

**28/01/2022****FOB China HRC**

The index kept flat yesterday (27.1.22) at US\$759/t, MTD US\$748.26/t.

Chinese steel inventories registered a sharp gain ahead of the lunar new year holiday, with downstream consumption coming to a halt. The Chinese government will further boost market confidence, stabilize market expectations, deepen reform and opening-up of the economy, Chinese premier Li Keqiang said this week at a symposium. China will support enterprises by adjusting tax and fee policies and carry out precise measures to reduce financing costs for medium, small and micro firms, he added.

There wasn't adequate time for participants to complete the paperwork for deals before the holiday. A deal for Indian SAE1006 grade coils was heard at \$800/t cfr Vietnam, but no further details could be confirmed and most Vietnamese participants deemed that level to be too high to be accepted by local buyers. (Argus)

**EU HRC**

European hot-rolled coil (HRC) prices firmed yesterday on the back of increases in bulk export markets.

The European Commission's decision not to impose provisional duties on Turkish and Russian hot-dip galvanised coil has stimulated HRC demand from re-rollers, leading to higher domestic Turkish offers and firmer import quotes into the country. Indian and CIS producers have all increased their offers into Turkey.

European buyers have sensed the change in tone and are now making more inquiries for material. The domestic Italian HRC index increased by €4/t (\$4.50/t) to €833/t ex-works, while the daily northwest EU HRC index rose by €1/t to €906/t. Talk continued to permeate the market of leading European producer ArcelorMittal increasing its offer by €40-50/t, although this could not be confirmed. A Russian producer was offering at €940-950/t cfr and said it would increase prices again next week after making some sales.

Domestic mills with a heavy automotive focus were still trying to sell surplus tonnes quietly to certain buyers. Scandinavian material was sold into the UK at the equivalent of €950/t effective delivered for S275 grade material. The European Commission confirmed today that the lack of provisional duties on Turkish and Russian hot-dip galvanised coil meant there would be no retroactive duties. (Argus)

**US HRC**

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,270/st EXW Indiana Jan. 27, unchanged from Jan. 26.

A service center source said he received an offer at \$1,280/st for a 100 st inquiry from a customer. It was unclear if he bought at that level. The low end for domestic pricing was at \$1,200/st, according to a second service center source, with the upper end of his range at \$1,280/st. The price remained below the latest offers as bids remained lower with larger-tonnage transactions at lower levels. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	470.00	0.00	468.67
Steel Rebar FOB Turkey (\$/mt)	710.00	2.50	700.08
Argus HRC NW Europe (€/mt)	906.00	1.00	908.46
Argus FOB China HRC (\$/mt)	759.00	0.00	748.26

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jan-22	750	760	755
Feb-22	765	775	770
Mar-22	760	770	765
Q1-22	758	768	763
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	469	479	474
Mar-22	467	477	472
Q1-22	465	475	455
Q2-22	450	460	455
Q3-22	418	428	423

LME REBAR FOB TK			
	Bid	Ask	Value
Jan-22	705	715	710
Feb-22	721	731	726
Mar-22	721	731	726
Q1-22	716	726	721
Q2-22	702	712	707
Q3-22	662	672	667

BUSHELING			
	Bid	Ask	Value
Feb-22	530	540	535
Mar-22	525	535	530
Apr-22	535	545	540
Q2-22	542	552	547
Q3-22	563	573	568
Q4-22	559	569	564

US HRC USD/short ton			
	Bid	Ask	Value
Jan-22	1420	1440	1430
Feb-22	1165	1185	995
Mar-22	985	1005	957
Q1-22	1190	1210	1200
Q2-22	924	944	934
Q3-22	882	902	892

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jan-22	905	915	910
Feb-22	910	920	915
Mar-22	905	915	910
Q1-22	907	917	912
Q2-22	887	897	892
Q3-22	842	852	847

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)