

18/07/2022**FOB China HRC**

The index fell by \$10/t last Friday (15.7.22) to US\$583/t, MTD US\$614/t.

China's economy grew by 0.4 percent in the second quarter of 2022 from one a year earlier, an obvious slowdown from the first quarter's 4.8pc year on year growth, the National Bureau of Statistics data showed on 15 July. Real estate sector investment in January-June fell by 5.4pc from the previous year and January-June real estate sales by area fell by 22.2pc.

Traders rushed to cut SS400 HRC offers aggressively to equivalents of \$555-590/t fob China, inducing limited bids at equivalents of \$535-565/t fob China. A deal for small quantity of Chinese SS400 HRC was heard sold at \$580/t cfr Vietnam last week. But most participants deemed that was too low to represent the mainstream market levels and that the seller should incur losses.

A deal for positional Chinese SAE1006 grade coils were heard concluded at \$605-610/t cfr Vietnam last week, although no further details were available. Sellers are likely to incur losses. Traders cut Chinese SAE1006 grade coils offers to \$620-630/t cfr Vietnam. (Argus)

Turkish Scrap

Poor finished steel demand pressures scrap sentiment
Slow scrap inflow continues

Turkish deepsea import ferrous scrap prices softened July 15, as deepsea exporters adjusted expectations downwards, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) July 15 at \$407.50/mt CFR, down \$2.50/mt on the day, S&P Global Commodity Insights data showed.

"I think prices will come off a bit towards \$400/mt CFR - the Turks will apply pressure and get their price in the short-term by picking off sellers from the UK, and EU and the Baltic sellers - the US is holding firm," a UK recycler said. "But in the near-term, the mills will have to buy more than there is supply, as scrap inflow to the yard is still low." HMS collection prices for material delivered to the dock was heard as high as Eur335-340/mt delivered on July 15, while HMS dock prices in the UK were heard at GBP215-220/mt delivered, and at \$260/lt delivered to the dock on the US East Coast.

"Inflow is really low, due to both logistics constraints and the summer holidays, and so there is no longer not any excess of scrap," an EU trading source said, citing an indicative near-term tradable value for premium HMS 1/2 (80:20) at \$405/mt CFR, but noting that US suppliers were heard to hold firm at \$410/mt CFR for US-origin HMS 1/2 (80:20). A Turkish mill source cited an indicative tradable value for HMS 1/2 (80:20) at \$400-\$410/mt CFR, depending on origin, adding that demand for finished steel next week was an "unknown." (Platts)

US HRC

The daily Platts TSI US hot-rolled coil index was assessed unchanged at \$900/st on an ex-works Indiana basis July 15, according to data from S&P Global Commodity Insights.

A buy-side source was offered \$900/st for 2,500 st, while a service center reported receiving offers from mills at \$840/st. No other firm offers or transactions were heard below \$900/st. The assessment remained at the same level as a reported service center purchase from July 14 for 1,000 st. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	407.50	-2.50	400.84
Steel Rebar FOB Turkey (\$/mt)	700.00	0.00	693.18
Argus HRC NW Europe (€/mt)	814.50	-10.00	816.77
Argus FOB China HRC (\$/mt)	583.00	-10.00	614.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Jul-22	600	630	615
Aug-22	560	590	575
Sep-22	570	600	585
Q3-22	587	597	592
Q4-22	590	600	595
Q1-23	615	625	620

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Jul-22	405	415	410
Aug-22	365	375	370
Sep-22	363	373	368
Q3-22	378	388	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	650	660	655
Sep-22	630	640	635
Q3-22	657	667	662
Q4-22	617	627	622
Q1-23	605	615	610

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	825	845	835
Sep-22	820	840	830
Q3-22	850	870	860
Q4-22	840	860	850
Q1-23	868	888	878

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Jul-22	800	820	810
Aug-22	800	820	810
Sep-22	795	815	805
Q3-22	803	813	808
Q4-22	782	792	787
Q1-23	763	773	768

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