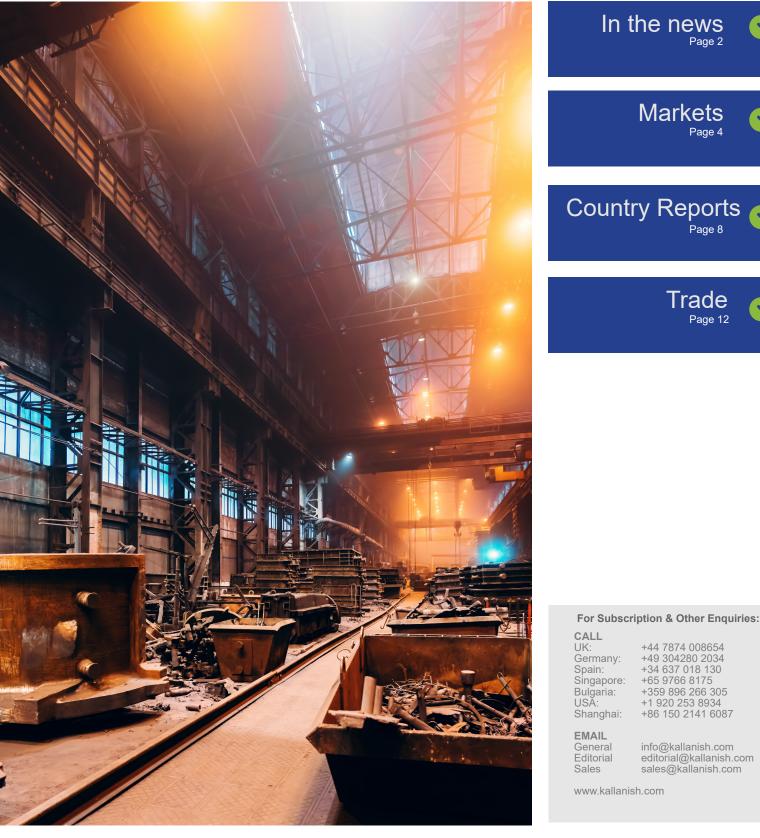
Kallanısh **Steel**

South East Asia Report

August 2023



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August 2023 Issue

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South East Asia Report 🥒

In the news

Raw Materials

Indonesia increases tariffs on mineral concentrates

Indonesia's Ministry of Finance (Kemenkeu) has released an update on export tariffs for mining exporters. Laterite iron concentrate with an iron content of less than 50% (Fe) and (Al2O3+SiO2) content of more than 10% has a tariff of 2.25%-7.5%.

MCC ENFI signs nickel project in Indonesia

China ENFI has signed a nickel smelting project with PT Mitra Mumi Perkasa (MPP) in Indonesia to produce 22,000 tonnes/year of nickel metal.

Risun Wei Shan ignites first Indonesian coke oven

PT Risun Wei Shan Indonesia, a subsidiary of China's Risun Group, saw its first coke oven put into operation in Indonesia on 19 July.

Niche Capital Emas explores nickel venture in Indonesia

Malaysian mining firm Niche Capital Emas (NICE) is exploring a nickel venture in Indonesia to carry out nickel mining activities in Konawe Utara Regency, Sulawesi.

Southern Alliance Mining secures iron mine lease extension

Singapore-listed Malaysian miner Southern Alliance Mining has secured a ten-year extension for the mining lease of the Chaah Mine in Johor, Malaysia to 11 July 2033.

Fortescue foresees higher fiscal-2024 iron ore shipments

with an annual processing capacity of 250,000t for Formosa Ha Tinh Steel.

Krakatau Steel 2022 profit falls despite higher revenue

Indonesian steelmaker Krakatau Steel recorded net profit of \$22.64m last year, falling 48.24% from \$43.74m a year ago. Its revenue for the year, however, rose 5.75% to \$2.24 billion from \$2.12 billion a year earlier.

Hoa Phat's first-half shipments reach 2.9mt

In H1 2023, Hoa Phat produced 2.86mt of crude steel, slumping by 34% y-o-y. Sales of construction steel, hot-rolled coil and billet reached 2.9mt, down by 27% from the same period last year.



Vietnam's steel exports, imports diverge in June

June exports of Vietnamese iron and steel fell by 11.2% over May but rose 22.7% y-o-y to 1.01mt, according to a General Department of Customs preliminary report. Vietnam also imported 957,761t of steel in June, up 14.3% on-month but down 23% on-year, and 5.56mt in H1.

Malaysia lifts South Korea, Vietnam CRC anti-dumping duties

Malaysia has dropped anti-dumping (AD) duties on cold-rolled coil with width more than 700mm originating or exported from South Korea and Vietnam, effective 27 June.

Thailand extends Chinese, Malaysian HR coll/sheet antidumping duties

Keep reading this report

Production, Mill Data, Trade report and more...

Feb- 22 Mar- 22 Apr- 22 May- 22 Jan- 22 I- 22 est. 277,147 274,212 278,531 256,340 255,732 105 15 25 55 It saw an upward rearement in Chinese last week of July, and billet imports to moderated their decline, 1000 4004 0.0% -12 argo of Malepsian blast fornace 3xx grade 129mm ptember shipment was heard beoked at \$490,4165 k of 25 July. This would transiste to \$525/t cfr with freight estimated at \$30,4 and margins at \$5/t. Fab- 22 Mar- 22 Apt- 22 May- 22 Jan- 22 4- 22 est. 115 -05 -05 -45 400,322 431,353 405,848 445,184 1% -2% 3% 1% 27 June Theoretical One 1 July weight relier cargo 27 June Astual weight na 1 July Miter 15-15 Theoretical 5,000 July weight relier Since of the sector of the sec and Mathyle n.a. Motorsin n.a. 3.57 weight reber 25-29 Tasontical-na Malaysia na \$600 3.67 weight reber 464.365 Wite mit na Interesta na \$600 Fab- 22 Mar- 22 Apr- 22 May- 22 Jan- 22 Jan- 22 147,058 102,879 158,098 163,699 158,641 157,792 35,056 37,725 36,472 36,681 115 -35 -35 25-27 Nile tod 1.000- ASEAN n.a. \$570.0 Manie 244 2400

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Vietnam's import market for commercial-grade hot-rolled coil has seen busy transactions over the past month, with buyers keen to book cargoes for August/September shipments. This has also driven up prices.

