

**15/12/2021****FOB China HRC**

The index fell by \$2/t yesterday (14.12.21) to US\$767/t, MTD US\$770.60/t.

China's top economic regulator, NDRC will continue to monitor commodity price changes and curb speculation. The regulator plans to stabilise market and prices using the national reserve and by increasing effective raw material supplies. Tangshan port was closed for any loading or unloading by heavy diesel trucks from 14 December, and transportation in and out of steel plants has also been banned to reduce air pollution.

Vietnamese mill Formosa Ha Tinh announced to cut offers to \$810-825/t cif Vietnam earlier this morning. Two deals totalling 30,000t of SAE1006 grade coils produced by an Indian mill were sold at \$790/t cfr Vietnam this week. Traders cut offers and workable levels for Chinese SS400 HRC to \$760-790/t fob, inducing bids at \$710-750/t fob. (Argus)

**Turkish Scrap**

Mills await Turkish central bank interest rate decision Dec. 16  
Finished steel demand remains weak

Turkish Deepsea import ferrous scrap prices remained unchanged Dec. 14, as buyers continued to hold back amid currency volatility and slow finished steel demand, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Dec. 14 at \$470/mt CFR, unchanged on day.

"In Turkey, the atmosphere is not enough to make a trade. Domestic [finished steel] stockists are not feeling safe to go ahead with purchases, so producers are already so far away from being active [in the scrap market]," one Turkish mill source said.

A second Turkish mill source said below \$470/mt CFR was workable for premium HMS 1/2 (80:20) but added that the market was in a "holiday mood." "Everyone is waiting for Thursday's interest rate decision, but once there is clarity, we could see 2-5 cargoes booked this week for January shipment, and perhaps 5-8 cargoes by the end of next week," a Turkish trading source said.

The Turkish trading source cited an indicative tradable value for US-origin HMS 1/2 (80:20) at \$468-\$472/mt CFR, for Baltic-origin HMS 1/2 (80:20) at \$465-\$470/mt CFR, and for Benelux-origin HMS 1/2 (80:20) at \$460-\$465/mt CFR. (Platts)

**EU HRC**

European hot-rolled coil (HRC) prices slipped again yesterday in sluggish trading.

Argus' daily NW EU HRC index dropped by €2.75/t to €913.75/t ex-works, while the daily Italian HRC index fell by €1/t to €849/t ex-works.

The lack of automotive contract settlements, high stocks and the impending year end kept most buyers on the sidelines, while downward pressure in Italy also weighed on sentiment in the north. One Visegrad-based mill sold DD11 hot-rolled sheet into Germany at the equivalent base price of €912.50/t and was receiving bids from Italian buyers as low as €840/t base cpt. The largest Italian buyers have been bidding for supply from Turkey, Russia and Asia at €780-790/t cfr for February shipment. This compares to offers from India at €800/t cfr, although market participants said there would be discounts for large tonnages of 25,000t. Two Turkish mills rejected bids at \$800-810/t fob from Italy. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	470.00	0.00	473.25
Steel Rebar FOB Turkey (\$/mt)	697.50	-5.00	710.65
Argus HRC NW Europe (€/mt)	913.75	-2.75	919.55
Argus FOB China HRC (\$/mt)	767.00	-2.00	770.60

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	685	695	690

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-21	460	470	465
Jan-22	445	455	450
Feb-22	440	450	445
Q1-22	440	450	423
Q2-22	418	428	423
Q3-22	410	420	415

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-21	695	705	700
Jan-22	680	690	685
Feb-22	675	685	680
Q1-22	673	683	678
Q2-22	645	655	650
Q3-22	615	625	620

BUSHELING			
	Bid	Ask	Value
Jan-22	590	600	595
Feb-22	580	590	585
Mar-22	570	580	575
Q1-22	580	590	585
Q2-22	550	560	555
Q3-22	520	530	525

US HRC USD/short ton			
	Bid	Ask	Value
Dec-21	1595	1615	1605
Jan-22	1410	1430	1330
Feb-22	1320	1340	1240
Q1-22	1460	1480	1470
Q2-22	1143	1163	1153
Q3-22	1017	1037	1027

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-21	920	930	925
Jan-22	870	880	875
Feb-22	860	870	865
Q1-22	860	870	865
Q2-22	835	845	840
Q3-22	815	825	820

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [freightinvestorservices.com](http://freightinvestorservices.com)