

24/11/2021**FOB China HRC**

The index fell by \$2/t yesterday (23.11.21) to US\$765/t, MTD US\$791/t.

HRC steel mills are likely to pick up production in December after finishing overhauls and no longer under earlier strict production restrictions. Mills are also closely following margins that have seen relief from sharply downside room for met coke prices after main economic planner the NDRC said it has achieved its goal of ensuring of domestic energy supply.

A north China mill cut its offers for SS400 HRC to \$780/t fob. Another two mills' offers fell to \$760-770/t fob. Traders are willing to take orders at \$770/t cfr Vietnam or South Korea for HRC sourced from private Chinese mills.

Traders offer position cargos of Chinese SAE1006 HRC at \$800-830/t cfr, lower than Chinese mills' direct offers at \$840-850/t cfr. A deal of Chinese HRC was heard done at \$760/t fob or \$790/t cfr Vietnam, but details could not be confirmed. (Argus)

Turkish Scrap

Turkish lira depreciation hits buying sentiment
New EU deal implies a moderate price drop
US, Baltic pricing keeps firm

Turkish Deepsea imported scrap market sentiment became more negative as the Turkish lira upheaval continued, heavily undermining purchasing confidence among Turkish buyers, sources said Nov. 23.

A scrap supplier saw more pressure from the Turkish buyers, but he argued that the prices were "pretty stable" with a possible minor dip of \$1 day on day. He added that generally, buyers struggled to find cheaper cargoes.

Another supplier said that some scrap dealers may be lowering prices for Turkish customers, but there were also multiple suppliers who stuck firmly to their target levels in anticipation of a stronger market returning.

A cargo from the Netherlands was booked Nov. 22, with prices reported at \$487/mt for HMS 1/2 (80:20), \$507/mt for bonus, and \$510/mt for shredded, CFR Iskenderun, shipment in the first half of January. The buyer confirmed the deal. The booking consolidated prices for the EU heavy melting scrap below \$490/mt CFR Turkey, putting the indications for premium quality still above \$490/mt CFR. Despite Turkish pressure, bookings for the Baltic and the US HMS 1/2 (80:20) were not confirmed even below \$495/mt CFR Turkey. (Platts)

EU HRC

Italian hot-rolled coil (HRC) prices decreased further yesterday on sluggish downstream demand and mills agreeing to lower prices for the first quarter.

The Argus daily Italian HRC index fell by €3/t to €870.75/t ex-works today, while the northwest EU index was stable at €953/t ex-works.

Some buyers said they have no spot requirements until March next year, while others would have requirements for some volumes in January. Mills are eager to cover the period straight after the Christmas and New Year holidays, given that December will be a shorter month, and that the sentiment is unlikely to improve until then.

Prices were heard at €860-880/t ex-works, but one mill is apparently holding strong on offers even above €900/t, as it targets hot-dip galvanised (HDG) steel sales. That said, the latter was heard from market participants to be matching ex-works prices from other sellers, but on a delivered basis.

In the north, some participants estimate that customers' requirements have fallen by 30pc. Many do not expect the components supply chain problems in the automotive industry to improve until at least the second quarter, if not even later in the year. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	492.50	-2.50	497.35
Steel Rebar FOB Turkey (\$/mt)	725.00	0.00	731.32
Argus HRC NW Europe (€/mt)	953.00	0.00	970.18
Argus FOB China HRC (\$/mt)	765.00	-2.00	791.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-21	775	785	780
Dec-21	755	765	760
Jan-22	750	760	755
Q1-22	737	747	742
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	470	480	475
Jan-22	455	465	460
Q1-22	447	457	440
Q2-22	435	445	440
Q3-22	428	438	433

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-21	705	715	710
Dec-21	705	715	710
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	605	615	610
Jan-22	595	605	600
Feb-22	585	595	590
Q1-22	583	593	588
Q2-22	565	575	570
Q3-22	555	565	560

US HRC USD/short ton			
	Bid	Ask	Value
Nov-21	1795	1815	1805
Dec-21	1650	1670	1660
Jan-22	1535	1555	1545
Q1-22	1460	1480	1470
Q2-22	1255	1275	1265
Q3-22	1043	1063	1053

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-21	960	970	965
Dec-21	960	970	965
Jan-22	955	965	960
Q1-22	950	960	955
Q2-22	923	933	928
Q3-22	882	892	887

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