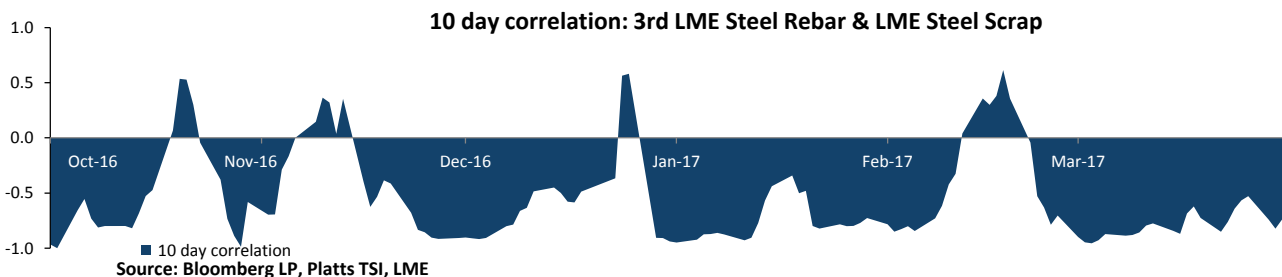
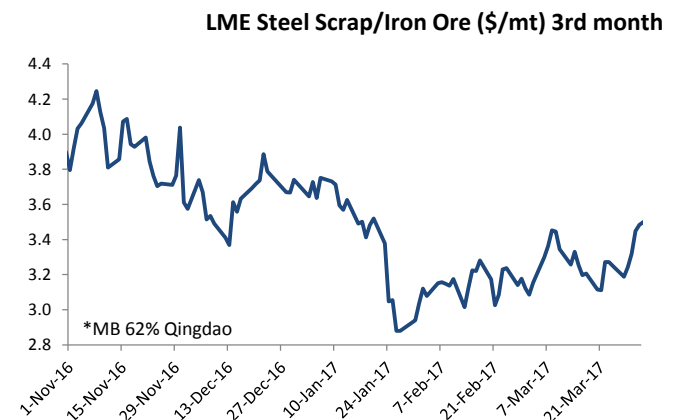
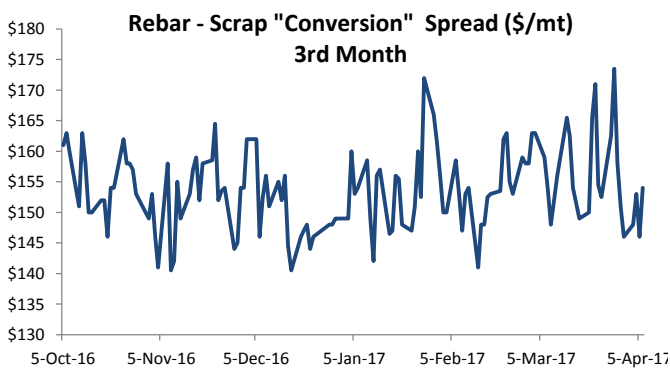
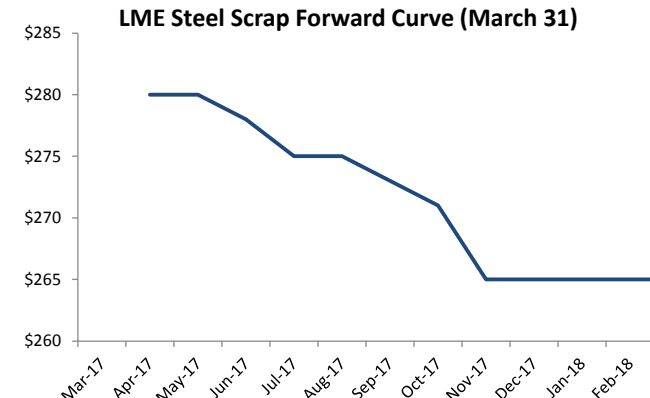
