

## OVERVIEW

### Shagang drives Chinese scrap prices higher

Chinese steel producers have raised ferrous scrap prices by more than 7pc over the past two weeks in response to rising finished steel prices, a move that has accelerated in the past two days in response to stronger steel demand.

Jiangsu-based private-sector steel producer Shagang raised its ferrous scrap purchase prices by 100 yuan/t (\$15/t) from yesterday, after its previous increase of Yn50/t on 31 October. After the latest adjustment, the mill will pay Yn2,890/t value-added tax included for No.3 heavy melt scrap with thickness at 6-10mm, up by Yn200/t or up by 7.4pc from Yn2,690/t two weeks ago. This is the highest level since 2012, market participants said. Argus has tracked the price since April 2018.

The price increase follows elevated prices for other steel feedstocks in China. Seaborne iron ore prices rose to six-year highs in September.

Rizhao Steel in east China, whose listed scrap prices are considered a benchmark for Shandong province, increased its scrap purchase prices by Yn50/t from today. The mill has raised its scrap prices by Yn130/t since 24 October.

The rapid increase in finished steel prices over the past two weeks has driven mills to increase steel production, increasing demand for scrap. Autumn-winter sintering restrictions also lifted scrap charge ratios.

Shanghai rebar and hot-rolled coil ex-warehouse prices have risen by Yn130/t and Yn100/t from Yn3,730/t and Yn3,920/t respectively since 23 October.

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## PRICES

Key prices			
Specification	Price	±	MTD
Iron ore fines (daily) (6 Nov)			
\$/dt			
62% Fe ICX™ cfr Qingdao	117.95	+0.60	117.92
62% Fe PCX fot Qingdao (Yn/wmt)	849	+1	859
62% Fe PCX seaborne equivalent	119.25	+1.05	119.71
Coking coal (daily) (6 Nov)			
\$/dt			
Premium low-vol, fob Australia	108.55	+0.40	108.45
PCI low-vol, fob Australia	71.00	nc	70.94
Semi-soft mid-vol, fob Australia	71.20	nc	71.20
Metallurgical coke (daily) (6 Nov)			
\$/t			
62 CSR, fob north China	335.85	nc	330.84
Seaborne steel (daily) (6 Nov)			
\$/t			
HRC, fob Tianjin (SS400)	527.00	+2.00	522.20
Rebar, fob Zhangjiagang	475.00	nc	475.00
Steel wire rod, fob north China	516.00	nc	515.00
HRC, cfr ASEAN (SAE1006)	542.00	+3.00	537.40
Europe domestic (daily) (6 Nov)			
€/t			
HRC, northwest Europe ex-works	510.50	+3.50	508.50
Ferrous scrap (daily) (6 Nov)			
\$/t			
HMS 1/2 (80:20), cfr Turkey	296.10	+1.30	294.22
HMS 1/2 (80:20), cfr Taiwan container	288.00	nc	286.20

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Slowing scrap arrivals also contributed to the price increases. Scrap cargo arrivals to Shagang fell to 10,000-15,000 t/d over the past two days, below this year's average level of around 15,000-20,000 t/d, participants said. It was expected that mills would raise scrap prices. But Shagang's move was much higher than expected, as usually only when scrap arrivals fell below 10,000 t/d will the mill lift prices by as much as Yn100/t.

Shagang might be seeking to build inventories in anticipation of tighter supplies, participants said. Most other steel mills in east China followed Shagang, raising scrap prices by Yn20-50/t today.

Shagang will carry out maintenance on its converters for 14 days in November, which will cut output by 64,500 t/d, but its production at electric arc furnaces (EAFs) will be unaffected.

EAF mills can still make around a Yn50/t profit for rebar after the scrap price increase, with utilisation rates for EAF mills in China still above 60pc, a market participant said.

Scrap prices can surge during winter when strict enforcement of sintering and blast furnace operations makes mills rely more on scrap charge in the converter to maintain output levels.

## IRON ORE PRICE ANALYSIS

### China iron ore: Trade volumes stay slim

Seaborne iron ore prices rose modestly today as rising supply kept price outlooks downbeat and trade subdued.

"Bearish outlooks and few trading opportunities continue to dampen buying interest. The iron ore market is seen as trading in a narrow range even with the rise in the paper market," a Hebei-based mill manager said.

December 62pc swaps rose by \$1.15/t to \$114.15/t end of Singapore day. The Argus ICX 62pc index rose by 60¢/dry metric tonne (dmt) to \$117.95/dmt cfr Qingdao. The 65pc index rose by 25¢/dmt to \$130/dmt.

Pilbara Blend Fines (PBF) with 1-10 December laycan was

Value-in-Market quality adjustments (daily) (6 Nov)				\$/dt	
Adjustment	Change	Range		±	
Iron	Per 1% Fe	60%-63.5%	1.90	nc	
		63.5%-65% *	4.00	-0.15	
Silica	Per 1% SiO <sub>2</sub>	<4.5%	0.20	nc	
		4.5%-6%	1.10	nc	
		>6%	1.70	nc	
Alumina	Per 1% Al <sub>2</sub> O <sub>3</sub>	1%-2.25%	2.80	nc	
		2.25%-3%	2.50	nc	
Phosphorus	Per 0.01% P	<0.08%	1.30	nc	
		0.08-0.1%	0.00	nc	
		>0.1%	1.85	nc	

\* Implied by the 65/62 differential

Seaborne iron ore prices (daily) (6 Nov)				\$/dt	
Specification	Price	±	MTD		
Iron ore fines, cfr Qingdao					
<60% Fe					
56.7% Fe SSF seaborne equivalent	103.40	+0.50	104.10		
58% Fe fines	108.30	+1.35	107.81		
60-63.5% Fe					
62% Fe fines (ICX™)	117.95	+0.60	117.92		
62% PCX seaborne equivalent	119.25	+1.05	119.71		
62% Fe ICX-PCX seaborne average	118.60	+0.80	118.83		
>63.5% Fe					
65% Fe fines	130.00	+0.25	130.22		
Iron ore fines, fob Australia					
62% Fe fines (ICX™) netback	110.60	+0.80	110.25		
Iron ore lump, cfr Qingdao					
62% Fe lump \$/dt	122.80	+0.75	122.74		
62% Fe lump premium €/dmtu	7.80	+0.20	7.78		

Seaborne iron ore prices (weekly)				\$/dt	
Specification	Price	±	MTD		
Iron ore pellet, cfr Qingdao (3 Nov)					
64% Fe 2% Al pellet	139.00	nc	139.00		
64% Fe 3% Al pellet	136.00	nc	136.00		
Iron ore concentrate, cfr Qingdao (4 Nov)					
Australian concentrate floating premium	-0.75	nc	-0.75		
Ukrainian concentrate floating premium	-1.50	nc	-1.50		

China portside iron ore prices (daily) (6 Nov)				Yn/wt	
Specification	Price	Diff to PCX	±	MTD	
62% PCX fot Qingdao	849		+1	859	
NHGF fot Qingdao	853.00	+4.000	-2.00	863.00	
BRBF fot Qingdao	856.00	+7.000	+5.00	864.20	
PBF fot Qingdao	842.00	-7.000	+1.00	852.40	
PBF fot Caofeidian	845.00	-4.000	-2.00	853.60	
SSF fot Qingdao	740.00	-109.000	-2.00	751.20	
SSF fot Caofeidian	742.00	-107.00	-8.00	753.60	
PBL fot Qingdao	890.00	+41.000	+9.00	895.40	

Spot iron ore freight rates (daily) (6 Nov)		\$/t	
Route and tonnage		rate	
WC Australia-N China Capesize 160,000t		6.80	
Tubarao-Antwerp Capesize 160,000t		6.90	
Tubarao-Qingdao Capesize 160,000t		14.00	
Saldanha Bay-Qingdao Capesize 160,000t		11.10	

offered at \$117.45/dmt on 62pc Fe basis on the Globalore platform and bid at \$116.50/dmt.

A cargo of 110,000t Yandi Fines (YDF) with 28 November-7 December laycan traded at \$1.25/dmt over December 62pc index on the Corex platform. IOCJ traded at \$130/dmt on Corex.

A cargo of SP10 with 6-15 December laycan was heard sold at a 4.8pc discount to a December 62pc index through a tender today, its discount narrowing like other low- and medium-grade fines.

Off-screen trade was sluggish as most participants expect prices will fall further and mills are less active restocking.

"We still have ore in stock, may buy some from portside market for urgent needs because the prices at the ports are relatively acceptable after declines," a buyer for Hebei-based mill said.

Off-screen offers for PBF cargoes with early December laycans fell to \$2.50-3.30/dmt premium over December 62pc index. Early December-loading PBF cargoes have been heard traded at \$2.90/dmt over December 62pc index recently, a Shanghai-based trader said.

The Argus PCX 62pc portside fines index rose by Yn1/wet metric tonne (wmt) to Yn849/wmt free-on-truck Qingdao. A stronger yuan against the US dollar amplified the gain for the PCX seaborne equivalent, which rose by \$1.05/dmt to \$119.25/dmt cfr Qingdao.

Portside trade was not very active today, as buying typically dies down on the last working day of the week. Trades were concentrated on PBF with its premium to lower-grade fines narrowed.

"The price differential of PBF to lower grade fines has narrowed. The differential is only Yn100-105/wmt to Super Special Fines (SSF) and Yn58-62/wmt above FMG Blended fines (FBF), which means a better value for medium-grade fines," a Beijing-based trader said.

"The PBF portside traders are mostly selling October cargoes, which are at a loss now. The current high met coke price may lead mills to consider cutting met coke ratios by using more medium or high-grade fines and less low-grade fines," a Shanghai-based trader said.

PBF traded at Yn840-843/wmt at Shandong port and at Yn845/wmt at Caofeidian port.

#### ICX rationale

There were no ICX-eligible deals today.

There was a matched bid-ask pair of \$116.50/dmt and \$117.45/dmt on the Globalore platform that normalised to \$117.43/dmt and \$118.38/dmt. They were given 20pc volume weighting.

There were 19 indicative prices, bilateral bids and offers with a pre-exclusion normalised average of \$118.00/dmt

Seaborne iron ore brand quality adjustments (06 Nov)				\$/dt
Specification	Diff to ICX	±	Outright price	Diff MTD
Iron ore fines, cfr Qingdao				
Typical				
PBF	-2.08	nc	115.87	-2.08
NHGF	+0.56	nc	118.51	0.44
MACF	-5.25	nc	112.70	-5.10
JMBF	-8.58	nc	109.37	-8.52
BRBF	+2.20	nc	120.15	1.90
62% Fe basis				
PBF62	-0.18	nc	117.77	-0.18
NHGF62	+0.00	nc	117.95	-0.13
MACF62	-2.97	nc	114.98	-2.82
JMBF62	-5.73	nc	112.22	-5.67
BRBF62	+0.30	nc	118.25	0.00
<60% Fe Iron ore fines, cfr Qingdao				
YDF	-11.52	+0.72	106.43	-11.97
YDF58	-9.65	+0.75	108.30	-10.11
Iron ore lump, cfr Qingdao				€/dmtu
NBL	8.62	+0.20	-	-
PBL	7.28	+0.20	-	-

Seaborne iron ore implied floating premiums (6 Nov)				\$/dt
Specification	Premium	±	MTD	
Typical				
Iron ore fines, cfr Qingdao				
PBF	+3.62	-0.55	4.23	
NHGF	+3.80	-0.55	4.28	
MACF	+0.83	-0.55	1.59	
JMBF	-1.93	-0.55	-1.26	
BRBF	+4.10	-0.55	4.41	
YDF	+1.62	+0.29	1.74	

Iron ore, 62pc fines derivatives (daily) (6 Nov)			\$/t
Timing	Price	±	
Nov 20	117.50	+0.90	
Dec 20	114.15	+1.15	
Jan 21	111.05	+1.00	
1Q 21	108.15	+0.85	
2Q 21	100.60	+0.60	
3Q 21	95.15	+0.70	
2021	98.65	+0.70	
2022	85.15	+0.50	

with each given a 5pc volume weighting. Normalised prices above \$118.62/dmt and below \$117.36/dmt were statistically excluded.

