## 聞 This week:

# European HDG market up on trade limitation and sentiment

Last week the European HDG market showed that trade barriers continue to have an important role in driving market sentiment. European suppliers increased their offers, supported by the issues created by safeguard measures as well as the ongoing anti-dumping investigation on Turkish and Russian imports into the continent.

ArcelorMittal, for example, announced to customers the decision to lift cold rolled and hot-dip galvanized coil offers for all new European orders. This is the first price increase of 2022 and is still being processed by the market.

The increase is reported by sources to be €30-50/tonne (\$34-57).

It is understood the new reference offer level for Germany and northern Europe for HDG would be €1,160/t ex-works base. This offer level is some €55/t above the latest transaction level assessed by the Kallanish northern European HDG index at the end of December.

In southern and Eastern Europe, offer prices are expected to be slightly lower than in northern Europe, but the increase will still be implemented for new offers.

According to Kallanish indices, European CRC and HDG prices reached their peak in August 2021 at €1,300/t ex-works and above. At the end of the third quarter and during Q4 2021, transaction levels lost some €200/t from the peak, but in December sentiment picked up again and all coil indices stabilised or corrected slightly up.

The European hot-dip galvanized coil import market is heating up for many reasons, including the fact that most import opportunities are now closed for the first quarter due to exhausted safeguard quotas, while the upcoming anti-dumping decision could impact Q2.

During the first days of January, European importers of HDG exhausted most safeguard tariff-free quotas for HDG in the 4a sub-group (not for automotive). Indian quotas were fully used, as were "other countries" quotas of over 400,000 tonnes.

The "other countries" 4a quotas were filled mainly with Russian and Turkish material. The countries are being investigated for potential anti-dumping measures by the European Commission and sources in Turkey believe provisional measures could be imposed by end-March at as high as 20%, meaning new imports will become virtually impossible.

"The HDG import market in Europe is a mess and from Q3 we should also see some volumes arrive from Vietnam that will use available quotas," a trader shares. "European mills clearly have the upper hand for the coming months thanks to the total use of safeguard quotas in Q1 and upcoming AD measures."

In addition to HDG 4a quotas, Chinese HDG 4b quotas have also been fully used during the very first days of January, putting further pressure on the market for auto sheet.



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What will be the impact on the EU market of new Q1 safeguard allocations?

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Who had the upper hand in the latest EU long-term coil contracts negotiations?

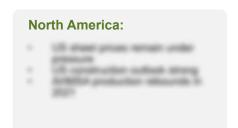
#### **KORE INDEX**

Index	58%	62%	65%
W-o-w % Change	2.88%	3.24%	5.06%
14 Jan	100.18	129.49	156.79
13 Jan	100.27	130.32	157.71
12 Jan	100.32	131.17	158.72
11 Jan	98.04	127.52	154.39
10 Jan	99.16	128.14	153.80
Average	99.59	129.33	156.29
07 Jan	99.39	129.25	154.62
06 Jan	99.57	129.72	154.94
05 Jan	96.30	124.78	148.69
04 Jan	94.63	121.83	144.98
03 Jan	94.10	120.79	142.01
Average	96.80	125.27	149.05

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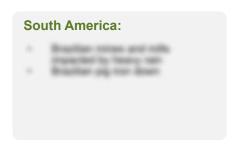
# **Global Overview**

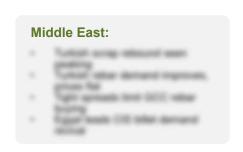














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#### Asia

# Data undermines nervous Chinese steel market

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#### Prices to watch:







FOB

Rebar / China FOT Warehouse CNY/t

CFR

#### In the news this week:



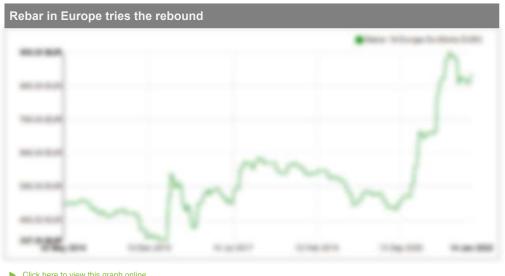


# © Europe

# European rebar suppliers try to lift prices, but market uncertain



By: Emanuele Norsa, Europe Editor



Click here to view this graph online









HRC / N HMS 1/2 Europe Ex- Scrap (80:20) /

Rebar / Italy Ex-Works EUR/t





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#### Americas

# Brazilian miners partially restart production affected by heavy rains

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**US HRC** USD/s.ton

US CRC USD/s.ton

US OCTG





By: Todor Kirkov, Steel Journalist





## Middle East & CIS

pricate arrive Turkley's rolls' retreat

market that boys Tigh villumes.

previous firms wants, direpts import offers remaining chade.

prices, which ofter producers very little profit margin.

produces not to lower their quotations.

