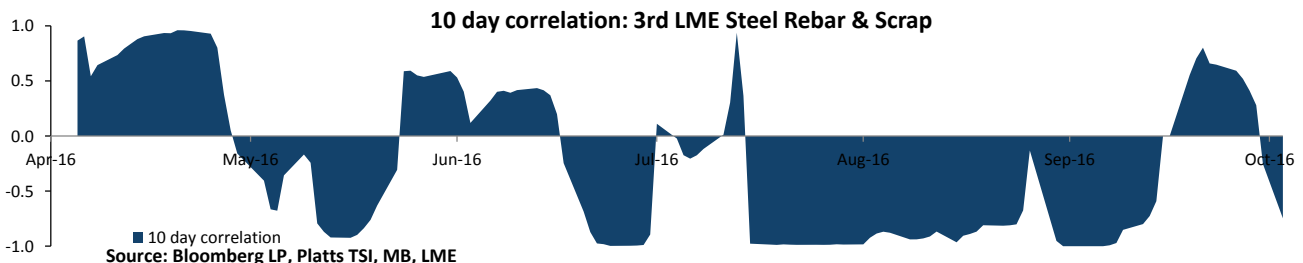
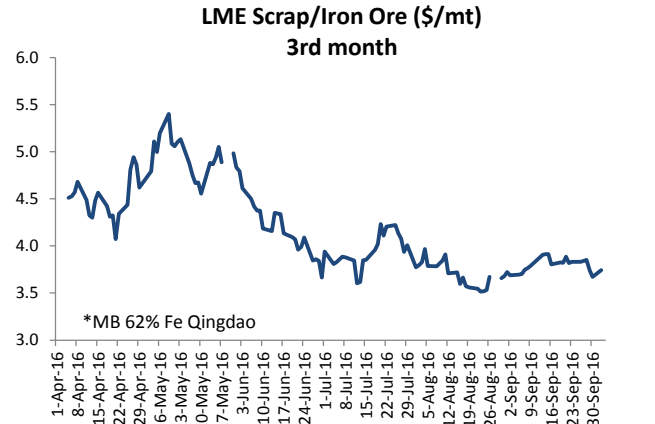
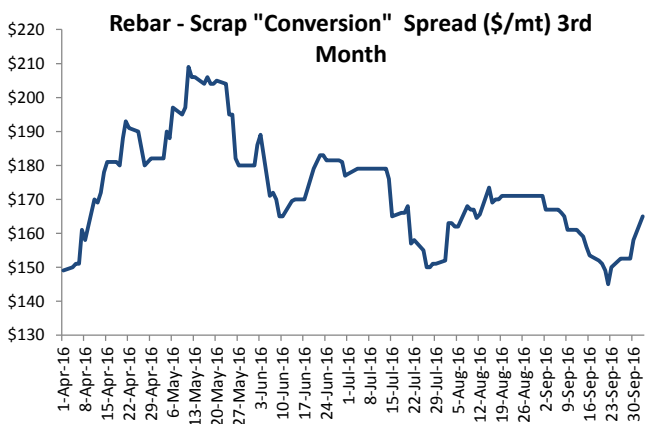
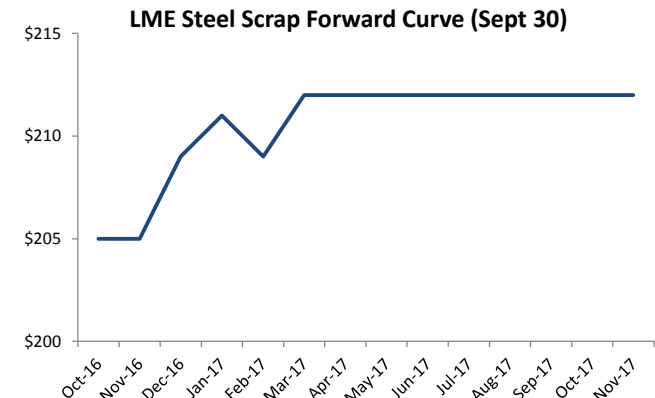
