

**15/02/2023****EU HRC**

European hot-rolled coil (HRC) prices rose again yesterday as more mills firmed offers. The daily northwest EU HRC index rose to €788/t, while the daily Italian HRC index rose by €2/t to €774/t ex-works. The twice weekly cif Italy HRC assessment was stable at €730/t and the weekly cold-rolled coil (CRC) assessment was up by €5/t to €860/t ex-works. Italian and wider European producers are more unified in their recent pushes for higher prices, but one mill was heard still willing to sell at €770/t ex-works for large volumes. Another producer, reportedly sold out for almost the first half of the year, was heard offering HRC at above market leader Arce-lorMittal's price and for June/July delivery.

This is, unsurprisingly, not workable, as there are again concerns emerging about import arrivals later on in the year. One Visegrad-based producer reported selling into Germany around €800/t ex-works Ruhr equivalent, while another was offering at €810/t base. Other mills have April deliveries available. Meanwhile imported material was still available at €730-750/t cfr. Some suppliers were offering re-rolling grade in large cargoes at lower prices, from Vietnam at under €720/t cfr. Chinese suppliers were heard wanting to sell into Europe. Taiwan was heard offering at €740-750/t cfr. One Japanese seller was reported to have sold CRC to fill a vessel at €775/t cfr Italy. (Argus)

**FOB China HRC**

The index was unchanged on Tuesday at US\$635/t (14.2.23), MTD US\$637.00/t. Major Chinese steel mills kept their export offers for SS400 HRC unchanged from 10 February at range of \$665-670/t fob on 14 February. Major mills had taken full bookings for March shipment cargoes and were firm that demand would improve further in April, so they would like to hold prices firm. Offers from a private mill in north China was much lower at \$610-615/t fob. An eastern China trader said they rejected bids at \$616/t cfr Vietnam for SS400 HRC after prices rose in China. Chinese steel mills offered SAE1006 HRC firm at \$665-670/t fob for April shipment, as its domestic market firmed on 14 February. Traders' offers were at \$660-670/t cfr Vietnam, but buyers were generally silent with only limited bids heard at \$650/t cfr. (Argus)

**Turkish Scrap**

Turkish deepsea imported scrap prices fell Feb. 14 following news of a US-origin deal, but market activity remained largely muted in the aftermath of the earthquakes that struck southern Turkey and northern Syria Feb. 6. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$418/mt CFR Feb. 14, down \$9.50/mt day on day. A US-origin cargo totaling 45,000 mt was booked Feb. 10 by a Marmara mill, with HMS 1/2 (80:20) at \$418/mt CFR, shredded and bonus scrap at \$438/mt CFR. The deal was confirmed by the sell side for second half March shipment. "This [US-origin] deal might push others to do something but not all agree on the price direction," a Turkish agent source said. "We may see more Marmara and Izmir mills act in the next few days, but I am not hearing other US offers yet." One US recycler said US-origin HMS 1/2 (80:20) was workable at \$415-\$420/mt CFR only for recyclers needing to sell, adding, "I don't see sub \$440/mt CFR for shred or bonus with another [US] domestic price increase likely for March."

One Turkish mill source cited workable levels for premium HMS 1/2 (80:20) around \$420/mt CFR prior to confirmation of the \$418/mt US-origin deal. A second Turkish mill source cited an indicative near-term buyer expectation for premium HMS 1/2 (80:20) below \$400/mt CFR. Platts assessed shortsea A3 at \$402.50/mt CFR Feb. 14, down \$5/mt day on day. "I believe some mills will try to reach all the way down to \$395- \$400/mt CFR for [shortsea A3], but so far mostly the market stays stable," one shortsea supplier said. "Most sellers prefer to wait [for clarity in the deepsea market]. After 10 or so days, the market should uptick again." Platts assessed Turkish export rebar at \$700/mt FOB Turkey Feb. 14, unchanged day on day. The daily outright spread between Turkish export rebar and import scrap was assessed at \$282/mt Feb. 14, up 9.50/mt day on day. (Platts)

# Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	418	-9.50	426.30
Steel Rebar FOB Turkey (\$/mt)	700	0.00	700.00
Argus HRC NW Europe (€/mt)	788	6.50	767.13
Argus FOB China HRC (\$/mt)	635.00	0.00	637.00
US HRC CRU	782.00	12.00	776.00
No.1 BUS	450.00	40.28	450.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Feb-23	414	420	417
Mar-23	420	430	425
Apr-23	425	435	430
Q2-23	424	434	429
Q3-23	425	435	430
Q4-23	425	435	430

US HRC USD/short ton			
	Bid	Ask	Value
Feb-23	802	812	807
Mar-23	890	900	895
Apr-23	885	895	890
Q2-23	866	876	871
Q3-23	825	835	830
Q4-23	804	814	809

LME REBAR FOB TK			
	Bid	Ask	Value
Feb-23	699	709	704
Mar-23	715	725	720
Apr-23	715	725	720
Q2-23	713	723	718
Q3-23	713	723	718
Q4-23	713	723	718

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Feb-23	778	788	783
Mar-23	803	813	808
Apr-23	795	805	800
Q2-23	790	800	795
Q3-23	771	781	776
Q4-23	763	773	768

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Feb-23	640	650	645
Mar-23	650	660	655
Apr-23	650	660	655
Q2-23	651	661	656
Q3-23	645	655	650
Q4-23	644	654	649

BUSHELING			
	Bid	Ask	Value
Mar-23	485	495	490
Apr-23	485	495	490
May-23	485	495	490
Q2-23	482	492	487
Q3-23	475	485	480
Q4-23	475	485	480

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## Spread Moves

SPREAD TABLE								
Metal	Front Mth	Back Mth	Current	T-1W	T-1M	T-3M	T-12M	Tight/Eased
US HRC	FEB 23	MAR 23	-81	-50	-25	-8	2	Eased
	FEB 23	APR 23	-79	-37	-43	-34	45	Eased
	FEB 23	MAY 23	-66	-25	-47	-35	45	Eased
	MAR 23	APR 23	2	13	-18	-26	43	Eased
	MAR 23	MAY 23	15	25	-22	-27	43	Eased
	APR 23	MAY 23	13	12	-4	-1	0	Tightened
EU HRC	FEB 23	MAR 23	-20	-9	-15	-15	5	Eased
	FEB 23	APR 23	-20	-4	-18	-35	75	Eased
	FEB 23	MAY 23	-15	-4	-23	-35	75	Eased
	MAR 23	APR 23	0	5	-3	-20	70	Eased
	MAR 23	MAY 23	5	5	-8	-20	70	Unchanged
	APR 23	MAY 23	5	0	-5	0	0	Tightened
Mill Margin	MAR 23	MAR 23	392	360	333	313	368	Tightened
	APR 23	APR 23	395	347	336	334	325	Tightened
	MAY 23	MAY 23	382	345	340	330	325	Tightened
	JUN 23	JUN 23	370	328	345	330	325	Tightened
Atlantic Spread (US-EU)	MAR 23	MAR 23	87	75	21	43	38	Tightened
	APR 23	APR 23	85	67	36	49	65	Tightened
	MAY 23	MAY 23	77	55	35	50	65	Tightened
	MAY 23	MAY 23	77	55	35	50	65	Tightened
	JUN 23	JUN 23	70	36	30	40	65	Tightened

## Front Month Price Grid

Field	US HRC	US BUS	HW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	804	490	776	422	646	707	Current
	800	490	766	427	631	709	T-1W
	768	460	757	414	645	683	T-1M
	715	410	665	358	566	633	T-3M
	910	500	885	379	647	638	T-6M
	910	540	875	430	755	653	T-12M
	790	460	725	407	655	690	YTD

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