

30/05/2022**FOB China HRC**

The index kept flat last Friday (27.5.22) at US\$719/t, MTD US\$747.76/t.

Stimulus measures previously announced by the central government without details are likely to be implemented at faster pace in the coming months to stabilize the economy, and cities like Shenzhen had announced plans to give subsidies to consumers of new energy vehicles and household appliances. Estimates show that China issued 1.82trln yuan of treasury bonds so far this year, with the issuance accelerating in May, on the pace to set the highest within the year, participants said.

Most sellers hold offers unchanged as seaborne demand remained weak. Limited traders lifted offers up by around \$5-10/t last Friday to equivalents of \$710-720/t for SS400 HRC, but failed to induce buying. Seaborne buyers hold a wait-and-see attitude, preferring to make decisions next week after market tend turns clearer. Offers were almost unchanged at \$760-780/t cfr Vietnam for Chinese SAE1006 grade coils, inducing bids at \$740-750/t cfr Vietnam. (Argus)

Turkish Scrap

Turkish mill bids heard at \$440-\$450/mt CFR, depending on origin
Ample June shipment supply pressures market

Turkish deepsea import ferrous scrap prices continued to fall May 27, as a fresh Benelux-origin sales were heard, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) May 27 at \$451/mt CFR, down \$6/mt on day, according to S&P Global Commodity Insights. The assessment has fallen \$208/mt over the past two months.

A Benelux-origin cargo heard to total 40,000 mt was booked May 26 by an Iskenderun mill, with HMS 1/2 (80:20) at \$446/mt CFR and bonus scrap at \$471/mt CFR. The purchase was confirmed by the buyer, with premium HMS 1/2 (80:20) put at \$451/mt CFR relative to the deal. Market sources said the differential between Benelux-origin HMS 1/2 (80:20) and US-origin HMS 1/2 (80:20) had returned to \$5-\$7/mt CFR. This is down from \$8-\$10/mt in recent months when the difference in iron yield in scrap from the US and Europe became more pronounced at high CFR Turkey prices -- above \$600/mt CFR.

A Turkish trader cited indicative bids for Benelux-origin HMS 1/2 (80:20) at \$440/mt CFR, indicative bids for US/Baltic-origin HMS 1/2 (80:20) at \$450/mt CFR, and an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$450-\$452/mt CFR. (Platts)

EU HRC

Market falls further in slow trade Argus' daily northwest European hot-rolled coil (HRC) index slipped slightly again today, as buyers cited high-quality import offers on short lead times as leverage. Asian HRC was on offer as low as €860/t (\$920/t) cif effective into some markets, and domestic lead times were low, with mills still trying to sell July rolling into a well-stocked marketplace.

Argus' northwest EU HRC index dropped to €977/t today, down €11.50/t from yesterday. Trade was very quiet, given holidays in much of Europe. One large buyer said mills were contemplating idling finishing lines and not hot metal production — perhaps with a view to Russian coal shipments stopping from August — to avoid lowering prices too much. Vietnamese SAE1006 grade material was offered into Antwerp at \$850/t cfr Antwerp, according to one trader.

Japanese material was offered at \$900/t cfr. Argus' daily Italian HRC assessment was static at €942.50/t in quiet trade. European mills were heard offering at low levels into the US in a bid to move tonnes. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	451.00	-6.00	487.92
Steel Rebar FOB Turkey (\$/mt)	760.00	-2.50	808.95
Argus HRC NW Europe (€/mt)	977.00	-11.50	1098.76
Argus FOB China HRC (\$/mt)	719.00	0.00	750.83

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	740	750	745
Jul-22	735	745	740
Q3-22	728	738	733
Q4-22	700	710	705
Q1-23	670	680	675

BUSHELING			
	Bid	Ask	Value
Jun-22	650	660	655
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	1185	1205	1195
Jul-22	1020	1040	1030
Q3-22	997	1017	1007
Q4-22	940	960	950
Q1-23	908	928	918

NWE HRC EUR/metric ton			
	Bid	Ask	Value
May-22	1085	1105	1095
Jun-22	915	935	925
Jul-22	900	920	910
Q3-22	892	902	897
Q4-22	855	865	860
Q1-23	825	835	830

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