

**07/01/2022****FOB China HRC**

The index kept flat yesterday (6.1.22) at US\$745/t, MTD US\$747/t.

Chinese Mills are active in restocking raw materials to resume productions this month, following government-mandated curbs last year. China has not released any signals to tighten production controls beyond what they have already announced. Overall steel demand remains weak though, amid the approaching lunar new year holiday from 31 January and uncertainties related to the real estate industry.

Chinese offers were not attractive to Vietnamese buyers given the much lower priced Indian coils. An Indian mill was heard to have sold 10,000t SS400 HRC at \$755/t cfr Vietnam last week, for February or March shipment. An Indian mill was heard to have sold 10,000t SAE1006 grade coils at \$735-740/t cfr Vietnam this week, for March shipment. But most participants said that level was too low to be accepted by Indian mills or traders. (Argus)

**EHR CME**

European hot-rolled coil prices diverged somewhat yesterday, as participants anticipated mills might increase offers on higher energy costs, but lower deals done during the last week pulled down Italian prices.

Liquidity is scant, with many participants still away for holiday. Today is a public holiday in Italy and the market at large will not really resume until next week. But EU sellers indicated achievable levels into Italy around €820-840/t (\$927-950/t) delivered, pulling the index down to €827.50/t ex-works.

There have been rumours about one seller in Italy dropping down to €820/t ex-works and below right before the close for Christmas, but market participants said tonnages were very limited, and other mills kept prices higher. In any case, with imports so far below the Italian domestic price, it was expected producers would need to lower to attract deals.

An offer was heard from Turkey to Italy at \$810/t fob, which would equate to just under €790/t cif Italy, inclusive of duty. India was well below that level, and an Egyptian mill was heard to have slashed offers to the domestic level over the past few days by \$120/t. It is probable that it will also need to lower export offers. (Argus)

**US HRC**

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,500/st EXW Indiana Jan. 6, unchanged from Jan. 5.

The assessment remained at the lower end of a Midwest mill source's recent transactions at \$1,500-\$1,600/st. One other Midwest service center source said he would not bid any more than \$1,200/st for an undisclosed large amount of tons. The bid was not reflective of any recent offers or spot business concluded with a mill. The assessment was unchanged at latest repeatable tradeable values with no other firm bids, offers or transactions reported on the day. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	465.25	5.25	462.75
Steel Rebar FOB Turkey (\$/mt)	700.00	5.00	696.67
Argus HRC NW Europe (€/mt)	903.25	3.25	901.08
Argus FOB China HRC (\$/mt)	745.00	0.00	747.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-22	750	760	755
Feb-22	745	755	750
Mar-22	740	750	745
Q1-22	745	755	750
Q2-22	727	737	732
Q3-22	712	722	717

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-22	455	465	460
Feb-22	452	462	457
Mar-22	445	455	450
Q1-22	451	461	423
Q2-22	418	428	423
Q3-22	410	420	415

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-22	695	705	700
Feb-22	685	695	690
Mar-22	665	675	670
Q1-22	682	692	687
Q2-22	645	655	650
Q3-22	615	625	620

BUSHELING			
	Bid	Ask	Value
Jan-22	570	580	575
Feb-22	575	585	580
Mar-22	585	595	590
Q1-22	577	587	582
Q2-22	585	595	590
Q3-22	575	585	580

US HRC USD/short ton			
	Bid	Ask	Value
Jan-22	1410	1430	1420
Feb-22	1275	1295	1200
Mar-22	1190	1210	1160
Q1-22	1460	1480	1470
Q2-22	1108	1128	1118
Q3-22	988	1008	998

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-22	863	873	868
Feb-22	862	872	867
Mar-22	855	865	860
Q1-22	860	870	865
Q2-22	845	855	850
Q3-22	832	842	837

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