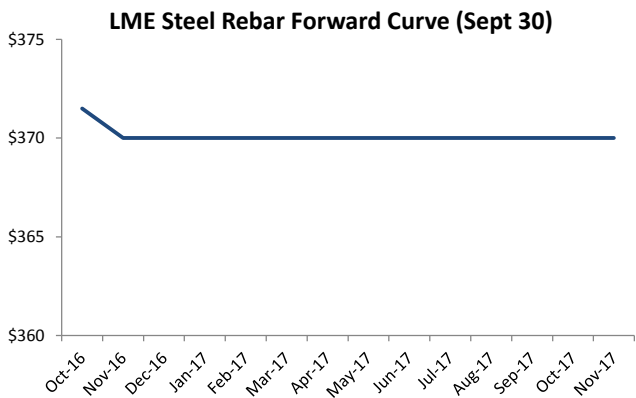
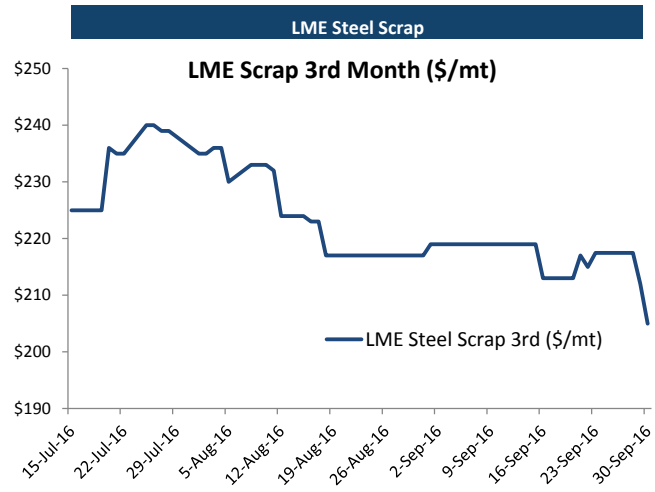
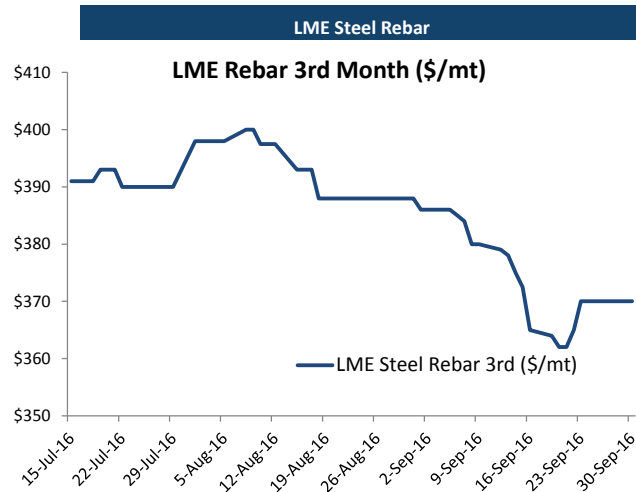