#### 65pc fines rationale

There was one 65pc index-eligible deal today. It had a \$130.00/dmt average normalised price and made up 74pc of the index.

Bilateral bids, offers and indicative prices had a post-exclusion normalised average of \$129.94/dmt and made up 26pc of the index.

#### Lump premium rationale

Bilateral bids, offers and indicative prices had a post-exclusion normalised average of 7.80¢/dmt unit and made up 100pc of the index.

## COKING COAL PRICE ANALYSIS

### Asia-Pacific coking coal: Canadian deal lifts prices

Prices into China jumped as Canadian premium hard coking coal cargo was sold higher amid strong demand for non-Australian coal.

First-tier prices to China rose by \$11.70/t to \$140.45/t on a cfr basis, while second-tier prices were flat at \$109/t cfr north China. A cargo of Canadian Raven coal for December-loading was sold at about \$148/t cfr China yesterday, but details could not be verified. The price included a 3pc import tax.

An unconfirmed cargo of US hard coking coal was heard sold at about \$137/t cfr China and yet another cargo of US premium hard coking coal with a 72 CSR was heard sold at \$152/t cfr China to a trader. Details of both trades could not be verified.

Sales of non-Australian coking coal into China have been so lucrative that traders have been asking an Indian steel producer to swap its non-Australian coking coal cargoes for Australian coking coal, so that traders can sell them into China at a decent profit. "But we would prefer not to since we also wish to diversify our coal sources," the steel producer

Fob Australia brand differentials (daily) (6-Nov)				\$/t
Specification	Diff	+/-	MTD	
Peak Downs	+1.50	nc	1.50	
Saraji	+0.50	nc	0.50	
Illawarra	-3.00	nc	-3.00	
German Creek	-2.00	nc	-2.00	
Goonyella	-3.00	nc	-3.00	
Moranbah North	-3.00	nc	-3.00	
Glencore Low Vol	-3.00	nc	-3.00	
Oaky North	-1.50	nc	-1.50	
Riverside	-4.00	nc	-4.00	
Peak Downs North	-4.00	nc	-4.00	

Asia-Pacific coking coal prices (daily) (6 Nov)				\$/t
Specification	Price	±	MTD	
Asia-Pacific premium hard coking coal low-vol				
fob Australia	108.55	+0.40	108.45	
cfr north China	140.45	+11.70	128.64	
delivered Japan	118.20	+0.25	118.24	
cfr east coast India	121.10	-0.05	121.34	
Asia-Pacific hard coking coal mid-vol				
fob Australia	98.00	nc	97.90	
cfr north China	109.00	nc	109.33	
cfr east coast India	111.00	nc	110.90	
Asia-Pacific semi-soft coking coal mid-vol				
fob Australia	71.20	nc	71.20	

fob Australia semi-soft coking coal diff (daily) (6 Nov)				\$/t
Specification	Diff	+/-	MTD	
High-vol differential to mid-vol	-4.73	nc	-4.73	

N China domestic hard coking coal prices (daily) (6 Nov)				Yn/t
Specification	Price	±	MTD	
Domestic low-vol	1,320	nc	1,320	
Domestic low-vol (\$/t)	184.53	nc	184.53	
Domestic mid-vol	1,140	nc	1,140	
Domestic mid-vol (\$/t)	159.37	nc	159.37	

Hard coking coal, Atlantic prices				\$/t
Specification	Price	±	MTD	
US seaborne, daily (06 Nov)				
fob Hampton Roads (low-vol)	108.50	-0.50	109.10	
fob Hampton Roads (high-vol A)	118.25	+0.50	118.30	
fob Hampton Roads (high-vol B)	104.00	nc	104.00	
Americas seaborne, weekly (03 Nov)				
delivered Rotterdam (US low-vol)	122.75	+1.75	122.75	
fob Colombia (mid-vol)	107.50	+2.50	107.50	

Asia-Pacific PCI prices (daily) (6 Nov)				\$/t
Specification	Price	+/-	MTD	
Asia-Pacific low-vol PCI				
fob Australia	71.00	nc	70.94	
cfr north China	82.00	nc	81.94	
cfr India	82.40	-0.20	82.54	

fob Australia PCI coal diff (daily) (6 Nov)				\$/t
Specification	Diff	+/-	MTD	
Mid-vol differential to low-vol	-2.00	nc	-2.00	

ARA, Baltic PCI prices (weekly) (4 Nov)				\$/t
Specification	Price	±	MTD	
Low-volatile PCI, fob Baltic	75.00	nc	75.00	
Mid-volatile PCI, fob Baltic	73.00	nc	73.00	
Low-volatile PCI, cif ARA	81.85	+0.25	81.85	
Mid-volatile PCI, cif ARA	79.85	+0.25	79.85	

said.

"Otherwise, the market looks kind of muddled right now and it is difficult to predict the direction that prices will go," the producer added.

Prices generally look strong, and Australian producers are trying to capitalise on the higher prices that are being concluded to buyers in China by getting firm numbers for trades sold to ex-China regions, an international trader said.

"Prices for non-Australian coal are expected to increase as demand picks up in the short term. But this is likely to change quickly as buyers might shift their interest to the domestic market as soon as domestic coal prices fall," a Chinese trader said.

A cargo of premium low-volatile hard coking coal for December-loading was offered on online trading platform Globalcoal at \$110/t fob Australia earlier in the day but was removed later in the session.

Premium hard coking coal prices on a fob basis for Australian exports rose by 40¢/t to \$108.55/t, and tier-two mid-volatile prices were unchanged at \$98/t fob Australia. A 75,000t cargo of Riverside loading 5-14 December was sold at \$105/t fob Australia today, about \$7/t lower than a similar cargo early last week.

The premium mid-volatile cargo is likely sold to India as Australian import curbs in China remained unchanged, market participants said.

"Premium mid-volatile cargoes seem to be well sold and offers have been few in the market, while demand for premium low-volatile cargoes remained weak as Chinese buyers are absent," a Singapore-based trader said. The producer will likely have to divert the premium low-volatile coals at a discounted price to other regions to entice buyers, he said.

Premium hard coking coal prices to India fell by 5¢/t to \$121.10/t on a cfr basis, and second-tier prices were flat at \$111/t cfr east coast India.

### Atlantic coking coal: Chinese interest steadies prices

Signs of Chinese buyers closing in on further US and Canadian coals this week, along with ongoing supply tightness for a number of US coal grades, have kept US coking coal prices largely steady at the end of this week.

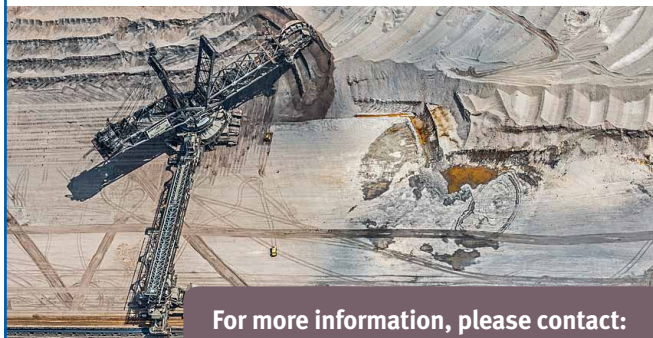
The Argus daily fob Hampton Roads assessment for low-volatile coking coal moved down by 50¢/t to \$108.50/t, with Chinese buyers leaning towards mid-volatile US coals to fulfil any shortage rather than the typical low-volatile material on offer from US mines. The high-volatile A assessment edged up by 50¢/t to \$119/t as the lack of spot availability continues to support the price. The high-volatile B price remains unchanged at \$104/t fob Hampton Roads amid limited liquidity.

Discussions are ongoing between a number of US sup-

Seaborne met coke prices (daily) (6 Nov)				\$/t
Specification	Delivery Period	Price		±
62 CSR coke, fob north China	0-60 days	335.85		nc
65 CSR coke, fob north China	0-60 days	348.35		nc
Spot coal freight rates (daily) (6 Nov)				\$/t
Route and tonnage			Rate	
Richards Bay - Rotterdam Capesize 150,000t			6.75	
Richards Bay - Rotterdam Panamax 70,000t			13.50	
Puerto Bolivar - Rotterdam Capesize 150,000t			8.45	
Puerto Bolivar - Rotterdam Panamax 70,000t			11.30	
Murmansk - Rotterdam Panamax 70,000t			6.80	
Newcastle - Zhoushan Capesize 150,000t			9.95	
Richards Bay - S China Capesize 150,000t			10.20	
EC Australia - Japan Panamax 70,000t			9.65	
EC Australia - EC India, 70,000t			11.40	
EC Australia - S Korea Panamax 70,000t			9.10	
US east coast - ARA Capesize 140,000t			9.75	
US east coast - Japan Panamax 70,000t			29.50	
Hay Point - Rotterdam Capesize 160,000t (3 Nov)			10.20	
Coking coal, low vol derivatives (daily) (6 Nov)				\$/t
Timing		Price		±
Nov 20		111.55		+0.55
Dec 20		121.40		+2.40
Jan 21		134.50		+2.90
1Q 21		141.85		+3.00
2Q 21		142.25		+2.40
3Q 21		141.25		+2.15
2021		141.60		+2.60
2022		141.40		+1.05

## Argus expands coverage of iron ore market

The two new weekly prices, for Australian and Ukrainian origin concentrate, will be published as differentials to the Argus 65pc Fe fines index.



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pliers and Chinese counterparties as China's clamp-down on Australian coal imports continues to see Chinese mills seeking alternative coals. Interest in US mid-volatile coals and certain low-volatile grades has been growing in recent weeks, with a few deals understood to be under negotiations or close to finalising.

