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Editorial

The US job statistics for January 2022, added to the expectations of hawkish stance by Federal Reserve in the current year. Although the market didn't expect such strong data, the reality showed that the US government has created more than 485,000 jobs in the first month of 2022 despite Omicron spread throughout the country. The US 2-year and 10-year bond yields soared by the news to their highest levels since February 2020.

This has raised the expectations of a 50 basis points increase in interest rates in March session and added pressure to Wall Street indices. As Planner previously stated, the USD will hold its strong position in the short term, causing the commodities prices not to raise at a fast pace. On the other hand, the stronger USD will add to the expenses of the countries with other currencies, resulting in higher production cost. It is yet to be seen how the market develops after Chinese get back to work from their New Year's holidays.



Market at a Glance

Item Date	Last Month (Avr)	Last Week (Avr)	Jan 28 th	Change % (MoM)
Iron Ore CFR China	127.64	140	140	+9.7
Scrap CFR Turkey	472.7	481.4	490	+3.65
Billet FOB CIS	617.7	648	650	+5.2
Slab FOB CIS	616.9	630	630	+2.1
Rebar FOB Turkey	703.5	713.2	720	+2.34
HRC FOB CIS	792.6	797	800	+0.9
CRC FOB CIS	959.6	930	945	-1.5

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Macro Economy

- USD Index

The US dollar index regained some ground above the 95 mark on Friday, recovering from a sell-off that took it to its lowest level in nearly a month as investors reassessed the outlook for tightening monetary policy. The market moves came after the US labor report showed the US economy added 467K jobs in January of 2022, much above markets expectations of 150K, pointing to the much weaker impact of the Omicron variant on US employment. Such a reading raised the odds of interest rate rises to cool a rapidly growing economy and tame inflation.

- Crude Oil

Crude Oil prices surged to seven-year highs on Friday, extending their rally into a seventh week on ongoing worries about supply disruptions fueled by frigid U.S. weather and ongoing political turmoil among major world producers.

Brent crude rose \$2.16, or 2.4%, to settle at \$93.27 a barrel having earlier touched its highest since October 2014 at \$93.70.

U.S. West Texas Intermediate crude ended \$2.04, or 2.3%, higher at \$92.31 a barrel after trading as high as \$93.17, its highest since September 2014. Brent ended the week 3.6% higher, while WTI posted a 6.3% rise in their longest rally since October.

- Cryptocurrency

About Uniswap

Uni Swap, abbreviated UNI, is a digital currency or form of digital asset with a market value of about \$ 7.45 billion, ranking 24th and accounting for 0.37% of the total market. Each unit of Uniswap is currently traded at a price of \$ 11.81, considering the Tether rate of 26,509 Tomans, one Uniswap is equivalent to 313,131 Tomans, and its daily exchange volume is \$ 294.76 million. In the last 24 hours price of digital currency have risen 2.67%. The highest price of Uniswap on 03 May 2021 was equivalent to 44.91 dollars, which is currently 73.70% lower than current level. The number of working Uniswap is 631.11 million and the total number of units will be 1 billion. Currently the

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most active exchange in which Uniswap is traded is Bitribe Exchange with a share of 17.00% of the daily trading volume.

Uniswap Technical Analysis

By drawing the price chart in the daily time frame of Uniswap, it can be seen that this currency is at its support floor, and by increasing the relative strength of transactions and upward breaking the macd chart, the possibility of starting a short-term uptrend is very likely.



- Financial Markets

Technical analysis of gold in dollars

Looking at the daily chart of gold/ US dollars, it can be seen that the price has hit the lower Bollinger band, and the increase in support at this level is likely to grow to the upper Bollinger band.

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Steel

- Semi-Finished Products

Chinese futures and physical market were off last week due to the New Year holidays. Participants have left the market and it is expected from this Monday, the activities start to resume little by little. Tangshan billet remained stable at 4500 RMB/Mt. On the other hand, the Winter Olympics started last week and the mills have received the order to lower the production. It is expected that after the holidays, Tangshan billet inventories will remain at current level.



CIS billet producers continued to pursue the uptrend, testing the market with offers as high as 650 USD/Mt FOB, but no major deals were heard. The main consuming market is Egypt, and other sources prefer to wait until Chinese holidays end. Planner heard that a deal for 30k billet was concluded from an Indian supplier at 624 USD/Mt FOB, however, the destination of the cargo has not been revealed by the time of publication.

