

08/02/2022**FOB China HRC**

The index rose by \$20/t yesterday (7.2.22) to US\$779/t, MTD US\$765.67/t.

Chinese HRC inventory held by mills and traders piled up by around 270,000t over the Chinese lunar new year holiday, lower than the increase of over 640,000t during the holiday last year, participants said. Several large Chinese mills increased offers sharply to \$790-820/t fob for SS400 HRC after witnessing the increase in domestic prices. Deals for SS400 HRC at \$800-810/t fob were done on the first working day after the Chinese lunar new year, but no further details could be confirmed.

Indian mills pushed up offers to \$830-860/t cfr Vietnam from \$800/t cfr Vietnam as they could sell at much higher levels to EU and Turkey markets. Major Chinese mills were silent, with limited sellers offering at \$820/t cfr Vietnam. A Chinese SAE1006 HRC deal was concluded at \$810/t fob, with the cargo headed to Turkey, as Turkish re-rollers could sell downstream products at decent price level to EU buyers. European buyers' target level for Chinese HRC was heard at \$900/t cfr. (Argus)

EU HRC

North European hot-rolled coil (HRC) prices were slightly lower yesterday, despite Italy pushing higher on the back of a firmer global market. The Argus daily northwest EU HRC index slipped by €5.25/t today to €932.50/t.

One Visegrad mill that had intended to increase its offer today to €950/t base delivered for dry HRC has postponed, as higher levels have not consolidated yet. A large mill trimmed its indicative level to €950/t, down by €20/t, and agreed liquidity remained low despite higher offers from a number of mills. Some large European mills still had March production available, which was testimony to ongoing slow liquidity.

Large service centres in talks with German mills expected to pay around €930/t or slightly less for HRC, against the higher offers — this was up from €900/t and lower in recent weeks.

There was talk of Indian HRC offered as high as \$1,000/t cfr Antwerp, equating to €875/t cfr. Turkish offers were as high as €880/t cfr including duty, for March-April shipment, which is a bullish sign, particularly for Italy. A Russian producer had withdrawn from the market, after selling the last of its March production at €885-905/t fca Antwerp inclusive of duty. Sources said it has some maintenance on its larger HRC mill and is prioritising slab sales as a result.

Italian prices continued to nudge higher, aided by firmer import quotes and the stronger global trade. Argus' headline daily Italian index rose by €4/t to €851.25/t ex-works. Offers from local mills were around €850-880/t ex-works, with some small-sized tonnages booked in this range from both Italian and northern EU sellers. (Argus)

US HRC

The S&P Global Platts TSI US hot-rolled coil index was assessed at \$1,140/st EXW Indiana Feb. 7, down \$30 from Feb. 4.

The assessment fell to one Midwest mini-mills' offer at \$1,140/st for 150 st, reported to Platts by a Midwest service center. Another service center source said they received an offer for an undisclosed amount of tons at \$1,280/st from a Midwest mini mill, but he was not interested in buying at that price. The input was not verified as a repeatable level and no other bids, offers or transactions were reported on the day. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	500.00	1.00	493.00
Steel Rebar FOB Turkey (\$/mt)	735.00	5.00	727.00
Argus HRC NW Europe (€/mt)	932.50	-5.25	925.00
Argus FOB China HRC (\$/mt)	779.00	20.00	763.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-22	805	815	810
Mar-22	815	825	820
Apr-22	810	820	815
Q2-22	807	817	812
Q3-22	793	803	798
Q4-22	765	775	770

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-22	495	505	500
Mar-22	495	505	500
Apr-22	490	500	495
Q2-22	482	492	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	740	750	745
Apr-22	730	740	735
Q2-22	722	732	727
Q3-22	668	678	673
Q4-22	615	625	620

BUSHELING			
	Bid	Ask	Value
Feb-22	510	520	515
Mar-22	510	520	515
Apr-22	515	525	520
Q2-22	535	545	540
Q3-22	563	573	568
Q4-22	560	570	565

US HRC USD/short ton			
	Bid	Ask	Value
Feb-22	1170	1190	1180
Mar-22	995	1015	970
Apr-22	960	980	960
Q2-22	947	967	957
Q3-22	908	928	918
Q4-22	902	922	912

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-22	935	945	940
Mar-22	945	955	950
Apr-22	940	950	945
Q2-22	930	940	935
Q3-22	900	910	905
Q4-22	870	880	875

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