

27/05/2022**FOB China HRC**

The index fell by \$2/t yesterday (26.5.22) to US\$719/t, MTD US\$749.56/t.

Coils inventory held by traders and mills in China increased by 80,000t this week against a decline of 55,000t last week, showing demand weakened further. Some traders had not sold down stockpiles built up in early May and they are facing financial pressures as mills are urging them to make new bookings.

Traders cut offers to an equivalent of \$710-725/t fob China for SS400 HRC, although major Chinese mills hold offers unchanged at and above \$745/t fob. A deal for small quantity of Chinese SS400 HRC was concluded at \$735/t cfr Vietnam this week, which was below mainstream market levels and could be short sales by traders who expect secure the supply later at a lower price. Offers decreased to \$760-780/t cfr Vietnam for Chinese SAE1006 grade coils. (Argus)

EU HRC

Pressure continues European hot-rolled coil (HRC) prices fell further today. The Argus daily Italian HRC index fell by €21.75/t to €942.50/t (\$1,007/t) ex-works, while the daily northwest EU HRC index slipped by €4.50/t to €988.50/t.

The weekly cif Italy assessment fell by €25/t to €865/t cfr. The Italian import market looked to be bottoming out at the start of the week, with some Asian offers disappearing after the export duty announcement from India. But by today, lower prices were available from several sources, with mills in many regions clearly hungry for tonnes. An offer was heard from Turkey at €870/t cfr inclusive of duty and for June shipment — not too far off from another offer that has been in the market since the end of last week at \$900/t cfr, duty included.

Buyers said today they had prices offered at \$920-940/t cif for September arrivals. Some said that certain European sellers were willing to reduce prices for September deliveries, but were trying to hold onto higher offers for June-July as they were aware that there were not many import options on the market. Some traders said that prices of \$940-950/t cfr were possible. An offer for HRC was heard at €910/t cfr with no extra for pickled and oiled material. Buyers said €880/t cfr is possible for imported material. (Argus)

US HRC

The Platts TSI US hot-rolled coil index was assessed at \$1,240/st on an ex-works Indiana basis on May 26, unchanged from May 25, according to S&P Global Commodity Insights data.

The price level remained below an offer at \$1,260/st which generated no buying activity. The current assessment was also still reflective of a range of tradable values for current HRC inquiries by a service center source. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	457.00	-8.00	489.97
Steel Rebar FOB Turkey (\$/mt)	762.50	-2.50	811.67
Argus HRC NW Europe (€/mt)	988.50	-4.50	1105.53
Argus FOB China HRC (\$/mt)	719.00	-2.00	752.71

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
May-22	740	770	755
Jun-22	730	760	745
Jul-22	720	750	735
Q3-22	720	730	725
Q4-22	695	705	700
Q1-23	678	688	683

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
May-22	485	495	490
Jun-22	460	470	465
Jul-22	457	467	462
Q3-22	450	460	425
Q4-22	420	430	425
Q1-23	397	407	402

LME REBAR FOB TK			
	Bid	Ask	Value
May-22	805	815	810
Jun-22	747	757	752
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	660	670	665
Jul-22	625	635	630
Aug-22	615	625	620
Q3-22	615	625	620
Q4-22	598	608	603
Q1-23	570	580	575

US HRC USD/short ton			
	Bid	Ask	Value
May-22	1375	1395	1385
Jun-22	1190	1210	1200
Jul-22	1028	1048	1038
Q3-22	1003	1023	1013
Q4-22	937	957	947
Q1-23	908	928	918

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-22	1085	1105	1095
Jun-22	940	960	950
Jul-22	920	940	930
Q3-22	910	920	915
Q4-22	868	878	873
Q1-23	835	845	840

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