

23/02/2022**FOB China HRC**

The index was unchanged yesterday (22.2.22) at US\$805/t, MTD US\$797.14/t.

Beijing's scrutiny on prices of raw materials drove sentiment in the domestic China steel market. There were talks that China's NDRC had summoned local authorities to investigate coal and coke markets and prices.

Major Chinese mills kept offers unchanged at \$815-830/t fob for SS400 HRC, though some stopping quoting amid uncertainties, especially because of the fluctuations in domestic prices this week. Traders refrained from taking short positions, as they cannot guarantee supply from mills should Chinese domestic prices rise in the following days.

Both sellers and buyers were cautious in Vietnam, with limited Chinese SAE1006 grade coils offers in the market at \$860-870/t cfr Vietnam. Buyers cut their acceptable levels from \$840/t to \$830/t cfr Vietnam. (Argus)

EU HRC

Activity in the European coil market continues to be limited, although there have been some transactions for small tonnages to buyers that may need to restocks, or for small projects.

The Argus daily northwest Europe hot-rolled coil (HRC) index rose by €5.50/t to €933.75/t ex-works. But the Italian index edged down by €1.75/t to €888.75/t ex-works.

Northwest European mills are telling buyers their earliest availability is for May delivery, but once orders are placed, the material is available on quicker lead times. It seems a lot of mills are trying to keep prices higher by declaring lengthier order books than they have.

Some offers from German producers were heard at €950-960/t ex-works, but prices are negotiable for orders above 100t. Several market participants have reported that in both northern Europe and Italy mills are offering at certain levels on an ex-works basis, which in negotiations they are willing to do on a delivered basis.

In Antwerp, there is concern about pending orders from Russia, given expectations that the US and EU will impose sanctions after the movement of troops into eastern Ukraine.

Italian buyers were in the meantime still able to book from domestic suppliers at €880-900/t delivered, even if some mills were declaring prices of up to €920-930/t ex-works. HRC stocks across Europe are above historical averages, underpinning lower demand from buyers. Mills have April availability. (Argus)

Turkish Scrap

Mills hold back on buying

Sources closely monitor escalating situation

Turkish deepsea import ferrous scrap prices were stable Feb. 22, amid slow market activity, sources said. S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$507/mt CFR Feb. 22, unchanged on the day.

"I guess we won't have a clear picture before the mills are back in the market," an EU recycler source said. "I don't see this before the Ukrainian conflict and its impact is digested." Turkish mills have been largely holding back scrap purchases over the past week, as they seek finished steel demand. Only a Baltic-origin cargo was heard by multiple sources to have been booked during the week ended Feb. 18 by an Izmir mill, with HMS 1/2 (80:20) at \$507/mt CFR. "The [Russia-Ukraine] situation has everyone watching how it will further unfold -- people are looking for cues on whether sectoral sanctions will be invoked, which is currently a remote scenario, unless the situation is not aggravated further militarily," a trading source said.

A Turkish mill source said scrap sellers were relaxed having sold a lot of cargoes recently, with offers for premium HMS 1/2 (80:20) heard around \$510/mt CFR. Buyers were targeting \$490/mt CFR on the expectation of a near-term workable level at \$500/mt CFR, the mill source said. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	507.00	0.00	501.47
Steel Rebar FOB Turkey (\$/mt)	741.00	0.00	735.44
Argus HRC NW Europe (€/mt)	933.75	5.50	925.89
Argus FOB China HRC (\$/mt)	805.00	0.00	792.38

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-22	805	815	810
Mar-22	805	815	810
Apr-22	900	910	905
Q2-22	823	833	828
Q3-22	762	772	767
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	1107	1127	1117
Mar-22	970	990	990
Apr-22	980	1000	995
Q2-22	982	1002	992
Q3-22	967	987	977
Q4-22	925	945	935

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-22	925	935	930
Mar-22	970	980	975
Apr-22	980	990	985
Q2-22	980	990	985
Q3-22	955	965	960
Q4-22	912	922	917

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