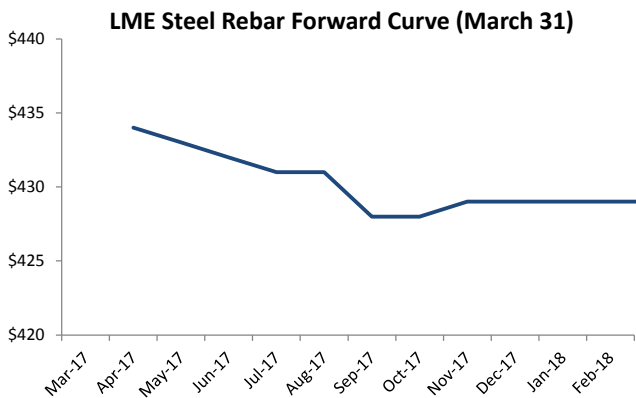
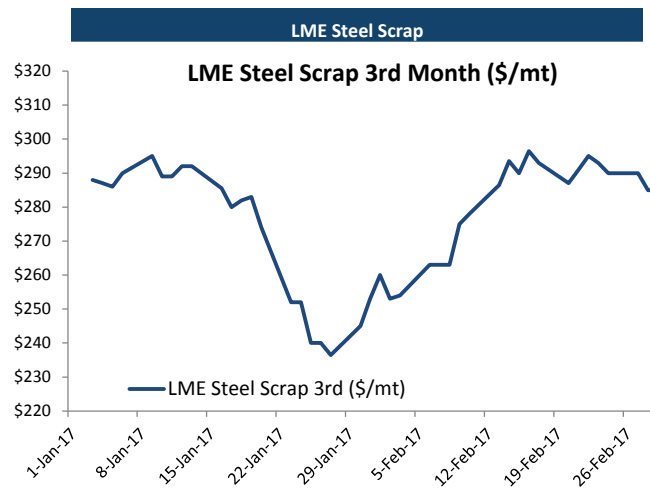
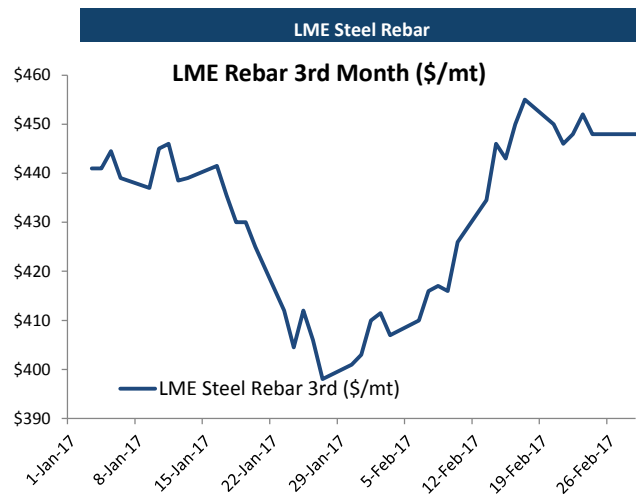


