No: 49

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Planner Sunday Journal

May 29th, 2022

Editorial

The US stocks rebounded sharply on Thursday, as worries about the Fed's policy outlook eased. Bank of America strategists have boldly predicted that the Federal Reserve may pause monetary tightening in September if the economy deteriorates and inflation falls.

Yesterday, the Fed released the minutes of its May policy meeting. The minutes showed that all Fed officials agreed to raise rates by 50 basis points at their May policy meeting to curb inflation, and most participants said further hikes in June and July may be appropriate.

But the minutes also showed that the Fed was grappling with how to reduce inflation without triggering a recession or driving up unemployment significantly; a task that several participants said would be challenging.

If financial conditions deteriorate, the U.S. central bank may pause policy tightening in September, keeping its benchmark overnight rate in a range of 1.75% to 2%, Bank of America strategists said in a note.

We've recently seen subtle but significant changes in the Fed's communication approach, with some Fed officials suggesting a target of 2 later this year given the challenging macro backdrop, tighter financial conditions and possible softening inflation.

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Market at a Glance

Item Date	Last Month (Avr)	Last Week (Avr)	May 27th	Change % (MoM)
Iron Ore CFR China	137.6	131.5	133	-3.4
Scrap CFR Turkey	549.7	464	465	-18.3
Billet FOB CIS	660.8	605	605	-9.2
Slab FOB CIS	732.4	644	620	-18.1
Rebar FOB Turkey	841	758	760	-10.7
HRC FOB CIS	877	794	770	-13.9
CRC FOB CIS	990	900	890	-11.2

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Macro Economy

- **USD Index**

The US dollar index weakened toward 101.5 on Friday, remaining at the lowest level in a month, as investors reassessed expectations about future Federal Reserve rate hikes amid signs the central bank might slow or even pause its tightening cycle later this year. Minutes of the last FOMC meeting showed that most participants believed that 50 basis point rate hikes would be appropriate at each of the next two meetings in June and July to get on top of inflation. However, many officials thought big, early hikes would allow room to pause later in the year to assess the effects of that policy tightening, while carefully watching the evolving economic outlook. The dollar also tracked Treasury yields lower as recent softness in US economic data and corporate earnings raised fears of an economic slowdown. The index is down 1.5% so far this week and is on track to decline for the second straight week.

- **Crude Oil**

Crude Oil prices edged lower on Friday but were on track for weekly gains, supported by the prospect of a tight market due to rising gasoline consumption in the United States in summer, and also the possibility of an EU ban on Russian oil.

Brent crude was down 20 cents, or 0.2%, at $117.20 at 1104 GMT, but was on track for a gain of about 4% this week. U.S. West Texas Intermediate (WTI) crude fell 40 cents, or 0.4%, to $113.69 a barrel. WTI is set for a weekly gain of about 0.5%.

"Oil prices have risen to the highest level since end of March, benefiting from renewed declines in U.S. oil inventories," said UBS analyst Giovanni Staunovo.

- **Cryptocurrencies**

BTC Price Analysis

The market has continued to lower in value, but there is something positive about Bitcoin. It has soared in its market dominance value amid the fluctuating market. The value of various altcoins has receded as many are nearing collapse, but Bitcoin has been able to continue its hold, though a bit lost. The performance of Bitcoin shows that it has receded 0.86% over the last 24 hours. In comparison, the last seven days have taken a slightly higher amount, which shed 1.74%. If the current bearish wave continues, Bitcoin might lower its value further.

Steel

- **Semi-Finished Products**

Steel prices in Chinese domestic market showed signs of rebound last week due to positive news about reopening the businesses in Shanghai and some other cities. Tangshan billet gained as much as much as 50 RMB at the beginning of the week, however, it corrected to 4450 RMB/Mt by the week end as participants are still in a wait and see mood. Chinese authorities introduced a construction stimulus package as large as 1.35 trillion RMB in Beijing-Tianjin-Hebei area in order to stimulate business activities in this region, which enhance the futures market sharply on Friday. Billet inventories in Tangshan rose by 42,300 Mt to 314,300 Mt as re-rollers prefer to wait a bit more for further clarifications. On import front, Chinese traders have been offered cheap Russian billet at 570-580 USD/Mt CFR and are reluctant to consider other offers. Planner believes that Chinese billet market start to go up next week.

Billet prices in CIS lacked strength to move upward, both because of low interest in Russian material as well as weak demand in main consuming markets. The offers from Russia come at 610-620 USD/Mt FOB to Turkey and North Africa, while customers bid at least 20 USD/Mt lower. Russians turned to Chinese market with aggressive prices, making sales impossible for other sellers.

Iranian semis suppliers continued their negotiations with buyers this week. It is heard that an IF billet supplier has sold a lot to Persian Gulf nations at 570 USD/Mt FOB, which is believed to have premium in grade or size. Another major supplier floated a tender for 40,000-50,000 Mt billet due on Mat 31st. Another major producer has postponed its conclusion date due to customers' demand. It is believed that export tax for future sales of the producers will be reduced to zero.

