

18/11/2022**FOB China HRC**

The index rose by \$7/t yesterday (17.11.22) to US\$536/t, MTD US\$520/t.

HRC inventory held by traders and mills decreased by 160,000t this week, faster than the decline of 50,000t last week, participants said. Steel mills have seen decent export bookings from traders in the past few days at \$535-540/t fob for SS400 HRC. This follows the rebound in China's domestic price, and production restrictions. Traders purchased to close their short positions, participants said. Chinese mills were reluctant to take orders below \$535-540/t fob China after deals were done at those levels. While traders held offers unchanged at \$545/t cfr Vietnam. Vietnamese mill Formosa Ha Tinh cut its January shipment monthly offers by around \$43/t to \$550-555/t cif Vietnam for SS400 and SAE-grade coil, which was competitive in the local market as SAE-grade coil offers were higher at \$565-570/t cfr Vietnam from China and Taiwan. A Taiwanese mill sold thousands of tonnages of SAE-grade coil at \$550/t cfr Vietnam this week, but that was for thinner coil with thickness at 1.8mm and has a premium over coil with thickness at and above 2.0mm. Talks emerged that a major Vietnamese mill may suspend three blast furnaces, instead of four, this month on signs of a rebound in rebar demand. (Argus)

Turkish Scrap

Turkish import deepsea scrap prices rose Nov. 17, following a fresh US-origin sale after Turkish buyers were unable to achieve lower prices from recyclers. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$339.50/mt CFR Nov. 17, up \$3 on the day. A reported US-origin sale was heard by multiple sources to have been booked by an Izmir mill Nov. 16 with HMS 1/2 (80:20) at \$339.50/mt CFR, for December shipment. One Turkey-based agent source cited an indicative tradable value for US-origin HMS 1/2 (80:20) at \$340/mt CFR minimum, if a cargo is available, while a second agent cited a seller tradable value for US-origin HMS 1/2 (80:20) above \$345/mt CFR. "In the US, the scrap flow is very low, and winter is coming so the expectation is that US December domestic prices will be up," the second agent source said. "I don't think anyone can really sell in normal conditions at these prices [\$339-\$340/mt CFR] – the exception is recyclers, who have their financial year-end and need to get money in and clear their stocks." US East Coast HMS dock prices were heard around \$230- \$240/lt delivered, while in the Benelux market, HMS collection prices were heard at Eur290-300/mt delivered to the dock amid continued slow inflow. "Collection prices are Eur20-30/mt, too high for the current selling price into Turkey, so I see no more workable level for selling [into Turkey] this year," an EU-based recycler said. Platts assessed the Euro at \$1.0326 at 4:30 pm UK time on Nov. 17, down slightly on the day from \$1.0406, but up from \$1.0160 on the week, adding some upward price pressure on a US dollar-denominated CFR Turkey basis for Eurozone exporters. A third agent source cited Baltic-origin offers for HMS 1/2 (80:20) at \$345/mt CFR, with \$340-\$345/mt CFR considered workable. A Baltic-based recycler said offers at \$345/mt CFR seemed high, citing an indicative workable level for Baltic-origin HMS 1/2 (80:20) at \$335-\$340/mt CFR. (Platts)

EU HRC

Italy falls, north nudges lower European hot-rolled coil (HRC) prices fell further yesterday as mills continued to lower offers to entice demand. The daily Italian HRC index fell by €9/t (\$9.35/t) to €588.75/t, while the northwest EU HRC index dropped by €1/t to €621/t ex-works. In Italy prices for smaller tonnages were as low as €580- 590/t ex-works, although a trader looking to buy 5,000t at €580/t fob for a position did not receive a response. Other sellers said €600/t delivered is the buy-side target. One mill is currently looking to fill order books for January too, as it expects December to be sluggish too, given the impending holiday period and usual seasonal destock — which this year has been more aggressive than usual. Import and domestic prices appear close to parity these days, even after some Asian suppliers were reported to be looking to raise prices. Some offers were heard at \$610- 620/t cfr, which would come at around €590-600/t cfr. There were reports of an Egyptian mill selling over the past weeks close to €600/t cfr, but there is a limited pool of buyers that would have bought. The strong euro, and a belief among some that the market is close to bottom, could have made such purchases look attractive. Meanwhile, EU mills were reported to be offering slab to plate mills, as well as for export markets such as Turkey. Turkish buyers reported offers around \$520/t cfr for EU and UK plate. Port inventories are reducing. Large quaysides in An twerp that until recently could not take cargoes are now calling freight forwarders asking for material, because of the slippage in import arrivals. Some say this is a harbinger of weak demand and throughput going forward. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	339.50	3.00	345.77
Steel Rebar FOB Turkey (\$/mt)	630.00	2.50	637.81
Argus HRC NW Europe (€/mt)	621.00	-1.00	643.12
Argus FOB China HRC (\$/mt)	536.00	7.00	520.00

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-22	515	545	530
Dec-22	545	575	560
Jan-23	551	581	566
Q1-23	568	578	573
Q2-23	577	587	582
Q3-23	590	600	595

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-22	347	357	352
Dec-22	335	345	340
Jan-23	347	357	352
Q1-23	349	359	354
Q2-23	365	375	370
Q3-23	368	378	373

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-22	623	633	628
Dec-22	627	637	632
Jan-23	625	635	630
Q1-23	620	630	625
Q2-23	610	620	615
Q3-23	603	613	608

BUSHELING			
	Bid	Ask	Value
Dec-22	375	385	380
Jan-23	395	405	400
Feb-23	400	410	405
Q1-23	399	409	404
Q2-23	418	428	423
Q3-23	472	482	477

US HRC USD/short ton			
	Bid	Ask	Value
Nov-22	655	675	665
Dec-22	670	690	680
Jan-23	685	705	695
Q1-23	700	720	710
Q2-23	722	742	732
Q3-23	735	755	745

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Nov-22	625	645	635
Dec-22	615	635	625
Jan-23	630	650	640
Q1-23	652	662	657
Q2-23	688	698	693
Q3-23	730	740	735

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