

**12/05/2022****FOB China HRC**

The index rose by \$2/t yesterday (11.5.22) to US\$757/t, MTD US\$776.83/t.

Steel prices rose yesterday after Shanghai said that half of its districts have hit the target of zero-Covid in the community. Talks emerged that the government may issue special treasury bonds to offset the economic downturn, but there was no official announcement.

A north China mill pushed up its offers by around \$10/t to \$750/t fob for SS400 HRC after witnessing sharp price rises in Chinese domestic market. Traders were reluctant to receive orders below equivalent of \$745-760/t fob China as they could not guarantee the supply at lower levels amid the rising trend. Vietnamese buyers were active, especially after seeing prices rises in Chinese domestic market. Some of them bid at \$810/t cfr Vietnam for Chinese SAE1006 grade coils, still lower than offers at \$820-830/t cfr Vietnam. Customers may only place orders if Chinese domestic and export prices keep rising for the following days. (Argus)

**Turkish Scrap**

Further Baltic- and US-origin deals booked

Expensive scrap stock weighs on Benelux recyclers

Turkish deepsea import ferrous scrap prices continued to soften May 11 as further deals were booked below \$500/mt CFR, sources said. Platts Turkish imports of premium heavy melting scrap 1/2 (80:20) were assessed at \$490/mt CFR May 11, down \$10 on the day. The assessment has fallen \$160 over the past month from \$650/mt CFR on April 11 and sits below the \$508/mt CFR seen on Feb. 24 when the Russian invasion of Ukraine began.

A Baltic-origin cargo was booked by an Izmir mill May 10 with HMS 1/2 (80:20) at \$490/mt CFR and shredded/bonus scrap at \$510/mt CFR. The deal was confirmed by the buyer. A US-origin cargo was also booked May 11 by the same Izmir mill with shredded/bonus scrap at \$510/mt CFR. The deal was also confirmed by the buyer. The same Izmir mill was heard to have booked five previous deepsea cargoes in recent weeks, bringing up a total of seven deals recorded booked since April 22. Sellside sources estimated the Izmir mill had completed buying for first-half June shipment requirements.

"Mills haven't bought scrap for a month, so they will slow down production as they cannot go at full capacity in order to make their raw materials last," one Turkish agent source said, adding the cashflow needs could prompt other recyclers to sell in line with the latest deals. (Platts)

**US HRC**

S&P Global Commodity Insights assessed the Platts TSI US hot-rolled coil index at \$1,380/st EXW Indiana May 11, unchanged from May 10.

The assessment unchanged remained below repeatable offers at \$1,400/st at the latest tradable value reported. Higher indications of transactions from a Midwest mill were reported but from the prior week and deemed to be no longer repeatable. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	490.00	-10.00	524.14
Steel Rebar FOB Turkey (\$/mt)	830.00	-5.00	864.64
Argus HRC NW Europe (€/mt)	1149.00	-0.75	1179.57
Argus FOB China HRC (\$/mt)	757.00	2.00	780.57

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	510	520	515
Jun-22	470	480	475
Jul-22	465	475	470
Q3-22	460	470	440
Q4-22	435	445	440
Q1-23	405	415	410

LME REBAR FOB TK			
	Bid	Ask	Value
May-22	815	825	820
Jun-22	785	795	790
Jul-22	775	785	780
Q3-22	758	768	763
Q4-22	725	735	730
Q1-23	697	707	702

BUSHELING			
	Bid	Ask	Value
Jun-22	640	650	645
Jul-22	630	640	635
Aug-22	620	630	625
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	1380	1400	1390
Jun-22	1205	1225	1215
Jul-22	1115	1135	1125
Q3-22	1090	1110	1100
Q4-22	1043	1063	1053
Q1-23	1003	1023	1013

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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