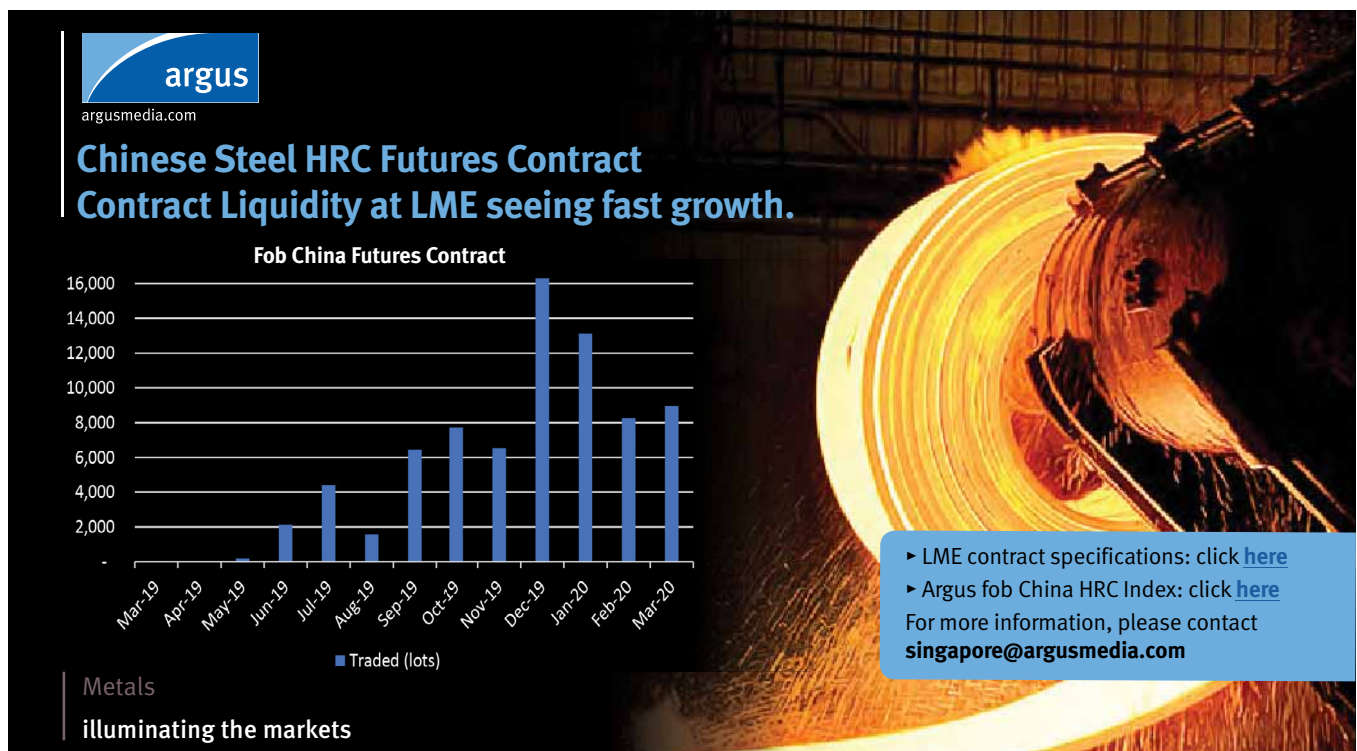
A cargo of high-quality mid-volatile 72 CSR US coking coal was heard to have traded at \$152/t cfr China but the deal could not be confirmed. A cargo of high-volatile Canadian Raven coal for December loading was sold at about \$148/t cfr China yesterday, but details could not be verified. The price included a 3pc import tax.

The supply situation for US high-volatile coals remains tight, with a key high-volatile A producer having no spot availability until after the first quarter at least. "We are not hearing of many people trying to move whole cargoes before the end of this year, unlike what we have seen in previous years," one US mining company said.

While US output is expected to see a significant bump up next year with the start-up of Arch Resources' 4mn t/yr Leer South mine in the third quarter, the weak price scenario this

year has dampened plans for other mining firms. Consol has [slowed spending on the construction of the Itmann coking coal mine](#) in West Virginia. Construction of the mine started in the second half of 2019 and development mining began in April. Full production from the mine is expected on the completion of a new preparation plant. The pace of construction depends on coal sales market conditions, Consol said. When fully operational, the company anticipates about 900,000 st/yr of low-volatile coking coal capacity.

Metallurgical coke remains in tight supply globally, driven by strong demand in China, while Latin American mills have also returned for Colombian met coke in the past few months, with the restart of their blast furnaces. "There is a bit of a met coke shortage in Europe, so I wish I was offering," a trading firm said. Colombian met coke producers are [largely sold out](#) for the rest of this year. China has been an outlet for Colombian met coke this year, which is unusual because of the long sailing times and China's own domestic coke industry. Colombian producer Coquecol expects to sell two 20,000t met coke cargoes to China in the fourth quarter.



## STEEL PRICE ANALYSIS

### Asia-Pacific steel: Transactions, sentiment lift prices

Asia-Pacific steel prices continued to trend upwards at the end of this week, on the back of positive market sentiment buoyed by active trade. Chinese domestic hot-rolled coil (HRC) and rebar prices recorded a price increase of 90-120 yuan/t (\$14-18/t) over the last week.

The central parity rate of the yuan was at 6.6290 against US dollar today, up by 605 base points from 6.6895 on 5 November.

#### Coil

Shanghai mainstream HRC ex-warehouse prices rose by Yn20/t to Yn4,040/t amid active trade, gaining Yn90/t from 30 October.

Market sentiment was positive with robust demand and supply increasing significantly in the local market. Participants expect steel prices to stay firm in the coming 2-3 weeks with construction projects catching up with operations before winter. January futures for HRC rose by 0.31pc to Yn3,920/t.

The fob China HRC index rose by \$2/t to \$527/t on higher deals. An eastern China-based mill sold around 20,000t SS400 HRC at \$530/t fob China this week to South America, while another deal for 10,000t same grade coils was concluded at \$520-530/t fob China this week. Some traders were pushed to buy coils at the high end to cover shortages as no Chinese mills were willing to receive orders below \$530/t fob China given strong domestic sales, participants said. Vietnamese buyers were accepting higher prices at the equivalent of \$525/t fob China after sellers all pushed up offers.

The Asean HRC index rose by \$3/t to \$542/t on rising offers and bids. Offers all increased to above \$550/t cfr Vietnam for SAE1006 grade coils, while some Vietnamese buyers could accept \$540/t cfr Vietnam. A large Chinese mill was heard to have sold same grade coils as high as \$545-550/t cfr Vietnam after deals were concluded at \$528-534/t cfr Vietnam earlier this week for other mills. But no further details could be obtained. Vietnam-based Formosa Ha Tinh was expected to hike its monthly offers next week in line with the rising trend. China sold quite well domestically, and some mills did not have any allocation for export for SAE grade coils, an international trader said.

#### Rebar

The Shanghai mainstream rebar ex-warehouse price rose by Yn30/t to Yn3,890/t on consumer restocking ahead of the weekend.

### Asia-Pacific steel prices

Specification		Price	±	MTD
Seaborne and domestic (daily) (06 Nov)				
HRC				
fob Tianjin (SS400)	\$/t	527.00	+2.00	522.20
cfr ASEAN (SAE1006)	\$/t	542.00	+3.00	537.40
ImpEx (Asian import-export)	\$/t	534.50	+2.50	529.80
Shanghai ex-warehouse	Yn/t	4,040	+20	4,002
Rebar				
fob Zhangjiagang	\$/t	475.00	nc	475.00
Shanghai ex-warehouse	Yn/t	3,890	+30	3,842
Taiwan ex-mill (SD280)	Twd/t	15,300	nc	15,300
Taiwan ex-mill (SD280)	\$/t	535.58	+0.52	535.02
Wire rod				
fob north China	\$/t	516.00	nc	515.00
Billet				
Tangshan ex-works	Yn/t	3,510	+10	3,482
Seaborne and domestic (weekly) (06 Nov)				
HRC				
India ex-works	Rs/t	43,000	+1,000	43,000
Rebar				
cfr ASEAN	\$/t	479.00	+2.00	479.00
Japan ex-mill (SD295A)	Yen/t	61,000	nc	61,000
Japan ex-mill (SD295A)	\$/t	588.12	+5.51	588.12
CRC				
Shanghai ex-warehouse	Yn/t	4,904	+78	4,904
Seamless steel pipe				
Shanghai ex-warehouse	Yn/t	4,450	+50	4,450

Country diff to HRC, cfr ASEAN (SAE1006) (daily) (6 Nov)				\$/t
Specification	Diff	±	MTD	
HRC, cfr ASEAN China origin	+0.00	nc	0.00	
HRC, cfr ASEAN India origin	+0.00	nc	0.00	
HRC, cfr ASEAN Japan origin	+5.00	nc	5.00	
HRC, cfr ASEAN South Korea origin	+0.00	nc	0.00	
HRC, cfr ASEAN Taiwan origin	+0.00	nc	0.00	

Steel mill cost analysis			\$/t
	Price	±	
China (daily) (6 Nov)			
Ferrous feed unit cost blast furnace	247.34	+1.18	
Blast spread fob China rebar	227.67	-1.17	
Blast spread fob China HRC	279.67	+0.83	
Ferrous feed unit cost BOF 15% charge	288.66	+1.55	
BOF spread 15% charge fob China rebar	186.34	-1.55	
BOF spread 15% charge fob China HRC	238.34	+0.45	
Turkey (daily) (6 Nov)			
Ferrous feed unit cost arc furnace	331.63	+1.45	
Arc spread fob Turkey rebar	122.17	-1.45	
Arc spread ex-works Turkey rebar	208.14	-1.45	
Taiwan (weekly) (6 Nov)			
Ferrous feed unit cost arc furnace	322.56	nc	

January futures for rebar were up by 0.75pc to Yn3,782/t and traders increased offers to Yn3,900-3,910/t. Buyers are active in replenishing stocks as they are concerned about a further price increase next week given the positive market sentiment. Construction steel demand in major east China markets remains strong amid good weather and tight supply.

The fob China rebar index was flat at \$475/t theoretical weight with few Chinese mills still offering. An east China producer is offering rebar to South Korea at \$510-520/t cfr theoretical weight, equivalent to \$500-510/t fob theoretical weight. "Most Chinese mills stopped offering to export markets as domestic trade and profit is way better," a north China producer said.

The weekly assessed Asean rebar index rose by \$2/t to \$479/t cfr Singapore theoretical weight on the back of higher target prices from southeast Asian buyers. Turkey rebar offers stayed firm at \$490-495/t cfr Hong Kong actual weight and \$485/t cfr Singapore theoretical weight. Bids from Singapore were also higher this week at \$475/t cfr theoretical weight. But no deals have been concluded yet as Turkish producers are unwilling to negotiate lower amid rising scrap prices. The Hong Kong market remains quiet amid ample inventories and buyers' active import bookings last month.

#### Wire rod and billet

The Chinese wire rod export price was unchanged at \$516/t fob on new deals concluded at \$515/t fob.

Chinese mills sold 40,000t of wire rod at \$515/t fob this week with most shipments heading to South America. Leading Chinese mills' December wire rod shipments were almost fully booked. The sharp gains in the domestic market are likely to support higher wire rod export offers and workable prices from Chinese mills next week.

A major Vietnam producer was heard to have sold out of its January billet export shipment. Iran billet was offered to China at a competitive price of \$445/t cfr, but most Chinese buyers are cautious about purchasing Iranian materials given the sanctions and complex currency exchange process.

Tangshan billet ex-works prices rose by Yn10/t to Yn3,510/t today, gaining Yn60/t accumulatively this week from Yn3,450/t on 30 October.