Comments:

On Friday 31 March 2017, LME Steel Scrap and LME Steel Rebar February contracts settled at **\$286.09/mt** and **\$436.30/mt** respectively. This constitutes a monthly increase of 3.0% for scrap and a 3.2% increase for rebar.

Through March, the forward dated contracts on both LME Steel Scrap and LME Steel Rebar remained in backwardation but the LME Steel Rebar curve did flatten significantly (the backwardation decreased). For example, the spread from June to December started March at \$8b but closed the month at \$3b and even reached up to \$5c a few days prior. The LME Steel Scrap forward curve saw the biggest price decreases in November 2017 to January 2018 contracts. As a result the backwardation is now steeper after October 2017.

The spread between rebar and scrap prices, the "apparent conversion spread", hit a brief high of 173.5/mt on 28 March 2017, but quickly decreased to end the month at \$146/mt which is slightly below the average of \$158/mt since the contract launched in 2017. The ratio of steel scrap to iron ore remains at lows but it did trend up through March.

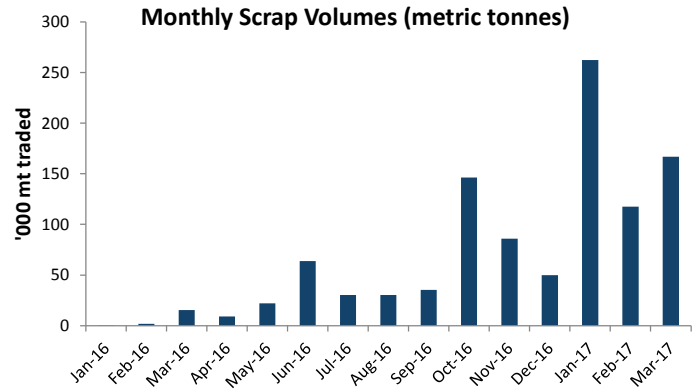
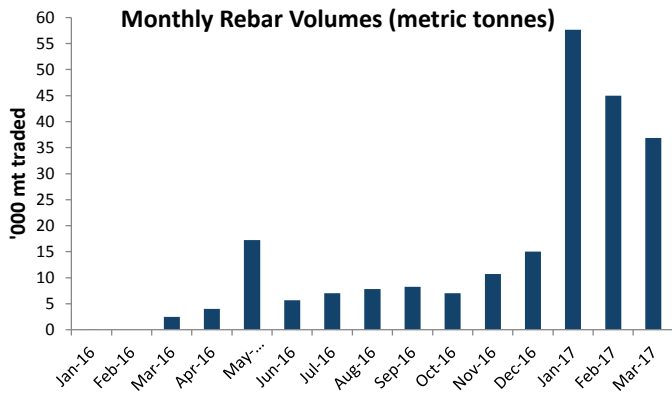
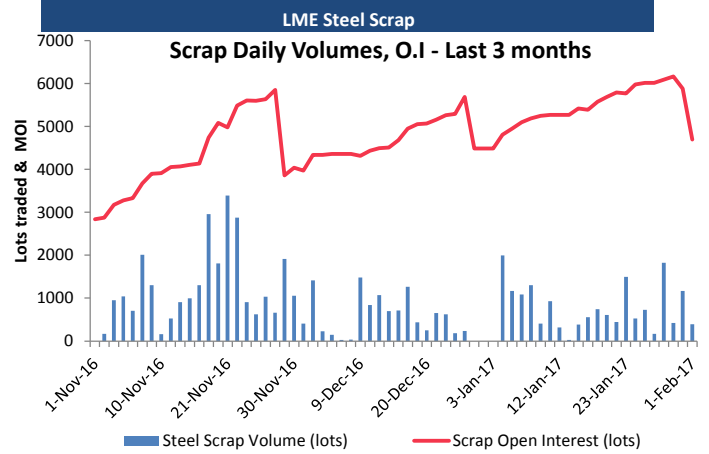
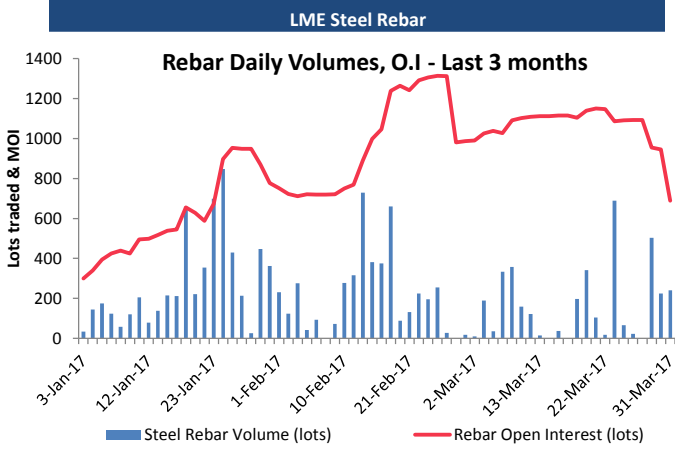


Source: Bloomberg LP, Platts TSI, LME

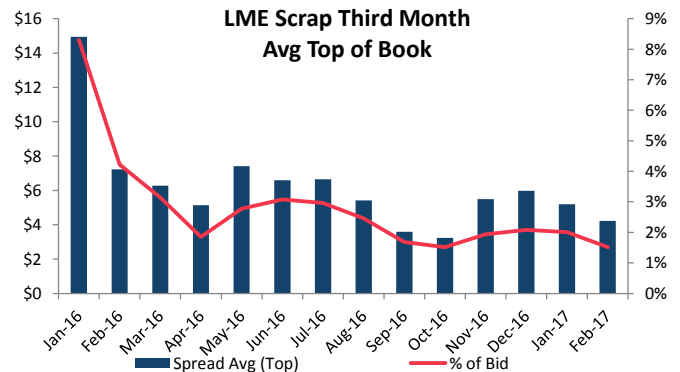
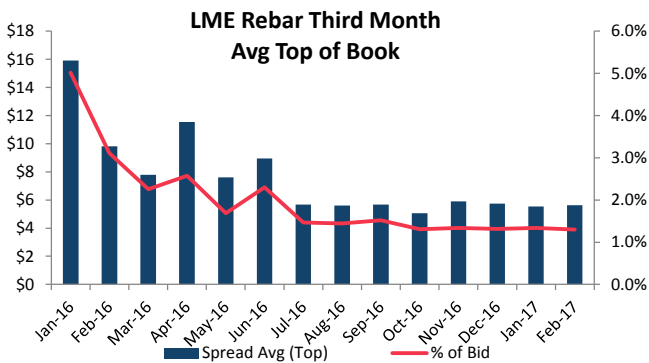
Comments:

