



Steel & Scrap Morning Report

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FOB China HRC

FOB China HRC – The index fell by \$2/t last Friday (25.2.22) to US\$797/t, MTD US\$797.65/t. (Argus)

The economic planning agency the NDRC released measures to further regulate term thermal coal prices as a way to reduce overall domestic prices that will take effect on 1 May. It follows similar scrutiny of iron ore markets. The scrutiny has undercut steel prices by creating downside margin room for prices.

Major Chinese mills hold offers unchanged at and above \$825/t fob for SS400 HRC, being reluctant to receive orders below \$810/t fob China. A north China mill sold around 5,000t SS400 HRC at \$815/t fob China to South Korea last week. But most seaborne buyers from other countries could not accept that level and held a cautious attitude. Some other deals for Chinese SS400 HRC were heard sold at \$795-800/t fob China by traders last week without details.

Turkish Scrap

Turkish deepsea import ferrous scrap prices jumped Feb. 25 as Turkish mills reentered the market aggressively after achieving large export billet sales, sources said. (Platts)

S&P Global Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$514/mt CFR Feb. 25, up \$6. 4

Turkish mills were heard to have sold 65,000 mt billet to North

Africa and traders Feb. 24 at prices around \$720-729/mt FOB Turkey. Meanwhile, buyers, affected by force majeure declarations from Black Sea exporters due to the Russian invasion of Ukraine, switched their attention to Turkish material. This allowed mills to accept higher prices for ferrous scrap, for which demand was also increasing, as supply of Black Sea basic pig iron, an alternative raw material input, was also hit.

A US-origin cargo was booked Feb. 25 by a Marmara mill, with HMS 1/2 (80:20) at \$514/mt CFR and shredded and PNS at \$534/mt CFR. The deal was confirmed by the sellside for end-April shipment

US HRC

US HRC (Platts)

The S&P Global Platts TSI Us hot-rolled coil index was assessed at \$1,000/st EXW Indiana Feb. 25, unchanged from Feb. 24.

The assessment remained at the latest offer level, reported by one Midwest service center at \$1,000/st from a mill. Another service center said tradeable value was between \$1,000-\$1,040/st, while a Midwest mill reported recent transactions slightly higher at \$1,050-\$1,100/st. The assessment was unchanged at the latest offer level and low-end of tradeable value, with no other bids, offers or transactions reported on the day.

No data was excluded from the assessment. The above rationale applies to the daily Platts TSI US HRC EXW Indiana index, with the associated market data code: STHRI000

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Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	514.00	6.00	502.76
Steel Rebar FOB Turkey (\$/mt)	745.00	4.00	736.47
Argus HRC NW Europe (€/mt)	950.25	6.50	929.03
Argus FOB China HRC (\$/mt)	797.00	-2.00	793.58

US HRC USD/short ton			
	Bid	Ask	Value
Feb-22	1107	1127	1117
Mar-22	985	1005	1000
Apr-22	990	1010	1005
Q2-22	991	1011	1001
Q3-22	977	997	987
Q4-22	962	982	972

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-22	935	945	940
Mar-22	1000	1010	1005
Apr-22	1015	1025	1020
Q2-22	1005	1015	1010
Q3-22	975	985	980
Q4-22	932	942	937

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-22	790	800	795
Mar-22	795	805	800
Apr-22	805	815	810
Q2-22	797	807	802
Q3-22	768	778	773
Q4-22	765	775	770

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-22	495	505	500
Mar-22	533	543	538
Apr-22	530	540	535
Q2-22	525	535	510
Q3-22	505	515	510
Q4-22	491	501	496

LME REBAR FOB TK			
	Bid	Ask	Value
Feb-22	733	743	738
Mar-22	775	785	780
Apr-22	770	780	775
Q2-22	765	775	770
Q3-22	725	735	730
Q4-22	692	702	697

BUSHELING			
	Bid	Ask	Value
Mar-22	550	560	555
Apr-22	620	630	625
May-22	620	630	625
Q2-22	620	630	625
Q3-22	603	613	608
Q4-22	570	580	575

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