Steel HRC Europe swaps (daily) (6 Nov)			€/t
Timing	Price	±	
Nov 20	508.50	+0.50	
Dec 20	512.00	nc	
Jan 21	515.00	nc	

US, Europe and Middle East steel prices			
Specification	Price	±	MTD
Europe and CIS (daily) (6 Nov)			\$/t
HRC			
NW Europe ex-works €/t	510.50	+3.50	508.50
NW Europe ex-works \$/t	605.96	+4.91	598.01
ex-works Italy €/t	496.00	+1.75	490.15
ex-works Italy diff to NW Europe €/t	-14.50	-1.75	-18.35
fob Black Sea	500.00	+10.00	492.00
CRC			
fob Black Sea	560.00	+5.00	556.00
Rebar			
fob Turkey	453.80	nc	451.48
Billet			
fob Black Sea	415.00	+3.00	411.40
US, Europe and CIS (weekly)			\$/t
HRC (3 Nov)			
ex-works US Midwest \$/st	695.00	+10.00	695.00
ddp Houston \$/st	680.00	nc	680.00
HRC (5 Nov)			
ddp West Midlands, UK £/t	490.00	nc	490.00
cif south Europe port €/t	475.00	+10.00	475.00
HRC (6 Nov)			
fob Turkey	530.00	+15.00	530.00
Turkey ex-works \$/t	537.50	+17.50	537.50
Turkey ex-works TL/t	4,581	+260	4,581
CRC (6 Nov)			
fob Turkey	630.00	+25.00	630.00
Turkey ex-works \$/t	645.00	+32.50	645.00
Turkey ex-works TL/t	5,497	+407	5,497
CRC (3 Nov)			
ex-works US \$/st	880.00	+5.00	880.00
Rebar (5 Nov)			
fob Black Sea	450.00	+5.00	450.00
Turkey ex-works TL/t	4,560	+220	4,560
Turkey ex-works \$/t	539.77	+18.00	539.77
Italy ex-works* €/t (4 Nov)	395.00	-5.00	395.00
*fortnightly			
Wire rod			
fob Black Sea (5 Nov)	505.00	nc	505.00
fob Turkey (4 Nov)	515.00	+10.00	515.00
Slab (5 Nov)			
fob Black Sea	445.00	+5.00	445.00
HDG coil (3 Nov)			
ex-works US \$/st	900.00	+10.00	900.00
Plate (3 Nov)			
del US \$/st	670.00	+30.00	670.00
Europe (monthly)			€/t
Plate (15 Oct)			
ex-works northwest Europe	480.00	+5.00	-
ex-works Italy	475.00	nc	-
Longs (4 Nov)			
Italy H-beam ex-works €/t	512.50	nc	-
Middle East (monthly) (29 Oct)			\$/t
Rebar			
UAE ex-works Dh/t	1,815	-75	-
UAE ex-works \$/t	494.12	-20.43	-



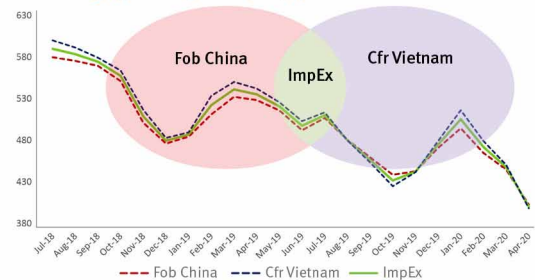
### Summary of market activity heard by Argus

- HRC-China: Singapore trading firm reports deal this week for SS400 grade HRC at \$535/t cfr Vietnam
- HRC-China: North China trading firm reports deal this week for SS400 grade HRC at \$526/t fob China
- HRC-China: East China trading firm reports deal this week for SS400 grade HRC at \$530/t fob China
- HRC-China: East China trading firm reports deal this week for SS400 grade HRC at \$522.5/t fob China
- HRC-China: East China trading firm reports deal this week for SS400 grade HRC at \$527.5/t fob China
- HRC-Asean: East China trading firm reports deal this week for China-origin SAE1006 grade at \$551/t cfr Pakistan
- HRC-Asean: Vietnam trading firm reports deal this week for China-origin SAE1006 grade at \$528/t cfr Vietnam
- HRC-Asean: Korean trading firm reports deal this week for China-origin SAE1006 grade at \$547.5/t cfr Vietnam
- HRC-Asean: Vietnam trading firm reports deal this week for China-origin SAE1006 grade at \$550/t cfr Vietnam
- HRC-Asean: Vietnam trading firm reports deal this week for China-origin SAE1006 grade at \$534/t cfr Vietnam
- HDG-China: East China trading firm reports indicative level for SGCC grade HDG at \$645/t fob China
- CRC-China: East China trading firm reports indicative level for SPCC grade CRC at \$615/t fob China
- HRC-China: East China trading firm reports indicative level for SS400 grade HRC at \$530/t fob China
- HRC-China: North China trading firm reports indicative level for SS400 grade HRC at \$530/t fob China
- HRC-China: East China trading firm reports indicative level for SS400 grade HRC at \$530/t fob China
- HRC-China: East China trading firm reports offer for SS400 grade HRC at \$540/t fob China
- HRC-China: East China trading firm reports indicative level for SS400 grade HRC at \$525/t fob China
- HRC-China: East China trading firm reports indicative level for SS400 grade HRC at \$527.5/t fob China
- HRC-Asean: Singapore trading firm reports offer for China-origin SAE1006 grade at \$542.5/t cfr Vietnam
- HRC-Asean: Singapore trading firm reports offer for China-origin SAE1006 grade at \$550/t cfr Vietnam
- HRC-Asean: Singapore trading firm reports offer for India-origin SAE1006 grade at \$550/t cfr Vietnam
- HRC-Asean: East China trading firm reports offer for China-origin SAE1006 grade at \$540/t fob China
- HRC-Asean: Vietnam trading firm reports offer for China-origin SAE1006 grade at \$552/t cfr Vietnam
- HRC-Asean: Vietnam trading firm reports offer for India-origin SAE1006 grade at \$552/t cfr Vietnam
- HRC-Asean: Vietnam trading firm reports bid for open-

### Argus White Paper: Fob China or cfr Vietnam: a false choice for Asia's coil markets

Despite correlations of over 98pc between their respective headline indexes, buyers and sellers are struggling to agree on which to use. How do we bridge the divide in Asia's steel markets?

Minimising opportunity costs (US\$/t)



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origin SAE1006 grade at \$540/t cfr Vietnam

- HRC-Asean: Northeast China mill reports indicative level for China-origin SAE1006 grade at \$550/t cfr Vietnam
- Wire rod-China: North China mill reports offer for SAE1008 wire rod at \$520/t fob North China
- Wire rod-China: North China mill reports indicative level for SAE1008 wire rod at \$520/t fob North China
- Wire rod-China: North China mill reports deal for SAE1008 wire rod at \$515/t fob North China
- Wire rod-China: North China mill reports bid for SAE1008 wire rod at \$515/t fob North China
- Wire rod-China: Vietnam mill reports indicative level for SAE1008 wire rod at \$515/t fob North China
- Rebar-China: North China mill reports offer for SD500 rebar at \$515/t cfr South Korea theoretical weight
- Billet-Asean: North China trading firm reports offer for SSP billet at \$445/t cfr East China
- Rebar-Asean: Singapore end user reports offer for B500B rebar at \$495/t cfr Hong Kong actual weight
- Rebar-Asean: Singapore end user reports offer for B500B rebar at \$485/t cfr Singapore theoretical weight
- Rebar-Asean: Hong Kong end user reports offer for B500B rebar at \$495/t cfr Hong Kong actual weight

### India steel: HRC prices rise as end-users ramp up

Domestic Indian hot-rolled coil (HRC) prices rose this week on the back of higher demand from ramped-up steel end-user operations.

The Argus weekly price for India domestic HRC with 3mm thickness rose by 1,000 rupees/t (\$13.50/t) to Rs43,000/t ex-Mumbai from last week. The price excludes a GST tax.

A Chennai-based trader reported deals for 3mm HRC at Rs43,000/t, 2mm at Rs46,000/t and 1.6mm at Rs49,000/t for quantities between 50-100t this week.

Demand is likely to rise further in the coming months, as migrant labourers who had moved back to their native towns are now returning back to construction and manufacturing sites, giving a further push to steel end-user operations.

Mills raised offer levels this week in anticipation of the upcoming Hindu new year Diwali on 14 November. Consumer spending on automobiles, real estate and consumer durables usually picks up during the week-long Diwali holidays.

End-user operations such as automobile and capital goods manufacturing are ramping up with the lifting of lockdown restrictions across the country. Most states withdrew lockdown restrictions in October, allowing for the movement of people and goods, other than those employed in essential services.

HRC demand is rising especially from machine and tool producers, fabricators, tractors and commercial vehicle manufacturers, power transmission projects and for warehousing maintenance by pharmaceutical firms, the Chennai trader said.

The India HRC price has risen by 26pc from a mid-year low of Rs34,000/t on 17 July.

### Turkey rebar: Export flat, local demand kicks off

Turkish export rebar prices remained flat today on recent sales to Israel and Yemen, with the bid-offer spread in the southeast Asian import market staying unchanged.

The Argus daily fob Turkey steel rebar assessment remained flat at \$453.80/t fob on actual weight basis today. Two Turkish mills were heard to have sold 10,000t cargoes to Yemen and Israel at a base price of \$455/t fob on actual weight basis yesterday.

Singapore bids at \$475/t cfr on theoretical weight basis and Hong Kong bids at \$485/t cfr on actual weight basis today were still met with Turkish mill offers of \$480/t cfr Singapore on theoretical weight basis and \$490/t cfr Hong Kong on actual weight basis. The bids and offers equate to about \$450/t fob and \$455/t fob Turkey on actual weight basis.

Turkish mills increased their scrap-rebar export margins significantly during the second half of October because of healthy scrap supply and increasing overseas rebar demand. But because Turkish mills are making the most competitive offers into southeast Asia, mills can continue to wait a little longer for potentially higher bids. No offers are being heard from Qatar and India. The wait by Turkish mills is putting

pressure on southeast Asia buyers to pay the \$455/t fob mark for 50,000t cargoes, one mill said.

At least three Turkish rebar cargoes are expected to trade into southeast Asia soon. Following the sales, mills are expected to increase offers across the board to \$460-465/t fob on actual weight basis next week.

Turkish domestic rebar demand increased substantially today after the lira weakened to more than TL8.50:\$1, finally kicking off demand after weeks of low-level trading. Improving overseas steel demand – driven by Chinese and US steel domestic markets – was putting pressure on the Turkish domestic rebar market throughout this week. Mills' increased levels of scrap import purchasing in the second half of this week was also a deciding factor.

An Izmir mill was heard to have sold about 10,000t of local rebar today at the equivalent of \$455/t ex-works, excluding value-added tax (VAT), the lowest offer level in the market. The mill was heard to be seeking a deep-sea scrap cargo today.

One Iskenderun mill offered 12-32mm-diameter domestic rebar at 4,620 Turkish lira/t ex-works, including VAT, equivalent to \$461.60/t ex-works, excluding VAT.

The mill was heard to have sold 19,000t of billet this week at \$426-427/t ex-works, excluding VAT. Billet offers in all domestic regions stand at \$430-440/t ex-works, excluding VAT, today. The mill purchased US-origin scrap yesterday and it searched for another deep-sea cargo today, scrap suppliers said. Turkish mills have also shown strong appetite for imported billet, with one Black Sea sale confirmed today at \$440/t cfr, or about \$425/t fob.

A second Iskenderun mill was willing to accept TL4,600/t ex-works, including VAT, for local rebar, equivalent to \$459.70/t ex-works, excluding VAT, according to stockists. The mill purchased continental Europe-origin scrap yesterday.

Iskenderun rebar stockists were heard to bid at \$457-458/t ex-works, excluding VAT.

### CIS billet: More buyers return to negotiations

CIS billet prices strengthened further, as more buyers returned to negotiations and as Asia continued to provide support to prices. The majority of CIS mills were offering January shipment material.

The Argus daily Black Sea billet assessment rose by \$3/t to \$415/t fob today. Tangshan billet ex-works prices reached 3,510 yuan/t at the end of the week, equivalent to \$469/t, excluding VAT. As a result, sellers' expectations firmed up to at least at \$455/t cfr Asia, which would work at no lower than \$415/t fob Black Sea.

The uptrend in the Turkish scrap and finished products

markets pushed Turkish billet prices further up. Material was booked at \$425-430/t ex-works earlier this week, up by \$5/t from previous sales. One producer was also heard to have done a deal for higher grade billets to Peru at \$435/t fob (an equivalent of \$425/t fob for base grade), but this could not be confirmed. Turkish sellers increased their targets to \$430-440/t ex-works or fob, which allows for CIS sellers to maintain offers of more than \$420/t fob Black Sea.