LME Steel Scrap traded the equivalent of 166,880 metric tonnes last month which was the second highest month on record. LME Steel Rebar continues to trade over double the record that was set in 2016 and last month traded equivalent to 36,840 metric tonnes. On 23 March 2017 LME Steel Rebar traded 6,900 metric tonnes which was the 3rd highest day since launch.

Open interest had its usual dip as the March contract expired, but prior to this LME Steel Scrap open interest hit a new record equivalent to 61,630 metric tonnes. Rebar open interest averaged 10,570 metric tonnes, which is the highest monthly average since launch.



Bid-Ask Spreads (Third Month)



	Spread Avg (Top)	% of Bid	Bid Size Average	Ask Size Average
March-16	\$7.8	2.3%	10.5	10.4
April-16	\$11.5	2.6%	8.8	11.5
May-16	\$7.6	1.7%	8.0	10.5
June-16	\$9.0	2.3%	8.1	8.5
July-16	\$5.7	1.5%	1.5	2.0
August-16	\$5.6	1.4%	5.5	7.2
September-16	\$5.7	1.5%	5.2	1.2
October-16	\$5.1	1.3%	3.0	4.5
November-16	\$5.9	1.3%	4.3	2.5
December-16	\$5.7	1.3%	6.0	3.7
January-17	\$5.5	1.3%	4.7	3.9
February-17	\$5.6	1.3%	4.1	3.3

	Spread Avg (Top)	% of Bid	Bid Size Average	Ask Size Average
March-16	\$6.3	3.1%	5.0	14.0
April-16	\$5.1	1.8%	6.0	10.6
May-16	\$7.4	2.8%	5.8	14.4
June-16	\$6.6	3.1%	6.9	9.6
July-16	\$6.6	3.0%	2.4	3.7
August-16	\$5.4	2.5%	4.5	4.7
September-16	\$3.6	1.7%	2.8	8.4
October-16	\$3.2	1.5%	2.4	19.5
November-16	\$5.5	1.9%	6.4	3.4
December-16	\$6.0	2.1%	4.6	4.8
January-17	\$5.2	2.0%	4.6	3.6
February-17	\$4.2	1.5%	4.6	4.6

Note: Bid-Ask spreads are taken during active market making quoting hours 10am - 5pm only

LME Steel Rebar

	Price	Month Change (%)	Monthly Volume (lots)	Open Interest end of month	Open interest (lots)
Mar-17	\$436.30	-3.2%	891	Expired	
Apr-17	\$434.00	-3.1%	770	188	Apr-17
May-17	\$433.00	-3.3%	485	225	May-17
Jun-17	\$432.00	-2.9%	329	71	Jun-17
Jul-17	\$431.00	-2.7%	477	70	Jul-17
Aug-17	\$431.00	-2.0%	500	83	Aug-17
Sep-17	\$428.00	-2.7%	131	36	Sep-17
Oct-17	\$428.00	-2.7%	99	9	Oct-17
Nov-17	\$429.00	-2.5%	2	1	Nov-17
Dec-17	\$429.00	-2.5%	0	1	Dec-17
Jan-18	\$429.00	-1.4%	0	3	Jan-18
Feb-18	\$429.00	-1.4%	0	3	Feb-18
Mar-18	\$429.00	-0.2%	0	0	Mar-18
Apr-18	\$429.00	-0.2%	0	0	Apr-18
Aggregate:			3,684	690	
Number of trades:			870		

