

14/09/2022**FOB China HRC**

The index rose by \$2/t yesterday (13.9.22) to US\$575/t, MTD US\$570/t.

Steel demand is likely to pick up further in China in October, after Evergrande, one of China's largest property developers, said on 12 September that it will restore the 38 suspended construction projects by 30 September. Two large Chinese mill lifted offers by \$10/t to \$600/t and \$610/t fob China, respectively, for SS400 HRC given firm Chinese domestic sales prices and large volume of sales into South Korea last week. Around 100,000t Chinese HRC and plate were sold into South Korea last week after local mill Posco suspended its Pohang Works operations on 6 September, but no further details could be confirmed. Vietnamese buyers also lifted bid to equivalents of \$560-565/t fob China as a result of rising trend.

Sellers lifted offers to \$605-630/t cfr Vietnam for Chinese SAE1006-grade coil, while Vietnamese buyers also lifted bids to \$595/t cfr Vietnam from \$585-590/t cfr Vietnam. Mills from India and Taiwan were silent on offers, but are likely to push up offers soon given rising prices in Europe. (Argus)

EU HRC

North nudges up, Italy slips European hot-rolled coil (HRC) prices diverged a touch yesterday, with Italy slipping and the north-western market nudging up marginally. The Argus daily Italian HRC index decreased by €1.50/t to €770.25/t ex-works, while the northwest EU HRC index was up by 50¢/t to €750/t ex-works. Producers in Italy are still firm on offers, with prices heard at €800/t and above. A north EU supplier is still at €800/t delivered for November, and is not willing to give discounts of even €10/t. That said, some northern suppliers, which have not yet pushed offers up, were willing to sell at €720/t delivered into both Spain and Italy, although some said this was from stock. Buyer inventories are still higher than usual, which means demand is low. But some mills are trying to be resolute given costs rising. Sheet offers were at €860-920/t delivered in Italy, with the lower end from mill-tied distributors. There has been an increased amount of import deals in Italy lately, as buyers sensed the market was picking up, and bought at bottom prices in the past two weeks, around \$650-680/t cif. Offers now have come up and some deals were reported for Egyptian HRC at above \$720/t cif Spain. Around 20,000t of Taiwanese HRC was reportedly sold below \$700/t cif Italy. Japanese HRC was also heard sold, although unclear when, as sources said the mill has been off market as of last week. (Argus)

Turkish Scrap

Turkish domestic scrap prices continue downward trend

Mills cut scrap prices further to reduce costs

Low demand continues to pressure steel pricing

Following successive price cuts, Turkish steelmakers reduced domestic scrap purchase prices further Sept. 13 in line with declining imported scrap prices, higher energy costs and low demand. Turkey's Energy Market Regulatory Authority raised electricity prices for industrial use by 50% from Sept. 1, while gas distributor Botas raised natural gas prices for industrial use by 50.8%. According to company price lists seen by S&P Global Commodity Insights, Colakoglu decreased its extra grade domestic scrap and DKP grade scrap (autobundle) purchase prices by Lira 200/mt Sept. 13 to Lira 6,555/mt (\$348/mt) and Lira 6,880/mt, respectively. Kroman Celik also decreased its price for DKP grade scrap to Lira 6,250/mt and extra grade domestic scrap to Lira 6,010/mt. Erdemir Group's Iskenderun mill also cut its buying price for DKP scrap by the same amount to Lira 6,800/mt, while the company's extra-grade scrap buying prices decreased to Lira 6,795/mt. Erdemir's Eregli mill began buying DKP grade domestic scrap at Lira 7,030/mt, down Lira 200, while the company's extra-grade scrap buying price fell to Lira 7,025/mt. Karde-mir also cut its DKP grade domestic scrap and extra grade scrap to Lira 7,100/mt and Lira 6,865/mt respectively, the latest price list showed. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	349.50	-2.00	372.81
Steel Rebar FOB Turkey (\$/mt)	670.00	0.00	669.44
Argus HRC NW Europe (€/mt)	750.00	0.50	761.83
Argus FOB China HRC (\$/mt)	575.00	2.00	570.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-22	565	595	580
Oct-22	585	615	600
Nov-22	605	635	620
Q4-22	612	622	617
Q1-23	640	650	645
Q2-23	657	667	662

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-22	360	370	365
Oct-22	357	367	362
Nov-22	355	365	360
Q4-22	356	366	354
Q1-23	349	359	354
Q2-23	337	347	342

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-22	675	685	680
Oct-22	655	665	660
Nov-22	660	670	665
Q4-22	658	668	663
Q1-23	640	650	645
Q2-23	612	622	617

BUSHELING			
	Bid	Ask	Value
Oct-22	410	420	415
Nov-22	420	430	425
Dec-22	430	440	435
Q4-22	420	430	425
Q1-23	462	472	467
Q2-23	498	508	503

US HRC USD/short ton			
	Bid	Ask	Value
Sep-22	800	820	810
Oct-22	810	830	820
Nov-22	825	845	835
Q4-22	823	843	833
Q1-23	847	867	857
Q2-23	878	898	888

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-22	790	810	800
Oct-22	790	810	800
Nov-22	805	825	815
Q4-22	807	817	812
Q1-23	842	852	847
Q2-23	862	872	867

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com