

15/06/2022**FOB China HRC**

The index fell by \$6/t yesterday (14.6.22) to US\$723/t, MTD US\$729.1/t.

Chinese mills and traders cut offers to \$710-765/t fob for SS400 HRC amid the drop in domestic sales prices. A deal for Chinese SS400 HRC was heard at \$730/t cfr Vietnam yesterday. The deal could involve positional coils or short sales by traders as no Chinese mills were willing to receive orders at this level. Vietnamese mill Formosa Ha Tinh cut its monthly offers for August shipment SS400 HRC by around \$100/t to \$750-755/t cif Vietnam, which was not attractive to local buyers, especially with Indian sales prices at around \$730/t cfr Vietnam.

A deal for around 20,000t Indian SAE1006 grade coils was heard at \$738/t cfr Vietnam the day before yesterday. Some traders were even willing to receive orders at \$730-735/t cfr Vietnam yesterday amid sluggish buying. Formosa cut SAE1006 grade coils by around \$100/t to \$750-765/t cif Vietnam. (Argus)

EU HRC

Italian hot-rolled coil (HRC) steel prices slipped further today as buyers cut their bids, even for medium-sized tonnages. Argus' daily Italian HRC index dropped by €28.75/t to €829.75/t ex-works, while the daily northwest EU HRC index nudged up by €1/t to €899.75/t.

Bids from Italian buyers were reported by several market participants at €800/t delivered, for both large and medium-sized lots. Some medium-sized buyers were also bidding at €820/t delivered. At these bids, certain Italian producers are close to breakeven point, and they would either need to find demand locally, or in export markets relatively quickly, or be forced to cut production. Real consumption has decreased and the sentiment is negative, with expectations that the downtrend is not over in Europe.

Some producers were heard targeting €850/t delivered, but participants are confident they would accept €10-20/t less for 10,000-20,000t. Bids are below these prices and producers have steadily been cutting offers day by day over the past weeks. Some smaller tonnage offers were heard at €880/t delivered. (Argus)

US HRC

The Platts TSI US hot-rolled coil index was assessed at \$1,100/st on an ex-works Indiana basis June 14, unchanged from June 13, according to S&P Global Commodity Insights data.

The assessment remained unchanged below recent offers at \$1,110/st from mini-mill suppliers to a Midwest service center source. The offers were slightly lower than a second Midwest service center source's offers at \$1,120/st for 200 st on June 13. It remained higher than a reported transaction at \$1,080/st for 3,000 st from a Midwest integrated mill by another service center. The order size was larger than more repeatable standard order sizes which were on higher offers based on the other service center indications. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	382.50	-2.50	412.71
Steel Rebar FOB Turkey (\$/mt)	710.00	0.00	728.93
Argus HRC NW Europe (€/mt)	899.75	1.00	919.04
Argus FOB China HRC (\$/mt)	723.00	-6.00	729.10

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jun-22	725	755	740
Jul-22	715	745	730
Aug-22	715	745	730
Q3-22	724	734	729
Q4-22	713	723	718
Q1-23	683	693	688

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jun-22	410	420	415
Jul-22	370	380	375
Aug-22	370	380	375
Q3-22	370	380	368
Q4-22	363	373	368
Q1-23	355	365	360

LME REBAR FOB TK			
	Bid	Ask	Value
Jun-22	715	725	720
Jul-22	665	675	670
Aug-22	665	675	670
Q3-22	663	673	668
Q4-22	652	662	657
Q1-23	640	650	645

BUSHELING			
	Bid	Ask	Value
Jul-22	535	545	540
Aug-22	520	530	525
Sep-22	515	525	520
Q3-22	523	533	528
Q4-22	505	515	510
Q1-23	490	500	495

US HRC USD/short ton			
	Bid	Ask	Value
Jun-22	1125	1145	1135
Jul-22	975	995	985
Aug-22	960	980	970
Q3-22	955	975	965
Q4-22	893	913	903
Q1-23	872	892	882

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jun-22	840	860	850
Jul-22	790	810	800
Aug-22	800	820	810
Q3-22	803	813	808
Q4-22	800	810	805
Q1-23	777	787	782

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