

**01/12/2022****FOB China HRC**

The index fell by \$3/t yesterday (30.11.22) to US\$533/t, MTD US\$525.59/t.

The steel purchasing managers' index (PMI) fell by 4.2 points from the previous month to 40.1 in November, the China Steel Logistics Professionals Committee said. Six districts in Guangzhou City removed curbs. Haizhu district in Guangzhou allowed conditional quarantine at home for close contacts of confirmed cases rather than quarantine at government-designated facilities. Guangzhou's move showed that China may open its economy soon, participants said. A deal for 4,000-5,000t Chinese SS400 HRC was done at \$545/t cfr Vietnam in recent two days. Another small quantity of Chinese SS400 HRC was heard sold at \$540/t cfr Vietnam yesterday, but no further details could be confirmed. Some South Korean buyers could accept \$535/t fob China, while the acceptable levels for major seaborne buyers from South America or Middle East were at \$525-535/t fob China. Japanese HRC offer was around \$520/t fob in South Korea, making Chinese offers uncompetitive. Offers were flat at \$540-570/t cfr Vietnam for SAE1006-grade coil from Taiwan, Japan and China, inducing bids at \$530-535/t cfr Vietnam. Vietnamese buyers were not in a hurry to place orders as they could easily get cargoes from local stockists or mills at the same or lower price levels with better delivery terms. (Argus)

**Turkish Scrap**

Turkish import deepsea scrap prices climbed sharply Nov. 30, as tight cargo availability, slow scrap collection rates and continued mill restocking pushed prices higher. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) Nov. 30 at \$371/mt CFR, up \$5/mt on day. The assessment has increased \$34.50/mt since a recent low of \$336.50/mt CFR two weeks ago. A Baltic-origin cargo was heard to have been booked by a Turkish mill, with HMS 1/2 (80:20) above \$370/mt CFR but the details could not be confirmed by the time of publication. Two Baltic recycler sources cited indicative tradable values for Baltic-origin HMS 1/2 (80:20) at \$370-\$371/mt CFR, while a UK recycler said premium HMS 1/2 (80:20) should be workable for mills at \$365-\$370/mt CFR. "Collection is so slow that we need to increase the price to stimulate inflow," one of the Baltic recyclers said. A Turkish mill source cited an indicative tradable value for premium HMS 1/2 (80:20) around \$370/mt CFR. HMS collection prices were largely heard at Eur300-305/mt delivered to the dock minimum in the Benelux region, while on the US East Coast, HMS dock prices were heard around \$250- \$260/lb delivered and even higher according to one exporter. In the UK, HMS dock prices were heard around GBP 230/ mt delivered, up from GBP 200-220/mt delivered heard a few weeks prior. "Around \$370-\$371/mt CFR is the workable level but it should go further up due to the winter conditions and a lack of scrap supply in both the EU and US," a Turkish agent source said. "There is not much available from the US now – several suppliers have sold already." (Platts)

**EU HRC**

Italian prices above northwest Italian hot-rolled coil (HRC) prices increased again yesterday, following the announcement from a large reroller and tube maker that it will be increasing its offer, alongside a smaller HRC producer also increasing its offer. Argus' daily Italian HRC index rose by €9/t today to €602.50/t, meaning it just surpassed the northwest Europe HRC index, which was static at €602.25/t. The Italian marker has not exceeded the northwest Europe index since 24 October. Demand has returned from end-users in Italy. As a result, service centres have been able to push up sheet prices — from up to €700/t delivered to €720-730/t. Some are targeting €750/t, although this level has not been achieved yet. Those end-users that were just trying to buy monthly or spot in recent weeks are now happier to lock into longer term contracts, with some even looking at half-yearly or annual deals, service centre sources said. Service centre stocks have normalised to an extent, meaning they need to replace tonnes when selling, especially on certain sizes. This means apparent demand has also increased, after a period of almost total silence that saw one local producer drop to import parity to fill its order book. Turkish mills trying to increase their prices, and reduced availability of competitive imports, buoyed sentiment in Europe's most liquid spot market somewhat. Both Japan and South Korea have pulled their offers into Europe, and buyers say they are not receiving many import offers. But they are keenly waiting for Indian quotations, with mills there now seeking \$570-590/t cfr Turkey after being encouraged by the government to export. The north European market remains much more sluggish and insulated from the recent uptick, with inventories seemingly higher. In the futures market, a second-half 2023 trade was concluded at €756/t today on the CME. (Argus)

## Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	371.00	5.00	348.56
Steel Rebar FOB Turkey (\$/mt)	650.00	5.00	636.89
Argus HRC NW Europe (€/mt)	602.25	0.00	632.35
Argus FOB China HRC (\$/mt)	533.00	-3.00	525.59

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Dec-22	548	578	563
Jan-23	555	585	570
Feb-23	567	577	572
Q1-23	567	577	572
Q2-23	575	585	580
Q3-23	590	600	595

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Dec-22	377	387	382
Jan-23	375	385	380
Feb-23	372	382	377
Q1-23	372	382	377
Q2-23	365	375	370
Q3-23	359	369	364

LME REBAR FOB TK			
	Bid	Ask	Value
Dec-22	653	663	658
Jan-23	647	657	652
Feb-23	643	653	648
Q1-23	643	653	648
Q2-23	622	632	627
Q3-23	605	615	610

BUSHELING			
	Bid	Ask	Value
Dec-22	385	395	390
Jan-23	405	415	410
Feb-23	410	420	415
Q1-23	412	422	417
Q2-23	427	437	432
Q3-23	472	482	477

US HRC USD/short ton			
	Bid	Ask	Value
Dec-22	650	670	660
Jan-23	690	710	700
Feb-23	710	730	720
Q1-23	707	727	717
Q2-23	725	745	735
Q3-23	735	755	745

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Dec-22	620	640	630
Jan-23	660	680	670
Feb-23	675	685	680
Q1-23	677	687	682
Q2-23	700	710	705
Q3-23	730	740	735

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