

**04/11/2021**

## FOB China HRC

The index fell by \$24/t yesterday (3.11.21) to US\$822/t, MTD US\$842.33/t.

An east China mill cut its offer sharply by \$70/t to \$800/t fob China for SS400 HRC in the afternoon yesterday after traders and other mills cut offers to a range of \$810-860/t fob China. Traders offered HRC aggressively at \$880-890/t cfr Pakistan after deals done at \$915/t cfr last week. Some traders offered SAE grade coils into Turkey at around \$915/t cfr. China's price declines have weighed on prices from other origins. Japanese mills cut SAE grade coil offers to above \$950/t cfr Pakistan and received bids below \$900/t cfr.

An Indonesia-base mill was heard offering at \$800-810/t cfr Vietnam for SAE grade coils. But Vietnamese buyers did not bid as the mill's coil quality is less stable, participants said. A Kazakhstan-based mill offered higher at \$840/t cfr Vietnam. Traders are willing to sell Chinese coils at \$845-855/t cfr Vietnam. (Argus)

## Turkish Scrap

Shredded scrap supply tightness to maintain \$20/mt premium  
US recyclers target above \$500/mt CFR amid firm domestic market

Turkish deepsea import ferrous scrap prices were largely stable Nov. 3, as sell-side sources cited a wide range of workable levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Nov. 3 at \$495/mt CFR, up \$1/mt day on day.

A reported Russia-origin cargo was heard to be booked this week by a Marmara mill, with HMS 1/2 (80:20) at \$490/mt CFR, but was not officially confirmed. Various market sources estimated that the cargo would be anywhere between \$4-\$10/mt below premium HMS 1/2 (80:20).

"There is not much available [ex-US]," a Turkish agent source said, estimating that at least three December shipment cargoes were likely to be available. "US sellers are looking for \$505/mt CFR minimum, and maybe accept down to \$500/mt CFR but definitely not below this -- if there wasn't a China issue [of negative sentiment], scrap would be at \$520-\$540/mt CFR." (Platts)

## EHR CME

European hot-rolled coil (HRC) prices firmed yesterday on stronger sentiment.

Automotive contract talks appear to have more impetus, despite the semi-conductor shortages dampening demand. In Italy, there was talk of a mill settling a January-June 2022 contract at €1,050-1,080/t ex-works with automotive tier-suppliers, although some said the price was probably lower. Should such prices be repeated throughout the supply chain, they will probably bolster sentiment in the general industrial market.

Argus' daily northwest Europe HRC index increased by €34.50/t today to €999.50/t ex-works, as some service centres paid more than €1,020-1,030/t for pickled and oiled material from local producers. There is something of a two-speed market at present, with dry HRC prices from Visegrad producers closer to €900-920/t delivered in recent transactions, while larger northwest Europe producers are concentrating on pickled sales at higher levels, and trying to avoid dropping to such prices for sales of dry material. Pickling extras are typically around €30/t, but a shortage of pickling capacity means it is difficult to buy cheaper dry material than have it processed. After having insufficient material earlier this year, some end-users purchasing managers have opted to pay more to ensure security of supply. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	495.00	1.00	475.90
Steel Rebar FOB Turkey (\$/mt)	735.00	-2.50	703.09
Argus HRC NW Europe (€/mt)	999.50	34.50	973.63
Argus FOB China HRC (\$/mt)	822.00	-24.00	909.15

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-21	795	805	800
Dec-21	785	795	790
Jan-22	785	795	790
Q1-22	780	790	785
Q2-22	772	782	777
Q3-22	758	768	763

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-21	465	475	470
Dec-21	465	475	470
Jan-22	463	473	468
Q1-22	460	470	455
Q2-22	450	460	455
Q3-22	435	445	440

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-21	725	735	730
Dec-21	705	715	710
Jan-22	700	710	705
Q1-22	695	705	700
Q2-22	680	690	685
Q3-22	665	675	670

BUSHELING			
	Bid	Ask	Value
Nov-21	605	615	610
Dec-21	645	655	650
Jan-22	645	655	650
Q1-22	630	640	635
Q2-22	620	630	625
Q3-22	600	610	605

US HRC USD/short ton			
	Bid	Ask	Value
Nov-21	1775	1795	1785
Dec-21	1630	1650	1640
Jan-22	1515	1535	1525
Q1-22	1425	1445	1435
Q2-22	1193	1213	1203
Q3-22	1068	1088	1078

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-21	1015	1025	1020
Dec-21	1025	1035	1030
Jan-22	1005	1015	1010
Q1-22	988	998	993
Q2-22	918	928	923
Q3-22	855	865	860

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