



On-warrant warehouse capacity can meet increasing demand, LME says

LONDON

The London Metal Exchange told Fastmarkets that it is confident there is enough capacity to meet the increasing demand to store metal in its warehouses across the globe.

Demand for physical metal continues to decline following Covid-19 shutdowns in downstream sectors and premiums are falling, forcing stockholders to take up the option of storing their material in warehouses instead.

Metal stock on the LME totaled 2,052,752 tonnes on Wednesday May 6 up from 1,730,078 tonnes at the beginning of March just before coronavirus lockdowns started to be implemented outside China – an increase of 18.7%.

“People are sitting tight and storing their metal waiting for price levels to increase. Financing is a worry and banks do not want any risk right now, that is why more people need to be storing in LME warehouse on warrant,” a warehousing source said.

Data released by the LME shows that was 3,970,254 square meters of warehouse space across all listed locations at the end of March 2020.

The five locations with the largest square meter coverage were: Busan (576,311 square meters), Port Klang (507,114 square meters), Rotterdam (696,057 square meters), Antwerp (286,502 square meters) and New Orleans (207,140 square meters).

As of May 6, in the biggest capacity area of Busan there is a total stock level (for the six base metals) of just 70,716 tonnes compared to a total stock level of 806,659 tonnes in Port Klang.

“Given the data below regarding capacity and current tonnage in warehouse locations globally, we are confident that there is still sufficient space for metal to be stored in our Asian locations,” an LME spokeswoman told Fastmarkets.

“In anticipation of warehouses requiring additional space over this period, we have enabled warehouse listings to take place remotely – on a temporary basis – to ensure that those warehouse companies reaching the upper limit of their current capacity are able to list additional sheds swiftly,” the spokeswoman added.

Despite locations in certain parts of Asia being tight for space, such as Port Klang, there are a number of key locations where on-exchange stocks remain minimal.

Current stock levels are nowhere near the peak they hit after the 2008 financial crisis, when total LME inventory increased by 2 million tonnes in 12 months. Aluminium stocks alone hit 4.6 million in August 2009.

“Should capacity in any geography become limited there is always the option of shipping metal to other locations around the world.”

continued >

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world where there is more capacity – such as Europe, where there is currently ample storage space,” the LME spokeswoman added.

In Rotterdam, there is currently just 259,151 tonnes of metal stocks listed in LME warehouses.

But some market participants pointed out the different storage fees and additional costs involved in relocating stock.

“People are still worried about costs. For aluminium, for example, it is so much cheaper to store it in Malaysia than it is in Europe or other locations,” a trader said.

“There is always going to be demand in the places where storing makes sense, incentives are good and rent is cheap. If you have to move to a location that’s expensive you just might take the risk and store it off-exchange, outside a warehouse on the grass.”

The increased demand for warehouse space, and the fact that metals such as aluminium can be stored without being affected by the elements, has fueled further discussions among the market as to whether outside storage should be considered.

“People should have optionality and not be forced to move location if sheds are full. There is so much space around warehouses, but you can only use it off-LME,” a second trader said.

Storing metal outside off-exchange remains attractive for metal owners because the rent is usually a lot cheaper than inside a shed. But moving outside storage onto the LME causes many more complications.

“There’s been some talk about outside storage... whatever you think about outdoor storage is attractive,” a second warehouse source said.

“[But] there are a huge amount of people against it, because warehouse companies have [spent a lot of money] constructing and leasing building and then I’m allowed to open a massive yard, it’s not fair.”

On the topic of outside storage, the LME told Fastmarkets that they do not believe there is a need for it: “While we would be procedurally ready to support outside storage, our discussions with market participants have not revealed any need for such storage at this time, and this is confirmed by our capacity data.”

Even following the big stock rise in 2008, the LME did need to provide temporary outside storage.

MORE STOCK TO COME

The market says it expects further significant deliveries over the next few weeks and months. And a large percentage of the current available LME warehouse space is said to be earmarked already.

Aluminium LME on-warrant stocks have risen 25% in since March 2 and despite the three-month price trading below \$1,500 per tonne – no smelter cuts have been made.

“I guess there’s existing space but if you look in the next quarter going forward, potentially you could have 100,000 tonnes per month of excess [aluminium] around,” a third trader said.

“I wouldn’t be surprised if quite a few big fellas that have got metal coming in a month have booked it already. What might seem like an empty warehouse may not be.”

Other market sources agreed that what is seen to be empty space may have already been booked up by certain companies, making it hard to judge exactly how much space really is available.

It is not just aluminium which has seen a huge rise in stock levels. Copper stocks are up 68% since January 2 when stocks were just 145,700 tonnes and zinc stocks have almost doubled from 51,225 tonnes on January 2 to 100,675 tonnes today.

“The percentage of metal canceled on the LME is at a ridiculously low level. In January around 50% for aluminium was booked for delivery, now look,” a fourth trader said. “And all metals are facing a tough time there is a want to store everything.”

RISK APPETITE

The increased demand for storing metal on the LME during times of crisis is because it provides insurance to the owner and financier.

“The couple of things about general [off-exchange] storage is that there is the credit risk for whomever owns metal, it has risen sharply. It’s almost impossible to get credit risk insurance if you haven’t gotten it already. The exposure to end users have gone through the roof,” the second warehousing source said.

“You may get stuff stored in weird funky spaces, that’s because of lack of space and it’s practical. But if you’re an owner I wouldn’t want large amounts of material sitting in yards [because of the risk].”

People have stockpiled metal in unconventional locations in the past. For example, in 2016 Castleton Commodities International (CCI) built a stockpile of aluminium around an oil facility in Braithwaite on the outskirts of New Orleans.

The stock was financed using the LME forward contango, rent-free storage and cheap borrowing costs due to low interest rates, but there is risk involved in not having an LME backstop.

In the current macroeconomic climate, participants are hesitant to store in unconventional locations because metal owners and the banks which finance the stock require the ability to liquidate stock quickly should market conditions change.

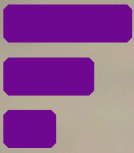
Concern about space have been fueled by the West Texas Intermediate (WTI) crude oil contract slumping into negative territory in April due to problems with storage. But the LME’s delivery mechanism and contract structure means it is very unlikely metals will fall into negative price territory.

“Especially with [what happened to] WTI, people want to know the metal they finance is very liquid and the most liquid form for metal is to be in an LME space and actually on-warrant,” the third trader said.

If the cheaper LME locations continue to get booked up, metal owners need to weigh up the risk of storing metal off-exchange and the cost of moving it to a more expensive location.

Justin Yang in London contributed to this article.

ALICE MASON



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Base metals

FASTMARKETS' KEY PRICES

Daily base metal prices and premiums (\$/t)

| | Price | Change [†] | Assessed |
|--|---------------|---------------------|-------------|
| LME copper cash settlement | 5,199.50 | 0.3% | ▲ 06 May 20 |
| Weekly copper premium (cif Rotterdam) | 40.00-50.00 | 0% | 05 May 20 |
| Daily copper premium (cif Shanghai) | 85.00-100.00 | 10.78% | ▲ 06 May 20 |
| Daily copper premium (in-whs Shanghai) | 90.00-105.00 | 8.94% | ▲ 06 May 20 |
| LME aluminium cash settlement | 1,443.00 | -1.43% | ▼ 06 May 20 |
| Daily aluminium premium DUP (in-whs Rotterdam) | 75.00-85.00 | 0% | 06 May 20 |
| Twice weekly aluminium premium DP (in-whs Rotterdam) | 90.00-105.00 | 0% | 05 May 20 |
| Weekly aluminium premium (cif Shanghai) | 95.00-105.00 | 0% | 28 Apr 20 |
| Twice weekly aluminium premium (cif MJP) | 70.00-80.00 | 7.14% | ▲ 05 May 20 |
| Weekly aluminium premium (cif MKP) | 85.00-95.00 | 0% | 05 May 20 |
| Twice weekly aluminium premium (dvd US MW) | 0.135-0.145 | -1.75% | ▼ 28 Feb 20 |
| LME zinc cash settlement | 1,945.50 | 0.8% | ▲ 06 May 20 |
| Weekly zinc premium (fca duty-paid Rotterdam) | 60.00-80.00 | -6.67% | ▼ 05 May 20 |
| Weekly zinc premium (in-whs Shanghai) | 80.00-90.00 | 0% | 05 May 20 |
| LME nickel cash settlement | 12,199.00 | 0.53% | ▲ 06 May 20 |
| Weekly nickel premium (cif Shanghai) | 120.00-150.00 | 0% | 05 May 20 |
| LME lead cash settlement | 1,618.50 | 0.25% | ▲ 06 May 20 |
| LME tin cash settlement | 15,060.00 | -1.74% | ▼ 06 May 20 |

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FASTMARKETS' KEY PRICES: INDICES

| | Price | Change [†] | Assessed |
|--|---------------|---------------------|-------------|
| Alumina index fob Australia (\$/t) | 241.74 | 3.34% | ▲ 06 May 20 |
| Charge chrome index 50% Cr cif Shanghai (\$/lb Cr) | 0.71 | 1.43% | ▲ 01 May 20 |
| Manganese ore index 44% Mn cif Tianjin (\$/dmtu) | 6.55 | 0.46% | ▲ 01 May 20 |
| Manganese ore index 37% Mn fob Port Elizabeth (\$/dmtu) | 6.16 | -2.38% | ▼ 01 May 20 |
| Manganese ore index 37% Mn cif Tianjin China (\$/dmtu) | 6.61 | -2.65% | ▼ 01 May 20 |
| MB Index CFR Turkey HMS 1&2 (80:20) (North Europe material) | 236.30 | -1.69% | ▼ 06 May 20 |
| HMS 1&2 ferrous scrap index (80:20) fob Rotterdam (\$/t) | 223.56 | -5.2% | ▼ 01 May 20 |
| Copper concentrate Asia-Pacific index TC import \$/dmt | 52.20 | -4.92% | ▼ 01 May 20 |
| Copper concentrate Asia-Pacific index RC import US cents/lb | 5.22 | -4.92% | ▼ 01 May 20 |
| Zinc concentrate spot treatment charge (TC) cif Asia Pacific, \$/t | 180.00-195.00 | -28.57% | ▼ 24 Apr 20 |

FASTMARKETS' KEY PRICES: ASSESSMENTS

| | Price | Change [†] | Assessed |
|--|-------------------|---------------------|-------------|
| Ferro-chrome, 6-8% C, basis 60% Cr, del European consumers (\$/lb Cr) | 0.80-0.97 | 1.14% | ▲ 01 May 20 |
| Silico-manganese, basis 65-75% Mn, 15-19% Si, del European consumers (€/t) | 1,010-1,060 | 0% | 01 May 20 |
| Ferro-silicon, basis 75% Si, del European consumers (€/t) | 1,070-1,170 | -2.61% | ▼ 01 May 20 |
| Ferro-titanium, 70% Ti, ddp (\$/kg) | 4.50-5.00 | 0% | 06 May 20 |
| Ferro-manganese, basis 78% Mn, del European consumers (€/t) | 1,000.00-1,050.00 | 0% | 01 May 20 |
| Ferro-molybdenum, basis 65-70% Mo, in-whs Rotterdam (\$/kg Mo) | 21.40-21.60 | 1.42% | ▲ 06 May 20 |
| Molybdenic oxide, in-whs Rotterdam (\$/lb Mo) | 8.80-9.00 | 1.14% | ▲ 06 May 20 |
| Ferro-tungsten, basis 75% W, in-whs Rotterdam (\$/kg W) | 27.00-28.00 | -2.65% | ▼ 06 May 20 |
| Cobalt (low-grade) in-whs Rotterdam (\$/lb) | 15.10-15.50 | -0.81% | ▼ 06 May 20 |
| Cobalt (high-grade) in-whs Rotterdam (\$/lb) | 15.10-15.50 | -1.29% | ▼ 06 May 20 |

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Base metals

FASTMARKETS' KEY ALUMINIUM PRICES

| | Price | Change [†] | Assessed |
|--|--------------|---------------------|-----------|
| Alumina index fob Australia (\$/t) | 241.74 | 3.34% ▲ | 06 May 20 |
| Group 1 pure 99% Al & litho scrap, del UK (£/t) | 1,050-1,070 | 0% | 06 May 20 |
| Cast aluminium wheels, del UK (£/t) | 900-925 | 0% | 06 May 20 |
| LME aluminium cash settlement (\$/t) | 1,443.00 | -1.43% ▼ | 06 May 20 |
| Daily aluminium premium, duty-unpaid (in-whs Rotterdam) (\$/t) | 75.00-85.00 | 0% | 06 May 20 |
| Weekly aluminium premium, duty-unpaid (cif Shanghai) (\$/t) | 95.00-105.00 | 0% | 28 Apr 20 |
| Twice weekly aluminium premium (cif MJP) (\$/t) | 70.00-80.00 | 7.14% ▲ | 05 May 20 |
| Weekly aluminium premium, duty-free (cif MKP) (\$/t) | 85.00-95.00 | 0% | 05 May 20 |
| Twice weekly aluminium premium, dlvd (US MW) (cents/lb) | 73.44-75.44 | -1% ▼ | 05 May 20 |
| Extrusion billet premium, 6063, duty-paid, in-whs Rotterdam (\$/t) | 200-220 | 0% | 01 May 20 |
| LM24 pressure diecasting ingot (del UK consumers) (£/t) | 1,000-1,080 | 1.46% ▲ | 06 May 20 |
| LM6/LM25 gravity diecasting ingot (del UK consumers) (£/t) | 1,400-1,450 | 0% | 06 May 20 |
| DIN226 pressure diecasting ingot (del European consumers) (£/t) | 1,250-1,320 | 0% | 01 May 20 |
| Aluminium ingot ADC 12 spot (MJP) \$/tonne | 1,380-1,400 | 0% | 06 May 20 |

LONDON, NEW YORK, SÃO PAULO, SINGAPORE

GLOBAL ALUMINIUM WRAP: Brazil import premium sinks to 42-mth low; MJP moves higher

The Brazilian import aluminium premium slid to a 42-month low in the week ended Tuesday May 5, while other global premiums were largely unchanged.

- Aggressively low offers in Brazil
- MJP premium edges higher despite Golden Week holiday
- Quiet week for European markets
- US Midwest premium flat

BRAZILIAN IMPORT PREMIUM AT 42-MONTH LOW

A persistent lack of liquidity in the Brazilian spot market resulted in heavy discounts being reported for import premiums over the past two weeks, causing the range to tumble in the latest assessment.

Fastmarkets assessed the aluminium P1020A premium, cif dup Brazilian main ports at \$120-140 per tonne on Tuesday, down by \$20-25 per tonne (14.8%) from \$145-160 per tonne on April 21. The latest range is the premium's lowest since November 2016.

Fastmarkets' assessment of the aluminium P1020A premium, delivered Sao Paulo region held at \$210-230 per tonne on Tuesday. The premium has maintained this range since February 11.

Market participants have reported no new deals since late March because most customers face weak demand due to the Covid-19 pandemic. Although the aluminium industry is considered essential by the federal government, a great number of end users are consuming less metal.

"There is no activity in the spot market at the moment," a trader said. "You could offer the lowest premium possible and I doubt it would materialize into a deal now."

Despite some Brazilian states planning on gradually reopening in May, participants expected aluminium demand to recover at a slow pace. Most clients are said to be well-stocked, meaning that the low

spot liquidity would most likely last until the second half of the year.

While offers as low as \$120 per tonne have been heard recently, the steep discounts led some traders to withdraw from the market. The majority of market participants said that \$140 per tonne was a more feasible level.

MJP PREMIUM RISES ON CONSUMER SHORT-COVERING

Spot aluminium premiums in Japan rose this week on a bout of consumer short-covering, while the South Korean market was inactive due to public holidays.

Fastmarkets assessed the aluminium P1020A main Japanese ports (MJP) spot premium, cif Japan at \$70-80 per tonne on Tuesday, up by \$5 per tonne from \$65-75 per tonne a week earlier.

Market participants reported a spot deal for 500 tonnes that had closed late last week at \$80 per tonne.

This deal was concluded despite it being Japan's Golden week, a holiday which started on April 29 and ended on Tuesday, a period when many expected the spot market to be silent.

Some participants concluded that the deal could have taken place as part of consumers looking to cover their short positions.

Moreover, due to the widening contangos for aluminium's cash/three-month spread on the London Metal Exchange, many market participants increasingly saw \$70 per tonne as a floor for the MJP premium this week.

"Cargo holders would prefer to leave their metal in LME-registered warehouses in order to earn the incentive than sell at lower prices because their own costs in producing the metal was also not that low," a second trader said.

But market participants were uncertain as to how long this uptrend would last, with traders citing the extended lockdown measures in Japan - announced on Tuesday - as possibly denting aluminium consumption and demand.

Elsewhere in Asia, Fastmarkets assessed the aluminium P1020A premium, cif South Korea and the aluminium P1020A premium, fca South Korea at \$85-95 per tonne and \$100-110 per tonne respectively on Tuesday, both unchanged from a week earlier.

Public holidays on Tuesday and April 30 quietened the market, with many participants taking days off work and extending the break.

Market participants said that consumers in South Korea had now covered their requirements for the second quarter, and were putting out low bids which were hard to transact at.

"End users are a little picky at the moment and are willing to wait for premiums to go down before considering purchasing spot," a third trader said.

ROTTERDAM PREMIUMS FIRM; ITALY REOPENING

Aluminium premiums across Europe were unchanged this week because a number of market participants remained sidelined for May.

Fastmarkets assessed the aluminium P1020A premium, in-whs dp Rotterdam at \$90-105 per tonne on Tuesday, unchanged since April 28.

Liquidity was limited this week; some traders were trying to offer material as high as \$110 per tonne, but noted there was little interest.

"The fire sale from producers has ended and people are wondering the reopening will have an impact in Europe," a fourth trader said.

"Of course Italy has started up with some inquiries, which was surprising, but the rest of Europe is [poor]," he added.

Large volume sales from producers in Rotterdam put the premium under pressure throughout April, but buyers told Fastmarkets that most producers are now saying they have sold the majority of their available stock for May.

"If I asked for some material a few weeks ago, sellers would say

continued >



Base metals

'how much do you want?' now they say they don't have the material right now," a fifth trader said.

Fastmarkets assessed the aluminium P1020A premium, in-whs dup Rotterdam at \$75-85 per tonne Tuesday, unchanged since April 14.

Duty-unpaid premiums remained well supported by the LME contango. Sellers were pushing for \$90 per tonne but no business was reported above \$85 per tonne this week.

"Everyone is happy to hold onto their stock with the contango. There isn't much going on to change that right now," a sixth trader said.

Premiums in Italy were also unchanged though consumers are slowly returning to the market after coronavirus lockdown, but remain hesitant to buy large volumes.

"Italy is opening but there isn't really too much buying interest, they don't have the cash," the sixth trader said.

Fastmarkets assessed the P1020A premium fca dp Italy at \$120-130 per tonne on Tuesday, unchanged from a week earlier.

Participants also said that sellers have concerns with the Italian market at the moment and the effect of Covid-19 on end users.

"Some ship owners don't want to go to Italy. If you can offer the terms, you can offer on top of the premium. I would tend to think lots of traders have some risks and will push for prepayments," the fifth trader said.

US MIDWEST PREMIUM HOLDS 31-MONTH LOW

In the United States, the Midwest premium was steady amid quiet market conditions.

Fastmarkets assessed the aluminium P1020A premium, ddp Midwest US at \$0.08-0.10 per lb on Tuesday, unchanged since it fell to this range on April 24.

Limited spot activity has kept participants' valuations of the premium in place, with few transactions to test premium levels.

"It is super quiet. People don't need anything," a seventh trader said.

Most vehicle production in the US remains suspended, after facilities were taken offline in March. The automotive shutdowns, combined with weaker manufacturing and consumer spending, is keeping demand constrained.

Expectations that most vehicle production will restart by June has not injected much optimism among participants. Many sources told Fastmarkets that typical American consumers are likely to rein in spending, particularly on big-ticket items, even after state economies reopen.

Still, on the LME, nearby spreads have maintained wide contangos, placating traders despite the weak demand conditions.

Many sources told Fastmarkets that they expect production cuts down the line, while pricing and premiums register at multi-year lows.

ALICE MASON, KAREN NG, MICHAEL ROH, RENATO ROSTÁS

LONDON, NEW YORK

GLOBAL COPPER WRAP: Elevated China premium levels draw units

Copper premiums were stable in the United States and Europe but down slightly in China with the country embarking on national Labor Day holidays. While short-term financial demand remains a powerful draw on global units, market participants remain cautious as to whether industrial copper usage will return to pre-pandemic levels.

- China sees premiums drop from \$100-per-tonne highs ahead of national holidays.
- Europe, US spot markets steady but with very little business.
- LME stocks decline in some Asia locations as arbitrage business draws units to Shanghai.

CHINA CIF PREMIUMS MIXED AHEAD OF MARKET RESTART

Copper premiums in China dropped at the end of April ahead of the country's national holidays which took place from Friday May 1 until Wednesday May 6.

The Fastmarkets copper grade A cathode premium, cif Shanghai assessment was \$73-94 per tonne on April 30 prior to the holidays, but is still at its highest level since November 2018.

Fastmarkets' assessment of copper grade A cathode premium, in-whs Shanghai, was \$83-96 per tonne, down from Tuesday April 28's \$100-per-tonne peak.

Elsewhere in East Asia, premiums are rising in a delayed catch-up to China's levels, although demand remains muted.

Fastmarkets' copper grade A cathode premium, cif Taiwan, rose by 11% week on week to \$72-80 per tonne, with deals heard in a wide range, including some just above that level.

"Demand in Southeast Asia is slowing as they find their downstream orders getting deferred or cancelled," an Asia-based trader told Fastmarkets.

"But in Taiwan there's a bit of a stirring; some players there are looking to restock at this copper price level," he said.

London Metal Exchange copper stocks in Shanghai dropped to 35,275 tonnes as of May 6 from 40,700 tonnes on April 28, while at 59,450 tonnes, Busan stocks are down 9% over the same period.

Market participants noted that the higher Shanghai premiums were drawing stocks in from elsewhere.

"There's a lack of material in the market, especially in the bonded zone," a Shanghai trader said.

EUROPEAN PREMIUMS STABLE; MARKET OPTIMISM MOUNTS

In Europe, Fastmarkets assessed the copper grade A cathode premium, cif Rotterdam, at \$40-50 per tonne on Tuesday, maintaining last week's level.

The German grade A delivered cathode premium was also unchanged at \$80-90 per tonne, while the Italian grade A premium, cif Livorno, held at \$45-55 per tonne this week.

With spot demand for copper cathode across Europe minimal against continued coronavirus-related market uncertainty, spot deals remain thin on the ground.

Yet amid a pocket of cathode demand from China, largely due to the lack of readily available blister and scrap material, market participants remain hopeful that some demand can return.

"I think cathode business in Europe can certainly get better from here," a European-based copper trader told Fastmarkets.

"Easing lockdown measures and the return of some end-use demand could help things, however I'm not sure any demand recovery will be tangible until the fourth quarter," the trader added.

In Italy, market participants have confirmed to Fastmarkets that the manufacturing sector has fully resumed operations at limited

continued >



Base metals

capacity, further supporting a European demand impulse.

But with high availability of free-floating LME copper warrants and wide spreads in copper's forward curve, many market participants continue to source from the market of last resort.

LME copper's benchmark cash/three-month spread was recently seen in a \$29.75-per-tonne contango, while LME-registered warehouses in Rotterdam now hold some 63,400 tonnes on-warrant.

US COPPER PREMIUM UNCHANGED AMIDST POOR SPOT DEMAND

In the United States, the copper cathode premium was stable, but with end-consumer demand hit hard by Covid-19-related disruptions, sources said the premium may fall further than its current near two-year low.

Fastmarkets assessed the copper grade 1 cathode premium, ddp Midwest US, at 6.50-7.50 cents per lb on Tuesday, unchanged week on week but at the premium's lowest level since July 3, 2018.

"We are not seeing any new demand for copper and we haven't made any new deals in a while," a copper seller said.

The seller noted that, "April wasn't as bad as many feared because most of April's orders were booked in March. I see May slightly off from April and June slightly off from May."

But a US-based copper trader expressed more bearish sentiment.

"The auto market is so bad and so much copper is used in wiring for cars, I don't think there's any spot business being done," the trader said.

"There's a shortage of the main scrap that goes into copper and yet copper premiums are down," the trader told Fastmarkets. "That tells you how much demand is down."

ARCHIE HUNTER, HASSAN BUTT, RIJUTA DEY BERA

LONDON, SINGAPORE

HSBC applies to force Singapore commodities trader Zenrock into judicial management

Hong Kong and Shanghai Banking Corporation Limited (HSBC) has filed court orders to place commodities trader Zenrock under judicial management, according to Singapore court filings seen by Fastmarkets.

