

29/11/2022**FOB China HRC**

The index rose by \$2/t yesterday (28.11.22) to US\$535/t, MTD US\$524.70/t.

A north Chinese mill lifted its offer by \$5/t to \$555/t fob China for SS400 HRC after witnessing firm domestic physical and paper prices. Another mill in east China held offer unchanged at \$550/t fob China, while other major Chinese mills chose to wait until today to announce new weekly offers. Traders also pushed up offers or sales prices by around \$5/t to above \$530/t cfr Vietnam. Chinese central bank's reserve requirement ratio cut and the expectation that the country may speed up the lifting of Covid controls stimulated market sentiment. Offers rose to \$550-570/t cfr Vietnam for SAE1006-grade coil from Taiwan and China, yet no bids were induced. Vietnamese mill Hoa Phat may lift its domestic sales prices after suspending blast furnaces and with plans to carry out maintenance works on its hot-rolling production lines in December, Vietnamese participants said. (Argus)

Turkish Scrap

Turkish Deepsea import scrap prices rise on latest US-origin sale

Tight supply continues in market

Fresh US-origin sale heard

Turkish import deepsea scrap prices rose further Nov. 28, following a fresh US-origin deal as Turkish mills continued restocking. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$360/mt CFR Nov. 28, up \$4.75/mt day on day. Concerns of tighter scrap supply and weak collection rates into the winter, as well as a need for mills to boost depleted scrap stocks, have led the CFR Turkey assessment rising \$20.50/mt since Nov. 17. The Platts premium HMS 1/2 (80:20) has fluctuated within \$320-\$411/mt CFR Turkey since June 10, regularly falling as Turkish mills pull back from purchasing and rising when they restock en masse. An US-origin deal was booked Nov. 25 by an Izmir mill, with HMS 1/2 (80:20) at \$360/mt CFR, shredded and bonus scrap at \$380/mt CFR, for December shipment. "Going into the Christmas period, mills had really low stocks so the [scrap] price jumped, but the next step is for the mills to sell something [on the finished steel side] — if the sales are good, then the scrap price could go up, but if they aren't, then scrap price should be stable," a Turkish mill source said, citing an indicative tradable range for HMS 1/2 (80:20) at \$350-\$360/mt CFR, depending on origin. Platts assessed the Turkish export rebar price at \$642.50/mt FOB Turkey on Nov. 28, up \$10/mt day on day, as mills raised workable FOB rebar indications on higher scrap prices despite a largely silent export market. The daily outright spread between Turkish export rebar and import scrap was assessed at \$282.50/mt Nov. 28, widening \$5.25/mt day on day. Turkish mills raised domestic rebar offers to \$650-\$660/mt EXW, but sales activity was heard to be quiet as buyers digested the new price levels. (Platts)

EU HRC

Market broadly stable European hot-rolled coil (HRC) prices were broadly unchanged yesterday. Mills in the north continued to sell to Italian and Iberian buyers at about €610/t base delivered, but were holding out for higher levels with their local buyers. A north European steel service centre (SSC) reported paying about €630-640/t base delivered for a few thousand tonnes of HRC, but buyers in the south said they could still access prices closer to €600/t base delivered. There was an expectation mills would announce offer price increases soon, ahead of the holidays. In the cold-rolled segment, buyers reported a wide range of offers for domestic material, from the low €700s/t up to €760/t base delivered. Buyers said they were able to place about €720-730/t using import offers of €675/t fca from India as leverage. Argus' daily northwest EU HRC index nudged up by €0.25/t to €619/t today. The Argus daily Italian HRC index nudged up by €0.75/t to €586.50/t ex-works. Market participants in Italy expect new offers from north EU suppliers this week, for January-February deliveries, and at higher prices, after a local mill sold out December and a portion of January allocations and is now targeting an increase. But some say new offers at €610-620/t ex-works and above for end-of-January-February delivery from the seller would easily be negotiable at this point. There is concern about the longevity of slightly higher prices, although import prices have somewhat strengthened, and buyers still see the market as shaky as end-demand is not strong. Sheet prices in Italy were today heard at €680-690/t delivered, up to €710/t from independent SSCs. End-users are requesting these prices for deliveries into the late first quarter and also for the first half of 2022, but sellers are only ready to commit to these levels up until January delivery. (Argus)

Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	360.00	4.75	346.56
Steel Rebar FOB Turkey (\$/mt)	642.50	10.00	635.83
Argus HRC NW Europe (€/mt)	619.00	0.25	635.36
Argus FOB China HRC (\$/mt)	535.00	2.00	524.70

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Nov-22	515	545	530
Dec-22	535	565	550
Jan-23	545	575	560
Q1-23	560	570	565
Q2-23	575	585	580
Q3-23	590	600	595

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Nov-22	347	357	352
Dec-22	367	377	372
Jan-23	370	380	375
Q1-23	372	382	377
Q2-23	380	390	385
Q3-23	387	397	392

LME REBAR FOB TK			
	Bid	Ask	Value
Nov-22	623	633	628
Dec-22	642	652	647
Jan-23	640	650	645
Q1-23	638	648	643
Q2-23	621	631	626
Q3-23	605	615	610

BUSHELING			
	Bid	Ask	Value
Dec-22	375	385	380
Jan-23	385	395	390
Feb-23	405	415	410
Q1-23	402	412	407
Q2-23	427	437	432
Q3-23	472	482	477

US HRC USD/short ton			
	Bid	Ask	Value
Nov-22	655	675	665
Dec-22	660	680	670
Jan-23	705	725	715
Q1-23	713	733	723
Q2-23	725	745	735
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	645	665	655
Q1-23	670	680	675
Q2-23	700	710	705
Q3-23	730	740	735

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com