Andrea Andreas sengined dice.

to booking callspage, according to participants.

several participants confirm, and \$6.007 feb was expected this week

offer indications for March-rolling material wars at \$800-8007 as works

# Turkish scrap rebound seen peaking, CIS billet revives

Following numerous recent business. Turkes note aloned their imported ecosy purchases, tearing secured sufficient material. On Priling, only a few deep-ass business were faced in the material. A fee and long steel out in sension, Turkes bought limpocypie ongo 1965 TAZ 55.5 of

\$675.20tome of Tulkey or 12 January. A long deat 6st in the Marmark region brought has oprgises, from Spendern and Protons at the same price, \$6700 for HMS 162 80:00 and \$4800.

There were numerous suppliers from the US, EU, UK and Ballic present in the Turkish market

or Froling Most, transport, ware reframing from proutating offers in order not to influence

Turtish notic appetite for some purchases from both short sea and deep sea is spen to have estationed. Most reprint players York the rise in surge prices has come to an end due to surge easily extracting demand in Turkey Turkish ration producers kept their prices unchanged since the previous week white demand has improved, as expected by market players.

MRV official quotes, receilly remained at \$750-7100 feb Yurkey actual weight. There were, fromewer, offers at above \$7100 feb from quina rolls.

Despite an increase in plotted retain prices. Yurkson milks offers remain high versus competing

countries. Consequently, note have completely lost their market shares in Asia, an important

Turket for rolled coll producers responsite halted the price reductions that marked the

Local rolls are attring to avoid discounts as higher cost of production in 2002 and origin System the existings has a considerable effect in their margins," a trader seet. System rolls

remaining February trading material, their offers at \$600-6101 to \$500 Sea serie accepted. and the fine continued. But on Froling test seast, the highest achieved price was \$6000 fet.

#### Prices to watch: HMS 1/2 scrap CFR Turkey/ Billet FOB Rebar FOB Black Sea/ Turkey/

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By: Adam Smith, Global Editor - Steel

