

**22/07/2022****FOB China HRC**

The index was stable yesterday (21.7.22) at US\$581/t, MTD US\$604.50/t.

The market was quiet with limited offers or bids. Seaborne buyers expect Chinese steel export prices to fall on scant buying. Vietnamese mill Hoa Phat has cut its September or early October shipment monthly offers by around \$80-86/t to \$610/t cif Vietnam for SS400 HRC yesterday. That level was not attractive compared with traders' offers for Chinese coils. The mill may lower its prices against firm bids after negotiating with customers, participants in Vietnam said.

Vietnamese buyers were lukewarm to Hoa Phat's monthly offers at \$610/t cif Vietnam for SAE1006 grade coils, which is around \$90-95/t lower than the previous month. Hoa Phat's offers were not competitive as traders kept offers unchanged at \$600-610/t cfr Vietnam for coils from China and India, attracting no bids. (Argus)

**Turkish Scrap**

Fresh North American falls after pricing deadline  
Shortsea scrap prices also slide lower on day

Turkish deepsea import ferrous scrap prices continued to weaken July 21 as multiple US recycler offers pressured the market, sources said. Platts Turkish imports of premium heavy melting scrap 1/2 (80:20) were assessed at \$382.50/mt CFR July 21, down \$5 on the day.

Following the 4:30 pm London time pricing deadline, a North American cargo was heard to have been booked by an Izmir mill July 21, with HMS 1/2 (95:5) heard at \$377/mt CFR. "There are many rumors in the market, but the price levels are having a kind of freefall," a Turkish agent source said. Weak finished steel demand following the Eid al-Adha holiday period in Turkey over July 8-14 prompted Turkish mills to largely pull back from deepsea scrap purchasing.

"The price increases before the holidays were already temporary - all other markets are bad and it looks like this will continue," a Turkish mill source said, citing an indicative buyer tradable value for premium HMS 1/2 (80:20) at \$375-\$380/mt CFR maximum. An EU recycler cited an indicative tradable value for Benelux-origin HMS 1/2 (80:20) at \$370-\$385/mt CFR, adding that inflow was low at HMS collection prices of Eur300-310/mt delivered to the dock.

Shortsea scrap suppliers continued to accept lower workable levels as Turkish mills pushed for lower prices. A Romanian-origin deal for A3 was heard booked below \$360/mt CFR Turkey on July 21, while a Bulgarian supplier said offers for A3 ex-Adriatic were at \$362/mt CFR. (Platts)

**EU HRC**

NW Europe-Italy differential shrinks The premium of northwest European hot-rolled coil (HRC) prices over Italian yesterday shrank to €15.75/t (\$16.08/t) — the lowest in over a year. The daily Italian HRC index rose by €2.50/t to €795/t exworks today, while the northwest EU index slipped by €4/t to €810.75/t ex-works. Italian prices have risen by nearly €40/t since the start of the month, as many buyers saw the market bottoming out and returned to purchasing, which made producers less nervous about order books and more optimistic about postsummer fundamentals.

But not all buyers have returned to the market, with some of the biggest ones still pessimistic and expecting a crash in values in September. These participants say underlying demand remains poor, while weak economic conditions in Europe and globally will weigh further on prices going into the end of the year.

There is also concern that the last months of the year are typically when service centres carry out heavy destocking and it could hamper prices. The biggest Italian buyers are heard to be seeking €730-750/t, while mills target above the €800/t mark, and it is a question whether they will manage to collect enough orders among smaller and mid-sized buyers to resist low pipemaker bids. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	382.50	-5.00	398.45
Steel Rebar FOB Turkey (\$/mt)	692.50	-2.50	693.83
Argus HRC NW Europe (€/mt)	810.75	-4.00	815.95
Argus FOB China HRC (\$/mt)	581.00	0.00	604.50

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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