

**14/10/2022****FOB China HRC**

The index fell by \$2/t yesterday (13.10.22) to US\$553/t, MTD US\$559.33/t.

Chinese Traders and producers' coils' inventories rose by 100,000t this week against a decrease of 110,000t in the last week before the 1-7 October Golden Week holiday, market participants said. Coils demand has been weak since China returned from holiday compared with pre-holiday levels as buyers hold a bearish view of the market in late October and November.

A large northeast Chinese mill was willing to take orders at \$555/ fob China for SS400 HRC, although major other mills held offers unchanged at \$570-585/t fob China, participants said. Traders received no buying interest at offers of \$555/t cfr Vietnam as few Vietnamese buyers bid lower at \$540-545/t cfr Vietnam.

A large Chinese mill lowered its SAE1006-grade coils offer to \$580/t cfr Vietnam, but received no buying interest. A deal for SAE-grade coils was heard concluded at \$575/t cfr Vietnam, but no further details could be confirmed. Market talks emerged that Japanese mills were willing to sell SAE-grade coils as low as \$560/t cfr Vietnam given weak domestic sales and currency depreciation. But most participants were skeptical about that level, adding Japanese mills would not consider to sell below \$590/t cfr Vietnam. (Argus)

**EU HRC**

Northern buyers eye contract declines Northern European service centres are eyeing large declines in January-June contract agreements given the intensifying decrease in spot prices over recent weeks. The last contracts, for July-December this year, were finalised at about €1,000/t, massively above the current spot market. Argus' daily benchmark north European HRC index was €692.25/t today, up by €1.75/t on the day but down by €60.75/t since the start of this month. Service centres and cold-rollers tell Argus they will target below €800/t for their contract talks, having paid significant premiums to prevailing spot levels essentially for the whole of the second half of this year. Service centre sources surveyed today said they were surprised by mills' capitulation on price, as the reductions were unlikely to generate many more sales given the adequate stock levels and the reticence to buy.

Warehouses in the Hagen area of Germany are full of mill material, and service centres are still trying to reduce stocks rather than replenish. They also questioned why mills have not taken more output off line given the low-demand environment. Japanese cold-rolled coil was offered into Antwerp at €780/t fca, while Vietnamese DX51D hot-dip galvanised was offered at €900-920/t cfr. The Argus daily Italian hot-rolled coil (HRC) index fell by €5.25/t to €706.25/t ex-works, while the twice-weekly cif Italy assessment fell by €5/t to €660/t cif. Sheet prices in Italy are slumping as mills and service centres are competing for any and all orders. Mill prices have fallen by €10-20/t week on week, with discounts granted quickly so as not to risk losing orders. (Argus)

**Turkish Scrap**

Turkish deepsea import scrap prices inch down on Benelux sales  
Turkish mills heard to pull back from deepsea, shortsea purchasing  
Two EU-origin deals heard

Turkish import deepsea scrap prices softened slightly Oct. 13, following news of Benelux sales booked this week. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Oct. 13 at \$370/mt CFR, down \$2/mt day on day. A reported Benelux-origin deal was heard by multiple sources to have been booked Oct. 11-12 by an Izmir mill, with HMS 1/2 (80:20) at \$363/mt CFR, and for November shipment. A Germany-origin deal was booked Oct. 10-11 by another Turkish mill, with HMS 1/2 (80:20) at \$367/mt CFR. The sell side confirmed the deal. An EU trading source cited an indicative tradable value for premium HMS 1/2 (80:20) at \$370/mt CFR, relative to the deals, while a Turkish trader cited an indicative tradable value for premium HMS 1/2 (80:20) at \$367-\$373/mt CFR. (Platts)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	370.00	-2.00	370.92
Steel Rebar FOB Turkey (\$/mt)	690.00	-5.00	692.22
Argus HRC NW Europe (€/mt)	692.25	1.75	723.75
Argus FOB China HRC (\$/mt)	553.00	-2.00	559.33

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	740	760	750
Nov-22	695	715	730
Dec-22	690	710	740
Q4-22	708	728	718
Q1-23	718	738	760
Q2-23	762	782	795

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Oct-22	690	710	700
Nov-22	665	685	675
Dec-22	675	695	685
Q4-22	682	692	687
Q1-23	700	710	705
Q2-23	733	743	738

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