The bullish sentiment and sufficient margins prompted a restart of billet imports in Turkey, with sales heard closed at \$440/t cfr southern ports (around \$425/t fob) for wire rod grade billet from Ukraine. The premium for higher grade is estimated at \$5-10/t. "Buyers were restocking in all segments this week, anticipating prices to rise significantly by mid-month," a Turkish market participant said.

An Algerian buyer opened a tender for 20,000t rebar and 10,000t wire rod-grade billet, and is collecting offers by 10 November. Sellers continued to insist on levels of \$440-445/t cfr for Tunisia. Most buyers indicated a workable level at \$430-435/t cfr for this destination. A 20,000t cargo of CIS billet was heard sold in the range this week, but this could not be confirmed. Small lots were heard traded at \$432/t cfr Tunisia at the end of October.

### EU HRC: North rises as higher offers anticipated

The northwest European hot-rolled coil (HRC) market rose slightly today in expectation of further domestic price increases, supported by high import offers.

Argus' domestic northwest EU HRC index rose by €3.50/t to €510.50/t ex-works, taking the month-to-date average to €508.50/t.

Buyers reported paying €500-515/t delivered for S235 material, while sellers continued to target much higher prices, and at least one mulled a further increase.

Egyptian HRC was offered into Antwerp by a trader at €540/t cif, substantially above domestic prices, while Korean pickled and oiled material was also offered at €560-565/t cif Antwerp. Given such import offers, and constrained domestic supply, some buyers anticipated greater acceptance of current mill offers. There was still a wide spread between domestic pricing. One German producer was offering at €500-510/t, with Visegrad-origin mills targeting similar prices and transacting around €495-500/t delivered. But others were holding firm at €530-550/t, with some suggesting they were almost booked for the first quarter.

Traders received more inquiries from northern buyers, looking to hedge against further rises. But some were still concerned about the likelihood of prices softening in the first quarter when more capacity is likely to come on line, while others expect further increases with current high

import offers meaning arrivals could be limited.

Automotive demand was a strong leverage point for domestic producers, with service centres and cold-rollers selling into the sector squeezed between tight supply and strong buying.

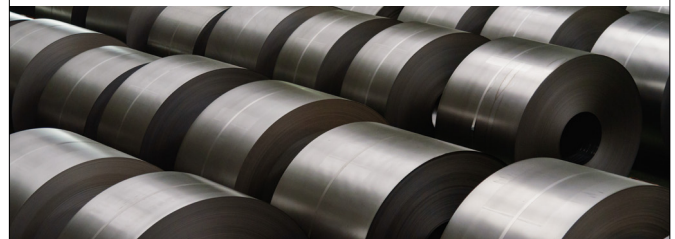
The daily Italian HRC index increased by €1.75/t to €496/t ex-works.

There is a unified push by mills, steel service centres (SSCs) and re-rollers to raise steel product prices in Italy. And even if end-user demand is not booming, supply options are extremely limited. Mills are seeking €500-530/t for HRC, while SSCs have increased sheet prices up to €580/t delivered, although it is unclear if this has been accepted. Cold-rolled offers have risen to €600-630/t.

Uncertainty about Ilva is exacerbating the concerns about flat steel availability in Italy – the mill is understood to be running at around 2mn-2.5mn t/yr. There was a short workers' strikes at the company this week, which is not helping the sentiment that supply is scarce.

Some market participants expect that the deadline for negotiations between the government and steelmaker ArcelorMittal could be postponed – a decision is expected by mid-November. Should this happen, sources are concerned that production rates may be cut further.

### LME to launch new Steel HRC Northern Europe (Argus) Futures Contract



**London Metal Exchange (LME) is launching a new Steel HRC Northern Europe (Argus) futures contract** to provide market participants with a new way to price and manage their exposure.

The contract will be settled against the monthly average of the daily price assessments published by Argus in its **Argus Ferrous Markets** service.

For more information, please contact:  
[metals-m@argusmedia.com](mailto:metals-m@argusmedia.com)

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## Turkey HRC: Prices surge across products

Turkish hot-rolled coil (HRC), cold-rolled coil (CRC) and galvanized prices rose sharply over the course of this week on healthy order books, extended lead times and scarce supply.

The weekly domestic HRC assessment rose by \$17.50/t to \$537.50/t ex-works, while the fob assessment increased by \$15/t to \$530/t fob. The CRC assessments today were \$630/t fob, up by \$25/t on the week, and \$645/t ex-works, up by \$33.50/t.

Export offers for HRC stood at a minimum of \$530-540/t fob Turkey earlier this week, and with the increase in scrap, some suppliers were heard to be holding off from offering, waiting to see where the price would settle. Availability is for January-February shipment. One producer is notably absent from the market of late.

Scrap has risen only slightly week on week, by an equivalent of less than \$4/t, but long products sales are bolstering sentiment. News that the European Commission would start registration of Turkish HRC imports in Europe did not shake the market much.

In the domestic market, the lowest offer heard during this week was \$535/t ex-works, but market participants reported that offers rose later this week to as high as \$550/t ex-works. One buyer said even €560/t ex-works has been offered. Transaction prices are nearing the \$540/t mark.

There have been more than 50,000t of HRC sold into Turkey from the CIS in the past week, at \$515-522/t cfr, the seller said. Offers were made from another mill at \$515/t cfr for January shipment, and sales were concluded at below this level. One seller is offering at \$525/t cfr now with mid-March shipment, but buyers were not interested in such long lead times.

The Argus daily CIS Black Sea HRC assessment today rose by \$10/t to \$500/t fob, and the CRC assessment reached \$560/t, up by \$5/t. A sale was heard for CIS CRC to Turkey at \$640/t cfr effective, with hefty extras, to white goods producers.

In the Turkish CRC segment, re-rollers are well booked, which is prompting sharp price increases. No material is available for January arrival or shipment. Some buyers said they had the lowest offers made at \$650/t ex-works, although a re-roller, typically offering at discount compared to others, pegged the market at €635-640/t ex-works. The highest offer heard today was \$690/t ex-works, but it is possible that it is for product with off-spec thickness. Most market participants pegged the market at \$640-650/t ex-works.

In the export market, offers to southern Europe were heard at a range of €550-565/t cfr. With an Italian re-roller heard to be offering €600/t ex-works this week, the Turkish price may be workable, although regional CRC prices were

still heard at about €580/t. Earlier this week, trading firms had offers for northern Europe at \$670-680/t cfr.

## HDG

This week most producers set indications for 0.5mm-thick Z140-coated hot-dip galvanized (HDG) steel at about \$790/t fob, up by about \$50/t on offers from two weeks ago.

Re-rollers are well booked, with most offering material for late February and early March delivery.

European demand for HDG remains particularly strong in western Europe, especially from the automotive sector. Strong demand and low availability mean offers are being frequently revised. Earlier this week, offers for 0.5mm Z100 material were heard at \$745-760/t fob, but today re-rollers were offering \$770-780/t fob. One mill said their prices are likely to rise by a further \$10-20/t next week because of the number of sales enquiries they are receiving.

Re-rollers are also exercising caution when making offers for March shipment, as HRC has yet to be offered this far in the future. Uncertainty over future costs is boosting HDG prices as mills try to account for the risk of rising HRC offers in the weeks to come.

Offers for 2mm Z100 material were also heard at \$700/t fob this week.



## METALLICS PRICE ANALYSIS

### Turkey scrap: Price rises on six deals

The Turkish scrap import price increased on Friday on the assessment of four deals for December shipment and two deals for prompt shipment.

The Argus daily HMS 1/2 80:20 cfr Turkey steel scrap assessment and the daily HMS 1/2 75:25 fob Rotterdam steel scrap assessment increased \$1.30/t to \$296.10/t and \$262.20/t.

A Canadian supplier was confirmed to sell 20,000t of HMS 1/2 95:5, 10,000t of shred and 20,000t of bonus at an average price of \$310/t cfr Samsun for December shipment yesterday.

A continental European supplier was confirmed to sell HMS 1/2 80:20 at \$290/t and bonus at \$300/t cfr Iskenderun for prompt shipment yesterday.

A second continental European supplier was confirmed to sell 25,000t of HMS 1/2 75:25, 5,000t of P&S and 5,000t of new cuttings at an average price of \$296.75/t cfr Iskenderun for end of December shipment yesterday.

A US supplier was confirmed to sell 13,000t of HMS 1/2 90:10 at \$299/t, 3,500t of shred at \$301/t and 11,000t of P&S at \$306/t cfr Iskenderun for latest 20 December shipment yesterday.

A second US supplier was heard to sell HMS 1/2 80:20 at \$293.50/t, shred at \$298.50/t and bonus at \$303.50/t cfr Marmara for December shipment yesterday.

A Russian supplier was confirmed to sell HMS 1/2 95:5 at \$304/t cfr Iskenderun for prompt shipment.

Turkish steelmakers concluded export rebar deals at \$455/t fob yesterday and are expected to sell more large tonnages imminently. Local rebar demand in Turkey rose substantially today because of improving overseas rebar demand and a depreciation of the lira against the US dollar this morning. Local rebar bids stood today at \$455-460/t ex-works excluding VAT.

This strong steel demand is expected to see scrap import purchasing uninterrupted moving into next week, and at least three mills were searching for another deep-sea cargo today.

Deep-sea scrap exporters on the market today were seeking closer to \$300/t cfr Turkey for premium HMS 1/2 80:20. Unless mills receive an increase in the number of offers next week, prices are likely to continue edging up based on steel fundamentals and mills' widened scrap-rebar

Seaborne ferrous scrap prices (daily) (6 Nov)				\$/t
	Price	±	MTD	
HMS 1/2 (80:20), cfr Turkey	296.10	+1.30	294.22	
HMS 1/2 (75:25), fob Rotterdam	262.20	+1.30	260.72	
A3, cif Marmara	279.50	+1.00	278.30	
A3, fob Russia/Ukraine Black Sea	265.00	+1.00	261.28	
HMS 1/2 (80:20), fob New York	276.60	+4.30	274.450	
HMS 1/2 (80:20) containerised cfr Taiwan	288.00	nc	286.20	

Seaborne ferrous scrap prices (weekly) (6 Nov)				\$/t
Specification	Price	±	MTD	
HMS 1/2 (80:20), fas Los Angeles	267.50	+5.00	267.500	
Shredded containerised cfr Nhava Sheva India	328.50	+10.00	328.500	
H2, fob Japan	275.00	+1.00	275.00	
H2, fob Japan ¥/t	28,600	nc	28,600	

Mill delivered ferrous scrap prices			
Specification	Price	±	
Daily (6 Nov)			
Heavy melt #3 posted del E China Yn/t	2,890	nc	
Weekly (6 Nov)			
Shredded composite del US \$/gt	284.00	nc	
Monthly			
E40 shredded del Germany national average €/t (15 Oct)	226.59	+3.83	
E40 shredded del Spain €/t (14 Oct)	230.00	nc	
E40 shredded del Italy €/t (14 Oct)	235.00	nc	

Ferrous scrap Japan Tokyo Steel domestic purchase price					
	Timing	Diff (Yen/t)	±	Diff (\$/t)	±
H1 to H2 differential	na	1500	0	14.46	0
Shredded C to Shredded A diff	na	500	0	4.82	0

Ferrous scrap Tokyo Steel purchase price (daily) (06-Nov)				
Tahara plant				
	Price (Yen/t)	±	Price (\$/t)	±
H2	26000	0	250.66	1.88
Shindachi Bara	31000	0	298.86	2.24
Shredded A	29500	0	284.40	2.13
Utsunomiya Plant				
	Price (Yen/t)	±	Price (\$/t)	±
H2	24500	0	236.20	1.77
Shindachi Bara	28000	0	269.94	2.02
Shredded A	26500	0	255.48	1.92

