

04/08/2022**FOB China HRC**

The index was flat yesterday (3.8.22) at US\$602/t, MTD US\$600/t.

Costs may rise as a north China metallurgical coke supplier was planning to raise coke prices by Yn200/t (\$29.5) from 5 August to reduce its losses. But mills' production restarts blurred outlook for steel. Both sellers and buyers held offers and bids unchanged amid the uncertainties. A small quantity of Chinese SS400 HRC was heard concluded at \$617/t cfr Vietnam this week, which was too low to represent the mainstream market levels. Most Chinese mills were unwilling to receive orders below \$609-610/t fob China.

Offers were unchanged at \$630/t cfr Vietnam for Chinese SAE1006 grade coils. Taiwanese SAE-grade coils offers fell by \$620-630/t cfr Vietnam from \$650/t cfr Vietnam, but failed to induce any buying as they were much higher than Vietnamese buyers' acceptable levels. Sellers stopped quoting Indian coils. (Argus)

Turkish Scrap

Turkish deepsea import scrap prices rise on collection shortages

- Collection issues restrict supply
- Market in wait-and-see mode amid buyer-seller standoff

Turkish deepsea import ferrous scrap prices rose Aug. 3 as collection shortages and energy price hikes led to a buyer-seller standoff, sources said. Platts assessed the Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$355/mt CFR Aug. 3, up \$3/mt from Aug. 2, S&P

Global Commodity Insights data showed. The market appears to be in a standoff between recyclers and mills. "Right now, mills aren't purchasing, and sellers aren't selling.

Both sides are waiting," a Turkish mill source said. "Due to growing energy costs, we will wait [to purchase scrap] or cut production. Otherwise, we won't survive. If the downtrend [in scrap] does not persist, Turkish mills are in trouble." (Platts)

US HRC

US hot-rolled coil inches lower as buyers shop around larger orders

More pushback seen from mills on pricing

Imports look more reasonable to some sources

US hot-rolled coil prices dipped slightly Aug. 3 as offer prices continued to trend lower for smaller orders while multiple sources noted mills holding firm on pricing for larger quantities. The daily Platts US HRC index was assessed \$20 lower at \$820/st on an ex-works basis, according to S&P Global Commodity Insights data. A Midwest service center reported receiving an offer at \$825/st from a Midwest mill, but it failed to generate buying interest. Smaller HRC buys were able to achieve prices around \$860/st down to \$820/st, according to another Midwest buyer. Still, he was seeing resistance from mills to dip to lower levels even for larger tons. He had been attempting to bid below \$800/st for 3,000 st but had no luck finding domestic mills to sell at the lower levels. The order was back on the shelf until August scrap prices settled, likely lower, which might open the opportunity for lower HRC prices, added the source. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	355.00	3.00	351.50
Steel Rebar FOB Turkey (\$/mt)	622.50	7.50	615.83
Argus HRC NW Europe (€/mt)	813.50	0.00	809.08
Argus FOB China HRC (\$/mt)	602.00	0.00	600.00

US HRC USD/short ton			
	Bid	Ask	Value
Aug-22	805	825	815
Sep-22	810	830	820
Oct-22	835	855	845
Q4-22	860	880	870
Q1-23	890	910	900
Q2-23	905	925	915

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-22	815	835	825
Sep-22	830	850	840
Oct-22	840	860	850
Q4-22	850	860	855
Q1-23	840	850	845
Q2-23	830	840	835

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-22	610	640	625
Sep-22	620	650	635
Oct-22	625	655	640
Q4-22	637	647	642
Q1-23	620	630	625
Q2-23	580	590	585

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-22	360	370	365
Sep-22	365	375	370
Oct-22	370	380	375
Q4-22	375	385	377
Q1-23	372	382	377
Q2-23	360	370	365

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-22	630	640	635
Sep-22	635	645	640
Oct-22	635	645	640
Q4-22	633	643	638
Q1-23	620	630	625
Q2-23	620	630	625

BUSHELING			
	Bid	Ask	Value
Aug-22	455	465	460
Sep-22	465	475	470
Oct-22	470	480	475
Q4-22	475	485	480
Q1-23	475	485	480
Q2-23	465	475	470

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