In slab segment, prices in CIS decreased further to 620 USD/Mt FOB with low customer demand. Iranian sellers also floated two tenders for 70,000-80,000 Mt of slab due on May 31st. Planner believes that customers bid at 580-600 USD/Mt FOB for Iran origin slab.

Market Outlook: The magnitude of positive signals to the market increased last week and Planner believes that prices might show signs of strength from next week on.

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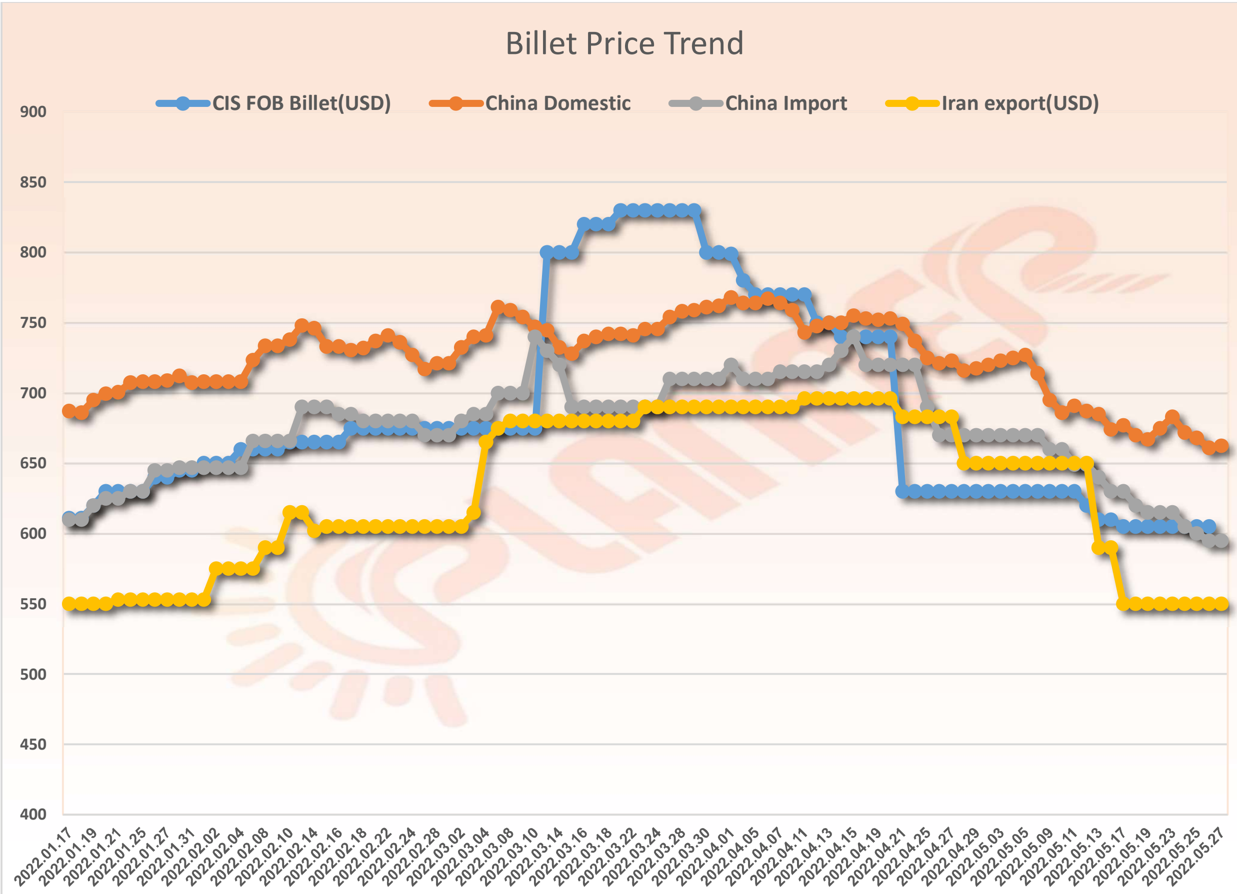


