Issue: 24-23 | Date: 20 Jun 2023

# 聞 This week:

# Coking coal up marginally on improved steel prices

Australian fob coking coal prices rose marginally during the week ended 16 June due to improved steel prices.

Kallanish assessed premium hard coking coal at \$230.98/tonne fob Australia, up \$3.22/t from \$227.76/t fob the previous week.

On the Singapore Exchange, Premium Coking Coal Futures for July settled at \$227/t fob on Friday, up \$6.5/t from \$220.5/t fob a week earlier.

According to traders, a deal was heard done at \$219.50/t fob Australia for 75,000t of Australian premium low-vol German Creek for 20-29 July laycan from European steelmaker source on 13 Jun (Tuesday).

Meanwhile, global miner BHP sold 75,000t of Riverside / Goonyella C / Caval Ridge for 16-25 July laycan at \$230.20 fob on 14 Jun (Wednesday).

"Steel prices have been improving and the futures contracts started to trade slightly higher," says a Singapore-based trader. He also comments that the focus now is on China, where the domestic market is starting to show some improvement, as some coke plants are beginning to increase restocking activities and more mine sales are settling with small premiums.

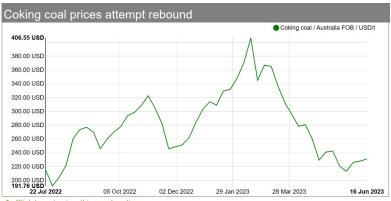
An India-based trader remarks that it is a good time to buy coking coal now as the prices have fallen significantly. However, he notes that the purchase of coking coal is still slow as the steel demand has reduced and steel companies are not able to get good prices.

He opines that the coking coal prices will climb as demand is expected to rebound towards the fourth quarter. "Improved sentiment in Europe will bring the prices up. China is also going to increase steel prices and companies will run on their full capacity," he adds.

Another Singapore-based trader, however, opines that the coking coal market remains lacklustre with the only demand coming from India. "There seems to be a few June loading cargoes unsold as well as some US premium mid-vol coal unsold on the water. I would feel pessimistic that price can hold at the current levels," he says.

While July loading seems tighter, he reflects it is still not tight enough to hold the market and foresees the coking coal prices heading to \$220/t.

A Chinese trader says demand for Australian coking coal in China remains weak as its prices are still considered high for most Chinese mills and adds the prices factor will continue to affect the buying interest of Australian coking coal in the country.



► Click here to view this graph online

#### In this weeks Issue:

- PAGE 3 Will Chinese iron ore prices hold strong?
- PAGE 4 Will monsoons pressure Indian mills to drop HRC offers?
- PAGE 5 Where will Metinvest install a new steelmaking plant in Europe?
- PAGE 6 Will falling scrap prices impact spot pricing for downstream steel products in the US?
- PAGE 7 Will next Turkish scrap booking round see prices drop further?
- PAGE 10 How is India reacting to the reduction in scrap imports from UAE?

#### **KORE INDEX** 62% 1.88% 1.79% 1.03% Change 15 Jun 15 Jun 113.93 14 Jun \*\*\*\* 83 13 Jun 12 Jun 103.15 112.65 123.62 Average nut. 90 121.87 **08 Jun** 07 Jun 98.54 108.56 05 Jun 101.25 110.67 122.34

# For Subscription & Other Enquiries: CALL UK: +44 7874 008654 Spain: +34 637 018 130 Singapore: +65 9766 8175 Bulgaria: +359 896 266 305 USA: +1 920 253 8934 Shanghai: +86 150 2141 6087 EMAIL General info@kallanish.com Editorial editorial@kallanish.com Sales sales@kallanish.com www.kallanish.com

