

**29/11/2021****FOB China HRC**

The index kept flat last Friday (26.11.21) at US\$770/t, MTD US\$787.53/t.

Some mills in Hebei province cut their met coke purchasing price by Yn200/t last Friday as met coke and coking coal futures fell sharply amid market concerns that China would impose price controls on thermal coal and introduce new pricing policies for coal. A handful of new locally transmitted COVID-19 cases have emerged in Shanghai and Hangzhou, Zhejiang, according to country's National Health Commission.

Some traders decreased offers for Chinese SAE1006 grade coils to \$820-825/t cfr Vietnam from \$820-840/t cfr Vietnam. Certain traders even cut offers to \$800/t cfr Vietnam for pipe-making SAE grade coils. The market outlook is uncertain as raw material prices were still on downward pressures, and steel demand remained weak, while Chinese mills would face stricter production controls from January for Winter Olympics. (Argus)

**Turkish Scrap**

Market chatter persists of lower-priced Baltic-origin sales  
Limited December shipment cargoes remain; most offers for January

Turkish deepsea import ferrous scrap prices softened further Nov. 26, as Baltic sell-side 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 \$489.75/mt CFR Nov. 26, down \$2.

Multiple sell-side sources estimated that Baltic-origin cargoes were likely booked in the \$488-\$492/mt CFR range this week, but no confirmation was obtained by the 1630 London time pricing deadline.

One Turkish agent source cited an indicative tradable value for Baltic-origin HMS 1/2 (80:20) at \$488-\$490/mt CFR for euro-zone exporters, adding that \$482-\$483/mt CFR was workable for UK/EU-origin HMS 1/2 (80:20).

The weaker euro versus the US dollar is allowing Baltic eurozone exporters to accept lower workable levels on a US dollar-denominated CFR Turkey basis.

Platts assessed the euro at \$1.1313 at 1630 London time Nov. 26, up slightly from \$1.1215 Nov. 25. However, the euro has weakened sharply in recent weeks against the US dollar, having been assessed at a recent high of \$1.1681 Oct. 28.

"When you need finance, you sell," a second Turkish agent said, citing an indicative tradable value for Baltic-origin HMS 1/2 (80:20) at \$488-\$490/mt CFR. Two Turkish mill sources cited indicative tradable values for premium HMS 1/2 (80:20) around \$490/mt CFR. (Platts)

**EHR CME**

Northwest European hot-rolled coil (HRC) prices continued to fall Friday, as mills offered discounts to larger buyers to fill their rolling programmes.

The Argus benchmark daily northwest Europe HRC index fell by €13.50/t to €917/t ex-works, its lowest since 14 April. The daily Italian index was static at €874.50/t.

Even tier-one producers have discounted prices to around €900/t for larger buyers for first-quarter supply. Stocks remain high because of low automotive offtake, although some original equipment manufacturers are reporting an easing in semiconductor supply issues from the second quarter, which could quickly tighten the supply and demand balance. Some larger buyers have increased their purchasing volumes, perceiving that the bottom of the market has been reached.

For now, many market participants are waiting on the results of 2022 annual automotive contract talks to provide greater clarity and direction. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	489.75	-2.00	496.45
Steel Rebar FOB Turkey (\$/mt)	720.00	0.00	729.63
Argus HRC NW Europe (€/mt)	917.00	-13.50	964.64
Argus FOB China HRC (\$/mt)	770.00	0.00	787.53

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-21	775	785	780
Dec-21	765	775	770
Jan-22	755	765	760
Q1-22	738	748	743
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	1595	1615	1605
Jan-22	1470	1490	1480
Feb-22	1385	1405	1395
Q1-22	1460	1480	1470
Q2-22	1412	1432	1422
Q3-22	1007	1027	1017

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-21	955	965	960
Dec-21	935	945	940
Jan-22	935	945	940
Q1-22	933	943	938
Q2-22	922	932	927
Q3-22	882	892	887

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