- **Finished long products**

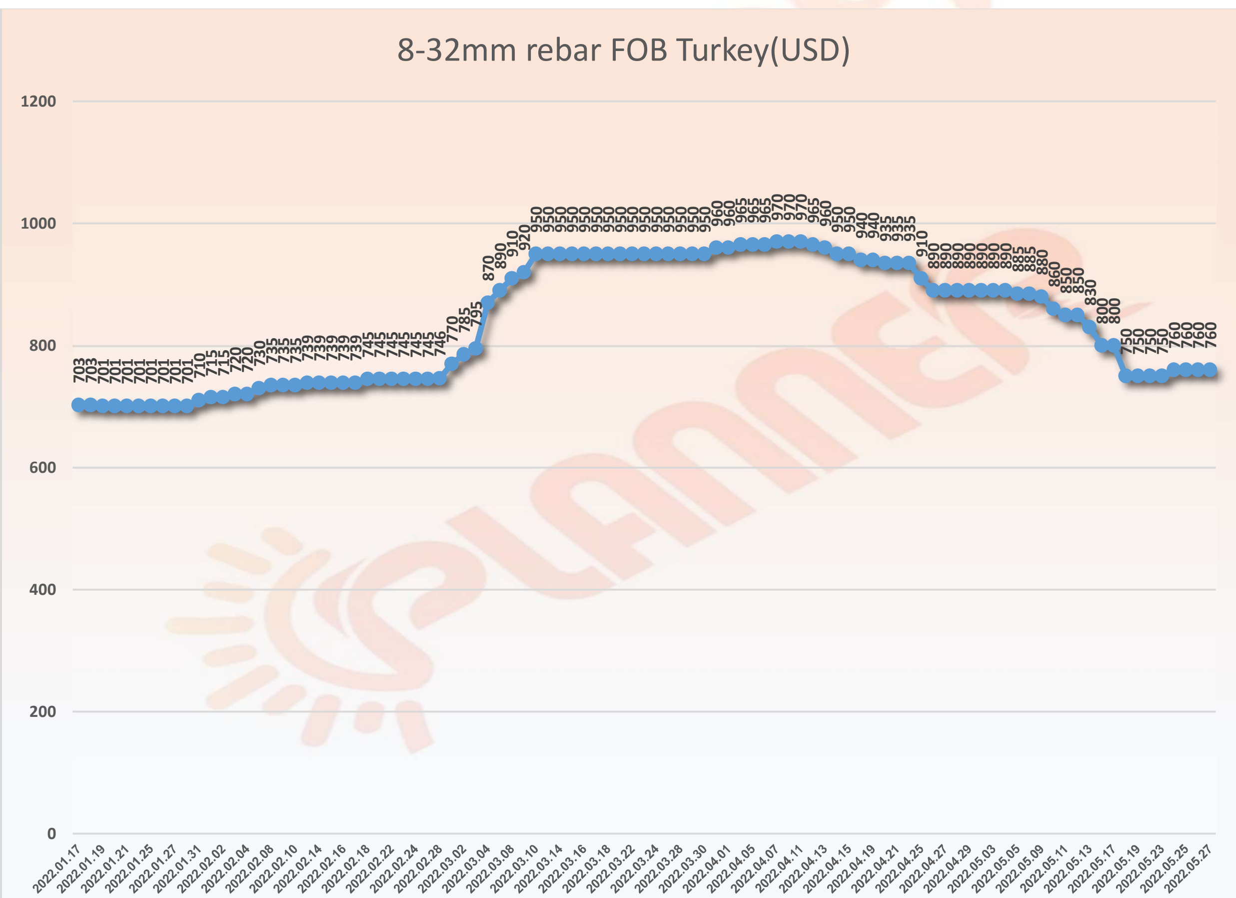
Finished long prices in Chinese domestic market showed signs of recovery and the main products prices stopped falling both in futures and physical market. The main rebar futures increased slightly by 18 RMB on a weekly basis to close at 4634 RMB/Mt. The average price of rebar in main cities of China increased to 4765 RMB/Mt over the same period. The difference between physical and futures market reduced greatly, signaling that the prices might have been bottomed out. Traders' rebar inventories fell for seventh consecutive week to 8.2631 million Mt, while mills inventories rose slightly as production fell. Due to the stimulus packages introduced by Chinese government in terms of real estate industry, it is believed that rebar consumption will increase in the weeks ahead.

Turkish rebar producers increased their offers slightly as some positive movements took place in import scrap market. Latest offers from Turkish rebar exporters are heard at 770 USD/Mt FOB, but limited tonnages have been heard to be dealt. Exporters prefer to hold their levels steady for the moment and wait for buyers to come around.

Iranian re-rollers are offering lower levels compared to last week as IRR depreciated against USD further last week. They are ready to sell at 640-670 USD/Mt ex-works, while discount is possible for firm inquiries. Given the probable increase in prices next week, especially in Turkey, Iranian re-rollers may also consider price adjustment.

In wire rod market, offers from Iranian mills remained flat at 700-720 USD/Mt ex-works. Turkish sellers, however, increased their offers by 10 USD/Mt to 840-850 USD/Mt FOB.

Market Outlook: Planner believes longs prices may increase slightly next week.



- **Finished flat products**

Finished long prices in Chinese domestic market were boosted during the end of last week on the back of good economic news released by authorities. The main HRC contract in Shanghai Futures market increased by 11 RMB to 4766 RMB/Mt, while the average physical market price corrected by 71 RMB/Mt to 4853 RMB/Mt. In the short term, although the good economic news signals positive movements, it is hard for demand to pick up significantly as epidemic in some regions has blocked activities. It is believed that flat prices may fluctuate within a narrow range next week.

With low demand still prevail and higher tags from seller are voiced, the prices could hardly match between the sides. Indians can no longer give offers to Turkey and the EU since the government imposed 15% export duty on all steel products exported from the country. Rare import offers from Far East come at 900 USD/Mt CFR which is the same as domestic prices in Turkey and may draw no attention from buyers.

