

03/02/2022

**EU HRC**

More Italian hot-rolled coil (HRC) producers have increased offers, targeting €850-880/t (\$956-990/t) ex-works. But buyers are still not willing to book at such levels, with the maximum workable level heard at €860-865/t delivered, equivalent to €845-850/t ex-works.

The Argus daily Italian HRC index increased by €3.25/t to €845.25/t ex-works. The northwest EU index marginally edged down by €0.50/t to €909.25/t ex-works.

Market participants expect buyers to eventually agree to higher prices, in the absence of low import offers, and an anticipated further strengthening in global steel prices. Import prices are confidently above €800/t cfr Italy, with some sellers, such as Russia, offering into Antwerp as high as €900/t cfr inclusive of duty. It is unclear if any buyers have booked at even €800/t cfr Italy, but they have reported lowest offers of €810-815/t cfr today. Turkey was offering \$920-950/t fob yesterday.

Some buyers in Europe remain well-stocked, so they are not in the market to buy, while others still retain a weaker price outlook, despite more wide-spread bullishness. Much will depend on how firmly mills hold on to higher offers, but elevated costs are expected to keep producers taking a firmer position in negotiations. (Argus)

**Turkish Scrap**

Sell-side sources continue to expect \$500/mt CFR short-term  
Scrap collection prices rise in key exporting regions

Turkish deepsea import ferrous scrap prices rose Feb. 2, as mills indicated higher workable levels, while sellers also raised their target prices, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 80:20 Feb. 2 to \$490/mt CFR, up \$6/mt on day.

A Benelux-origin cargo totaling 40,000 mt was booked Feb. 1 by Iskenderun mill, with 30,000 mt of HMS 1/2 80:20 at \$475/mt CFR, and 10,000 mt shredded scrap at \$495/mt CFR. The deal was confirmed by both the buyer and seller and was heard to be for end-February/early March shipment. Market chatter surrounding a UK-origin deal to Turkey, with HMS 1/2 80:20 at \$488/mt CFR, was not confirmed, with a UK recycler indicating rejected bids below \$490/mt CFR.

"We are expecting a rally up to \$500/mt CFR - there is more scrap demand than supply now - perhaps mills need 20 cargoes with a latest shipment date of March 20 and another 15 cargoes for end of March shipment," a Turkish agent source said, citing an indicative tradable value for US-origin HMS 1/2 80:20 at around \$490/mt CFR or above, with Benelux-origin HMS 1/2 80:20 at around \$480/mt CFR. (Platts)

**US HRC**

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,240/st EXW Indiana Feb. 2, unchanged from Feb. 1.

A trader indicated prices were trending to below \$1,200/st but he was not actively buying. There was no indication of price change since the last assessment due to a lack of competitive 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)	490.00	6.00	487.00
Steel Rebar FOB Turkey (\$/mt)	725.00	5.00	722.50
Argus HRC NW Europe (€/mt)	909.25	-0.50	909.50
Argus FOB China HRC (\$/mt)	759.00	0.00	759.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-22	770	780	775
Mar-22	767	777	772
Apr-22	765	775	770
Q2-22	763	773	768
Q3-22	748	758	753
Q4-22	718	728	723

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-22	495	505	500
Mar-22	492	502	497
Apr-22	483	493	488
Q2-22	479	489	460
Q3-22	455	465	460
Q4-22	425	435	430

LME REBAR FOB TK			
	Bid	Ask	Value
Feb-22	730	740	735
Mar-22	720	730	725
Apr-22	710	720	715
Q2-22	702	712	707
Q3-22	662	672	667
Q4-22	615	625	620

BUSHELING			
	Bid	Ask	Value
Feb-22	505	515	510
Mar-22	510	520	515
Apr-22	515	525	520
Q2-22	522	532	527
Q3-22	550	560	555
Q4-22	560	570	565

US HRC USD/short ton			
	Bid	Ask	Value
Feb-22	1185	1205	1195
Mar-22	1005	1025	985
Apr-22	975	995	970
Q2-22	958	978	968
Q3-22	920	940	930
Q4-22	895	915	905

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-22	925	935	930
Mar-22	920	930	925
Apr-22	900	910	905
Q2-22	888	898	893
Q3-22	842	852	847
Q4-22	820	830	825

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