

12/10/2022**FOB China HRC**

The index fell by \$3/t yesterday (11.10.22) to US\$559/t, MTD US\$560.86/t.

Market sentiment was hit by the rising Covid-19 cases and China's insistence that it will keep the dynamic zero Covid policy. The dynamic zero covid policy is sustainable and China must adhere to it, China's state media People's Daily, said yesterday. Several major Chinese mills cut offers to \$570-595/t fob China for SS400 HRC after Chinese domestic sales prices dropped. Other mills were willing to negotiate prices on a case by case basis against firm bids. Traders lowered their sales prices to \$565-570/t cfr Vietnam, inducing a few bids at \$560/t cfr Vietnam. Two Japanese mills were willing to receive orders at \$575-580/t cfr Vietnam for SAE1006-grade coils. Some Vietnamese buyers bid at \$570/t cfr Vietnam, \$5/t lower from the price a day before. A Taiwanese mill offered SAE-grade coils at \$595/t cfr Vietnam. (Argus)

EU HRC

North weakness drags down Italy European hot-rolled coil (HRC) prices fell yesterday as weakness in the north penetrated the Italian market. Argus' daily northwest EU HRC index dropped by €10/t to €709/t ex-works, while the Italian index nudged down by €9/t to €718/t ex-works. The twice weekly cif Italy HRC assessment dropped by €5/t to €665/t. Argus' daily northwest EU cold-rolled coil (CRC) assessment fell by €5/t to €830/t, while the weekly Italian CRC assessment dropped by €25/t to €825/t ex-works. North European producers are offering into southern Europe around €690-700/t as they try to fill their rolling programmes. This is making life hard for Italian mills trying to sell to reticent service centres, while also removing an important market for them — Italian mills often sell into northern Europe.

Import offers around €660-670/t cfr are uncompetitive relative to domestic prices, especially given longer lead times. Several market participants expect that there could be some purchasing at an industry event in Germany later this month, which — even if at miniscule levels to just maintain supplier-buyer relationships — could still aid sentiment somewhat. Many buyers in Italy do not expect to need to purchase until the end of November, as they look to destock with the approach of the end of the fiscal year, but said offers for delivery in January could be more attractive. Mills said they have full December availability, and certain sellers have November deliveries available, for which they would need to find buyers. Buyers said that they would only be looking to buy on short delivery for back-to-back business. (Argus)

Turkish Scrap

Deepsea scrap dealers stick to higher offers in attempt to consolidate earlier gains

Premium asking prices above \$370/mt CFR

US suppliers firm on Turkey as Asian buyers pay higher

Turkish HMS 1/2 (80:20) prices remain flat

Suppliers of premium heavy melting scrap kept their offers for Turkey unchanged at above \$370/mt CFR on Oct. 11 in an attempt to consolidate earlier gains. The prices of HMS 1/2 (80:20) had already reached \$371-\$373/mt CFR Turkey in the week to Oct. 7, but the number of actual deals was still low. With more requirements from Turkish buyers for November shipments, scrap recyclers decided to wait and see whether similar price levels can be repeated in the next trades. The offers for the US HMS 1/2 (80:20) were not confirmed but indications were still above \$370/mt CFR, with a Turkish agent seeing the workable level at up to \$375/mt CFR. A US recycler put a workable level at \$373/mt CFR Turkey for HMS 1/2 (80:20). An agent active in the US scrap trade believed that the market had to stay around \$373/mt CFR as US suppliers found better pricing in India and Bangladesh. According to a European trader, some Turkish buyers were trying to push the price back to \$370/mt CFR or lower for premium quality HMS. At the same time, US/Baltic scrap sellers sought to sell in the \$375- \$380/mt CFR range. Regarding the EU scrap, most suppliers were well booked and indicated \$365-\$366/mt CFR, the trader added. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	372.00	0.00	370.89
Steel Rebar FOB Turkey (\$/mt)	695.00	0.00	692.14
Argus HRC NW Europe (€/mt)	709.00	-10.00	733.00
Argus FOB China HRC (\$/mt)	559.00	-3.00	560.86

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Oct-22	558	588	573
Nov-22	550	580	565
Dec-22	560	590	575
Q4-22	566	576	571
Q1-23	587	597	592
Q2-23	610	620	615

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Oct-22	362	372	367
Nov-22	350	360	355
Dec-22	352	362	357
Q4-22	355	365	361
Q1-23	356	366	361
Q2-23	355	365	360

LME REBAR FOB TK			
	Bid	Ask	Value
Oct-22	682	692	687
Nov-22	660	670	665
Dec-22	658	668	663
Q4-22	667	677	672
Q1-23	653	663	658
Q2-23	648	658	653

BUSHELING			
	Bid	Ask	Value
Nov-22	370	380	375
Dec-22	375	385	380
Jan-23	385	395	390
Q1-23	390	400	395
Q2-23	432	442	400
Q3-23	475	485	415

US HRC USD/short ton			
	Bid	Ask	Value
Oct-22	760	780	750
Nov-22	695	715	730
Dec-22	690	710	740
Q4-22	715	735	725
Q1-23	718	738	760
Q2-23	762	782	795

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-22	700	720	710
Nov-22	670	690	680
Dec-22	680	700	690
Q4-22	688	698	693
Q1-23	722	732	727
Q2-23	760	770	765

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