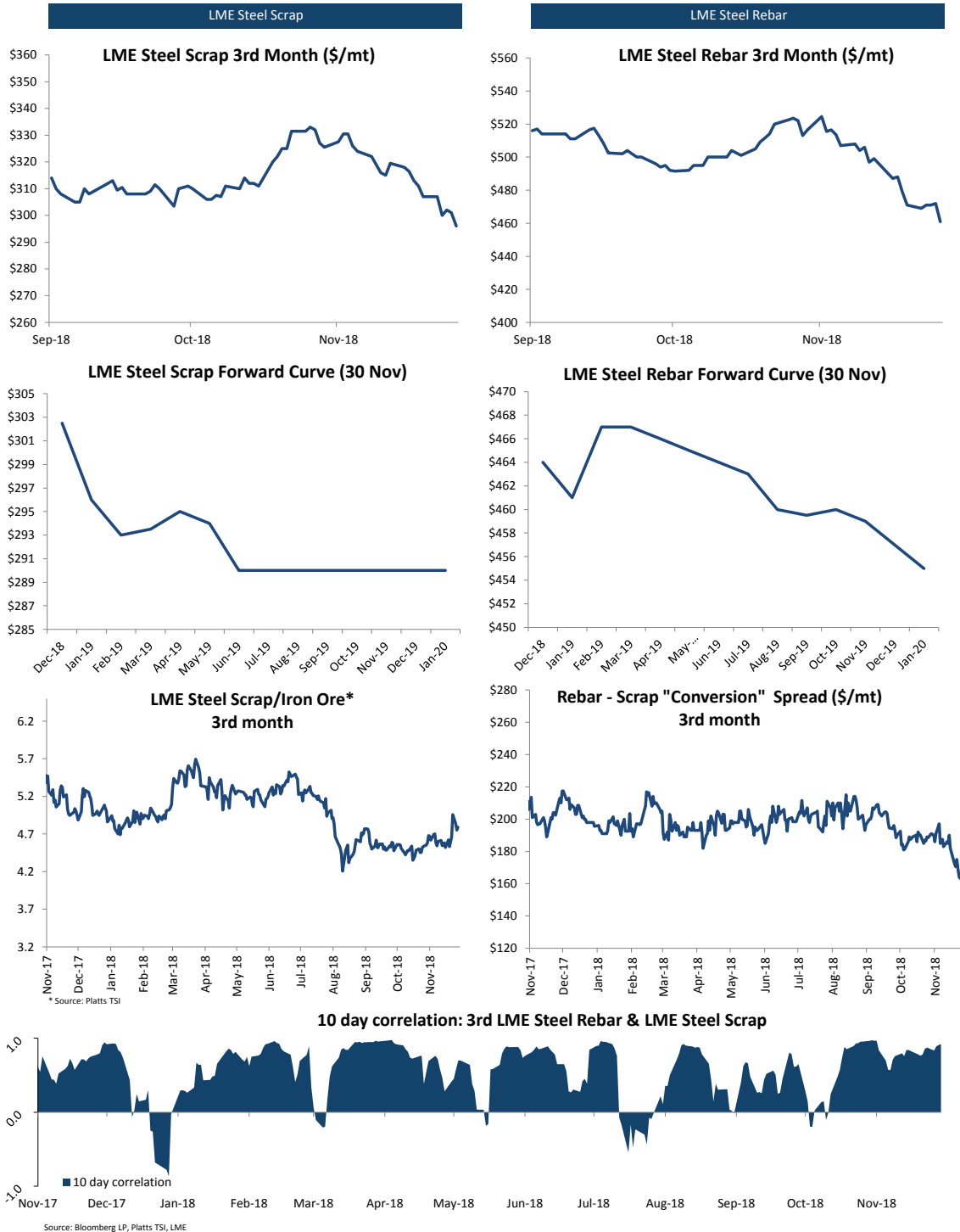


Comments:

On Friday 30 November 2018, the last trading day of the month, the LME Steel Scrap and LME Steel Rebar November contracts settled at \$331.24/mt and \$499.49/mt respectively. This constitutes a month-on-month change of -1.7% for scrap and of -4% for rebar.

During November, both the LME Steel Scrap and LME Steel Rebar forward curves shifted downwards while remaining in an overall backwardation. The shift was quite marked with certain rebar prompts declining by as much as 11%.

The scrap/iron ore ratio saw a modest increase over the month and remained within its 2018 trading range. The apparent conversion spread (i.e. LME Steel Rebar - LME Steel Scrap) saw a sharp drop in November, reaching levels as low as \$164, which have not been seen since summer 2017.



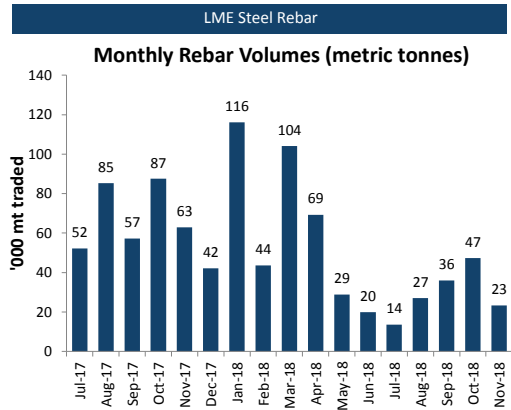
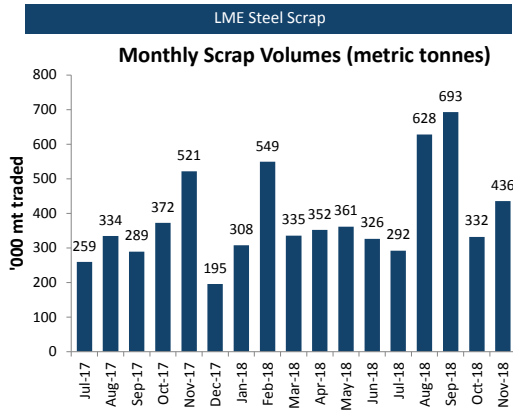
Source: Bloomberg LP, Platts TSI, LME

Comments:

LME Steel Scrap traded 435,530 metric tonnes last month, quite a considerable recovery over the relative weakness shown in October. More than 4.5 million tonnes of scrap have traded on the LME this year.

