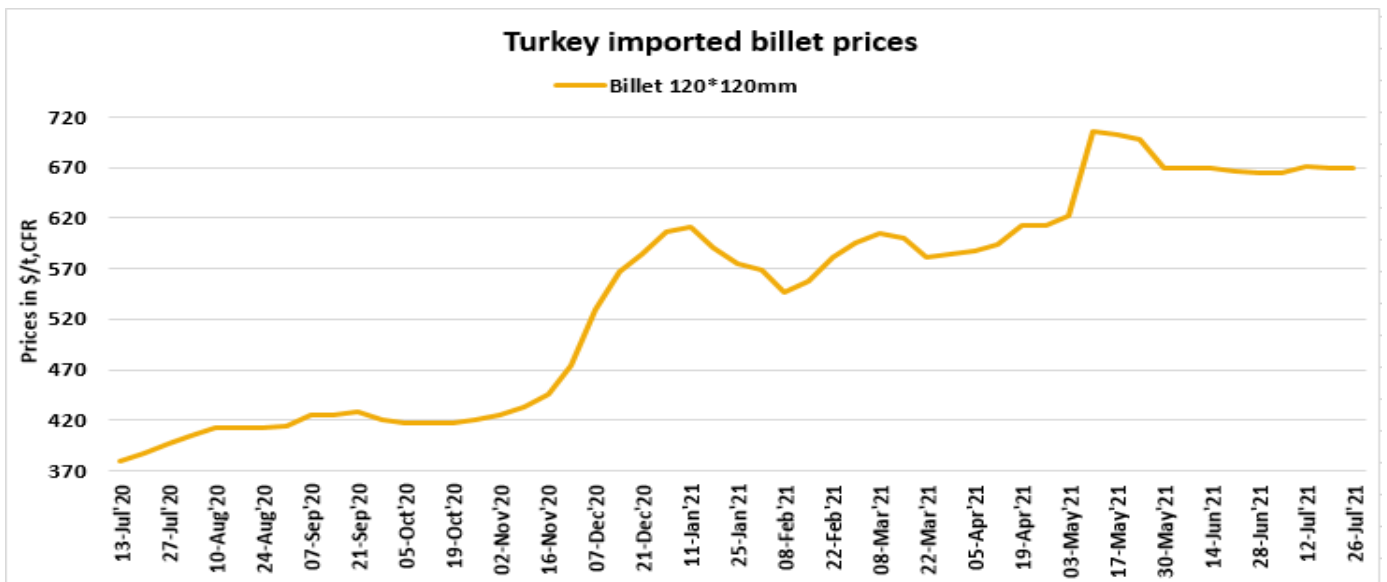
Assessment	Jul'21 Avg	Lowest Price in Jul'21	Highest Price in Jul'21	Jun'21 Avg	% Change (m-o-m)	Jul'20 Avg
Turkey						
Bulk USA HMS, CNF Turkey (\$/t)	485	470 (29th Jul)	500 (7th Jul)	500	3%	265
Billet CNF Iskenderun (\$/t)	670	665 (5th Jul)	672 (12th Jul)	665	1%	385

Turkey country-wise ferrous scrap imports (in mn t)					
	Jun'21	May'21	Apr'21	Jun'20	Jul20-Jun'21
Total Turkey Imports	1.9	1.96	2.43	1.53	25
USA	0.28	0.26	0.55	0.30	4.2
Netherlands	0.22	0.15	0.34	0.19	3.5
Russia	0.17	0.17	0.07	0.24	2.3
UK	0.11	0.27	0.25	0.06	2.7
Others	1.12	1.11	1.22	0.74	12.3



Turkey's imported scrap prices fall as trade resumes post-Eid: Despite favourable offers for deep-sea cargoes from suppliers, limited deals were recorded early in the month, owing to dull finished steel demand from both the overseas and domestic markets.

Later, Turkish scrap buyers resumed their bookings towards the month-end, after the week-long Eid holidays. It is expected that prices will continue to drop even after the holidays due to the monsoon.

