

22/02/2022**FOB China HRC**

The index kept flat yesterday (21.2.22) at US\$805/t, MTD US\$796.54/t.

Some steel mills in Hebei province were preparing to resume production with the Winter Olympics ending on 20 February, while others will resume blast furnaces from late March when Paralympics also end. Physical trade also picked up compared with last week, with property sector sentiment improving after some interest rates for first-home buyers were lowered in some cities earlier this month.

A north China-based mill lifted its offer by \$10/t to \$830/t fob for SS400 HRC given firm domestic steel prices. While an east China mill cut its offer by \$10/t to \$840/t fob. Some traders were still actively offering at \$820/t cfr Vietnam and attracted no buying. Chinese mills were reluctant to receive orders below \$800/t fob China as that is almost the production cost line for them. (Argus)

EU HRC

The European hot-rolled coil (HRC) market inched down yesterday amid tepid demand.

The Argus daily Italian HRC index fell by €1.25/t to €890.50/t ex-works. The northwest European index fell by €0.50/t to €928.25/t ex-works.

Prices have fluctuated only slightly over the past week, with some sellers trying to keep offers higher. But buyers are resisting and purchasing at lower prices, if they need to, from competitors, ready to negotiate. That said, the levels buyers in Italy are ready to accept are understood to be €880-900/t delivered, with mills pushing for more. Market participants expect sales to be concluded this week with larger buyers.

There was again talk that ArcelorMittal might be looking to raise prices, but this was unconfirmed. Market participants have not seen the seller's previous offers accepted yet. Some sellers said relentless price increases are generating concern among market participants, and mills, which are not able to obtain higher prices at all.

Some pickled and oiled coils were heard sold at €915-920/t delivered Italy.

Meanwhile, import offers were heard for cold-rolled coil (CRC) into Europe at \$1,100-1,200/t cfr from Brazil. A small amount of HRC has been sold into Antwerp at €940/t cfr, inclusive of duty. An Asian supplier was heard seeking bids and trying to gauge how much buyers are willing to pay, having indicatively offered HRC at \$1,000/t cif Antwerp. It rejected bids at \$960/t cif, but at the same time there was talk of a sale at \$1,020/t for April shipment. Traders expect \$1,000-1,040/t to be the firm offer from the supplier. (Argus)

Turkish Scrap

Mills continue to wait before starting April shipment cargo purchases
Benelux HMS dock prices up to Eur410/mt delivered

Turkish deepsea import ferrous scrap prices remained stable Feb. 21 as Turkish mills continued to hold back from further purchases, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$507/mt CFR Feb. 21, unchanged day on day. One Turkish mill source cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$505-\$510/mt CFR.

"Mills will continue to buy if they can sell new product cargoes, otherwise mills will wait and [scrap] prices will decrease," a Turkish agent source said.

An EU recycler cited an indicative tradable value for Benelux-origin HMS 1/2 (80:20) at \$500/mt CFR but noted that mills were silent. The recycler source also said HMS collection prices in the Benelux region had reached up to Eur410/mt delivered to the docks. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	507.00	0.00	501.10
Steel Rebar FOB Turkey (\$/mt)	741.00	-1.50	735.07
Argus HRC NW Europe (€/mt)	928.25	-0.50	925.37
Argus FOB China HRC (\$/mt)	805.00	0.00	791.53

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-22	805	815	810
Mar-22	785	795	790
Apr-22	780	790	785
Q2-22	775	785	780
Q3-22	760	770	765
Q4-22	747	757	752

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	486	496	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	725	735	730
Apr-22	720	730	725
Q2-22	715	725	720
Q3-22	695	705	700
Q4-22	658	668	663

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	1110	1130	1120
Mar-22	945	965	965
Apr-22	955	975	960
Q2-22	952	972	962
Q3-22	940	960	950
Q4-22	925	945	935

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-22	925	935	930
Mar-22	935	945	940
Apr-22	945	955	950
Q2-22	942	952	947
Q3-22	933	943	938
Q4-22	912	922	917

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