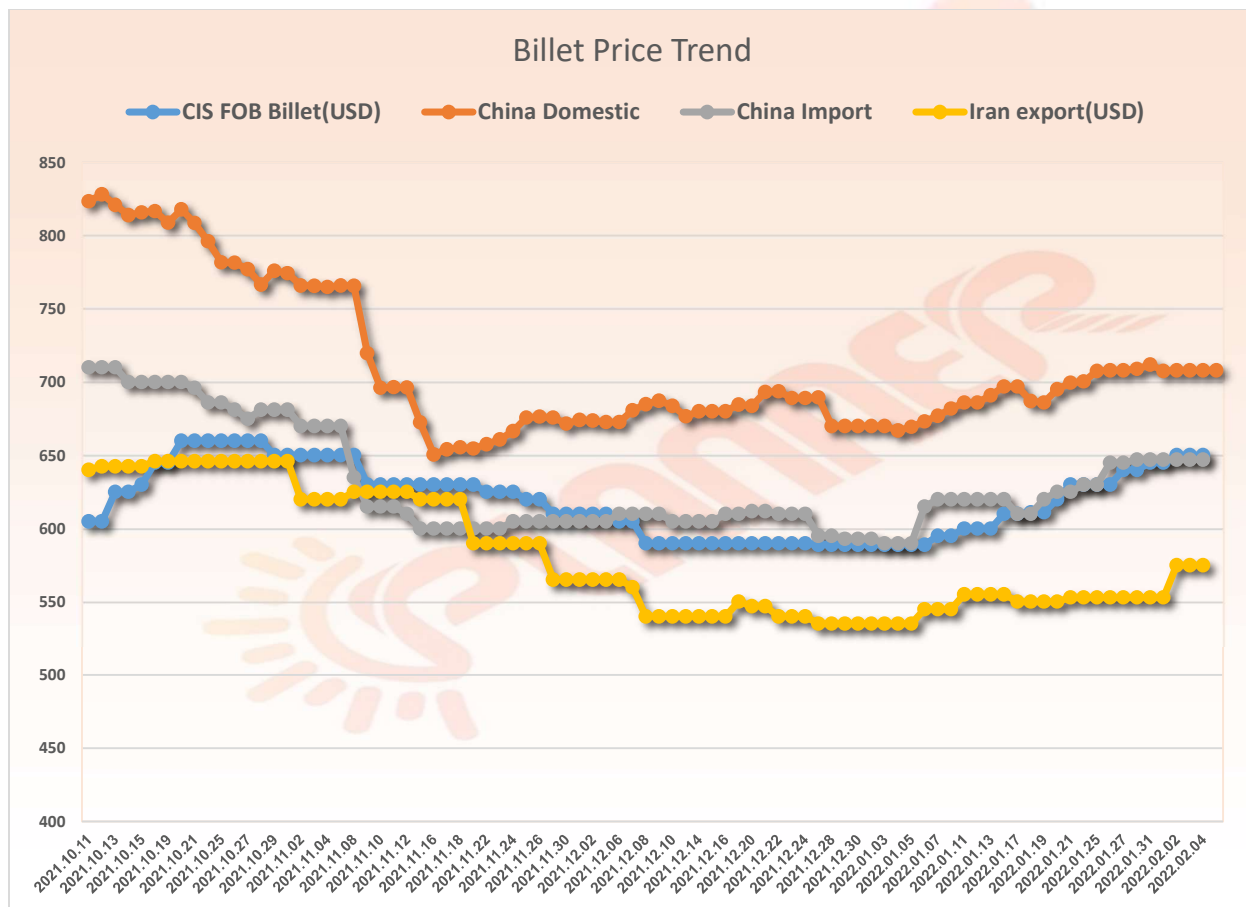
Iranian mills were active last week, selling some cargoes at 555-560 USD/Mt FOB. At least 2 lots have been sold at this level, while a major supplier claims to have sold a

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batch at 575 USD/Mt. The cargo is believed not to be commercial grades and has grade premium.

In slab segment, offers from CIS rose sharply from last week level to 650 USD/Mt FOB. Production restrictions in Turkey as well as lack of good offers from other producers like India and Iran have added to the heat.

