

**18/05/2022****FOB China HRC**

The index fell by \$12/t yesterday (17.5.22) to US\$743/t, MTD US\$768.44/t.

An east China mill cut its offer by \$10/t to \$790/t fob for SS400 HRC, which was far above market levels as several other major Chinese mills cut offers to \$770-780/t fob. A north China mill even cut offers to \$745/t fob, while traders offered coils from this mill lower at an equivalent of \$730/t fob but induced no bids.

Offers were at \$830-860/t cfr Vietnam for SAE1006 grade coils from China and India. Traders offered \$800/t cfr Vietnam for positional SAE1006 grade coils produced by a large Chinese mill, for June shipment. Some Indian mills may accept to receive orders at \$800/t cfr Vietnam. But all those offers failed to induce any buying with Vietnamese buyers wait for local mill Formosa Ha Tinh's new monthly offers that are expected to be announced today. The Vietnamese mill may cut its offer to around \$820/t cfr Vietnam, a Vietnam-based trader said. (Argus)

**EU HRC**

The north European hot-rolled coil (HRC) market slipped again today as mills gave their salespeople discretion to lower offers further, but buyers still refused to purchase. Argus' daily northwest EU HRC index fell by €20/t to €1,077/t, while the daily cold-rolled coil (CRC) assessment dropped by €45/t to €1,185/t.

Mills were trying to maintain offers at €1,100/t and above, but no buyers were taking material at such levels. One large north European buyer that had been close to purchasing at €1,100/t withdrew from the market in expectation of lower prices. A buyer in southern Germany was bidding a Visegrad mill at around €950/t delivered base, but the mill was trying to obtain a minimum €1,050/t, with variable costs close to €1,000/t for HRC at current prices.

North European producers were hoping the start of two hot-dip galvanised (HDG) lines in the summer would tighten HRC supply, with no additional substrate production coming on line. It remains to be seen when the lines start producing, and how much they will roll, given pressure on HDG from slow automotive output. (Argus)

**US HRC**

The Platts TSI US hot-rolled coil index was assessed at \$1,350/st on an ex-works Indiana basis on May 17, down \$30 from May 16, according to S&P Global Commodity Insights data. A service center reported an offer at \$1,360/st, and a trader reported a transaction range with \$1,300/st at the top end. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	475.00	0.00	506.73
Steel Rebar FOB Turkey (\$/mt)	790.00	0.00	841.59
Argus HRC NW Europe (€/mt)	1077.00	-20.00	1151.89
Argus FOB China HRC (\$/mt)	743.00	-12.00	771.90

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-22	760	790	775
Jun-22	720	750	735
Jul-22	710	740	725
Q3-22	710	720	715
Q4-22	695	705	700
Q1-23	680	690	685

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-22	500	510	505
Jun-22	450	460	455
Jul-22	440	450	445
Q3-22	432	442	420
Q4-22	415	425	420
Q1-23	397	407	402

LME REBAR FOB TK			
	Bid	Ask	Value
May-22	835	845	840
Jun-22	750	760	755
Jul-22	740	750	745
Q3-22	730	740	735
Q4-22	700	710	705
Q1-23	670	680	675

BUSHELING			
	Bid	Ask	Value
Jun-22	645	655	650
Jul-22	635	645	640
Aug-22	625	635	630
Q3-22	625	635	630
Q4-22	595	605	600
Q1-23	565	575	570

US HRC USD/short ton			
	Bid	Ask	Value
May-22	1365	1385	1375
Jun-22	1170	1190	1180
Jul-22	1035	1055	1045
Q3-22	1013	1033	1023
Q4-22	945	965	955
Q1-23	920	940	930

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-22	1085	1105	1095
Jun-22	940	960	950
Jul-22	915	935	925
Q3-22	912	922	917
Q4-22	893	903	898
Q1-23	865	875	870

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