Ferrous scrap short-sea trades (average composition price, cif Marmara)								
Date	Volume, t	Price, \$	Shipment	Buyer	Seller	Composition	Confirmed	Index relevant
5-Nov	3,000	277	November	Marmara	Bulgaria	3k 80:20	Y	Y



## Ferrous scrap deep-sea trades (average composition price, cfr Turkey)

Date	Volume, t	Price, \$	Shipment	Buyer	Seller	Composition	Confirmed	Index relevant
5-Nov	n/a	304 (95:5)	prompt	Iskenderun	Russia	95:5	Y	Y
5-Nov	27,500	299 (90:10)	December	Iskenderun	USA	13k 90:10, 3.5k shred, 11k P&S	Y	Y
5-Nov	35,000	297	December	Iskenderun	Cont Europe	25k 75:25, 5k P&S, 5k new cuttings	Y	Y
5-Nov	n/a	290 (80:20)	prompt	Iskenderun	Cont Europe	80:20, bonus	Y	Y
5-Nov	n/a	293.5 (80:20)	December	Marmara	USA	80:20, shred, bonus	Y	Y
5-Nov	50,000	310	December	Samsun	Canada	20k 95:5, 10k shred, 20k bonus	Y	Y
4-Nov	25,000	290 (80:20)	December	Izmir	Venezuela	25k 80:20	N	Y
3-Nov	30,000	293.5 (80:20)	December	Iskenderun	Baltics	26k 80:20, 2k bonus, 2k bush	Y	Y
3-Nov	30,000	293 (80:20)	November	Izmir	Russia	80:20, bonus	Y	Y
3-Nov	30,000	296.5 (80:20)	December	Iskenderun	USA	17k 80:20, 10k shred, 3k bonus	Y	Y
3-Nov	n/a	294 (80:20)	December	Marmara	USA	80:20, bonus	Y	Y
3-Nov	n/a	289 (80:20)	December	Marmara	Cont Europe	80:20, shred, bonus	N	Y
30-Oct	n/a	293 (80:20)	December	Marmara	Baltics	80:20, bonus	N	Y

margins maintaining.

A total of 21 deep-sea cargoes are now recorded traded for December shipment, according to Argus records.

In the short-sea Turkish imported scrap market, Bulgarian supplier sold HMS 1/2 80:20 at \$277/t cif Marmara today after offering at \$280/t yesterday. A Romanian HMS 1/2 80:20 offer was heard at \$284/t cif Marmara today.

The Argus daily A3 cif Marmara and A3 Russia-Ukraine fob Black Sea steel scrap assessments increased \$1/t to \$279.50/t and \$265/t, respectively.

### Asia scrap: Price flat amid quiet market

The Taiwanese containerised ferrous scrap import price was flat on Friday as US suppliers and traders held back new offers in anticipation of a further increase next week.

The Argus daily containerised HMS 1/2 80:20 cfr Taiwan assessment was unchanged at \$288/t.

Many suppliers anticipated a sharp increase in prices in Japan's Kanto tender next week and will consequently not offer before then.

US port congestion appeared to become a more serious issue today as more sellers informed mills that the delivery of previously sold container orders will have to be pushed back further. The congestion is estimated to ease from early next year.

More scrap should be available from the US west coast in November but this looks likely to be offset by continued strong demand in Asia that will provide support for prices.

Taiwanese mills had little option but to also wait for the Kanto tender outcome, as they had few alternative purchase options to US material today. Domestic scrap inflow to mills' yards was low as local suppliers held on to stocks because of their bullish outlook on scrap prices.

And no Japanese offers to Taiwan were heard on Friday after the yen strengthened against the dollar overnight from

Ferrous scrap freight (weekly)		\$/t
	Price	±
6 Nov		
Bulk export New York-Turkey	19.50	-3.00
Bulk export Los Angeles-South Korea	25.50	-2.00
30 Oct		
Containerised export New York-Mumbai	26.50	-2.50
Containerised export Los Angeles-Taiwan	8.50	+1.00

Pig iron prices (weekly)			
Specification	Loading	Price	±
China ex-works (6 Nov)			
Tangshan, Hebei	immediate	3,055	+25
fob Black Sea (5 Nov)			
Russian basic	2-6 weeks	357.00	nc
Ukrainian basic	2-6 weeks	357.00	nc
fob Brazil (5 Nov)			
northern Brazil basic	prompt-6 weeks	360.00	nc
southern Brazil basic	prompt-6 weeks	355.00	nc

Ferro-alloys				
Specification	Frequency	Date	Price	±
Ferro-manganese				
HC 75% fob China (\$/t)	Weekly	3 Nov	1,135	nc
HC 75% Mn ex-works China (Yn/t)	Twice weekly	5 Nov	6,150	-50
HC min 80% Mn 6-8% C fob N America (\$/gt)	Weekly	5 Nov	1,025	nc
Silico-manganese				
65% Mn 17% Si fob China (\$/t)	Weekly	3 Nov	1,055	nc
65% Mn 15% Si fob India East Coast (\$/t)	Twice weekly	5 Nov	865.00	nc
65% Mn ddp Europe works (€/t)	Twice weekly	5 Nov	875.00	nc
Min 65% Mn 16% Si fob N America (\$/lb)	Weekly	5 Nov	0.495	nc

\$1: 104.3Yen yesterday to 103.4Yen today. Japanese suppliers that want to offer their scrap will have to make a double adjustment to their offers based on Tokyo Steel's domestic price increase announced yesterday and the latest currency conversion rate.

Vietnamese mills largely stayed silent this week as they had difficulty increasing prices for imported scrap in the face of sluggish domestic steel sales. Some electric arc furnace mills instead focused on purchasing domestic scrap or cutting production levels.

Japanese traders might choose to focus on South Korea next week due to exchange rate issues, as the sales between them are mainly done in Japanese Yen.

The highest price indication for H2 from South Korean mills remained at 28,500yen/t fob Japan today and few suppliers were willing to accept that level. Suppliers expect south Korean mills to increase bids to 29,000yen/t fob next week as many mills were looking for imported scrap to make up for a lack of tonnage coming from the domestic market.

### South Korea, Taiwan enter market

Japanese export scrap prices were firm this week, underpinned by South Korean and Taiwanese mills lifting purchase prices in a rising seaborne market, which offset a withdrawal from the previous highest bidders in Vietnam.

The Argus weekly assessment for H2 scrap fob Japan was unchanged at ¥28,600/t (\$275/t).

South Korean mills lead Japanese scrap export business this week with numerous bids and deals. The bid from the leading South Korean electric arc furnace steelmaker jumped by ¥2,500/t (\$24/t) from their last bid at 14 October. The equivalent H2 price was ¥28,500/t fob Japan and around ¥1,000/t higher than the negotiation level last week.

The higher bid from this mill prompted many other South Korean mills to step into the market and follow the new benchmark price. Another mill bought H1/H2 50:50 at ¥31,000/t cfr South Korean, netting back to around ¥28,700/t fob Japan for H2.

Stronger Korean appetite for imported scrap was partially stimulated by unsatisfactory domestic flows despite higher bids from mills this week.

Japanese suppliers expect Korean buyers to raise prices further next week to ¥29,000/t fob Japan to conclude more deals. And Japanese exporters will make South Korea their main focus as they can conclude contracts on a yen-denom-

inated basis. The yen's appreciation against the dollar this week has made it more difficult for Japanese exporters to sell to dollar dominated countries.

Taiwanese mills also raised prices for H1/H2 50:50 by nearly \$10/t from last week to \$304/t cfr to secure more volume from Japan, breaking a stalemate that persisted for several weeks. Mills had no cheaper alternatives and were forced to lift their bids.

Taiwan's domestic scrap price rose by 600 new Taiwanese dollars/t (\$21/t) over the past two weeks, while the Argus daily containerized HMS 1/2 80:20 assessment increased by \$5/t from the end of last week to reach a 2020 high of \$288/t cfr Taiwan today. US suppliers targeted higher prices and their availability was limited due to slower collection rates and shortage of containers.

Vietnam buyers stayed out of the import market this week in response to tepid domestic steel sales. Many Vietnamese mills operate at thin profit margins, which meant that they had to withdraw from import purchases when seaborne scrap prices started to increase at a faster pace than finished steel prices. Some large Vietnamese mills may re-enter the scrap import market at higher purchase prices if they can make sufficient export billet sales to China.

Tokyo Bay fas prices increased steadily over the past week. H2 was at ¥27,500-27,800/t, HS was at ¥30,000-31,000/t and shindachi was at ¥30,000-30,500/t. Availability of shindachi grade in Japan improved slightly on the back of higher automobile production rates.

Benchmark steelmaker Tokyo Steel lifted its collection price twice within the past week. Its prices increased by a total of ¥1,000/t(\$9.60/t) to all plants except for Utsunomiya. The H2 prices at Utsunomiya plant and Tahara plant were today at ¥26,000/t and ¥27,500/t, respectively.

Tokyo Steel kept the price at Utsunomiya plant unchanged due to low production levels and consequent lesser scrap demand compared to its other sites. Other mills in the Kanto lifted prices for H2 above ¥28,000/t.

The price adjustment from Tokyo Steel boosted sentiment all over Japan. With anticipation that prices will stay firm, many suppliers held back offers and slowed down deliveries to domestic buyers. Market participants were waiting for next week's Kanto tender on 11 November, for which expectations are that there will be a rise in settled export prices from last month.

## NEWS AND ANALYSIS

## ASIA PACIFIC

## Australia's Gladstone coal exports rise in October

Combined exports of coking and thermal coal in October from Gladstone in east Australia's Queensland rose by 13pc from a year earlier, largely because of shipments to South Korea rising to their highest level since January 2016 and shipments to China rebounding off the more than nine-year low in September.

Gladstone's total exports rose to 5.82mn t in October from 5.13mn t in October 2019 and above the 5.27mn t in September. They were the highest monthly shipments since the 5.95mn t shipped in July, according to the October trade data from the Gladstone Ports Corporation (GPC).

The largest contribution to the rise was increased shipments to South Korea to 1.52mn t in October from 1.17mn t in October 2019 and double the 754,000t shipped in September. They were the highest monthly shipments to South Korea since the 1.56mn t shipped in January 2016.

But total coal shipments from Gladstone were 2.6pc weaker to 58.22mn t during January-October compared with 59.77mn t for the same period in 2019.

By Kevin Morrison

Gladstone coal shipments (t)							
	China	Japan	India	South Korea	Vietnam	Total	Cargoes
Oct '20	407,499	1,127,406	1,319,022	1,521,980	551,235	5,822,084	59
Sep '20	141,998	1,809,965	1,704,311	754,046	234,559	5,272,295	57
Oct '19	471,808	1,072,206	1,463,752	1,170,214	237,020	5,130,668	56
Jan-Oct '20	10,099,459	13,061,153	13,719,200	8,976,795	4,063,805	58,215,443	620
Jan-Oct '19	8,905,558	15,107,177	15,672,902	10,590,066	990,137	59,766,541	610

— GPC

## Australia's coking coal exports higher in September

Australian coking coal exports rose to a three-month high in September because of increased hard coking coal shipments, which more than offset the drop in shipments of other grades compared with a month earlier.

Combined hard coking coal, semi-soft and pulverised coal injection (PCI) grade shipments rose to 14.4mn t in September from 13.78mn t in August but below the 14.86mn t shipped in September 2019. This was the highest monthly level since the 15.22mn t in July, according to September trade data compiled from GTT that uses Australian Bureau of Statistics (ABS) data.

Hard coking coal shipments rose to 9.96mn t in September from 9.22mn t in August but down from 10.41mn t in

September 2019. This was the highest monthly shipment since 11.29mn t in June.