Market outlook: Planner estimates that after Chinese New Year, the market heats up at first, but slowly corrects as February comes to the end. However, in March, we may witness another round of price hike, when the weather starts to warm up.



- **Finished long products**

Turkish long steel product sees positive price dynamic because of higher cost of production owing to the rise in domestic and imported scrap and promising market of steel product The Planner price index for exporting rebar jump from \$710/mt FOB to \$730/mt during this week. In the domestic



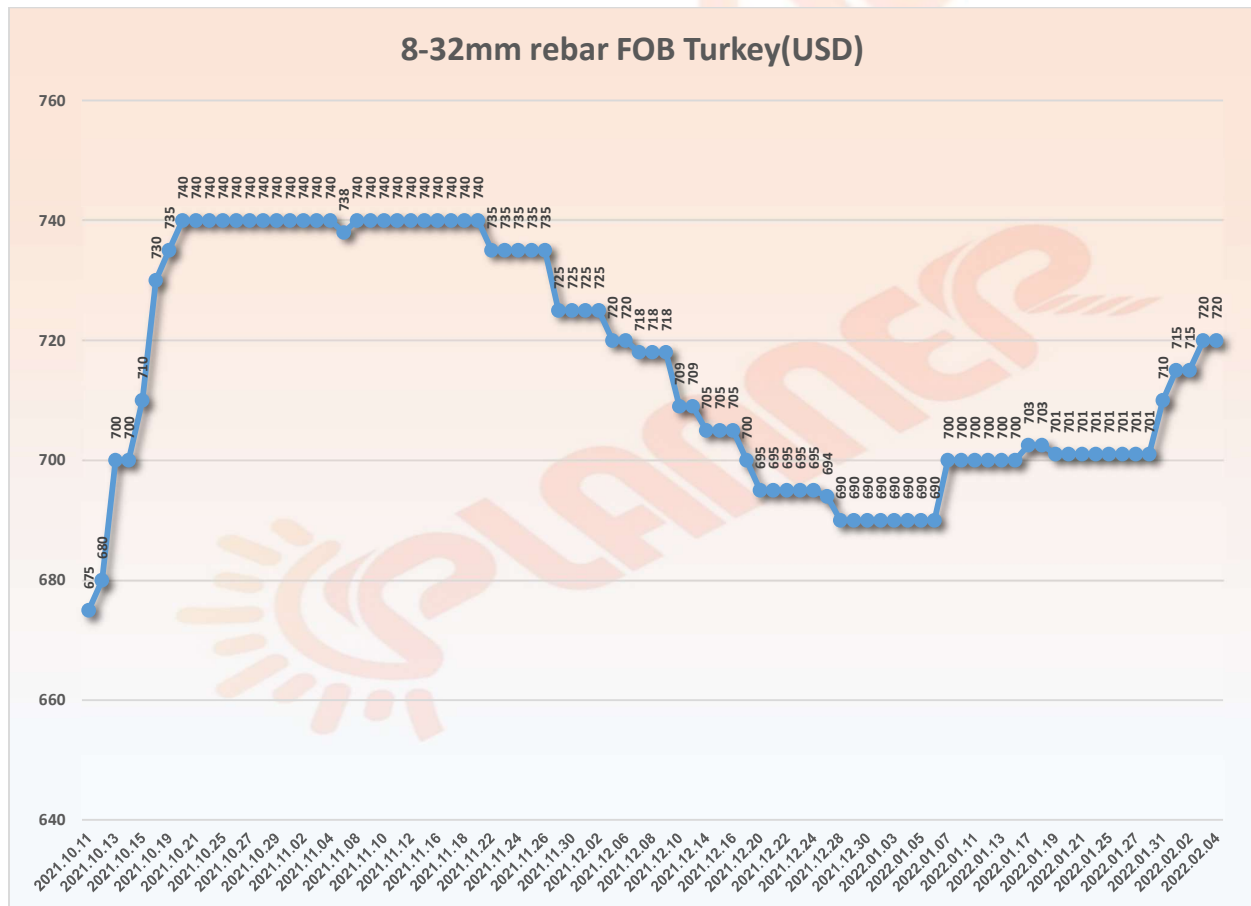
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market price set at 11,200-11,500 lira per ton (including 18% VAT). Although rebar price is expected to reserve its upward trend fluctuation could be more limited in coming week after sharp increase in recent days.

