

FIS Steel and Scrap Report

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FOB China HRC

The index was flat yesterday (5.5.22) at US\$803/t, MTD US\$803/t.

Major steel warehouses in Shanghai resumed operations yesterday. On 2 May, Shanghai published a list of 24 major infrastructure projects including railway, airport and tunnel, that will resume soon and this fueled demand hopes.

No offers emerged from major Chinese mills following the five-day break. An east China mill cut its offer by \$20/t to \$835/t fob for SS400 HRC, though no deals were done as buyers were expecting prices around an equivalent of \$780-790/t fob. The limited traders who were active in the market lifted their sales prices by around \$5/t to \$825/t cfr Vietnam. But those prices failed to induce any buying as Vietnamese buyers were not convinced if Chinese domestic steel price rises were sustainable.

The Vietnamese market was quiet today and offers from some traders stood at \$865-875/t cfr Vietnam for Chinese SAE1006-grade coils. Most participants chose to wait until next week before making any decisions. Vietnamese local demand remained weak and local steel selling prices are low, a Vietnam-based trader said. (Argus)

EU HRC

Market slips in slow trade European hot-rolled coil (HRC) prices slipped in illiquid trade yesterday, as mills reduced offers but buyers sat on the sidelines.

The Argus daily Italian HRC index slid today by €3.50/t to €1,147/t ex-works, while the daily northwest EU HRC index broke beneath €1,200/t to €1,199.25/t. Italian buyers continue trying to dampen prices further, with expectations of some at or below €1,100/t ex-works by now, but sellers are trying hard to hold onto higher base prices for downstream products. Traders said stocks at buyers are not as high as perceived, although some service centres were heard to have a month more stock than usual on the floor.

Offers for sheets were heard at €1,250-1,300/t ex-works coil base equivalent, with service centres still above the €1,300/t mark, but expectations are for business to be concluded far below these levels, in line with declining HRC prices. Market participants today pointed towards declining Italian scrap prices, which are also weighing on sentiment. Taiwanese HRC was heard offered at €970/t cfr Italy, while Japanese and South Korean HRC has been booked at €950/t cfr. (Argus)

Turkish Scrap

Turkish mills continue to wait to buy

Recyclers look to bring down collection costs

Turkish Deepsea import ferrous scrap prices softened May 5, as Turkish buyers continued to hold back on the first working day after Eid al-Fitr holidays over May 2-4, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 5 at \$535/mt CFR, down \$4/mt on day. The assessment has fallen \$119/mt from \$654/mt CFR on April 4, according to S&P Global Commodity Insights.

"Still, we are in a holiday mood, the market is very silent, so it looks like nothing will happen this week," one Turkish mill source said. A Turkish mill source cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$520/mt CFR. A Turkish trader cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$535-540/mt CFR, with EU-origin HMS 1/2 (80:20) at \$525-\$530/mt CFR. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	535.00	-4.00	538.00
Steel Rebar FOB Turkey (\$/mt)	880.00	-2.50	883.33
Argus HRC NW Europe (€/mt)	1199.25	-0.75	1209.25
Argus FOB China HRC (\$/mt)	803.00	0.00	803.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-22	785	815	800
Jun-22	775	805	790
Jul-22	765	795	780
Q3-22	760	770	765
Q4-22	735	745	740
Q1-23	705	715	710

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-22	520	530	525
Jun-22	515	525	520
Jul-22	512	522	517
Q3-22	507	517	495
Q4-22	490	500	495
Q1-23	465	475	470

LME REBAR FOB TK			
	Bid	Ask	Value
May-22	845	855	850
Jun-22	835	845	840
Jul-22	825	835	830
Q3-22	815	825	820
Q4-22	790	800	795
Q1-23	765	775	770

BUSHELING			
	Bid	Ask	Value
May-22	695	705	700
Jun-22	665	675	670
Jul-22	645	655	650
Q3-22	625	635	630
Q4-22	575	585	580
Q1-23	545	555	550

US HRC USD/short ton			
	Bid	Ask	Value
May-22	1385	1405	1395
Jun-22	1240	1260	1250
Jul-22	1165	1185	1175
Q3-22	1137	1157	1147
Q4-22	1093	1113	1103
Q1-23	1023	1043	1033

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-22	1140	1160	1150
Jun-22	1060	1080	1070
Jul-22	1040	1060	1050
Q3-22	1035	1045	1040
Q4-22	1005	1015	1010
Q1-23	977	987	982

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