

**21/07/2022****FOB China HRC**

The index was flat yesterday (20.7.22) at US\$581/t, MTD US\$606.31/t.

Sellers kept offers unchanged at an equivalent of \$545-640/t fob China for SS400 HRC, with bids at an equivalent of \$518-520/t fob China. Most seaborne buyers were silent as they were uncertain about the sustainability of Chinese steel price rises. An east China mill was heard to have sold HRC to South America this week, but no details could be confirmed. The mill offered \$590/t fob China for SS400 HRC. Other large Chinese mills may have cut sales prices on sluggish buying, although no new offers were heard, participants said.

Vietnamese buyers had no buying interest on offers at \$600-610/t cfr Vietnam for SAE1006 grade coils from China and India. Local sales were frozen. The acceptable levels from buyers are around \$20/t lower than offers, which could not be accepted by any seller. (Argus)

**Turkish Scrap**

Poor finished steel demand pressures scrap sentiment  
Benelux HMS dock prices heard lower

Turkish deepsea import ferrous scrap prices softened July 20, as Turkish mills pulled back as several US-origin offers were heard, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) July 20 at \$387.50/mt CFR, down \$5, according to S&P Global Commodity Insights.

"Basically, all the EU sellers are sold out, while the Baltics are almost sold out--collection is at least 30% down in [the] EU and [the] US, but the main issue is that US sellers had completely skipped the previous round and now are trying to sell," an EU trader said, adding that \$390/mt CFR for US-origin HMS 1/2 (80:20) was workable from two US suppliers.

The trader also cited a US recycler offer for HMS 1/2 (80:20) at \$400/mt CFR, while a US recycler cited an indicative tradable value for US-origin HMS 1/2 (80:20) at \$395-\$400/mt CFR, adding that "Mexico is in the market and Bangladesh pricing is nearing the Turkish-equivalent [level]." A second US supplier said Mexican bulk scrap demand was quiet, while Bangladeshi buyers were ready to pay above the equivalent price in Turkey.

A Turkish mill source cited an indicative tradable value for US-origin HMS 1/2 (80:20) at \$382-\$383/mt CFR, and US-origin HMS 1/2 (90:10) at \$385/mt CFR. The mill source also reported an offer for Europe-origin HMS 1/2 (80:20) at \$370/mt CFR, but this level was not repeated by other market sources. (Platts)

**EU HRC**

Italian market firms further European hot-rolled coil (HRC) prices continued to increase yesterday, especially in Italy, where mills have been able to close enough sales over the past two weeks to go into the August holiday period with slightly less uncertainty.

The Argus daily Italian HRC index rose today by €3.25/t to €792.50/t ex-works, while the northwest EU index increased by €1.25/t to €814.75/t ex-works. Market participants said deals have been done at €780-790/t delivered Italy, while mills are looking for €790-820/t ex-works prices, but were still not willing to lose on orders so have given some discounts. Availability is for September deliveries, but some August tonnages are available too. Large buyers were heard still looking for €750/t ex-works and perhaps finding it, especially when they use import prices as leverage.

Secondary choice Indian material was today heard offered at €710/t cif south Europe, with no CE marking, boron added and for limited ranges. Earlier in the week, some offers were reported at €760/t cif and above, but it has become clear that prices below €750/t are widely available from Asian suppliers and closer-by mills. A Turkish offer was also heard today at \$680/t fob, although with a high duty, which would equate to just over €760/t cif. (Argus)

## Market Rates

| Indices                                     | Price  | Change | MTD    |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 387.50 | -4.50  | 399.59 |
| Steel Rebar FOB Turkey (\$/mt)              | 695.00 | 0.00   | 693.93 |
| Argus HRC NW Europe (€/mt)                  | 814.75 | 1.25   | 816.32 |
| Argus FOB China HRC (\$/mt)                 | 581.00 | 0.00   | 606.31 |

| LME HRC FOB TIANJIN CHINA USD/mt |     |     |       |
|----------------------------------|-----|-----|-------|
|                                  | Bid | Ask | Value |
| Jul-22                           | 600 | 630 | 615   |
| Aug-22                           | 580 | 610 | 595   |
| Sep-22                           | 585 | 615 | 600   |
| Q3-22                            | 598 | 608 | 603   |
| Q4-22                            | 604 | 614 | 609   |
| Q1-23                            | 617 | 627 | 622   |

| LME HMS 80:20 CFR TK |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Jul-22               | 405 | 415 | 410   |
| Aug-22               | 370 | 380 | 375   |
| Sep-22               | 363 | 373 | 368   |
| Q3-22                | 379 | 389 | 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    | 465 | 475 | 470   |
| Oct-22    | 460 | 470 | 465   |
| Q4-22     | 458 | 468 | 463   |
| 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               | 850 | 870 | 860   |
| Sep-22               | 840 | 860 | 850   |
| Q3-22                | 865 | 885 | 875   |
| 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                 | 810 | 830 | 820   |
| Sep-22                 | 800 | 820 | 810   |
| Q3-22                  | 808 | 818 | 813   |
| Q4-22                  | 782 | 792 | 787   |
| Q1-23                  | 763 | 773 | 768   |

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