**Comments:**

On Tuesday 30 September, LME Steel Scrap and LME Steel Rebar September contracts settled at **\$219.00/mt** and **\$374.23/mt** respectively. A monthly increase of 0.92% for scrap and a 3.55% decrease for rebar.

Whilst the front month scrap contract was relatively stable there were steeper drops across the curve on the last day of the month. For example, on 30 September, the December 2016 scrap contract dropped \$7/mt (3%) whilst the TSI Turkish spot scrap index only inched down \$2/mt. The scrap forward curve changed shape with the November 2015 contract no longer at a premium and a contango now exists out to March 2017( although January is discounted to December). The rebar price was more volatile last month but the curve flattened significantly after being in a contango out to March 2017 at the beginning of the month.

The rebar to scrap premium for the 3rd month contract rebounded at the end of the month from a 6 month low.



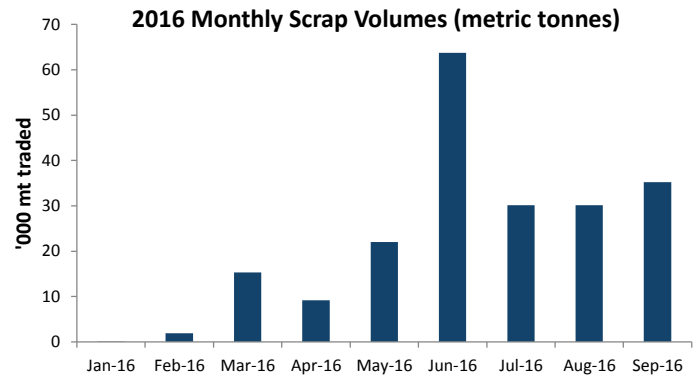
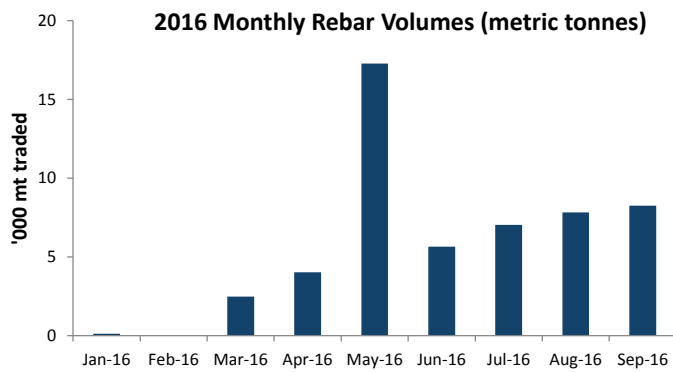
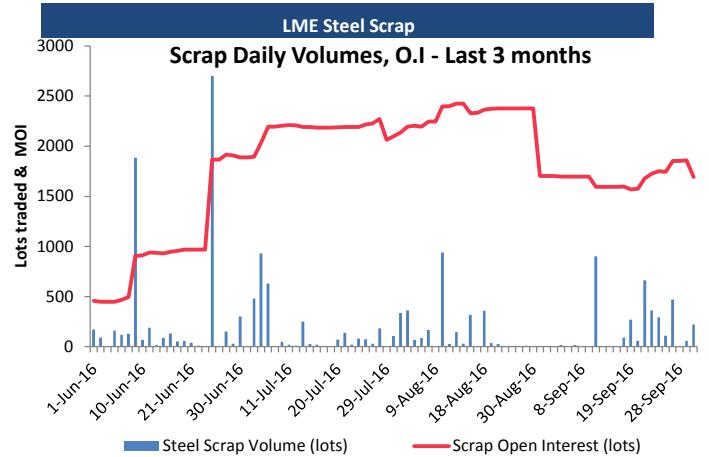
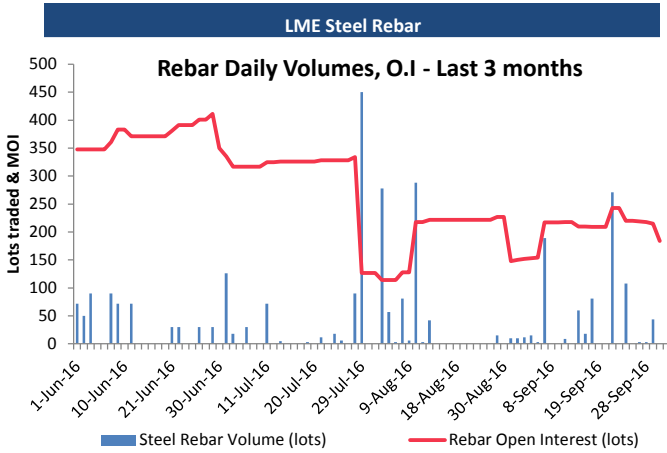
Page 2: Volume, Spreads and Open Interest

Comments:

