

12/07/2022**FOB China HRC**

There is no index yesterday (11.7.22) given Singapore public holiday.

The sharp drop in Tangshan billet prices over the weekend weighed on steel market sentiment yesterday. Increasing numbers of Covid-19 cases in Shanghai locally also made participants cautious, as they were concerned that the government would tighten lockdown measures again if the pandemic worsens.

Major Chinese mills were silent, while trading companies cut Chinese SS400 HRC offers to \$630-635/t cfr Vietnam. Sentiment is so bearish that even \$630/t cfr Vietnam can induce barely any buying interest. Trading companies cut SAE1006-grade coils produced in India, China and Taiwan offers to as low as \$660/t cfr Vietnam, but drew no purchases amid the falling trend. (Argus)

EU HRC

Italy slips as lower deals emerge. The Argus daily Italian hot-rolled coil (HRC) index slipped by €9.75/t to €735.75/t ex-works today. News emerged of some sales having concluded at €730-740/t delivered levels to steel service centres (SSCs), although some offers were still coming in at as high as €800/t delivered. Some SSCs said it was the right time to buy, with buyer inquiries increasing, and trading firms said SSC inquiries had also increased. But some buyers were still expecting further price declines.

There are indications that mills are working to tighten supply — one producer will undergo a five-week maintenance in August, whereas another has stopped a blast furnace for 45 days because of low demand, according to market participants. One of those sellers issued a letter to some clients today, saying any offers will be valid only until the end of the day — probably incentivised by the increase in Turkish scrap prices over the past week, even if Italian and wider European scrap prices still appear under pressure, lagging Turkey. (Argus)

US HRC

The daily Platts TSI US hot-rolled coil index was assessed \$40 lower at \$900/st on an ex-works Indiana basis July 11, according to data from S&P Global Commodity Insights.

The assessment moved to a mill source's reported tradable value of \$900/st but remained above two buy-side sources' indications for orders of 500-1,000 st.

A mini-mill source indicated selling prices were approximately \$900/st. A Midwest service center reported an indicative tradable value below \$900/st for 500-1,000 st while adding he would not bid above \$900/st for as little as 20 st. Another Midwest buyer also reported a tradable value below \$900/st for 500-1,000-st orders from two mini-mills during the week ended July 8 with general low-volume prices at \$920-\$980/st during the same period. No specific price levels below \$900/st could be confirmed. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	410.00	0.50	395.96
Steel Rebar FOB Turkey (\$/mt)	700.00	0.00	689.29
Argus HRC NW Europe (€/mt)	812.00	1.25	813.93
Argus FOB China HRC (\$/mt)	PUB HOL	0.00	628.17

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-22	625	655	640
Aug-22	615	645	630
Sep-22	620	650	635
Q3-22	630	640	635
Q4-22	643	653	648
Q1-23	658	668	663

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-22	405	415	410
Aug-22	385	395	390
Sep-22	383	393	388
Q3-22	391	401	380
Q4-22	375	385	380
Q1-23	360	370	365

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-22	690	700	695
Aug-22	660	670	665
Sep-22	655	665	660
Q3-22	668	678	673
Q4-22	647	657	652
Q1-23	625	635	630

BUSHELING			
	Bid	Ask	Value
Aug-22	477	487	482
Sep-22	475	485	480
Oct-22	470	480	475
Q4-22	465	475	470
Q1-23	452	462	457
Q2-23	445	455	450

US HRC USD/short ton			
	Bid	Ask	Value
Jul-22	905	925	915
Aug-22	820	840	830
Sep-22	840	860	850
Q3-22	855	875	865
Q4-22	833	853	843
Q1-23	823	843	833

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-22	800	820	810
Aug-22	795	815	805
Sep-22	790	810	800
Q3-22	800	810	805
Q4-22	782	792	787
Q1-23	763	773	768

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