

# This week: Billets market starts 2024 with recovering expectations

Russian billet suppliers continued observing a holiday break during the first week of January, resulting in limited activity. The new year has nevertheless started strong in terms of prices and further hikes are expected in the coming days.

Billet from Russia's southern region was offered to Turkey at \$550/tonne cfr Turkish Black Sea ports for January shipment, up by \$10-15/t compared to indications a week earlier. The hike is attributed to the recent imported scrap price increase in Turkey. "The Turks will most probably wait until the second week of January [before purchasing billet]," a supply-side source says, adding he expects "scrap and all [other material prices] will lift up then".

A trading source says the Russian billet price of \$510/t fob Black Sea, unchanged from the previous week, was still available. Turkish re-rollers deem prices above \$520-530/t cfr to be unfeasible.

As a result, Russian billet is assessed at \$495-510/t fob Black Sea, unchanged from a week earlier.

## ASEAN

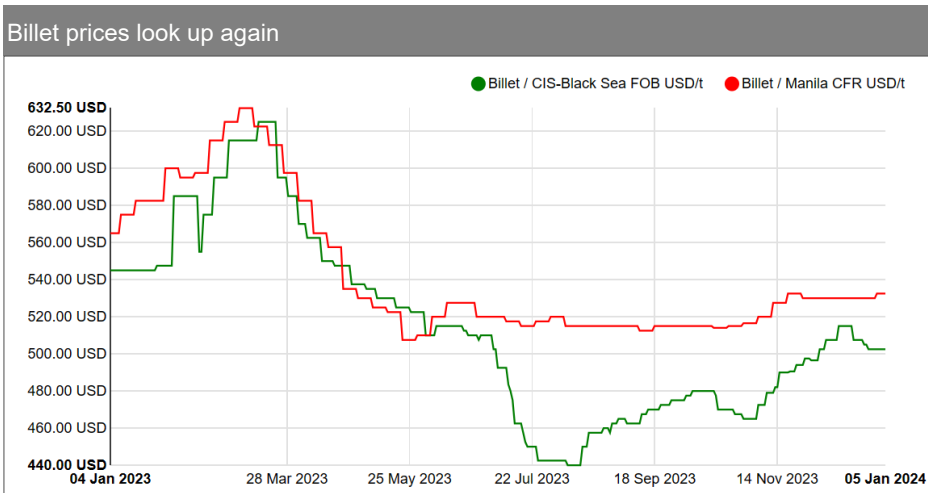
The ASEAN billet market remained firm last week. End-users continue to delay buying but offers from suppliers remained firm.

Most back-to-back offers for 5sp 130mm or 150mm blast furnace billet from ASEAN/China for February/March shipment exceed \$550/tonne cf Manila, Philippine trading sources say. Some regional traders note offers were higher at \$555-560/t cfr. Offers are at \$550/t cfr Manila and there are no signs of prices falling despite the SHFE's downward price correction, one buyer said on Friday.

Bids are lagging behind these offers, traders note. They are even coming in at under \$540/t cfr, a regional trader says. A Manila trader shares that the last bid he received was at \$530/t cfr through the week of 29 December. Kallanish assessed 5sp/ps or Q275 120/125/130mm square billet at \$530-535/t cfr Manila, up \$2.5 on-week.

Earlier last week, international traders booked 40,000-50,000 tonnes of Indonesian blast furnace 3sp base grade billet for March shipment at \$532-534/t fob. The destinations for the booked cargoes are open, the regional trader says.

"It looks like they took long positions. They may be realistic in a month's time but we don't know yet," the East Asia trader notes. He received an offer for 5sp 150mm billet from China at \$530/t fob and for 3sp 130mm/150mm billet from the same Indonesian mill at \$535/t fob. "There are no bids yet," he says. "End-users want to wait and monitor prices." They are cautious because there are no signs that the finished steel market has improved. He expects negotiations will start during the middle of this week.