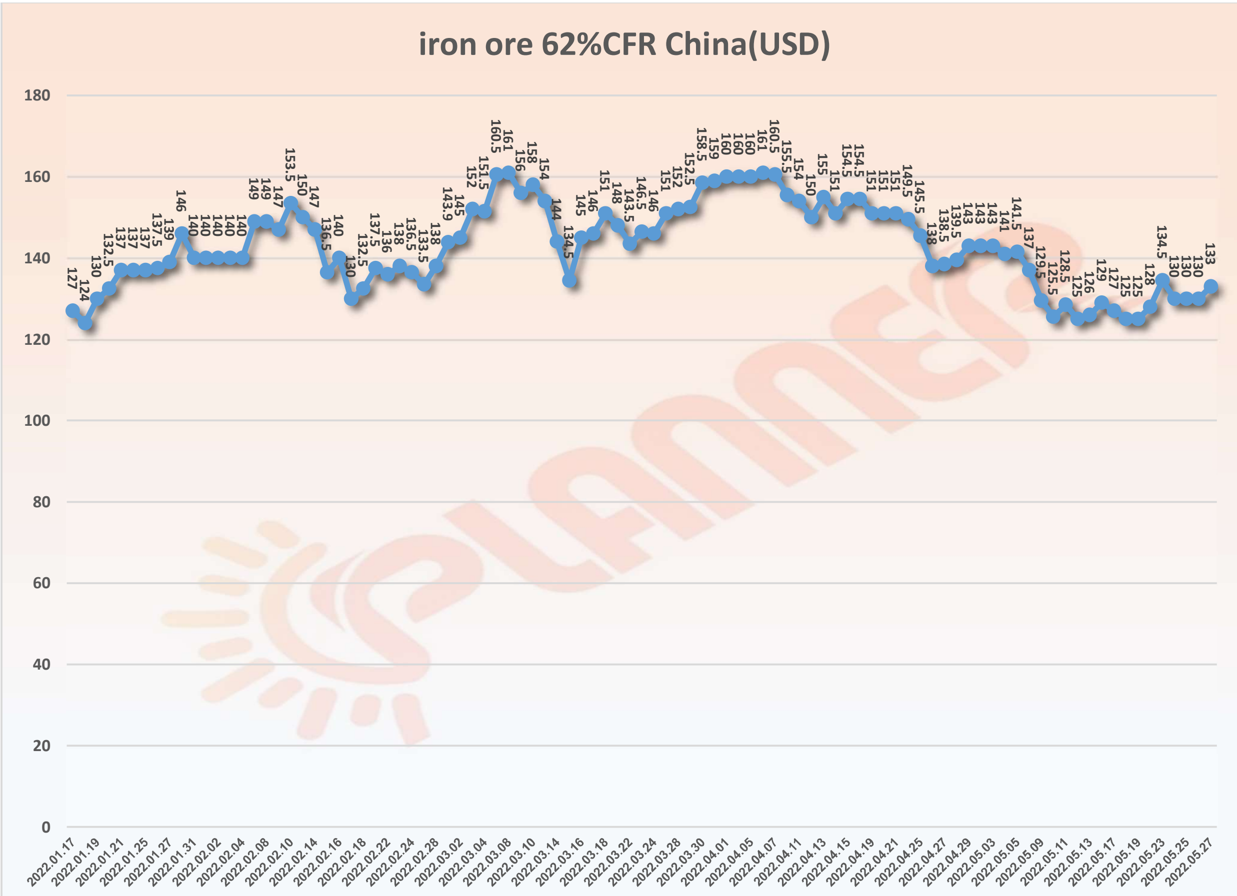
In CRC section, there has been no firm offers from sellers in China and India as Indians are out of the market and Chinese prefer to sell domestically. Planner estimates offers from CIS at 890-900 USD/Mt FOB, while buyers prefer not to take the risk of buying from Russia.

Market Outlook: Planner believes that flat prices might hold their levels and fluctuate within a narrow range next week.

Raw Materials

- **Iron Ore**:

Australian iron ore fines 62% gained another 5 USD/Mt on a weekly basis to close the week at 133 USD/Mt CFR China. The commodity went as high as 134.5 USD/Mt and then corrected to 128 USD/Mt over the week, but ended at 133 USD/Mt, showing that it does not intend to correct easily. The port inventories continued their downward trend and decreased to 134.550 million Mt. Iron ore price increased despite the fact that the cost of shipment from Australia and Brazil fell over the week. There are hopes that steel prices in China will ascend after Shanghai reopens next week, boosting the price of iron ore along.



