

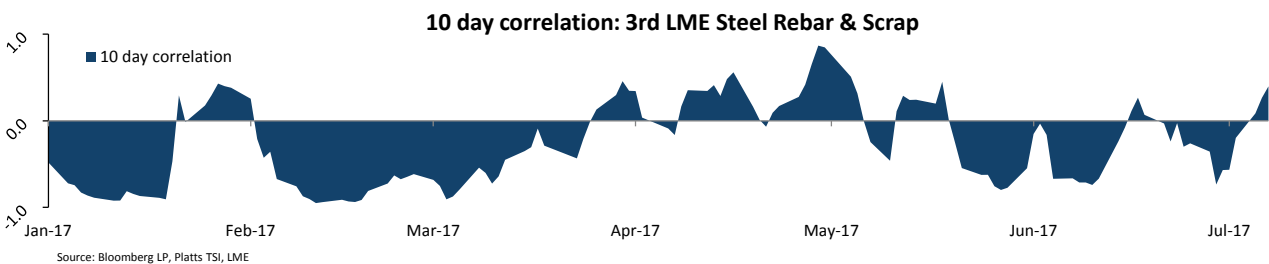
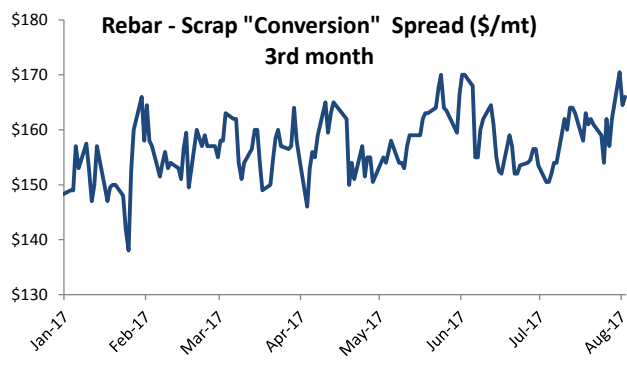
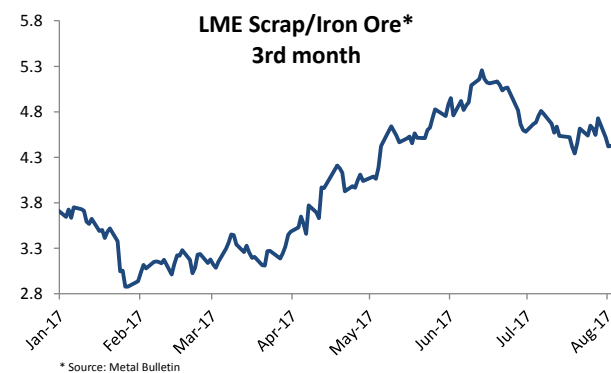
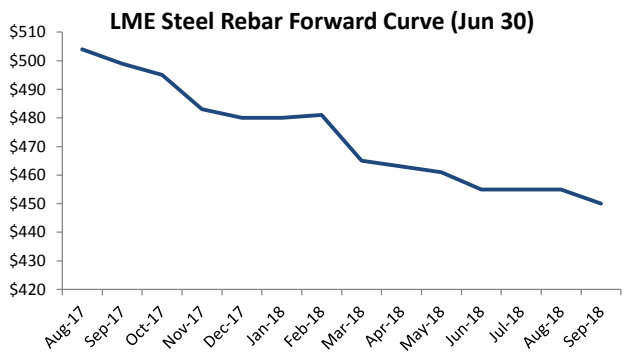
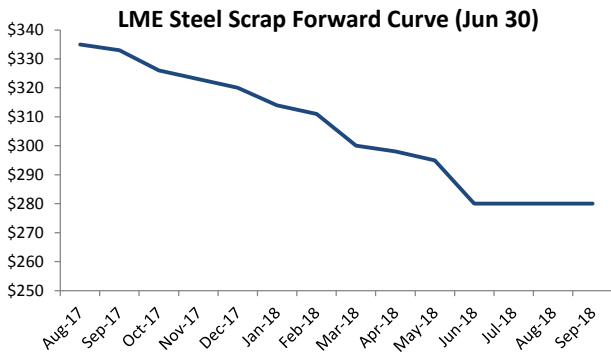
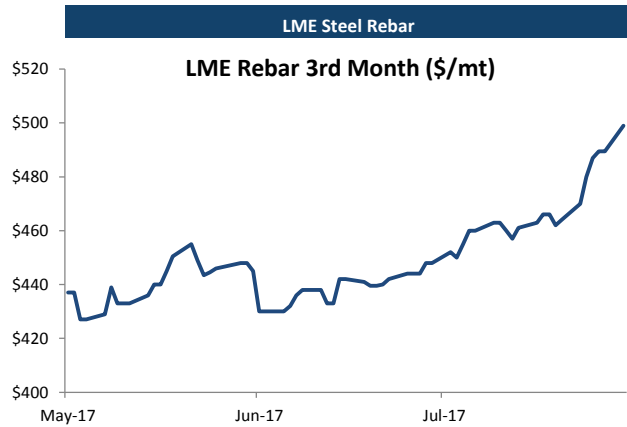
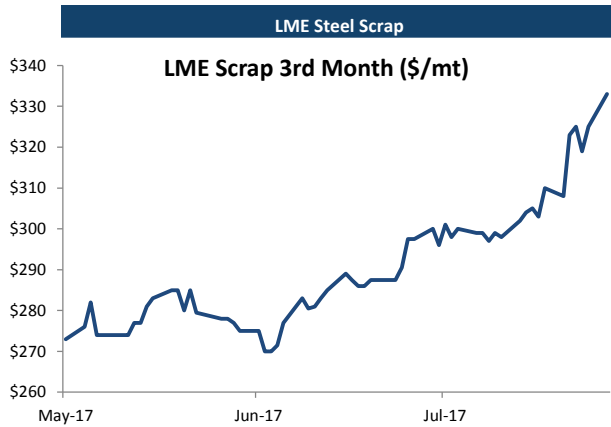
**Comments:**