© Copyright Kallanish 2023 Page 1

Issue: 24-23 | Date: 20 Jun 2023

# Global Overview

#### **Americas:**

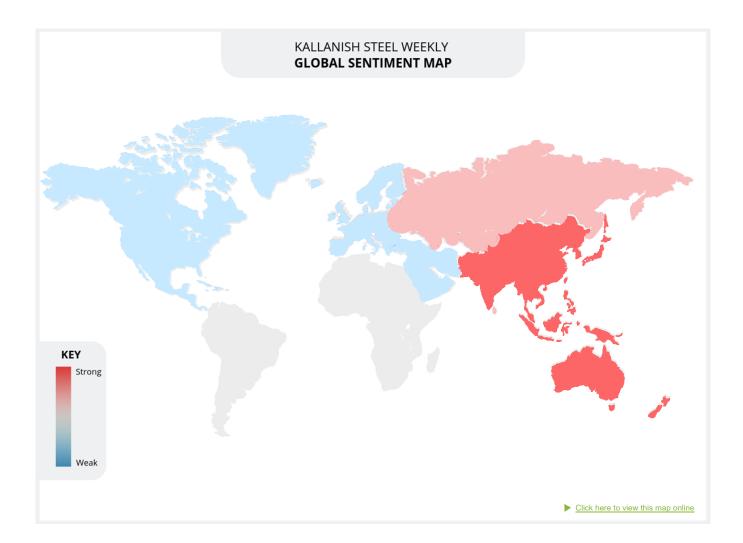
- US Steel decreases plate selling prices by \$50/st Nucor plans installation of
- additional utility structures facility Scrap prices in the US trend
- down, across grades

#### **Europe:**

- Benelux scrap prices recover slightly
- Longs remain under pressure in Europe
- Metinvest faces challenges for EU greenfield mill

#### Asia:

- Iron ore recovers further
- Asian rebar prices up Vietnamese HRC buying



#### India:

- Indian HRC offers stable despite slowed demand
- Pakistan scrap offers drop amid
- delayed financing Indian scrap offers stable amid rise in DRI consumption

#### CIS:

Russian billet mills see soft Turkish demand, competition

#### Middle East:

- Turkish scrap buying freezes Turkish rebar mill shifts tonnages
- despite weak local demand Turkish HRC trade satisfactory, imports pressure prices

© Copyright Kallanish 2023 Page 2





### Order Form

# Subscribe to Kallanish Steel Weekly today

#### Start your subscription to Kallanish Steel Weekly (KSW) today

Kallanish Steel Weekly is a new weekly publication from Kallanish Commodities.

The pricing options for 12 month subscriptions are available below.

To sign up complete the form below and return to us.

- Standard: Kallanish Steel Weekly US\$ 1900
- ▶ Premium: Kallanish Steel Weekly US\$ 2740

#### **KSW Content:**

The publication is filled with market information, charts and graphs.

- Supplied in PDF
- Pricing Table
- Price Spreads Table
- 8-9 pages
- · Special features
- · Prices to watch
- Word of the weekGlobal heat map

Start my subscription		
I Yes, please start my subscription so that I can read the Kallanish Steel Weekly.		
Please choose your option below:		
Option 1: Standard KSW US\$ 1900		
Option 2: Premium KSW US\$ 2740		
Your details:	Payment type:	Pay by invoice
Name:		Pay by credit card
i Name. I I Job Title:		
Company:	Credit Card:	<ul><li>☐ Amex</li><li>☐ Mastercard</li></ul>
Address:		☐ Visa
l     City:	Name or cont	
Country:	Name on card:  Card number:	
Phone:	CCV:	Expires:
l     Email:	Signature	Expires.
	Signature	
Please tick below:		
I Confirm I am signing up for a 12 month subscription to KSW		
I have read and agreed to the Kallanish Terms and Conditions.		
l <sup>I</sup> Signature:	Date:	

© Copyright Kallanish 2023 Page 3

Issue: 24-23 | Date: 20 Jun 2023

# Word of the week

# Non-Prime

Non-prime usually describes steel which is unsuitable for its originally intended application – either because of its metallurgy or physical condition – or is in excess of the tonnage required to fulfil a particular contract (over-rolled). Much non-prime is the result of defects created during steelmaking and downstream processing – and as a result this steel does not have the mill certification associated with prime material.



# □ Contact

If you found this issue of Kallanish Steel Weekly interesting please let us know, we would love to hear from you.

Kallanish - UK Britannia House t: +44 7874 008654

**Kallanish - Spain** t: +34 910 062 451

**Kallanish - Bulgaria** t: +359 896 266 305

Kallanish - China Shanghai, China t: +86 182 1728 2941 **Kallanish - USA** t: +1 920 253 8934

Kallanish - Singapore t: +65 9766 8157 General Enquiries: www.kallanish.com info@kallanish.com

Social Media:

Copyright 2023 Kallanish. No distribution is permitted without the prior consent of Kallanish. To find out about multiple user accounts or corporate subscription packages please contact us on info@kallanish.com or on +44 208 735 6520. Use of any information or material provided by Kallanish is entirely at your risk and in no circumstances is Kallanish responsible for any loss, damage or other negative consequence of use of information or material by you or anyone else.

© Copyright Kallanish 2023 Page 4