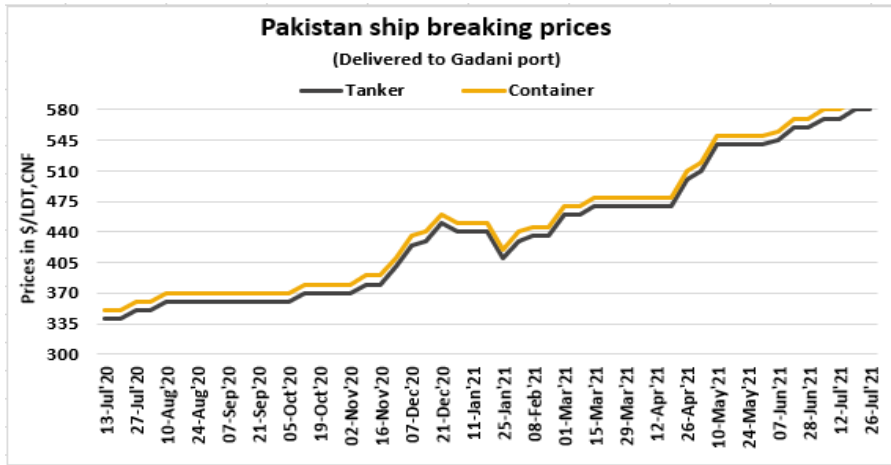
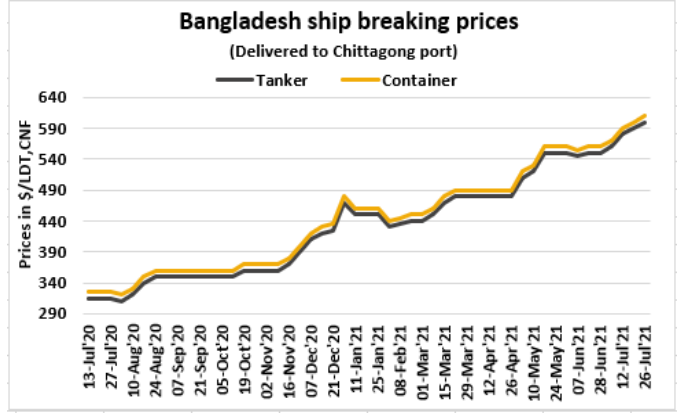
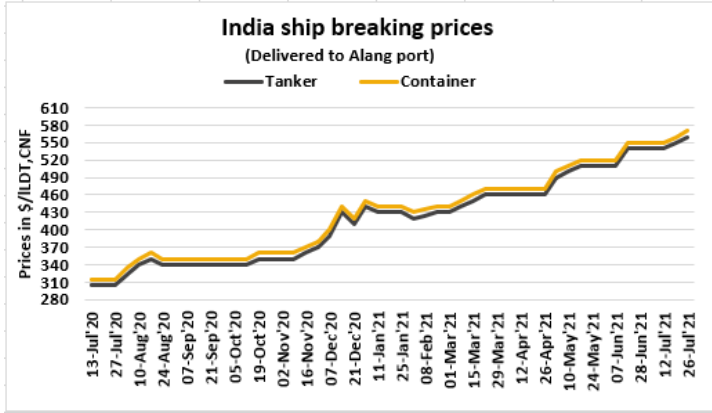


Turkey ferrous scrap imports up 24% in H1CY'21: Turkey, the world's largest ferrous scrap importer, witnessed a sharp rise in scrap imports by 24% to 12 mn t in the Jan-Jun'21 period in contrast to 9.8 mn t seen in the same period last year, as per data compiled by SteelMint.

The US remained the top exporter to Turkey at 1.8 mn t during the period followed by the Netherlands and Belgium. Strong finished steel demand and manufacturing activity in the Turkish domestic market have kept imports high, SteelMint notes.

Ship Breaking

Assessment	Jul'21 Avg	Lowest Price in Jul'21	Lowest Price in Jul'21	Jun'21 Avg	% Change (m-o-m)	Jul'20 Avg
India						
Tanker (\$/LDT)	545	540 (5th Jul)	560 (26th Jul)	530	3%	300
Container (\$/LDT)	555	550 (5th Jul)	570 (26th Jul)	540	3%	310
Pakistan						
Tanker (\$/LDT)	575	570 (5th Jul)	580 (26th Jul)	555	4%	340
Container (\$/LDT)	585	580 (5th Jul)	590 (26th Jul)	565	3%	350
Bangladesh						
Tanker (\$/LDT)	580	560 (5th Jul)	600 (26th Jul)	550	5%	310
Container (\$/LDT)	590	560 (5th Jul)	610 (26th Jul)	560	5%	320

