

**14/03/2022****FOB China HRC**

The index kept flat last Friday (11.3.22) at \$870/t, MTD US\$858.67/t.

Some participants expect Chinese steel production to pick up this week, but the increase of seasonal demand is yet to show. The rising Covid-19 cases weighed on sentiment. Some Chinese mills started to offer coils into Europe despite the high anti-dumping duties. There were market talks that the EU may reduce its anti-dumping duties on imported Chinese steel products, but no official announcement was heard.

5000-10,000t SS400 HRC produced by a north China mill were sold at \$863/t cfr Vietnam last week. The same quantity of Q235 grade coils from a second north China mill were sold at \$855/t cfr Vietnam. Those levels were not available till last Friday. Enquiries from South America, Africa and even Europe picked up from Thursday evening as Chinese steel price decline stopped. A deal for 10,000-15,000t Chinese SAE1006 grade coils was done at \$905/t cfr Vietnam last week. (Argus)

**EU HRC**

The northwest European hot-rolled coil (HRC) market jumped again Friday, as more buyers woke up to building supply tightness and hiking prices.

Mills were drip-feeding tonnes into the market, returning for a day or two then pulling back to reassess their offer levels. Argus' daily northwest EU HRC index soared by a record daily amount of €116.25/t, to reach an all-time high of €1,378.75/t. It is up by €408.25/t since the start of this month and makes ArcelorMittal's most recent €1,300/t offer look low. The mill could come back at €1,450/t from 14 March, according to sources, but this was unconfirmed.

Given this dramatic increase in spot market prices, buyers were worried that "old" contracts would not be honoured: in this unprecedented volatility, contracts signed just a few days ago could be perceived as old.

Liberty Steel has introduced a €125/t surcharge on flat sales out of Ostrava to account for high raw materials and energy costs. Some buyers said they would not work with the company if it involved regular price renegotiations, but a source close to the mill said the surcharge would not impact new contracts.

A north European mill that had been expecting to return at €1,250/t base ex-works said this might be too low and it would have to reconsider its stance for next week.

There was talk of a German producer offering hot-dip galvanised as high as €1,850/t base, but this could not be confirmed. An Italian producer sold at around €1,450-1,500/t. (Argus)

**US HRC**

The assessment moved to the latest transaction and offer level based on one service center sources multiple transactions at \$1,200/st totaling to 2,000 st, and a Midwest service center sources offer reported at the same level. A Midwest buy-side source also indicated offers at \$1,200/st from two different mills, while offers reported below it were no longer available according to source feedback. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	655.00	5.00	589.00
Steel Rebar FOB Turkey (\$/mt)	930.00	0.00	841.50
Argus HRC NW Europe (€/mt)	1378.75	116.25	1022.80
Argus FOB China HRC (\$/mt)	870.00	0.00	846.40

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-22	875	905	890
Apr-22	885	915	900
May-22	885	915	900
Q2-22	895	905	900
Q3-22	888	898	893
Q4-22	872	882	877

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-22	595	605	600
Apr-22	620	630	625
May-22	605	615	610
Q2-22	607	617	590
Q3-22	585	595	590
Q4-22	560	570	565

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-22	855	865	860
Apr-22	915	925	920
May-22	895	905	900
Q2-22	898	908	903
Q3-22	875	885	880
Q4-22	848	858	853

BUSHELING			
	Bid	Ask	Value
Apr-22	755	765	760
May-22	795	805	800
Jun-22	795	805	800
Q2-22	782	792	787
Q3-22	795	805	800
Q4-22	782	792	787

US HRC USD/short ton			
	Bid	Ask	Value
Mar-22	1115	1135	1125
Apr-22	1500	1520	1510
May-22	1605	1625	1615
Q2-22	1573	1593	1583
Q3-22	1587	1607	1597
Q4-22	1535	1555	1545

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-22	1310	1330	1320
Apr-22	1440	1460	1450
May-22	1420	1440	1430
Q2-22	1422	1432	1427
Q3-22	1367	1377	1372
Q4-22	1245	1255	1250

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