

13/05/2022**FOB China HRC**

The index was flat yesterday (12.5.22) at US\$757/t, MTD US\$774/t.

Chinese traders and producers' steel inventories fell by 340,000t over last week to 22.55mn t this week, market participants said. April and May are typically healthy steel consumption periods in China. Steel inventories fell by 1.4mn t in the second week of May 2021. A few traders offered Chinese SS400 HRC at \$773/t cfr Vietnam. That level failed to induce any buying. Both sellers and buyers prefer to hold a wait-and-attitude after witnessing falling Chinese domestic prices after a short-lived one-day price rises the day before.

Traders with positional cargoes were willing to receive orders at \$800/t cfr Vietnam for Chinese SAE1006 grade coils. Mills held offers unchanged at \$820-830/t cfr Vietnam. Indian mills returned to the Vietnamese market with offers at \$850-860/t cfr Vietnam, but those levels were not attractive at all compared with the lower-priced Chinese coils. (Argus)

EU HRC

Market slips again North European hot-rolled coil prices nudged lower again yesterday, as buyers continued to refrain from purchasing and some mills chased demand. Argus' NWE index slipped by €9.25/t to €1,139.75/t ex-works.

Imported material was being offered at €950/t fca Antwerp and below from Asia, but there was no buy-side interest. Domestic offers remained above €1,100/t, but no buyers appeared ready to pay this level, given slow demand and competitive overseas offers. Traders said they would be looking to buy below €1,000/t, while a large service centre said the market would break through this level very quickly.

Central European material was sold at €1,120/t delivered in the past few days, for May production and June shipment. Large north European producers were entering JulyDecember contract talks with service centres and were initially seeking increases of about €250/t, which would take outright levels to about €1,250/t or slightly lower. Buyers were resisting such levels, given the slippage in spot prices seen in recent weeks.

In the futures market, May traded at €1,130/t today, before slipping to €1,100/t then nudging up to to €1,105/t. June also traded at €1,020/t. The Argus daily Italian HRC index fell by €18/t to €1,066.50/t ex-works. (Argus)

US HRC

The Platts TSI US hot-rolled coil index was assessed at \$1,380/st EXW Indiana May 12, unchanged from May 11.

The assessment remained unchanged, with a mini-mill source indicating \$1,400/st was no longer a workable level. The price remained at the high-end of the mill's indication of available prices of \$1,300-\$1,380/st from their customers. Details for prices at the lower levels could not be verified. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	480.00	-10.00	518.63
Steel Rebar FOB Turkey (\$/mt)	820.00	-10.00	859.06
Argus HRC NW Europe (€/mt)	1139.75	-9.75	1174.59
Argus FOB China HRC (\$/mt)	757.00	0.00	777.63

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	1370	1390	1380
Jun-22	1210	1230	1220
Jul-22	1050	1070	1060
Q3-22	1037	1057	1047
Q4-22	1010	1030	1020
Q1-23	980	1000	990

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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