

**15/08/2022****FOB China HRC**

The index was flat last Friday (12.8.22) at US\$600/t, MTD US\$600.33/t.

Almost all electric-arc furnace steel mills have suspended production in Anhui province from 12 August because of power shortages, market participants said. The hot weather in many east China cities has tightened electricity supply. Some blast furnace steel mills in the province have also cut output to some extent. Chinese mills and traders kept offers unchanged at an equivalent of \$595-650/t fob China for SS400 HRC although domestic sales prices were up while seaborne demand was weak. The large spread between offers and bids prevented deals, and it was even hard for sellers to receive orders at \$610/t cfr Vietnam.

Vietnamese mill Formosa Ha Tinh did not announce its official offers for October shipment coils. The mill will negotiate with customers on a case by case basis in a sluggish market. The mill's sales were subdued last month, with offers higher than Vietnamese mill Hoa Phat's offers. Vietnamese buyers expressed no buying interest at traders' offers of \$625-635/t cfr Vietnam for Chinese SAE-grade coils as local sales and Vietnamese downstream steel exports were both slow. (Argus)

**EU HRC**

Northern mills desperate North European hot-rolled coil (HRC) prices slipped further Friday as mills dropped towards marginal cost in an attempt to make sales to large southern European buyers. Larger service centres and re-rollers in Italy and Iberia had offers around €700-720/t (\$722-743/t) from mills in Germany and France, below the quotations northern mills were giving to smaller domestic buyers. Argus' daily northwest EU HRC index slipped to €746.75/t ex-works, down by €9.25/t on the day.

Despite waters on the Rhine approaching unnavigable levels, there was little concern about supply in northern Europe as most mills still had gaps in their September rolling programmes. Germany's largest steelmaker ThyssenKrupp has not declared force majeure, and company executive Klaus Keysberg told local press that water level predictions "don't look dramatic" and that some raw materials were arriving by rail.

Barges traversing the arterial river are carrying smaller cargoes than normal because of the low waters, but the impact of slower raw material arrivals may be offset by reduced production. The forward curve remains in contango, but it softened in screen trading today. September slipped by €20/t on the CME to €815/t, while October traded €30/t lower to €840/t and December dipped by €10/t to €870/t. A first-quarter 2023 strip traded at €905/t, at a premium of more than €150/t to the underlying index. (Argus)

**US HRC**

The daily Platts TSI US hot-rolled coil index was assessed unchanged at \$810/st on an ex-works Indiana basis Aug. 12, according to Platts data.

The assessment was unchanged, below a trader's reported offers at \$850/st from multiple mini-mills reported on the day and above tradable values at \$800/st provided by a trader Aug. 11. There were no other bids, offers or transactions reported on the day. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	398.00	0.00	377.25
Steel Rebar FOB Turkey (\$/mt)	657.50	-2.50	638.50
Argus HRC NW Europe (€/mt)	746.75	-9.25	783.70
Argus FOB China HRC (\$/mt)	600.00	0.00	600.33

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-22	590	620	605
Sep-22	610	640	625
Oct-22	615	645	630
Q4-22	630	640	635
Q1-23	630	640	635
Q2-23	610	620	615

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-22	385	395	390
Sep-22	383	393	388
Oct-22	380	390	385
Q4-22	377	387	374
Q1-23	369	379	374
Q2-23	360	370	365

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-22	653	663	658
Sep-22	650	660	655
Oct-22	645	655	650
Q4-22	640	650	645
Q1-23	625	635	630
Q2-23	613	623	618

BUSHELING			
	Bid	Ask	Value
Sep-22	480	490	485
Oct-22	485	495	490
Nov-22	495	505	500
Q4-22	495	505	500
Q1-23	500	510	505
Q2-23	500	510	505

US HRC USD/short ton			
	Bid	Ask	Value
Aug-22	805	825	815
Sep-22	850	870	860
Oct-22	850	870	860
Q4-22	850	870	860
Q1-23	888	908	898
Q2-23	915	935	925

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-22	760	780	770
Sep-22	805	825	815
Oct-22	800	820	810
Q4-22	797	807	802
Q1-23	780	790	785
Q2-23	765	775	770

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