The filings, which are dated May 4, case number 442/2020 at the Singapore High Court, state that HSBC is suing under section 227B of the Singapore Companies Act and is being represented by legal firm Shook Lin & Bok. An informed source told Fastmarkets that KPMG was being lined up as the judicial manager.

HSBC, Zenrock and Shook Lin & Bok did not respond to Fastmarkets requests for comment made by phone and email.

It has been a turbulent few weeks for Singapore's tight-knit commodities trading industry, which was rocked last month by the news that major oil trader Hin Leong had filed for bankruptcy. Separate affidavits seen by Fastmarkets detail claims that Hin Leong hid \$800 million of losses from financial partners.

Credit provided by banks such as HSBC is the lifeblood of commodities trading, where many millions of dollars are required to finance the movement of goods such as copper or oil from producers to consumers.

Credit Suisse, OCBC, ING, CIMB Bank, Cr dit Agricole, Natixis, Bank of China, Societe Generale and Maybank are other financial institutions with registered charges against Zenrock assets,

according to Zenrock's profile with Singapore's ACRA accountancy regulator.

Metals traders, who spoke on condition of anonymity, told Fastmarkets that some banks were tightening availability of commodity trade finance after events in Singapore, triggered when oil futures prices traded below zero for the first time in history on oversupply concerns.

Zenrock traded over 15 million tonnes of oil and petroleum products in 2019 and has subsidiary offices in Shanghai and Geneva. The company is one of Singapore's fastest growing independent commodities trading companies, according to its website.

On April 23, it issued a public letter stating the company was not under restructuring or insolvency protection, but which was not signed by a specific executive at the company.

A judicial manager is an independent party nominated to manage a company under financial distress. The nominee must be a public accountant that is not an auditor of the company.

During judicial management, any form of legal proceedings against the company will be suspended. The judicial manager will also have control over the company during this time.

ARCHIE HUNTER, KAREN NG

LONDON, NEW YORK

GLOBAL ZINC & LEAD WRAP: N Europe zinc premiums at 15-yr low; market bearish for US premiums

Tumbling demand for zinc in Northern Europe sent spot premiums in Rotterdam and Antwerp to their lowest levels in 15 years in the week to Tuesday May 5, while US market participants were also wary of a possible drop in premiums in the coming weeks due to soft demand.

- Spot zinc premiums for Northern Europe sank to their lowest levels in 15 years.
- US zinc premiums steady week on week but market participants are cautious of the effect of continually weak demand.
- LME's on-warrant zinc stock rose to 91,000 tonnes on May 6 from 87,400 tonnes a week ago.
- Factories in India could restart operations this week due to an easing of lockdown measures but spot demand for lead was yet to return this week.
- Lead traders are struggling to collect payment for cargoes arriving in India and Malaysia.

NORTHERN EUROPEAN ZINC PREMIUMS WIDEN AS DEMAND WANES

Rotterdam and Antwerp zinc premiums fell at the low end of the range on Tuesday, with continually weak demand for material making trade possible at lower levels.

Fastmarkets' assessment of the zinc special high grade (SHG) min 99.995% ingot premium, dp fca Antwerp was \$60-80 per tonne, down \$10 per tonne at the bottom end of the range from \$70-80 per tonne the week before.

Fastmarkets assessed the zinc SHG min 99.995% ingot premium, dp fca Rotterdam at parity on the same date, also falling by \$10 on the low end.

Both premiums are now at their lowest since Fastmarkets started pricing the European zinc market in 2005. Some European consumers continue to be suspended, leading to extremely weak demand for material and lower outright prices.

While physical market activity was more or less absent over the period, market participants noted an increase in zinc warrants offered by traders over the course of the week, signaling that physical premiums were moving lower.

continued >



Base metals

Elsewhere in Europe, Italy zinc premiums were unchanged week on week despite partial restarts in the region from the beginning of May.

Participants in the region remain focused on long-term contracts but said they anticipate a lower zinc premium going into the second half of 2020.

Fastmarkets' assessment of the zinc SHG, min 99.995% ingot premium, fca dp Italy stood at \$145-155 per tonne, a level held since January 14.

Fastmarkets assessed the zinc SHG, min 99.995% ingot premium, ddp Italy at \$170-190 per tonne on Tuesday, also flat from the previous week, a level held since February 4.

VIRUS STALLS SPOT ZINC, LEAD DEMAND IN US

In the United States, spot demand for SHG zinc remained muted due to the economic fallout of Covid-19, with market participants predicting a softening of the premium in the coming weeks.

Fastmarkets assessed the zinc SHG, min 99.995%, ingot premium, ddp Midwest US at \$0.08-0.09 per lb on Tuesday, flat since August 27, 2019.

"Zinc is heading to a point where we might see premiums fall for a short period depending on the surplus volumes being shipped," a zinc seller said, adding that Covid-19 has "not reduced existing business as such, but killed the spot markets."

The seller also noted the Covid-related mine and smelter closures, "which will re-balance the supply/demand models and bring premiums back up."

A zinc trader it is possible that the US zinc premium can fall below 8 cents per lb, "but with the spot market virtually non-existent it is hard to say," adding that his company has "not concluded any spot business in a few weeks."

A second trader concluded a spot deal within the reported premium range.

The second zinc trader suggested a potential reason for the zinc premium to remain unchanged while steel production and prices fall in the US is "a lag on steel orders," adding that the spot zinc market remains "pretty quiet."

The US lead premiums were both unchanged due to little to no spot trade in the week to May 5.

The lead 99.97% ingot premium, ddp Midwest US held at \$0.08-0.09 per lb, while the lead 99.99% ingot premium, delivered Midwest US was at \$0.10-0.12 per lb.

INDIAN PLANTS RESTART; CARGO PAYMENT DEFERRALS REPORTED

Spot appetite for lead ingot continued to be nonexistent across Asia although factories in India are now permitted to restart operations since the lockdown was eased.

"A lot of factories have started with permission for limited production. More will come back after two weeks. But it's just restarting, nobody is sure about their activity level," a lead producer source said.

Although the Indian government has extended the lockdown to May 18, some areas have had restrictions eased based on their specific infection circumstances.

"Nothing is going on for spot," a lead trader selling units to both India and Malaysia said, adding that payment could be delayed for up to three weeks.

"The cargoes can be cleared in Indian ports but not being sent to factories, so the clients won't want to pay," the trader source added.

Fastmarkets' premium for 99.97% ingots on a cif India basis was unchanged at \$60-120 per tonne this week, while the premium for 99.97% ingots on a cif Southeast Asia basis was also flat week on week at \$60-75 per tonne.

Fastmarkets has proposed to reduce the frequency of lead premium assessments in India and Southeast Asia to bi-weekly, subject to market feedback received by May 21. Click here for the pricing notice.

JULIAN LUK, AMY HINTON, RIJUTA DEY BERA

NEW YORK

PEOPLE MOVES: Christophe Koenig named Nornickel head of global sales, marketing

Christophe Koenig has been appointed head of global sales and marketing at Nornickel, the world's largest nickel and palladium producer.

He will also become chief executive officer of Metal Trade Overseas AG, Nornickel's Switzerland-based sales division.

Koenig previously managed sales and procurement as senior vice president for commercial and supply chain management at German copper producer Aurubis.

He had worked at Aurubis since 2007 in various roles including as executive director for strategy in primary copper and senior vice president for cathodes marketing and hedging.

Nornickel is expected to produce 225,000-235,000 tonnes of nickel in 2020. It also expects to produce 420,000-440,000 tonnes of copper this year, with an additional 55,000-65,000 tonnes from its Bystrinsky (Chita) copper project.

ANDREA HOTTER



Minor & precious metals

FASTMARKETS' KEY MINOR METAL PRICES

| | Price | Change [†] | Assessed |
|---|---------------|---------------------|-------------|
| Antimony, ingots (regulus), in-whs Rotterdam (\$/t) | 5,600-5,900 | -0.43% | ▼ 06 May 20 |
| Antimony, MMTA standard grade II, in-whs Rotterdam (\$/t) | 5,600-5,850 | -0.43% | ▼ 06 May 20 |
| Bismuth, min 99.99% Bi, in-whs Rotterdam (\$/lb) | 2.50-2.65 | 0.98% | ▲ 06 May 20 |
| Cobalt (standard-grade) in-whs Rotterdam (\$/lb) | 15.10-15.50 | -0.81% | ▼ 06 May 20 |
| Cobalt (alloy-grade) in-whs Rotterdam (\$/lb) | 15.10-15.50 | -1.29% | ▼ 06 May 20 |
| Cobalt sulfate, Co 20.5%, China ex-works (yuan/tonne) | 43,000-45,000 | 0% | 06 May 20 |
| Indium, min 99.99% In, in-whs Rotterdam (\$/kg) | 145-165 | 0% | 06 May 20 |
| Manganese flake, in-whs Rotterdam (\$/tonne) | 1,600-1,640 | 0.93% | ▲ 06 May 20 |
| Selenium, min 99.5% Se, in-whs Rotterdam (\$/lb) | 6.00-7.30 | 2.31% | ▲ 06 May 20 |
| Tellurium, min 99.9% Te, in-whs (\$/kg) | 50.00-60.00 | 4.76% | ▲ 06 May 20 |

NEW YORK

Ferroglobe delays annual report, cites Covid-19

Ailing silicon producer Ferroglobe will delay filing its 2019 annual report by up to six weeks as a result of the Covid-19 pandemic, the company announced last week.

"With the uncertainties created by the Covid-19 pandemic and potential implications for Ferroglobe's operating environment and financial results, the company continues to prepare financial scenarios for the near term, which its external auditor is auditing," Ferroglobe said on Thursday April 30.

"The time and attention needed to gather and present relevant information to the auditors has impeded the company's ability to complete its annual report by the April 30, 2020, due date," it added.

"The company expects to file the annual report in late May 2020, but... not later than June 15, 2020," Ferroglobe said, in providing the required notice to the US Securities and Exchange Commission (SEC) that it would delay filing the report.

Shares in London-based Ferroglobe trade in the United States on the Nasdaq, under the ticker symbol GSM. The company's shares have been trading at historic lows during 2019, and Ferroglobe was warned by the SEC in November that it risks being delisted.

Ferroglobe shares closed down by 3% on Monday May 4, at \$0.50 per share, down from their all-time high of \$24.85 per share on July 22, 2011.

The stock rose above one dollar per share for the first time this year on January 14, the day after Ferroglobe announced the appointment of a new chief executive - its fourth change in top management in a year. Shares rose overnight to \$1.10 apiece, from \$0.84 each, after Marco Levi was declared chief executive.

Falling silicon metal prices, in particular, have hit Ferroglobe, the leading provider of silicon metal, and a supplier of silicon and manganese-based alloys.

Silicon metal prices are flat to lower globally on very weak demand, especially from the key automobile industry, much of which has been halted over the Covid-19 pandemic. This adds to long standing oversupply and cheap Chinese imports to the West.

Ferroglobe has had a net loss in seven of the last eight quarters.

Silicon prices peaked in the US in Ferroglobe's last profitable quarter, the first quarter of 2018. Ferroglobe then made \$35.6 million, as compared with its latest reported loss of \$75.7 million in the fourth quarter of 2019 and a loss of \$140.1 million in the third quarter of 2019.

Fastmarkets assessed the price of silicon, ddp US at 93-96 cents per lb, unchanged on April 30, but down from the recent high of 143-145 cents per lb on February 12, 2018.

ORLA O'SULLIVAN

LONDON

Trump threatens to call off US-China trade deal on Covid-19 fallout

US President Donald Trump is threatening to abandon a preliminary trade deal leading to an easing of trade tensions with China, citing the Covid-19 virus.

On April 30 Trump said a trade agreement signed in January between the United States and China was "secondary to what took place with the virus."

And during an interview with Fox news on May 3, Trump laid the blame for the virus on the Chinese government, calling their handling of the early stages of the disease "a horrible mistake," and threatened to walk away from the agreement.

In January, the US had agreed to pause the introduction of new tariffs on Chinese goods in exchange for China signing a deal containing a number of commitments, including \$200 billion of new imports from the US.

The list of materials covered by this deal includes a number of minor metals and rare earths.

But it is unclear how China is going to meet the steep buying commitments involved in this preliminary trade deal, given the economic and logistic disruption caused by the Covid-19 outbreak.

The trade war between the US and China, which has run over the course of Trump's presidency, has seen a series of tit for tat tariffs triggered by US attempts to cut down on steel imports.

The most significant effect on mineral markets was the introduction of a 25% tariff on a number of pigments, clays and minor metals.

WILLIAM CLARKE



Exchange news & prices

LONDON

LME launches liquidity window for cash-settled cobalt

The London Metal Exchange has launched a window of trading intended to drive liquidity in to the cobalt cash-settled contract, settled against Fastmarkets' benchmark standard-grade cobalt price, it said.

The liquidity window is between 9-10am London time every Wednesday and will come in to effect for the first time on May 6, Fastmarkets understands.

"The LME understands that members and other market participants interested in trading the LME Cobalt (Fastmarkets MB) cash-settled contract would find it useful to have a regularly scheduled period during LMEselect's standard operating hours during which they could focus their trading activity," the LME said.

"The period has been identified to further support the coalescence of liquidity for this nascent contract," the LME added.

The contract can still be traded outside of this period, however, with the liquidity window only serving to focus trading to the one-hour time frame to expedite the rate at which bids and offers are matched.

The LME launched its cash-settled contract for cobalt in March 2019 using Fastmarkets' benchmark standard-grade cobalt price, as a response to volatility in cobalt spot market prices.

Spot cobalt prices have undergone significant swings in recent years, which coincided with multinational companies in the battery and automotive supply chains gaining exposure to the metal due to the electric vehicle (EV) boom.

The global slowdown following the nCov-19 coronavirus outbreak has triggered the latest period of volatility, where demand has fallen while consumers continue to take contract volumes but avoid the spot market, Fastmarkets understands.

Fastmarkets benchmark price for standard-grade cobalt, in-whs Rotterdam was \$15.10-15.50 per lb on May 5, flat day on day but down by 8.4% from \$16.50-16.90 per lb at the beginning of February.

MICHAEL GREENFIELD



Carbon steel flat products

FASTMARKETS' KEY FLAT STEEL PRICES

| | Price | Change [†] | Assessed |
|---|---------|---------------------|-------------|
| HRC, EU imports (cfr main EU port, northern Europe) (€/t) | 370-390 | -3.18% | ▼ 06 May 20 |
| HRC, EU imports (cfr main EU port, southern Europe) (€/t) | 360-380 | -3.9% | ▼ 06 May 20 |
| HRC, CIS exports (fob stowed main Black Sea port) (\$/t) | 350-365 | -1.38% | ▼ 04 May 20 |
| HRC, UAE imports (cfr Jebel Ali) (\$/t) | 360-370 | -5.19% | ▼ 05 May 20 |
| HRC, Turkish imports (cfr main Turkish port) (\$/t) | 365-370 | 0.68% | ▲ 30 Apr 20 |
| HRC, Latin America exports (fob stowed main Latin American port) (\$/t) | 410-425 | 0% | 01 May 20 |
| HRC, commodity grade, US imports (cfr Gulf port) (\$/short ton) | 450-480 | -7.92% | ▼ 29 Apr 20 |
| HRC, US Midwest index (fob mill) (\$/short ton) | 489-489 | 8.09% | ▲ 05 May 20 |
| HRC, China export index (fob main China port) (\$/t) | 405-405 | 0.61% | ▲ 06 May 20 |
| HRC, South East Asia imports (cfr Vietnam) (\$/t) | 394-395 | -1.87% | ▼ 04 May 20 |
| HRC, Saudi Arabia imports (cfr main port) (\$/t) | 370-380 | -5.06% | ▼ 05 May 20 |
| CRC, EU imports (cfr main EU port, northern Europe) (€/t) | 470-480 | -2.56% | ▼ 06 May 20 |
| CRC, EU imports (cfr main EU port, southern Europe) (€/t) | 460-480 | 0% | 06 May 20 |
| CRC, CIS exports (fob stowed main Black Sea port) (\$/t) | 440-455 | -0.56% | ▼ 04 May 20 |
| CRC, UAE imports (cfr main Jebel Ali) (\$/t) | 460-470 | -7.92% | ▼ 05 May 20 |
| CRC, Turkish imports (cfr main Turkish port) (\$/t) | 490-500 | -1.49% | ▼ 30 Apr 20 |
| CRC, Latin America exports (fob stowed main Latin American port) (\$/t) | 480-495 | 0% | 01 May 20 |
| CRC, US imports (cfr Gulf) (\$/short ton) | 600-680 | -6.57% | ▼ 29 Apr 20 |
| CRC, US domestic (fob mill) (\$/short ton) | 650-650 | -1.52% | ▼ 30 Apr 20 |
| CRC, China export (fob main China port) (\$/t) | 440-445 | 0% | 06 May 20 |

BURSA

TURKEY FLAT STEEL WRAP: All prices fall in April, but buying remains active

Demand for flat steel products in Turkey was moderate in April despite the Covid-19 pandemic due to low stocks in the country, sources told Fastmarkets on Wednesday May 6.

Turkish flat steel producers are fully booked until late June.

Several carmakers stopped production in the country in March and April, but most have now resumed, or are planning to resume output in April and May.

Steel output was also limited during the month due to several companies reducing capacity utilization or taking maintenance breaks.

Scrap prices increased in April. Fastmarkets' daily index for steel scrap, HMS 1&2 (80:20 mix), US origin, cfr Turkey, was \$246.54 per tonne on April 30, compared with \$208.57 per tonne on April 1.

CRUDE STEEL OUTPUT

Turkey produced 9 million tonnes of crude steel in January-March 2020, an increase of 9.6% from the corresponding period a year earlier, according to the Turkish Steel Producers' Association (TCUD).

DOMESTIC PRICES

HRC, CRC

Turkish hot-rolled and cold-rolled flat steel prices decreased in April because of the pandemic and the global decline in steel and raw materials, as well as decreasing consumption because of stoppages at flat steel consumers, mainly automotive. But traders and stockists booked flat steel during the month due to low stocks.

Fastmarkets' weekly price assessment for steel HRC, domestic, ex-works Turkey, was \$390-400 per tonne on April 30, down from \$430-450 per tonne on April 3.

Fastmarkets' weekly price assessment for steel cold-rolled coil, domestic, ex-works Turkey, was \$520-525 per tonne on April 30, down from \$530-550 per tonne on April 3.

Coated coil

Turkish coated coil prices also decreased in April amid subdued demand in both the domestic and export markets.

Demand in May is expected to remain weak because of the uncertainty surrounding the pandemic, as well as continuously decreasing prices, sources told Fastmarkets.

Fastmarkets' weekly price assessment for steel hot-dipped galvanized coil, domestic, ex-works Turkey, fell to \$560-570 per tonne on April 30, compared with \$600-620 per tonne on April 3.

Fastmarkets' weekly price assessment for steel, pre-painted galvanized, domestic, ex-works Turkey, also known as color-coated coil, with 9002 color code, was down at \$635-650 per tonne on April 30, compared with \$680-700 per tonne on April 3.

In the export market, demand was very weak and no major deals were heard.

Fastmarkets' weekly price assessment for steel HDG, export, fob Turkey, was \$560-570 per tonne fob on April 30, down from \$600-620 per tonne fob on April 3.

IMPORT PRICES

Demand for flat steel imports in Turkey was stable in April with several bookings heard, sources said.

Russia's MMK sold 15,000 tonnes of HRC at \$380 per tonne cfr Turkey, while Russia's NLMK sold about 30,000 tonnes of HRC at \$380-390 per tonne cfr Turkey early in April.

A small volume below 5,000 tonnes of Europe-origin material was

continued >



Carbon steel flat products

heard booked at \$370 per tonne cfr Turkey, while Russia's Severstal offered HRC at \$385-390 per tonne cfr Turkey in early April.

Around mid-April, Russia sold 10,000 tonnes of HRC to Turkey at \$370 per tonne cfr and another 20,000 tonnes of HRC at \$360 per tonne cfr Turkey.

Fastmarkets' weekly price assessment for steel HRC, import, cfr main port Turkey, was \$365-370 per tonne on April 30, a drop from \$400-410 per tonne on April 3.

No major deals for CRC imports were heard during April.

The weekly price assessment for steel CRC, import, cfr main port Turkey, was \$490-500 per tonne on April 30, falling from \$500-520 per tonne on April 3.

HRC EXPORTS

Demand for Turkish HRC was limited during April because of uncertainty over steel consumption as well as the effects of the Covid-19 pandemic in the country's export markets.

Spain booked about 5,000 tonnes of Turkish HRC at \$390-395 per tonne fob early in April.

Later in the month, one Turkish HRC deal was heard to Egypt at \$390 per tonne fob and there were unconfirmed rumors of a sale to Europe at \$390 per tonne fob.

Fastmarkets' weekly price assessment for steel HRC, export, fob main port Turkey, was \$390-400 per tonne on April 30, down from \$400-410 per tonne on April 3.

Export demand is unlikely to improve in the coming weeks because of several duty or quota change plans in Turkish export markets.

Early in April, Eurofer requested an immediate reduction of 75% in European Union safeguard quotas for imported steel to support European industry during the Covid-19 crisis.

And this week, the Egyptian parliament requested the government add a 10% import duty on finished steel products to protect local steel production.

IMPORT, EXPORT VOLUMES

Turkey imported 467,201 tonnes of flat steel in March 2020, up by 1.33% from 461,048 tonnes in the corresponding month of 2019, according to the Turkish Statistical Institute (TUIK).

The country's total flat steel imports in January-March 2020 totaled 1,821,147 tonnes, an increase of 24.73% from the 1,460,106 tonnes imported in the corresponding period of 2019.

Turkey exported 305,658 tonnes of flat steel products in March 2020, down by 46.34% year-on-year from 569,364 tonnes in March 2019, TUIK said.

Turkey's total exports of flat steel products for the first three months of the year came to 1,185,141 tonnes. This volume was down by 30.85% from 1,713,822 tonnes in January-March 2019, TUIK said.

DUTY CHANGES

Turkey has increased the import duties on a number of steel products, including hot-rolled coil, cold-rolled coil, coated coil, angles and sections, and stainless flat steel, effective from April 18.

The new duties are in effect until July 15, 2020.

The import duty for semi-finished steel under HS code 7207 is now 17%, up from 12% previously, while the import duty for hot-rolled flat steel under HS code 7208 is now 18%, up from the previous 13%.

Cold-rolled coil producers and welded pipe producers now face an

8% duty for hot-rolled flat steel imports, up from 6% previously, while white goods producers face a 9% duty for the same product, up from the previous 7%.

Holders of Turkey's inward processing regime license are exempt from the duty. The inward processing regime allows companies to avoid import duties on steel as long as the end products, such as tube or pipe, automotive steel or white goods, are exported. About 90% of flat steel imports are done so under the regime, according to Turkish sources.

On April 13, the United States Court of International Trade lowered anti-dumping duties on hot-rolled coil imports from Turkey to between zero and 2.7%.

This is not the first time US courts have taken such a decision. The anti-dumping duty was introduced in 2016 and the US Commerce Department canceled anti-dumping duties against certain HRC imports from Turkey in 2019.

The anti-dumping duties stay in place for a period of five years and are then reviewed. But the US is not expected to be a strong market for Turkish HRC in short term, even if the duties are removed, Turkish sources said.

SERIFE DURMUS

SHANGHAI

CHINA HRC: Domestic price gains raise expectations for imports

China's domestic hot-rolled coil prices picked up on Wednesday May 6, the first working day after a five-day break for Labor Day, which sparked expectations for growing imports.

DOMESTIC

- Eastern China (Shanghai): 3,320-3,340 yuan (\$470-473) per tonne, up 40-50 yuan per tonne
- Northern China (Tangshan): 3,310 yuan per tonne, up 60-70 yuan per tonne

Major spot markets saw active trading during the day, which motivated sellers to raise their prices.

A Shanghai-based trader said the increased buying was partly due to some downstream consumers stocking up after the five-day holiday.

A Tianjin-based trader said that downstream demand in China was largely stable due to construction activity, although inventory levels were still high.

EXPORT

- Fastmarkets' steel hot-rolled coil index export, fob main port China: \$405.30 per tonne, down \$0.58 per tonne

A second Shanghai-based trader told Fastmarkets that he had heard about a trading house in eastern China negotiating to buy HRC from Indian sellers at around \$385 per tonne cfr China.

While he did not know the quantity involved, he said the prospective deal likely would involve June-delivery re-rolling-grade HRC.

A third trader in Shanghai noted that transactions had been concluded at similar prices before the Labor Day break.