- **Scrap**

Over the past week, Last week, the Turkish imported scrap market became more dynamic, following a further increase in Turkish rebar exports to Yemen and South America. Turkish producers tried to keep their melt margins at $ 300 by keeping scrap imports in the $460-465/Mt range for premium HMS 80:20. On Monday, the only confirmed booking was ex EU with HMS 80:20 at $455. A US supplier also sold HMS 80:20 at $460 t and shred at $475 t CFR. Then there was a deal from ex Baltic supplier who sold HMS 80:20 and shred respectively at $ 465 and $ 480 t CFR. The price of imported scrap is estimated at $ 465/Mt or higher for the next week.

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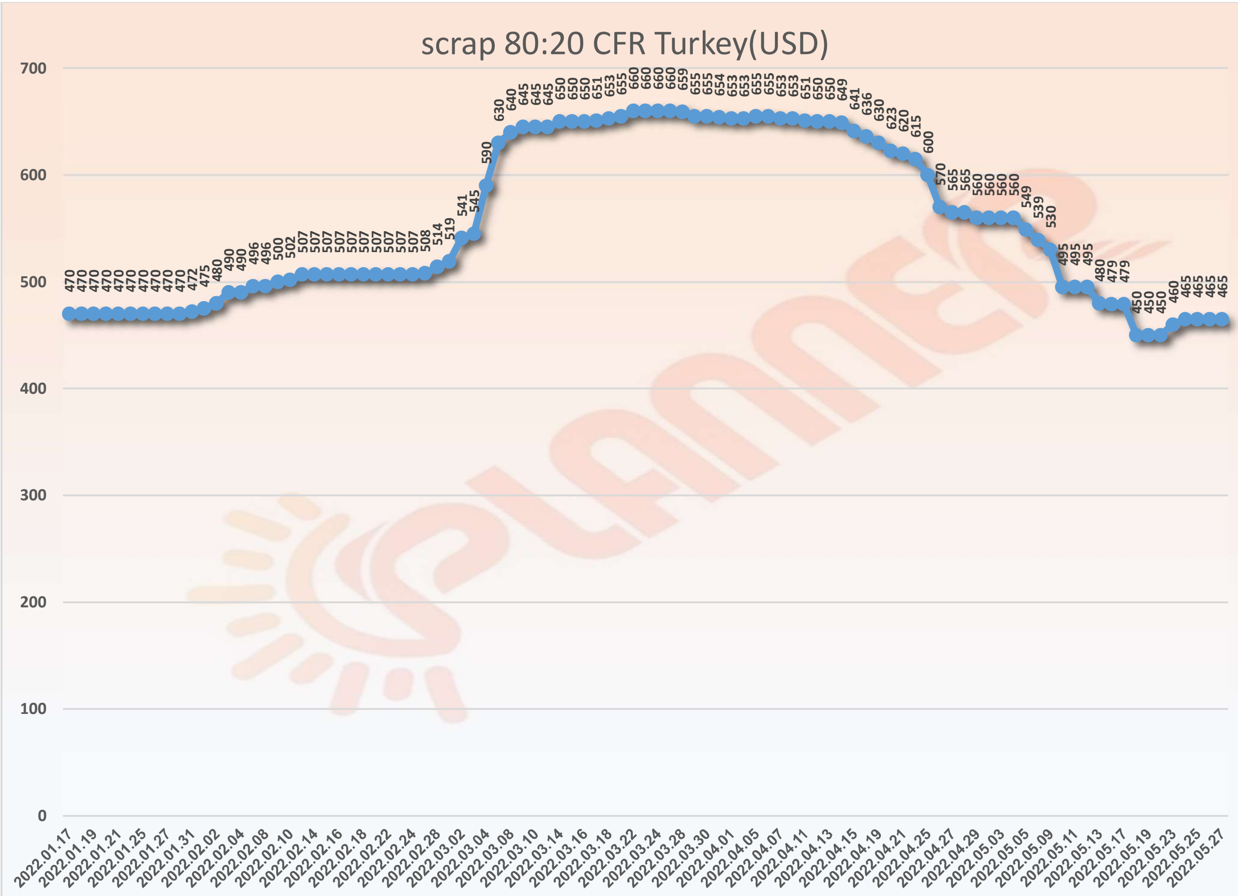

- **Hard Coking Coal**

The lack of strength for steel prices exerted more pressure on coking coal tags and offers corrected both in FOB Australia and CFR China terms. The most competitive offers from Australian sellers come at 475 USD/Mt FOB, while in CFR terms, seller quoted 420-425 USD/Mt. The imposed export taxes in India breed negative sentiments on the imported coal prices and affects the willingness of some merchant coke plants to operate, hence a lower demand for PHCC. Plus, Chinese coke makers are producing at loss with fourth round of price reduction, leaving them no choice but to lower the price of met coal.