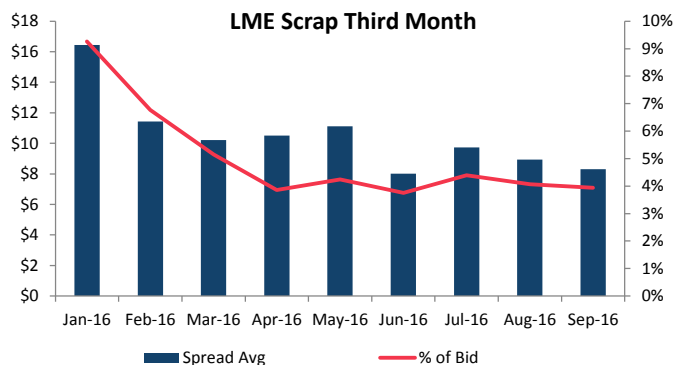
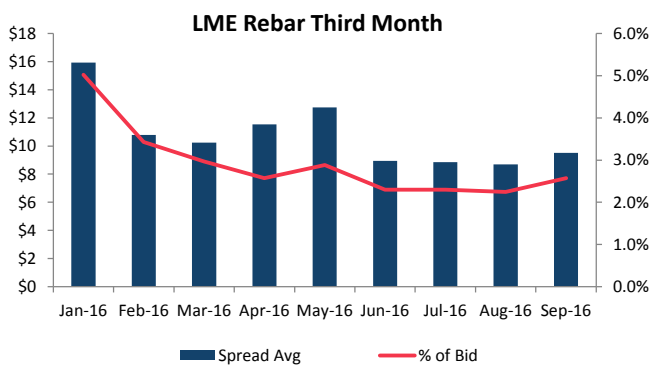
In September 2016, LME Steel Rebar volumes increased for the fourth consecutive month trading the equivalent to 8,260 metric tonnes, which is the second highest volume aside from the spike in volumes in May. Volumes of LME Steel Scrap also increased on the July and August months and traded equivalent to 35,240 m in September.

The total open interest was stable for both contracts. LME Steel Scrap open interest rose slightly by the end of the month but remains below the record reached in August after which some 6,730 metric tonnes of August positions expired. The majority of positions on both contracts is the December expiry with LME Steel Scrap December positions nearing 8,000 metric tonnes. The LME Steel Rebar contract has positions held as far as May 2017 and LME Steel Scrap as far as June 2017.

The Bid-Ask spreads remain stable, averaging less than 4% of LME Steel Scrap and below 3% of LME Steel Rebar.



Bid-Ask Spreads (Third Month)



	Spread Avg	% of Bid	Bid Size Average	Ask Size Average
January-16	\$15.9	5.0%	6.2	8.6
February-16	\$10.8	3.4%	7.3	9.5
March-16	\$10.2	3.0%	10.0	11.9
April-16	\$11.5	2.6%	8.8	11.5
May-16	\$12.7	2.9%	8.7	9.7
June-16	\$9.0	2.3%	8.1	8.5
July-16	\$8.9	2.3%	2.5	2.8
August-16	\$8.7	2.2%	6.4	7.7
September-16	\$9.5	2.6%	6.3	5.8

	Spread Avg	% of Bid	Bid Size Average	Ask Size Average
January-16	\$16.4	9.3%	6.9	7.6
February-16	\$11.4	6.8%	8.0	8.2
March-16	\$10.2	5.1%	10.3	9.9
April-16	\$10.5	3.9%	8.5	9.3
May-16	\$11.1	4.2%	7.8	12.3
June-16	\$8.0	3.7%	8.4	6.9
July-16	\$9.7	4.4%	3.1	3.6
August-16	\$8.9	4.1%	5.5	6.4
September-16	\$8.3	3.9%	5.3	8.4

Note:

Bid-Ask spreads are taken during active market making quoting hours 10am - 5pm only  
 Average Bid-Ask spreads are taken across the top 5 bids and asks  
 Bid-Ask spreads are shown in \$ per mt, Outright Tick size is \$0.5/mt \$0.1/mt for carries

Data as of 04/10/2016

**LME Steel Rebar**

	Price	Month Change (%)	Monthly Volume (lots)	Open Interest end of month	Open interest (lots)
Sep-16	\$374.23	-3.6%	76	Expired	0
Oct-16	\$371.50	-4.3%	243	31	Oct-16
Nov-16	\$370.00	-4.6%	114	55	Nov-16
Dec-16	\$370.00	-4.6%	258	62	Dec-16
Jan-17	\$370.00	-4.6%	135	30	Jan-17
Feb-17	\$370.00	-4.6%	0	2	Feb-17
Mar-17	\$370.00	-4.9%	0	2	Mar-17
Apr-17	\$370.00	-4.9%	0	1	Apr-17
May-17	\$370.00	-4.9%	0	1	May-17
Jun-17	\$370.00	-4.9%	0	0	Jun-17
Jul-17	\$370.00	-4.9%	0	0	Jul-17
Aug-17	\$370.00	-4.9%	0	0	Aug-17
Sep-17	\$370.00	-4.9%	0	0	Sep-17
Oct-17	\$370.00	-4.9%	0	0	Oct-17
<b>Aggregate:</b>			<b>826</b>	<b>184</b>	
<b>Number of trades:</b>			<b>170</b>		