The trader said he had heard about Chinese buyers importing HRC from Japan shortly before Labor Day at \$385 per tonne cfr China. He had no other details.

Several sources said they were expecting Chinese buyers to import more HRC from other countries if domestic prices remained robust.

They expect sellers in other countries to lower their offers, particularly with demand in countries such as India being subdued by the Covid-19 pandemic.

continued >



Carbon steel flat products

MARKET CHATTER

"I heard buyers in Vietnam are bidding lower for Indian HRC. I believe that is because demand in India is weak. China is one of the few markets with stable demand [for HRC]," the second Shanghai-based trader said.

SHANGHAI FUTURES EXCHANGE

The most-traded October HRC futures contract closed at 3,248 yuan per tonne on Wednesday, up by 37 yuan per tonne from April 30.

MIRANDA SONG

SINGAPORE

China's CRC, HDG export prices steady over Labor Day holiday

Export prices for Chinese cold-rolled coil and hot-dipped galvanized coil were mostly stable over the past week because market participants in China were away for multiple days due to the May 1-5 Labor Day holiday.

Sources told Fastmarkets that several Chinese mills had yet to issue new offers although they were not expecting any major price swings.

COLD-ROLLED COIL

Fastmarkets' weekly price assessment for steel cold-rolled coil export, fob China was \$440-445 per tonne on Wednesday May 6, narrowing by \$5 per tonne at both ends from \$435-450 per tonne on April 28.

Over the past week, Chinese CRC was sold to buyers in Taiwan, Vietnam and South America at \$440-445 per tonne fob. These transactions involved June-shipment cargoes and were concluded late last week before the holiday.

Buyers in some regions that have managed to control the spread of the Covid-19 virus are taking the opportunity to replenish some inventory at low prices, a trader in Zhejiang said.

As of May 5, Taiwan has reported 439 infections and 6 deaths from the virus, while Vietnam has 271 cases and no fatalities.

Liaoning-based Benxi Iron & Steel on Wednesday issued an offer of \$470 per tonne fob for July-shipment CRC, unchanged from April 27.

Market participants said domestic CRC demand had not recovered to pre-pandemic levels yet and mills remained eager to secure export orders.

Fastmarkets' weekly domestic price assessment for CRC in eastern China was 3,630-3,680 yuan (\$514-521) per tonne delivered on April 30, down by 20-30 yuan per tonne from 3,650-3,710 yuan per tonne on April 24.

HOT-DIPPED GALVANIZED COIL

Fastmarkets' weekly price assessment for steel galvanized coil 1mm export, fob China was \$500-510 per tonne on Wednesday, unchanged from April 28. The assessment is at its lowest since August 2016.

Trading activity has improved recently with prices at the lowest in several years, a trader in Tianjin said.

Nonetheless, the same trader believes that demand is likely to remain weak in the near term while many countries worldwide keep up their efforts to contain the Covid-19 virus.

During the week, a total of 10,000-15,000 tonnes of the assessed

product were sold at \$505-510 per tonne fob China to other Asian countries. But the information was received after the close of Fastmarkets' pricing window and was not included in the price assessment.

On Wednesday, Benxi Steel issued an offer of \$540 per tonne fob for July shipments of its zero-spangle, 140g zinc-coated HDG, unchanged from April 27. The offer is equivalent to about \$525 per tonne fob for the assessed 120g zinc-coated HDG.

LEE KEN KIAT

SINGAPORE

Vietnam's Hoa Phat plans to raise HRC shipments to oversupplied Asia

Vietnam's Hoa Phat Group is planning to increase its hot-rolled coil shipments to an already over-supplied Asian market, with its new hot-strip mill producing its first coil in the last two weeks.

"HRC production started in the second half of April and the company is working to stabilize the quality of its supply," a source close to the company told Fastmarkets.

The mill is said to have offered small trial shipments to the spot market, but this could not be confirmed at the time of writing.

"The current supply is being consumed internally for now," the source said, referring to the group's subsidiary, Hoa Phat Steel Pipe.

Offers for higher-grade coil have not been issued yet.

"Re-rolling-grade materials such as SAE1006 coil may only be offered later this year," a source at a Vietnamese re-roller said.

Hoa Phat is Vietnam's second-largest steelmaker, behind Formosa Ha Tinh Steel Corp, which started up its first blast furnace (BF) in 2017.

Hoa Phat started up its first BF in June last year, and the second one in December. Both are located at its Dung Quat integrated steel complex.

The company is looking to raise its capacity to 4 million tonnes per year, with the first phase of 2 million tpy focusing on the production of billet and long steel, and the second phase, of flat steel.

Hoa Phat has yet to start up its third blast furnace, the source said. The start-up - which had been scheduled for March - has been delayed due to the Covid-19 pandemic restricting the travel of European contractors to Vietnam, the group said on its website.

Its new hot-strip mill, supplied by equipment maker Danieli, has an initial capacity of 3.5 million tpy. This can be raised to 4 million tpy by adding segments to its slab caster and a downcoiler.

It can produce both commercial and special steels such as American Petroleum Institute grades for oil country tubular goods.

Its new HRC capacity will increase Vietnam's flat steel self-sufficiency. It is expected to cut imports of HRC from Russia, India, China, South Korea, Taiwan and Japan among Vietnam's major re-rollers, construction sector and producers of tube and pipe.

But more recently, buyers in Vietnam have continued to purchase imported SAE1006 and SS400 HRC amid high offers for domestic products. Offers for Indian and Russian products have been the most competitive in recent weeks and have formed the bulk of imports in Vietnam.

Fastmarkets' price assessment for steel HRC import, cfr Vietnam, which mainly looks at Chinese 2-3mm re-rolling-grade SAE1006 HRC and equivalent products sold into Vietnam, was \$394-395 per tonne cfr for the week to Monday May 4, down by \$4-11 per tonne from \$398-406 per tonne a week earlier.

In the first quarter of 2020, Hoa Phat produced 350,000 tonnes of billet, most of which were exported to China and Southeast Asian countries. Some 135,000 tonnes of billet were exported in March alone - a record high.

continued >



Carbon steel flat products

The Vietnamese ministry of trade and industry's extension of safeguard duties on imports of billet, rebar and wire rod from March 22, 2020 to March 21, 2023 also bodes well for Hoa Phat, which is a key producer and exporter of such products in Southeast Asia.

The safeguards will be reduced gradually from 15.3% in 2020-2021 to 11.3% in 2022-2023 for billet, and from 9.4% from 2020-2021 to 6.4% in 2022-2023 for rebar and wire rod.

Dung Quat integrated complex also has deep-water docking facilities - including 11 berths - that can accept vessels of up to 200,000 deadweight tons to reduce freight and bunker costs.

PAUL LIM

CHICAGO

HRC price dips in US on concerns over sustainability of hikes

Hot-rolled coil prices in the United States edged downward on Tuesday May 5 due to concerns that mills might not be able to hold the line on higher prices amid scant demand resulting from the Covid-19 crisis.

Fastmarkets' daily steel hot-rolled coil index, fob mill US was calculated at \$24.46 per hundredweight (\$489.20 per short ton) on Tuesday, down by 1.5% from \$24.83 per cwt on May 4 but up by 8.1% from \$22.63 per cwt on April 28.

Inputs were received in a range of \$20-25 per cwt. Three inputs at the lower end of that range - \$21.50 per cwt or lower - were discarded by the index's outlier filter.

Lead times were averaging three to four weeks, according to mill estimates and market participants.

HEARD IN THE MARKET

The big week-on-week increase in prices resulted from a wave of \$2.50-3-per-cwt mill price increases, which have gained traction due to an anticipated rise in May scrap costs against a backdrop of steep HRC supply cuts, sources said.

The modest price drop versus Monday was due to some mills strictly enforcing minimum prices of \$25 per cwt for all spot orders while others were accepting large orders - thousands of tons - in the low \$20-per-cwt range, some sources said.

Outlooks were mixed, with some sources indicating that prices should remain roughly at current levels because demand was not as poor as mills had feared and inventories might be lower than buyers realized. But others said the increases were aimed mostly at propping up prices ahead of contract resets in mid-May and temporarily halting the swift price declines seen in April.

Current prices reflect smaller buys, sources said. Some predicted that large buyers, once they return to the market, will drive prices down to the low \$20-per-cwt range.

That outcome is especially likely if demand fails to improve, a distinct possibility given the depth of the economic downturn caused by the Covid-19 pandemic, these sources said.

QUOTE OF THE DAY

"[The price from mills] was 'up \$60.' But it was also 'Hey, before you do anything, let's talk' - which was code for, 'I put up the good fight, but I still need that order,'" one southern service center source said of negotiations with mills following the price increases announced

last week. "As much as I want to be positive, I see this being a tough row to hoe until the third quarter: Energy is not coming back to where it needs to be, the airline industry is not coming back - and I don't see how auto comes back."

MICHAEL COWDEN

DNEPR

NLMK foresees double-digit steel demand slump in home markets

Russia's largest steelmaker, Novolipetsk Steel (NLMK), which also runs assets in Europe and the United States, expects steel demand to show a double-digit drop in home markets in the second quarter of 2020 and for the full year, the company said on Thursday April 30.

"In Russia, we expect a double-digit decline in steel consumption in May and June, with potential recovery starting in July," chief executive officer Grigory Fedorishin said in a conference call.

"For the moment, construction demand varies from region to region," Fedorishin said. "Moscow and Moscow region [Central Federal district, the largest steel-consuming region in Russia] suspended construction activities for two-and-a-half weeks in April, which resulted in an almost 50% drop in demand during the last month."

Experts believe that a rebound in construction activity in Moscow could happen as early as mid-May, he added.

Other regions did not impose such strict measures, he said.

Overall demand from the construction sector, which consumes 65-70% of steel in Russia, is expected to fall by 40-50% in April-June, compared with normalized levels observed during previous second quarters.

Fastmarkets' price assessment for steel reinforcing bar (rebar), domestic, cpt Moscow, Russia, including 20% VAT, averaged 33,650 roubles per tonne, or \$427.56 per tonne, in the second quarter to date. In national currency that was just a slight reduction from 33,077 roubles per tonne in the first quarter, but in dollars it was a slump of \$106.56 per tonne from \$534.52 per tonne in the first quarter, due to exchange rate fluctuations.

Consumption from the oil and gas sector, which generates 20% of steel demand in Russia, is expected to drop by 50% in the second quarter.

The drop in demand from the automotive and white goods sectors, which account for 3% of steel demand in Russia, is estimated to be 35-45% in April-June, while demand from the machinery sector, which has a 2% share in total steel consumption, is expected to fall by 10-15%.

"In Russia, our current forecast for 2020 overall is at least 15% lower demand year on year, but that accounts on quite a strong first quarter," he added.

According to the latest short-range outlook released by the World Steel Association (Worldsteel) in October 2019, finished steel products demand in Russia is expected to be 43.2 million tonnes for 2019.

Demand in Europe, where NLMK runs steelmaking and flats re-rolling assets, "is expected to decrease by 10-20% year on year, but the decline in the second quarter may be 15-25%," Fedorishin said.

Finished steel demand in the European Union was forecast to be 166.8 millions tonnes for 2019, according to Worldsteel.

"The US market [where NLMK runs steelmaking and flats-making assets] may contract by 15-20% year on year, while demand in the second quarter will drop by 25-30% with the largest hit from the energy sector," he said.

For 2019, finished steel demand in the US was forecast at 100.8 million tonnes, Worldsteel said.

MARINA SHULGA

continued >



Carbon steel flat products

LONDON

INDIA LOCKDOWN: JSPL bucks trend by switching to exports while domestic sales struggle amid Covid-19 lockdown

Indian steel producer Jindal Steel & Power Ltd (JSPL) has reported a huge increase in steel exports for April 2020, despite the impact of the Covid-19 lockdown significantly reducing the steel output of other domestic producers.

India entered a 21-day lockdown on March 25 - which has since been extended twice and now runs to May 18 - to slow the spread of the Covid-19 virus, with many of India's steel assets quickly reducing output levels, despite steel being declared an essential service.

JSPL - which manufactures steel plate, coils, rails and wire rod, among other products (including direct-reduced iron (DRI) and pig iron) - exported 248,000 tonnes of steel and related products in April. That amounted to a 109% month-on-month increase, with the exports accounting for 74% of total sales, the company said in a statement to the Bombay Stock Exchange on Tuesday May 5.

JSPL's performance is in stark contrast to that of other domestic producers such as JSW Steel and Monnet Ispat & Energy, both of which have cut production by more than half or suspended it entirely.

Monnet Ispat, which is owned by a JSW-led consortium, announced the suspension of all manufacturing operations at its Raipur and Raigarh plants in Chhattisgarh state from March 25, because of the lockdown.

And while it restarted integrated steel manufacturing operations at Raigarh on May 2, the Raipur facility will remain suspended until further notice.

Production at Raigarh had reportedly only restarted in March 2020 after operations (other than those relating to pellet and DRI) were shut down on June 21, 2019, for repairs, maintenance and upgrades - a process originally due for completion in February.

Other Indian steel companies affected by the lockdown in the country include the state-owned Steel Authority of India (Sail), ArcelorMittal Nippon Steel India and Tata Steel, the latter of which has reported that it is only operating at 50% capacity at its main steel sites in the country. JSW reported a 60% drop in output for April producing 5.63 million tonnes of steel, with a capacity utilization rate of just 38%.

JSPL, meanwhile, reported 5% year-on-year growth in the production of steel and pig iron to 550,000 tonnes in April 2020.

"JSPL has effectively and appropriately addressed the domestic demand situation and formulated a business continuity strategy [to] secure a full export order book to ensure [the] continuous operation of its plant," said managing director VR Sharma.

"With the continuous support of Indian Railways and various ports in the eastern part of the country, JSPL continues with steel production to support the Indian economy by earning precious foreign currency by exporting our products," he added.

Its Angul Blast furnace maintained an average production of 10,000 tonnes per working day and posted its highest-ever monthly output of 298,000 tonnes of hot metal in April.

Sharma said that JSPL is exporting steel to China, Malaysia, Germany, Spain, Italy, Denmark, France, Saudi Arabia, Oman, Qatar and the UAE.

But while switching to exports has kept the plant operating

effectively, export prices have fallen by more than \$100 per tonne since February, in contrast to domestic prices, which have remained largely unchanged.

Fastmarkets' price assessment for steel hot-rolled coil (commodity) export, fob main port India, averaged \$379 per tonne in April, down from \$448.75 per tonne in March and \$491.25 per tonne in February.

Fastmarkets' price assessment for steel hot-rolled coil domestic, exw India, meanwhile, has remained relatively stable in recent months - averaging 38,000 rupees (\$506) per tonne in March and April, up from 37,000 rupees per tonne in February.

CARRIE BONE

LONDON

EUROPE HRC: Domestic prices stable in slow market

Domestic prices for hot-rolled coil in Europe have been stable day on day on Tuesday May 5 in a slow market, sources told Fastmarkets.

Fastmarkets' daily steel hot-rolled coil index, domestic, exw Northern Europe was €423.00 (\$462.10) per tonne on Tuesday May 5, down by only €0.13 per tonne day on day from €423.13 per tonne on Monday.

Tuesday's index was calculated based on "workable" prices and bids heard at €410-420 per tonne ex-works, along with offers heard at €430 per tonne ex-works. The index was down by €17 per tonne week on week and down by €50 per tonne month on month.

Italian producers have been offering HRC at €385 per tonne ex-works to bigger domestic buyers, however, market sources said.

The mood in the market has been on a downward trajectory, despite the restart of some flat steel consumer operations in Europe, market participants said. Demand has been weak due to the impact of the various lockdowns across Europe, triggered by the Covid-19 pandemic.

The restart of some automotive manufacturers - key flat steel consumers - has not yet had any positive consequences for steel demand and prices, market sources said. This is because carmakers have been operating at low capacity utilization rates, sources added.

Demand for imported HRC has been weak despite the decline in offers, market sources said.

Buyers have been cautious about purchasing coil overseas due to the forthcoming review of safeguard measures. Last month, European steel association Eurofer requested a 75% reduction of existing import quotas.

Offers for HRC from India, Turkey and Russia have been heard at €360-380 per tonne cfr Italian ports, down by about €10-20 per tonne week on week, sources said.

MARIA TANATAR

BURSA

Egyptian government plans 10% duty on finished steel

The Egyptian parliament has this week requested the government add a 10% import duty on finished steel products to protect local steel production, Egyptian market sources told Fastmarkets.

The government has not yet approved or rejected the proposal but, if accepted, flat steel producers will benefit from the new duties, sources said.

Egypt already imposes a definitive safeguard duty of 16% of the cif price and a minimum of \$74 per tonne on steel billet, which is effective between October 12, 2019, and October 12, 2020. The duty was set to fall to 13% and a \$60-per-tonne minimum payment for

continued >



Carbon steel flat products

the period from October 12, 2020, until April 11, 2021, and to 10% and a \$46-per-tonne minimum payment for the period from April 12, 2021, until April 11, 2022.

A safeguard duty was also set on steel rebar and wire rod at 25% of the cif price and a minimum of \$125 per tonne from October 12, 2019, until October 12, 2020; at 21% and a \$105-per-tonne minimum payment from October, 2020, to April 11, 2021; and at 17% and a \$85-per-tonne minimum payment for April 12, 2021, to April 11, 2022.

An anti-dumping duty has also been in place on imports of rebar from China, Turkey and Ukraine since December 2017.

In the flat products sector, Egypt imports hot-rolled coil, mainly from CIS countries, Turkey and Europe. The country imposes a 5% duty on HRC imports, but Turkey and Europe are exempt because of free trade agreements. The proposed new duty is expected to be applied to imports from all countries.

Last week, one HRC deal was heard to Egypt at \$390 per tonne fob from Turkey.

This compares with offers for locally produced HRC at around E£10,000 (\$634) per tonne ex-works including 14% VAT.

Meanwhile, Egyptian rebar producers were offering rebar last week at E£9,400-10,100 (\$596-640) per tonne ex-works including 14% VAT and deals were heard at E£9,400-10,000 per tonne ex-works.

Fastmarkets' weekly price assessment for steel reinforcing bar (rebar), domestic, ex-works Egypt, was E£9,400-10,000 per tonne on April 30, down from E£9,600-10,100 per tonne the previous week.

SERIFE DURMUS



Carbon steel long products

FASTMARKETS' KEY LONG STEEL PRICES

| | Price | Change [†] | Assessed |
|--|---------|---------------------|-----------|
| Rebar, China export index (fob main China port) (\$/t) | 438-438 | 0% | 06 May 20 |
| Rebar, EU import (cfr main EU port, northern Europe) (€/t) | 445-455 | 0% | 06 May 20 |
| Rebar, EU import (cfr main EU port, southern Europe) (€/t) | 430-445 | 0% | 06 May 20 |
| Rebar, CIS exports (fob stowed main Black Sea port) (\$/t) | 370-400 | 0% | 04 May 20 |
| Rebar, Turkish exports (fob main Turkish port) (\$/t) | 390-405 | -2.45% ▼ | 30 Apr 20 |
| Rebar, UAE imports (cfr Jebel Ali) (\$/t) | 430-440 | 0% | 05 May 20 |
| Rebar, US imports (cfr Gulf) (\$/short ton) | 570-600 | -2.5% ▼ | 15 Apr 20 |
| Rebar, US domestic (fob mill) (\$/short ton) | 580-600 | -2.48% ▼ | 15 Apr 20 |
| Rebar, South East Asia imports (cfr Singapore) (\$/t) | 390-410 | 0% | 04 May 20 |
| Rebar, Southern Europe exports (fob main port) (€/t) | 400-400 | -3.03% ▼ | 06 May 20 |

DNEPR

EUROPE REBAR: Prices dip on poor buying

Steel rebar prices in Europe have declined this week mainly due to slow trading activity, sources told Fastmarkets on Wednesday May 6.

Fastmarkets' weekly price assessment for steel reinforcing bar (rebar), domestic, delivered Southern Europe, was €430-460 (\$467-500) per tonne on May 6, down by €10 per tonne week on week.

The assessment included deals and offers heard in the market this week.

ITALY

Italian industry gradually resumed operational activities starting on Monday, sources said.

"Here in Italy, all the industry has restarted, and the market is starting to move," one trader said. "All the steel producers have opened their factories and are selling steel. All the construction sites are slowly beginning to work."

The construction industry, the key rebar consumer, was also slowly resuming activity, but sources agreed that it will take some time before the market returned to the levels seen before the Covid-19 pandemic and its related lockdowns.

"We restarted yesterday, but rebar demand remains low. We hope the next few days will be better. Producers are now running at about 50%, and the same is true for construction sites," a second trader said.

"I would say that almost 100% of steel companies, users included, started on May 4, but no-one is running at full capacity," a third trader said. "It is difficult to say because it varies depending on the size of company. Some producers are at 40%, some at 50%, some at 70%. This is both due to the extreme provisions under the anti-coronavirus protocols imposed by the government and also because demand is low - very low."

Trading companies were also cautious with bookings, while they assessed the market situation. In any case, most traders had enough rebar in stock and were in no rush to replenish.

"Trading companies are active, but they don't need to replenish

stocks so much. They were either closed or running at 15-20%, so they didn't sell much material during the quarantine period," one producer said.

Offers from Italian mills were heard at €395-410 per tonne ex-works, down by some €10 per tonne over the week.

A "workable" delivered price for rebar in Italy was €430-445 per tonne, sources said this week, although adding that some sales had been reported at €450-460 per tonne for prompt shipment.

SPAIN

In Spain, buying also remained limited, sources said.

"Traded volumes are minor, and we expect no revival in construction activity this week," one source in Spain said.

Rebar in Spain was trading at €430-450 per tonne cpt this week, down by €10 per tonne over the week, sources said.

Spanish producers also cut their export offers, but the decrease failed to stimulate buying activity and bids were heard at even lower levels.

Fastmarkets' weekly price assessment for steel reinforcing bar (rebar), export, fob main port Southern Europe, was €400 per tonne on Wednesday, down by €10-15 per tonne week on week.

"Bids are coming at €400 per tonne cfr, so no business was done this week," another source in the Spanish market said.

"There is no buying activity for export because there is a huge gap between offers and bids," one producer said.

NORTHERN EUROPE

The situation in the north of Europe was reported to be slightly better. Buying was reported to be normal, while construction activity was improving in most regions.

"Construction activity in Germany has started to grow and is improving on a weekly basis," one source said.

"In France we see some improvement, but in general construction is running at a slow pace," another source said.

Fastmarkets' weekly price assessment for steel reinforcing bar (rebar), domestic, delivered Northern Europe, was €465-480 per tonne on May 6, down by €5-10 per tonne over the past seven days.

JULIA BOLOTOVA

SHANGHAI

CHINA REBAR: Falling inventories boost domestic prices

China's domestic rebar prices moved up on Wednesday May 6 after a five-day break for Labor Day amid a drop in spot market inventory levels and rising futures.

DOMESTIC

- Eastern China (Shanghai): 3,430-3,460 yuan (\$486-490) per tonne, up by 20 yuan per tonne

China's 20 biggest rebar markets had 8.31 million tonnes of the product at the end of April, down by 610,000 tonnes (6.8%) from April 20, according to China Iron & Steel Association (Cisa).

Declining stock levels have been a major supporting factor for rebar prices in the past couple of months, sources said.

But the latest figure is much higher than that a year earlier, which limits the upside for prices, an industry analyst in eastern China said.

The 8.31 million tonnes is 30% higher than the 6.41 million tonnes recorded at the end of April last year, according to Cisa.

EXPORT

- Fastmarkets' steel reinforcing bar (rebar) index export, fob China main port: \$437.50 per tonne, unchanged

continued >



Carbon steel long products

Rebar offers held steady at \$445-455 per tonne fob during the day.

Market participants still expected mills to sell at a minimum price of \$435-440 per tonne fob, the same as before the holiday.

Sources do not expect export orders for Chinese rebar to pick up until the Covid-19 pandemic comes under control in major markets such as Singapore.

Singapore has recorded some 20,000 Covid-19 infections so far, according to the country's health ministry.

MARKET CHATTER

"Demand for rebar is steady. Buyers maintained their procurement rates even though I raised prices in the morning following the gains in the futures market," a trader in eastern China said.

BILLET

As at 3pm, billet was being traded at 3,120 yuan per tonne including value-added tax in Tangshan, up by 30 yuan per tonne from April 30.

SHANGHAI FUTURES EXCHANGE

The most-traded October rebar futures contract closed at 3,392 yuan per tonne on Wednesday, up by 25 yuan per tonne from 3,367 yuan per tonne on April 30.

JESSICA ZONG

SÃO PAULO

AT A GLANCE: Gerdau sales down 10% in Q1 on Brazil weakness

A summary of Brazilian steelmaker Gerdau's financial results in the first quarter of 2020, as stated in its earnings report on Wednesday May 6.