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	Commodity	Origin	Currency, Delivery term	Price	Daily change
Planner-group.com	LME Aluminum closing (3-Month)		$/t	2,865	-9
	LME Copper closing (3-Month)		$/t	9,353	-20
	WTI crude oil (June Contract)		$/Barrel	113.91	+2.61
	BRENT crude oil (June Contract)		$/Barrel	117.71	+2.87
	Iran Heavy		$/Barrel	111.35	+2.63
	Iron Ore, 62%	Australia	$/t, CFR China	133	+3
	Ferrous scrap HMS I/II 80:20	USA	$/t, CFR Turkey	465	0
	Coking coal	Australia	$/t, FOB	499	-11
	Coking coal	USA	$/t, CFR China	450	0
	Billet Q235	China	CNY/t, EXW	4,450	0
	Billet Q235	China	$/t, EXW	662.5	+1.5
	Slab	China	CNY/t, EXW	4,735	+25
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	Imported Billet BOF/3SP 150mm	-	CFR China	595	0
	Billet	CIS	$/t, FOB	605	0
	Slab	CIS	$/t, FOB	620	0
	HRC	CIS	$/t, FOB	770	0
	Rebar	Turkey	$/t, FOB	760	0
	Billet	Iran	$/t, FOB	550	0
	Slab	Iran	$/t, FOB	620	0
	Rebar	Iran	$/t, EXW	650	0

Transactions of construction steel (rebar, wire rod and bar-in-coil) in 237 Trading house of china

Yesterday's trading volume (tons)	210986
Today's trading volume (tons)	185944

Steel industry admired producers

48) ICDAS

İÇDAŞ ÇELİK ENERJİ TERSANE VE ULAŞIM SANAYİ A.Ş

The eldest of the family, Koca Mustafa Bey, comes to Istanbul to start ship repair works in the 1880s. Aslan family entered the field of casting and machinery in 1954 and established the first rolling mill in 1961. In 1969, Icdas established and started to produce construction steel and alloy steel since 1970. Icdas is Turkey's 2nd largest steel producer and was ranked 6th in 2014 in the general ranking among Turkey's 500

Largest Industrial Enterprises, including the public, according to the determinations of the Istanbul Chamber of Industry (ISO), has nearly 10,000 employees together with its group companies. Being aware of the impact of the strategic importance of the National Steel industry on the Turkish economy and being loyal to its roots, Icdas is the leader in technology and quality in the steel industry. While Icdas meets world quality standards with the integration and use of technology in its investments, it has become a respected institution of the world steel league with the competitive power it has created and has made an important contribution to the global competitiveness that reflects the future of Turkey.

Icdas with its energy efficiency, process efficiency, environmental awareness, use of technology, participation of employees in productivity; shares the rightful pride of bringing the name of Turkey a respectable point today, with its competitive power, in a race that this company started far behind in the world steel industry. It headquarters in Istanbul, in Turkey. Its mission is to perpetuate profitable and responsible commercial success by producing high quality products under Icdas brand. Its vision is through high productivity and investments, to become the leader in the Iron and Steel Sector in terms of products and services provided with universal quality and standards. Based on the latest information, the crude steel production of Icdas was 3.22 m /t in 2020 and it was in the 104th level of top steelmakers in 2020.

Shipping Market

- **Capesize**

The Capesize market began the week at the summit of the recent rally. This necessitated a breather before sentiment strengthened, helping it to push up throughout the week and marking new highs for the year. The Capesize 5TC rose +$4,805 over the week to close at $37,538. The Pacific region, while easily the premium region to trade currently, was in somewhat of a holding pattern whilst it awaited other regions to catch up. The Transpacific C10 dipped slightly at weeks end to $37,538. In the Atlantic Basin fixing activity increased, admittedly from a very low level, and now looks to have sparked the region to life with some solid gains with the transatlantic lifting a whole +$8,900 over the week to $32,150. The region was a mixture of fixtures from less usual routes including Brazil to the Arabian Gulf, South Africa to the Continent and Brazil to the Mediterranean on a base of Brazil to Far East, which all combined into a cocktail of positive drive and sentiment. Whether it's all sustainable is yet to be seen, but finally the Atlantic is strongly back in the mix contributing and not getting splinters sitting on the bench.