LME Steel Scrap

	Price	Month Change (%)	Monthly Volume (lots)	Open Interest end of month	Open interest (lots)
Mar-17	\$286.10	-3.0%	1,353	Expired	
Apr-17	\$280.00	-3.4%	6,040	1,306	Apr-17
May-17	\$280.00	-1.8%	3,466	772	May-17
Jun-17	\$278.00	-2.1%	2,984	836	Jun-17
Jul-17	\$275.00	-2.5%	1,475	500	Jul-17
Aug-17	\$275.00	-1.4%	632	361	Aug-17
Sep-17	\$273.00	-2.5%	517	500	Sep-17
Oct-17	\$271.00	-4.9%	218	203	Oct-17
Nov-17	\$265.00	-7.0%	0	101	Nov-17
Dec-17	\$265.00	-6.4%	3	100	Dec-17
Jan-18	\$265.00	-5.4%	0	1	Jan-18
Feb-18	\$265.00	-1.1%	0	11	Feb-18
Mar-18	\$265.00	-1.1%	0	0	Mar-18
Apr-18	\$265.00	-1.1%	0	0	Apr-18
Aggregate:			16,668	4691	
Number of trades:			1,171		

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		

The London Metal Exchange (the "LME"), 2017. The London Metal Exchange logo is a registered trademark of The London Metal Exchange.

All rights reserved. All information contained within this document (the "Information") is provided for reference purposes only. While the LME endeavours to ensure the accuracy, reliability and completeness of the Information, neither the LME, nor any of its affiliates makes any warranty or representation, express or implied, or accepts any responsibility or liability for, the accuracy, completeness, reliability or suitability of the Information for any particular purpose. The LME accepts no liability whatsoever to any person for any loss or damage arising from any inaccuracy or omission in the Information or from any consequence, decision, action or non-action based on or in reliance upon the Information. All proposed products described in this document are subject to contract, which may or may not be entered into, and regulatory approval, which may or may not be given. Some proposals may also be subject to consultation and therefore may or may not be implemented or may be implemented in a modified form. Following the conclusion of a consultation, regulatory approval may or may not be given to any proposal put forward. The terms of these proposed products, should they be launched, may differ from the terms described in this document. Distribution, redistribution, reproduction, modification or transmission of the Information in whole or in part, in any form or by any means are strictly prohibited without the prior written permission of the LME.

The Information does not, and is not intended to, constitute investment advice, commentary or a recommendation to make any investment decision. The LME is not acting for any person to whom it has provided the Information. Persons receiving the Information are not clients of the LME and accordingly the LME is not responsible for providing any such persons with regulatory or other protections. All persons in receipt of the Information should obtain independent investment, legal, tax and other relevant advice before making any decisions based on the Information.

LME contracts may only be offered or sold to United States foreign futures and options customers by firms registered with the Commodity Futures Trading Commission (CFTC), or firms who are permitted to solicit and accept money from US futures and options customers for trading on the LME pursuant to CFTC rule 30.10.

The "Platts Rebar, FOB Turkey Port Index" and "TSI Turkish Imports HMS #1&2 80:20, CFR Iskenderun Port Index" are products of PLATTS a division of McGraw Hill Financial, Inc. ("MHFI"), and are licensed for use by the London Metal Exchange. PLATTS and TSI are trademarks of MHFI and have been licensed for use by the London Metal Exchange. London Metal Exchange is a trademark of The London Metal Exchange. LME Steel Rebar and LME Steel Scrap are not sponsored, endorsed, sold or promoted by PLATTS, MHFI or their affiliates, and PLATTS, MHFI and their affiliates make no representation regarding LME Steel Rebar or LME Steel Scrap, nor do they have any liability for any errors or omissions in, or interruptions of, the Platts Rebar, FOB Turkey Port Index, the TSI Turkish Imports HMS #1&2 80:20, CFR Iskenderun Port Index, or the LME Steel Rebar or LME Steel Scrap contracts.

PLATTS, ITS AFFILIATES AND LICENSORS DO NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE PLATTS INDEX OR ANY DATA INCLUDED THEREIN OR ANY COMMUNICATIONS, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATIONS (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. PLATTS, ITS AFFILIATES AND LICENSORS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS OR DELAYS THEREIN. PLATTS, ITS AFFILIATES AND LICENSORS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY THE EXCHANGE, CLIENTS OR USERS OF THE EXCHANGE CONTRACT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE PLATTS INDEX OR EXCHANGE CONTRACT OR WITH RESPECT TO THE PLATTS MARKS, THE PLATTS INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL PLATTS, ITS AFFILIATES AND/OR ITS THIRD PARTY LICENSORS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE.