

07/04/2022**FOB China HRC**

The index was unmoved yesterday (6.4.22) at US\$863/t, MTD US\$863/t.

Major Chinese mills have not yet announced new offers after the holiday. Traders kept offers unchanged at \$890-900/t cfr Vietnam for positional Chinese SS400 HRC. Seaborne buyers were silent on bids as they prefer to take actions after receiving more offers.

Sellers kept offers unchanged at \$910/t cfr Vietnam for positional Chinese SAE1006 grade coils, for May shipment. Some traders lifted offers to \$950/t cfr Vietnam for June shipment Chinese SAE grade coils, but induced bids at \$885-910/t cfr Vietnam.

Some participants held onto a bullish outlook as domestic China raw material prices were up, and they also expect the government's stimulus measures to support demand. Some traders were cautious and moved to the sidelines as local deliveries remained challenging amid the lockdown measures to curb the spread of Covid-19. (Argus)

EU HRC

Import offers weigh Lower import offers continued to pressure Italian hot-rolled coil (HRC) prices yesterday. The Argus daily Italian HRC index fell by €11.50/t (\$12.66/t) to €1,315.75/t ex-works, while the daily northwest EU marker was static at €1,350/t.

Some prices were heard available from Italian mills at €1,330/t delivered, even if a seller earlier in the week indicated a price above €1,400/t. Buyers appear to be looking for prices of €1,250-1,300/t, in order to adjust the domestic price to import levels, as the gap has over the past weeks widened to an unsustainable level.

Buyer-seller expectations are far apart, as producers look for above €1,300/t, but their resistance will depend on the state of order books, as import prices are €100/t or more below domestic. A mill was late with deliveries to a re-roller so it was considering slashing downstream availability to catch up on orders.

The producer was quoting only to buyers with a serious intention to buy. Import material on longer lead times is available, but buyers are not willing to buy, as, on the one hand, they are unsure how long elevated prices are going to last for, and on the other hand, end users have stopped purchasing unless they are in urgent need of material.

Several market participants said this week that they expect a correction in European prices, unless there are additional sanctions on Russia by the European Commission, targeting steel and raw materials. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	653.00	0.50	653.31
Steel Rebar FOB Turkey (\$/mt)	955.00	-5.00	957.50
Argus HRC NW Europe (€/mt)	1350.00	0.00	1355.75
Argus FOB China HRC (\$/mt)	863.00	0.00	863.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-22	875	905	890
May-22	860	890	875
Jun-22	840	870	855
Q2-22	868	878	873
Q3-22	817	827	822
Q4-22	795	805	800

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-22	640	650	645
May-22	630	640	635
Jun-22	615	625	620
Q2-22	628	638	600
Q3-22	595	605	600
Q4-22	565	575	570

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-22	955	965	960
May-22	945	955	950
Jun-22	920	930	925
Q2-22	940	950	945
Q3-22	882	892	887
Q4-22	848	858	853

BUSHELING			
	Bid	Ask	Value
Apr-22	825	835	830
May-22	815	825	820
Jun-22	805	815	810
Q2-22	815	825	820
Q3-22	788	798	793
Q4-22	747	757	752

US HRC USD/short ton			
	Bid	Ask	Value
Apr-22	1505	1525	1515
May-22	1540	1560	1550
Jun-22	1505	1525	1515
Q2-22	1517	1537	1527
Q3-22	1455	1475	1465
Q4-22	1340	1360	1350

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-22	1280	1300	1290
May-22	1250	1270	1260
Jun-22	1250	1270	1260
Q2-22	1265	1275	1270
Q3-22	1198	1208	1203
Q4-22	1165	1175	1170

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com