The higher hard coking coal shipments came despite weaker coal shipments in September from Queensland, which is Australia's largest hard coking coal exporting state.

Hard coking coal shipments from Australia to Japan increased by 2pc to 2.29mn t in September from 2.25mn t in August and by 5pc from a year earlier.

Chinese imports of hard coking coal from Australia fell by 39pc from a year earlier to a 10-month low of 1.98mn t in September.

Semi-soft and PCI shipments fell to 4.44mn t in September from 4.56mn t in August and below the 4.71mn t in September 2019. This was the lowest monthly level since the 3.94mn t shipped in June.

The Argus hard coking coal fob Australia premium hard, low-volatile assessment averaged \$121.92/t in September, up from \$106.80/t in August and down from \$140.96/t in September 2019. It was the highest monthly average since April when the assessed price averaged \$130.41/t.

The Argus assessed hard coking coal fob Australia was similar to the average export price for Australia's hard coking coal exports of \$122.29/t in September, which was up from \$114.69/t in August and below the \$154.05/t in September 2019. The average export price is based on the Australia-US exchange rate of \$0.7238 used by the ABS for September.

By Kevin Morrison

Australia coking coal exports (mn t)					
	Sep '20	Aug '20	Sep '19	Jan-Sep '20	Jan-Sep '19
Hard coking	9.96	9.22	10.14	86.81	91.04
Semi-soft	4.44	4.56	4.71	39.97	45.75
Total	14.40	13.78	14.86	126.78	136.79

— GTT, ABS

## US launches circumvention inquiry on Chinese OCTG

The US is examining whether Chinese flat steel exports are circumventing import duties on oil country tubular goods (OCTG) by shipping first to Brunei and the Philippines.

The US Department of Commerce said yesterday it will examine Chinese exports of hot-rolled steel sheet and strip (HRS) to Brunei and the Philippines for minor processing before export as OCTG to the US. The commerce department self-initiated the inquiry based on available information to determine whether the exports are circumventing anti-dumping duties (ADDs) and countervailing duty (CVD) orders on OCTG from China.

## NEWS AND ANALYSIS

Shipments of welded OCTG from Brunei to the US increased in value to \$29mn in 2017-19 from zero in 2014-16, while shipments from the Philippines to the US increased to \$105mn from \$69mn over the same period.

The commerce department can carry out circumvention inquiries when it believes products subject to ADD/CVD orders are completed or assembled in third countries using imports from the country subject to the order. The current US Trump administration has initiated 29 anti-circumvention inquiries.

US steel imports [remained at multi-decade lows](#) in September, with OCTG imports and line pipe down by 73pc from a year earlier to 64,400t. OCTG inventories in the US are at elevated levels at around [15 months of consumption](#).

### Australia RBA forecasts continued firm iron ore exports

Australian iron ore exports are expected to remain strong for the next 12 months because of firm demand from China and extended disruptions in Brazil, the Reserve Bank of Australia (RBA) forecast.

Extended maintenance at some LNG facilities is expected to weigh on LNG exports, while coal exports are expected to be lower because of weaker global demand for coal, Australia's central bank said in its quarterly economic statement. "By contrast, iron ore exports are expected to remain strong."

The benchmark iron ore price has remained elevated since the previous RBA statement in August, briefly reaching its highest level since 2014 in early September. The iron ore price has been supported by continued strength in Chinese steel production, underpinned by public infrastructure and real estate construction.

Port congestion in China has also supported prices, although this has eased more recently. Supplies of iron ore from Brazil have increased following various disruptions earlier in the year, which has dampened the upwards pressure on prices, the RBA said.

[Australia's iron ore exports rose in September](#) from a year earlier and were 3.9pc up for January-September.

The RBA maintained its view of firm investment in new iron ore producing capacity and associated infrastructure from its [August statement](#). But it was not as optimistic about the outlook for thermal and coking coal because of the prospect of Chinese import restrictions on Australian coal shipments.

Coking coal prices are not far from their lows for the year. Reports that some Chinese utilities and steel mills have been instructed to stop importing Australian coal have led to increased uncertainty about the demand outlook for

seaborne coal, the RBA said. But thermal coal prices have rebounded of late, underpinned by gradually rising global demand and earlier supply cutbacks from producers, it said.

Coking and thermal coal prices have also been supported by analysts' concerns that predicted increased rainfall over Australia, as a result of the La Nina weather pattern, will disrupt supplies in the coming months, the RBA said. Heavy flooding during Australia's last significant La Nina period led to a 20pc fall in Queensland's coal production in the January-March quarter of 2011.

LNG market conditions have improved from earlier in the year from the impact of the Covid-19 pandemic, the RBA said. Higher oil prices will result in an increase in the average price received by Australian LNG exporters for the October-December quarter. The majority of Australia's LNG exports are sold via long-term contracts linked to oil prices at a one to two quarter lag. The Asian LNG spot price has also recovered over the past few months because of extended maintenance at some Australian LNG projects and disruptions to US supplies, while demand has also picked up.

*By Kevin Morrison*

### Japan's Kobelco sees higher 2020-21 crude steel output

Japan's steel producer Kobe Steel (Kobelco) expects its output of crude steel and sales volume of steel materials and rolled aluminium products in the April 2020-March 2021 fiscal year to increase from previous expectations.

Kobelco expects its crude steel production during 2020-21 to be 5.65mn t, up from a [previous](#) forecast of 5.4mn t. Kobelco also expects steel material sales volume to be 4.6mn t, up from 4.35mn t, as auto production recovers faster than expected. The company said that higher car output may surpass the impact of limited shipbuilding and construction.

The company also raised potential rolled Al product sales volumes to 310,000t from 300,000t because of rebounding car output in China. Kobelco also expects firmer demand from the production of cans and IT-related products in light of Covid-19.

Kobelco produced 2.48mn t of crude steel during April-September, down by 26.8pc from a year earlier. The company sold 2.04mn t of steel products in April-September, lower by 25.3pc on the year. But the sales volume of rolled aluminium products during the period remained unchanged from a year earlier at 152,000t.

Japan's crude steel production has fallen on the year for a seventh consecutive month [in September](#) while output continues to increase on the month.

*By Nanami Oki*

China iron ore: Daily deals and offers									
Date	Info type	Source*	Timing	Brand	Fe Basis %	Origin	Volume	Price	Additional Notes
06 Nov	Deal	Corex	b/l date 24 Oct	IOCJ	65	Brazil	190,000	130.00	
06 Nov	Deal	Corex	28 Nov-07 Dec 2020	YDF58	62	Australia	110,000	PM62 Dec +1.25	
05 Nov	Deal	ST	early or mid-Dec laycan	PBF62	62	Australia	170,000	P62 Dec +3.00	tender, unconfirmed
05 Nov	Deal	ST	early or mid-Jan laycan	PBF62	62	Australia	170,000	P62 Jan +3.00	tender, unconfirmed
05 Nov	Deal	ST	Dec laycan	PBF62	62	Australia	170,000	P62 Dec +2.50	tender, unconfirmed
05 Nov	Deal	ST	Jan laycan	PBF62	62	Australia	170,000	P62 Jan +2.50	tender, unconfirmed
06 Nov	Offer	globalORE	01-10 Dec 2020	PBF62	62	Australia	170,000	117.45	
06 Nov	Bid	globalORE	01-10 Dec 2020	PBF62	62	Australia	170,000	116.50	
06 Nov	Indicative Bid	NT	early Dec laycan	PBF62	62	Australia	170,000	P62 Dec +3.30	
06 Nov	Indicative Bid	ET	early Dec laycan	PBF62	62	Australia	170,000	P62 Dec +2.50	
06 Nov	Indicative Bid	ST	early Dec laycan	PBF62	62	Australia	170,000	P62 Dec +3.20	
06 Nov	Indicative Bid	NT	early Dec laycan	YDF58	62	Australia	80,000	PM62 Dec +1.30	
06 Nov	Indicative Bid	SM	early Dec laycan	YDF58	62	Australia	170,000	PM62 Dec +1.20	
05 Nov	Deal	globalORE	Dec delivery	MACF62	62	Australia	80,000	113.65	
04 Nov	Deal	Corex	18-27 Dec 2020	BRBF62	62	Malaysia	170,000	MM62LA Jan +5.75	
1 04 Nov	Deal	Corex	19-28 Nov 2020	PBF62	62	Australia	70,000	P62 Nov +0.80	
2 04 Nov	Deal	Corex	19-28 Nov 2020	PBL	62	Australia	100,000	P62 Nov +0.00	with LP
29 Oct	Deal	ET	Nov laycan	Ukrainian C	65	Ukraine	170,000	P65 Jan -1.50	
03 Nov	Deal	ST	Late Oct laycan	P2FG C			170,000	MB65 Dec -2.33	
03 Nov	Deal	Corex	29 Nov-08 Dec 2020	PBF62	62	Australia	170,000	P62 Dec +3.70	
03 Nov	Deal	globalORE	B/L 23 Oct	IOCJ	65	Brazil	170,000	129.80	
03 Nov	Deal	globalORE	Dec delivery	JMBF62	62	Australia	90,000	PM62 Dec -1.20	
30 Oct	Deal	Trader	late Nov laycan	KJS pellet 64pc	64	India	55,000	136.00	done on index, equal to around 136
02 Nov	Deal	Corex	29 Nov-08 Dec 2020	BRBF62	62	Malaysia	170,000	118.65	
30 Oct	Deal	globalORE	26 Nov-05 Dec 2020	PBF62	62	Australia	170,000	117.00	after timestamp
02 Nov	Deal	Tender	B/L date 19 Oct	IOCJ	65	Brazil	170,000	MB65 Dec +2.81	
02 Nov	Deal	Off screen	Dec delivery	YDF58	62	Australia	90,000	PM62 Dec +1.50	
30 Oct	Deal	globalORE	26 Nov-05 Dec 2020	PBF62	62	Australia	170,000	P62 Dec +3.95	
30 Oct	Deal	ST	early Nov laycan	PBF62	62	Australia	170,000	P62 Nov +2.00	unconfirmed, deal date 29 Oct
30 Oct	Deal	ET	mid Nov laycan	PBF62	62	Australia	170,000	P62 Nov +1.85	unconfirmed, deal date 29 Oct



