

**16/02/2022****FOB China HRC**

The index fell by \$3/t yesterday (15.2.22) to US\$806/t, MTD US\$792.67/t.

A north China mill was heard to have sold 40,000-50,000t HRC in total this week at \$817-830/t cfr Vietnam. The mill's domestic selling prices are almost at the level of \$800/t fob China, which is still profitable for the mill given falling raw material prices. Other major Chinese mills were reluctant to receive orders at that level. A large Chinese mill lifted its offer by \$10/t to \$830/t fob China, inducing no buying interest as seaborne buyers specifically in Vietnam expected Chinese mills to cut prices soon after the domestic price falls.

Vietnamese mill Formosa Ha Tinh's monthly offers announced yesterday at \$830-850/t cif Vietnam for SAE1006 grade coils were much lower than offers at \$865/t cfr Vietnam from China. Vietnamese buyers cut bids to \$815-820/t cfr Vietnam. (Argus)

**EU HRC**

Argus' benchmark northwest European hot-rolled coil (HRC) index increased yesterday, as heavily spot-focused mills in northern Europe and the Visegrad managed to lift their prices.

The index increased by €19/t (\$21.51/t) to €925/t ex-works, after falling by €25.25/t on Monday.

A north European producer sold tens of thousands of HRC at around €925/t on an index basis for April, while a Visegrad-based mill sold around 5,000t at €940/t.

Those mills with heavy automotive exposure were still trying to sell surplus tonnages, meaning their regular buyers could procure at healthy discounts: as a result, traditional tier-one suppliers were in some instances below their smaller counterparts.

A German service centre that bought at €870-880/t in the last two weeks said it would have to pay around €900/t today for dry material. Another German buyer reported placing significant tonnes with domestic mills at around €880/t yesterday, but this fell out of the index calculation today given the higher levels obtained in the fresher business.

Activity was becoming slightly brisker in central Europe, where there is less automotive focus. But one auto-exposed Visegrad producer was booking around €900/t base delivered for March and was still hunting for western European sales. (Argus)

**US HRC**

The daily Platts TSI US HRC index was unchanged at \$1,100/st on an ex-works Indiana basis.

Buyers were prodding for prices below \$1,000/st to try to incentivize orders but lacked confidence to place orders even if bids were met. This left many pondering when would be the right time to buy for new orders to avoid missing the potential near term floor.

One service-center source said they still had not placed any new spot orders but were starting to see more positivity from their customers coming off the sidelines. They were targeting pricing below \$1,000/st from the domestic mills but were struggling to put together 5,000 st of customer demand now. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	506.00	0.00	499.14
Steel Rebar FOB Turkey (\$/mt)	742.50	2.50	732.73
Argus HRC NW Europe (€/mt)	925.00	19.00	924.34
Argus FOB China HRC (\$/mt)	806.00	-3.00	786.55

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-22	820	830	825
Mar-22	820	830	825
Apr-22	815	825	820
Q2-22	810	820	815
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	505	515	510
Apr-22	495	505	500
Q2-22	489	499	465
Q3-22	460	470	465
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
Mar-22	525	535	530
Apr-22	535	545	540
May-22	540	550	545
Q2-22	538	548	543
Q3-22	532	542	537
Q4-22	527	537	532

US HRC USD/short ton			
	Bid	Ask	Value
Feb-22	1120	1140	1130
Mar-22	985	1005	990
Apr-22	980	1000	985
Q2-22	970	990	980
Q3-22	942	962	952
Q4-22	918	938	928

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-22	935	945	940
Mar-22	945	955	950
Apr-22	935	945	940
Q2-22	932	942	937
Q3-22	905	915	910
Q4-22	875	885	880

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