

16/03/2022**FOB China HRC**

The index fell by \$12/t yesterday (15.3.22) to \$845/t, MTD US\$857.27/t.

Although major Chinese mills were silent on offers, a north China mill lowered its workable level to \$820/t fob for SS400 HRC as its domestic selling price were at an equivalent of around \$784/t fob, participants said. Many traders were actively willing to receive orders at \$810-825/t fob China, yet no buying was induced amid the falling trend. Some Chinese mills may consider more exports to Europe given the higher prices and tight supply.

Offers decreased to \$905-910/t cfr Vietnam for Chinese SAE1006 grade coils from \$915-930/t cfr Vietnam. Only limited Vietnamese buyers were bidding at \$880/t cfr Vietnam as they preferred to wait for local mills Formosa Ha Tinh and Hoa Phat's new monthly offers this week. (Argus)

EU HRC

The Italian hot-rolled coil (HRC) market continued to climb yesterday, while the northwest European market moderated somewhat. *Argus'* daily Italian HRC index rose by €33.75/t to €1,281/t ex-works, while the daily northwest EU HRC index slipped by €13.25/t to €1,363/t.

Several producers remain off-market, although there have been offers of up to €1,350/t in Italy, where market participants report offers at €1,300/t ex-works as achievable. In the north, a producer in the Visegrad group of countries was selling small stock lots at €1,350/t delivered base, while a larger mill returned with a minimum offer of €1,380/t base. The largest producer on the continent remained off market and sources expected it to return at €1,450/t, although some said it could be as high as €1,600/t.

Panic in the north had dissipated somewhat, as the EU's import ban did not apply to semi-finished steel from Russia, which this assuaged concerns that a Belgian HRC producer, a key spot supplier, would be forced to withdraw from the market. The mill has been sourcing external supplies after Russian flow stopped. Many mills were trying to renegotiate sales made at old prices, given the recent escalation in costs.

The Covid-driven slowdown in China was also causing some pause for thought, with buyers expecting they may get more competitive offers from the country. Indian cold-rolled coil (CRC) was offered at \$1,350-1,370/t cfr, while Japan was heard to offer CRC in northern Europe. CRC from Turkey was still around \$1,400-1,450/t fob. Turkish HRC offers were coming in at around €1,260/t cfr including duty, or around \$1,250/t fob. (Argus)

US HRC

S&P Global Commodity Insights assessed the Platts TSI US hot-rolled coil index at \$1,300/st EXW Indiana March 15, up \$80/st from March 14.

A Midwest service center source said he placed an order at \$1,300/st for 800 st from a Southern mini-mill. The deal was the lowest competitive offer he received with two other mills offering at \$1,350/st and \$1,400/st. One mini-mill source said they were offering April tons at \$1,300/st and did not expect to face resistance from customers. The price moved higher to the latest confirmed transaction at the most competitive offer. There were previous transactions last week at \$1,240-\$1,250 with new offers now above that level. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	654.50	-0.50	589.00
Steel Rebar FOB Turkey (\$/mt)	945.00	5.00	841.50
Argus HRC NW Europe (€/mt)	1363.00	-13.25	1022.80
Argus FOB China HRC (\$/mt)	845.00	-12.00	846.40

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-22	875	905	890
Apr-22	855	885	870
May-22	835	865	850
Q2-22	848	858	853
Q3-22	815	825	820
Q4-22	795	805	800

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-22	595	605	600
Apr-22	645	655	650
May-22	635	645	640
Q2-22	633	643	592
Q3-22	587	597	592
Q4-22	560	570	565

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-22	855	865	860
Apr-22	935	945	940
May-22	915	925	920
Q2-22	915	925	920
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	1490	1510	1500
May-22	1600	1620	1610
Q2-22	1560	1580	1570
Q3-22	1570	1590	1580
Q4-22	1535	1555	1545

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-22	1305	1325	1315
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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