

13/07/2022**FOB China HRC**

The index fell by \$24/t yesterday (12.7.22) to US\$598/t, MTD US\$623.86/t.

Major Chinese mills were silent on offers as they were uncertain what levels should they offer given rapidly falling Chinese domestic sales prices, while a few mills cut offers to \$620-670/t fob China for SS400 HRC. Trading firms cut offers sharply to \$635/t cfr Vietnam for Chinese SS400 HRC in the morning and lowered offers further to \$620/t cfr Vietnam in the afternoon. Those prices failed to induce any buying neither as Vietnamese buyers feared a further price fall soon. Only limited buyers bid as low as \$600/t cfr Vietnam, far below sellers' offers.

Vietnamese mill Formosa Ha Tinh cut its September shipment monthly offers by \$100/t to around \$650-655/t cif Vietnam for SS400 HRC and \$650-665/t cif Vietnam for SAE1006 grade coils. Those levels were competitive compared with offers at \$660/t cfr Vietnam for SAE1006 grade coils from India, China and Taiwan, but were still unattractive to Vietnamese buyers not bidding with the falling trend. (Argus)

EU HRC

Market rises North European hot-rolled coil (HRC) prices rose yesterday as some buyers paid more to secure material amid fears over future supply security. Some buyers were concerned that the stoppage of the key Nord Stream gas pipeline — which carries LNG from Russia to Germany — could affect production if it continues for longer than anticipated. The euro/dollar rate reaching parity also brought some back to market, as it meant import prices were less competitive, and also increased costs for mills buying dollar denominated raw materials — prices were already close to costs for many.

Argus' daily northwest EU HRC index increased by €11/t to €823/t ex-works, while the Italian index nudged up by €2.75/t to €738.50/t ex-works. In Italy, one mill raised offers as of Monday evening, quoting at €800-820/t ex-works. A buyer said they bought for July at €810/t delivered for a few hundred tonnes. The increase in offers took some buyers by surprise, given that latest deals circulated in the market were €730-750/t delivered. One producer was today still at €750/t delivered for deals of a few thousand tonnes, while some deals were also heard done at €750/t ex-works. (Argus)

US HRC

The daily Platts TSI US hot-rolled coil index was assessed unchanged at \$900/st on an ex-works Indiana basis July 12, according to data from S&P Global Commodity Insights.

A service center source indicated prices were available below \$900/st for 500 st from multiple mills with a four-week lead time. The price level was not specified and could not be confirmed by any firm offers or transactions. The assessment remained unchanged at a mill's indicated sellable level and above indications of bids below \$900/st from July 11. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	410.00	0.00	397.72
Steel Rebar FOB Turkey (\$/mt)	700.00	0.00	690.63
Argus HRC NW Europe (€/mt)	823.00	11.00	815.06
Argus FOB China HRC (\$/mt)	598.00	-24.00	623.86

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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