

**28/09/2022****FOB China HRC**

The index was flat yesterday (27.9.22) at US\$563/t, MTD US\$568.32/t.

China's steel production hub of Tangshan in Hebei province has asked local steel mills to cut sintering output by 30-50pc during 27 September to 2 October on a pollution forecast. The number of diesel vehicles entering steel plants will be halved over the period. Steel mills have enough sintering ore inventory for production during this period and so the restrictions are expected to have a limited effect on steel supply.

Major Chinese mills kept offers unchanged at \$570-600/t fob China for SS400 HRC. Buyers were reluctant to place orders given weak downstream steel demand and fluctuating currencies exchange rates, specifically the Chinese yuan. A large Chinese mill was heard to have sold SS400 HRC at \$570/t fob China last week with no further details. Deals for Q195 Chinese HRC were done at \$570/t cfr Vietnam over the last two days. Sellers kept offers unchanged at \$600-610/t cfr Vietnam for SAE1006-grade coils. (Argus)

**Turkish Scrap**

Turkish deepsea import scrap prices rise further on restocking  
Fresh North American, Benelux deals heard  
Benelux HMS dock prices inch up

Turkish import deepsea scrap prices continued to jump Sept. 27, as two further deepsea cargoes were heard amid Turkish mills' continued restocking, sources said. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Sept. 27 at \$372/mt CFR, up \$7/mt day on day. A North American-origin cargo totaling 50,000 mt was booked Sept. 26 by a Marmara mill, with 35,000 mt HMS 1/2 (95:5), and 15,000 mt shredded scrap at \$384/mt CFR cargo average. The deal was equivalent to around \$374-\$375/mt CFR for premium HMS 1/2 (80:20).

A Benelux-origin cargo was also heard to have been booked by an Izmir mill, with HMS 1/2 (80:20) above \$363/mt CFR, but the exact breakdown was not available. "Turkey needs scrap as we didn't buy for a long time, and the big mills need to buy, but in the long term I don't think price will go up," one Turkish mill source said. "For now, the scrap sellers using the situation to their own benefit." A second Turkish mill source cited an indicative tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$365-\$370/mt CFR, adding that this is just about the highest level mills can accept, without making any profit on finished steel sales. (Platts)

**EU HRC**

North higher but Germans still destocking North European hot-rolled coil (HRC) prices nudged higher again yesterday, but German service centres (SSCs) are still more focused on destocking, which is crimping the ability of local producers to get higher levels. Buyers in the Benelux region reported booking HRC around €750/t base from a number of mills, although marginally cheaper levels were available. All mills have pushed for higher prices, but many have realised €800/t delivered levels are unobtainable given continued demand weakness.

A major mill was reportedly ready to discuss prices around €750-760/t del for November, more than €50/t below its offer for the month, which had already been cut by €40/t. In Germany, automobile-focused SSCs continue to battle for tonnages, selling processed sheet into the market at lossmaking levels. Argus' daily northwest EU HRC index rose by €3/t to €751/t today.

Buyers suggested more production cuts will be needed to balance demand and supply, as weakness from major end-user sectors means there is too much inventory in the system. Some said any potential sanctioning of slab would see prices rise further, although others said disruption to coil would be limited. Argus' daily Italian HRC index today rose by €7/t to €748.50/t ex-works. The twice-weekly cif HRC Italy assessment held stable at €695/t today, while the weekly cold-rolled coils (CRC) assessment fell by €15/t to €860/t ex-works. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	372.00	7.00	363.51
Steel Rebar FOB Turkey (\$/mt)	680.00	5.00	671.11
Argus HRC NW Europe (€/mt)	751.00	3.00	753.60
Argus FOB China HRC (\$/mt)	563.00	0.00	568.32

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Sep-22	565	595	580
Oct-22	555	585	570
Nov-22	575	605	590
Q4-22	580	590	585
Q1-23	627	637	632
Q2-23	657	667	662

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Sep-22	355	365	360
Oct-22	362	372	367
Nov-22	358	368	363
Q4-22	359	369	367
Q1-23	362	372	367
Q2-23	370	380	375

LME REBAR FOB TK			
	Bid	Ask	Value
Sep-22	675	685	680
Oct-22	665	675	670
Nov-22	659	669	664
Q4-22	661	671	666
Q1-23	648	658	653
Q2-23	620	630	625

BUSHELING			
	Bid	Ask	Value
Oct-22	410	420	415
Nov-22	405	415	410
Dec-22	405	415	410
Q4-22	407	417	412
Q1-23	417	427	422
Q2-23	445	455	450

US HRC USD/short ton			
	Bid	Ask	Value
Sep-22	800	820	810
Oct-22	765	785	775
Nov-22	750	770	760
Q4-22	756	776	766
Q1-23	759	779	769
Q2-23	790	810	800

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Sep-22	790	810	800
Oct-22	750	770	760
Nov-22	760	780	770
Q4-22	765	775	770
Q1-23	782	792	787
Q2-23	805	815	810

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