- **Panamax**

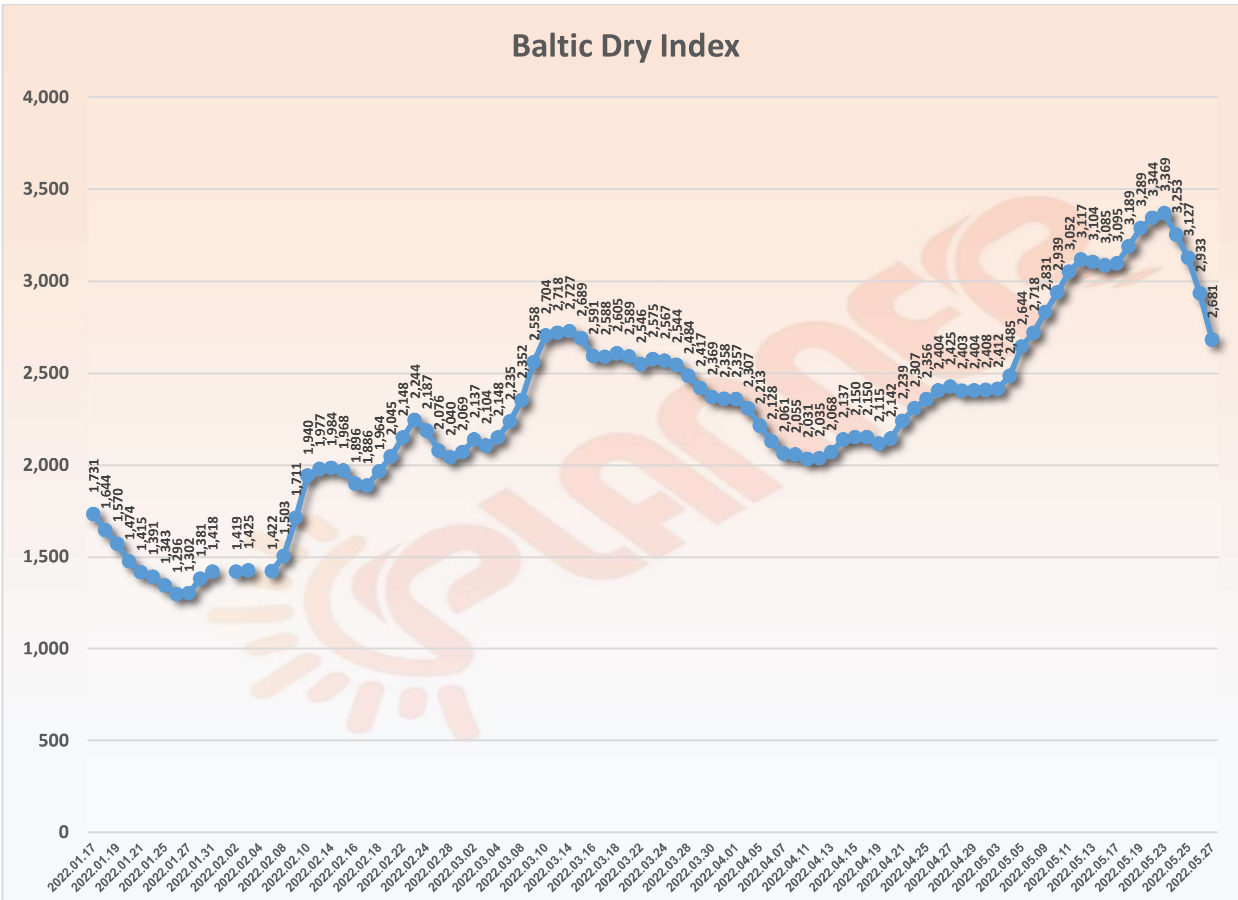
A flat ending to the week for the Panamax market, with a major shipping function in the west and Asian holidays ultimately impacting markets despite market fundamentals appearing largely positive. The Atlantic saw steady support from the grain trades over the week. And, with mineral demand mostly absent, the transatlantic grain trips lent the most support with approximately $30,000 being the mean average. However, the front haul trips hovered around the $40,000 mark. Rates firmed in Asia as the week progressed, the basin looked largely NoPac centric with solid levels of demand. $30,000 fixed midweek on an 82,000-dwt delivery Japan, whilst an 81,000-dwt delivery South Korea achieved $30,000 for a trip via EC Australia redelivery India with coal, highlighting a steady rate for this trade too. Despite substantial moves in the FFA market this week period activity remained slow, although there were reports of an 82,000-dwt delivery China agreeing close to $27,000 for nine to 11 months trading.

- **Ultramax/Supramax**

Like the other sectors, a split market appeared during the course of the week and the Atlantic slowed down as many travelled to Denmark. By contrast, after the Singapore holiday on Monday, positive sentiment gained as more enquiry came into play. The appetite for period cover increased, brokers said. However, a lot was concluded on private terms. From the Atlantic limited action surfaced. A 55,600-dwt open Klaipeda fixed a trip to the East Mediterranean in the mid $20,000s. From Asia, strength remained in backhaul demand. A 56,000-dwt fixed delivery Bohai Bay redelivery Mediterranean at $43,500. Pacific-orientated business saw stronger interest. A 61,000-dwt fixing delivery Philippines via Indonesia redelivery West Coast India at $40,000. Whilst a 60,000-dwt open Busan fixed a NoPac round redelivery Singapore-Japan in the low $30,000s. From the Indian Ocean interest remained. A 56,600-dwt fixing delivery Chennai via East Coast India redelivery China at $27,750.

- **Handysize**

A week of limited activity with holidays and the Danish Shipbrokers event, resulting in a split market as the Atlantic softened across all areas. The biggest drops came in the US Gulf, where a 35,000-dwt open in Puerto Rico fixed a trip to Morocco at around $30,000. A 39,000-dwt was rumoured to have been fixed for a trip from the SW Pass to Atlantic Colombia at $31,500. Elsewhere, a 38,000-dwt open in Iskenderun was fixed for a trip to China at $21,000. Also, a 32,000-dwt open in Greece was fixed via Bourgas to Algeria at $20,500 and a 32,000-dwt open in Piraeus fixed a trip to the US Gulf at $25,000 for the first 30 days and $30,000 thereafter. By contrast, Asia saw levels improve with brokers saying levels of enquiry continued to increase. A 32,000-dwt open South Korea fixed a trip to South East Asia at $24,000. Period activity saw a 37,0000-dwt open South Korea fixing three to five months trading at $35,500.