On Monday 31 July 2017, the LME Steel Scrap and LME Steel Rebar July contracts settled at **\$300.80/mt** and **\$458.00/mt** respectively. This constitutes a monthly increase of 0.6% for scrap and of 2.7% for rebar.

Through July, the LME Steel Scrap forward curve recorded a marked upward shift. Moreover, nearer months rose considerably more than beyond the June 2018 prompt. The forward curve therefore has gone into a steep backwardation in H2 2017 and H1 2018, flattening in H2 2018. The LME Steel Rebar forward curve in H2 2017 went into a steep backwardation. The August, September and October prompt prices recorded double digit growth over the last month. Similarly, the February price increased markedly, surpassing December and January.

The price of iron ore continued to remain subdued compared to the price of scrap, a trend that started around February 2017.

The "apparent conversion" spread (i.e. LME Steel Rebar - LME Steel Scrap) closed the month at \$166.00/mt, which is above the 6-month running average of \$157.81/mt.

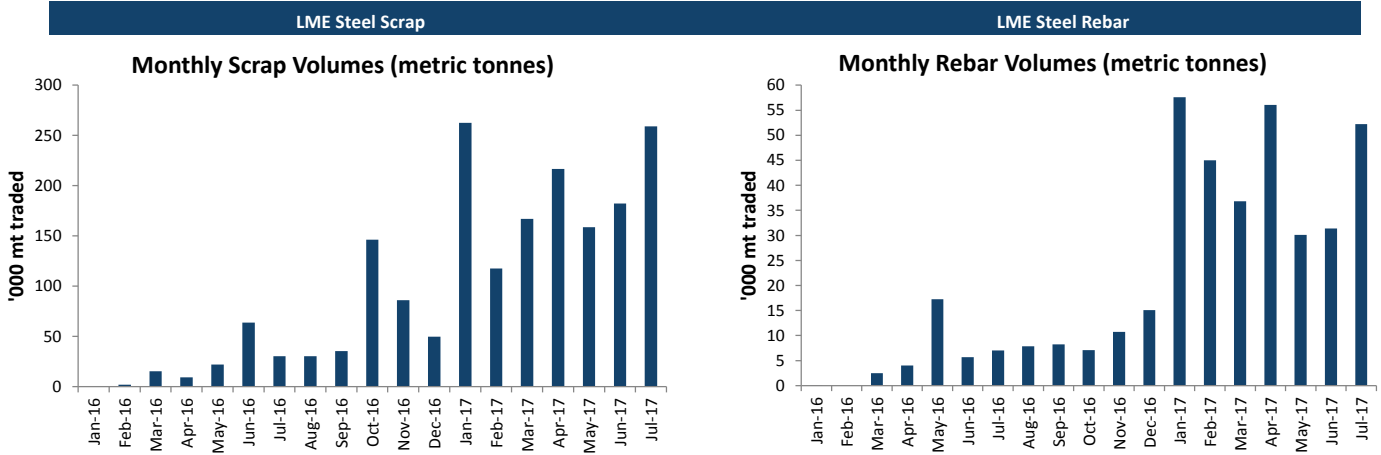


**Comments:**

LME Steel Scrap traded the equivalent of 259,040 metric tonnes last month, a 42% increase over June and just 3,410 metric tonnes short of January's record volume. LME Steel Rebar traded 52,210 tonnes, a 66% increase from June 2017.

