

**06/07/2022****FOB China HRC**

The index rose by \$1/t yesterday (5.7.22) to US\$630/t, MTD US\$631.67/t.

Chinese market sentiment picked up as talks emerged that China will set up an infrastructure construction fund of 500bn yuan (\$74.5bn) to boost the economy. There was no official announcement. Sellers lifted Chinese SS400 HRC offers to equivalents of \$630-700/t fob China on firm Chinese domestic sales prices, but seaborne buyers kept bids unchanged at equivalents of \$590-610/t fob China. Buyers held a cautious attitude as they were unclear whether prices will fall.

Offers rose by \$5-10/t to \$680-685/t cfr Vietnam for SAE1006 grade coils from India and China but induced no bids as Vietnamese local demand was weak. It is too early to say prices will keep rising in the short term, participants said. (Argus)

**Turkish Scrap**

Limited sellers in market but offers heard above \$400/mt CFR  
Benelux subsuppliers hold back for higher HMS dock prices

Turkish Deepsea import ferrous scrap prices continued to rise sharply on July 5, as recyclers hiked offers with mills seeking to book prompter shipment cargoes before the Eid holiday period, sources said. Platts assessed the Platts Turkish imports of premium heavy melting scrap 1/2 (80:20) July 5 at \$390/mt CFR, up \$10/mt on day, according to S&P Global Commodity Insights.

One Turkish mill source cited an indicative tradable value for HMS 1/2 (80:20) at \$380-\$400/mt CFR, depending on the origin, with US-origin HMS 1/2 (80:20) considered workable at \$390-\$400/mt CFR. Reported offers for Baltic- and Benelux-origin HMS 1/2 (80:20) were heard well above \$400/mt CFR.

"Incoming scrap flows are slow, and most exporters recently sold material to alternative markets, so no one has high stocks left, so they can't find the material to build a cargo," a UK recycler said. "The Turkish mills all came back at once to buy, and sellers will try to make up their recent losses." Benelux HMS collection prices were heard as high as Eur280/mt delivered to the dock July 5, with some sub-suppliers holding back for Eur290-300/mt delivered on the expectation that CFR Turkey prices will reach \$400/mt CFR, as well as the weaker euro, which could allow exporters to pay more in euros for scrap. (Platts)

**EU HRC**

Market slips in sluggish trade European hot-rolled coil prices drifted slightly lower yesterday in slow trade, with many participants already exiting the market for their summer holidays. The Argus daily Italian HRC index dipped by €1.75/t (\$1.79/t) to €748.25/t (\$766.56/t) ex-works, while the north west EU HRC index dropped by €1.75/t to €816.75/t ex-works. Some sources pointed to the increase in Chinese prices today, alongside firming Turkish scrap costs, as evidence that the market was close to the bottom.

And there were inquiries, with some central European buyers looking to finalise deals ahead of their holidays. But demand in Germany and Benelux was limited. Japanese HRC was being offered at \$850/t cfr Antwerp for August shipment, but bids were \$100/t below this level and mills were not willing to lower their prices. There was talk of two producers in Italy and Benelux offering around €750/t delivered base for HRC. One of the mills has reported sales around €780/t delivered in the last week, while the other said today that it was still seeking €780-800/t delivered, although it has sold to larger buyers at lower levels. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	390.00	10.00	379.58
Steel Rebar FOB Turkey (\$/mt)	685.00	0.00	678.33
Argus HRC NW Europe (€/mt)	816.75	-1.75	816.92
Argus FOB China HRC (\$/mt)	630.00	1.00	631.67

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-22	640	670	655
Aug-22	650	680	665
Sep-22	645	675	660
Q3-22	655	665	660
Q4-22	640	650	645
Q1-23	610	620	615

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-22	380	390	385
Aug-22	390	400	395
Sep-22	390	400	395
Q3-22	387	397	385
Q4-22	380	390	385
Q1-23	355	365	360

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-22	680	690	685
Aug-22	675	685	680
Sep-22	665	675	670
Q3-22	673	683	678
Q4-22	650	660	655
Q1-23	625	635	630

BUSHELING			
	Bid	Ask	Value
Jul-22	485	495	490
Aug-22	482	492	487
Sep-22	480	490	485
Q3-22	482	492	487
Q4-22	475	485	480
Q1-23	460	470	465

US HRC USD/short ton			
	Bid	Ask	Value
Jul-22	910	930	920
Aug-22	855	875	865
Sep-22	850	870	860
Q3-22	872	892	882
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	810	830	820
Sep-22	805	825	815
Q3-22	817	827	822
Q4-22	800	810	805
Q1-23	785	795	790

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