SAMPLE VERSION

Top N

s rebound but recovery could be short-lived

Last week steel prices in China recovered somewhat, supporting an increasing sentiment across the globe. Iron ore prices surpassed on the 27 April the $67/t CFR Qingdao, according to Kallanish's price index, over $2/t above mid-April's bottom. The rebound supported a recovery in Chinese finished steel prices as well as in scrap levels in Turkey. Nevertheless market sources noticed that it is still too soon to talk about a change in trend, as the recovery could be short-lived going into May.

Turkish HMS 1/2 scrap is back at levels near and above $270/t CFR Turkey and prices are now set to remain stable at this level as Ramadan approaches.

Meanwhile in Europe the sentiment for prices is somewhat different. Coils have started since mid-April correcting downward and the recent recovery on the Euro against the dollar together with more aggressive offers from India have pushed Italian prices further down. Northern European mills are trying to hold their HRC prices at around €550/t ex-works base, but May is set to bring further small corrections.

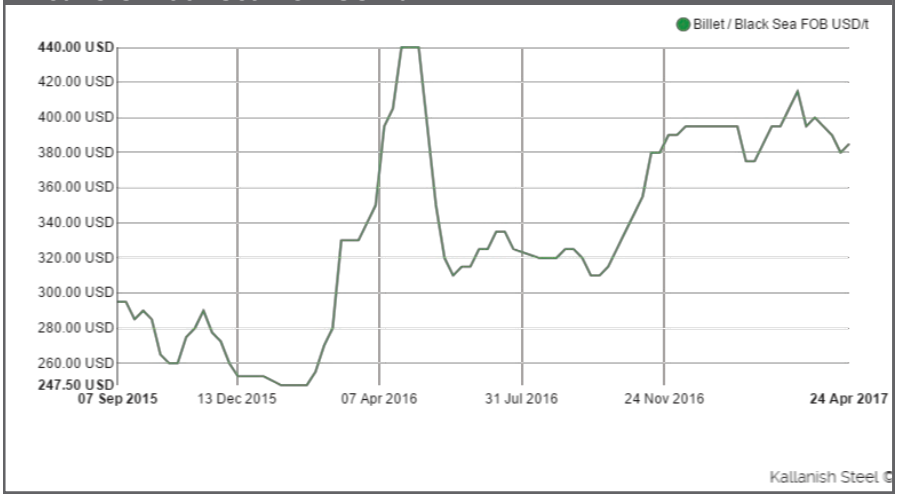
May scrap prices in Europe, on the other hand, will be discussed over the next few days, but the latest recoveries in Turkey are set to give the upper hand to the merchants at the moment.

In the US the sentiment in the market is quite strong, as producers have published their Q1 results demonstrating that profitability has clearly recovered. While a number of trade policies suggested by the new Trump administration are attracting criticisms across the globe, the North American market is clearly benefitting from this new situation. According to Kallanish, HRC prices in the US are still more than $50/t above the levels registered in May last year and almost 60% above October 2015.

Finally Latin America is also on the recovery path as Brazil and Mexico, the two largest producers in the area, have posted significant crude steel production growths during Q1. Mexico posted a staggering 24.1% y-o-y recovery in output in the first quarter, while Brazil is expected to continue performing better than last year and produce overall 32.5 million tonnes of crude steel, up 3.8% y-o-y.

This week our Asia editor has put together an interesting feature on the iron ore market to shed some light on the latest price development as well as expectations for the coming months

Billet / CIS-Black Sea FOB USD/t



In this week's issue:

PAGE 3
China's longs firm but HRC weak

PAGE 4
With demand recovery continuing in Europe, can prices pick up again?

PAGE 5
Is a new normal in the US market being established this year?

PAGE 6
For how long will the latest Turkish scrap uptick be sustained?