Atthough a fall in Chinese steel futures in early July briefly dragged HRC import prices down to \$535-5401t cfr Vietnam, firmer raw material prices and a pick-up in trading activity quickly rescued the price trend. With the two Vietnamese hot strip mills selling out their domestic HRC allocations for September, demand is picking up.

Formosa Ha Tinh Steel (FHS) announced on 11 July that it will increase monthly domestic hot rolled coil prices by \$10R. Its skin-passed SAE 1006 HRC for August/September shipments was pegged at \$595-615/t cil Ho Chi Minh (HCMC)/Hai Phong port. Its non-skin passed SAE 1006 HRC was tagged at \$5/t lower. Its price for pipemaking or \$5400 grade HRC was at \$590-600/t cil Vietnam.

Another major Vietnamese steel mill Hoa Phat has increased its price for new domestic allocations of hot-rolled coil by around \$10/t for August/September shipment in early-July. Its non-skin passed SAE1006 or SS400 grade HRC has been set at the equivalent of VND 13,730/kg, or around \$581/t, cfr Ho Chi Minh City (HCMC). The company's HRC prices to northern and central Vietnam were each listed at VND 13,700/kg, around \$580/t. The producer has sold out all its domestic allocations for August shipment, a source close to the company said in early-July. The company achieved total sales of 280,000t, he added.

The price hike is "reasonable," a HCMC trader says. Vietnamese mills need non-China-origin HRC in order to export to the US because of trade measures, he notes. Another agrees that exporting re-rollers will be able to accept the higher prices.

By late-July, offers for 2mm up thickness SAE 1006 grade HRC from China have risen to \$595-600it cfr Vietnam, up by \$10it from the week before. An offer for 2-2.75mm thickness SAE1006 HRC for shipment by 15 October from a popular Chinese mill is prevailing at \$600it cfr. Meanwhile, offer prices for Chinese 3mm thickness Q195/Q235 grade HRC have shot up to \$580-582it cfr, up from offers at \$560it cfr just a week before. The above-mentioned Chinese SAE 1006 and commercial HRC offers are for shipment in Augustlearly September.

"I think buyers still need time to accept higher prices. But I don't think cheap cargos will be available soon," a Hanoi trader comments.

Kallanish assessed SAE grade 2-2.7mm thickness HRC at \$580-585/t cfr Vietnam on 28 July, \$5/t higher from a week before and up by \$17.5/t from 30 June. End July Price:

Product	End Jun	Wow	M-p-m	¥-0-¥
SAE1006 HRC cft Vietnam	\$580-5851	0.9%	3.1%	-3.7%
SAE1006 HRC fob China	\$575-5851	3.6%	4.5%	-4.9%



Source: Kallanish (\$/t)

Deals for the month

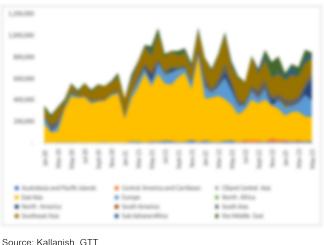
Darke	Product	-	Origin	Shipmant	-	Destinatio
6 Јију	SAE 1006 HRC	4,0001	China	August	\$5601 cfr	Vietnam
6 July	2mm SAE 1006 HRC	n.a	india	August	\$578A cfr	Vietnam
7 July	2mm Q195 HRC	n.a	China	August	\$535A cfr	Vietnam
7 July	2.75mm Q195 HRC	n.a	China	August	\$5401 cfr	Vetnam
13 July	3mm Q195/ Q235 HRC	n.a	China	August	\$5481 cfr	Vetnam
The week of 17 July	3mm Q195/ Q235 HRC	n.a	China	Augusti September	\$550- 5541	Vetnam

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 Trade: Indonesia

Indonesia's steel imports scared 48% in May, extending the strength so far this year, and recording a 31.52% increase to 5.32mt in the January-May period. The country's steel exports fell slightly over the same period, falling by 7.38% in five months to 3.79mt, hit by a contraction in regional steel

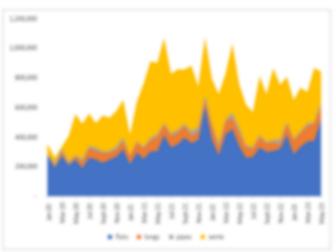


Indonesia steel exports by destination

demand. Imports o

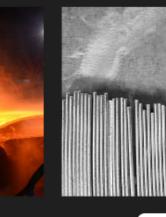
Imports of all steel products recorded an increase of 8.81%-104.23% in May and saw import growth of 13.5%-102.27% in January-May this year. Flats and semis were the most imported steel products in the first five months of this year, reaching 2.4mt and 1.75mt in the period.

Indonesia steel exports by product



Source: Kallanish, GTT

FLAT STEEL 2023







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SUPER EARLY BIRD RATE €700 EXPIRES 23RD AUGUST

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