

27/03/2023

## FOB China HRC

The index fell by \$1/t last Friday (24.3.23) to US\$647/t, MTD US\$652.28/t. China has officially entered the period of heavy rains from 24 March, eight days earlier than usual, the government said. Rains in southern regions over the past few days slowed down local construction activities and curbed steel demand, participants said. Trading firms and Chinese mills held offers unchanged at an equivalent of \$640-685/t fob China for SS400 HRC on stable Chinese domestic sales prices. But seaborne buyers were silent, fearing a further price fall next week. Only limited Vietnamese buyers expressed buying interest at an equivalent of \$610-615/t fob China, far below sellers' acceptable levels. Deals for Chinese SS400 HRC were concluded at \$630-635/t cfr Vietnam this week, but no further details could be confirmed. Some trading firms lowered sales prices to \$670-690/t cfr Vietnam for Chinese SAE1006-grade coil, but still failed to induce any buying. (Argus)

## Turkish Scrap

Turkish deepsea import scrap prices remained largely rangebound on March 24, as Turkish mills and deepsea exporters continued to remain apart in their workable levels. However, more sellers cited expectations that one to two suppliers could accept a lower sales price in the short term, before the Turkish mills return en masse to purchase for endApril and May shipment cargoes. Platts assessed Turkish imports of premium heavy melting scrap 1/2 (80:20) at \$449.75/mt CFR March 24, down 25 cents/mt on day, as Turkish mills continued to hold back in search of prices closer to \$440/mt CFR and below for premium HMS 1/2 (80:20). Platts assessed the euro at \$1.0759 at 16.30 London time March 24, down from \$1.0892 on day, which may affect Eurozone seller resistance on the US dollar-denominated CFR Turkey assessment.

Previously, the euro had strengthened from a recent low of \$1.0541 on March 15. "I expect the current impasse to be breached by next week and the expect the weakening trend of the US dollar to continue with bumps along the way to breach the Eur1/\$1.10 level," a European recycler said. "Coupled with continuing low supply inflows and firmer freights, I expect in the coming weeks the sellers' resolve to strengthen in resisting mills' efforts to exert downward pressure on the price." The recycler cited an indicative seller tradable value for UK/ Benelux-origin HMS 1/2 (80:20) heard by Platts March 24 above \$440-\$445/mt CFR Turkey, but said one to two exporters may drop to this range in the short-term. The recycler said any downtick in price would be short-lived and estimated that Turkish mills require a minimum of 20 cargoes for shipment by the end of April. (Platts)

# Market Rates

Indices	Price	Change	MTD
Platts TSI HMS 1/2 80:20 CFR Turkey (\$/mt)	449.75	-0.25	456.26
Steel Rebar FOB Turkey (\$/mt)	710	0.00	731.67
Argus HRC NW Europe (€/mt)	839.25	-1.50	827.18
Argus FOB China HRC (\$/mt)	647.00	-1.00	652.28
US HRC CRU	1129.00	39.00	1036.00
No.1 BUS	520.00	50.00	520.00

LME HMS 80:20 CFR TK			
	Bid	Ask	Value
Mar-23	455	465	460
Apr-23	440	450	445
May-23	440	450	445
Q2-23	440	450	445
Q3-23	440	450	445
Q4-23	440	450	445

US HRC USD/short ton			
	Bid	Ask	Value
Mar-23	1055	1065	1060
Apr-23	1195	1205	1200
May-23	1155	1165	1160
Q2-23	1135	1145	1140
Q3-23	930	940	935
Q4-23	845	855	850

LME REBAR FOB TK			
	Bid	Ask	Value
Mar-23	715	725	720
Apr-23	700	710	705
May-23	700	710	705
Q2-23	700	710	705
Q3-23	695	705	700
Q4-23	700	710	705

NWE HRC EUR/metric ton			
	Bid	Ask	Value
Mar-23	825	835	830
Apr-23	835	845	840
May-23	830	840	835
Q2-23	820	830	825
Q3-23	790	800	795
Q4-23	775	785	780

LME HRC FOB TIANJIN CHINA USD/mt			
	Bid	Ask	Value
Mar-23	645	655	650
Apr-23	645	655	650
May-23	640	650	645
Q2-23	640	650	645
Q3-23	645	655	650
Q4-23	645	655	650

BUSHELING			
	Bid	Ask	Value
Apr-23	585	595	590
May-23	525	535	530
Jun-23	535	545	540
Q2-23	550	560	555
Q3-23	495	505	500
Q4-23	470	480	475

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## Spread Moves

SPREAD TABLE								
Metal	Front Mth	Back Mth	Current	T-1w	T-1M	T-3M	T-12M	Tight/Eased T-1w
US HRC	MAR 23	APR 23	-144	-170	-91	-11	45	Tightened
	MAR 23	MAY 23	-100	-145	-68	-11	45	Tightened
	MAR 23	JUN 23	1	-61	-44	-14	45	Tightened
	APR 23	MAY 23	44	25	23	0	0	Tightened
	MAR 23	JUN 23	1	-61	-44	-14	45	Tightened
	MAY 23	JUN 23	101	84	24	-3	0	Tightened
EU HRC	MAR 23	APR 23	-15	-14	-44	10	70	Eased
	MAR 23	MAY 23	-5	-9	-41	10	70	Tightened
	MAR 23	JUN 23	25	1	-46	-3	70	Tightened
	APR 23	MAY 23	10	5	3	0	0	Tightened
	MAR 23	JUN 23	25	1	-46	-3	70	Tightened
	MAY 23	JUN 23	30	10	-5	-13	0	Tightened
Mill Margin	APR 23	APR 23	609	635	570	340	715	Eased
	MAY 23	MAY 23	600	610	512	330	715	Eased
	JUN 23	JUN 23	489	536	513	343	715	Eased
	JUL 23	JUL 23	404	470	463	342	365	Eased
Atlantic Spread (US-EU)	APR 23	APR 23	369	385	251	55	525	Eased
	MAY 23	MAY 23	335	365	231	55	525	Eased
	MAY 23	MAY 23	335	365	231	55	525	Eased
	JUN 23	JUN 23	264	291	202	45	525	Eased
	JUL 23	JUL 23	169	220	147	34	-45	Eased

## Front Month Price Grid

Field	US HRC	US BUS	NW EUR HRC	LME SCRAP TK	LME HRC FOB	LME REBAR TK	TimeFrame
PRICE	1057	590	826	455	649	723	Current
	1055	590	826	455	652	725	T-1W
	1044	565	840	460	650	757	T-1M
	789	460	755	384	608	662	T-3M
	772	430	810	366	617	655	T-6M
	1370	610	870	574	841	882	T-12M
	800	475	737	410	655	690	YTD

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