Iron Ore 62% Fe / Qingdao CFR USD/t

W-o-w avg change			**-1.85%**
28 Apr 2017	$	67.74	high
27 Apr 2017	$	67.25	
26 Apr 2017	$	67.00	
25 Apr 2017	$	66.93	
24 Apr 2017	$	66.69	low
Average	**$**	**67.12**	
21 Apr 2017	$	66.40	
20 Apr 2017	$	65.60	
19 Apr 2017	$	65.06	low
18Apr 2017	$	64.22	
17 Apr 2017	$	68.24	high
Average	**$**	**65.90**	

For Subscription & Other Enquiries:

CALL
UK: +44 207 635 6520
USA: +1 412 586 7195
Germany: +49 304280 2034
Spain: +34 637 018 130
Singapore: +65 9766 8175
Bulgaria: +359 89 7799633

EMAIL
General info@kallanish.com
Editorial editorial@kallanish.com
Sales sales@kallanish.com

www.kallanish.com

Copyright 2017 Kallanish

SAMPLE VERSION

Global Overview

North America:

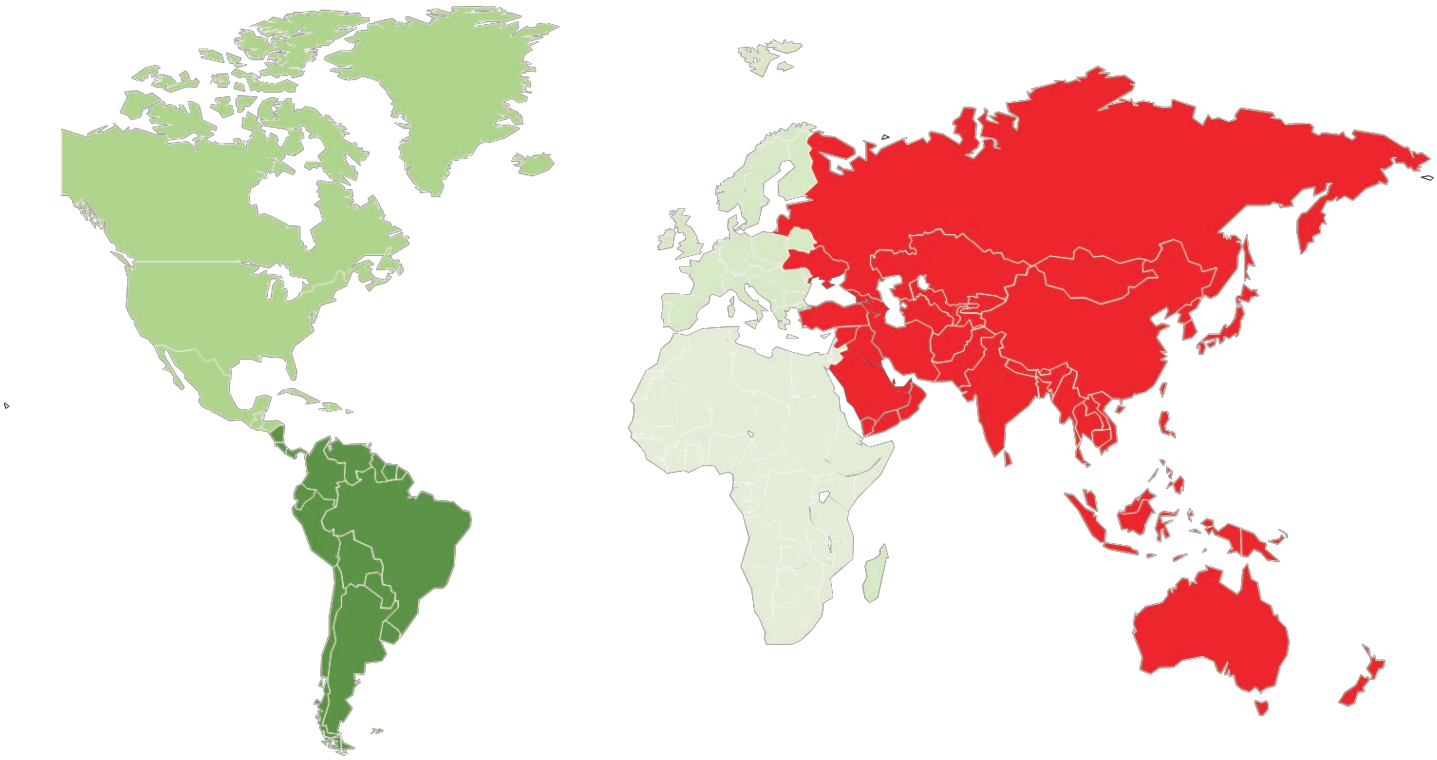
- Most US companies see good results in Q1
- Mexico's crude production jumps
- US Steel pushes forward asset revitalisation plan