**LME Steel Scrap**

	Price	Month Change (%)	Monthly Volume (lots)	Open Interest end of month	Open interest (lots)
Sep-16	\$219.00	0.9%	59	Expired	0
Oct-16	\$205.00	-5.5%	563	111	Oct-16
Nov-16	\$205.00	-6.4%	882	161	Nov-16
Dec-16	\$209.00	-2.3%	1273	796	Dec-16
Jan-17	\$211.00	-1.9%	699	219	Jan-17
Feb-17	\$209.00	-2.8%	36	56	Feb-17
Mar-17	\$212.00	-1.4%	12	51	Mar-17
Apr-17	\$212.00	-1.4%	0	200	Apr-17
May-17	\$212.00	-1.4%	0	50	May-17
Jun-17	\$212.00	-1.4%	0	50	Jun-17
Jul-17	\$212.00	-1.4%	0	0	Jul-17
Aug-17	\$212.00	-1.4%	0	0	Aug-17
Sep-17	\$212.00	-1.4%	0	0	Sep-17
Oct-17	\$212.00	-1.4%	0	0	Oct-17
<b>Aggregate:</b>			<b>3524</b>	<b>1694</b>	
<b>Number of trades:</b>			<b>302</b>		

**Rebar Average Bid-Ask Spread \$/mt, Size in lots**

	Prompt Month			Avg Bid Size	Avg Ask Size
	Sept	Oct	Nov	(lots)	(lots)
1-Sep	9.7	9.8	9.2	4.05	4.64
2-Sep	9.1	9.0	9.8	10.86	6.89
5-Sep	8.6	9.3	9.4	4.05	6.09
6-Sep	9.8	9.3	9.3	5.60	4.51
7-Sep	9.0	9.1	9.1	3.84	5.04
8-Sep	9.6	10.0	10.0	1.81	1.69
9-Sep	8.5	9.7	9.7	4.04	5.34
12-Sep	7.3	9.3	9.3	4.51	3.26
13-Sep	8.0	9.6	9.3	4.90	5.45
14-Sep	11.0	8.9	9.9	5.41	5.41
15-Sep	9.7	8.5	7.8	10.74	3.61
16-Sep	8.6	7.5	7.9	9.25	1.83
19-Sep	9.2	9.2	9.2	7.13	4.21
20-Sep	9.6	9.5	9.7	5.41	5.62
21-Sep	9.4	9.6	9.5	5.64	5.21
22-Sep	9.8	8.5	8.8	6.62	7.68
23-Sep	9.8	8.0	8.2	5.93	3.71
26-Sep	9.8	9.3	9.3	5.26	5.13
27-Sep	9.6	9.5	9.5	4.22	4.44
28-Sep	9.7	8.5	9.1	5.07	4.53
29-Sep	9.7	9.1	9.9	3.72	3.40
30-Sep		9.6	9.5	13.0	8.6
<b>Sept Average</b>	<b>9.2</b>	<b>9.0</b>	<b>9.1</b>	<b>4.9</b>	<b>4.8</b>
<b>Aug Average</b>	<b>7.2</b>	<b>9.1</b>	<b>8.7</b>	<b>5.9</b>	<b>5.8</b>
<b>MoM change</b>	<b>1.9</b>	<b>-0.1</b>	<b>0.5</b>	<b>-1.0</b>	<b>-1.0</b>