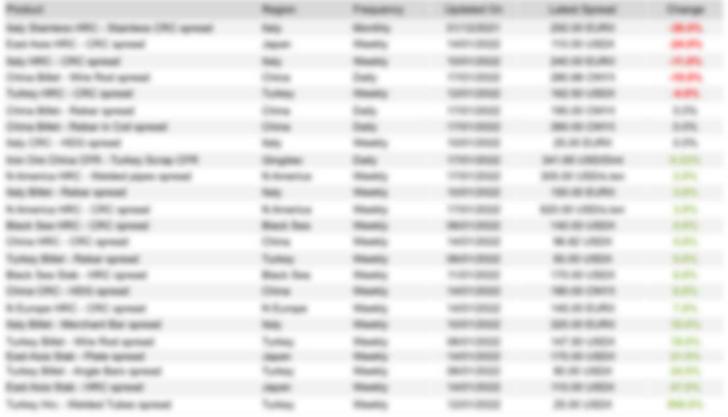




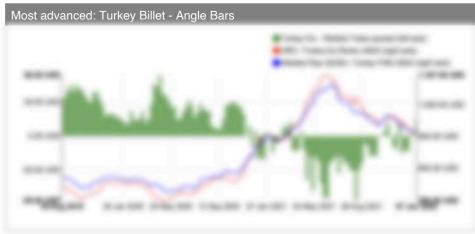
#### Price Movement



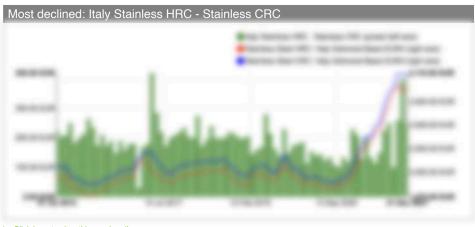
# ⇔ Price Spreads



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Q Special Feature The challenges of annual European coil contracts for 2022 For the many tig, other cours, their courses their compellers on assertably, half-powely or consumer continues, the balls of year and for the approximate polar are a minimate of the balls. This time around the balls are polarizable, have the period of September to tracket of collect between section Arris, when they seem chose is an all-time tops. forgase risk and had legal-sood colorers, roots progess are autorized auginos, fave aragger or weather. The argumen from the expects of the reported is insuch before cone from sing his look and made decade which is not experience great the ter also, demand has harhapted, and so has order risks at role. Till, rolls anarcially had the judge rapid, and its most than excliptions you recent sport for you because line has progestional on the alternity for the bounts in hill The compet contract regardations are the most afficult ever." playing result strape. Nomeron, at the time of the result had upon registation is thin, the regist healths or fact. We call offers minus Simulate a policipal dissinal wide in the harding ting Naminarii Consul ii Secontee Nove tetine tati pinir refrage too. make the complete on complete the first has Builting ferrocetts for ser arrupt criticals sets thick is follow 2005, is arrupt the algorish to ter put replacelly proje to her acceptance ET 100 of the people is extended in the larger marked. Long-levin private that devices for thush for far unterligati market stations are hard to public to facili. MRS saint princing regulations in account (EC) with the plus fine of the parestioned along the value added strain," writes comprised their opinion to 2007 a Trippine 2009, when the designed surger and silt professions of Back floor, solds made This securit is policity to be the barrier purchase projets, in actually has often play powder har labor, bearing had prices could attict boats give a brighast of the toroughs they asset little up poor Silt televier-MICE again. If you is serving mode for the rides and surrout not to be a hosty called for continues. o campo months, for other tray rates up tiles - alth yap for tea-ture communing. This was participant, promounant in 2001, when ta purage il unicordular iliga. Vagoria sur e alliur tina Contine TOT years and oth again ones pushing by deals, as per private has left from past and portropic strong, but many is the production of cars, is that carriadors and many suppliers bedded on a salt of unbranked somages Si Tilli Habot, Sopeti wire kelt; of agorny to epils. Jim in Till To believe the control of the contro regulations trigged on At such solls of the big or branch. plice resided it higher the fift and the noise of this smaller Sopiet suppliers could get her orientells. models, it minds I be anothern throse decision for he and a legitoring Remark prises in agent prises 6th 105th had oligital at torque it 600 year-or-year transfellig ear out covered tight will in he year tight Die Squir if all politicities suppler supples that, Y-8600 Sale A ECOME to Non-colour our and ECOM and beyond for exercisto hap the products in south particles, see register size for place we most to buy at his tota. "No succe has nith assertably have an principality to such dispression and an proposed to conseque tions crossed between the consistency to seek to compare arrows where when the constant a reason to co. I seep? and the feet speek of decurs, comply a dead other tris, the far to the consider any arrival state from pro-And approach, he per-or-one promot begannel to No recitor. chicked, has solbed it is taken broad \$5000 period for part but is to opportune from a deal temper is between the state of Another poor is that rolly east is made suncited the luper at the for I automobile appear with other death apparently briefly. parts from these city print per purchases because allet prices School Still are III law spoors handle. We part he nike posterite access t or took in ful to or ode un in his or so tentral The have been becaming to an increase of Holli-Hill, but on fam. are bright electrons. In papers. The compat if continues exciting the court is billion for per up trough a set, a 200 to one of the requirement brought in the entiti nato di Fari indell'al più ellitti. Iggi e linge al andre aglionita nggite giv sei, di a nggitalitza. To, tar tar. tiflet of helding ands much section 4 F-705, and for per-asymmetries patridents. No essay 61 TOTAL TO Assembly in the agent with at allow surrest sput The HRC got matter price is the resentine has been dispre-By: Christian Koehl, Steel Journalist tomoris 600, so note denie umprap about to nationa 27% propinci deale, for some toppin di. This is a Uniform present to hain," a hapragge of arrighte automobile exagilier containers. The facts don't public high "the company of our highester would allow for a page on page to come of COT of text." To distinct

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#### Word of the week

# **Taconite**

Natural mineral containing less than 30% iron. It is the primary ore used in blast furnaces.



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