

25/08/2022**FOB China HRC**

The index rose by \$3/t yesterday (24.8.22) to US\$586/t, MTD US\$595.76/t.

Some Chinese mills and traders lifted offers by around \$10/t to equivalents of \$585-610/t fob for SS400 HRC on the rise in domestic sales prices. Vietnamese buyers also increased bids to \$590-600/t cfr Vietnam but those were not accepted by sellers. Buyers from other countries, including South Korea and Middle East, were silent as they could obtain relatively competitive-priced coils from Japan and India.

Vietnamese market was quiet with local buyers on the sidelines amid offers at \$605-615/t cfr Vietnam. Downstream steel demand was weak and local buyers expected international mills to cut prices further on sluggish buying. (Argus)

EU HRC

Mills squeezed between costs and demand European hot-rolled coil (HRC) prices continued to decrease yesterday, as mills have had to discount to attract orders especially in the north, whereas the Italian market remains quiet. The northwest EU HRC index today fell by €22.50/t to €719.50/t ex-works and the Italian index decreased by €9.75/t to €737.75/t ex-works. A Japanese mill was heard offering HRC at \$680/t cfr Italy, at the same price as India. Pickled and oiled material was offered with a \$30/t extra at \$710/t cfr.

Turkish offers were again heard today at \$650/t cfr south Europe excluding anti-dumping duties, which with the lowest duty would come to just under \$680/t cfr. Cold-rolled coil (CRC) offers were heard at \$800/t cfr Italy from Japan and \$770/t cfr from South Korea. Import offers to Antwerp were heard at €800/t fca.

The market is unclear over the direction of prices in September, as on the one hand, production costs are undeniably higher and going to increase more, but on the other, demand is lacklustre and mills are struggling to sell even at current prices. The seasonal summer holiday lull is also clouding the outlook.

There has been chatter of prices at €700/t ex-works available from producers for quite some time, after negotiations and for large buyers. Buyers in the north today said offers at €730-750/t ex-works could be negotiated down to such levels for a significant volume. Market participants continued to say production cuts would be the only way to ensure prices do not fall further in the last quarter of the year. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	402.00	0.00	386.86
Steel Rebar FOB Turkey (\$/mt)	645.00	0.00	643.75
Argus HRC NW Europe (€/mt)	719.50	-22.50	765.35
Argus FOB China HRC (\$/mt)	586.00	3.00	595.76

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Aug-22	590	620	605
Sep-22	600	630	615
Oct-22	602	632	617
Q4-22	618	628	623
Q1-23	630	640	635
Q2-23	610	620	615

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Aug-22	380	390	385
Sep-22	375	385	380
Oct-22	372	382	377
Q4-22	371	381	369
Q1-23	364	374	369
Q2-23	360	370	365

LME REBAR FOB TK			
	Bid	Ask	Value
Aug-22	653	663	658
Sep-22	635	645	640
Oct-22	635	645	640
Q4-22	635	645	640
Q1-23	628	638	633
Q2-23	613	623	618

BUSHELING			
	Bid	Ask	Value
Sep-22	455	465	460
Oct-22	460	470	465
Nov-22	465	475	470
Q4-22	467	477	472
Q1-23	495	505	500
Q2-23	500	510	505

US HRC USD/short ton			
	Bid	Ask	Value
Aug-22	780	800	790
Sep-22	770	790	780
Oct-22	800	820	810
Q4-22	817	837	827
Q1-23	873	893	883
Q2-23	897	917	907

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Aug-22	760	780	770
Sep-22	760	780	770
Oct-22	770	790	780
Q4-22	798	808	803
Q1-23	860	870	865
Q2-23	875	885	880

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