

23/09/2022**FOB China HRC**

The index rose by \$4/t yesterday (22.9.22) to US\$564/t, MTD US\$569.19/t.

Sentiment was lifted by the drop in inventory and firm feedstock prices. HRC inventory decreased by nearly 20,000t this week against an increase of nearly 40,000t last week, participants said.

Traders lifted offers to above \$580/t cfr Vietnam for SS400 HRC following the rise in Chinese domestic sales prices. Major Chinese mills kept offers unchanged at and above \$585/t fob China. Seaborne buyers were cautious about placing orders or bids as they were uncertain about the sustainability of the rising trend, while some customers may lift their bids by around \$5/t to an equivalent of \$555/t fob China.

Offers rose to \$600-620/t cfr for Chinese SAE1006-grade coils from \$590-600/t, yet Vietnamese buyers expressed no buying interest. Mills from other countries were silent on offers. (Argus)

EU HRC

Prices slip in quiet trade Certain producers are starting to adjust their expectations, with most buyers away from the market and with buyer targets for imported material lowering. The northwest EU HRC index fell by €1.25/t to €743/t exworks. The Argus daily Italian HRC index slipped by €6.75/t to €745.75/t ex-works today. The twice-weekly cif Italy assessment yesterday edged up by €5/t to €695/t. Buyers are confident that they will be able to negotiate ex-works prices as delivered levels, as has typically been the case in the past. But even so, lower offers are now being heard on the market, with some saying they have been offered €760/t ex-works.

Not all producers are active on the market. And those that are active appear to be adjusting targets to now seek increases in line with ArcelorMittal's, instead of the talked about early September of +€50-100/t. Instead, increases of €10-20/t would be sufficient, considering the current demand scenario. Some buyers were heard expecting import prices to begin to drop again, saying they forecast €620-630/t cfr mid-next month. Import offers still appear above €700/t cif, although some buyers are saying that below is possible. This level was met with scepticism by many market participants, as prices were heard mostly at and above €710/t cif equivalent inclusive of duty from Turkey. (Argus)

Turkish Scrap

Turkish deepsea import scrap prices rangebound on Baltic deal
Baltic-origin deal booked Sept. 21 heard at \$358/mt CFR Samsun average
Recyclers increase target levels sharply

Turkish import deepsea scrap prices softened slightly Sept. 22 after a fresh Baltic-origin deal. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Sept. 22 at \$350/mt CFR, down \$2/mt day on day. The assessment has remained at \$349-\$352/mt CFR since Sept. 12. A Baltic-origin sale was booked Sept. 21 to a Samsun mill, with cargo average at \$358/mt CFR, with market value for HMS 1/2 (80:20) put around \$350/mt CFR, according to the supplier. One Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$350/mt CFR maximum, while a second mill source reported an EU-origin target for HMS 1/2 (80:20) at \$360- \$365/mt CFR, adding that buyers were seeking below \$355-\$360/ mt CFR for US/ Baltic-origin HMS 1/2 (80:20), while sellers were seeking higher. "I was hoping interest rates stayed flat," the second Turkish mill source said. "We're stuck with high energy prices and high scrap prices, and for flat steel producers it is especially hard. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	350.00	-2.00	363.58
Steel Rebar FOB Turkey (\$/mt)	675.00	5.00	670.00
Argus HRC NW Europe (€/mt)	743.00	-1.25	754.95
Argus FOB China HRC (\$/mt)	564.00	4.00	569.19

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-22	565	595	580
Oct-22	570	600	585
Nov-22	585	615	600
Q4-22	595	605	600
Q1-23	635	645	640
Q2-23	657	667	662

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-22	355	365	360
Oct-22	355	365	360
Nov-22	357	367	362
Q4-22	356	366	358
Q1-23	353	363	358
Q2-23	343	353	348

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-22	675	685	680
Oct-22	668	678	673
Nov-22	665	675	670
Q4-22	664	674	669
Q1-23	648	658	653
Q2-23	620	630	625

BUSHELING			
	Bid	Ask	Value
Oct-22	410	420	415
Nov-22	410	420	415
Dec-22	430	440	435
Q4-22	417	427	422
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	775	795	785
Nov-22	775	795	785
Q4-22	777	797	787
Q1-23	833	853	843
Q2-23	878	898	888

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-22	790	810	800
Oct-22	750	770	760
Nov-22	770	790	780
Q4-22	772	782	777
Q1-23	805	815	810
Q2-23	857	867	862

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