

26/04/2022**FOB China HRC**

The index fell by \$12/t yesterday (25.4.22) to US\$820/t, MTD US\$850/t.

China's first-quarter apparent steel consumption volume fell by 9.5pc to 235mn t on year and demand from major steel using sectors fell by 5pc, with demand from the construction industry down by 7pc and manufacturing sector down by 2pc, China iron and steel association said yesterday.

Traders rushed to cut offers by around \$30-40/t to \$820/t cfr Vietnam for SS400 HRC produced by a north China mill. Chinese mills should cut offers by around \$10/t at least just considering the effect of yuan depreciation.

An east China mill cut its offer for SAE1006 grade coils to \$880/t cfr Vietnam. Other major Chinese mills were silent on offers, while traders cut offers for Chinese SAE1006 grade coils to \$850-870/t cfr Vietnam after witnessing sharp price falls in Chinese domestic market. Vietnamese stockists held a large quantity of stocks on hands and have to choose to destock at losses at present market levels. (Argus)

EU HRC

North slips as mills lower offers North European hot-rolled coil (HRC) prices declined again yesterday as a building buy-side strike drove some producers to lower offers. Argus' daily northwest EU HRC index fell by €13.50/t to €1,300.75/t.

A central and eastern European steelmaker that targeted €1,300/t and above last week lowered its expectations to about €1,280/t today. Import offers into Antwerp were now below €1,100/t fca, but there was still no real appetite from buyers, given high stocks and low end-demand. Most sources expected the market to continue trending lower, so they were in no rush to buy.

There was talk that one leading producer had lowered its target to €1,200/t and instructed its distribution unit to buy only internally, but this could not be confirmed. Prices in the futures market also drifted lower. On the CME Group's north European HRC contract, May traded at €1,220/t today, reflecting a discount of almost €80/t to the prevailing spot market. On screen, April traded €17/t lower, to €1,322/t. (Argus)

Turkish Scrap

Shortsea offers drop in line with Deepsea correction
Sellers cite sharply lower workable levels after US-origin deal

Turkish Deepsea import ferrous scrap prices sank April 25 as recyclers lowered their workable levels sharply, sources said. S&P Global Commodity Insights assessed Platts Turkish imports of premium heavy melting scrap 1/2 (80:20) April 25 at \$572.50/mt CFR, down \$32.50/mt day on day to its lowest level since March 2, when the assessment was at \$550/mt CFR.

Market sources showed consensus in accepting the price level of a US-origin cargo, first heard to be booked April 22 by an Izmir mill, with bonus and shredded scrap heard at \$596/mt CFR for latest shipment May 15. Some sell-side sources suggested the shredded scrap premium over HMS 1/2 (80:20) had narrowed to \$15/mt, but most said it was still at \$20-\$25/mt CFR.

"If you had to sell today from the US, I reckon you would need to be around \$570-\$575/mt CFR [for HMS 1/2 (80:20)], although I think most would wait for the domestic May market in the US to develop," a US recycler said. US domestic mills were heard to target lower prices in May with a possible \$30-\$50/mt monthly decrease on shredded scrap and \$75/mt on prime grades. An EU recycler cited an indicative tradable value for Benelux-origin HMS 1/2 (80:20) at \$560-\$580/mt CFR. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	572.50	-32.50	635.88
Steel Rebar FOB Turkey (\$/mt)	910.00	-15.00	945.67
Argus HRC NW Europe (€/mt)	1300.75	-13.50	1338.63
Argus FOB China HRC (\$/mt)	820.00	-12.00	850.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Apr-22	835	865	850
May-22	805	835	820
Jun-22	803	833	818
Q2-22	824	834	829
Q3-22	805	815	810
Q4-22	793	803	798

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Apr-22	625	635	630
May-22	540	550	545
Jun-22	530	540	535
Q2-22	565	575	515
Q3-22	510	520	515
Q4-22	490	500	495

LME REBAR FOB TK			
	Bid	Ask	Value
Apr-22	940	950	945
May-22	855	865	860
Jun-22	845	855	850
Q2-22	880	890	885
Q3-22	825	835	830
Q4-22	795	805	800

BUSHELING			
	Bid	Ask	Value
May-22	695	705	700
Jun-22	620	630	625
Jul-22	600	610	605
Q3-22	595	605	600
Q4-22	575	585	580
Q1-23	555	565	560

US HRC USD/short ton			
	Bid	Ask	Value
Apr-22	1455	1475	1465
May-22	1390	1410	1400
Jun-22	1240	1260	1250
Q2-22	1362	1382	1372
Q3-22	1127	1147	1137
Q4-22	1033	1053	1043

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Apr-22	1330	1350	1340
May-22	1200	1220	1210
Jun-22	1190	1210	1200
Q2-22	1245	1255	1250
Q3-22	1175	1185	1180
Q4-22	1145	1155	1150

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