The LME Steel Scrap open interest peaked at 66,670 tonnes, averaging 63,726 tonnes over the last full trading week of July. LME Steel Rebar open interest averaged 9,953 metric tonnes in the last week of the month.

End of month drops in open interest tend to be observed as positions in the front month expire. Rebar open interest dropped 2,630 tonnes at the end of July to 8,210 tonnes.



LME Steel Scrap					
	Price	Month Change (%)	Monthly Volume (lots)	Open Interest end of month	Open Interest (lots)
Jul-17	\$300.80	0.6%	1008	Expired	0
Aug-17	\$335.00	12.6%	6124	2055	2055
Sep-17	\$333.00	12.5%	4360	1253	1253
Oct-17	\$326.00	10.5%	3607	384	384
Nov-17	\$323.00	10.8%	2797	173	173
Dec-17	\$320.00	11.5%	3040	225	225
Jan-18	\$314.00	10.2%	1158	149	149
Feb-18	\$311.00	11.1%	1365	215	215
Mar-18	\$300.00	9.1%	903	102	102
Apr-18	\$298.00	8.4%	303	100	100
May-18	\$295.00	7.3%	303	103	103
Jun-18	\$280.00	1.8%	306	105	105
Jul-18	\$280.00	1.8%	309	103	103
Aug-18	\$280.00	1.8%	309	103	103
Sep-18	\$280.00	N/A	12	4	4
<b>Aggregate:</b>			<b>25,904</b>	<b>5,074</b>	

LME Steel Rebar					
	Price	Month Change (%)	Monthly Volume (lots)	Open Interest end of month	Open Interest (lots)
Jul-17	\$458.00	2.7%	227	Expired	0
Aug-17	\$504.00	12.5%	796	372	372
Sep-17	\$499.00	11.3%	2510	200	200
Oct-17	\$495.00	10.7%	621	69	69
Nov-17	\$483.00	8.3%	411	113	113
Dec-17	\$480.00	9.1%	404	43	43
Jan-18	\$480.00	9.1%	136	12	12
Feb-18	\$481.00	11.9%	110	9	9
Mar-18	\$465.00	8.1%	4	0	0
Apr-18	\$463.00	7.7%	2	1	1
May-18	\$461.00	7.2%	0	1	1
Jun-18	\$455.00	5.8%	0	1	1
Jul-18	\$455.00	5.8%	0	0	0
Aug-18	\$455.00	5.8%	0	0	0
Sep-18	\$450.00	N/A	0	0	0
<b>Aggregate:</b>			<b>5,221</b>	<b>821</b>	

## Contract specifications

Contract names and codes	LME Steel Scrap	SC	
	LME Steel Rebar	SR	
Contract type	Futures		
Delivery type	Cash settled		
Lot size	10 metric tonnes		
Contract period	Monthly out to 15 months		
Price quotation	US dollars per metric tonne		
Clearable currencies	US dollars		
Minimum price fluctuation (tick size) per tonne	Venue	Outright	Carries
	LMEselect Inter-office	\$0.50 \$0.01	\$0.01 \$0.01
Termination of trading	LME Steel Scrap - Last business day of the contract month until 13.30 London time		
	LME Steel Rebar - Last business day of the contract month until 16.30 London time		
Daily settlement procedure	LME Market Operations will calculate daily settlement values based on its published procedure		
Final settlement procedure	LME Steel Scrap - Final settlement, following termination of the trading for a contract month, will be based on the Monthly Average Index Price of the "TSI Scrap HMS#1 and HMS#2, 80:20 Turkish Imports CFR Iskenderun Port" Index, which is available from 13.30 London time on the last trading day		
	LME Steel Rebar - Final settlement, following termination of the trading for a contract month, will be based on the Monthly Average Index Price of the "Platts Rebar, Turkish exports, FOB Turkey port" Index, which is available from 16.30 London time on the last trading day		
Trading venues	LMEselect and Inter-office telephone		
Trading hours	LMEselect	01.00-19.00 London time	
	Inter-office telephone	24 hours a day	
Margining	Realised variation margins applied		

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