Advanced high-strength steels


Dr. Hossein Jafari

Advanced high-strength steels are new generations of steel grades that offer a unique combination of durability, ease of manufacturability, and high strength to weight ratio that ensures steel parts and components meet critical safety and efficiency regulations in a cost-effective manner.

Automakers have been using advanced high-strength steels for years, and as manufacturing processes have improved, so too has each subsequent generation of steels. Using precise heating and cooling processes and different strengthening mechanisms, engineers can achieve optimum mechanical properties — such as high ductility or tensile strength — while also meeting requirements for crash performance, ductility, fatigue, stiffness, and other characteristics.

The various types of advanced high-strength sheet steels provide different properties, as well, which allows manufacturers to tailor their part composition to meet the specific needs of each application. Automobile frames, for instance, require greater stiffness (to maintain the structural integrity of the vehicle) than the parts used in the crumple zone, which are designed to undergo controlled deformations that help protect passengers if a collision occurs.

Types of advanced high-strength steels

Steels that have yield strength levels of 550 megapascal pressure units (MPa) or higher are typically considered to be advanced high-strength steels. For the first and second generation of these metals, engineers were quick to leverage the differences in chemical composition and multiphase microstructures of specific steels to meet the performance demands of automotive components.

- **Dual Phase (DP) steel**: One of the most widely used advanced high-strength steels and is exceptionally ductile and resists fractures, which allows it to be used in a range of automotive applications, including in structural components.
- **Transformation-Induced Plasticity (TRIP) steels:** Exhibit high malleability, which gives TRIP steel parts a high endurance capacity. Both provide high energy absorption, which makes them well suited for crumple zones.
- **Martensitic steels:** Have a microstructure that features increased carbon content, which boosts the strength and hardness of the material but doesn't increase the weight of components in the same way that a conventional steel part would. Martensitic steels resist permanent deformation, which makes them an excellent material choice for fortifying automotive passenger compartments or safety cages.

New research and developments in the past few years have led to the new, third generation of advanced high-strength steels, which are designed to provide increased combinations of strength and ductility, often at significantly lower costs. While the industry is still working toward a standardized definition of third generation high-strength steels, the typical desired properties are a minimum strength of 1200 MPa and a ductility of 30% elongation — a notable increase over earlier generations of steels.

The applications of advanced high-strength steels

While they've been used for years for automotive applications, advanced high-strength steels have also been increasingly incorporated into other manufacturing sectors. The crash safety features of high-strength steels make them ideal for applications in rail transport systems, for instance.

Advanced high-strength steels have also been found to improve engine performance and speed limitations not only for automobiles, but also for aircraft, ships, and trains. The advanced high-strength steel market is also poised to offer significant energy savings to manufacturers worldwide as methods become more efficient.

Challenges of advanced high-strength steels

Advanced high-strength steels do come with some limitations. The increased ductility of third generation advanced high-strength steels requires increasing the alloying content of the metal. This allows the steels to be cold formed into more complex shapes while still retaining material ductility, but leads to increased wear on forming dies and increased springback.

Weldability also presents a challenge, as the microstructures created by higher carbon and alloying content of advanced high-strength steels can be negatively impacted by the rapid heating and cooling involved in the welding process.

One goal in the ongoing development of third generation advanced high-strength steels is to reduce the alloying content of high-strength steels in order to keep costs lower, while also maximizing strength and ductility and avoiding embrittlement.

The manufacturing partnership that redefines what's possible

Advanced high-strength steels may be well-suited to improve the tensile strength and durability of a variety of parts across industries. Advances in energy efficiency and engineering are likely to make the next generation of advanced high-strength steels even more versatile.

Fast Radius is the manufacturing partner of choice if you’re looking to manufacture parts using advanced high-strength steels. Our dedicated team of designers and engineers provides on-demand manufacturing services with comprehensive support throughout the product development and manufacturing lifecycles. We work closely with each of our customers to ensure that every part is optimized for design and manufacturability, using the right processes and techniques to create consistently superior products.

Weekly Review of Iran Domestic Market

Last week, the fall in global steel market prices and the replacement of Russian steelmakers with the Iranian domestic producers in global steel markets, prompted billet buyers in the domestic steel market to postpone their purchases in anticipation of lower prices in the coming weeks, which led to a slump in the domestic steel market.

The weekly average price of billet in the physical market was 158,150 IRR, which was 3,550 IRR less than previous week, and the weekly average price of rebar in the same market was estimated at 177,890 IRR, which was a decrease of 2,750 IRR compared to the earlier week. The average rate for traded billet and rebar at IME market also reduced this week compared to the last week.

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