With 23,360 tonnes traded, LME Steel Rebar's volumes remain far below the levels recorded in 2017.

Both contracts continue to show open interest along the entire forward curve. The presence of open interest on further dated prompts often suggests that the financial derivatives have been used to hedge physical exposure to the underlying commodity. The scrap contract shows concentrations of open interest on the Dec-18 prompt.



LME Steel Scrap (metric tonnes)

	Price	Month Change (%)	Monthly Volume	Open Interest EOM	Open Interest	'000 mt
Nov-18	\$331.24	-1.7%	39,940	Expired		
Dec-18	\$302.50	-8.9%	199,100	58,790		58
Jan-19	\$296.00	-8.6%	91,980	17,590		18
Feb-19	\$293.00	-6.4%	35,710	13,300		13
Mar-19	\$293.50	-6.7%	13,100	8,400		8
Apr-19	\$295.00	-6.3%	14,540	7,690		8
May-19	\$294.00	-6.7%	11,680	8,800		9
Jun-19	\$290.00	-7.6%	9,770	7,990		8
Jul-19	\$290.00	-7.6%	3,330	2,090		2
Aug-19	\$290.00	-7.6%	3,150	2,040		2
Sep-19	\$290.00	-7.6%	3,180	380		0
Oct-19	\$290.00	-7.3%	3,240	1,010		1
Nov-19	\$290.00	-7.3%	3,240	1,000		1
Dec-19	\$290.00	-7.1%	3,420	1,020		1
Jan-20	\$290.00		150	30		0
Aggregate:			435,530	130,130		

LME Steel Rebar (metric tonnes)

	Price	Month Change (%)	Monthly Volume	Open Interest EOM	Open Interest	'000 mt
Nov-18	\$499.49	-4.0%	1,240	Expired		
Dec-18	\$464.00	-11.1%	8,950	650		6
Jan-19	\$461.00	-10.8%	6,360	470		5
Feb-19	\$467.00	-8.3%	2,100	520		5
Mar-19	\$467.00	-8.0%	1,200	210		2
Apr-19	\$466.00	-8.0%	1,710	350		4
May-19	\$465.00	-7.6%	1,170	440		4
Jun-19	\$464.00	-7.8%	210	120		1
Jul-19	\$463.00	-7.8%	210	90		1
Aug-19	\$460.00	-8.1%	60	70		1
Sep-19	\$459.50	-8.1%	90	50		1
Oct-19	\$460.00	-7.9%	0	60		1
Nov-19	\$459.00	-8.1%	60	10		0
Dec-19	\$457.00	-8.0%	0	10		0
Jan-20	\$455.00		0	0		0
Aggregate:			23,360	3,050		

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 16.30 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 "Platts TSI HMS 1/2 80:20 CFR Turkey" assessment, which is available from 16.30 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 Steel Rebar FOB Turkey" assessment, 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"), 2018. 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. 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 Steel Rebar FOB Turkey" and "Platts TSI HMS 1/2 80:20 CFR Turkey" assessments ("Platts Assessments") are products of S&P Global Platts, a Division of S&P Global Inc., and has been licensed for use by The London Metal Exchange. "Platts", "S&P Global Platts" and "TSI" (the "Platts Marks") are trademarks of S&P Global Inc., its affiliates and/or its licensors and have been licensed for use by The London Metal Exchange. LME Steel Scrap and LME Steel Rebar ("Contracts") are not sponsored, endorsed, sold or promoted by S&P Global Platts or its affiliates or licensors. S&P Global Platts, its affiliates and licensors make no representation or warranty, express or implied, regarding the Contracts or regarding the advisability of investing in securities or commodities generally or the ability of the Platts Assessments to track general market performance or commodity price movements, nor do S&P Global Platts, its affiliates and licensors have any liability for any errors or omissions in, or interruptions of, the Platts Assessments or the Contracts. S&P Global Platts', its affiliates' and licensors' only relationship to The London Metal Exchange with respect to the Platts Assessments is the licensing of the Platts Assessments and of certain trademarks, service marks and/or trade names of S&P Global Platts, and/or its affiliates or licensors. The Platts Assessments are determined, composed and calculated by S&P Global Platts without regard to The London Metal Exchange or the Contracts. S&P Global Platts, its affiliates and licensors have no obligation to take the needs of The London Metal Exchange or any clients or users of the Contracts into consideration in determining, composing or calculating the Platts Assessment. S&P Global Platts, its affiliates and licensors have no obligation or liability in connection with the creation, development, preparation, marketing, sale and/or trading of the Contracts.

S&P GLOBAL PLATTS, ITS AFFILIATES AND LICENSORS DO NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE PLATTS ASSESSMENT OR ANY DATA INCLUDED THEREIN OR ANY COMMUNICATIONS, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATIONS (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P GLOBAL PLATTS, ITS AFFILIATES AND LICENSORS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS OR DELAYS THEREIN. S&P GLOBAL 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 LICENSEE, CLIENTS OR USERS OF THE CONTRACT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE PLATTS ASSESSMENT OR CONTRACT OR WITH RESPECT TO THE PLATTS MARKS, THE PLATTS ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P GLOBAL 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."