

02/11/2022**FOB China HRC**

The index was flat yesterday (1.11.22) at US\$520/t, MTD US\$520/t.

Prices in China rose after talks emerged that Beijing may set up a committee to work out a reopening of the economy by easing Covid control measures, though no official announcement was made. Some participants ruled out the possibility of an opening up in the near term.

Major Chinese mills held offers unchanged at \$520-540/t fob China for SS400 HRC. Traders were reluctant to cut sales prices further to induce buying as Chinese domestic sales prices rose. Only a few buyers bid at \$480/t cfr Vietnam and below short sellers' acceptable levels above \$470-485/t fob China.

The Vietnamese market was frozen with no trades. Local steel demand and economy were soft on the lack of stimulus policies from the government. More traders expressed willingness to take orders at \$520-525/t cfr Vietnam for Chinese SAE1006-grade coil. The traders expected Chinese steel export prices to fall on poor global demand and weaker domestic demand in the winter. (Argus)

EU HRC

Trade slow because of holidays The north European hot-rolled coil (HRC) market softened yesterday in very quiet trading, with holidays across most of the continent dampening liquidity. Argus' daily benchmark northwest EU HRC index slipped by €1.25/t to €663.25/t, while the daily northwest cold rolled coil assessment dropped by €10/t to €760/t. Talk of cheaper Asian import offers, around €610-620/t cfr, have concerned the market in recent days, although many buyers balked at the long lead time. Japanese material has been quoted for March arrival. Argus' twice-weekly cif Italy HRC assessment dropped by €5/t to €615/t today, while the daily Italian marker was static at €660/t.

There was talk that some northern mills are dropping into the low €600s to make sales, although this was unconfirmed. Many buyers, sitting on hefty inventories, have been putting transactable levels above those of sellers of late. In the futures market, February traded at €680/t today on the CME Group's north European HRC contract, up by €5/t from a standalone trade on the same tenor yesterday. The second quarter traded at €720/t, up from €700/t yesterday. (Argus)

Turkish Scrap

Turkish deepsea import scrap prices inch down as negative sentiment persists

Shortsea A3 prices rise as sellers hold back from offering

Turkish mills prefer prompt shipment offers

Turkish import deepsea scrap prices inched down on Nov. 1, as scrap purchasing activity remained low, with buyers and sellers still largely apart in their workable levels. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Nov. 1 at \$354.50/mt CFR, down \$1.50/mt on day. "Sellers are really trying to keep the market stable – the price is going down but in a limited way, so maybe \$5-\$10/mt further down is possible," a Turkish mill source said, citing an indicative buyer tradable value for US/Baltic-origin HMS 1/2 (80:20) at \$350-\$355/mt CFR for prompt shipment cargoes. "Turkey has to buy something, but scrap sellers have the power to wait, and most mills can't stop production due to financial turnover - mills will focus on November shipment but there are some offers in the market for December too," the mill source added.

European recyclers continue to cite low scrap collection rates and HMS dock prices still around Eur305-310/mt delivered to the dock in the Benelux region, while Baltic suppliers were heard to be relatively well-sold, including to alternative markets, sources said. "Despite the collection price resilience, which is sliding very slowly, I expect HMS going below Eur300/mt delivered to the dock in 10 days time," a Turkish agent source said. "Turkish mills are trying to sell rebar around \$640/mt EXW, but only in the domestic market, so considering this, the scrap should be maximum \$330/mt CFR – Turkish mills may cut more production instead of paying \$350-\$355/mt CFR levels to the sellers." (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	354.50	-1.50	354.50
Steel Rebar FOB Turkey (\$/mt)	655.00	0.00	655.00
Argus HRC NW Europe (€/mt)	663.25	-1.25	663.25
Argus FOB China HRC (\$/mt)	520.00	0.00	520.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-22	515	545	530
Dec-22	520	550	535
Jan-23	525	555	540
Q1-23	539	549	544
Q2-23	547	557	552
Q3-23	556	566	561

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-22	348	358	353
Dec-22	348	358	353
Jan-23	350	360	355
Q1-23	351	361	359
Q2-23	354	364	359
Q3-23	359	369	364

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-22	633	643	638
Dec-22	632	642	637
Jan-23	630	640	635
Q1-23	626	636	631
Q2-23	617	627	622
Q3-23	605	615	610

BUSHELING			
	Bid	Ask	Value
Nov-22	355	365	360
Dec-22	360	370	365
Jan-23	380	390	385
Q1-23	392	402	397
Q2-23	418	428	423
Q3-23	472	482	477

US HRC USD/short ton			
	Bid	Ask	Value
Nov-22	690	710	700
Dec-22	660	680	670
Jan-23	675	695	685
Q1-23	687	707	697
Q2-23	723	743	733
Q3-23	750	770	760

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-22	650	670	660
Dec-22	655	675	665
Jan-23	665	685	675
Q1-23	680	690	685
Q2-23	708	718	713
Q3-23	730	740	735

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