

24/01/2022**FOB China HRC**

The index kept increased by \$3/t to US\$752/t on last Friday (21.1.22), MTD US\$746.07/t.

Trade was quiet in Asia steel market, but sentiment remain bullish with Chinese Premier Li Keqiang saying a stable economy growth will be China's priority this year with focus on stimulating domestic demand and guaranteeing effective supply.

A north China mill lifted its offers for SS400 hot-rolled sheet (HRS) to \$794/t fob today from its last deal at \$777/t fob for HRS, and Chinese steel mills were not willing to accept prices lower than \$790-800/t cfr Vietnam for SS400 HRC, netting back to \$760-770/t fob given \$30/t freight. Buyers' bid level was at \$750-760/t cfr Vietnam. Trade was choked by the wide spread between offers and bids.

Workable level for traders' position cargo of Indian SAE 1006 grade coils stood at \$765/t cfr Vietnam. Indian mills withdrew offers from the market, planning to raise prices next week. South Korean coil was heard being sold at \$750-760/t cfr Vietnam for small quantities, but it cannot be confirmed by the time of publication. (Argus)

EU HRC

North European hot-rolled coil (HRC) prices nudged up Friday as a number of large export mills withdrew or increased offers.

Egyptian producers have gone off market having sold decent tonnages this week and in anticipation of further rises, while a Japanese mill that was offering around €780/t has gone off market.

One South Korean mill was also reported to have stepped away, while an Indian producer that has been the most competitive of late was eyeing higher offers. Turkish producers were hyping the impact of constrained gas supply, which may also play into firmer offers. One Indian producer was in discussions around €780/t cfr for late March delivery, it said.

A central and eastern European steelmaker said it had sold into Germany at around €925/t delivered Ruhr, while another sold 3,000t into its local market at €900/t delivered, which would equate to around €920/t into Germany. Firm slab prices were expected to support coil prices to an extent, despite demand still being sluggish.

There is also support from tighter supply of downstream products cold-rolled coil (CRC) and hot-dipped galvanised, although mills are struggling to increase HRC.

Argus' daily northwest EU HRC index rose by €4.50/t today to €911.50/t ex-works. (Argus)

Turkish Scrap

Baltic sales heard below \$470/mt CFR

Market sources expect near-term prices to stay mostly sideways

Turkish deepsea import ferrous scrap prices inched down Jan. 21, as two Baltic-origin cargoes were reported, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 Jan. 21 at \$469/mt CFR, down 75 cents on day.

A reported Baltic-origin deal was heard by multiple sources to be booked by a Marmara mill, with HMS 1/2 80:20 at \$467.50/mt CFR. A second reported Baltic-origin deal was heard to be booked by an Iskenderun mill, with HMS 1/2 80:20 at \$469-\$470/mt CFR but this could not be confirmed.

A reported US-origin deal was also heard to be booked by a Marmara mill, with HMS 1/2 80:20 at \$470/mt CFR but was yet to be confirmed.

"I expect a near-term price range at \$468-\$472/mt CFR for scrap - as pig iron and iron ore are also increasing so there's no room to decrease," a Turkish mill source said. "Turkey is buying carefully and there is not much left to buy for February - there will still be deals but some EU sellers still need to sell February shipment so I don't think there can be a price increase either." Platts assessed CIS basic pig iron at \$507.50/mt FOB Black Sea on Jan. 21, up \$12.50/mt on week. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	469.00	-0.75	468.61
Steel Rebar FOB Turkey (\$/mt)	700.00	0.00	699.21
Argus HRC NW Europe (€/mt)	911.50	4.50	909.23
Argus FOB China HRC (\$/mt)	752.00	3.00	746.07

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-22	750	760	755
Feb-22	755	765	760
Mar-22	760	770	765
Q1-22	755	765	760
Q2-22	750	760	755
Q3-22	720	730	725

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jan-22	460	470	465
Feb-22	465	475	470
Mar-22	460	470	465
Q1-22	462	472	453
Q2-22	448	458	453
Q3-22	418	428	423

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-22	705	715	710
Feb-22	705	715	710
Mar-22	705	715	710
Q1-22	705	715	710
Q2-22	693	703	698
Q3-22	662	672	667

BUSHELING			
	Bid	Ask	Value
Feb-22	530	540	535
Mar-22	540	550	545
Apr-22	542	552	547
Q2-22	548	558	553
Q3-22	563	573	568
Q4-22	559	569	564

US HRC USD/short ton			
	Bid	Ask	Value
Jan-22	1415	1435	1425
Feb-22	1210	1230	1005
Mar-22	995	1015	955
Q1-22	1207	1227	1217
Q2-22	930	950	940
Q3-22	897	917	907

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-22	905	915	910
Feb-22	915	925	920
Mar-22	905	915	910
Q1-22	908	918	913
Q2-22	882	892	887
Q3-22	842	852	847

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