▶ [Click here to view this graph online](#)

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## KORE INDEX

Index	50%	62%	65%
Week % Change	-0.58%	2.67%	2.27%
05 Jan	129.81	148.34	151.11
04 Jan	132.31	143.16	154.06
03 Jan	131.41	144.47	155.46
02 Jan	121.81	143.72	154.62
01 Jan	-	-	-
Average	128.56	142.92	153.87
29 Dec	127.81	137.52	149.13
28 Dec	128.12	137.68	148.87
27 Dec	130.11	146.95	152.22
26 Dec	136.32	149.50	151.80
25 Dec	130.21	139.26	150.60
Average	128.31	139.26	150.52

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## Global Overview

### Americas:

- US sheet prices hold into new year
- OCTG P110 5.5-inch prices continue stagnation
- Rebar prices maintain

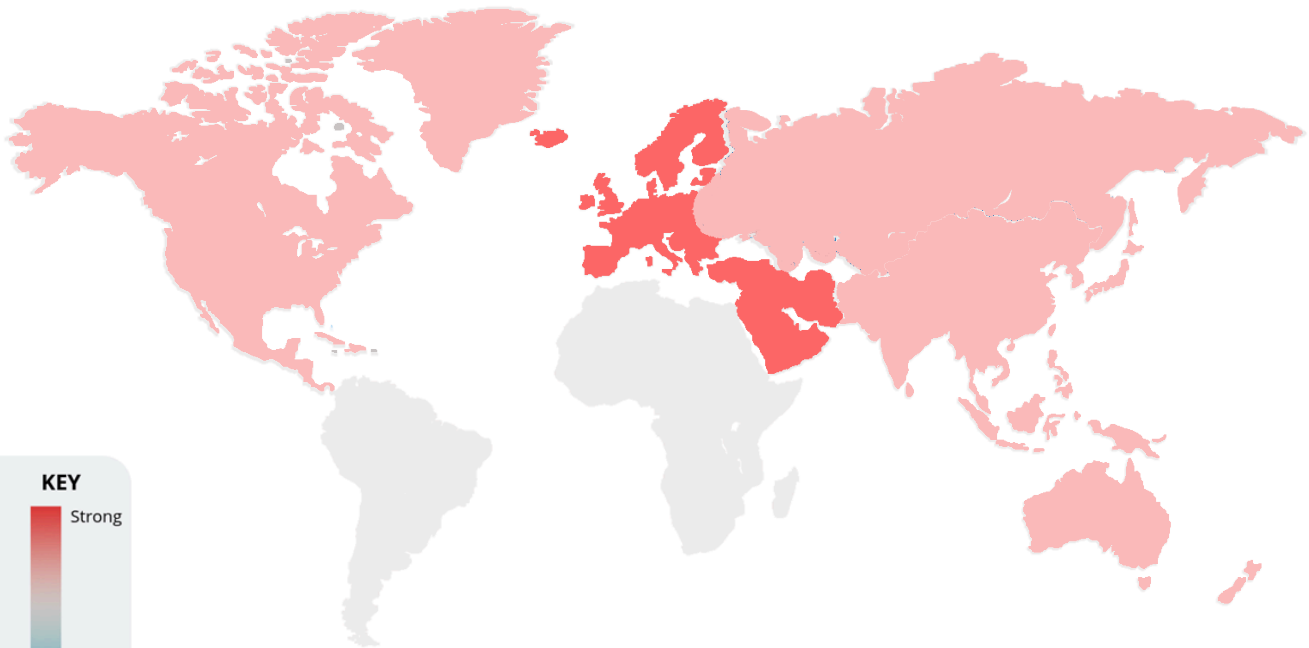
### Europe:

- HRC importers to pay safeguard tax
- Salzgitter restarts BF
- French buyers resist latest longs increases

### Asia:

- Chinese iron ore down from peak
- Sentiment in Chinese steel market stalls
- Vietnamese HRC market sentiment cools

### KALLANISH STEEL WEEKLY GLOBAL SENTIMENT MAP



#### KEY



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### CIS:

- Russia billet quiet amid holiday
- Red Sea disruption benefits Russian HRC

### Middle East:

- Turkish scrap rebounds in new year
- Turkish longs prices hike despite weak demand
- India-origin HRC deals set GCC benchmark

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📖 Word of the week

# Coking Coal

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