IN BRIEF

- Sales volumes and financial performance weakened year-on-year with all of the company's divisions affected by lower demand in the last 15 days of March due to the Covid-19 pandemic.
- The North America unit reported stronger results amid higher consumption from the construction sector in the United States.
- Margins in the North America unit declined, with the metal spread – the difference between ferrous scrap costs and finished steel prices – of \$410 per short ton in the first quarter representing a year-on-year decrease from \$495 per short ton.
- Lower exports drove output down for the Brazil unit, compared with the corresponding period of 2019, due to falling seaborne prices.
- While domestic sales of flat-rolled steel outpaced long steel for the Brazil unit on an annual comparison, long-steel products had a stronger performance because the construction sector was less affected by Covid-19 in March.
- Blast furnace No2 at the Ouro Branco mill, the Brazilian southeastern state of Minas Gerais, was expected to remain idle through the first half of the year.
- Electric meltshops that were halted due to the weaker market under the pandemic started reopening through April.
- The special steel division reported lower figures in the quarter, and sales to the automotive sector in North America showed more resilience than in Brazil after the decline recorded in March.

- Operations in Argentina and Uruguay gradually returned following a mandatory halt to comply with local quarantine orders, but the Peruvian unit remained closed.

FIRST-QUARTER KEY FIGURES

Year-on-year percentage change

CRUDE STEEL PRODUCTION IN BRAZIL

1.24 million tonnes, down by 12.7%

CRUDE STEEL PRODUCTION IN NORTH AMERICA

1.35 million tonnes, up by 6.2%

SPECIAL STEEL PRODUCTION

462,000 tonnes, down by 10.8%

TOTAL STEEL PRODUCTION

3.19 million tonnes, down by 4.6%

SALES VOLUMES IN BRAZIL

1.12 million tonnes, down by 17.7%

SALES VOLUMES IN NORTH AMERICA

1.12 million tonnes, up by 4.3%

SPECIAL STEEL SALES VOLUMES

329,000 tonnes, down by 23.5%

TOTAL SALES VOLUMES

2.69 million tonnes, down by 9.8%

TOTAL NET SALES

9.23 billion Reais (\$1.66 billion), down by 8%

ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)

1.18 billion Reais, down by 24.5%

NET PROFIT

221.4 million Reais, down by 51.1%.

RENATO ROSTÁS

SHANGHAI

China's wire rod export demand remains weak

China's export demand for wire rod remained soft in the week to Wednesday May 6 due to a short working week, with prices unchanged.

Fastmarkets' weekly price assessment for May/June shipments of steel wire rod (mesh quality) export, fob China main port, was \$425-430 per tonne on Wednesday, unchanged from a week earlier.

There were only two working days in the past week – April 29-30 – because China was on holidays from May 1-5.

Steel mills kept their offers flat in those two days, with little interest in taking overseas orders.

"Demand in the domestic market is much stronger than export," a source at a mill in northern China said.

Fastmarkets' latest weekly price assessment for steel wire rod (mesh quality) domestic, ex-whs Eastern China, was 3,400-3,450 yuan (\$480-487) per tonne on April 30, unchanged week on week.

"If Chinese mills maintain their offers flat, it will be hard to receive export orders," a trader in eastern China said.

Buyers' bids were no higher than \$405 per tonne fob China – much lower than China's offers, sources said.

continued >



Carbon steel long products

Also contributing to China's weak demand in the international market were lower offers from suppliers in other regions.

For instance, Fastmarkets' assessment for steel wire rod (mesh quality) export, fob Black Sea, Commonwealth of Independent States, were at \$390-410 per tonne on May 4, unchanged from a week earlier.

JESSICA ZONG



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Stainless & special steels

FASTMARKETS' KEY STAINLESS STEEL PRICES

| | Price | Change [†] | Assessed |
|--|-------------|---------------------|-----------|
| Grade 304 HRC, Asia import (cif East Asian port) (\$/t) | 1,600-1,650 | 0% | 06 May 20 |
| Grade 304 2mm CRC, 2B Asia import (cif East Asian port) (\$/t) | 1,700-1,750 | 0% | 06 May 20 |

SHANGHAI, SINGAPORE

Chinese stainless steel prices mostly stable over Labor Day

Stainless steel prices in China were largely unchanged in the week to Wednesday May 6, with market participants in the country absent from May 1-5 for the Labor Day holiday.

The lack of major price movements in the cost of nickel was another factor contributing to steady stainless steel prices, sources said.

The three-month nickel contract on the London Metal Exchange has averaged \$11,878 per tonne so far in May, compared with \$11,824 per tonne in April.

DOMESTIC

Fastmarkets' weekly price assessment for stainless steel cold-rolled coil 2mm grade 304 domestic, ex-whs China in Wuxi, was 12,900-13,300 yuan (\$1,820-1,877) per tonne including value-added tax on Wednesday, widening upward by 100 yuan per tonne from 12,900-13,200 yuan per tonne a week earlier.

Trading was active over the past assessment week, although there were only two working days on April 30 and May 6.

Sources said customers made bookings on April 30 for consumption over the Labor Day holidays, with demand remaining stable upon their return on May 6.

"We can't say demand for stainless steel is strong in China because those end users who produce export goods have fewer orders, but domestic demand of downstream products is stable, which supports stainless steel prices," a major trader in Wuxi said.

EXPORT

Fastmarkets' weekly export price assessment for stainless steel cold-rolled coil 2mm grade 304, fob China, was \$1,690-1,740 per tonne on Wednesday, unchanged from a week earlier.

Fastmarkets' weekly export price assessment for stainless hot-rolled coil grade 304, fob China, was \$1,650-1,700 per tonne on the same day, also unchanged week on week.

Export offers for Chinese stainless CRC were at \$1,720-1,780 per tonne fob during the week, or about \$1,740-1,800 per tonne cif East Asia.

Chinese stainless HRC was available at \$1,670-1,750 per tonne fob, or about \$1,690-1,770 per tonne cif East Asia.

Chinese stainless steel prices are likely to have plateaued for the time being because even integrated mills will incur losses if prices fall any further, a trader in northern China said.

The recent stability in the cost of nickel is also providing support to stainless steel prices in spite of poor demand in various export outlets, he added.

EAST ASIA

Fastmarkets' weekly import price assessment for stainless steel

cold-rolled coil, Asia grade 304 (2mm 2B), cif East Asian port, was \$1,700-1,750 per tonne on Wednesday, stable from a week earlier.

Fastmarkets' weekly price assessment for stainless steel hot-rolled coil Asia grade 304, cif East Asia port, was \$1,600-1,650 per tonne on the same day, also stable week on week.

Taiwanese stainless CRC was offered at \$1,780-1,800 per tonne cif during the week, while stainless HRC was available at \$1,680-1,700 per tonne cif.

Stainless CRC from Southeast Asia was offered at \$1,700-1,750 per tonne cif East Asia during the week, while stainless HRC from the same region was available at \$1,600-1,650 per tonne cif.

Sources said trading activity was sluggish because most market participants were waiting for Chinese suppliers to return with fresh offers after the holiday.

JESSICA ZONG, LEE KEN KIAT

DNEPR

AT A GLANCE: S+B blames Covid-19 for weaker Q1 performance

A summary of the financial results for Switzerland-based special and stainless steel producer Schmolz + Bickenbach (S+B) for the first quarter of 2020.

IN BRIEF

- The company attributed the weaker quarterly results to the effects of the Covid-19 pandemic.
- A fragile market recovery, which started in early 2020, was interrupted by the pandemic.
- Geographically, all regions and countries suffered a double-digit percentage decline in revenue year-on-year.
- The sharp decline in demand from the automotive industry had a particularly strong effect on the company's quality & engineering steel group.

Q1 2020 RESULTS

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)

Loss of €7.6 million (\$8.3 million), down year-on-year from earnings of €38.8 million in the first quarter of 2019.

EARNINGS BEFORE INTEREST AND TAXES (EBIT)

€31.7 million loss, compared with €13.3 million profit a year earlier.

SALES VOLUME

457,000 tonnes, down by 17.06% from 551,000 tonnes in the previous year.

The decline in sales volumes was across all three product groups - quality & engineering steel, stainless steel and tool steel.

REVENUE

€704.5 million, down by 20.32% year-on-year from €884.2 million.

OUTLOOK FOR 2020

- The outlook for the rest of the year was clouded by the pandemic. S+B did not expect any normalization in demand until the end of the first half of 2020 at the earliest.
- In view of the uncertain prospects, the company was not able to provide a reliable financial forecast for 2020.

COMMENT FROM CHIEF EXECUTIVE

"After a significant decline in business activities toward the end of last year, the start of the 2020 fiscal year was, as expected, marked

continued >



Stainless & special steels

by a cautious low-level recovery," Clemens Iller said.

"This trend continued until about mid-March, accompanied by a moderate improvement in order books. However, the second half of the month witnessed an even sharper decline in demand in the wake of the Covid-19 crisis, which left a big dent in both volumes and prices," he added.

"While we are increasingly concentrating on the implementation of the restructuring plan, a reliable estimate of adjusted Ebitda is not possible at this time due to the existing uncertainties," he said.

The company will focus on the transformation and restructuring of Ascometal, the turnaround of Finkl Steel in North America, and the restructuring of Steeltec, as well as personnel measures and operational improvements at DEW.

JULIA BOLOTOVA



Ferrous scrap

FASTMARKETS' KEY FERROUS SCRAP PRICES

| | Price | Change [†] | Assessed |
|---|---------|---------------------|-------------|
| MB Index CFR Turkey HMS 1&2 (80:20) (North Europe material) | 236.30 | -1.69% | ▼ 06 May 20 |
| MB Index CFR Turkey HMS 1&2 (80:20) (USA material) | 242.42 | -1.67% | ▼ 06 May 20 |
| MB Index Shredded India import cfr (\$/t) | 259.38 | -3.62% | ▼ 01 May 20 |
| HMS 1&2 ferrous scrap index (80:20) fob Rotterdam (\$/t) | 223.56 | -5.2% | ▼ 01 May 20 |
| HMS 1&2 (80:20) UK export fob main port (\$/t) | 222-226 | -5.08% | ▼ 01 May 20 |
| HMS 1&2 (80:20) Taiwan import cfr (\$/t) | 220-225 | -0.22% | ▼ 06 May 20 |
| US Index domestic Midwest No1 busheling (\$/gross ton) | 272.89 | -8.16% | ▼ 13 Apr 20 |
| US Index domestic Midwest shredded (\$/gross ton) | 227.89 | -16.93% | ▼ 13 Apr 20 |
| Vietnam ferrous scrap (\$/t) | 240-247 | -0.61% | ▼ 30 Apr 20 |

SÃO PAULO

Mexican ferrous scrap prices edge up on low availability, occasional deals

Mexican scrap prices were stable or higher last week as low availability for some grades led to exceptional deals at increased prices, according to sources.

Market participants reported that some scrap buyers had planned a 200 pesos (\$8) price cut for last week, but by the end of the week such changes were not applied.

"In the whole month of April, buyers announced price cuts of around 1,000 pesos, but in the end the price fell by 400 pesos only," a Mexican scrap dealer said.

But some deals were reported at higher levels for occasional purchases, with buyers avoiding announcing widespread price increases.

Fastmarkets' assessment of the steel scrap No1 heavy melt, consumer buying price, delivered mill Monterrey, was 5,050 pesos per tonne on May 5, stable from the previous week.

The assessment of the consumer buying price for No1 busheling in Monterrey, was 5,800 pesos per tonne on the same day, up 200 pesos from 5,600 pesos per tonne previously.

In Bajio, Fastmarkets' assessment of the consumer buying price for No1 heavy melt rose to 5,200 pesos per tonne, from 5,100 pesos per tonne previously, while that for No1 busheling increased to 5,850 pesos per tonne, from 5,700 pesos per tonne.

"Buyers are granting occasional increases for specific batches of material, while avoiding a widespread price rise," a second market participant said.

Despite the increase in No1 busheling prices, few actual deals were reported for this grade due to low availability of the material after Mexican automakers stopped operations in late March because of the Covid-19 pandemic.

Negotiations are taking place between the Mexican and United States governments to allow automakers to restart this month, but no measures have been announced so far.

Automakers were planning to resume operations in early May, but now most companies have changed their plans and are telling market participants a resumption will occur in mid or late May.

Generation of other grades of scrap was also low because

economic activity remained subdued. In early May, information circulated that some steel producers will reduce production in May, but most are still demanding scrap.

"It is remarkable the reduction in scrap availability and steelmakers continue to see a decrease in their scrap supply," a third source said.

Expectations were also high for the May settlements in the US, where a recovery in prices is expected following low supply.

FELIPE PERONI



Ferrous raw materials

FASTMARKETS KEY IRON ORE PRICES

cfr main China port \$ per dry metric tonne

| | Price | Change [†] | Assessed |
|--|---------------|---------------------|-----------|
| Iron ore index (62% Fe) | 84.35-84.35 | 2.24% ▲ | 06 May 20 |
| Iron ore pellet index cfr Qingdao (65% Fe) | 108.03-108.03 | -2.23% ▼ | 30 Apr 20 |

SHANGHAI

IRON ORE MONTHLY: China portside markets trade at premium through April

The seaborne iron ore market was depressed in April 2020 compared with the first quarter of the year, because of a slow recovery from a severe winter, but buying activity at Chinese ports remained resilient due to healthy short-term production by local mills, which kept the portside markets trading at a premium throughout the month.

The monthly average price for 62% Fe iron ore slipped to \$84.42 per tonne cfr China in April, and that for 65% Fe to \$100.66 per tonne, widening the spread to \$16.24 per tonne.

Problems with supply from Brazil continued to support the prices for high grades and low-alumina iron ore fines in both the seaborne and Chinese port markets, which was reflected in the wider price spread between 65% and 62% Fe material.

The Singapore Exchange's 65% Fe swaps contract, which is settled against Fastmarkets' daily index for iron ore 65% Fe Brazil-origin fines, cfr Qingdao, had a robust month in April, with 3.30 million tonnes traded. The monthly volumes for the 65% Fe contract have been above 3 million tonnes so far this year.

MARKET PRICES

Fastmarkets' daily price assessment for steel reinforcing bar (rebar), domestic, ex-whs Eastern China, averaged 3,418-3,447 yuan (\$480-484) per tonne in April, down by less than 1% month on month.

Chinese mills kept their profit margins within 300 yuan per tonne for most of April, because of the expected resumption of business and construction activities in domestic markets, as well as lower raw materials costs, which were an important indicator for the 65-62% Fe spread.

The supply concerns affecting Brazilian fines also sustained the price of high grades in both the seaborne and Chinese portside markets. But a few mill sources expected that supply would improve in late May when miner Vale's operations in Malaysia were restarted.

In April, iron ore prices at Chinese ports were at a premium over the seaborne market, demonstrating the robust near-term demand for steel production despite the uncertainties about the medium-term prospects for the economy and consumption.

"There are fewer medium and small traders which are willing to take cargoes in the seaborne market because uncertainties have arisen for global economics during the Covid-19 pandemic," a mill source in Beijing said, adding that most seaborne offers it had received recently were from large trading houses.

Besides the developments in the domestic Chinese market, changes in the international steel market also cast a shadow on iron ore prices, especially from India, Japan and Europe.

Given the suspension of operations at Indian and European mills

during the Covid-19 pandemic, China was the only viable market for iron ore, so it attracted supplies from European and Indian miners.

Apart from that, there were frequent reports that Japanese mills were offering on the spot market iron ore cargoes that could not be consumed by that country's domestic plants.

The effect of this was first felt in the pellet market, where the price dropped significantly last month, partly because of the increased shipments from India and Europe.

Fastmarkets' weekly index for iron ore 65% Fe blast furnace pellet, cfr Qingdao, averaged \$111.25 per tonne cfr China in April, down by nearly 10% month on month compared with \$123.52 per tonne in March.

MARKET NEWS

Supply side

Brazil-based miner Vale has confirmed the official schedule for a resumption of production at its Samarco iron ore pellet joint venture in December 2020.

In October 2019, the plant received an environmental permit allowing it to resume operations.

The plan foresees a start to output with one iron ore concentrator, with capacity for 7-8 million tonnes per year. A second phase would increase capacity to 14-16 million tpy within six years, and a third phase scheduled to begin in 10 years would increase it to 22-24 million tpy.

Meanwhile, BHP is consulting with relevant stakeholders on options to increase its licensed iron ore export capacity to more than 290 million tpy from Hedland, the shipping hub in Western Australia, it told Fastmarkets on April 28.

BHP exported 238 million tonnes of iron ore in the financial year that ended in December 2019. Its guidance for shipments this year is 273-286 million tonnes.

Anglo American has lowered the 2020 production guidance figure for its Kumba iron ore operations in South Africa to 37-39 million tonnes, down from a previous guidance of 41.5-42.5 million tonnes, due to the pandemic lockdown in the country, the miner said on April 23.

It added that it is maintaining the production guidance for its Minas Rio operations in South America at 22-24 million tonnes, although the outlook for both operations remained subject to further Covid-19-related disruptions.

Vale has also lowered its guidance figure for iron ore fines production for 2020 to 310-330 million tonnes, from its previous estimate of 340-355 million tonnes, again because of the expected effects of the Covid-19 pandemic. Moreover, its pellet output guidance was reduced to 35-40 million tonnes from 44 million tonnes.

The Brazilian miner expected that 2020 fines production would be close to the lower end of the new guidance range at 310 million tonnes, compared with its actual production at 302 million tonnes.

Its iron ore fines production in the first three months of 2020 was 59.6 million tonnes, below the guidance of 63-68 million tonnes for

FASTMARKETS IRON ORE INDICES

(per tonne cfr Qingdao)

| | MBIOI 62% Fe | MBIOI 65% Fe | 65-62% Fe spread | MBIOI 66% Fe | 66-65% Fe spread | 65% Fe pellet price |
|--------------|-----------------|-----------------|---------------------|-----------------|---------------------|------------------------|
| April | \$84.42 | \$100.66 | ▲\$16.24 | \$97.06 | ▼\$3.60 | \$111.25 |
| March | \$88.58 | \$103.75 | ▲\$15.17 | \$103.45 | ▼\$0.30 | \$123.52 |
| February | \$87.12 | \$101.76 | ▲\$14.64 | \$102.64 | ▲\$0.88 | \$125.17 |
| January 2020 | \$94.05 | \$107.42 | ▲\$13.37 | \$108.48 | ▲\$1.06 | \$127.09 |
| 2019 average | \$93.63 | \$104.50 | ▲\$10.87 | \$104.47 | ▼\$0.03 | \$125.79 |

Source: Fastmarkets

continued >



Ferrous raw materials

the quarter, and down by 24% quarter on quarter and by 18% year-on-year.

BHP announced that production from its Western Australia Iron Ore (WAIO) operations was 205 million tonnes so far during the first three quarters of its current financial year, which will end in June 2020, up by 4% year on year. The WAIO iron ore production guidance for the 2019-20 year remained unchanged at 273-286 million tonnes.

Rio Tinto announced first-quarter iron ore shipments at 72.80 million tonnes on a 100% basis, 2% higher than in the first quarter of 2019 but down by 7% from the fourth quarter of 2019. The company also maintained its 2020 guidance at 324-334 million tonnes.

Production in the quarter was affected by Tropical Cyclone Damien in February but recovered quite strongly in March.

Demand side

Member mills of the China Iron & Steel Association (Cisa) produced 1.95 million tonnes per day of crude steel in mid-April, up by 0.29% compared with earlier in the month, according to data released on April 23.

Cisa has revised its forecast for Chinese steel consumption in 2020 to take into account the effects of the Covid-19 pandemic, due to lower exports of steel products and steel-intensive consumer goods.

KAREN SHI

SHANGHAI

COKING COAL DAILY: Market mulls impact of Grosvenor mine suspension in Australia

Seaborne premium hard coking coal fob Australia prices were steady on Wednesday May 6, with market participants mulling the impact of a mining production halt in Queensland - although many held on to a bearish outlook amid persistent demand worries.

FASTMARKETS INDICES

PREMIUM HARD COKING COAL, FOB DBCT:

\$107.63 per tonne, up \$0.51 per tonne

PREMIUM HARD COKING COAL, CFR JINGTANG:

\$115.02 per tonne, down \$2.31 per tonne

HARD COKING COAL, FOB DBCT:

\$89.56 per tonne, down \$3.70 per tonne

HARD COKING COAL, CFR JINGTANG:

\$99.25 per tonne, down \$2.23 per tonne

A transaction involving an 85,000-tonne cargo of premium mid-vol hard coking coal with a laycan of June 6-June 15 was concluded at \$105 per tonne fob Australia on Wednesday May 6, sources told Fastmarkets.

Mining operations at Anglo American's Grosvenor coal mine in Queensland, Australia, were suspended on Wednesday following an incident in the afternoon. The news, however, did little to change the outlook of market participants.

Several market participants from China said they remained cautious and would be keeping their outlook unchanged from before the Labor Day holiday.

"The price for pulverized coal injection material remains steady, partly due to the relatively small volumes of certain brands," one buyer source from China said.

Another buyer source from the country said seaborne coking coal prices - both for premium hard coking coal and hard coking coal - would drop slightly because "the supply and demand fundamentals haven't changed."

Supply still exceeds demand in the seaborne coking coal market.

A buyer source from India was pessimistic about demand for seaborne materials in the Indian market and said the poor demand situation in the country would not change in the next two months.

"Demand for steel-related products is still poor from automotive plants and construction projects and, in turn, for coking coal," a trader in India said.

DALIAN COMMODITY EXCHANGE

The most-traded September coking coal contract closed at 1,081 yuan (\$152.28) per tonne on Wednesday, up by 12 yuan per tonne.

The most-traded September coke futures contract closed at 1,708 yuan per tonne, up by 15 yuan per tonne.

Deepali Sharma in Singapore also contributed to this report.

LI MIN

SINGAPORE

IRON ORE DAILY: Seaborne prices mostly up after China's Labor Day holiday

The seaborne iron ore market uptrend resumed on Wednesday May 6 due to more active trading after Chinese market participants returned from the Labor Day holiday on May 1-5.

FASTMARKETS IRON ORE INDICES

62% FE FINES, CFR QINGDAO:

\$84.35 per tonne, up \$0.31 per tonne.

62% FE LOW-ALUMINA FINES, CFR QINGDAO:

\$86.24 per tonne, down \$0.46 per tonne.

58% FE FINES HIGH-GRADE PREMIUM, CFR QINGDAO:

\$72.81 per tonne, up \$0.68 per tonne.

65% FE BRAZIL-ORIGIN FINES, CFR QINGDAO:

\$102.30 per tonne, up \$0.60 per tonne.

62% FE FINES, FOT QINGDAO:

679 yuan per wet metric tonne (implied 62% Fe China Port Price: \$88.07 per dry tonne), up 10 yuan per wmt.

KEY DRIVERS

The Dalian Commodity Exchange restarted the night trading session, from 9pm to 11pm, for iron ore future and option contracts on Wednesday May 6.

A buyer source in Beijing said night trading could provide some information and market indications for the next day's seaborne markets but usually it is less active than the day session and there is typically no seaborne trading at night.

Sources said good steel demand in China supported iron ore price rises today. A trading source in Singapore added there has been increased demand for steel because downstream consumers are trying to make up for lost output in the first quarter of 2020.

For example, Indian steel producer Jindal Steel & Power Ltd (JSPL) reported a huge increase in steel exports for April 2020 despite the Covid-19 lockdown significantly reducing steel output by other

continued >



Ferrous raw materials

domestic producers.

A buyer source in South China commented that a large portion of that steel was imported to China, where a combination of high demand and comparatively high prices attracted mills overseas.

QUOTE OF THE DAY

"Domestic [Chinese] demand has pushed steel inventory lower, and market sentiment is quite positive after the [Labor Day] holiday, supporting iron ore prices," a buyer source in Shanghai said. "Usually mills hold meetings on the first working day after holidays to discuss purchase objectives, [so] I expect a more active market in the following days."

TRADES/OFFERS/BIDS HEARD IN THE MARKET

- Rio Tinto, Beijing Iron Ore Trading Center (Corex), 170,000 tonnes of 61% Fe Pilbara Blend fines, traded at \$82.10 per tonne cfr China, laycan May 25-June 3.
- Rio Tinto, Corex, 170,000 tonnes of 61% Fe Pilbara Blend fines, traded at \$82.40 per tonne cfr China, laycan May 26-June 4.
- Globalore, 170,000 tonnes of 62% Fe Pilbara Blend fines, offered at the June average of a 62% Fe index plus a premium of \$2.50 per tonne, laycan June 1-20.
- Globalore, 70,000 tonnes of 65% Fe Iron Ore Carajas fines, bid made at \$102.30 per tonne cfr China, May arrival.