Iranian producers remained firm about their prices and offers for Iranian rebar reached as high as 590 USD/Mt Ex-works. Better demand in domestic market and IRR appreciation against USD has caused supplier's expectations to hike. In addition, billet has been priced higher in Iran domestic market which resulted in higher production cost. It is estimated that the trend will continue next week.

In wire rod market, CIS suppliers are in no rush to sell huge tonnages as they are mostly focused in domestic market. Turkey, unable to utilize full capacity, does not have enough tonnages to sell. Latest offers from sellers in CIS come at 820-830 USD/Mt FOB, showing a 5-USD increase from a week earlier.

Market Outlook: Planner predicts that the pace of increase will slow down in the next week, while Chinese market opening may cast some shadow on the forecast.



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- Finished flat products

Flats prices in CIS region soared heavily last week. There is a lack of supply in the region and Turkey faces energy crisis, leaving the buyers unattended. Latest offers from Russia come at 830-840 USD/Mt FOB, while the practical prices remain in the range of 815-825 USD/Mt FOB. It is estimated that the uptrend will continue at a slower pace next week.



In CRC section, quotes from sellers hiked from last week to 935-950 USD/Mt, registering a 20-40 USD increase. Supply shortage is the main reason for the price rise.

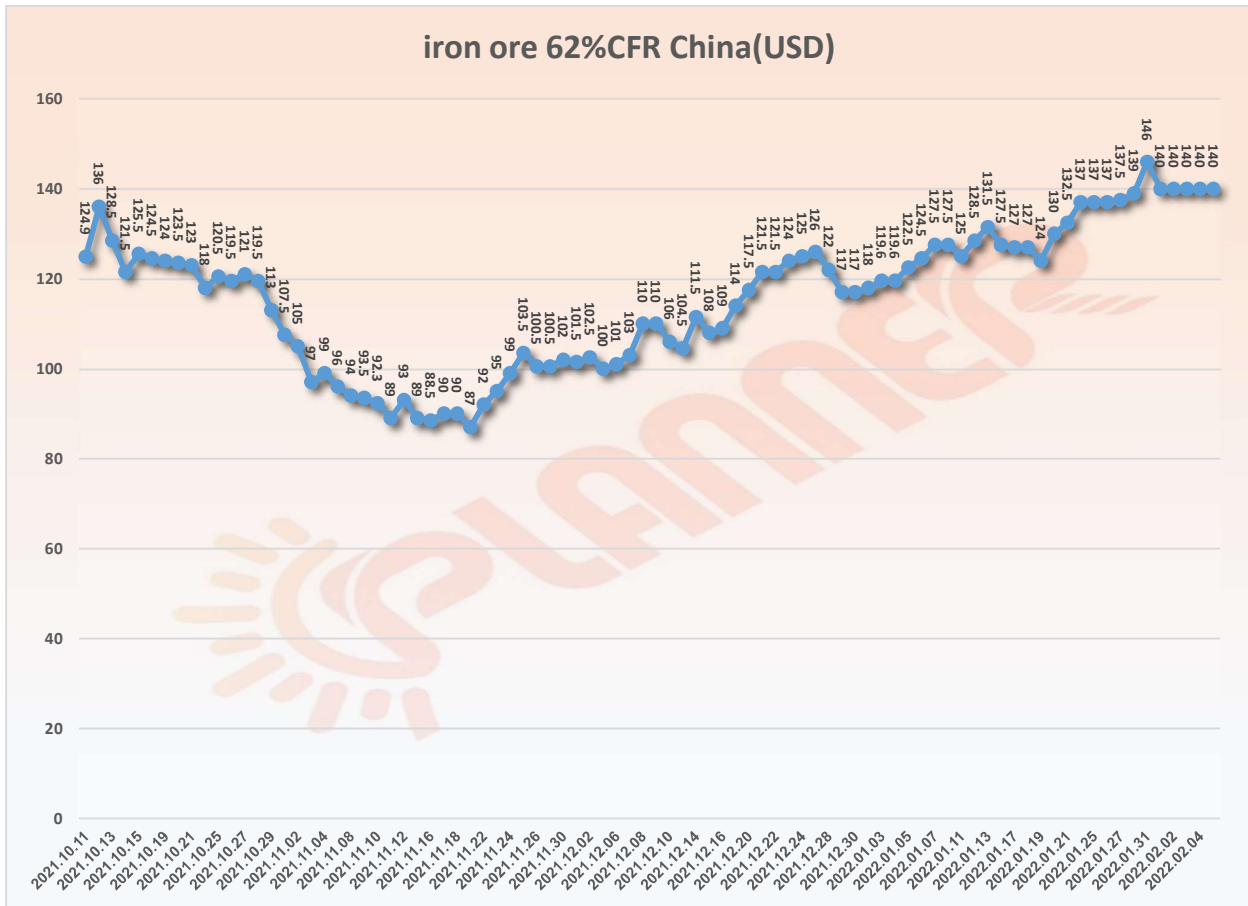
Market Outlook: Planner expects that flat prices may increase slightly next week.