**Scrap Average Bid-Ask Spread \$/mt, Size in lots**

	Prompt Month			Avg Bid Size	Avg Ask Size
	Sept	Oct	Nov	(lots)	(lots)
1-Sep	9.0	9.0	9.7	6.5	4.9
2-Sep	8.3	9.3	9.3	6.4	5.4
5-Sep	8.9	9.8	9.7	5.4	5.2
6-Sep	12.0	9.9	9.7	6.4	6.2
7-Sep	9.9	9.6	9.7	6.4	4.1
8-Sep	10.0	10.0	10.0	6.7	6.6
9-Sep	9.7	9.8	9.7	2.8	5.7
12-Sep	9.6	9.8	9.9	5.3	5.7
13-Sep	9.4	9.9	9.9	4.2	4.6
14-Sep	9.5	9.8	9.7	8.4	4.6
15-Sep	9.8	9.8	9.8	8.3	3.1
16-Sep	9.7	8.5	9.6	7.9	4.2
19-Sep	9.3	8.4	7.2	12.1	2.7
20-Sep	9.6	9.2	9.5	3.4	3.9
21-Sep	9.7	9.7	10.2	8.5	6.1
22-Sep	9.5	9.9	9.2	6.2	6.4
23-Sep	9.8	8.7	8.9	9.1	7.0
26-Sep	9.7	9.4	8.7	8.9	5.6
27-Sep	9.6	8.6	8.6	9.4	4.9
28-Sep	8.7	8.5	7.6	10.0	4.7
29-Sep	8.8	8.6	8.0	5.5	4.1
30-Sep		9.5	9.3	7.6	6.2
<b>Sept Average</b>	<b>9.5</b>	<b>9.3</b>	<b>9.1</b>	<b>5.2</b>	<b>4.6</b>
<b>Aug Average</b>	<b>7.1</b>	<b>9.2</b>	<b>9.1</b>	<b>6.0</b>	<b>5.0</b>
<b>MoM change</b>	<b>2.4</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.8</b>	<b>-0.4</b>

## Contract specification

<b>Contract Names &amp; Codes</b>	LME Steel Rebar	SR	
<b>Contract type</b>	Futures		
<b>Delivery type</b>	Cash settled		
<b>Lot size</b>	10 metric tonnes		
<b>Contract period</b>	Monthly out to 15 months		
<b>Price quotation</b>	US dollars per metric tonne		
<b>Clearable currencies</b>	US dollars		
<b>Minimum price fluctuation (tick size) per metric tonne</b>	<b>Venue</b> LMEselect Inter-office	<b>Outright</b> \$0.50 \$0.01	<b>Carries</b> \$0.01 \$0.01
<b>Termination of trading</b>	Last business day of the contract month until 16:30 London time		
<b>Daily settlement procedure</b>	LME Market Operations will calculate daily settlement values based on its published procedure		
<b>Final settlement procedure</b>	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 on the last trading day		
<b>Trading venues</b>	LMEselect and Inter-office telephone		
<b>Trading hours</b>	LMEselect Inter-office	01:00 – 19:00 London time 24 hours a day	
<b>Margining</b>	Realised variation margins applied		

## Contract specification

<b>Contract Names &amp; Codes</b>	LME Steel Scrap	SC	
<b>Contract type</b>	Futures		
<b>Delivery type</b>	Cash settled		
<b>Lot size</b>	10 metric tonnes		
<b>Contract period</b>	Monthly out to 15 months		
<b>Price quotation</b>	US dollars per metric tonne		
<b>Clearable currencies</b>	US dollars		
<b>Minimum price fluctuation (tick size) per metric tonne</b>	<b>Venue</b> LMEselect Inter-office	<b>Outright</b> \$0.50 \$0.01	<b>Carries</b> \$0.01 \$0.01
<b>Termination of trading</b>	Last business day of the contract month until 13:30 London time		
<b>Daily settlement procedure</b>	LME Market Operations will calculate daily settlement values based on its published procedure		
<b>Final settlement procedure</b>	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 on the last trading day		
<b>Trading venues</b>	LMEselect and Inter-office telephone		
<b>Trading hours</b>	LMEselect Inter-office	01:00 – 19:00 London time 24 hours a day	
<b>Margining</b>	Realised variation margins applied		

For more information on our ferrous contract suite, please visit [lme.com/ferrous](http://lme.com/ferrous) or contact our team at [ferrous@lme.com](mailto:ferrous@lme.com)

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