PORT PRICES

Pilbara Blend fines were traded at 650-668 yuan per wet tonne in Shandong province and Tangshan city on Wednesday, compared to 650-658 yuan per wet tonne on last Thursday.

The latest range is equivalent to about \$84.22-86.65 per tonne in the seaborne market.

DALIAN COMMODITY EXCHANGE

The most-traded September iron ore futures contract closed at 610.50 yuan per tonne on Wednesday, up by 0.50 yuan per tonne from last Thursday's close.

ZIHAO YU

SINGAPORE

Anglo halts coal mining at Grosvenor

Mining operations at Anglo American's Grosvenor coal mine in Queensland, Australia, have been suspended following an incident on the afternoon of Wednesday May 6, which led to its evacuation.

"Five people have been injured and transported to hospital. All of the injured people's families have been contacted," Anglo American said on Wednesday.

Local media reports suggest that an explosion had occurred at the mine on Wednesday afternoon.

"All remaining on-site personnel have been accounted for. The mine is in the process of being evacuated and operations stopped. Emergency response is currently under way," Anglo American added.

Grosvenor is a greenfield metallurgical coal project in Queensland's Bowen Basin. It produced 540,900 tonnes of metallurgical coal in the March quarter, a 59% year-on-year drop attributed to a longwall move.

Anglo American has yet to revise its 2020 metallurgical coal

production guidance at the time of writing.

The miner expects to produce 19-21 million tonnes of metallurgical coal this year, according to its last estimate.

Seaborne coking coal prices have tumbled in recent weeks due to the absence of ex-China demand. The Covid-19 pandemic has resulted in a drop in steelmaking activity due to weak downstream demand and various restrictions imposed on businesses.

Fastmarkets' daily index for premium hard coking coal, fob DBCT stood at \$107.12 per tonne on Tuesday, unchanged day on day. But the index is at its lowest since August 2016.

Li Min, in Shanghai, contributed to this report.

DEEPA SHARMA



Comment & analysis

NEW YORK

HOTTER ON METALS: Auto supply chain gets harsh wake-up call from Covid-19

If ever there was a masterclass in the need to disaster-proof a supply chain, then the Covid-19 pandemic has provided a harsh reminder to the automotive sector that it's failing.

It's a wake-up call for the industry, which, after a massive earthquake and tsunami hit Japan in March 2011, had vowed to end its "just in time" production philosophy and diversify its supply chain in order to limit a repeat performance of the costly global disruption the Fukushima disaster caused.

Not only did Japanese car plants shut down, but the global auto industry experienced a shortage of inputs including a specialty paint called Xirallic, a pigment known for giving vehicle paint its shiny effect.

The supply of Xirallic was hit because the only place in the world that made it, owned by Germany's Merck Chemicals, produced and stored it within the disaster zone. The result was that automakers including Ford, Chrysler, Toyota and General Motors were forced to suspend vehicle sales in certain colors; Merck has since added storage facilities outside Fukushima.

And yet less than a decade later and the shutdown of just one province in China due to Covid-19 sparked plant closures and disrupted the supply of components worldwide because the global manufacturing chain still lacks the diversity it promised.

To be sure, the automotive supply chain is complex, and this doesn't help. It's comprised of layer upon layer of companies that make products for delivery to carmakers, or original equipment manufacturers (OEMs), who manage the final assembly into vehicles.

Tier 1 suppliers provide products directly to carmakers, and in turn depend on materials from smaller Tier 2 and Tier 3 suppliers. Visibility into Tier 1 suppliers is usually pretty good; when it comes to Tier 2 and Tier 3 suppliers, transparency typically worsens. Unfortunately, it's Tier 2 and Tier 3 suppliers that have been the most hurt by pandemic-related disruptions.

HUBEI PROVINCE

Part of the supply chains of many auto producers originate or pass through Wuhan, the capital of Hubei province and epicenter of the novel coronavirus, for manufacturing, assembly or finishing.

Half all manufacturing in Wuhan is related to the automotive industry. Vehicle production in Wuhan had been forecast prior to the pandemic to reach around 1.3 million vehicles this year, accounting for roughly 6.5% of China's total production and led by Honda and General Motors.

It's little wonder that the virus created shortages or delays getting materials and components sourced from Wuhan, a situation that worsened as Covid-19 spread globally.

Japan's Honda is the largest carmaker in Wuhan with three assembly plants; it also has a large presence through its joint venture with France's PSA Group and Dongfeng Motors, one of China's top four automakers in terms of output and which has about half its production based in Hubei.

Detroit, United States-based producer General Motors meanwhile operates in Wuhan through a joint venture with SAIC Motor Corp Ltd, another of the country's top four.

So, as the government ordered a lockdown of the city to prevent the spread of the coronavirus, that meant the instant halt of vast swathes of auto and components production for nearly seven weeks before a phased-in restart.

SUPPLY CHAIN

The lockdown meant the province's 70 supplier plants to the automotive sector were also forced to close, pushing the Wuhan-related impacts of the virus even further.

Hubei is a critical sourcing hub for OEMs, and serves Guangdong, Chongqing and Sichuan provinces for Honda and Dongfeng. Despite the experience of Fukushima, Hubei also offers "just in time" interior components to both Honda and General Motors, meaning any delays have an immediate impact.

But it stretches beyond this, and here are some examples of how.

Hubei provides auto lighting components to Germany's Daimler in Beijing and China's Zhejiang Geely Holding Group Co – the owner of Lotus and Volvo – in Zhejiang.

Germany's ZF Group and Japanese-owned Chassis Brake International are important suppliers of brakes based in the region, as well as suppliers outside Hubei to other OEMs, including Daimler, Geely, Honda, China's Jiangling Motors, SAIC and Germany's VW, with the latter selling 40% of its cars in China.

The shutdown also affected major automotive suppliers such as seat makers Adient and Lear Corp, powertrain components manufacturer BorgWarner, turbocharger maker Garrett Motion, and broader auto parts makers Bosch and Magna, which all have manufacturing operations in the virus-hit region.

Companies also got hit by reduced migrant worker flow across China, interrupted by the lockdown as well as by sickness and health concerns.

The supply chain disruption that the Hubei province closures caused accelerated vehicle production downtime in other countries due to a now broader shortage of component parts.

That was the case with South Korea's Hyundai Motor Group and its subsidiary Kia Motors Corp, GM Korea and Renault Samsung, as well as Japanese carmakers Nissan and Toyota. It even led Jaguar Land Rover to fly car key fobs out of China in suitcases in order to secure parts.

As the virus spread and created lockdowns in other key manufacturing nations, the situation was naturally exacerbated even further. Production from the United States to Romania was shuttered and companies hunkered down while the virus continued to spread.

Although some plants are now restarting, the global economic downturn will feed immediately through to sales and further crimp demand; there may well be no need to catch up on the production lost to the closures.

FUTURE LESSONS

If Covid-19 can teach car manufacturers anything, it should be that they need to develop several alternate sourcing and manufacturing plans in different regions of the world to prevent the disruption they have faced.

This is easier said than done. The auto supply chain is highly customized for specific makes and models, while the software that instructs individual chips is not standardized, so replacement parts may not be able to communicate even if they could be found.

But the hunt for alternative suppliers in diversified geographies must now be on the table – even if it takes time, potentially adds to costs and has transportation, tax and tariff implications. It may even require the redesign of vehicles or the materials that are used.

OEMs are unlikely to want to struggle with the supply of wheels,

continued >



Comment & analysis

brake and steering components, and electronics going forward – particularly if a second wave of the pandemic is forthcoming, as many health experts predict.

Even developing a back-up network in the event of disruption is better than the current status quo, and it's also cheaper because it only costs when it is used.

There will likely be a push to boost transparency of supply chains, hastening a move into digital supply chains that have been used with great success in other industries such as food, health and shipping. At the very least, knowing where a key component is allows planning in the event of a delay and adds a level of certainty to the process.

For auto firms with access to capital and decent balance sheets, now may be the time to move deeper into the supply chain through investments, joint ventures or mergers and acquisitions.

Until then, the industry remains vulnerable, awaiting its next stress test.

ANDREA HOTTER

CME Group Resource Centre



CME has a wealth of education information stored in an easy to access section on metalbulletin.com

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Take a look at some of the articles published on copper markets.

- Trader's Edge covers a surge in Copper options trading, including how traders are watching for rising volume and narrowing bid/offer spreads.
- Trading at Settlement (TAS) allows a market participant to buy or sell futures contracts during the trading day equal to the yet-to-be determined settlement price, or at a price up to 10 ticks above or below that price.
- Both futures and forwards offer a mechanism to manage risk and investment exposure in the commodity markets. The structure of these two types of markets is subtly different, and these differences can have implications for the relative cost of trading and investing in these products. This paper examines the implications for the cost of trading in the markets for futures and forwards in metals, using the copper market as the example case.
- COMEX Copper futures and options provide the liquidity and transparency you need in a global reference price. Read how.
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Prices

For the latest prices go to <http://www.metalbulletin.com/My-price-book.html>

| NEW YORK FUTURES | | | |
|---|-----------------|---------|-------------|
| | Price | Change† | Assessed |
| Comex: Copper high grade cents/lb | | | |
| Settlement | 234.10 | -1.6% | ▼ 05 May 20 |
| Open interest | 161,571 | -5.75% | ▼ 04 May 20 |
| Stocks (short ton) | 43,228 | 2.8% | ▲ 04 May 20 |
| Comex: Gold \$/troy oz | | | |
| Settlement | 1,704.40 | -0.36% | ▼ 05 May 20 |
| Open interest | 490,122 | -2.18% | ▼ 04 May 20 |
| Stocks (troy oz) | 20,682,479 | 7.14% | ▲ 04 May 20 |
| Nymex: Palladium \$/troy oz | | | |
| Settlement | 1,756.5 | -6.5% | ▼ 05 May 20 |
| Stocks (troy oz) | 30,022 | 0% | 04 May 20 |
| Nymex: Platinum \$/troy oz | | | |
| Settlement | 784.70 | -0.92% | ▼ 05 May 20 |
| Stocks (troy oz) | 153,124 | -0.03% | ▼ 04 May 20 |
| Comex: Silver cents/troy oz | | | |
| Settlement | 1,505.70 | -0.69% | ▼ 05 May 20 |
| Open interest | 131,830 | -5.38% | ▼ 04 May 20 |
| SHANGHAI FUTURES | | | |
| | Price | Change† | Assessed |
| Aluminium yuan/tonne | 12,900 | 1.02% | ▲ 06 May 20 |
| Copper yuan/tonne | 42,860 | 0.59% | ▲ 06 May 20 |
| Nickel cathode yuan/tonne | 101,020 | 1.3% | ▲ 06 May 20 |
| Tin ingot yuan/tonne | 134,820 | 1.08% | ▲ 06 May 20 |
| Zinc yuan/tonne | 16,510 | 0.7% | ▲ 06 May 20 |
| Steel rebar month 1 yuan/tonne | 3,544 | 1.55% | ▲ 06 May 20 |
| Steel rebar month 2 yuan/tonne | 3,535 | 1.76% | ▲ 06 May 20 |
| Steel rebar month 3 yuan/tonne | 3,547 | 1.63% | ▲ 06 May 20 |
| Weekly stocks deliverable | | | |
| Aluminium (tonnes) | 458,403 | -5.64% | ▼ 24 Apr 20 |
| Copper (tonnes) | 259,037 | -14.61% | ▼ 24 Apr 20 |
| Nickel cathode (tonnes) | 27,461 | -1.81% | ▼ 24 Apr 20 |
| Tin ingot (tonnes) | 3,702 | -3.29% | ▼ 24 Apr 20 |
| Zinc (tonnes) | 133,349 | -9.27% | ▼ 24 Apr 20 |
| Steel rebar (tonnes) | 24,906 | -33.37% | ▼ 24 Apr 20 |
| DAILY METAL AND STEEL | | | |
| <i>London forward LME settlement prices. All prices per tonne, unless otherwise stated, in LME warehouse, EU duty, if any paid for buyers account</i> | | | |
| | Price | Change† | Assessed |
| Aluminium high grade \$ | | | |
| Cash official | 1,443-1,443 | -1.43% | ▼ 06 May 20 |
| Cash unofficial | 1,443-1,443 | -1.13% | ▼ 05 May 20 |
| 3 months official | 1,481-1,481 | -1.53% | ▼ 06 May 20 |
| 3 months unofficial | 1,483.5-1,483.5 | -0.97% | ▼ 05 May 20 |
| LME Tapo notional average price (NAP) | 1,438.5 | -1.24% | ▼ 05 May 20 |
| LME stocks (tonnes) | 1,352,525 | 0.43% | ▲ 05 May 20 |
| Aluminium alloy (A380.1/DIN/D12S) \$ | | | |
| LME cash official | 1,175-1,175 | -3.77% | ▼ 06 May 20 |
| LME cash unofficial | 1,175-1,175 | -4.51% | ▼ 05 May 20 |
| LME 3 months official | 1,190-1,190 | -3.25% | ▼ 06 May 20 |
| LME 3 months unofficial | 1,190-1,190 | -4.03% | ▼ 05 May 20 |
| LME stocks (tonnes) | 7,500 | -7.86% | ▼ 05 May 20 |

| | Price | Change | Assessed |
|--|-----------------|---------|-------------|
| N. American special aluminium alloy | | | |
| LME cash official | 1,110-1,110 | -1.81% | ▼ 06 May 20 |
| LME cash unofficial | 1,108-1,108 | -1.99% | ▼ 05 May 20 |
| LME 3 months official | 1,130-1,130 | -1.61% | ▼ 06 May 20 |
| LME 3 months unofficial | 1,130-1,130 | -1.61% | ▼ 05 May 20 |
| LME stocks (tonnes) | 34,240 | -1.33% | ▼ 05 May 20 |
| Copper grade A \$ | | | |
| LME cash official | 5,199.5-5,199.5 | 0.3% | ▲ 06 May 20 |
| LME cash unofficial | 5,108.5-5,108.5 | -1.74% | ▼ 05 May 20 |
| LME 3 months official | 5,228-5,228 | 0.25% | ▲ 06 May 20 |
| LME 3 months unofficial | 5,138.5-5,138.5 | -1.69% | ▼ 05 May 20 |
| LME Tapo notional average price (NAP) | 5,076.83 | 0.92% | ▲ 05 May 20 |
| LME stocks (tonnes) | 245,100 | -4.3% | ▼ 05 May 20 |
| Lead \$ | | | |
| LME cash official | 1,618.5-1,618.5 | 0.25% | ▲ 06 May 20 |
| LME cash unofficial | 1,615-1,615 | -0.71% | ▼ 05 May 20 |
| LME 3 months official | 1,638-1,638 | -0.18% | ▼ 06 May 20 |
| LME 3 months unofficial | 1,638.5-1,638.5 | -0.73% | ▼ 05 May 20 |
| LME stocks (tonnes) | 73,975 | 0.61% | ▲ 05 May 20 |
| Nickel \$ | | | |
| LME cash official | 12,199-12,199 | 0.53% | ▲ 06 May 20 |
| LME cash unofficial | 11,856-11,856 | -3.48% | ▼ 05 May 20 |
| LME 3 months official | 12,273-12,273 | 0.52% | ▲ 06 May 20 |
| LME 3 months unofficial | 11,928-11,928 | -3.46% | ▼ 05 May 20 |
| LME stocks (tonnes) | 233,304 | 0.93% | ▲ 05 May 20 |
| Tin \$ | | | |
| LME cash official | 15,060-15,060 | -1.74% | ▼ 06 May 20 |
| LME cash unofficial | 15,290-15,290 | -1.48% | ▼ 05 May 20 |
| LME 3 months official | 15,036-15,036 | -1.44% | ▼ 06 May 20 |
| LME 3 months unofficial | 15,170-15,170 | -1.62% | ▼ 05 May 20 |
| LME stocks (tonnes) | 5,080 | -11.11% | ▼ 05 May 20 |
| Zinc special high grade \$ | | | |
| LME cash official | 1,945.5-1,945.5 | 0.8% | ▲ 06 May 20 |
| LME cash unofficial | 1,902-1,902 | -0.89% | ▼ 05 May 20 |
| LME 3 months official | 1,949.5-1,949.5 | 0.54% | ▲ 06 May 20 |
| LME 3 months unofficial | 1,913-1,913 | -0.88% | ▼ 05 May 20 |
| LME stocks (tonnes) | 100,425 | 2.97% | ▲ 05 May 20 |
| Cobalt min 99.3% | | | |
| LME cash official | 29,500-29,500 | 0% | 06 May 20 |
| LME 3 months official | 30,000-30,000 | 0% | 06 May 20 |
| LME stocks (tonnes) | 603 | -0.5% | ▼ 05 May 20 |
| Gold \$/troy oz | | | |
| London morning | 1,696.30 | -0.69% | ▼ 05 May 20 |
| London afternoon | 1,699.55 | 0.47% | ▲ 05 May 20 |
| Handy/Harman | 1,699.55 | 0.47% | ▲ 05 May 20 |
| Silver per troy oz | | | |
| London spot pence | 1,185 | -2.23% | ▼ 05 May 20 |
| London spot cents | 1,475 | -2.61% | ▼ 05 May 20 |
| Handy/Harman | 1,494.5 | -0.79% | ▼ 05 May 20 |
| Palladium \$/troy oz | | | |
| London morning | 1,815 | -5.12% | ▼ 05 May 20 |
| London afternoon | 1,770 | -6.25% | ▼ 05 May 20 |
| Platinum \$/troy oz | | | |
| London morning | 756 | -1.18% | ▼ 05 May 20 |
| London afternoon | 761 | -1.81% | ▼ 05 May 20 |

† week-on-week change

continued >



| | Price | Change | Assessed |
|-------------------------------------|--------|----------|-----------|
| Kuala Lumpur tin market | | | |
| Tin \$/tonne | 15,150 | -2.19% ▼ | 06 May 20 |
| ICDX | | | |
| Tin PB300 settlement price \$/tonne | 16,850 | -2.77% ▼ | 09 Dec 19 |
| Tin PB300 volume, tonnes | 30 | 200% ▲ | 09 Dec 19 |

RAND FIXING PRICES

Rand fixing prices per tonne for London Metal Exchange trade

| | Price | Change [†] | Assessed |
|-----------|------------|---------------------|-----------|
| Copper | 95,953.65 | -0.27% ▼ | 06 May 20 |
| Aluminium | 26,629.70 | -1.99% ▼ | 06 May 20 |
| Lead | 29,868.45 | -0.32% ▼ | 06 May 20 |
| Zinc | 35,903.04 | 0.23% ▲ | 06 May 20 |
| Nickel | 225,125.23 | -0.04% ▼ | 06 May 20 |
| Tin | 277,923.26 | -2.3% ▼ | 06 May 20 |

EXCHANGE RATES

| | Price | Change [†] | Assessed |
|--|----------|---------------------|-----------|
| LME settlement conversion rates | | | |
| \$/£ | 1.2389 | -0.06% ▼ | 06 May 20 |
| \$/¥ | 106.1200 | -0.35% ▼ | 06 May 20 |
| \$/€ | 1.0814 | -0.27% ▼ | 06 May 20 |
| Closing rates, midpoint | | | |
| \$/£ | 1.2455 | 0.14% ▲ | 05 May 20 |
| \$/¥ | 106.6050 | -0.32% ▼ | 05 May 20 |
| \$/€ | 1.0840 | 0.07% ▲ | 05 May 20 |
| £/€ | 1.1489 | 0.06% ▲ | 05 May 20 |
| \$/CNY | 7.0521 | -0.46% ▼ | 05 May 20 |

BASE METALS ARBITRAGE

| | Price | Change [†] | Assessed |
|------------------------------|---------|---------------------|-----------|
| Aluminium | | | |
| Import arbitrage, \$/tonne | 4.22* | -113.96% ▼ | 06 May 20 |
| Import arbitrage, yuan/tonne | 29.97* | -113.98% ▼ | 06 May 20 |
| Copper | | | |
| Import arbitrage, \$/tonne | 28.41* | 940.66% ▲ | 06 May 20 |
| Import arbitrage, yuan/tonne | 201.82* | 940.85% ▲ | 06 May 20 |
| Nickel | | | |
| Import arbitrage, \$/tonne | 23.5* | -118.83% ▼ | 06 May 20 |
| Import arbitrage, yuan/tonne | 166.95* | -118.86% ▼ | 06 May 20 |
| Zinc | | | |
| Import arbitrage, \$/tonne | -3.25* | -92.79% ▼ | 06 May 20 |
| Import arbitrage, yuan/tonne | -23.07* | -92.78% ▼ | 06 May 20 |

MB BASE METAL PREMIUMS

All prices \$/tonne unless otherwise stated

*MB Copyright

| | Price | Change [†] | Assessed |
|--|--------------|---------------------|-----------|
| Copper | | | |
| Annual premium 8mm wire rod, cif | | | |
| Nhava Sheva, \$/tonne | 130-175* | -12.86% ▼ | 07 Sep 18 |
| Europe, EQ Grade, cathode, cif, \$/tonne | 25.0-35.0* | 0% | 05 May 20 |
| Rotterdam, Grade A, cathode, cif, \$/tonne | 40.0-50.0* | 0% | 05 May 20 |
| Germany, Grade A, cathode, delivered, \$/tonne | 80.0-90.0* | 0% | 05 May 20 |
| North European warrants, Grade A cathode, in-warehouse, \$/tonne | 10.0-15.0* | 0% | 06 May 20 |
| South European warrants, Grade A cathode, in-warehouse, \$/tonne | 10.0-15.0* | 0% | 06 May 20 |
| Leghorn, copper low-high premium, Grade A, cathode, cif, \$/tonne | 45.0-55.0* | 0% | 05 May 20 |
| Japan, copper, Grade A, cathode, cif, \$/tonne | 60.0-68.0* | 0% | 28 Apr 20 |
| South Korea, copper low-high premium, Grade A, cathode, cif, \$/tonne | 70.0-75.0* | 3.57% ▲ | 05 May 20 |
| Southeast Asian warrants, Grade A cathode, in-warehouse, \$/tonne | 10.0-15.0* | 0% | 06 May 20 |
| East Asian warrants, Grade A cathode, in-warehouse, \$ per tonne | 10.0-15.0* | 0% | 06 May 20 |
| Southeast Asia, Grade A cathode, cif, \$ per tonne | 70.0-75.0* | 0% | 05 May 20 |
| Shanghai, EQ Grade, cathode, cif, \$/tonne | 25.0-40.0* | 0% | 05 May 20 |
| Shanghai, copper low-high premium, Grade A, cathode, in-warehouse, \$/tonne | 90.0-105.0* | 8.94% ▲ | 06 May 20 |
| Shanghai, copper low-high premium, Grade A, cathode, cif, \$/tonne | 85.0-100.0* | 10.78% ▲ | 06 May 20 |
| Shanghai, copper cif ER, premium, Grade A, cathode, \$/tonne | 90.0-100.0* | 5.56% ▲ | 06 May 20 |
| Shanghai, copper cif SX-EW, premium, Grade A, cathode, \$/tonne | 85.0-90.0* | 13.64% ▲ | 06 May 20 |
| Shanghai, copper bonded in-warehouse, SX-EW, premium, Grade A, cathode, \$/tonne | 90.0-100.0* | 11.11% ▲ | 06 May 20 |
| Shanghai, copper bonded in-warehouse, ER, premium, Grade A, cathode, \$/tonne | 100.0-105.0* | 10.22% ▲ | 06 May 20 |
| Taiwan, Grade A cathode, cif, \$ per tonne | 72.0-80.0* | 10.95% ▲ | 05 May 20 |
| United States warrants, Grade A cathode, \$/tonne | 5.0-15.0* | 0% | 06 May 20 |
| Copper Cathode, Grade 1 premium, Delivered Domestic US, US cents/pound | 6.5-7.5* | 0% | 05 May 20 |
| Copper Cathode, Grade 1 premium, Delivered Domestic US, \$/tonne | 143.3-165.3* | 0% | 05 May 20 |
| Aluminium | | | |
| Aluminium P1020A, in-warehouse Rotterdam duty-unpaid, spot low-high, \$/tonne | 75.0-85.0* | 0% | 06 May 20 |
| Aluminium P1020A, cif main Korea ports, spot low-high, \$/tonne | 85-95* | 0% | 05 May 20 |
| Aluminium P1020A, Southeast Asian warrants, in-warehouse, \$/tonne | 10.0-20.0* | 0% | 06 May 20 |
| Aluminium P1020A, East Asian warrants, in-warehouse, \$/tonne | 10.0-20.0* | 0% | 06 May 20 |
| Aluminium P1020A, cif Shanghai, spot low-high, \$/tonne | 95.0-105.0* | 0% | 28 Apr 20 |
| Aluminium P1020A, South Korea, fca, \$/tonne | 100.0-110.0* | 0% | 05 May 20 |
| Aluminium P1020A, Shanghai, in-warehouse, \$/tonne | 95.0-105.0* | 0% | 28 Apr 20 |
| Aluminium P1020A, Taiwan, cif, \$/tonne | 85.0-95.0* | 0% | 05 May 20 |
| Aluminium P1020A, Italy, fca duty-paid, spot, \$/tonne | 120.0-130.0* | 0% | 05 May 20 |
| Aluminium P1020A, Spain, fca duty-paid, \$/tonne | 110.0-130.0* | 0% | 05 May 20 |

