

10/03/2022**FOB China HRC**

The index fell by \$4/t yesterday (9.3.22) to \$876/t, MTD US\$855.43/t.

Expectations that Beijing may look to tame raw materials' prices made participants cautious.

China's top economic planner, NDRC said yesterday that it will continue to intensify efforts to improve coal production, supply, storage and sales.

Several Chinese mills cut SS400 HRC offers to \$875-895/t fob, while traders cut offers for positional coils to equivalent of \$850-855/t fob. Seaborne buyers were cautious amid the falling trend, with limited ones interested at \$840-865/t fob. Traders cut offers to \$900-930/t cfr Vietnam for Chinese SAE1006 grade coils. Most Vietnamese buyers were silent given the uncertainties, with limited ones cutting bids to \$880/t cfr Vietnam. (Argus)

EU HRC

North European hot-rolled coil (HRC) prices soared to a record high today, prompted by increasingly tight supply and mills prepared to hike offers further.

Argus' daily benchmark northwest EU HRC index jumped by €114/t to €1,216/t ex-works, surpassing the previous peak of €1,206.50/t reached on 22 June last year. The index has risen by €245.50/t since the beginning of March.

Market leader ArcelorMittal and others have pulled back and are expected to return with offers of €1,300/t, or possibly more. Some producers exposed to Russian raw materials are cutting output because of reduced supply, further exacerbating supply tightness. High energy costs and scrap prices are also causing electric arc furnace-based mills in certain countries to look to alter production to run at off-peak times.

While demand is still nowhere near buoyant in the north, given high stock levels and very low automotive demand, buyers have little leverage, with few mills on the market and costs increasing daily. Mills have been drip-feeding tonnes into the market at a wide range of prices to try and find liquidity at a profitable level — one mill that sold HRC as high as €1,300/t into Germany said it too would retreat considering rising costs and is likely return at higher levels. (Argus)

US HRC

The price remained just below \$1,200/st, which was deemed the most repeatable, competitive offer in the market based on market feedback. A mini-mill source said they were able to sell at \$1,200/st and were receiving little resistance from buyers.

Three other service center sources and a trader noted the minimum, repeatable offer in the market was at \$1,200/st. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	650.50	3.00	589.00
Steel Rebar FOB Turkey (\$/mt)	930.00	5.00	841.50
Argus HRC NW Europe (€/mt)	1216.00	114.00	1022.80
Argus FOB China HRC (\$/mt)	876.00	-4.00	846.40

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-22	875	905	890
Apr-22	955	985	970
May-22	955	985	970
Q2-22	962	972	967
Q3-22	925	935	930
Q4-22	848	858	853

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-22	595	605	600
Apr-22	665	675	670
May-22	655	665	660
Q2-22	652	662	600
Q3-22	595	605	600
Q4-22	560	570	565

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-22	855	865	860
Apr-22	945	955	950
May-22	935	945	940
Q2-22	938	948	943
Q3-22	915	925	920
Q4-22	892	902	897

BUSHELING			
	Bid	Ask	Value
Mar-22	695	705	700
Apr-22	755	765	760
May-22	755	765	760
Q2-22	755	765	760
Q3-22	755	765	760
Q4-22	745	755	750

US HRC USD/short ton			
	Bid	Ask	Value
Mar-22	1080	1100	1090
Apr-22	1410	1430	1420
May-22	1530	1550	1540
Q2-22	1490	1510	1500
Q3-22	1497	1517	1507
Q4-22	1372	1392	1382

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-22	1240	1260	1250
Apr-22	1410	1430	1420
May-22	1370	1390	1380
Q2-22	1385	1395	1390
Q3-22	1325	1335	1330
Q4-22	1245	1255	1250

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