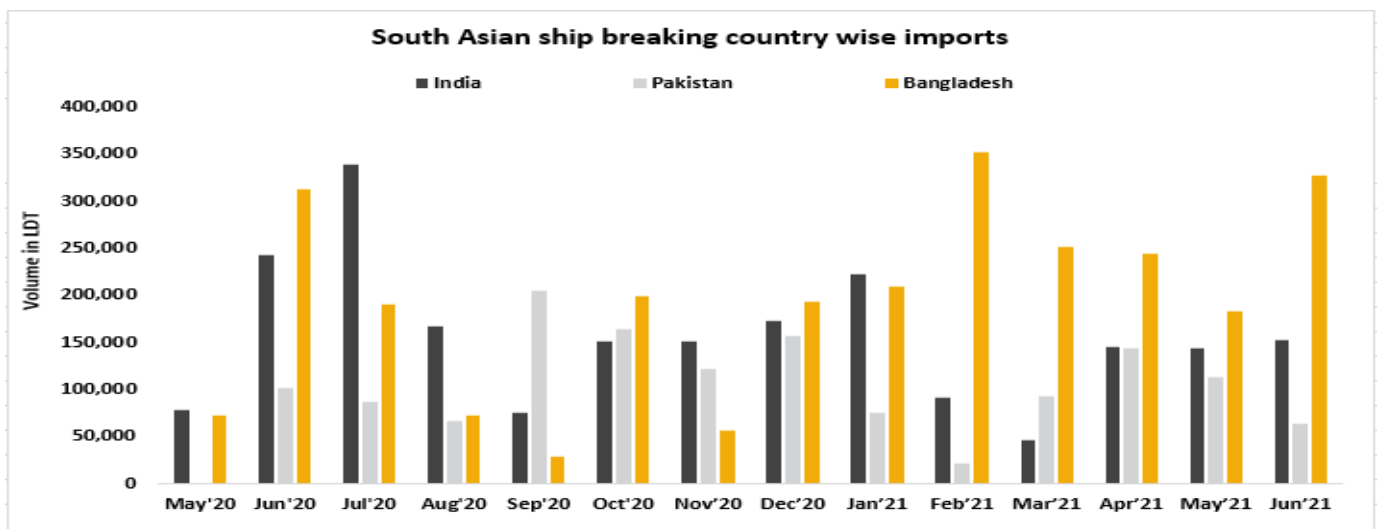


Ship Breaking country wise import			
	India	Pakistan	Bangladesh
Jul'20	339,707	87,254	190,082
Aug'20	167,715	67,495	73,223
Sep'20	75,217	205,189	28,876
Oct'20	151,267	164,554	199,055
Nov'20	150,934	121,796	57,241
Dec'20	173,485	157,140	193,317
Jan'21	222,772	75,434	209,587
Feb'21	91,221	22,192	352,302
Mar'21	45,918	92,834	251,393
Apr'21	146,003	143,793	244,186
May'21	144,049	113,033	182,743
Jun'21	152,308	63,505	327,243

India: Indian steel plate prices have come roaring back, as Alang buyers tried desperately hard to compete against their competitors. A consecutive rise in steel prices left Alang buyers in a firm position and even more eager to acquire some more specialist units currently on offer.

Bangladesh: Despite the strict government lockdown extended for yet another week, few high-priced deals were concluded in Chattogram from existing cash buyers.

Pakistan: Pakistan lost several well-placed vessels intended for the Gadani market, to a prolifically deal-making Chattogram. Sources believe the second half of the year will be bullish for the Pakistan ship-breaking market when local buyers will look to divert many decent LDT vessels from Bangladesh and Indian competitors.



Source: SteelMint Research

Imported scrap bookings in Jul'21

The below table highlights the bulk scrap bookings recorded by SteelMint, which were booked in Jul'21 by Turkey. Deals indicated under Pakistan are those of containerized scrap bookings.

Turkey					
S.no	Date	Origin	Grade	Quantity in (t)	Avg Price in (\$/t), CNF
1	6th Jul'21	Europe	HMS (80:20) + Shredded+ mix	28,000	507
2	7th Jul'21	USA	HMS (80:20) + Shredded	NA	505
3	7th Jul'21	Europe	HMS (80:20) + Shredded	20,000	496
4	7th Jul'21	USA	HMS (80:20)	30,000	498
5	28th Jul'21	USA	HMS (80:20) + Shredded+ mix	50,000	485
5	29th Jul'21	USA	HMS (80:20) + Shredded+ mix	NA	479
6	30th Jul'21	Europe	HMS (80:20) + Shredded+ mix	45,000	473
Pakistan					
1	6th Jul'21	UK/EU	Shredded	1500	540
2	13th Jul'21	UK/EU	Shredded	7,000	550
3	20th Jul'21	UK/EU	Shredded	8,000	548
4	27th Jul'21	UK/EU	PNS +HMS	2,000	511
5	27th Jul'21	UK/EU	Shredded	15,000	548

NA=Not Available, The deal tables includes only those deals which are recorded by SteelMint

CONTRIBUTORS

Ms. Reena Nishad
(Sr. Research Associate)
Email: reena@steelmint.com

Ms. Deepika Singh
(Management Trainee)
Email: deepika.singh@steelmintgroup.com

Disclaimer

SteelMint has taken due care and caution in compilation of content. Information is just for reference not intended for trading purpose or to address your particular requirement. The content includes facts, views, and opinions are of individuals and not that of the SteelMint management. We and our content licensors do not guarantee or warrant the accuracy, completeness or timeliness of, or otherwise endorse these views, and opinions. SteelMint and its affiliates, or their employees, directors or agents shall not be liable or responsible for any loss or costs or any action whatsoever arising out of use or relying on the spot prices disseminated.