

01/07/2022**FOB China HRC**

The index fell by \$3/t yesterday (30.6.22) to US\$639/t, MTD US\$688.82/t.

A small quantity of Chinese SS400 HRC was concluded at \$660/t cfr Haiphong this week. But that level was too low to represent the mainstream market levels as most sellers were reluctant to receive orders at that level. That deal could be done by traders who were bearish on prices given lukewarm seaborne market and wanted to liquidate coil stocks on hand as soon as possible. Most traders kept offers unchanged at \$655/t fob China for SS400 HRC, but Vietnamese buyers lowered their acceptable levels to the equivalent of around \$620-635/t fob China.

The market was quiet with no changes for offers at \$710-715/t cfr Vietnam for Chinese SAE1006 grade coils. Traders were still actively inviting bids at \$670-675/t cfr Vietnam for Indian SAE1006 grade coils. But they failed to induce any buying as Vietnamese buyers expected prices would fall soon amid weakening global steel demand and economy with high inflation. (Argus)

Turkish Scrap

Fresh UK-origin sold at \$355/mt CFR after pricing deadline
Mills enjoy improved finished steel demand.

Turkish deepsea import ferrous scrap prices continued to rise on June 30 as recyclers raised offers, while Turkish mills enjoyed improved finished steel demand, sources said. Platts Turkish imports of premium heavy melting scrap 1/2 (80:20) were assessed at \$342.50/mt CFR June 30, up \$5.50 on the day.

A UK-origin deal with HMS 1/2 (80:20) at \$355/mt CFR Iskenderun was heard by multiple sources to have been booked after the 4.30pm London time pricing deadline June 30, highlighting the continued upward trend. "There are more scrap sellers, sitting on high-priced stock, who will be back above water at \$360-\$370/mt CFR Turkey - so I think we'll see a bunch of them ready to sell at that level," a UK-based trading source said.

Turkish mills were heard to have enjoyed improved export rebar demand, with multiple reported deals heard in the \$640-\$650/mt FOB range on June 30. The positive sentiment in Turkey prompted Benelux sub-suppliers to resist selling HMS to deepsea scrap exporters below Eur250/mt delivered to the dock. "Purchase prices rise quicker than sales prices in this crazy business," one EU recycler said, citing an indicative tradable value for Benelux-origin HMS 1/2 (80:20) at \$340/mt CFR. (Platts)

EU HRC

North slips, Italy stabilises on scrap North European hot-rolled coil (HRC) prices slipped slightly yesterday, as one producer reported chunky sales at lower prices. The mill sold at about €800/t delivered base into Germany's Ruhr region. The market was fairly quiet today, but there has been a little more liquidity in recent days, with some buyers sensing that the market is close to a bottom.

Trading companies also said there was more liquidity as buyers tried to secure tonnes at lower prices. Some mills are becoming less flexible as they have managed to obtain rollovers or slight reductions for second-half contracts and have more visibility over their order books from automakers and the supply chain. Japanese HRC was offered into the Iberian Peninsula at €720/t cfr in the past few days, but buyers were dissuaded by the August shipment window, given the recent softening in domestic prices. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	342.50	5.50	370.72
Steel Rebar FOB Turkey (\$/mt)	640.00	7.50	689.61
Argus HRC NW Europe (€/mt)	815.50	-11.75	876.09
Argus FOB China HRC (\$/mt)	639.00	-3.00	688.82

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-22	645	675	660
Aug-22	635	665	650
Sep-22	630	660	645
Q3-22	647	657	652
Q4-22	630	640	635
Q1-23	610	620	615

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-22	360	370	365
Aug-22	365	375	370
Sep-22	355	365	360
Q3-22	360	370	340
Q4-22	335	345	340
Q1-23	313	323	318

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-22	650	660	655
Aug-22	635	645	640
Sep-22	625	635	630
Q3-22	637	647	642
Q4-22	605	615	610
Q1-23	555	565	560

BUSHELING			
	Bid	Ask	Value
Jul-22	530	540	535
Aug-22	505	515	510
Sep-22	495	505	500
Q3-22	510	520	515
Q4-22	485	495	490
Q1-23	470	480	475

US HRC USD/short ton			
	Bid	Ask	Value
Jul-22	920	940	930
Aug-22	880	900	890
Sep-22	870	890	880
Q3-22	890	910	900
Q4-22	850	870	860
Q1-23	823	843	833

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-22	820	840	830
Aug-22	815	835	825
Sep-22	810	830	820
Q3-22	820	830	825
Q4-22	802	812	807
Q1-23	785	795	790

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