

21/10/2021**FOB China HRC**

The index decreased by \$1/t yesterday (20.10.21) to US\$911/t, MTD US\$909.21/t.

China's steel market retreated in anticipation of lower feedstock costs after China's main economic planning agency took actions to tame soaring coal prices. The NDRC said it is watching coal markets and will take action to bring coal prices down to a reasonable level and ensure stable supply in the winter. North China's Shanxi province published the final version of local production restriction plans from 21 October 2021 to 31 March 2022, requesting local mills to cut output by 20-60pc based on ratings.

A north China mill offered \$920/t fob for SS400 HRC and was willing to receive orders at \$910/t fob China. However, nearly no bids or enquiries were received by major Chinese mills and trading firms. Seaborne buyers in South Korea and Vietnam are not in a hurry to place orders as they have enough inventory for normal operation. (Argus)

Turkish Scrap

US recyclers target \$510-\$520/mt CFR for HMS 1/2 (80:20)

Fresh Baltic-origin deal heard

Further cargoes expected above \$500/mt CFR

Turkish deepsea import ferrous scrap prices moved above \$500/mt CFR for the first time since June, as a fresh Baltic-origin cargo was booked. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Oct. 20 at \$502/mt CFR, up \$7/mt on the day, to reach its highest level since June 14, when it was at \$502.50/mt CFR.

A Baltic-origin cargo totaling 35,000 mt was booked Oct. 19 by an Iskenderun mill, with 32,000 mt HMS 1/2 (80:20) at \$502/mt CFR, and 3,000 mt bonus scrap at \$522/mt CFR. The deal was confirmed by the buyer and sellside for H1 December shipment.

One Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$500-\$502/mt CFR, adding that only some continental European exporters now have availability for November shipment cargoes. One Turkish agent source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$500/mt CFR for December shipment, while a second agent said workable levels were above \$500/mt CFR, with next deals likely to be in the \$505-\$510/mt CFR range. (Platts)

US HRC

European hot-rolled coil (HRC) prices fell again yesterday, as mills with surplus tonnes completed deals at lower prices to move material.

Argus' daily northwest EU HRC index dropped by €21/t to €941/t, while the daily Italian index slipped by €4.25/t to €893.50/t ex-works. The weekly fca Antwerp CRC assessment dipped by €10/t to €1,010/t.

One Visegrad producer with a short order book sold HRC into Germany at below €900/t delivered, while also looking to export slab and coil to other markets to offload material. Another Visegrad mill, which is not heavily automotive exposed, sold below this level to some buyers.

There is still a mismatch between domestic and import prices in Italy and northern Europe. The differential — which has been as high as €150-200/t in recent months — is now narrowing as import offers increase and domestic prices slip. In northern Europe, buyers are in no rush to book, because of receding lead times and expectations of lower prices. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	502.00	7.00	469.66
Steel Rebar FOB Turkey (\$/mt)	735.00	5.00	695.71
Argus HRC NW Europe (€/mt)	941.00	-21.00	980.36
Argus FOB China HRC (\$/mt)	911.00	-1.00	909.70

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-21	905	915	910
Nov-21	915	925	920
Dec-21	915	925	920
Q4-21	912	922	917
Q1-22	905	915	910
Q2-22	888	898	893

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-21	470	480	475
Nov-21	485	495	490
Dec-21	485	495	490
Q4-21	480	490	483
Q1-22	478	488	483
Q2-22	468	478	473

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-21	705	715	710
Nov-21	735	745	740
Dec-21	735	745	740
Q4-21	725	735	730
Q1-22	723	733	728
Q2-22	698	708	703

BUSHELING			
	Bid	Ask	Value
Nov-21	620	630	625
Dec-21	625	635	630
Jan-22	655	665	660
Q1-22	655	665	660
Q2-22	618	628	623
Q3-22	598	608	603

US HRC USD/short ton			
	Bid	Ask	Value
Oct-21	1895	1905	1900
Nov-21	1785	1795	1790
Dec-21	1660	1670	1665
Q4-21	1780	1790	1785
Q1-22	1403	1413	1408
Q2-22	1205	1215	1210

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-21	985	995	990
Nov-21	970	980	975
Dec-21	930	940	935
Q4-21	962	972	967
Q1-22	888	898	893
Q2-22	838	848	843

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