

19/11/2021**FOB China HRC**

The index fell by \$1/t yesterday (18.11.21) to US\$772/t, MTD US\$796.31/t.

Coils inventory held by Chinese mills and traders decreased by less than 10,000t this week against a decline of nearly 50,000t last week, while HRC output kept increasing for a fourth week in a row to weigh on sentiment. North China mills are temporarily cutting output after cities including Tangshan, Zibo, Xingtai, Jining, Handan, Anyang and Shijiazhuang issued Level II pollution warnings over the past three days. Handan city in north China's Hebei province released its production winter restriction plan for 18 November to 31 December. It will require its mills to cut output by 0-100pc based on their ratings.

Buyers from Vietnam or other countries including Europe are reluctant to place orders after they saw Chinese prices lower than competitors. Vietnamese S275 grade coils were offered at \$950/t cfr Italy, at least \$30/t higher than local buyers' acceptable levels. (Argus)

Turkish Scrap

Weaker lira and euro against US dollar bring downward pressure
First January shipment booking ex-Benelux heard after pricing deadline

Turkish deepsea import ferrous scrap prices have weakened as market sentiment has turned more negative, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 Nov. 18 at \$496.50/mt CFR, down \$1.50/mt on day.

A UK-origin cargo was booked earlier this week by a Marmara mill, with 17,000 mt HMS 1/2 80:20 at \$488/mt CFR, and 5,000 mt shredded scrap at \$507/mt CFR. The deal was confirmed by the sell side, with sources citing second half December shipment for the cargo.

After the 4:30 pm London time pricing deadline, a 25,000 mt Benelux-origin cargo was heard to be booked Nov. 18 by a Marmara mill, with HMS 1/2 75:25 at \$486/mt CFR, and bonus scrap at \$506/mt CFR. The deal was confirmed by the sell side for early January shipment. Other sources said the cargo may have been booked Nov. 12 but this was not confirmed. US recyclers were heard to continue to target \$500/mt CFR for HMS 1/2 80:20 while Baltic suppliers were heard to consider prices closer to \$495/mt CFR as workable, sources said. (Platts)

EU HRC

Northwest European hot-rolled coil (HRC) prices nudged up a little yesterday as the Italian market slipped lower, with large buyers placing orders at cheaper prices.

The daily Italian HRC index fell by €8 to €876.75/t ex-works today, while the NW EU HRC index nudged up by €3.25/t to €954.50/t.

While Italian mills have tried to lift prices for first-quarter delivery above the €900/t mark, based on higher costs, they are not convincing large buyers. Large customers were eyeing €850-860/t delivered levels, which they appeared to be achieving for January deliveries. Some buyers had such offers today, although some said these may only be customers' target levels. Buyers with 20,000-30,000t requirements would be able to achieve such levels, most agreed. Medium-sized buyers of a few thousand tonnes were able to buy at €880/t delivered levels, while smaller customers were in a range of €900-920/t delivered. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	498.00	0.00	498.15
Steel Rebar FOB Turkey (\$/mt)	727.50	-2.50	733.08
Argus HRC NW Europe (€/mt)	951.25	-1.75	975.27
Argus FOB China HRC (\$/mt)	773.00	-4.00	798.33

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-21	795	805	800
Dec-21	740	750	745
Jan-22	740	750	745
Q1-22	733	743	738
Q2-22	705	715	710
Q3-22	675	685	680

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-21	490	500	495
Dec-21	465	475	470
Jan-22	455	465	460
Q1-22	455	465	452
Q2-22	447	457	452
Q3-22	435	445	440

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-21	725	735	730
Dec-21	690	700	695
Jan-22	675	685	680
Q1-22	665	675	670
Q2-22	635	645	640
Q3-22	605	615	610

BUSHELING			
	Bid	Ask	Value
Dec-21	620	630	625
Jan-22	595	605	600
Feb-22	595	605	600
Q1-22	595	605	600
Q2-22	595	605	600
Q3-22	592	602	597

US HRC USD/short ton			
	Bid	Ask	Value
Nov-21	1790	1810	1800
Dec-21	1615	1635	1625
Jan-22	1515	1535	1525
Q1-22	1460	1480	1470
Q2-22	1255	1275	1265
Q3-22	1035	1055	1045

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-21	960	970	965
Dec-21	945	955	950
Jan-22	960	970	965
Q1-22	937	947	942
Q2-22	905	915	910
Q3-22	887	897	892

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