

04/11/2022

FOB China HRC

The index rose by \$2/t yesterday (3.11.22) to US\$518/t, MTD US\$518/t.

Coil inventory held by traders and mills in China decreased by around 100,000t this week, faster than the decline of 90,000t last week, while mills' coil production reduced by over 30,000t this week, participants said. Major Chinese mills held offers unchanged at \$520-530/t fob China for SS400 HRC, while a north China mill lifted its sales prices to \$516/t fob China after domestic prices rose.

Traders were reluctant to take orders below \$500/t cfr Vietnam. Chinese HRC was heard being offered at \$540-\$550/t cfr India without details on specifications. But several Chinese participants were skeptical on those levels, adding that large Chinese mills who can export to India insisted on sales prices at and above \$530/t fob China for SS400 HRC. Short sellers offered Chinese HRC at an equivalent of around \$500/t fob China into other countries including Middle East, Africa and Turkey, although no deals were reported. The Vietnamese market was quiet with a few traders holding offers unchanged at \$530-540/t cfr Vietnam for SAE1006-grade coils from China and Taiwan. (Argus)

Turkish Scrap

Turkish deepsea import scrap prices largely rangebound on fresh US deal
Market lacks prompt, November shipment offers
Shortsea suppliers continue to withhold offers

Turkish import deepsea scrap prices were largely rangebound Nov. 3, as a fresh US-origin deal was heard. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$354/mt CFR Nov. 3, down 50 cents on the day. A reported US-origin cargo, including a shredded component, was heard by multiple sources to have been booked by an Izmir mill Nov. 2 with HMS 1/2 (80:20) around \$354/mt CFR for November shipment. "Mills have been bidding already at \$345-\$348/mt CFR for premium HMS 1/2 (80:20) and they didn't even get a realistic counteroffer," an EU-based trading source said, citing an indicative tradable value for premium HMS 1/2 (80:20) at \$354/mt CFR minimum. "The market is at a stalemate, with no excess supply - the Turkish [participants] buy what they need and swallow the price if they are in need to buy." An EU-based recycler cited an indicative seller tradable value for Benelux-origin HMS 1/2 (80:20) close to \$360/mt CFR, adding that HMS collection was still not possible below Eur300/mt delivered to the docks in the Benelux region. "Will the available tonnages grow further so Turkey can dictate deep sea prices again? That's the real question," a second EU-based recycler said. (Platts)

EU HRC

North nudges higher, Italy slips Northwest European hot-rolled coil (HRC) prices nudged higher yesterday as some large mills secured deals at slightly stronger levels. A buyer reported booking German HRC at around €660-670/t (\$652-662/t) for January delivery. Buyers seemed content to pay such levels for the start of the new calendar year, despite focusing on destocking inventories at present. Some smaller mills were offering at higher levels for sheet, on a coil equivalent basis. Visegrad-based mills were trying to secure €700/t ex-works with German service centres. Other service centres said mills were still commanding around €700/t delivered for smaller tonnages, despite lower priced offers into southern European markets. European mills appeared to be signalling that they would cut production further, which had some wondering whether the market could be close to bottom, despite ongoing sluggish demand. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	354.00	-0.50	354.33
Steel Rebar FOB Turkey (\$/mt)	645.00	-5.00	650.00
Argus HRC NW Europe (€/mt)	659.50	9.25	657.67
Argus FOB China HRC (\$/mt)	518.00	2.00	518.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-22	515	545	530
Dec-22	525	555	540
Jan-23	530	560	545
Q1-23	545	555	550
Q2-23	563	573	568
Q3-23	580	590	585

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-22	347	357	352
Dec-22	347	357	352
Jan-23	349	359	354
Q1-23	351	361	359
Q2-23	354	364	359
Q3-23	359	369	364

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-22	623	633	628
Dec-22	622	632	627
Jan-23	620	630	625
Q1-23	616	626	621
Q2-23	609	619	614
Q3-23	603	613	608

BUSHELING			
	Bid	Ask	Value
Nov-22	350	360	355
Dec-22	360	370	365
Jan-23	380	390	385
Q1-23	390	400	395
Q2-23	418	428	423
Q3-23	472	482	477

US HRC USD/short ton			
	Bid	Ask	Value
Nov-22	665	685	675
Dec-22	645	665	655
Jan-23	660	680	670
Q1-23	673	693	683
Q2-23	705	725	715
Q3-23	735	755	745

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-22	645	665	655
Dec-22	650	670	660
Jan-23	660	680	670
Q1-23	675	685	680
Q2-23	708	718	713
Q3-23	730	740	735

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