

**25/07/2022****FOB China HRC**

The index rose by \$1/t last Friday (22.7.22) to US\$582/t, MTD US\$603/t.

Traders lifted offers by around \$5/t to \$585-600/t cfr Vietnam for Chinese SS400 HRC given firm domestic prices. Mills held offers unchanged at \$590-640/t fob China and were reluctant to cut prices. Seaborne buyers were cautious on uncertainties and with regional steel demand restrained. A deal for Chinese SS400 HRC was concluded at \$580/t cfr Vietnam last week, but that was for cargoes that have arrived at ports and was too prompt to be included in the Argus index.

The Vietnamese market was quiet with offers unchanged at \$600-610/t cfr Vietnam for SAE1006 grade coils from China and India. Local buyers expected steel prices to fall this week as there was no indication that Vietnamese demand will rebound, a Vietnamese trader said. (Argus)

**EU HRC**

Some import offers weigh Despite bullishness in the Italian hot-rolled coil (HRC) market over the past two weeks, import prices — which early this week seemed to inch up — are somewhat affecting the mood. The daily Italian HRC index nudged down by €2.75/t (\$2.81/t) to €792.25/t ex-works, while the northwest EU index fell by €0.50/t to €810.25/t ex-works. One Asian mill was heard to offer in southern Europe at €680/t cif.

Some traders reported also receiving bids for Asian material at this level, while other offers were heard at €690-700/t cif Italy. A buyer reported an offer at €690/t cif. Other offers were heard today at €720-730/t cif to both north and south destinations. One north European mill was offering into Italy at €780/t delivered, having earlier in the month been achieving €40- 60/t below. Meanwhile, in the north some sellers were at €800/t and slightly below, but there were deals being concluded as high as €830/t. Second half of the year contracts were in some cases concluded at a rollover to the first half.

There are a number of risk factors on the market at present, which is seeing many buyers again pause purchases. Raw material prices across most products — iron ore, coking coal, scrap — have recently inched down, while end-user demand is low. With only one full week left before the market quiets for the summer holidays, and lead times from some European mills still on the shorter side, especially in northern Europe, sellers are not as confident. That said, many expect September to be stronger, and Italian mills have sold some volumes for September, so they are going into August more relaxed. (Argus)

**US HRC**

The daily Platts TSI US hot-rolled coil index was assessed unchanged at \$850/st on an ex-works Indiana basis July 22, according to data from S&P Global Commodity Insights.

One Midwest service center source indicated tons were widely available below \$900/st, but said sizable orders would command above \$800/st. The most recent confirmed transactions in the market ranged from \$800-880/st. (Platts)

## Market Rates

| Indices                                     | Price  | Change | MTD    |
|---|--------|--------|--------|
| Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt) | 370.00 | -12.50 | 396.67 |
| Steel Rebar FOB Turkey (\$/mt)              | 677.50 | -15.00 | 692.81 |
| Argus HRC NW Europe (€/mt)                  | 810.25 | -0.50  | 815.59 |
| Argus FOB China HRC (\$/mt)                 | 582.00 | 1.00   | 603.00 |

| 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               | 355 | 365 | 360   |
| Sep-22               | 350 | 360 | 355   |
| Q3-22                | 370 | 380 | 345   |
| Q4-22                | 340 | 350 | 345   |
| Q1-23                | 325 | 335 | 330   |

| LME REBAR FOB TK |     |     |       |
|------------------|-----|-----|-------|
|                  | Bid | Ask | Value |
| Jul-22           | 690 | 700 | 695   |
| Aug-22           | 645 | 655 | 650   |
| Sep-22           | 635 | 645 | 640   |
| 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    | 460 | 470 | 465   |
| Oct-22    | 455 | 465 | 460   |
| Q4-22     | 450 | 460 | 455   |
| Q1-23     | 435 | 445 | 440   |
| Q2-23     | 420 | 430 | 425   |

| US HRC USD/short ton |     |     |       |
|----------------------|-----|-----|-------|
|                      | Bid | Ask | Value |
| Jul-22               | 910 | 930 | 920   |
| Aug-22               | 850 | 870 | 860   |
| Sep-22               | 840 | 860 | 850   |
| Q3-22                | 867 | 887 | 877   |
| 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                 | 820 | 840 | 830   |
| Sep-22                 | 815 | 835 | 825   |
| Q3-22                  | 817 | 827 | 822   |
| Q4-22                  | 813 | 823 | 818   |
| Q1-23                  | 807 | 817 | 812   |

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