Raw Materials

- Iron Ore:

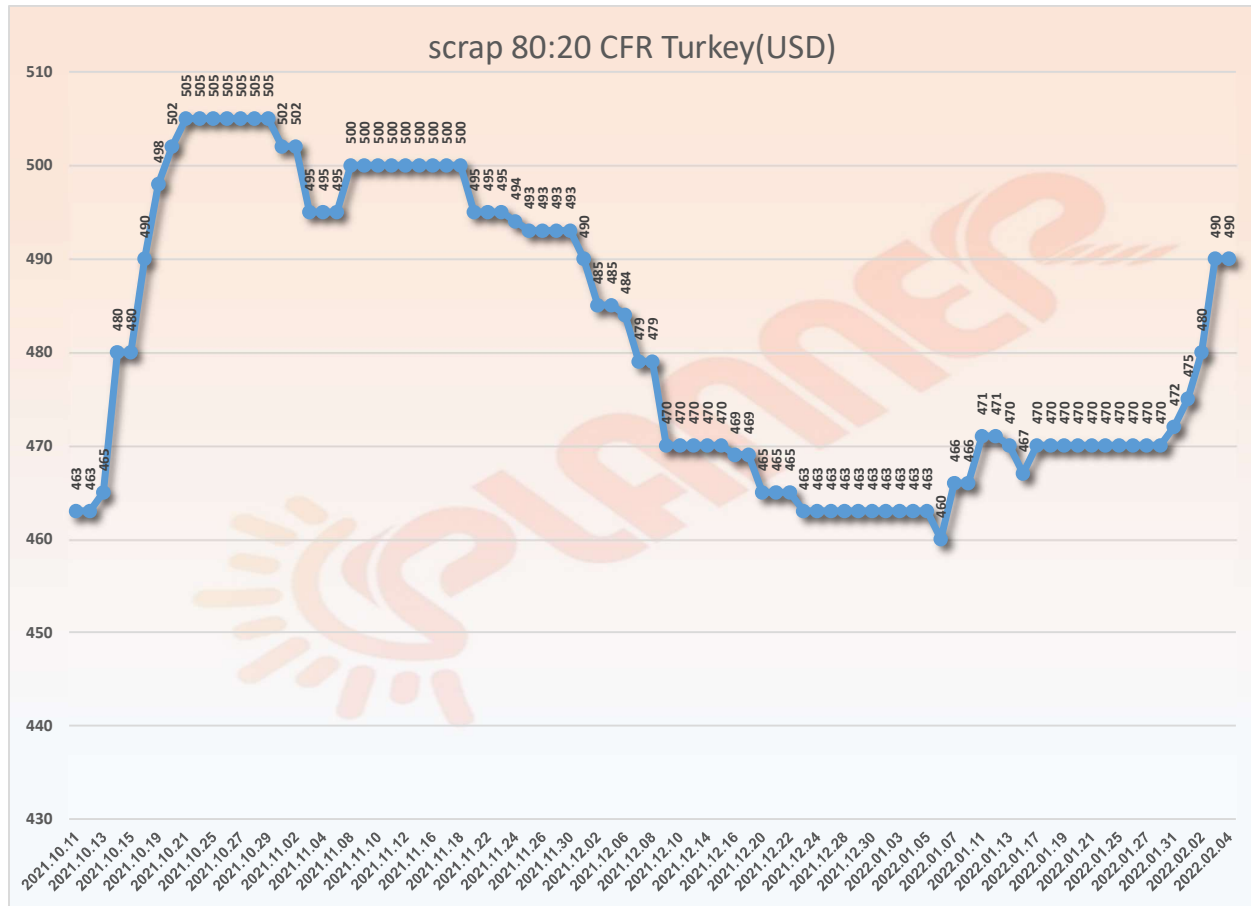
Australian iron ore fines 62% corrected sharply at the last day of previous Chinese New Year to reach 140 USD/Mt CFR. It seems that Chinese mills restocking for holidays ended and now they have enough storage. As China Central Government ordered mills to cut production during the Winter Olympics, steel makers try not to accumulate their inventory levels, while shipment from Brazil is slowly getting back to normal level. This could put pressure on iron ore in the short term. On the other hand, the restrictions will slowly fade as we reach March and the Olympics finishes. The iron ore demand may start to heat up then.





