

24/11/2022**FOB China HRC**

The index was flat yesterday (23.11.22) at US\$532/t, MTD US\$523.18/t.

Shanghai tightened Covid-control measures after more cases were confirmed in the country. People who travelled to Shanghai from other cities were not allowed to enter public places like supermarkets and restaurants for five days. Some districts in Handan city in Hebei province called on people to work from home from 22 November. Local mills' steel production was not yet affected, but transportation was curbed as trucks with Hebei registrations were banned from entering logistics facilities in some regions.

Both mills and buyers were silent, on growing uncertainty because of rising Covid-control measures. Seaborne buyers were unlikely to place orders till a clearer Chinese price trend emerges. Sellers held offers unchanged at \$550-565/t cfr Vietnam for SAE1006-grade coil from China and Japan, inducing flat bids at \$520/t cfr Vietnam. (Argus)

Turkish Scrap

Turkish import deepsea scrap prices continued to inch up Nov. 23, as suppliers continued to hold firm amid continued slow scrap collection rates in key exporting regions. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Nov. 23 at \$346/mt CFR, up \$2/mt on day. An EU trading source cited an indicative tradable value for US/ Baltic-origin HMS 1/2 (80:20) at \$345-\$350/mt CFR, with Benelux origin HMS 1/2 (80:20) also put at \$345-\$350/mt CFR amid high collection costs. "We are more likely to sell next year as we have expensive stock, and so we are waiting to see higher CFR Turkey prices," one Baltic supplier said. An EU recycler cited an indicative seller tradable value for Benelux-origin HMS 1/2 (80:20) above \$350/mt CFR but accepted this was unworkable for buyers. "However, this price is what should be needed with current purchase prices – and even at Eur295-300/mt [delivered to the dock for HMS], almost nothing is coming," the EU recycler said. "I think most Europeans are not in a rush to sell, as on the other side, the steel business is also not good, so we may wait until January." S&P Global assessed the Platts Turkish export rebar at \$630/ mt FOB Turkey on Nov. 23, unchanged on day, amid a largely silent export market, despite attempts by some mills to hike FOB offers to \$640-\$650/mt FOB. The daily outright spread between Turkish export rebar and import scrap was assessed at \$284/mt Nov. 23, down \$2/mt on day to its lowest level since Sept. 5. "I don't know if Turkey is able to sell finished steel at a price that they can accept \$350/mt CFR or whatever for US-origin HMS 1/2 (80:20)," one Turkish agent source said, adding that there is limited remaining cargo availability from the US for December shipment." One Turkish mill source said buyers were seeking \$340-\$345/ mt CFR and below for premium HMS 1/2 (80:20), while sellers were looking for above \$340-\$345/mt CFR. (Platts)

EU HRC

Italian mill looking for increases An Italian producer that made sales below €600/t for December and January is likely to target around €630-650/t delivered for the remainder of its allocation. The mill has pulled back after making the sales, but talk of its intention to raise offers is permeating the market. Others in the country were targeting around €595-600/t delivered. In the north mills reported making sales around €630/t on an ex-works Ruhr basis, although buyers were still getting high offers for sheet that equated to €690-700/t on a coil equivalent basis, they said. Liquidity remained very low with most service centres focused on destocking. There was talk a Japanese producer, that has been the most aggressive in the European import market of late, has filled its January order book and also pulled back from the market. Some said there were still Korean offers around €580/t cfr for hot-rolled coil and €630/t for cold-rolled, but most participants said these levels were too low and the offers may have expired. Indian CRC was being offered around €660/t into Antwerp and Iberia. One trader said it finalised a fairly small tonnage of Korean at €595/t cfr Italy. Contract talks for 2023 and January-June volumes showed little sign of progressing. Mills were trying to keep the reductions from this year below €100/t, which buyers said was unpalatable and unworkable given the reduction in spot prices. Argus' daily Italian HRC index was €586.50/t today, up by €3.25/t, while the daily northwest EU benchmark slipped back €2.50/t to €622/t. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	346.00	2.00	345.06
Steel Rebar FOB Turkey (\$/mt)	630.00	0.00	635.97
Argus HRC NW Europe (€/mt)	622.00	-2.50	638.28
Argus FOB China HRC (\$/mt)	532.00	0.00	523.18

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	349	359	354
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	630	640	635
Jan-23	630	640	635
Q1-23	630	640	635
Q2-23	621	631	626
Q3-23	605	615	610

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	625	645	635
Jan-23	635	655	645
Q1-23	655	665	660
Q2-23	688	698	693
Q3-23	730	740	735

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