China iron ore: Daily deals and offers										
	Date	Info type	Source*	Timing	Brand	Fe Basis %	Origin	Volume	Price	Additional Notes
	29 Oct	Deal	Corex	30 Oct-08 Nov 2020	PBL	62	Australia	70,000	P62 Nov +0.00	with LP, with other binding terms
	28 Oct	Deal	globalORE	17-26 Nov 2020	BRBF62	62	Malaysia	170,000	117.10	
1	23 Oct	Deal	ET	Oct laycan	Ukrainian C	65	Ukraine		P65 Dec -4.80	High sulphur, Fe 65
2	23 Oct	Deal	ET	Oct laycan	Ukrainian C	65	Ukraine		P65 Dec +1.40	Low sulphur, Fe 68
	27 Oct	Deal	globalORE	Dec delivery	MACF62	62	Australia	80,000	111.75	
	27 Oct	Deal	globalORE	27 Nov-06 Dec 2020	PBF62	62	Australia	170,000	P62 Dec +3.80	
	23 Oct	Deal	Trader	late Oct laycan	Rashmi pellet 64pc	64	India	55,000	136.00	
	23 Oct	Deal	ET	early Nov laycan	KJS pellet 64pc	64	India	55,000	135.00	
	26 Oct	Deal	Corex	25 Nov-04 Dec 2020	PBF	61	Australia	170,000	111.95	
	23 Oct	Deal	globalORE	13-22 Nov 2020	BRBF62	62	Malaysia	170,000	115.70	
	22 Oct	Deal	Corex	06-15 Nov 2020	NHGF62	62	Australia	80,000	P62 Nov +3.50	with other binding terms
	22 Oct	Deal	Corex	06-15 Nov 2020	NHGF62	62	Australia	80,000	P62 Nov +3.50	with other binding terms
	22 Oct	Deal	Corex	22 Nov-01 Dec 2020	PBF62	62	Australia	170,000	P62 Nov +2.85	
	22 Oct	Deal	Corex	03-12 Nov 2020	PBF62	62	Australia	170,000	P62 Nov +3.30	
	22 Oct	Deal	Corex	03-12 Nov 2020	PBF62	62	Australia	170,000	P62 Nov +3.30	
	22 Oct	Deal	globalORE	Dec delivery	YDF58	62	Australia	80,000	PM62 Dec +2.30	
	22 Oct	Deal	ST	early to mid-Nov laycan	PBF62	62	Australia	170,000	P62 Nov +2.80	unconfirmed
	21 Oct	Deal	ST	early to mid-Nov laycan	PBF62	62	Australia	170,000	P62 Nov +2.70	unconfirmed
1	21 Oct	Deal	Corex	08-17 Nov 2020	PBF62	62	Australia	90,000	P62 Nov +2.10	
2	21 Oct	Deal	Corex	08-17 Nov 2020	PBL	62	Australia	80,000	P62 Nov +0.00	with LP
1	21 Oct	Deal	Corex	01-10 Dec 2020	NBL	62	Australia	70,000	P62 Dec +0.00	with LP
2	21 Oct	Deal	Corex	01-10 Dec 2020	NHGF62	62	Australia	100,000	PA62 Dec +3.00	
	20 Oct	Deal	globalORE	06-15 Nov 2020	PBF62	62	Australia	170,000	P62 Nov +3.40	after timestamp
	16 Oct	Deal	ET	Nov laycan	Citic C	65	Australia		P65 Dec -3.50	Several cargoes
	20 Oct	Deal	Corex	B/L date 5 Oct	IOCJ	65	Brazil	190,000	133.00	
	20 Oct	Deal	Corex	Dec delivery	YDF58	62	Australia	110,000	PM62 Dec +2.05	
	20 Oct	Deal	globalORE	05-14 Nov 2020	PBF62	62	Australia	170,000	P62 Nov +3.40	
	19 Oct	Deal	ET	early Nov laycan	PBF62	62	Australia	170,000	P62 Nov +3.40	
	19 Oct	Deal	Corex	03-12 Nov 2020	PBF	61	Australia	170,000	117.30	
	19 Oct	Deal	globalORE	December delivery	JMBF62	62	Australia	80,000	PM62 Dec -1.00	

China iron ore: Daily deals and offers									
Date	Info type	Source*	Timing	Brand	Fe Basis %	Origin	Volume	Price	Additional Notes
16 Oct	Deal	Corex	Dec delivery	YDF58	62	Australia	100,000	PM62 Dec +2.05	
16 Oct	Deal	ST	Nov laycan	PBF62	62	Australia	170,000	P62 Nov +3.05	Tender, unconfirmed
16 Oct	Deal	ST	Dec laycan	PBF62	62	Australia	170,000	P62 Dec +3.05	Tender, unconfirmed
16 Oct	Deal	NT	late Oct laycan	Indian F 57	57	India		88.00	unconfirmed
16 Oct	Deal	ST	early Oct laycan	P2FG C			97,000	MB65 Dec -2.50	Tender, unconfirmed
15 Oct	Deal	globalORE	02-11 Nov 2020	PBF62	62	Australia	170,000	118.40	
15 Oct	Deal	globalORE	Dec delivery	YDF58	62	Australia	90,000	PM62 Dec +2.00	
14 Oct	Deal	Corex	B/L 3 Oct	IOCJ	65	Brazil	100,000	132.70	
14 Oct	Deal	Corex	06-15 Nov 2020	JMBF62	62	Australia	90,000	PM62 Nov -1.30	
14 Oct	Deal	Corex	01-10 Nov 2020	PBF62	62	Australia	170,000	P62 Nov +3.90	
14 Oct	Deal	globalORE	20-29 Nov 2020	BRBF62	62	Malaysia	170,000	MM62LA Dec +6.05	
14 Oct	Deal	globalORE	06-15 Nov 2020	MACF62	62	Australia	80,000	116.50	
14 Oct	Deal	NT	Nov laycan	Karara C	65	Australia	65,000	P65 Nov -1.20	Tender, most cargoes deal price, unconfirmed
14 Oct	Deal	NT	Nov laycan	Karara C	65	Australia	65,000	P65 Nov +0.00	Tender, sporadic cargoes deal price
09 Oct	Deal	ET	Oct laycan	Ukrainian C	65	Ukraine		P65 Dec -1.75	Half vessel
13 Oct	Deal	Corex	12-21 Nov 2020	BRBF62	62	Malaysia	170,000	121.30	
13 Oct	Deal	globalORE	30 Oct-08 Nov 2020	PBF62	62	Australia	170,000	120.95	
12 Oct	Deal	Trader	late Oct laycan	JSPL pellet 64pc	64	India		138.00	Tender
12 Oct	Deal	Trader	late Oct laycan	JSPL pellet 64pc	64	India		137.50	Tender
12 Oct	Deal	ET	estimate Oct laycan	JSPL pellet 64pc	64	India		135.50	unconfirmed
09 Oct	Deal	Corex	27 Oct-05 Nov 2020	PBF62	62	Australia	170,000	P62 Nov +4.30	
09 Oct	Deal	globalORE	B/L date 30 Sep	IOCJ	65	Brazil	120,000	138.05	
30 Sep	Deal	Corex	10-19 Oct 2020	PBF62	62	Australia	170,000	P62 Oct +3.00	
1 30 Sep	Deal	Corex	15-24 Nov 2020	PBF62	62	Australia	100,000	P62 Nov +2.20	
2 30 Sep	Deal	Corex	15-24 Nov 2020	PBL	62	Australia	70,000	P62 Nov +0.00	with LP
30 Sep	Deal	globalORE	29 Sep-08 Oct 2020	IOCJ	65	Brazil	100,000	134.40	
29 Sep	Deal	ET	Oct laycan	Ukrainian C	65	Ukraine	170,000	P65 Dec -2.00	
30 Sep	Deal	Off screen	26 Oct-04 Nov 2020	YDF58	62	Australia	170,000	PM62 Nov +1.95	
29 Sep	Deal	Corex	Nov delivery	JMBF62	62	Australia	80,000	PM62 Nov -1.35	

\* ST/SM = South China trading firm/mill. NT/NM = North China trading firm/mill. E = East China. HK = Hong Kong. SG = Singapore.

## ANNOUNCEMENT

### Argus successfully completes annual losco assurance review

Argus has completed the ninth external assurance review of its price benchmarks covering crude oil, products, LPG, petrochemicals, biofuels, thermal coal, coking coal, iron ore, steel, natural gas and biomass benchmarks. The review was carried out by professional services firm PwC. Annual independent, external reviews of oil benchmarks are required by international regulatory group losco's Principles for Oil Price Reporting Agencies, and losco encourages extension of the reviews to non-oil benchmarks.

For more information and to download the review visit our website <https://www.argusmedia.com/en/about-us/governance-compliance>

## ANNOUNCEMENT

All data change announcements can be viewed online at [www.argusmedia.com/announcements](http://www.argusmedia.com/announcements).

Alternatively, to be added to the email distribution list for all announcements, please email: [datahelp@argusmedia.com](mailto:datahelp@argusmedia.com).

## ANNOUNCEMENT

The holiday calendar showing which Argus reports are not published on which days is now available online <https://www.argusmedia.com/en/methodology/publishing-schedule>



Argus Ferrous Markets is published by Argus Media group

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ISSN: 2517-7672

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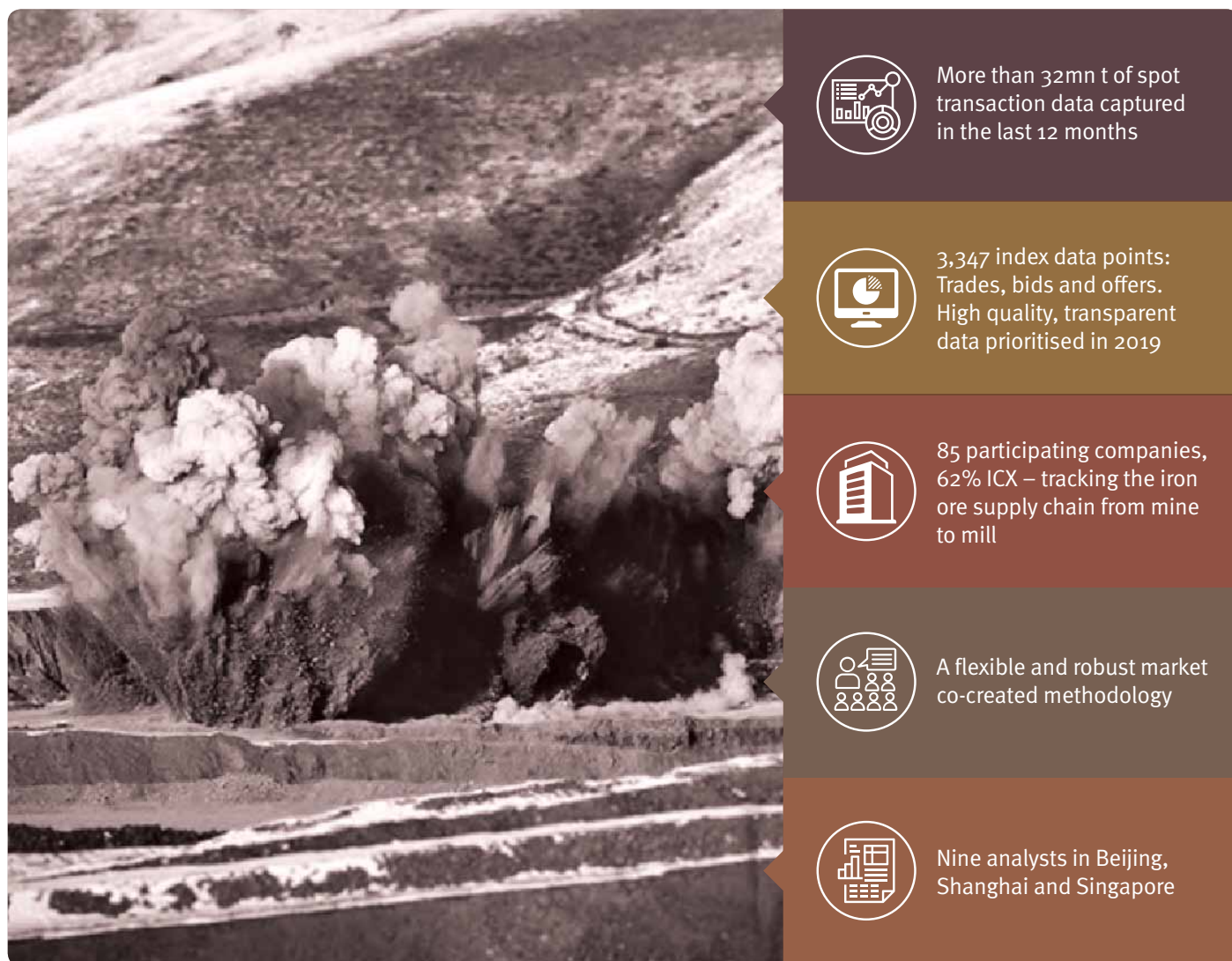
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