

23/11/2022**FOB China HRC**

The index fell by \$2/t yesterday (22.11.22) to US\$532/t, MTD US\$522.63/t.

Sentiment in China picked up slightly in the morning on expectations of stimulus for the real estate sector from the central bank, but Covid lockdowns announced later in the afternoon weighed on demand. Jinniu district in west China's Chengdu city asked local companies to suspend business operations from 22-26 November and Covid test was requested for all people in the district over the period. Chaoyang district in Beijing city asked more business suspend operations from 22 November after banning dining in restaurants from 16 November. Qian'an city in the steel production hub of Hebei province also locked down some areas, though it did not affect steel businesses and transportation, participants said. A large Chinese mill sold around 20,000t SS400 HRC at \$550/t cfr South Korea last week. Another mill in north China mill sold about 1,000t SS400 HRC at \$545/t cfr South Korea this week. A third deal for Chinese SS400 HRC was heard concluded at \$520/t cfr Vietnam this week, but no further details could be confirmed. Buyers from Pakistan could accept prices around \$540/t fob China. A Japanese mill lowered its offer to \$550/t cfr Vietnam for SAE1006-grade coil, lower than offers at and above \$565/t cfr Vietnam from China. Major Vietnamese buyers were silent, with limited buyers bidding at \$520/t cfr Vietnam. (Argus)

EU HRC

Italy slips, north nudges up European hot-rolled coil (HRC) prices diverged yesterday, with Italy softening as the north rose. The Argus Italian HRC index edged down by €3.25/t (\$3.35/t) to €583.25/t ex-works, while the daily northwest EU HRC index rose by €1.75/t to €624.50/t. The twice weekly cif Italy HRC assessment held stable at €580/t cfr, while the weekly cold-rolled coil (CRC) assessment fell by €10/t to €710/t ex-works. After selling December and a substantial part of January production, an Italian seller is considering raising offers for HRC as high as €650/t for remaining January deliveries. Some is already reported to have been offered in northern Europe at that price, but in Italy offers had not been officially tabled. The producer can afford to be slightly more relaxed ahead of the holiday period and as it secured its market share. Buyers in the north said some other mills have increased their quotations to the high €600s/t after the Italian mill pulled back, although this could not be confirmed. There were conflicting reports in the market, with some still saying that large mills were willing to sell in the low €600s/t. Other Italian sellers may still have small December volumes left, targeted at around €600/t delivered. Indian material was also reported to have been offered and heard sold in Italy already. Pickled and oiled coils were available at €625-630/t cfr Italy, whereas HRC was at €580-600/t cfr. Some traders said a major supplier was not yet offering HRC. One trader said it was now difficult to find import material, as mills tried to push for higher levels. (Argus)

Turkish Scrap

Turkish import deepsea scrap prices inched up Nov. 22, as limited December scrap cargo availability and higher domestic finished steel demand bolstered scrap pricing sentiment. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$344/mt CFR Nov. 22, up \$2.50 on the day. Following recent sales in the \$340-\$343/mt CFR range for HMS 1/2 (80:20) from US and Baltic suppliers, market sources indicated offers from these origins were at \$345/mt CFR minimum. A Turkish mill source said \$345/mt CFR was now possible for US/Baltic-origin HMS 1/2 (80:20), but no deals confirming this level were heard on the day. "Domestic rebar prices are up – so if mills succeed with some sales at these levels [\$635-\$640/mt EXW], then this could mean more demand for scrap and the Turkish mills need to buy scrap as they have no stock," a Turkey-based trading source said, citing a workable level at \$342-\$343/mt CFR for US/Baltic-origin HMS 1/2 (80:20). One Marmara mill was heard to have sold 5,000 mt rebar at \$635/mt EXW, while a second Marmara mill was heard to have sold 10,000 mt at the same price. Offers ranged from \$630/mt EXW Izmir to \$640/mt EXW from other mills. The same trader cited HMS collection prices in the Benelux region at Eur295-300/mt delivered to the dock for material arriving at the dock at the beginning of December, with no inflow possible at Eur290/mt delivered. "For most Benelux sellers, about \$337/mt CFR is the cost price, so even \$340/mt CFR CFR would be unattractive for them," the same Turkey-based trader added. An EU-based recycler cited an indicative near-term tradable value for EU-origin HMS 1/2 (80:20) close to \$350/mt CFR for December shipment cargoes. (Platts)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	344.00	2.50	345.00
Steel Rebar FOB Turkey (\$/mt)	630.00	0.00	636.34
Argus HRC NW Europe (€/mt)	624.50	1.75	639.30
Argus FOB China HRC (\$/mt)	532.00	-2.00	522.63

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	347	357	352
Jan-23	350	360	355
Q1-23	355	365	360
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	623	633	628
Q2-23	610	620	615
Q3-23	603	613	608

BUSHELING			
	Bid	Ask	Value
Dec-22	375	385	380
Jan-23	380	390	385
Feb-23	400	410	405
Q1-23	394	404	399
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	703	723	713
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	620	640	630
Jan-23	635	655	645
Q1-23	655	665	660
Q2-23	688	698	693
Q3-23	730	740	735

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