† week-on-week change

continued >



| | Price | Change | Assessed |
|---|----------------|-----------|-----------|
| Aluminium P1020A, Turkey, cif duty-unpaid, \$/tonne | 100.0-110.0* | 0% | 05 May 20 |
| Aluminium ingot ADC 12 ex-works China, duty-paid, yuan/tonne | 13,200-13,600* | 0% | 06 May 20 |
| Aluminium ingot ADC 12 spot, main Japanese ports, \$/tonne | 1,380-1,400* | 0% | 06 May 20 |
| Aluminium P1020A, cif main Japanese ports, spot low-high, \$/tonne | 70.0-80.0* | 7.14% ▲ | 05 May 20 |
| Aluminium P1020A, cif main Japanese ports, quarterly, \$/tonne | 82.0-82.0* | -1.2% ▼ | 03 Apr 20 |
| Aluminium P1020A, in-warehouse Rotterdam duty-paid, spot \$/tonne | 90.0-105.0* | 0% | 05 May 20 |
| Aluminium 6063 extrusion billet, in-warehouse Rotterdam duty-paid, spot, \$/tonne | 200.0-220.0* | 0% | 01 May 20 |
| Aluminium P1020A, free market delivered, cents per pound | 73.44-75.44* | -1% ▼ | 05 May 20 |
| Aluminium P1020A, duty paid premium, delivered Midwest, cents per pound | 8-10* | 0% | 05 May 20 |
| Aluminium P1020A, cif Baltimore premium, US cents/lb | 4.75-5.25* | 0% | 05 May 20 |
| Aluminium P1020A, US warrants, in-warehouse, \$/tonne | 115.0-125.0* | 0% | 06 May 20 |
| Aluminium P1020A, delivered Sao Paulo region, spot, \$/tonne | 210.0-230.0* | 0% | 05 May 20 |
| Aluminium P1020A, cif Brazilian main ports duty-unpaid, spot, \$/tonne | 120.0-140.0* | -14.75% ▼ | 05 May 20 |
| Aluminium 6063 + 6060 extrusion billet, cif Brazilian main ports, spot (premium over LME cash), \$/tonne | 260.0-270.0* | 0% | 24 Apr 20 |
| Aluminium billet, delivered duty-paid North Germany (Ruhr region) over LME 30-day pay, \$/gross tonne | 240.0-260.0* | 0% | 01 May 20 |
| Aluminium billet, delivered duty-paid Italy (Brescia area) over LME 60-day pay, \$/gross tonne | 240.0-260.0* | 0% | 01 May 20 |
| Aluminium billet, delivered duty-paid Spain over LME 60-day pay, \$/gross tonne | 230.0-250.0* | 0% | 24 Apr 20 |
| Aluminium billet, cif Thailand duty-unpaid over LME cash pay, \$/gross tonne | 180.0-190.0* | -2.63% ▼ | 09 Apr 20 |
| Aluminium billet, cif Japan duty-unpaid over MJF and LME cash pay, \$/gross tonne | 130.0-140.0* | -6.9% ▼ | 17 Apr 20 |
| Aluminium billet, cif Turkey (Marmara region) duty-unpaid over LME cash pay, \$/gross tonne | 220.0-240.0* | 0% | 24 Apr 20 |
| Aluminium foundry alloy premium, delivered duty-paid, Germany, \$/tonne | 280.0-290.0* | -8.06% ▼ | 09 Apr 20 |
| Aluminium foundry alloy premium, delivered duty-paid, Eastern Europe, \$/tonne | 290.0-310.0* | -11.76% ▼ | 09 Apr 20 |
| Aluminium foundry alloy premium, delivered duty-unpaid, US midwest, \$/tonne | 5.5-8.5* | -6.67% ▼ | 09 Apr 20 |
| Aluminium foundry alloy premium, delivered duty-paid cif Turkey, \$/tonne | 150.0-160.0* | -11.43% ▼ | 09 Apr 20 |
| Annual aluminium wheel alloy silicon 7 ingot cif main Japanese ports (Yokohama, Osaka, Nagoya) \$/tonne | 120.0-140.0* | 0% | 24 Jan 20 |
| Annual aluminium wheel alloy silicon 7 ingot cif main South Korean ports (Busan, Gwangyang, Incheon) \$/tonne | 90.0-120.0* | -4.55% ▼ | 24 Jan 20 |
| Lead | | | |
| North European warrants, min 99.97% ingots, in-warehouse, \$/tonne | 10.0-15.0* | 0% | 06 May 20 |
| Southeast Asian warrants, min 99.97% ingots, in-warehouse, \$/tonne | 10.0-20.0* | 0% | 06 May 20 |
| East Asian warrants, min 99.97% ingots, in-warehouse, \$/tonne | 10.0-20.0* | 0% | 06 May 20 |
| Southeast Asia, min 99.97% cif, \$/tonne | 60.0-75.0* | 0% | 05 May 20 |
| Southeast Asia, 99.99% cif, \$/tonne | 120.0-140.0* | 0% | 05 May 20 |
| Taiwan, 99.97% purity, cif, \$/tonne | 70.0-90.0* | 0% | 05 May 20 |
| Taiwan, 99.99% purity, cif, \$/tonne | 150.0-160.0* | 0% | 05 May 20 |

| | Price | Change | Assessed |
|--|--------------|----------|-----------|
| India, 99.97% purity, cif, \$/tonne | 60.0-120.0* | 0% | 05 May 20 |
| India, 99.99% purity, cif, \$/tonne | 160.0-170.0* | 0% | 05 May 20 |
| South European warrants, 99.97% purity, in-warehouse, \$/tonne | 10.0-15.0* | 0% | 06 May 20 |
| US warrants, 99.97% purity, in-warehouse, \$/tonne | 20.0-30.0* | 0% | 06 May 20 |
| US lead premium 99.97%, delivered domestic, cents/lb | 8-9* | 0% | 05 May 20 |
| US lead premium 99.99%, delivered domestic, cents/lb | 10-12* | 0% | 05 May 20 |
| Nickel | | | |
| Shanghai, nickel low-high premium, 99.8% purity in-warehouse, \$/tonne | 120.0-150.0* | 0% | 05 May 20 |
| Shanghai, nickel low-high premium, 99.8% purity, full plate, cif, \$/tonne | 120.0-150.0* | 0% | 05 May 20 |
| Shanghai, nickel premium, 99.80% purity, briquette, duty-free, cif, \$/tonne | 110.0-150.0* | 0% | 28 Apr 20 |
| Southeast Asian warrants, min 99.80% full plates, in-warehouse, \$/tonne | 70-100* | 0% | 06 May 20 |
| Southeast Asian warrants, min 99.80% briquettes, in-warehouse, \$/tonne | 10-15* | 0% | 06 May 20 |
| East Asian warrants, min 99.80% full plates, in-warehouse, \$/tonne | 70-100* | 0% | 06 May 20 |
| East Asian warrants, min 99.80% briquettes, in-warehouse, \$/tonne | 10-15* | 0% | 06 May 20 |
| North European warrants, min 99.80%, in-warehouse, \$/tonne | 20-50* | 0% | 06 May 20 |
| uncut cathodes premium indicator | 60.0-100.0* | 0% | 05 May 20 |
| 4x4 cathodes premium indicator | 210.0-250.0* | 0% | 05 May 20 |
| briquettes premium indicator | 20.0-60.0* | 0% | 05 May 20 |
| Nickel 4x4 cathode premium, delivered consumer works US, US cents per pound | 33-40* | 0% | 05 May 20 |
| Nickel briquette premium, delivered consumer works US, US cents per pound | 16-19* | -2.78% ▼ | 05 May 20 |
| Tin | | | |
| Rotterdam spot premium, 99.9% low lead ingots, in-warehouse \$/tonne | 400-475* | 0% | 05 May 20 |
| Rotterdam spot premium 99.9% ingot, in-warehouse \$/tonne | 375-420* | 0% | 05 May 20 |
| South East Asian warrants, min 99.85% ingots, in-warehouse \$/tonne | 60-100* | 0% | 06 May 20 |
| Shanghai spot premium, 99.9% ingots, cif, \$/tonne | 230-250* | 0% | 05 May 20 |
| Shanghai spot premium, 99.9% low lead ingots, cif, \$/tonne | 320-350* | 0% | 05 May 20 |
| Taiwan spot premium, 99.9% ingots, cif, \$/tonne | 260-280* | 0% | 05 May 20 |
| Baltimore premium, 99.85% ASTM grade A ingots, in-warehouse \$/tonne | 430-550* | -6.67% ▼ | 05 May 20 |
| US midwest premium, 99.85% ASTM grade A ingots, delivered \$/tonne | 500-650* | -2.13% ▼ | 05 May 20 |
| Zinc | | | |
| North European warrants, min 99.995% SHG ingots, \$/tonne | 10.0-25.0* | 0% | 06 May 20 |
| MB EU: Special high grade, fca Rotterdam, \$/tonne | 60.0-80.0* | -6.67% ▼ | 05 May 20 |
| Malaysia fca, 99.995%, \$/tonne | 95.0-110.0* | 0% | 05 May 20 |
| Southeast Asia cif, 99.995%, \$/tonne | 115.0-130.0* | 0% | 05 May 20 |
| Singapore, zinc premium, 99.995% purity, fca \$/tonne | 95.0-110.0* | 0% | 05 May 20 |
| Shanghai, zinc low-high premium, 99.995% purity, in-warehouse, \$/tonne | 80.0-90.0* | 0% | 05 May 20 |
| Shanghai 99.995% purity, cif \$/tonne | 70.0-85.0* | 0% | 05 May 20 |
| Taiwan 99.995% purity SHG ingots, cif \$/tonne | 110.0-120.0* | 0% | 05 May 20 |
| Antwerp 99.995% purity, duty-paid fca \$/tonne | 60.0-80.0* | -6.67% ▼ | 05 May 20 |

† week-on-week change

continued >



| | Price | Change | Assessed |
|--|--------------|--------|-----------|
| Italy 99.995% purity, duty-paid fca \$/tonne | 145.0-155.0* | 0% | 05 May 20 |
| Italy 99.995% purity, delivered duty-paid \$/tonne | 170.0-190.0* | 0% | 05 May 20 |
| US warrants 99.995% purity, in-warehouse \$/tonne | 5.0-10.0* | 0% | 06 May 20 |
| MB US: Special high grade, cents/lb | 80-90* | 0% | 05 May 20 |

BASE METALS

| | Price | Change† | Assessed |
|--|------------------|----------|-----------|
| Alumina | | | |
| MB Chinese free market, metallurgical grade, delivered duty-paid, yuan/tonne | 2,180.0-2,200.0* | 2.34% ▲ | 30 Apr 20 |
| Alumina Index fob Australia | 241.74* | 3.34% ▲ | 06 May 20 |
| Alumina Index fob Brazil | -10* | | 23 Apr 20 |
| Alumina Index fob Brazil, inferred Brazil price \$ per dry metric ton | 231.74* | | 06 May 20 |
| Aluminium | | | |
| Shanghai bonded aluminium stocks, tonnes | 2,000-3,000* | 0% | 30 Apr 20 |
| Calcined petroleum coke, aluminium anode grade, fob US Gulf Coast, \$/tonne | 270-290* | 0% | 02 Apr 20 |
| Calcined petroleum coke, aluminium anode grade, fob China, \$/tonne | 250-270* | -5.45% ▼ | 02 Apr 20 |
| Aluminium 6063 extrusion conversion margin, exw Germany, \$/tonne | 650-705* | -3.56% ▼ | 02 Apr 20 |
| Aluminium 6063 extrusion conversion margin, exw US Midwest, cents/lb | 65-75* | 0% | 02 Apr 20 |
| Aluminium FRP 1050 sheet conversion margin, exw Germany, \$/tonne | 665-670* | 0% | 02 Apr 20 |
| Aluminium FRP 5052 sheet conversion margin, exw US cents/lb | 65-70* | 0% | 02 Apr 20 |
| Aluminium FRP 5000 sheet conversion margin, exw China, \$/tonne | 480-500* | -5.77% ▼ | 02 Apr 20 |
| Bauxite | | | |
| fob Kamsar, Guinea \$/dmtu | 35* | 0% | 16 Apr 20 |
| fob Trombetas, Brazil \$/dmtu | 36* | 0% | 16 Apr 20 |

Copper & Brass

Producer premium

| | | | |
|--|------------------|-----------|-----------|
| Aurubis European Grade A cathode ex-works \$/tonne | 96.0 | 11.63% ▲ | 01 Oct 18 |
| Codelco: Contract Grade A cathode (average) | 98.0 | 11.36% ▲ | 26 Sep 18 |
| South Africa: Palabora copper rod 7.90mm, Rand/tonne | 107,847.440 | 8.38% ▲ | 30 Apr 20 |
| Blister copper 98-99% spot RC cif China \$ per tonne | 117-132* | -7.78% ▼ | 30 Apr 20 |
| Blister copper 98-99% annual benchmark RC cif China \$ per tonne | 125-133* | -21.82% ▼ | 30 Dec 19 |
| Copper concentrate Asia-Pacific Index RC import, US cents/lb | 5.22* | -4.92% ▼ | 01 May 20 |
| Copper concentrate Asia-Pacific Index TC import, \$/tonne | 52.20* | -4.92% ▼ | 01 May 20 |
| Shanghai bonded copper stocks, tonnes | 291,000-301,000* | -9.2% ▼ | 04 May 20 |

| | Price | Change | Assessed |
|--|----------------|-----------|-----------|
| Nickel | | | |
| Nickel pig iron high grade NPI content 10-15% contract price delivered duty-paid China yuan per nickel unit price | 960-970* | 1.05% ▲ | 01 May 20 |
| Nickel pig iron high grade NPI content 10-15% spot price China yuan per nickel unit price | 970-980* | 1.04% ▲ | 01 May 20 |
| Shanghai bonded nickel stocks, tonnes | 11,800-20,800* | -1.21% ▼ | 30 Apr 20 |
| Nickel ore | | | |
| Laterite ore with 1.5% nickel content cif China, \$/tonne | 37-38* | 2.74% ▲ | 01 May 20 |
| Nickel ore 1.8% basis cif China, 15-20% Fe, water content: 30-35%, Si:Mg ratio less than 2, lot size 50,000 tonnes, \$/tonne | 67-68* | 0% | 01 May 20 |
| Nickel sulfate min 21%, max: 22.5%; cobalt 10ppm max, China ex-works, yuan/tonne | 23,000-23,500* | 0% | 01 May 20 |
| Lead | | | |
| Lead concentrate spot treatment charge (TC) high silver CIF China, \$/tonne | 160-180* | -12.82% ▼ | 24 Apr 20 |
| Lead concentrate spot treatment charge (TC) low silver CIF China, \$/tonne | 135-150* | -18.57% ▼ | 24 Apr 20 |
| Lead concentrate (TC) high silver, annual benchmark, \$/tonne | 98* | 0% | 03 Jun 19 |
| Lead concentrate (TC) low silver, annual benchmark, \$/tonne | 99* | 0% | 15 Mar 18 |
| Zinc | | | |
| UK: Special high grade, delivered monthly average price £/tonne | 1,690* | -1.05% ▼ | 01 May 20 |
| Zinc concentrate spot treatment charge (TC) CIF Asia-Pacific \$/tonne | 180-195* | -28.57% ▼ | 24 Apr 20 |
| Zinc concentrate spot treatment charge (TC) delivered North China yuan/tonne | 5,300-5,700* | -9.09% ▼ | 24 Apr 20 |
| Zinc concentrate spot treatment charge (TC) delivered South China yuan/tonne | 5,200-5,300* | -11.02% ▼ | 24 Apr 20 |
| Shanghai bonded zinc stocks, tonnes | 77,500-84,500* | 9.46% ▲ | 30 Apr 20 |

† week-on-week change

continued >

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| NOBLE ALLOYS & ORES | | | | Price | Change | Assessed |
|---|----------------|---------|---|-----------|--------|----------|
| Molybdenum molybdic oxide | | | | | | |
| Europe drummed molybdic oxide \$/lb Mo | 8.80-9* | 1.14% | ▲ | 06 May 20 | | |
| Molybdenum MB drummed molybdic oxide Mo, in-whs Busan, \$/lb | 8.95-9.15* | 0.56% | ▲ | 06 May 20 | | |
| US canned molybdic oxide \$/lb Mo | 8.5-8.90* | 6.1% | ▲ | 30 Apr 20 | | |
| Ferro-molybdenum | | | | | | |
| Basis 65% min, in-warehouse Rotterdam \$/kg Mo | 21.40-21.60* | 1.42% | ▲ | 06 May 20 | | |
| US free market 65-70% Mo \$/lb in-warehouse Pittsburgh | 9.5-9.80* | 2.12% | ▲ | 30 Apr 20 | | |
| Tungsten | | | | | | |
| Rotterdam & Baltimore cif APT, 88.5% WO ₃ , duty-free \$/mtu | 215-225* | 0% | | 01 May 20 | | |
| Export from mainland China APT Chinese No1 grade, min 88.5% WO ₃ , S/mtu fob | 200-230* | 0% | | 06 May 20 | | |
| MB Chinese free market concentrate 65% Wo ₃ in-warehouse China yuan/tonne | 77,000-79,000* | 1.3% | ▲ | 06 May 20 | | |
| Ferro-tungsten | | | | | | |
| Basis 75% W min \$/kg W in-warehouse Rotterdam duty-unpaid | 27-28* | -2.65% | ▼ | 06 May 20 | | |
| Vanadium | | | | | | |
| Ferro-vanadium basis 78% min, fob, China \$/kg V | 27.5-29* | 6.6% | ▲ | 30 Apr 20 | | |
| Ferro-vanadium basis 78% min, free delivery duty paid consumer plant, 1st grade, Western Europe \$/kg V | 25.5-26.25* | 0% | | 06 May 20 | | |
| US free market ferro-vanadium \$/lb in-warehouse Pittsburgh | 10.5-11.20* | 0.93% | ▲ | 30 Apr 20 | | |
| Vanadium pentoxide 98% min, fob, China \$/lb V205 | 6.05-6.20* | 0.41% | ▲ | 30 Apr 20 | | |
| Vanadium pentoxide min 98%, in-warehouse Rotterdam \$/lb V205 | 6.5-7.25* | -4.18% | ▼ | 01 May 20 | | |
| BULK ALLOYS | | | | | | |
| Ferro-chrome \$/lb Cr | | | | | | |
| China import charge chrome 50% Cr index, cif Shanghai, duty-unpaid | 0.71* | 1.43% | ▲ | 01 May 20 | | |
| Ferro-Chrome European Benchmark Indicator, Lumpy Cr charge basis 52% (and high carbon), \$ per lb | 1.12* | 7.69% | ▲ | 01 May 20 | | |
| Spot 6-8% C basis 50% Cr delivered duty paid China yuan/tonne | 6,100-6,300* | 0% | | 01 May 20 | | |
| Contract 6-8% C basis 50% Cr delivered duty paid China yuan/tonne | 5,450-5,650* | 0% | | 01 May 20 | | |
| Lumpy Cr charge basis 52% Cr (and high carbon) quarterly | 1.14* | 12.87% | ▲ | 01 Apr 20 | | |
| High carbon 6-8.5% C basis 60-70% Cr max 1.5% Si, major European destinations | 0.80-0.97* | 1.14% | ▲ | 01 May 20 | | |
| 0.10% C average 65-70% Cr | 1.65-1.86* | 1.15% | ▲ | 01 May 20 | | |
| European low carbon in-warehouse 0.06% C max - 65% Cr | 1.70-1.87* | 1.13% | ▲ | 01 May 20 | | |
| Low phosphorous Cr min 65% C max 7% Si max 1% p max 0.015% Ti max 0.05% | 0.88-0.96* | 0% | | 01 May 20 | | |
| High-carbon ferro-chrome 57-65% Cr, cif duty-unpaid Japan, \$/lb | 0.65-0.70* | 0% | | 23 Apr 20 | | |
| High carbon ferro-chrome 57-65% Cr, cif duty-unpaid South Korea, \$/lb | 0.65-0.68* | 0% | | 23 Apr 20 | | |
| US free market low carbon duty-paid fob Pittsburgh | | | | | | |
| US free market in-warehouse Pittsburgh 6-8% C basis 60-65% Cr max 2% Si | 0.85-0.95* | 0% | | 30 Apr 20 | | |
| 0.05% C - 65% min Cr | 1.90-1.95* | 0% | | 30 Apr 20 | | |
| 0.10% C - 62% min Cr | 1.68-1.72* | 0% | | 30 Apr 20 | | |
| 0.15% C - 60% min Cr | 1.53-1.63* | 0% | | 30 Apr 20 | | |
| Chrome ore \$/tonne | | | | | | |
| <i>Chrome ore cif main Chinese ports</i> | | | | | | |
| South African UG2 chrome ore concs, index basis 42% | 147* | 0% | | 01 May 20 | | |
| Turkish lumpy 40-42% cfr main Chinese ports | 190-200* | 0% | | 01 May 20 | | |
| <i>Chrome Ore inventories at the main ports of Tianjin, Qinzhou, Lianyungang and Shanghai, million tonnes</i> | | | | | | |
| | 3.87-4.16* | -1.23% | ▼ | 06 May 20 | | |
| Ferro-manganese | | | | | | |
| basis 78% Mn (scale pro rata) standard 7.5% C €/tonne | 1,000-1,050* | 0% | | 01 May 20 | | |
| US free market 78% Mn standard 7.5% C \$/long ton in-warehouse Pittsburgh | 1,230-1,300* | 0% | | 30 Apr 20 | | |
| US free market medium carbon duty-paid fob Pittsburgh, 80% min Mn 1.5% max C \$/lb | 0.92-0.96* | 0% | | 30 Apr 20 | | |
| MB Chinese free market min 65% Mn max 7.0% C in-warehouse China yuan/tonne | 6,400-6,500* | 0% | | 01 May 20 | | |
| Manganese ore | | | | | | |
| 44% Mn index, cif Tianjin \$/dmtu of metal contained | 6.55* | 0.46% | ▲ | 01 May 20 | | |
| 37% Mn index, fob Port Elizabeth \$/dmtu of metal contained | 6.16* | -2.38% | ▼ | 01 May 20 | | |
| 37% Mn index, cif Tianjin \$/dmtu of metal contained | 6.61* | -2.65% | ▼ | 01 May 20 | | |
| base 37% Mn port index, range 35-39%, fot Tianjin yuan/dmtu | 54.5* | 1.49% | ▲ | 01 May 20 | | |
| base 44% Mn port index, range 42-48%, fot Tianjin yuan/dmtu | 56.70* | -1.05% | ▼ | 01 May 20 | | |
| Inventories at the main ports of Tianjin and Qinzhou, million tonnes | 4.26-4.36* | -0.81% | ▼ | 06 May 20 | | |
| Ferro-nickel | | | | | | |
| China premium, 26-32% nickel contained, cif China, \$/tonne | -1,500--1,400* | -14.71% | ▼ | 27 Apr 20 | | |
| Ferro-silicon | | | | | | |
| Lumpy basis 75% Si (scale pro rata), major European destinations, €/tonne | 1,070-1,170* | -2.61% | ▼ | 01 May 20 | | |
| US free market \$/lb in-warehouse Pittsburgh lumpy basis 75% Si - imported | 0.92-0.98* | 0% | | 30 Apr 20 | | |
| Export from mainland China, min 75% Si, 7.5% C, \$/tonne, fob | 1,030-1,050* | 0% | | 06 May 20 | | |
| MB Chinese free market min 75% Si, in-warehouse China, yuan/tonne | 5,600-5,700* | 0% | | 06 May 20 | | |
| Silico-manganese | | | | | | |
| Lumpy basis 65-75% Mn basis 15-19% Si (scale pro rata), major European destinations, €/tonne | 1,010-1,060* | 0% | | 01 May 20 | | |
| US free market \$/lb in-warehouse Pittsburgh | 0.54-0.56* | 0% | | 30 Apr 20 | | |
| MB Chinese free market min 65% Mn max 17% Si in-warehouse duty-paid China yuan/tonne | 6,800-7,000* | 0% | | 01 May 20 | | |
| 65% min Mn 16% min Si \$/tonne fob India | 1,050-1,100* | 2.38% | ▲ | 01 May 20 | | |

