

**26/11/2021****FOB China HRC**

The index rose by \$3/t yesterday (25.11.21) to US\$770/t, MTD US\$788.50/t.

There was market chatter that some mills in north China, especially those in Hebei, have been asked to cut output for one or two months for the Winter Olympics in Beijing. Mills with the lowest rating D for emissions controls will need to suspend production from January.

Traders lifted offers for Chinese SS400 HRC to equivalent of \$765-780/t fob China for January and February shipments after seeing continued rising trend and firmer market sentiment. Vietnamese buyers pushed up bids to \$780-795/t cfr Vietnam. An east China mill stopped quoting, reflecting its bullish outlook. An Indian mill lifted offers to \$850-860/t cfr Vietnam for SAE1006 grade coils, much higher than another Indian mill's offer at \$830/t cfr Vietnam. Bids were unmoved at \$800-820/t cfr Vietnam. (Argus)

**EU HRC**

Northwest European hot-rolled coil (HRC) prices came under further pressure yesterday, as larger mills discounted surplus spot tonnes created by lower automotive offtake.

Argus' daily NW EU HRC index dropped by €21.75/t (\$24.40/t) to €930.50/t ex-works, revisiting the recent low of 28 October, just before the revocation of Section 232 tariffs on European steel was announced.

There is now further clarity around the country-by-country and product quotas for European duty-free steel shipments into the US from January 2022, and some sources suggest they will be insufficient to fully offset the surplus caused by lower automotive offtake. Mills in Germany and Holland have the largest quotas for flat-rolled products across 10 main category groups, amounting to over 941,000t, including tinplate and plate shipments.

Sweden has the next-largest flat-rolled quota, at 152,222t, while Italy has a meagre 113,670t, with more than a third of this reserved for hot-dip galvanised.

Italian mills have been making further competitive sales into Germany, alongside their central and eastern European counterparts. An integrated Italian producer sold HRC around €930/t delivered Ruhr, and hot-dip galvanised and cold-rolled coil (CRC) just below €1,100/t. Larger NW EU mills have been more competitive than this, discounting CRC to as low as €1020/t for larger buyers. Northern mills are now selling dry HRC at just below €920/t to some buyers, while Visegrad tonnes have been sold into Germany at around €900-915/t in the last week. (Argus)

**Turkish Scrap**

Strong premium for shredded, bonus scrap persists over HMS 1/2 (80:20)

Weak euro maintains Eurozone export competitiveness into Turkey

Turkish deepsea import ferrous scrap prices softened Nov. 25 as sellside sources cited lower workable levels for HMS material, sources said.

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$491.75/mt CFR Nov. 25, down 75 cents/mt day on day.

In recent deepsea deals, the premium for shredded and bonus scrap grades was more than \$20/mt over HMS 1/2 (80:20) compared with \$10-\$15/mt over the past 18 months, as Turkish mills continue to pay elevated prices for higher Fe-yield scrap cargoes.

Interest in cargoes consisting of mostly HMS 1/2 (80:20) was not so strong amid the current negative finished steel sentiment in Turkey's domestic and export markets. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	491.75	-0.75	496.80
Steel Rebar FOB Turkey (\$/mt)	720.00	0.00	730.13
Argus HRC NW Europe (€/mt)	930.50	-21.75	967.14
Argus FOB China HRC (\$/mt)	770.00	3.00	788.50

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	615	625	620
Jan-22	595	605	600
Feb-22	585	595	590
Q1-22	583	593	588
Q2-22	560	570	565
Q3-22	545	555	550

US HRC USD/short ton			
	Bid	Ask	Value
Dec-21	1650	1670	1660
Jan-22	1530	1550	1540
Feb-22	1435	1455	1445
Q1-22	1460	1480	1470
Q2-22	1263	1283	1273
Q3-22	1043	1063	1053

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-21	955	965	960
Dec-21	955	965	960
Jan-22	945	955	950
Q1-22	945	955	950
Q2-22	925	935	930
Q3-22	882	892	887

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