

10/05/2022**FOB China HRC**

The index fell by \$15/t yesterday (9.5.22) to US\$764/t, MTD US\$787.25/t.

China's April steel exports fell by 37.6pc on year to 4.977mn t, bring the total steel exports from January to April down by 29.2pc on year to 18.16mn t. An east China mill cutting its offer by \$25/t to \$810/t fob for SS400 HRC. Traders rushed to cut offers to \$775-780/t cfr Vietnam after witnessing continuous sharp price falls in Chinese domestic market. But all those offers failed to induce any buying as seaborne buyers bid at an equivalent of \$720/t fob China.

Vietnamese market was in a deadlock with limited offers at \$850/t cfr Vietnam for Chinese SAE1006 grade coils. Traders were willing to receive orders at \$830/t cfr Vietnam, but buyers were all silent on bids. Some traders were actively inviting bids at \$795-800/t cfr Vietnam for SAE1006 grade coils produced by a north China mill, yet that was for coils with thickness at and above 3mm. (Argus)

EU HRC

China weakness weighs European hot-rolled coil prices fell again yesterday, as continued softening in China exacerbated weak sentiment. Argus' daily northwest EU HRC index slipped by €29/t to €1,150.75/t, while the daily Italian index fell €9.75/t to €1,117/t. Ongoing slippage in Chinese prices caused concern import offers could fall further; no new offers were reported today but €950/t cfr has already been cemented, and there is talk of lower levels from India.

In Italy, buyers said a workable level for domestic material would be €1,050-€1,100/t ex-works, even though mills are offering about €1,150/t equivalent for end June-July deliveries. The large gap to imports is leverage for buyers.

In the north, HRC was offered about €1,150/t and slightly higher, but no buyers were biting at such levels as of yet. Hot-dip galvanised was sold at €1,350/t delivered base. Mills have now started collecting buyers' volume requirements, but these appear lower than usual, as buyers are not willing to take risk in a declining market, as real demand remains a big concern. (Argus)

Turkish Scrap

Turkish mills focus on finished steel sales

Recyclers remain concerned with expensive scrap stock

Turkish deepsea import ferrous scrap prices softened May 9, as Turkish buyers continued to hold back from deepsea purchases, sources said. S&P Global Commodity Insights assessed the Platts Turkish imports of premium heavy melting scrap 1/2 (80:20) May 9 at \$530/mt CFR, down \$5/mt on the day.

A Baltic recycler suggested \$520/mt CFR Turkey was too low for Baltic-origin HMS 1/2 (80:20) and preferred to sell into the mainland European markets and to Pakistan and Bangladesh in containers, which were both heard to pay higher prices. Domestic shredded scrap prices in Northern Europe for May contracts were heard sharply lower at Eur490-500/mt delivered to the mill, or \$516-527/mt delivered, down from Eur570/mt delivered in April. Platts assessed the FOB Rotterdam shredded scrap assessment at \$509.50/mt FOB May 6.

"It's a stressed market, the US dollar is rising, and raw materials prices are dropping, but recyclers are holding material bought at significantly higher prices," the Baltic recycler said. "I'd expect some Turkish buyers to seek end-May or early June shipment cargoes this week." Platts assessed the euro at \$1.0533 at 4.30 pm London time on May 9, down from \$1.0790 two weeks earlier on April 25. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	530.00	-5.00	535.80
Steel Rebar FOB Turkey (\$/mt)	860.00	-17.50	877.50
Argus HRC NW Europe (€/mt)	1150.75	-29.00	1191.65
Argus FOB China HRC (\$/mt)	764.00	-15.00	790.40

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-22	760	790	775
Jun-22	740	770	755
Jul-22	730	760	745
Q3-22	732	742	737
Q4-22	708	718	713
Q1-23	680	690	685

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-22	515	525	520
Jun-22	500	510	505
Jul-22	497	507	502
Q3-22	492	502	470
Q4-22	465	475	470
Q1-23	438	448	443

LME REBAR FOB TK			
	Bid	Ask	Value
May-22	840	850	845
Jun-22	815	825	820
Jul-22	805	815	810
Q3-22	795	805	800
Q4-22	758	768	763
Q1-23	725	735	730

BUSHELING			
	Bid	Ask	Value
May-22	695	705	700
Jun-22	645	655	650
Jul-22	630	640	635
Q3-22	620	630	625
Q4-22	575	585	580
Q1-23	545	555	550

US HRC USD/short ton			
	Bid	Ask	Value
May-22	1355	1375	1365
Jun-22	1175	1195	1185
Jul-22	1135	1155	1145
Q3-22	1112	1132	1122
Q4-22	1057	1077	1067
Q1-23	1000	1020	1010

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-22	1100	1120	1110
Jun-22	990	1010	1000
Jul-22	930	950	940
Q3-22	925	935	930
Q4-22	895	905	900
Q1-23	865	875	870

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