† week-on-week change

continued >



CARBON STEEL - EUROPE

| | Price | Change† | Assessed |
|--|--------------|----------|-----------|
| Northern Europe imports | | | |
| <i>Fastmarkets MB's assessment of cfr prices for imported, non-EU origin, commercial-quality carbon steel, € per tonne cfr main EU port</i> | | | |
| Rebar | 445-455* | 0% | 06 May 20 |
| Wire rod (mesh quality) | 450-455* | 0% | 06 May 20 |
| Plate (8-40mm) | 435-440* | -8.38% ▼ | 06 May 20 |
| Hot rolled coil | 370-390* | -3.18% ▼ | 06 May 20 |
| Cold rolled coil | 470-480* | -2.56% ▼ | 06 May 20 |
| Hot-dip galvanized coil | 520-530* | -5.41% ▼ | 06 May 20 |
| Southern Europe imports | | | |
| <i>Fastmarkets MB's assessment of cfr prices for imported, non-EU origin, commercial-quality carbon steel, € per tonne cfr main EU port</i> | | | |
| Rebar | 430-445* | 0% | 06 May 20 |
| Wire rod (mesh quality) | 435-440* | -0.57% ▼ | 06 May 20 |
| Plate (8-40mm) | 420-435* | -2.84% ▼ | 06 May 20 |
| Hot rolled coil | 360-380* | -3.9% ▼ | 06 May 20 |
| Cold rolled coil | 460-480* | 0% | 06 May 20 |
| Hot-dip galvanized coil | 495-530* | -9.29% ▼ | 06 May 20 |
| Southern Europe exports | | | |
| <i>Fastmarkets MB's assessment of Southern Europe mills' prices for export outside Southern Europe of commercial-quality carbon steel, € per tonne fob main Southern European port</i> | | | |
| Rebar | 400-400* | -3.03% ▼ | 06 May 20 |
| Wire rod (mesh quality) | 405-410* | -1.81% ▼ | 06 May 20 |
| Northern Europe domestic | | | |
| <i>Fastmarkets MB's assessment of prices within the EU (excluding the UK) for commercial-quality carbon steel of EU origin, € per tonne delivered basis point</i> | | | |
| Rebar | 465-480* | -1.56% ▼ | 06 May 20 |
| Wire rod (mesh quality) | 450-460* | 0% | 06 May 20 |
| Sections (medium) | 580-595* | 0% | 06 May 20 |
| Beams | 525-560* | -1.81% ▼ | 06 May 20 |
| Southern Europe domestic | | | |
| <i>Fastmarkets MB's assessment of prices within the EU (excluding the UK) for commercial-quality carbon steel of EU origin, € per tonne delivered basis point</i> | | | |
| Rebar | 430-460* | -2.2% ▼ | 06 May 20 |
| Wire rod (mesh quality) | 430-450* | -1.12% ▼ | 06 May 20 |
| Sections (medium) | 570-600* | 0% | 06 May 20 |
| Beams | 535-560* | -1.79% ▼ | 06 May 20 |
| Central Europe domestic € per tonne ex-works | | | |
| Hot rolled coil | 400-410* | -2.41% ▼ | 06 May 20 |
| Poland domestic zloty per tonne ex-works | | | |
| Rebar | 1,940-1,960* | -0.76% ▼ | 30 Apr 20 |
| Northern Europe € per tonne ex-works | | | |
| Plate (8-40mm) | 480-490* | -2.02% ▼ | 06 May 20 |
| Hot rolled coil index | 423-423* | -3.86% ▼ | 05 May 20 |
| Cold rolled coil | 500-525* | -4.21% ▼ | 06 May 20 |
| Hot-dip galvanized coil | 520-530* | -4.55% ▼ | 06 May 20 |
| Southern Europe € per tonne ex-works | | | |
| Plate (8-40mm) | 450-455* | -2.16% ▼ | 06 May 20 |
| Hot rolled coil | 395-395* | -3.66% ▼ | 06 May 20 |
| Cold rolled coil | 465-490* | -3.05% ▼ | 06 May 20 |
| Hot-dip galvanized coil | 475-480* | -4.02% ▼ | 06 May 20 |

CARBON STEEL - CIS

| | Price | Change† | Assessed |
|--|----------------|----------|-----------|
| CIS exports (Black Sea) | | | |
| <i>Fastmarkets MB's assessment of CIS mills' prices for export outside the CIS of commercial-quality carbon steel, \$ per tonne fob stowed main Black Sea port</i> | | | |
| Billet index | 335* | -0.59% ▼ | 06 May 20 |
| Slab | 325-335* | -0.75% ▼ | 04 May 20 |
| Rebar | 370-400* | 0% | 04 May 20 |
| Wire rod (mesh) | 390-410* | 0% | 04 May 20 |
| Heavy plate (8-50mm) | 440-450* | 0% | 04 May 20 |
| Hot rolled coil | 350-365* | -1.38% ▼ | 04 May 20 |
| Cold rolled coil | 440-455* | -0.56% ▼ | 04 May 20 |
| Russia domestic | | | |
| <i>Fastmarkets MB's assessment of prices within Russia for commercial-quality carbon steel, rubles per tonne, carriage paid to (cpt) inc VAT</i> | | | |
| Rebar | 32,500-33,000* | -2.24% ▼ | 04 May 20 |
| Hot rolled sheet | 43,000-43,000* | 0% | 04 May 20 |
| Cold rolled sheet | 48,500-49,500* | 0% | 04 May 20 |
| Plate | 42,000-43,000* | 0% | 04 May 20 |

CARBON STEEL - MIDDLE EAST

| | Price | Change† | Assessed |
|---|--------------|----------|-----------|
| Turkish exports | | | |
| <i>Fastmarkets MB's assessment of Turkish mills' prices for export of commercial-quality carbon steel, \$ per tonne fob main Turkish port</i> | | | |
| Billet | 370-380* | 0% | 30 Apr 20 |
| Rebar | 390-405* | -2.45% ▼ | 30 Apr 20 |
| Wire rod (mesh quality) | 420-430* | -1.73% ▼ | 30 Apr 20 |
| Merchant bars | 460-465* | 0% | 30 Apr 20 |
| Structural pipe | 490-500* | -7.48% ▼ | 08 Apr 20 |
| Hot rolled coil | 390-400* | 0% | 30 Apr 20 |
| Hot dip galvanized | 560-570* | 0% | 30 Apr 20 |
| Turkish domestic | | | |
| <i>Fastmarkets MB's assessment of prices within Turkey for commercial-quality carbon steel of Turkish origin, \$ per tonne ex-works</i> | | | |
| Billet | 370-380* | 0% | 30 Apr 20 |
| Hot rolled coil | 390-400* | -2.47% ▼ | 30 Apr 20 |
| Cold rolled coil | 520-525* | -3.69% ▼ | 30 Apr 20 |
| Hot dip galvanized | 560-570* | -2.59% ▼ | 30 Apr 20 |
| Prepainted galvanized | 635-650* | -1.53% ▼ | 30 Apr 20 |
| <i>Fastmarkets MB's assessment of prices within Turkey for commercial-quality carbon steel of Turkish origin, TRY per tonne ex-works 18% VAT included</i> | | | |
| Rebar | 3,250-3,270* | -3.41% ▼ | 30 Apr 20 |
| Wire rod (mesh quality) | 3,450-3,650* | -2.74% ▼ | 30 Apr 20 |
| Turkish imports | | | |
| <i>Fastmarkets MB's assessment of prices for imported commercial-quality carbon steel, \$ per tonne cfr main Turkish port</i> | | | |
| Billet | 350-360* | -3.4% ▼ | 30 Apr 20 |
| Hot rolled coil | 365-370* | 0.68% ▲ | 30 Apr 20 |
| Cold rolled coil | 490-500* | -1.49% ▼ | 30 Apr 20 |
| UAE imports | | | |
| <i>Fastmarkets MB's assessment of prices for imported commercial-quality carbon steel, \$ per tonne cfr Jebel Ali</i> | | | |
| Billet | 375-390* | -0.65% ▼ | 05 May 20 |
| Rebar | 430-440* | 0% | 05 May 20 |
| Hot rolled coil | 360-370* | -5.19% ▼ | 05 May 20 |
| Cold rolled coil | 460-470* | -7.92% ▼ | 05 May 20 |
| Hot dip galvanized coil | 550-600* | -2.54% ▼ | 05 May 20 |
| Saudi Arabia imports | | | |
| <i>Fastmarkets MB's assessment of prices for imported commercial-quality carbon steel, \$ per tonne cfr</i> | | | |
| Hot rolled coil | 370-380* | -5.06% ▼ | 05 May 20 |

† week-on-week change

continued >



| | Price | Change | Assessed |
|--|---------------|----------|-----------|
| UAE domestic | | | |
| <i>Fastmarkets MB's assessment of prices within UAE for commercial-quality carbon steel of UAE origin, dirhams per tonne ex-works</i> | | | |
| Rebar | 1,610-1,635* | -1.67% ▼ | 05 May 20 |
| Iran exports | | | |
| <i>Fastmarkets MB's assessment of prices quoted by Iranian suppliers for commercial-quality carbon steel to overseas buyers, \$ per tonne fob Iranian ports</i> | | | |
| Billet | 335-342* | -0.44% ▼ | 06 May 20 |
| Slab | 315-325* | 0% | 06 May 20 |
| Egyptian domestic | | | |
| <i>Fastmarkets MB's assessment of prices within Egypt for commercial-quality carbon steel of Egyptian origin, EE per tonne ex-works</i> | | | |
| Rebar | 9,400-10,000* | -1.52% ▼ | 30 Apr 20 |
| Egyptian import | | | |
| <i>Fastmarkets MB's assessment of prices for imported commercial-quality carbon steel, \$ per tonne cfr main port</i> | | | |
| Billet | 350-370* | -1.37% ▼ | 30 Apr 20 |
| CARBON STEEL - LATIN AMERICA | | | |
| | Price | Change† | Assessed |
| Latin American exports | | | |
| <i>Fastmarkets MB's assessment of Latin American mills' prices for export outside Latin America of commercial-quality carbon steel, \$ per tonne fob stowed main Latin American port</i> | | | |
| Billet | 340-345* | 0% | 01 May 20 |
| Slab, Brazil | 330-345* | 1.5% ▲ | 01 May 20 |
| Wire rod mesh quality | 500-505* | 0% | 01 May 20 |
| Heavy plate over 10mm | 445-460* | 0% | 01 May 20 |
| Hot rolled coil (dry) | 410-425* | 0% | 01 May 20 |
| Cold rolled coil | 480-495* | 0% | 01 May 20 |
| South America imports | | | |
| <i>Fastmarkets MB's assessment of cfr prices for imported, commercial-quality carbon steel, \$ per tonne cfr main ports</i> | | | |
| Plate | 480-485* | 0% | 01 May 20 |
| Hot rolled coil | 420-450* | 0% | 01 May 20 |
| Cold rolled coil | 470-490* | -2.54% ▼ | 01 May 20 |
| Galvanized coil | 560-570* | 0% | 01 May 20 |
| Galvalume coil | 630-635* | -3.44% ▼ | 01 May 20 |
| Argentina domestic \$ per tonne ex-works | | | |
| <i>Fastmarkets MB's assessment of prices within Argentina for commercial-quality carbon steel, \$ per tonne</i> | | | |
| Hot rolled coil | 720-725* | 0% | 09 Apr 20 |
| Cold rolled coil | 815-820* | 0% | 09 Apr 20 |
| Galvanized coil | 1,045-1,125* | 0% | 09 Apr 20 |
| Rebar | 850-860* | 0% | 09 Apr 20 |
| Brazil domestic | | | |
| <i>Fastmarkets MB's assessment of prices within Brazil for commercial-quality carbon steel, Reais per tonne ex-works</i> | | | |
| Hot rolled coil | 2,636-2,655* | 0% | 09 Apr 20 |
| Cold rolled coil | 3,015-3,016* | 0% | 09 Apr 20 |
| Hot dip galvanized coil | 3,403-3,423* | 0% | 09 Apr 20 |
| <i>Fastmarkets MB's assessment of prices within Brazil for commercial-quality carbon steel, Reais per tonne delivered</i> | | | |
| Rebar | 2,310-2,450* | 0% | 09 Apr 20 |
| CARBON STEEL - NAFTA | | | |
| | Price | Change† | Assessed |
| US imports | | | |
| <i>Fastmarkets MB's assessment of prices for imported, non-Nafta origin, commercial-quality carbon steel, \$ per short ton cfr port Houston</i> | | | |
| Rebar | 570-600* | -2.5% ▼ | 15 Apr 20 |
| Merchant bars | 630-650* | -3.03% ▼ | 24 Apr 20 |

| | Price | Change | Assessed |
|---|--------------|----------|-----------|
| Wire rod (low carbon) | 590-600* | -2.46% ▼ | 21 Apr 20 |
| Medium sections | 650-670* | 0.38% ▲ | 30 Apr 20 |
| Medium plate | 600-640* | 0% | 29 Apr 20 |
| Hot rolled coil (commodity) | 450-480* | -7.92% ▼ | 29 Apr 20 |
| Cold rolled coil | 600-680* | -6.57% ▼ | 29 Apr 20 |
| Hot dipped galvanized 0.012-0.015, G30 | 740-860* | -8.57% ▼ | 29 Apr 20 |
| OCTG API5CT - Casing J55 import South Korean-made, cif Houston, \$/short ton | 700-750* | -6.45% ▼ | 28 Apr 20 |
| OCTG API5CT - Casing J55 import non-South Korean-made, cif Houston, \$/short ton | 690-750* | -6.49% ▼ | 28 Apr 20 |
| US domestic | | | |
| <i>Fastmarket AMM's assessment of prices within the USA for commercial-quality carbon steel of US or Canadian origin, \$ per short ton, delivery terms as indicated</i> | | | |
| Rebar (fob mill) | 580-600* | -2.48% ▼ | 15 Apr 20 |
| Plate (fob mill) | 570* | 0% | 01 May 20 |
| Hot rolled coil Midwest index (fob mill) | 489.20* | 8.09% ▲ | 05 May 20 |
| Cold rolled coil (fob mill) | 650* | -1.52% ▼ | 30 Apr 20 |
| Hot-dip galvanized coil (base) Midwest (fob mill) | 640* | -3.03% ▼ | 30 Apr 20 |
| OCTG API5CT - casing J55 (fob mill) | 880-950* | 0% | 28 Apr 20 |
| <i>Fastmarket AMM's assessment of prices within the USA for commercial-quality carbon steel of US or Canadian origin, \$ per hundredweight, delivery terms as indicated</i> | | | |
| Merchant bar 3 x 3 1/4 angle (fob mill) | 34.25-34.25* | -3.52% ▼ | 24 Apr 20 |

CARBON STEEL - ASIA

| | Price | Change† | Assessed |
|--|--------------|----------|-----------|
| China exports | | | |
| <i>Fastmarkets MB's assessment of Chinese mills prices for export of commercial-quality carbon steel, \$ per tonne fob main China port</i> | | | |
| Rebar index | 438-438* | 0% | 06 May 20 |
| Wire rod (mesh quality) | 425-430* | 0% | 06 May 20 |
| Heavy plate | 440-450* | 0.56% ▲ | 06 May 20 |
| Hot rolled coil index | 405-405* | 0.61% ▲ | 06 May 20 |
| Cold rolled coil | 440-445* | 0% | 06 May 20 |
| Galvanized coil 1mm | 500-510* | 0% | 06 May 20 |
| Eastern China domestic | | | |
| <i>Fastmarkets MB's assessment of prices in eastern China for commercial-quality carbon steel of Chinese origin, yuan per tonne ex-warehouse</i> | | | |
| Rebar | 3,430-3,460* | 0.88% ▲ | 06 May 20 |
| Wire rod (mesh) | 3,400-3,450* | -1.44% ▼ | 30 Apr 20 |
| Sections | 3,500-3,530* | -1.68% ▼ | 30 Apr 20 |
| Plate | 3,590-3,610* | 0% | 30 Apr 20 |
| Hot rolled coil (min 2mm) | 3,320-3,340* | 1.68% ▲ | 06 May 20 |
| Cold rolled coil (0.5 - 2 mm) | 3,630-3,680* | -1.22% ▼ | 30 Apr 20 |
| Hot-dip galvanized coil | 4,010-4,110* | -0.49% ▼ | 30 Apr 20 |
| Northern China domestic | | | |
| <i>Fastmarkets MB's assessment of prices in northern China for commercial-quality carbon steel of Chinese origin (Tangshan), yuan per tonne ex-works</i> | | | |
| Billet | 3,120-3,120* | 1.3% ▲ | 06 May 20 |
| <i>Fastmarkets MB's assessment of prices in northern China for commercial-quality carbon steel of Chinese origin, yuan per tonne ex-warehouse</i> | | | |
| Hot rolled coil | 3,220-3,250* | -0.15% ▼ | 30 Apr 20 |
| Rebar | 3,390-3,440* | -0.73% ▼ | 30 Apr 20 |

† week-on-week change

continued >



| | Price | Change | Assessed |
|---|----------|----------|-----------|
| Southeast Asia imports | | | |
| <i>Fastmarkets MB's assessment of prices in Southeast Asia for commercial-quality carbon steel \$ per tonne cfr</i> | | | |
| Billet | 365-370* | 0% | 06 May 20 |
| Slab (Asia/East Asia) | 345-355* | -1.41% ▼ | 04 May 20 |
| Hot rolled coil (Vietnam) | 394-395* | -1.87% ▼ | 04 May 20 |
| Rebar (Singapore) | 390-410* | 0% | 04 May 20 |
| Wire rod (low carbon) | 415-420* | 0% | 04 May 20 |

| | | | |
|--|----------|---------|-----------|
| Indian exports | | | |
| <i>Fastmarkets MB's assessment of Indian mills' prices for export of commercial-quality carbon steel, \$ per tonne fob main India port</i> | | | |
| Billet | 355-365* | 0% | 01 May 20 |
| Plate (12-40mm) | 390-400* | 0% | 01 May 20 |
| Hot rolled coil (commodity) | 375-385* | 0% | 01 May 20 |
| Hot-dip galvanized coil | 575-580* | 0.87% ▲ | 01 May 20 |

| | | | |
|---|----------|----|-----------|
| Indian imports | | | |
| <i>Fastmarkets MB's assessment of prices for imported, non-EU origin, commercial-quality carbon steel, \$ per tonne cfr main India port</i> | | | |
| Plate (20-60mm) | 560-565* | 0% | 01 May 20 |
| Hot rolled coil (commodity) | 480-485* | 0% | 01 May 20 |
| Hot rolled coil (CR grade) | 500-505* | 0% | 01 May 20 |
| Cold rolled coil | 580-585* | 0% | 01 May 20 |

| | | | |
|--|----------------|----------|-----------|
| Indian domestic | | | |
| <i>Fastmarkets MB's assessment of prices within India for commercial-quality carbon steel, rupees per tonne ex-works</i> | | | |
| Billet | 26,100-26,300* | 1.16% ▲ | 01 May 20 |
| Heavy plate | 36,500-37,000* | 0% | 01 May 20 |
| Hot rolled coil | 37,750-38,250* | 0% | 01 May 20 |
| Cold rolled coil | 44,000-44,500* | 0% | 01 May 20 |
| DRI | 17,700-17,900* | 0% | 01 May 20 |
| Hot-dip galvanized coil | 47,500-48,000* | 0% | 01 May 20 |
| Rebar | 31,500-31,700* | 11.27% ▲ | 01 May 20 |

STAINLESS STEEL

| | Price | Change† | Assessed |
|-------------------------------------|--------------|---------|-----------|
| Asia import | | | |
| \$/tonne cif East Asian port | | | |
| Grade 304 2mm CR coil 2B | 1,700-1,750* | 0% | 06 May 20 |
| Grade 304 hot rolled coil | 1,600-1,650* | 0% | 06 May 20 |

| | | | |
|---------------------------------|----------------|---------|-----------|
| China domestic | | | |
| yuan/tonne, in-warehouse | | | |
| Grade 304 2mm CR coil | 12,900-13,300* | 0.38% ▲ | 06 May 20 |
| Grade 430 2mm CR coil | 6,900-6,950* | 0% | 06 May 20 |

| | | | |
|---|--------------|----------|-----------|
| EU domestic | | | |
| 2mm 304 cold rolled stainless sheet, €/tonne | | | |
| N.Europe Base price | 700-750* | 0% | 01 May 20 |
| Alloy surcharge | 1,225-1,278* | -2.72% ▼ | 01 May 20 |
| N.Europe transaction | 2,000-2,060* | 0% | 01 May 20 |

| | | | |
|---|--------------|----------|-----------|
| 2mm 316 cold rolled stainless sheet, €/tonne | | | |
| Base price | 1,050-1,100* | 0% | 01 May 20 |
| Alloy surcharge | 1,772-1,852* | -5.18% ▼ | 01 May 20 |

| | | | |
|--|--------------|----------|-----------|
| 304 stainless steel bright bar, €/tonne | | | |
| Base price | 985-1,015* | 0% | 01 May 20 |
| Alloy surcharge | 1,545-1,590* | -2.28% ▼ | 01 May 20 |

| | Price | Change | Assessed |
|--|----------|----------|-----------|
| US domestic | | | |
| <i>Fastmarkets AMM's appraisal of prices within the USA for commercial-quality stainless steel of US or Canadian origin, \$ per hundredweight, fob</i> | | | |
| Grade 304 coiled plate | 104-104* | -2.8% ▼ | 13 Apr 20 |
| Grade 316 coiled plate | 152-152* | -3.8% ▼ | 13 Apr 20 |
| Grade 304 cold rolled sheet | 117-117* | -2.5% ▼ | 13 Apr 20 |
| Grade 316L cold rolled sheet | 154-154* | -3.75% ▼ | 13 Apr 20 |

IRON ORE

| | Price | Change† | Assessed |
|---|---------|-----------|-----------|
| 65% Fe Brazilian Index CFR Qingdao (MBIOI-65-BZ-Index) \$/tonne | | | |
| | 102.30* | 1.19% ▲ | 06 May 20 |
| Lump premium CFR Qingdao (MBIOI-LP Index) cents per dmtu | | | |
| | 17.5* | 0% | 06 May 20 |
| Iron ore index (62% Fe) | | | |
| | 84.35* | 2.24% ▲ | 06 May 20 |
| Iron ore index (62% LA) | | | |
| | 86.24* | 1.28% ▲ | 06 May 20 |
| 58% Fe Iron Ore Index (MBIOI-58) CFR Qingdao on a 58% fe basis Daily Price \$/dry metric tonne | | | |
| | 67.31* | 1.94% ▲ | 06 May 20 |
| High grade Premium (MBIOI-58P) CFR Qingdao on a 58% basis low alumina, low phosphorous Daily Price \$/dry metric tonne | | | |
| | 5.5* | -8.33% ▼ | 06 May 20 |
| Iron Ore Implied 58% Fe high specification price | | | |
| | 72.81* | 1.08% ▲ | 06 May 20 |
| Iron Ore product differential - PBF delivered Qingdao, China CFR \$/tonne | | | |
| | -0.75* | -34.21% ▼ | 06 May 20 |
| Iron ore 62% Fe Pilbara Blend Fines (MBIOI-PBF) \$/tonne | | | |
| | 83.60* | 2.75% ▲ | 06 May 20 |
| Iron Ore 62% Fe China port price index | | | |
| | 679* | 2.72% ▲ | 06 May 20 |
| Implied 62% Fe China Port Price \$ per tonne | | | |
| | 88.07* | 3.09% ▲ | 06 May 20 |
| Iron ore pellet index cfr Qingdao (65% Fe) | | | |
| | 108.03* | -2.23% ▼ | 30 Apr 20 |
| Iron ore concentrate index cfr Qingdao (66% Fe) | | | |
| | 95.03* | -4.47% ▼ | 30 Apr 20 |
| Iron ore implied pellet premium CFR Qingdao US\$/tonne | | | |
| | 24.97* | 2.8% ▲ | 30 Apr 20 |
| Iron ore implied pellet premium over the Fastmarkets MB 65% Fe Brazilian iron ore index cfr Qingdao US\$/tonne | | | |
| | 6.5* | -17.83% ▼ | 30 Apr 20 |
| Iron ore DR-grade pellet premium index Middle East reference, \$/dmt | | | |
| | 30* | 0% | 30 Apr 20 |
| Metal Bulletin Indicator for US\$/% AI MBIOI AI-VIU cfr Qingdao | | | |
| | -4.05* | 1.5% ▲ | 04 May 20 |
| Metal Bulletin Indicator for US\$/% Fe in iron ore fines cfr Qingdao | | | |
| | 1.37* | 1.48% ▲ | 04 May 20 |
| Iron Ore Fines 65% Fe, % Fe value in use cfr Qingdao \$/dry metric tonne | | | |
| | 2.02* | 2.54% ▲ | 04 May 20 |
| Metal Bulletin Indicator for US\$/% Si MBIOI Si-VIU cfr Qingdao | | | |
| | -2.56* | -1.92% ▼ | 04 May 20 |
| Iron Ore Fines 62% Fe, 0.01% Phosphorous value in use MBIOI Phos-VIU cfr Qingdao US cent per dry metric tonne | | | |
| | -0.81* | 15.71% ▲ | 04 May 20 |

