



HR coil steel prices in the US continue to rise



Prices for hot-rolled coil in the US rose again as more market sources indicated firm offerings at higher prices with upside expected.

Its daily HRC assessment is \$455-\$465/st from the previous \$440-\$460/st. The move reflects a \$460/st midpoint, where the bulk of offers and transactions have been heard.

The daily cold-rolled coil assessment remained flat at \$610-\$630/st. Both prices are normalized to a Midwest (Indiana) ex-works basis.

One service center source said he was trying to figure out where buyers could buy HRC below \$460/st, but had not seen it available. He had shopped around a large HRC spot inquiry, which three separate mini-mills all quoted \$460/st.

The source said he believed there was a good amount of buying activity in the market at \$460/st, but said a lot of buyers don't feel good about buying at the number as it has risen so drastically recently. Since the beginning of March, HRC assessment midpoint has increased to \$460/st from \$407.50/st, up \$52.50/st.

The service center source said he did not expect to see flat-rolled prices waiver until scrap prices come down, which could be in a few months time. While hot-dip galvanized material availability was still tight, CRC remained the tightest product in the market, he added. The source did not believe anyone would still be able to buy at a \$600/st base price number.

A second service center source said he expected \$470/st to be the low side of offerings once all the mills open their May HRC order books. He anticipated that May HRC availability may be tight as one producer has claimed to be full and closed for May, a second was waiting on April scrap to settle and a third is full on contract commitments.

JISF chief warns Chinese exports could hit steel price rally

Japan's steel industry is concerned that rising exports from China will nip an Asian steel rally in the bud, just as mills had begun to benefit from the gains in price as China's March steel exports surged 30 percent to their highest level for the year, having already hit a record in 2015, as mills expanded output to all-time highs to take advantage of a more-than 50 percent surge in domestic steel prices in 2016.

Japan Iron and Steel Federation Chairman and president of JFE Koji Kakigi said that, "Those exports are now a concern. Issue is how long the current price increase will last. We are unable to predict how long it will be."



Akigi said, the briefing that steel suppliers in Japan had started to see a pickup in export inquiries spurred by earlier output cuts in China.

Primetals Technologies receives FAC from Rizhao

Chinese steel producer Rizhao Steel Group Co., Ltd awarded Primetals Technologies the final acceptance certificate (FAC) for three of a total of five Arvedi ESP lines. For two of the lines, the FACs were received in January, for the third one on April 1.

Although the project schedule was very tight, the ambition was to complete all phases on time, what was successfully achieved.

The first two lines were ordered in 2013 and went on stream within 20 and 22 months, respectively. The start-up of ESP plant 3, ordered in 2014, was achieved within 15 months. The lines are designed for a total annual production of 7.65 million metric tons of high quality, ultra-thin hot strip, in widths up to 1,600 millimeters and thicknesses down to 0.8 millimeters. The lines produce carbon steel, high-strength, low-alloy grades, and two-phase steels. The production ranging from 0.8 to 6 mm thickness is now focused on hot strip with a thickness of 0.8 millimeters, leading to production sequences in which more than 50 percent of the products have a thickness of less than one millimeter.

The Arvedi ESP plants enable Rizhao to tap into the attractive domestic and foreign markets for high quality, ultra-thin products. With a length of just 180 meters, the plants are considerably more compact than



conventional casting and rolling mills. Energy consumption is up to 45 percent lower than in a conventional casting and rolling process, and CO2 emissions are also significantly lower.

Primetals Technologies was responsible for the engineering of the Arvedi ESP plants, and supplied the mechanical equipment, media systems, technology packages and automation system. The entire line is controlled by an integrated basic automation (level 1) and process automation (level 2). This ensures finely tuned interaction between the casting and rolling processes.

The project also included a comprehensive training and support package. This covered not only the theoretical and practical training of the customer's personnel on the existing ESP plant belonging to Acciaieria Arvedi SpA in Cremona, Italy, but also support provided by specialists from Acciaieria Arvedi for starting up and operating the new plants.