- Scrap

Imported scrap market in Turkey witness a sharp weekly rise of \$24/mt from \$472/mt CFR on Monday to \$496/mt CFR at end of week for Planner HMS 1&2 (80:20) price index. The main reason behind the price jump is attributed to tight supply and scarce offers available along with revival of demand in domestic and global market of steel products by approaching spring which make suppliers firm in their offers. However, there is psychological barrier at \$500/mt CFR and mills trying to assess the market condition before accepting higher price. The conceivable positive market reacts after Lunar New Year holiday in China and some countries in South East Asia as well as growing construction project help that index easily surpass \$500/mt. Considering the limited cargo available and promising steel demand Planner see milder price uptick very likely in short term.



- **Hard Coking Coal**

In CFR China coking coal market players step back due to national holiday and policy uncertainty about production restrictions after holiday. Hence buyers avoid risk of supplying late arrival cargo of seaborne market. Returning from holiday in the middle of February give better outlook of demand, however the general atmosphere in domestic China market is pessimistic. In FOB Australia market there is lack of offers amidst limited availability of raw material, but coal price jump seems inevitable considering the steel demand growth and tightened supply.



2022/02/05					
	Commodity	Origin	Currency, Delivery term	Price	Daily change
Planner-group.com	LME Aluminum closing (3-Month)		\$/t	3,074	+24
	LME Copper closing (3-Month)		\$/t	9,841.5	+9
	WTI crude oil (March Contract)		\$/Barrel	88.15	92.31
	BRENT crude oil (March Contract)		\$/Barrel	89.26	93.27
	Iron Ore, 62%	Australia	\$/t, CFR China	140	0
	Ferrous scrap HMS I/II 80:20	USA	\$/t, CFR Turkey	496	+6
	Coking coal	Australia	\$/t, FOB	445	0
	Coking coal	USA	\$/t, CFR China	401	0
	Billet Q235	China	CNY/t, EXW	4,500	0
	Billet Q235	China	\$/t, EXW	707.5	0
t.me/Plannerinfo	Slab	China	CNY/t, EXW	4,650	0
	Slab	China	\$/t, EXW	731	0
	Imported Billet BOF/3SP 150mm	-	CFR China	647	0
	Billet	CIS	\$/t, FOB	660	+10
	Slab	CIS	\$/t, FOB	650	+20
	HRC	CIS	\$/t, FOB	815	+15
	Rebar	Turkey	\$/t, FOB	730	+10
	Billet	Iran	\$/t, FOB	575	0
	Slab	Iran	\$/t, FOB	560	0
	Rebar	Iran	\$/t, EXW	590	+35
Transactions of construction steel (rebar, wire rod and bar-in-coil) in 237 Trading house of china					
Yesterday's trading volume (tons)				-	
Today's trading volume (tons)				-	

Steel Industry Admired Producers

40) Severstal

Severstal is a vertically integrated steel and steel-related mining company with major assets in Russia as well as investments in other regions. It headquartered in Cherepovets in Russia and its CEO

is Mr. Alexey Mordashov. The number of its employees was 50,000 according the latest information. Severstal owns major industrial facilities in Russia, Ukraine, Kazakhstan,



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France, and Italy, as well as in several African countries. The company also has mining assets, thus securing its supply of raw materials. Severstal remains a global leader in efficiency, with the highest margin in the steel industry globally, positive free cash flow generation throughout the cycle and a track record of achieving its targets. To deliver additional growth, the Company has updated its already proven strategy, retained its fundamental advantages but added new elements. Severstal's new vision is to be a leader of the steel industry of the future and the first choice for its customers, employees and partners. To achieve this, the Company is setting out new strategic priorities to distance itself further from its competitors. These strategies are: superior client experience, cost leadership and embracing new opportunities.