COKING COAL

| <i>\$ per metric tonne</i> | | | |
|--|--------------|----------|-----------|
| | Price | Change† | Assessed |
| Premium hard coking coal index cfr China | | | |
| | 115.02* | -2.94% ▼ | 06 May 20 |
| Hard coking coal index cfr China | | | |
| | 99.25* | -3.15% ▼ | 06 May 20 |
| Premium hard coking coal index fob Australia | | | |
| | 107.63* | 0.31% ▲ | 06 May 20 |
| Hard coking coal index fob Australia | | | |
| | 89.56* | -5.74% ▼ | 06 May 20 |
| China hard coking coal Shanxi spot market domestic delivered yuan/tonne | | | |
| | 1,160-1,515* | -0.37% ▼ | 04 May 20 |
| 65% CSR coke \$/tonne fob China | | | |
| | 215-280* | 2.06% ▲ | 06 May 20 |
| Low Vol PCI Index \$ per dry metric tonne cfr Jingtang | | | |
| | 73.93* | 0% | 06 May 20 |
| Low Vol PCI Index \$ per dry metric tonne fob DBCT | | | |
| | 64.78* | 1.6% ▲ | 06 May 20 |

† week-on-week change

continued >



| FERROUS SCRAP | | | |
|--|--------------|---------|-------------|
| | Price | Change† | Assessed |
| UK ferrous scrap domestic | | | |
| <i>The following is Fastmarkets MB's evaluation of UK prices for processed scrap delivered to consumers within the month listed. Prices may vary according to region and destination, and should be read in conjunction with editorial comment on the Ferrous scrap pages.</i> | | | |
| <i>£/tonne</i> | | | |
| Cut grades | | | |
| OA plate and structural | 85-100* | -24.49% | ▼ 17 Apr 20 |
| 1&2 old steel | 65-80* | -29.27% | ▼ 17 Apr 20 |
| 12A/C new production heavy and shovellable steel | 110-125* | -20.34% | ▼ 17 Apr 20 |
| 12D new production heavy and shovellable steel | 115-130* | -19.67% | ▼ 17 Apr 20 |
| Bales and cuttings | | | |
| 4A new steel bales | 115-130* | -19.67% | ▼ 17 Apr 20 |
| 4C new steel bales | 105-120* | -21.05% | ▼ 17 Apr 20 |
| 8A new loose light cuttings | 105-120* | -21.05% | ▼ 17 Apr 20 |
| 8B new loose light cuttings | 90-105* | -23.53% | ▼ 17 Apr 20 |
| Turnings | | | |
| UK inter-merchant 7B heavy steel turnings | 40-55* | -38.71% | ▼ 17 Apr 20 |
| Cast iron | | | |
| 9A/10 heavy and light cast iron | 75-90* | -19.51% | ▼ 17 Apr 20 |
| 9B/C cylinder block scrap | 95-110* | -16.33% | ▼ 17 Apr 20 |
| 11A cast iron borings | 30-40* | -36.36% | ▼ 17 Apr 20 |
| <i>Prices relate to new UK scrap specifications</i> | | | |
| <i>Please see metalbulletin.com for full explanation of price changes</i> | | | |
| UK intermerchant weekly price | | | |
| <i>£/tonne</i> | | | |
| 5C loose old light | 55-65* | 9.09% | ▲ 01 May 20 |
| UK ferrous scrap export | | | |
| <i>Fastmarkets MB's assessment \$ fob main UK port</i> | | | |
| HMS 1&2 (80:20 mix) | 222-226* | -5.08% | ▼ 01 May 20 |
| Shredded | 227-231* | -4.98% | ▼ 01 May 20 |
| Bangladesh import | | | |
| HMS 1&2 (80:20 mix) deep-sea origin, cfr, \$/tonne | 260-275* | -2.73% | ▼ 30 Apr 20 |
| Indian import | | | |
| <i>Fastmarkets MB's assessment \$/tonne cfr Nhava Sheva</i> | | | |
| MB index cfr India shredded | 259.38* | -3.62% | ▼ 01 May 20 |
| HMS 1&2 (80:20 mix) | 235-250* | -1.02% | ▼ 01 May 20 |
| Alloy steel scrap domestic | | | |
| <i>UK wholesale merchants' stainless (£/tonne)</i> | | | |
| 18/8 solids | 700-750* | -2.03% | ▼ 01 May 20 |
| 18/8 turnings | 595-640* | -1.98% | ▼ 01 May 20 |
| 316 solids | 1,100-1,150* | 0% | 01 May 20 |
| 316 turnings | 935-980* | 0% | 01 May 20 |
| 12-13% Cr solids | 80-100* | 0% | 01 May 20 |
| 16-17% Cr solids | 110-130* | 0% | 01 May 20 |
| Cif Europe stainless € per tonne | | | |
| 18/8 solids | 920-940* | 1.64% | ▲ 01 May 20 |
| 18/8 turnings | 830-845* | 1.52% | ▲ 01 May 20 |
| 316 solids | 1,290-1,310* | -0.38% | ▼ 01 May 20 |
| 316 turnings | 1,160-1,180* | -0.43% | ▼ 01 May 20 |
| Rotterdam export | | | |
| <i>Fastmarkets MB's assessment \$/tonne fob Rotterdam</i> | | | |
| MB index fob Rotterdam HMS 1&2 (80:20) | 223.56* | -5.2% | ▼ 01 May 20 |
| HMS 1&2 (75:25 mix) | 211-215* | -5.33% | ▼ 01 May 20 |
| Shredded | 221-225* | -5.11% | ▼ 01 May 20 |

| | Price | Change | Assessed |
|--|----------------|---------|-------------|
| Turkish import | | | |
| <i>Fastmarkets MB's assessment \$/tonne cfr main Turkish ports</i> | | | |
| MB index cfr Turkey HMS 1&2 (80:20) (North Europe material) | 236.30* | -1.69% | ▼ 06 May 20 |
| MB index cfr Turkey HMS 1&2 (80:20) (United States material) | 242.42* | -1.67% | ▼ 06 May 20 |
| HMS 1&2 (75:25 mix) | 227-231* | -4.98% | ▼ 01 May 20 |
| Shredded | 241-247* | -6.69% | ▼ 01 May 20 |
| Turkish domestic | | | |
| <i>Fastmarkets MB's assessment delivered</i> | | | |
| Melting scrap from shipbreaking (\$/tonne) | 228-230* | -4.58% | ▼ 04 May 20 |
| Auto bundle scrap (Turkish lira/tonne) | 1,515-1,850* | -0.15% | ▼ 04 May 20 |
| USA export | | | |
| <i>Fastmarkets AMM ferrous scrap export index \$/tonne East Coast fob New York</i> | | | |
| HMS 1&2 (80:20) | 238.33* | 0% | 06 May 20 |
| Shredded | 243.37* | 0% | 06 May 20 |
| USA domestic | | | |
| <i>Fastmarkets AMM Midwest index \$/gross ton delivered mill</i> | | | |
| No1 heavy melting scrap | 186.86* | -21.51% | ▼ 13 Apr 20 |
| No1 busheling | 272.89* | -8.16% | ▼ 13 Apr 20 |
| Shredded | 227.89* | -16.93% | ▼ 13 Apr 20 |
| China domestic | | | |
| <i>yuan/tonne delivered mill</i> | | | |
| Heavy scrap | 2,330-2,490* | 5.7% | ▲ 30 Apr 20 |
| Japan export | | | |
| <i>yen/tonne fob main port Japan</i> | | | |
| H2 | 20,500-21,500* | 0% | 06 May 20 |
| P&S | 23,500-24,500* | 0% | 06 May 20 |
| Shindachi | 24,500-25,000* | 0% | 06 May 20 |
| Shredded | 23,500-24,000* | 0% | 06 May 20 |
| South Korea import | | | |
| H2 Japan origin, cfr main port, yen/tonne | 23,000-23,500* | 4.49% | ▲ 30 Apr 20 |
| HMS 1&2 (80:20 mix) deep-sea origin, cfr, \$/tonne | 230-235* | 1.09% | ▲ 30 Apr 20 |
| Taiwan import | | | |
| <i>\$/tonne cfr main port</i> | | | |
| HMS 1&2 (80:20 mix) (USA material) | 220-225* | -0.22% | ▼ 06 May 20 |
| Vietnam import | | | |
| <i>\$/tonne cfr southern Vietnam</i> | | | |
| HMS 1&2 | 240-247* | -0.61% | ▼ 30 Apr 20 |
| H2 Japan origin | 234-235* | 2.85% | ▲ 30 Apr 20 |
| Germany domestic | | | |
| <i>Fastmarkets MB's assessment €/tonne delivered at mill</i> | | | |
| Grade E40 (shredded steel scrap) | 240-250 | -5.77% | ▼ 16 Apr 20 |
| No E8 (thin new production steel scrap) | 235-240 | -6.86% | ▼ 16 Apr 20 |
| No E3 (old thick scrap) | 230-235 | -7.92% | ▼ 16 Apr 20 |
| Italy domestic | | | |
| <i>Fastmarkets MB's assessment €/tonne delivered at mill</i> | | | |
| No E3 (old thick scrap) | 205-215 | -6.67% | ▼ 09 Apr 20 |
| No E8 (thin new production steel) | 210-230 | -9.28% | ▼ 09 Apr 20 |
| No E40 (shredded steel scrap) | 220-220 | -10.2% | ▼ 09 Apr 20 |

† week-on-week change

continued >



SCRAP SUBSTITUTES

| | Price | Change† | Assessed |
|--|----------|----------|-----------|
| EU imports \$/tonne | | | |
| Pig iron imports cfr Italy | 302-307* | 2.35% ▲ | 30 Apr 20 |
| Hot-briquetted iron cfr Italian ports | 240-240* | 0% | 30 Apr 20 |
| Brazil exports \$/tonne, delivery terms as stated | | | |
| Hot briquetted iron Venezuela | 175-180* | 0% | 01 May 20 |
| Pig iron fob Vitorio/Rio Brazil | 270-280* | 0.18% ▲ | 01 May 20 |
| Pig iron fob Ponta da Maderia Brazil | 283-287* | 4.59% ▲ | 01 May 20 |
| US imports \$/tonne cfr Gulf of Mexico | | | |
| Pig iron | 295-300* | 1.71% ▲ | 01 May 20 |
| CIS exports \$/tonne fob main port | | | |
| Pig iron Baltic Sea | 305-310* | -6.82% ▼ | 30 Apr 20 |
| Pig iron Black Sea | 280-289* | 2.52% ▲ | 30 Apr 20 |

NON-FERROUS SCRAP EUROPE

| | Price | Change† | Assessed |
|---|----------|----------|-----------|
| Aluminium | | | |
| European free market Fastmarkets MB assessment €/tonne | | | |
| Floated frag | 870-930* | -0.55% ▼ | 01 May 20 |
| Cast | 800-850* | 0% | 01 May 20 |
| Mixed turnings 6% | 690-750* | 1.41% ▲ | 01 May 20 |

UK NON-FERROUS SCRAP

| | Price | Change† | Assessed |
|---------------------------------|--------------|---------|-----------|
| Aluminium - actual price | | | |
| <i>£ per tonne</i> | | | |
| Group 1 pure 99% & Litho | 1,050-1,070* | 0% | 06 May 20 |
| Commercial pure cuttings | 700-750* | 1.4% ▲ | 06 May 20 |
| Clean HE9 extrusions | 1,050-1,070* | 0% | 06 May 20 |
| Loose old rolled cuttings | 450-500* | 0% | 06 May 20 |
| Baled old rolled | 560-610* | 0% | 06 May 20 |
| Commercial cast | 560-600* | 5.45% ▲ | 06 May 20 |
| Cast wheels | 900-925* | 0% | 06 May 20 |
| Commercial turnings | 320-380* | 2.94% ▲ | 06 May 20 |
| Group 7 turnings | 230-250* | 0% | 06 May 20 |

Fastmarkets MB and LME aluminium scrap discounts

| | | | |
|---------------------------|----------|-----------|-----------|
| <i>£ per tonne</i> | | | |
| Group 1 pure 99% & Litho | 88-108* | -21.6% ▼ | 06 May 20 |
| Commercial pure cuttings | 408-458* | -7.87% ▼ | 06 May 20 |
| Clean HE9 extrusions | 88-108* | -21.6% ▼ | 06 May 20 |
| Loose old rolled cuttings | 488-538* | -7.4% ▼ | 06 May 20 |
| Baled old rolled | 378-428* | -9.23% ▼ | 06 May 20 |
| Commercial cast | 388-428* | -14.82% ▼ | 06 May 20 |
| Cast wheels | 63-88* | -35.19% ▼ | 06 May 20 |
| Commercial turnings | 608-668* | -7.4% ▼ | 06 May 20 |
| Group 7 turnings | 738-758* | -5.2% ▼ | 06 May 20 |

Titanium

| | | | |
|--|------------|----|-----------|
| <i>\$/lb cif</i> | | | |
| Turnings, unprocessed type 90/6/4 (0.5% Sn max) | 0.75-0.85* | 0% | 06 May 20 |
| Turnings, unprocessed 90/6/4 (over 0.5% max 2% Sn) | 0.65-0.75* | 0% | 06 May 20 |

Copper scrap discount

| | | | |
|--|--------|----------|-----------|
| <i>cents/lb</i> | | | |
| No 2 copper (birch/cliff) imported into China 94-96% cif China | 24-27* | -8.18% ▼ | 27 Apr 20 |

NON-FERROUS FOUNDRY INGOTS

| | Price | Change† | Assessed |
|--|--------------|---------|-----------|
| Aluminium UK £/tonne | | | |
| Fastmarkets MB free market | | | |
| LM24 pressure diecasting ingot | 1,000-1,080* | 1.46% ▲ | 06 May 20 |
| LM6/LM25 gravity diecasting ingot | 1,400-1,450* | 0% | 06 May 20 |
| NB: prices expressed delivered consumer works, LM series as specified in BS1490 | | | |
| Aluminium Europe | | | |
| Fastmarkets MB free market | | | |
| Duty paid delivered works pressure diecasting ingot price (DIN226/A380) - €/tonne | 1,250-1,320* | 0% | 01 May 20 |
| Aluminum US \$/lb delivered Midwest | | | |
| A380.1 alloy | 0.67-0.68* | 0% | 30 Apr 20 |

† week-on-week change

continued >



Monthly averages: April

| BASE METALS | | | |
|--|----------------|-----------|----------|
| | | Low | High |
| Aluminium | | | |
| Aluminium P1020A, in-warehouse Rotterdam premium, duty unpaid, spot \$/tonne | | 77.75 | 88.25 |
| Aluminium P1020A, in-warehouse Rotterdam duty paid, spot \$/tonne | | 89.38 | 105.00 |
| Alumina | | | |
| Index fob Australia | | 229.11 | |
| Copper | | | |
| US High-grade cathode premium indicator, \$/tonne | | 143.30 | 165.35 |
| Nickel | | | |
| Free market in warehouse premium | | | |
| Europe \$/tonne | Uncut cathodes | 60.00 | 100.00 |
| | 4x4 cathodes | 210.00 | 250.00 |
| | Briquettes | 20.00 | 60.00 |
| Tin | | | |
| European free market | | | |
| Spot Premium 99.9%, \$/tonne | | 375.00 | 425.00 |
| Kuala Lumpur (ex-smelter), \$/tonne | | 16,431.67 | |
| MINOR METALS | | | |
| Antimony | | | |
| MB free market Regulus 99.65%, max Se 50ppm, in warehouse, \$/tonne | | 5,788.89 | 6,024.44 |
| MMTA Standard grade II, \$/tonne | | 5,772.22 | 5,984.44 |
| Bismuth | | | |
| MB free market min. 99.99%, tonne lots, in warehouse, \$/lb | | 2.50 | 2.64 |
| Cadmium | | | |
| MB free market | | | |
| min 99.95%, in warehouse, cents/lb | | 111.11 | 122.22 |
| min 99.99%, in warehouse cents/lb | | 116.11 | 123.89 |
| Cobalt | | | |
| MB free market | | | |
| Alloy Grade, in warehouse, \$/lb | | 15.78 | 16.25 |
| Standard Grade, in warehouse, \$/lb | | 15.55 | 16.09 |
| Gallium | | | |
| MB free market | | | |
| MB free market, \$/kg | | 155.00 | 165.00 |
| Germanium | | | |
| Dioxide MB free market min 99.99%, \$/kg | | 900.00 | 1,100.00 |
| Metal, Rotterdam, \$/kg | | 1,050.00 | 1,200.00 |
| Indium | | | |
| MB free market ingots, min 99.97%, in warehouse, \$/kg | | 147.00 | 165.00 |
| Magnesium | | | |
| MB free market min 99.8%, \$/tonne | | 2,131.25 | 2,250.00 |
| China free market min 99.8%, \$/tonne | | 1,905.00 | 1,935.00 |

| | Low | High |
|---|----------|----------|
| Selenium | | |
| MB free market min 99.5% in warehouse, \$/lb | 6.00 | 7.00 |
| Silicon | | |
| Grade 441, min 99% Si in-warehouse Rotterdam, €/tonne | 1,793.75 | 1,875.00 |
| Titanium | | |
| Ferro-Titanium, 70% (max 4.5% Al), d/d Europe, \$/kg | 4.50 | 5.00 |

| ORES & ALLOYS | | | |
|--|--|--------|--------|
| | | Low | High |
| Molybdenum | | | |
| Free market in warehouse Europe drummed molybdic oxide \$/lb Mo | | 8.19 | 8.34 |
| US canned molybdic oxide \$/lb Mo | | 8.16 | 8.46 |
| Ferro-molybdenum | | | |
| basis 65% min, in-warehouse Rotterdam, \$/kg Mo | | 20.07 | 20.66 |
| Tungsten | | | |
| European free market APT, \$/mtu | | 233.75 | 240.00 |
| Ferro-tungsten | | | |
| basis 75% W min, \$/kg | | 29.49 | 30.42 |
| Vanadium | | | |
| min 98%, in-warehouse Rotterdam, V2O5, \$/lb | | 6.05 | 6.85 |
| Ferro-vanadium | | | |
| basis 78% min, free delivery duty paid consumer plant, 1st grade Western Europe, \$/kg V | | 24.58 | 25.57 |
| US Free market 70-80%, \$/lb | | 10.50 | 11.04 |

| PRECIOUS METALS | | | |
|---|--------------|----------|----------|
| Gold | | | |
| London \$/troy oz | Morning | 1,680.03 | |
| | Afternoon | 1,682.93 | |
| London £/troy oz | Morning | 1,354.37 | |
| | Afternoon | 1,355.93 | |
| \$/troy oz | Handy/Harman | 1,683.17 | |
| Palladium | | | |
| Morning \$/troy oz | | 2,121.60 | |
| Afternoon \$/troy oz | | 2,073.15 | |
| Platinum: per troy oz | | | |
| Morning \$/troy oz | | 757.85 | |
| Afternoon \$/troy oz | | 754.30 | |
| Rhodium | | | |
| European free market min 99.9% in-warehouse, \$/troy oz | | 6,345.00 | 9,366.25 |
| Silver | | | |
| London | | | |
| spot pence/troy oz | | 1,211.50 | |
| spot cents/troy oz | | 1,503.45 | |
| Handy/Harman cents/troy oz | | 1,506.49 | |

† week-on-week change

continued >



FOUNDRY INGOTS

| | Low | High |
|--------------------------|----------|----------|
| Aluminium | | |
| LM24, £/tonne | 1,000.00 | 1,050.00 |
| LM6/LM25, £/tonne | 1,410.00 | 1,458.00 |
| Aluminium Europe €/tonne | 1,330.00 | 1,395.00 |

EXCHANGE RATES (CLOSING RATES)

| | |
|--------|--------|
| \$/£ | 1.24 |
| \$/yen | 107.73 |
| \$/€ | 1.09 |

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Fastmarkets MB monthly average prices are calculated on those price quotations formulated during the month.

LONDON METAL EXCHANGE

High, low and average April (20 days)

LME averages are mean of buyers and sellers except for settlement and 3 months sellers.

| | Jan-April 2020 | | April |
|----------------------------|----------------|-----------|-----------|
| | Low | High | average |
| | \$ | \$ | \$ |
| Aluminium (\$) | | | |
| Cash | 1,421.50 | 1,810.25 | 1,457.15 |
| 3 months | 1,459.50 | 1,826.25 | 1,494.48 |
| Settlement | 1,421.50 | 1,810.50 | 1,457.15 |
| 3 months seller | 1,459.50 | 1,826.50 | 1,494.48 |
| Copper Grade A (\$) | | | |
| Cash | 4,617.50 | 6,300.25 | 5,048.25 |
| 3 months | 4,626.50 | 6,327.50 | 5,072.48 |
| Settlement | 4,617.50 | 6,300.50 | 5,048.25 |
| 3 months seller | 4,626.50 | 6,330.00 | 5,072.48 |
| Copper Grade A (£) | | | |
| Settlement | 3,832.48 | 4,822.06 | 4,067.74 |
| 3 months seller | 3,834.35 | 4,830.95 | 4,084.43 |
| Lead (\$) | | | |
| Cash | 1,589.00 | 2,026.50 | 1,651.53 |
| 3 months | 1,607.00 | 2,026.50 | 1,671.50 |
| Settlement | 1,589.00 | 2,027.00 | 1,651.53 |
| 3 months seller | 1,607.00 | 2,027.00 | 1,671.50 |
| Lead (£) | | | |
| Settlement | 1,286.46 | 1,551.35 | 1,330.85 |
| 3 months seller | 1,307.51 | 1,546.97 | 1,346.00 |
| Nickel (\$) | | | |
| Cash | 11,055.00 | 14,287.50 | 11,753.20 |
| 3 months | 11,142.00 | 14,365.00 | 11,824.30 |
| Settlement | 11,055.00 | 14,290.00 | 11,753.20 |
| 3 months seller | 11,142.00 | 14,370.00 | 11,824.30 |
| Tin (\$) | | | |
| Cash | 13,387.50 | 17,762.50 | 15,039.35 |
| 3 months | 13,385.00 | 17,800.00 | 14,948.75 |
| Settlement | 13,400.00 | 17,775.00 | 15,039.35 |
| 3 months seller | 13,385.00 | 17,825.00 | 14,948.75 |

| | Jan-April 2020 | | April |
|-----------------------------|----------------|-----------|-----------|
| | Low | High | average |
| | \$ | \$ | \$ |
| Zinc (\$) | | | |
| Cash | 1,773.50 | 2,466.25 | 1,894.08 |
| 3 months | 1,793.00 | 2,449.50 | 1,906.18 |
| Settlement | 1,773.50 | 2,466.50 | 1,894.08 |
| 3 months seller | 1,793.00 | 2,450.00 | 1,906.18 |
| Cobalt (\$) | | | |
| Cash | 27,500.00 | 34,500.00 | 29,500.00 |
| 3 months | 29,000.00 | 35,000.00 | 30,000.00 |
| Settlement | 28,000.00 | 34,750.00 | 29,500.00 |
| 3 months seller | 29,500.00 | 35,250.00 | 30,000.00 |
| Aluminium Alloy (\$) | | | |
| Cash | 1,130.00 | 1,435.00 | 1,173.05 |
| 3 months | 1,180.00 | 1,430.00 | 1,201.00 |
| Settlement | 1,130.00 | 1,440.00 | 1,173.05 |
| 3 months seller | 1,180.00 | 1,440.00 | 1,201.00 |
| Nasaa (\$) | | | |
| Cash | 1,073.00 | 1,267.50 | 1,104.53 |
| 3 months | 1,090.00 | 1,285.00 | 1,128.25 |
| Settlement | 1,073.00 | 1,270.00 | 1,104.53 |
| 3 months seller | 1,090.00 | 1,290.00 | 1,128.25 |

LME SETTLEMENT CONVERSION RATES

| | |
|--------|--------|
| \$/£ | 1.24 |
| \$/yen | 107.69 |
| \$/€ | 1.09 |