

06 / 12 / 2021**FOB China HRC**

The index rose by \$1/t last Friday (3.12.21) to US\$770/t, MTD US\$769/t.

Tangshan steel mills started to cut output over 3-10 Dec after Level II pollution warnings were issued, cutting an estimated 40,000-50,000t/d of molten iron output. Independent rolling mills will also have to suspend production during the period. The MIIT published the industrial green development plan for the 14th five-year period. The steel industry will have to complete ultra-low emission upgrades for 530mn t/yr of steel capacity by 2025.

A deal for Chinese SS400 HRC was sold at \$815/t cfr Pakistan the week before last week, but sellers believe that was only workable for positional cargoes as it was much lower than current market level. A deal of Chinese hot-rolled checkered sheet was sold at \$835/t cfr Philippines. Chinese HRC remains competitive in Vietnam with offers and workable levels at \$810/t cfr. (Argus)

Turkish Scrap

Strong UK, Benelux collection prices may limit near-term downside

Mills expect \$460s/mt CFR in the near term

Turkish deepsea import ferrous scrap prices continued to fall Dec. 3, as Turkish buyers held back in search of lower workable levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Dec. 3 at \$477.50/mt CFR, down \$2.50/mt on the day.

"We suppose the next business will be less than \$480/mt CFR, but we do not know how close to \$470/mt CFR it will be - we will see," one Turkish agent source said. A second Turkish agent source cited an indicative tradable value for Baltic-origin HMS 1/2 (80:20) at \$475-\$478/mt CFR. "We are going to pull our offers from the market, there is no point in talking to any of the mills if they all feel like market pressures are against, they think the market will collapse to \$420-\$430/mt CFR," a trading source said, citing an indicative tradable value for premium HMS 1/2 (80:20) at \$475-\$480/mt CFR, but without much buyer interest.

A Turkish mill source cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$475/mt CFR, while a second mill source said \$470-\$475/mt CFR was workable for premium HMS 1/2 (80:20), with \$460/mt CFR expected to be workable in the near-term. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,740/st EXW Indiana Dec. 3, unchanged from Dec. 2. A service center received an offer at \$1,765/st for 500 st from a Southern mill for December production. The assessment remained unchanged and below the offer as more competitive levels have been heard throughout the week. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	477.50	-2.50	480.00
Steel Rebar FOB Turkey (\$/mt)	717.50	0.00	718.00
Argus HRC NW Europe (€/mt)	921.25	0.00	922.25
Argus FOB China HRC (\$/mt)	770.00	1.00	769.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-21	760	770	765
Jan-22	755	765	760
Feb-22	745	755	750
Q1-22	745	755	750
Q2-22	715	725	720
Q3-22	678	688	683

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-21	460	470	465
Jan-22	440	450	445
Feb-22	435	445	440
Q1-22	433	443	422
Q2-22	417	427	422
Q3-22	410	420	415

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-21	695	705	700
Jan-22	675	685	680
Feb-22	665	675	670
Q1-22	668	678	673
Q2-22	645	655	650
Q3-22	615	625	620

BUSHELING			
	Bid	Ask	Value
Dec-21	605	615	610
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	1605	1625	1615
Jan-22	1420	1440	1350
Feb-22	1340	1360	1240
Q1-22	1460	1480	1470
Q2-22	1137	1157	1147
Q3-22	990	1010	1000

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-21	930	940	935
Jan-22	930	940	935
Feb-22	915	925	920
Q1-22	918	928	923
Q2-22	882	892	887
Q3-22	855	865	860

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