

03/12/2021**FOB China HRC**

The index rose by \$1/t yesterday (2.12.21) to US\$769/t, MTD US\$768.5/t.

China's domestic market sentiment got boosted by accelerated steel stockpile declines. Rebar stockpiles held by mills and traders reduced by over 650,000t this week, accelerating from last week's decline of 460,000t and hot-rolled coil (HRC) inventory fell by over 35,000t on week, also faster from last week's decline of 20,000t, participants said.

A deal for a small quantity of Chinese SS400 HRC was sold at \$790-795/t cfr Vietnam earlier this week, netting back to \$760-765/t for China. But that level was not workable today as traders and mills withdrew lower export offers after Chinese domestic prices kept rising for two consecutive days. Chinese mills and sellers also lifted SAE1006 HRC offers to \$830-850/t cfr Vietnam after they sold at \$780-790/t fob China, or \$810-820/t cfr Vietnam this week. (Argus)

EHR CME

North European hot-rolled coil (HRC) prices were under pressure again yesterday in illiquid trading, with December looking like it may be a very quiet month.

Given the amount of material in the supply chain, at mills, ports and service centres, there is limited appetite to buy. Mills have rented warehousing space to keep coils that original equipment manufacturers cannot take. Congestion and logistical issues mean it is difficult to extract material from Antwerp, and other ports, which is further dampening appetite.

Turkish material was offered direct into Germany around €875/t cfr, without duty, but buy-side sources said this was not competitive enough against eastern European offers. There was talk of some Visegrad mills being as low as €820-830/t ex-works today, but this was not confirmed.

Sources said the market was around €920-950/t, but deals have been done in a wide range above and below these levels. Argus' domestic northwest EU HRC index was down by €3/t at €921.25/t today. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,740/st EXW Indiana Dec. 2, down \$10 from Dec. 1.

The daily assessment fell toward the low-end of a tradable range reported by one mill source at \$1,740. The level remained above most buyers indicative bids at a maximum of \$1,700 but below reported mill offers at \$1,800 for small-tonnage inquiries. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	480.00	-2.50	481.25
Steel Rebar FOB Turkey (\$/mt)	717.50	-1.50	718.25
Argus HRC NW Europe (€/mt)	921.25	-3.00	922.75
Argus FOB China HRC (\$/mt)	769.00	1.00	768.50

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-21	750	760	755
Jan-22	745	755	750
Feb-22	740	750	745
Q1-22	740	750	745
Q2-22	705	715	710
Q3-22	675	685	680

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-21	450	460	455
Jan-22	435	445	440
Feb-22	430	440	435
Q1-22	430	440	420
Q2-22	415	425	420
Q3-22	400	410	405

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-21	685	695	690
Jan-22	670	680	675
Feb-22	665	675	670
Q1-22	665	675	670
Q2-22	645	655	650
Q3-22	615	625	620

BUSHELING			
	Bid	Ask	Value
Dec-21	595	605	600
Jan-22	585	595	590
Feb-22	575	585	580
Q1-22	575	585	580
Q2-22	545	555	550
Q3-22	515	525	520

US HRC USD/short ton			
	Bid	Ask	Value
Dec-21	1590	1610	1600
Jan-22	1400	1420	1340
Feb-22	1330	1350	1230
Q1-22	1460	1480	1470
Q2-22	1130	1150	1140
Q3-22	1000	1020	1010

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-21	915	925	920
Jan-22	905	915	910
Feb-22	900	910	905
Q1-22	900	910	905
Q2-22	883	893	888
Q3-22	858	868	863

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