

28/04/2022**FOB China HRC**

The index rose by \$1/t yesterday (27.4.22) to US\$805/t, MTD US\$844.94/t.

Market participants expect Shanghai may gradually lift its lockdown measures in May because its local Covid-19 cases have declined for four days in a row. Shanghai's total number of positive cases on 26 April fell by 13pc from the day before, setting the highest rate of decline since the pandemic cases began to decline.

A north China mill announced its offer at \$820/t fob for SS400 HRC. Other major Chinese mills remained silent on offers, while traders lifted offers or workable levels by around \$5/t to \$815-820/t cfr Vietnam given rising Chinese domestic selling prices. Traders pushed up Chinese SAE1006 grade coils offers by around \$5/t to \$870/t cfr Vietnam. Some Vietnamese buyers may consider placing orders as they think Chinese coils export prices have bottomed out. (Argus)

EU HRC

Sellers reduce offers European hot-rolled coil (HRC) prices continued to come under pressure from weak demand yesterday, as lower offers failed to entice buyers. Argus' daily northwest EU HRC index dropped by €44.50/t (\$47.47/t) to €1,252.25/t, while the Italian index slipped back €17.25/t to €1,209.25/t. In Italy, one large mill has tabled an offer of €1,230/t delivered to some service centres, but this is deemed too high given the lack of buying from their end-customers, who cannot pass on such costs.

Imports were also available at least €200/t below this offer, with an expectation €1,000/t cif and below would soon be confirmed. Bids were at €1,150/t, and would fall lower should imports reach the €1,000/t cif level, according to one seller. Another mill in the country has stopped delivery of coils below a certain €/t threshold, although it continues to make deliveries to customers in other countries, according to sources.

North European mills are telling Italian customers they are officially off market, but will quote on a case-by-case basis where firm inquiries with specifications are submitted — given the chasm between their official asking prices and actual workable levels, mills do not want to offer openly at cheaper levels. With the vast majority of participants agreeing the market will continue to fall, even these latest reductions are unlikely to entice much demand. (Argus)

US HRC

S&P Global Commodity Insights assessed the Platts TSI US hot-rolled coil index at \$1,460/st EXW Indiana April 27, unchanged from April 26.

The price remained unchanged as lower offers were undetermined to be repeatable as one buyer said he was offered at \$1,400-\$1,420/st and lower for orders exceeding 5,000 st. The lower offer levels were still unconfirmed to be available by other market participants. (Platts)

Market Rates

| Indices | Price | Change | MTD |
|---|---------|--------|---------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 565.00 | -5.00 | 627.84 |
| Steel Rebar FOB Turkey (\$/mt) | 900.00 | -10.00 | 940.88 |
| Argus HRC NW Europe (€/mt) | 1252.25 | -44.50 | 1331.09 |
| Argus FOB China HRC (\$/mt) | 805.00 | 1.00 | 844.65 |

| LME HRC FOB TIANJIN CHINA USD/mt | | | |
|----------------------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Apr-22 | 835 | 865 | 850 |
| May-22 | 775 | 805 | 790 |
| Jun-22 | 765 | 795 | 780 |
| Q2-22 | 802 | 812 | 807 |
| Q3-22 | 757 | 767 | 762 |
| Q4-22 | 735 | 745 | 740 |

| LME HMS 80:20 CFR TK | | | |
|----------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Apr-22 | 625 | 635 | 630 |
| May-22 | 535 | 545 | 540 |
| Jun-22 | 525 | 535 | 530 |
| Q2-22 | 562 | 572 | 513 |
| Q3-22 | 508 | 518 | 513 |
| Q4-22 | 490 | 500 | 495 |

| LME REBAR FOB TK | | | |
|------------------|-----|-----|-------|
| | Bid | Ask | Value |
| Apr-22 | 940 | 950 | 945 |
| May-22 | 845 | 855 | 850 |
| Jun-22 | 835 | 845 | 840 |
| Q2-22 | 873 | 883 | 878 |
| Q3-22 | 815 | 825 | 820 |
| Q4-22 | 790 | 800 | 795 |

| 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 | 1360 | 1380 | 1370 |
| Jun-22 | 1195 | 1215 | 1205 |
| Q2-22 | 1337 | 1357 | 1347 |
| Q3-22 | 1090 | 1110 | 1100 |
| Q4-22 | 1018 | 1038 | 1028 |

| NWE HRC EUR/metric ton | | | |
|------------------------|------|------|-------|
| | Bid | Ask | Value |
| Apr-22 | 1330 | 1350 | 1340 |
| May-22 | 1140 | 1160 | 1150 |
| Jun-22 | 1080 | 1100 | 1090 |
| Q2-22 | 1188 | 1198 | 1193 |
| Q3-22 | 1035 | 1045 | 1040 |
| Q4-22 | 1005 | 1015 | 1010 |

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