

14/07/2022**FOB China HRC**

The index fell by \$1/t yesterday (13.7.22) to US\$597/t, MTD US\$620.50/t.

A major north China mill conducted equipment maintenance for one 2020m³ blast furnace on 8 July with daily output cut of 5,000t. Another southeast China mill will shut down one 1780m³ blast furnace for maintenance from 25 July for 30 days with estimated output cut of 150,000t. China's steel exports in June rose by 17pc from a year earlier to 7.557mn t, China customs data show.

Major Chinese mills cut offers to \$610-650/t fob China for SS400 HRC. Some traders were willing to receive orders at equivalents of \$590-595/t fob China as they expect mills to cut prices in the following days given weak domestic and seaborne demand. A few buyers expressed buying interest at \$575-580/t fob China. Offers were unchanged at \$660/t cfr Vietnam for SAE1006 grade coils from India, China and Taiwan. (Argus)

EU HRC

Market up for second day European hot-rolled coil (HRC) prices nudged higher for a second consecutive day today as mills increased offers. An Italian mill made an offer for September delivery at €800/t ex-works, although most said tradable value remained below this level. There is still July availability for commodity-grade HRC in Italy. The producer has been telling buyers prices will be higher from September to instigate buying, but sources suggest the mill should actually raise prices if it is confident over market direction.

Buyers purchasing on an index-linked basis from Italian sellers said they have been reluctant to take volumes as the indexes they are using are not reflecting the market, and they expect them to be lower next week. This is despite one producer raising offers this week, and despite other buyers saying they are ready to purchase. One non-Italian seller has already been getting around €20/t up on last week. An Indian offer was heard at €720/t cif Italy, while other Asian suppliers were heard at €750/t cif.

Traders were not able to get enough demand to book minimum requirement vessels, as buyers are very suspicious, especially as Chinese prices are exhibiting some weakness. There are mixed signals in the market. Taiwanese material at €730-735/t cif was not closed last week, but since then it was raised by €30/t, contrary to the trends from Vietnam and China. (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 13, according to data from S&P Global Commodity Insights.

The assessment remained unchanged below offers on a 200 st inquiry from multiple mills at \$920-\$940/st and at the tradable value provided by a buyer at \$900/st. A mini-mill source indicated prices below \$900/st seemed available but no details on sales below the level were provided. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	410.00	0.00	399.08
Steel Rebar FOB Turkey (\$/mt)	700.00	0.00	691.67
Argus HRC NW Europe (€/mt)	825.00	2.00	816.17
Argus FOB China HRC (\$/mt)	597.00	-1.00	620.50

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-22	625	655	640
Aug-22	595	625	610
Sep-22	600	630	615
Q3-22	617	627	622
Q4-22	630	640	635
Q1-23	660	670	665

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-22	405	415	410
Aug-22	370	380	375
Sep-22	365	375	370
Q3-22	380	390	360
Q4-22	355	365	360
Q1-23	340	350	345

LME REBAR FOB TK			
	Bid	Ask	Value
Jul-22	690	700	695
Aug-22	640	650	645
Sep-22	635	645	640
Q3-22	655	665	660
Q4-22	625	635	630
Q1-23	610	620	615

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	910	930	920
Aug-22	820	840	830
Sep-22	840	860	850
Q3-22	857	877	867
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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