In fact, Severstal is one of the reliable suppliers of products and solutions for clients in the construction, mechanical engineering and energy industries. This company is producing all kinds of flat and long steel products and pipe. According the latest information which released by world steel association, this company produced 11.31 m/t crude steel in 2020 and has ranked the forty among top steelmakers in the world. Severstal makes first delivery of large-diameter pipes to Brazil, Severstal to supply Gazprom with over 200 thousand tons of pipes. In 2018, Severstal became one of the pilots of the World Steel Association's program to reduce greenhouse gas emissions by the global steel industry. This company reported total CO2 emissions for the twelve months ending 31 December 2020 at 27,860.

Shipping Market

- Capesize

The Capesize market looked to have found a bottom by week's close as rates descended throughout before bouncing back a little at the end. The 5TC weighted average opened the week at \$7,390, descended to a low of \$5,826 before settling at week's end to \$8,918. Both the Transpacific C10 and Brazil China C14 ballaster route priced below the index during the week both showed upticks to close at \$6,963 and \$8,023 respectively. The Transatlantic C8 continues to command a premium over the other regions yet was largely left unaffected over the week as the route closed at \$11,325, up +125 compared to end of last week. West Australian miners were mildly active with fixtures over the last few days but were largely in the driving seat pushing down prices and providing meagre returns to owners as the C5 closed at \$7.523. With the rates finding a floor, there is mixed views on whether there is any drive to lift rates from the doldrums. However, as Chinese New Year is about to begin many in the market will go quiet during this time so odds are stacked against any revival.

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- **Panamax**

It proved to be another week of further considerable losses for the Panamax market, retracting back to values witnessed in Q2 2021. With countless ballasting and spot tonnage unfixed, resistance from owners was scarce as tonnage far outweighed demand. This resulted in charterers driving down bids - especially in the Atlantic region. Here, rates reduced close to \$4,000 week-on-week on both P1A and P2A routes with little sign of abating. Several APS EC South America deliveries reported fixed for transatlantic rounds equating to the equivalent of \$10/11,000 delivery DOP this side, with the quick Baltic round trips now fixing in the single digits. Asia fared marginally better as Indonesian coal appeared back on stream along with a fair level of Australia coal enquiry. With seemingly strong confidence for the rest of 2022, solid period interest appeared as the one bright spark this week. Several deals concluded including an 81,000-dwt delivery China achieving \$23,500 for 5/7 months employment.

