

08/06/2022**FOB China HRC**

The index was flat yesterday (7.6.22) at US\$733/t, MTD US\$727.60/t.

Domestic major steel mills' crude steel output in late May increased by 0.88pc from Mid-May to 2.32mn t/d, data from the China Iron and Steel Association shows. Activity at some outdoor construction sites were suspended due to China's colleague entrance exams on 7-8 June.

Major Chinese mills held offers largely unchanged at \$750-775/t fob China for SS400 HRC. While traders were actively inviting bids at the equivalent of \$730-750/t fob. A north China-based mill's domestic selling prices are at the equivalent of \$730/t fob, allowing traders to receive orders at the same level.

Traders cut offers to \$760-785/t cfr Vietnam for Chinese SAE1006 grade coils to promote sales. Only limited Vietnamese buyers bid at \$720-740/t cfr Vietnam. Japanese mills may consider selling SAE grade coils at \$820/t cfr Vietnam after receiving bids at \$770/t cfr Vietnam last week. (Argus)

EU HRC

North slips further North European hot-rolled coil (HRC) prices continued to come under pressure from slow demand today, with steelmakers and service centres unsuccessfully chasing tonnes. One north European producer was offering about €920/t base delivered, but has not made sales at this level yet. Others are still trying to hold at €950/t, but demand remains slow, not helped by the long weekend.

Larger buyers were bidding below €900/t, and import offers were about €870-880/t cif, although traders still had not received much feedback. Sheet prices in Germany were about €1,100/t, still offering some margin based on replacement cost, but below where some buyers placed at the height of the market. Italian sheet was offered into France at €1,050/t ddp for July shipment. Argus' daily northwest EU HRC index slipped by €2/t to €944/t, while the daily Italian index was static at €884.50/t.

One large European producer has taken down a blast furnace in Germany and intends to restart the unit in July. Service centres are hoping others follow suit to stem the depreciation in their elevated inventories. (Argus)

US HRC

The Platts TSI US hot-rolled coil index was assessed at \$1,180/st on an ex-works basis Indiana June 7, unchanged from June 6, according to S&P Global Commodity Insights data.

The assessment was unchanged remaining below reported older less repeatable transactions at higher levels. A Midwest service center source reported a transaction at \$1,200/st for less than 450 st completed last week and deemed it no longer repeatable given lower prices in the market. A Midwest mill source indicated transactions were at \$1,200/st over the past week but on a limited basis. The assessment remained above a buyer's tradable value at \$1,160/st with no other details specified. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	432.50	-2.50	433.75
Steel Rebar FOB Turkey (\$/mt)	745.00	2.50	743.75
Argus HRC NW Europe (€/mt)	944.00	-2.00	945.00
Argus FOB China HRC (\$/mt)	733.00	0.00	727.60

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-22	725	755	740
Jul-22	720	750	735
Aug-22	715	745	730
Q3-22	725	735	730
Q4-22	700	710	705
Q1-23	678	688	683

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-22	425	435	430
Jul-22	429	439	434
Aug-22	427	437	432
Q3-22	427	437	423
Q4-22	418	428	423
Q1-23	397	407	402

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-22	720	730	725
Jul-22	715	725	720
Aug-22	713	723	718
Q3-22	713	723	718
Q4-22	699	709	704
Q1-23	670	680	675

BUSHELING			
	Bid	Ask	Value
Jun-22	645	655	650
Jul-22	615	625	620
Aug-22	605	615	610
Q3-22	605	615	610
Q4-22	575	585	580
Q1-23	545	555	550

US HRC USD/short ton			
	Bid	Ask	Value
Jun-22	1160	1180	1170
Jul-22	1010	1030	1020
Aug-22	1000	1020	1010
Q3-22	993	1013	1003
Q4-22	920	940	930
Q1-23	895	915	905

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-22	885	905	895
Jul-22	870	890	880
Aug-22	860	880	870
Q3-22	862	872	867
Q4-22	825	835	830
Q1-23	795	805	800

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