

06/10/2021**EHR CME**

The European hot-rolled coil (HRC) market was quiet yesterday, as some participants gathered for a large industry event in Milan and the focus remained on how much tonnage would clear into fourth-quarter quotas.

Participants are still trying to understand how much tonnage is being affected by slower automotive production. One big producer told Argus that 20-25pc of its automotive deliveries were being returned. The automotive industry accounts for almost 50pc of the company's volume, so this would be a sizeable amount of surplus material.

It is no surprise that the mill has been selling into Turkey in the past few weeks, as it has looked to offload some tonnes without sacrificing domestic prices as contract talks continue. Negotiations for 2022 automotive contracts are slower than usual as buyers are pulling back, sensing that they will get lower prices by waiting.

The Argus daily Italian HRC index slipped by €1/t to €951/t ex-works yesterday, while the weekly cold-rolled coil (CRC) assessment fell by €10/t to €1,150/t ex-works. The daily northwest EU HRC index nudged up by €0.25/t to €997.25/t ex-works, and the daily CRC assessment was unmoved at €1,160/t. (Argus)

Turkish Scrap

US, Baltic exporters heard to hold back
Tight shortsea supply to support Deepsea CFR Turkey

Turkish Deepsea import ferrous scrap prices remained firm Oct. 5, as Turkish mills continued to cite higher workable levels but no deal activity was heard, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$442.50/mt CFR on Oct. 5, up \$1.50/mt day on day.

"Buyers are still trying to hide their demand from the market, so we may need a few more days," one Turkish agent source said, adding that Baltic recyclers were holding back from offering. One trading source even cited a heard bid for Baltic-origin HMS 1/2 (80:20) at \$450/mt CFR, but this was not confirmed.

A second agent source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$446/mt CFR. US sellers are expected to hold out from offering into Turkey until their October domestic market settlements are concluded. One Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$445/mt CFR, adding that "on the scrap side, there is a shortage nowadays." (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,960/st EXW Indiana Oct. 5, unchanged from Oct. 4 as pricing indications and market sentiment remained static.

A Midwest mill source reported recent transactions at an average price of slightly above \$1,960/st for undisclosed tons of November production. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	442.50	1.50	439.88
Steel Rebar FOB Turkey (\$/mt)	667.50	0.00	665.32
Argus HRC NW Europe (€/mt)	997.25	0.25	1070.02
Argus FOB China HRC (\$/mt)	HOL	HOL	909.19

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-21	895	905	900
Nov-21	900	910	905
Dec-21	895	905	900
Q4-21	897	907	902
Q1-22	890	900	895
Q2-22	887	897	892

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-21	455	465	460
Nov-21	465	475	470
Dec-21	465	475	470
Q4-21	462	472	470
Q1-22	465	475	470
Q2-22	455	465	460

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-21	680	690	685
Nov-21	685	695	690
Dec-21	685	695	690
Q4-21	683	693	688
Q1-22	685	695	690
Q2-22	675	685	680

BUSHELING			
	Bid	Ask	Value
Oct-21	595	605	600
Nov-21	595	605	600
Dec-21	595	605	600
Q4-21	595	605	600
Q1-22	590	600	595
Q2-22	590	600	595

US HRC USD/short ton			
	Bid	Ask	Value
Oct-21	1905	1915	1910
Nov-21	1825	1835	1830
Dec-21	1665	1675	1670
Q4-21	1798	1808	1803
Q1-22	1430	1440	1435
Q2-22	1235	1245	1240

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-21	985	995	990
Nov-21	965	975	970
Dec-21	925	935	930
Q4-21	958	968	963
Q1-22	885	895	890
Q2-22	845	855	850

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