Europe:

- Eurofer positive for 2017/2018
- Flat prices continue to trend down
- Longs stabilise

Asia:

- Chinese prices rebound
- Iron ore moves up
- CISA members post profits in Q1



Latin America:

- Brazil's crude steel production recovers
- Imports in Latin America continue to grow

Middle East/CIS:

- Turkish mills resume deep-sea scrap bookings, prices rise
- One Turkish mill sells rebar to UAE
- GCC launches seamless pipe anti-dumping probe
- Middle East steel output rises 8.7% in March
- CIS coil prices drop further

Copyright 2017 Kallanish

ORDER FORM

Subscribe to Kallanish Steel Weekly today

Start your subscription to Kallanish Steel Weekly (KSW) today

Kallanish Steel Weekly is a new weekly publication from Kallanish Commodities.

The pricing options for 12 month subscriptions are available below.

To sign up complete the form below and return to us.

Standard: Kallanish Steel Weekly US$ 1200 / €1100

Premium: Kallanish Steel Weekly US$ 1800 / €1650

KSW Content:

The publication is filled with market information, charts and graphs.

- Supplied in PDF
- Pricing Table
- 5-6 pages
- Special features
- Prices to watch
- Word of the week
- Global heat map

Start my subscription

Yes, please start my subscription so that I can read the Kallanish Steel Weekly. Please choose your option below:

☐ Option 1: Standard KSW US$ 1200

☐ Option 2: Premium KSW US$ 1800

Name

Job Title

Company

Address

City

Phone

Email

Payment type: ☐ Pay by invoice ☐ Pay by credit card

Credit card: ☐ Visa ☐ AMEX ☐ Mastercard

Card number

CCV Exp

Name on card

Signature

Please tick below:

☐ I confirm I am signing up for a 12 month subscription to KSW

☐ I have read and agreed to the Kallanish Terms and Conditions.

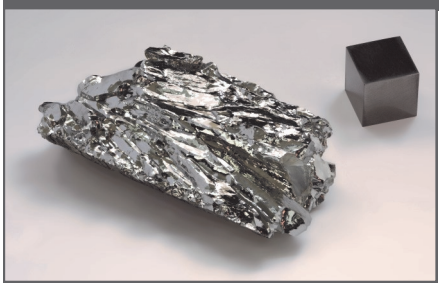
Signature: _____ Date: _____

Word of the Week

Molybdenum

Molybdenum is a chemical element with symbol Mo and atomic number 42. It is an alloying element used as a raw material for some classes of stainless steel. Molybdenum in the presence of chromium enhances the corrosion resistance of stainless steel. 80% of world production of the element is used in steel alloys, including high-strength alloys and super alloys.

Molybdenum



Contact

If you found this issue of Kallanish Steel Weekly interesting please let us know, we would love to hear from you.

Kallanish - UK
Britannia House
11 Glenthorne Rd
Hammersmith, W6 0LH
t: +44 (0) 208 735 6520

Kallanish - North America
4110 Lydia St
Pittsburgh PA 15207
t: +1 412 586 7195

Kallanish - China
Suite 11-16, Floor 5A, Building A
SuHeYiHao, 638 Hengfeng
Road Shanghai
t: +86 182 1728 2941

Kallanish - Germany
Lindenberger Weg 11A
16341 Panketal Berlin
t: +49 304280 2034

Kallanish - Bulgaria
13 Yantra Street
Sofia 1000 Bulgaria
t: +359 89 7799633

General:
info@kallanish.com
www.kallanish.com

Kallanish
COMMODITIES

Copyright 2017 Kallanish. No distribution is permitted without the prior consent of Kallanish. To find out about multiple user accounts or corporate subscription packages please contact us on info@kallanish.com or on +44 208 735 6520. Use of any information or material provided by Kallanish is entirely at your risk and in no circumstances is Kallanish responsible for any loss, damage or other negative consequence of use of information or material by