- **Supramax / Ultramax**

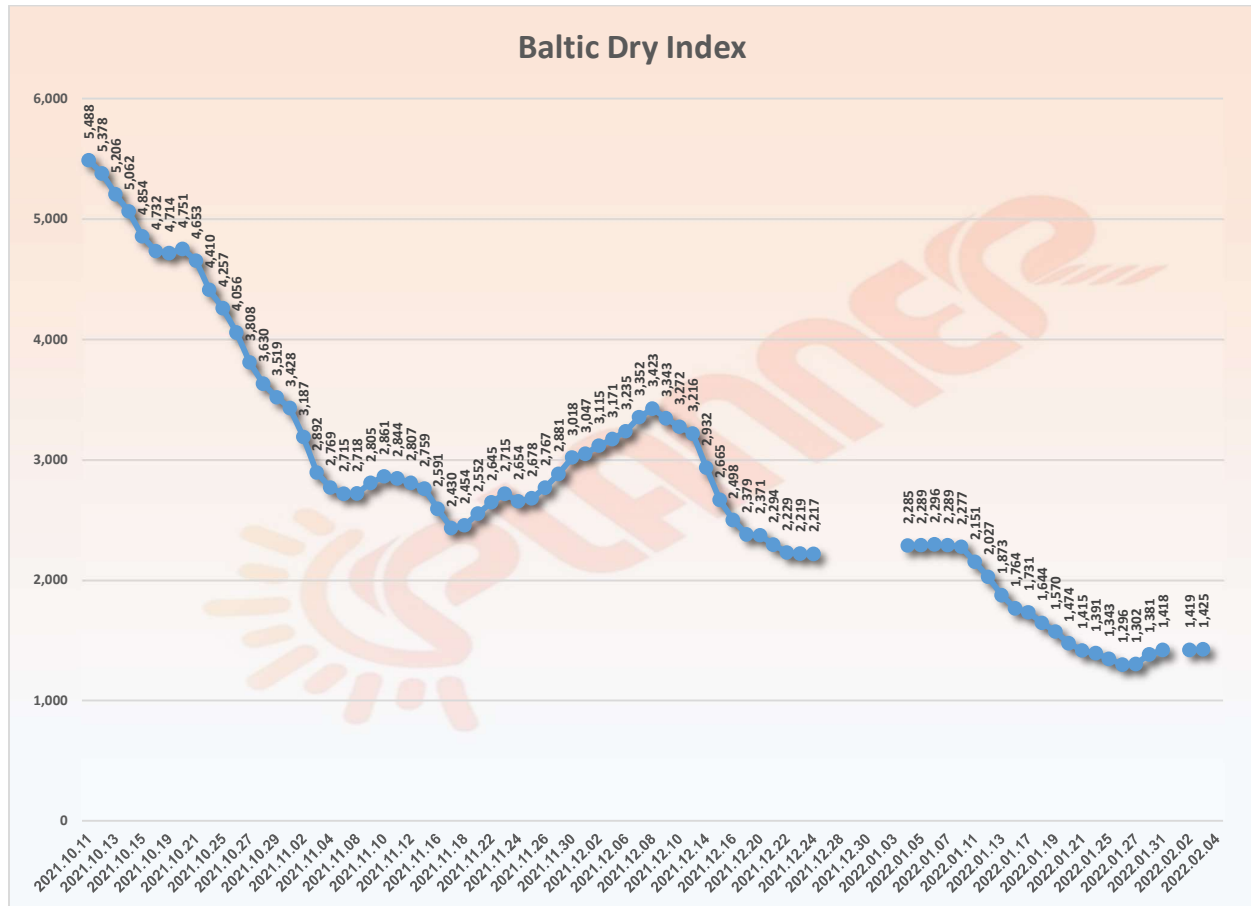
Mixed fortunes for the sector over the last week as sentiment improved from Asia and the Indian Ocean regions. However, by contrast, the Atlantic lost ground. This did not deter period interest though. A 64,000-dwt open Continent fixing for one year at 116-116.5% of BSI including an option or redelivery Far East paying a bonus of \$400,000. The Atlantic suffered losses with limited fresh enquiry from many areas. A Ultramax was heard fixing from East coast South America for a transatlantic run at around \$23,000. Elsewhere, a 56,000-dwt fixed delivery Egypt trip US East Coast at \$15,000. Stronger interest from the Indian Ocean. A 62,000-dwt fixing delivery Chittagong via South Africa redelivery Far East at \$21,500. In Asia, A 56,000-dwt fixing a trip from Indonesia to India at \$21,000 whilst another 56,000-dwt fixed delivery Singapore via Indonesia redelivery China at \$18,500. With the Chinese New Year holidays upcoming, it remains to be seen if this momentum continues.

- **Handysize**

Further reductions this week on the BHSI with both Atlantic and Pacific basins continuing to make negative moves. In East Coast South America, numbers have tumbled with lack of enquiry and a 37,000-dwt fixing from Recalada to Tunisia at \$21,500. A 32,000-dwt fixed from Recalada to West Africa at \$25,000. In the US Gulf, pressure also remained with a 38,000-dwt fixing for a trip from the US Gulf to the Continent with an intended cargo of wood pellets at \$16,000. From the Mediterranean, a 37,000-dwt was fixed for a trip from Damietta to East Coast South America at \$13,000. From Asia, with the Chinese New Year closing in, activity has been limited. However, a 40,000-dwt newbuild fixed from Japan via Australia to China with an intended cargo of concentrates at

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\$19,000. A 34,000-dwt open in Mongla fixed via East Coast India to South East Asia with an intended cargo of steels at \$17,000.



Weekly Review of Iran Domestic Market

The upward trend in the domestic steel market, which began last week, continued this week despite the lack of real demand.

The weekly average price for billet in the physical market was equal to 141,150 IRR, which was 2,950 IRR higher than the previous week and the weekly average price for rebar in the spot market was equal to 155,560 IRR, with an increase of 4,182 IRR, compared to the earlier week.

At the IME market, due to the policy of increasing the regulated pricing, the average price for traded billet and rebar was higher than the previous week.

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