

16/12/2021**FOB China HRC**

The index kept flat yesterday (15.12.21) to US\$767/t, MTD US\$770.27/t.

China's crude steel output reached 69.31mn t in November, down by 3.2pc over October and lower by 22pc on year, data by China's national bureau of statistics (NBS) shows. January-November crude steel output in China was down by 2.6pc on the year to 946mn t.

A large Chinese mill was heard to have sold HRC at a base price of \$780/t fob China this week, but no further details could be confirmed. A second deal for around 10,000t of S5400 HRC produced by the same mill was heard to be closed at \$780/t cfr Vietnam. But most participants deemed the level too low to be representative of the market especially with Chinese domestic prices rising in recent days.

Vietnamese mill Formosa Ha Tinh did not announced official offers this month as it plans to negotiate prices bilaterally with customers amid the uncertainty of the Covid-19 pandemic. Market participants received its offers in the range of \$810-825/t cif Vietnam. (Argus)

Turkish Scrap

Turkey's Deepsea import scrap prices fall as sellers adjust workable levels

Mills await Turkish central bank interest rate decision Dec. 16

Recyclers seek premiums above \$20/mt for shredded, bonus scrap over HMS 1/2 80:20

Turkish deepsea import ferrous scrap prices fell Dec. 15, as sellers cited lower workable levels, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 Dec. 15 at \$465/mt CFR, down \$5/mt on day. A US recycler cited an indicative tradable value for US-origin HMS 1/2 80:20 at \$465-\$470/mt CFR, adding that "shred may never go back to Turkey at this rate." "The Turks want shred, but shred is expensive, so all of the recyclers from Europe, UK and US would like to sell HMS only," a Turkish agent source said, adding that US and Baltic recyclers were still aiming for \$470/mt CFR for HMS 1/2 80:20 but that \$460/mt CFR was now workable for UK/EU-origin HMS 1/2 80:20. "Shredded and bonus premiums [over HMS 1/2 80:20] will increase in the New Year and will reach to levels of \$40/mt and beyond," one EU recycler predicted. (Platts)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,640/st EXW Indiana Dec. 15, unchanged from Dec. 14.

One Midwest service center source said repeatable tradeable value remained at \$1,640-\$1,680/st. Another service center source received an indicative offer at \$1,640/st for a general spot price inquiry but had no order to test the price level. The assessment remained at the latest offer levels and was unchanged from the prior session. (Platts)

Market Rates

| Indices | Price | Change | MTD |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 465.00 | -5.00 | 472.50 |
| Steel Rebar FOB Turkey (\$/mt) | 692.50 | -5.00 | 709.00 |
| Argus HRC NW Europe (€/mt) | 913.75 | 0.00 | 919.02 |
| Argus FOB China HRC (\$/mt) | 767.00 | 0.00 | 770.27 |

| LME HRC FOB TIANJIN CHINA USD/mt | | | |
|----------------------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Dec-21 | 760 | 770 | 765 |
| Jan-22 | 775 | 785 | 780 |
| Feb-22 | 770 | 780 | 775 |
| Q1-22 | 770 | 780 | 775 |
| Q2-22 | 745 | 755 | 750 |
| Q3-22 | 715 | 725 | 720 |

| LME HMS 80:20 CFR TK | | | |
|----------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Dec-21 | 460 | 470 | 465 |
| Jan-22 | 450 | 460 | 455 |
| Feb-22 | 440 | 450 | 445 |
| Q1-22 | 442 | 452 | 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 | 685 | 695 | 690 |
| Feb-22 | 675 | 685 | 680 |
| Q1-22 | 675 | 685 | 680 |
| 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 | 1620 | 1640 | 1630 |
| Jan-22 | 1425 | 1445 | 1345 |
| Feb-22 | 1335 | 1355 | 1240 |
| Q1-22 | 1460 | 1480 | 1470 |
| Q2-22 | 1148 | 1168 | 1158 |
| Q3-22 | 1028 | 1048 | 1038 |

| NWE HRC EUR/metric ton | | | |
|------------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Dec-21 | 915 | 925 | 920 |
| Jan-22 | 875 | 885 | 880 |
| Feb-22 | 865 | 875 | 870 |
| Q1-22 | 867 | 877 | 872 |
| Q2-22 | 845 | 855 | 850 |
| Q3-22 | 815 | 825 | 820 |

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