

13/04/2022**FOB China HRC**

The index was flat yesterday (12.4.22) at US\$853/t, MTD US\$860.13/t.

China domestic steel prices rose yesterday after Chinese premier Li Keqiang called for economic support to boost domestic demand. Li's suggestions included tax refunds and cuts, issuance of special government bonds, and construction works. The Chinese state council has also called for smooth logistics to ensure stable supply of commodities and living necessities. Local governments are not allowed to set up checks and closures at highways without the central government's permission. China reported 1,251 locally transmitted Covid-19 cases and 23,387 new asymptomatic cases on Monday, the National Health Commission's Tuesday said. Total cases fell by 2,937 or 10.65% over Sunday.

Most Chinese mills were silent on weekly export offers, while limited ones kept offers unchanged at \$840-905/t fob for SS400 HRC. Vietnamese buyers were silent after its holiday. Vietnamese mill Formosa Ha Tinh is expected to announce its monthly offers this week and buyers are expected to place orders only after the offers are made. There were limited offers at \$910-920/t cfr Vietnam for Chinese SAE1006 grade coils. (Argus)

EU HRC

Prices tumble, mills offer discounts European hot-rolled coil (HRC) producers are starting to offer discounts, without buyers pushing particularly hard in negotiations, as they are not looking to buy at present high levels.

The daily northwest EU HRC index slipped by another €3.50/t to €1,345/t ex-works. The Italian index fell by €11.50/t to €1,274.75/t ex-works. Sluggish orders over the past few weeks, after buyers over purchased as the conflict in Ukraine was unfolding and the extent of the disruptions in Europe were unclear, are seeing producers offering discounts to the tune of €50-60/t.

A buyer reported an immediate discount of €20/t and some offers at €1,340-1,350/t ex-works in northwest Europe. But prices were not attractive enough, as end-users have paused purchasing and market sentiment is negative, as they see the current levels as unsustainable. Import offers for June stood higher than for July. A small lot of Japanese HRC was heard to have traded at €1,200/t cfr Antwerp for June shipment. But in southern Europe, Indian material was offered at €1,150/t cf, and Japanese offers were heard at \$1,260-1,280/t cf. Traders were offering South Korean HRC at €1,170-1,220/t cf southern Europe today. As a reflection of slowing orders, a producer, likely in northern Europe, was heard to offer in Iberia at €1,250/t cfr for a large tonnage but this could not be verified. (Argus)

US HRC

S&P Global Commodity Insights assessed the Platts TSI US hot-rolled coil index at \$1,500/st EXW Indiana April 12, up \$20 from April 11.

The assessment moved up to the most repeatable transaction and competitive offer level based on multiple market sources. A service center placed an order at \$1,500/st EXW for 1,000 st with May arrival. Multiple other buy-side sources indicated \$1,500/st as the most repeatable tradable value while a Southern mill source reported current offers at that level. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	647.50	-2.50	651.97
Steel Rebar FOB Turkey (\$/mt)	945.00	-10.00	956.88
Argus HRC NW Europe (€/mt)	1345.00	-3.50	1352.16
Argus FOB China HRC (\$/mt)	843.00	0.00	860.13

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-22	875	905	890
May-22	840	870	855
Jun-22	830	860	845
Q2-22	858	868	863
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	605	615	610
Jun-22	595	605	600
Q2-22	613	623	613
Q3-22	608	618	613
Q4-22	545	555	550

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-22	955	965	960
May-22	905	915	910
Jun-22	895	905	900
Q2-22	918	928	923
Q3-22	875	885	880
Q4-22	848	858	853

BUSHELING			
	Bid	Ask	Value
May-22	765	775	770
Jun-22	735	745	740
Jul-22	695	705	700
Q3-22	685	695	690
Q4-22	645	655	650
Q1-23	605	615	610

US HRC USD/short ton			
	Bid	Ask	Value
Apr-22	1460	1480	1470
May-22	1460	1480	1470
Jun-22	1390	1410	1400
Q2-22	1437	1457	1447
Q3-22	1342	1362	1352
Q4-22	1273	1293	1283

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-22	1280	1300	1290
May-22	1260	1280	1270
Jun-22	1240	1260	1250
Q2-22	1265	1275	1270
Q3-22	1198	1208	1203
Q4-22	1165	1175	1170

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