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## Chinese HDG market scenario

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It is reported that Chinese hot dipped galvanized coil prices maintain the last week's upward momentum. By the end of Thursday, the average price of 1.0mm HDG in 23 major Chinese cities posted at CNY 4692 per tonne up CNY 53 per tonne from that of last Thursday. Traders are more confident about the market as they said the transactions are not bad at the moment.

On Shanghai market, 1.0mm HDG by Anshan steel is being quoted at CNY 4670 per tonne up CNY 40 to CNY 50 per tonne that of 1.0mm HDG by Bengang and Shougang posts at CNY 4630 to CNY 4650 per tonne up CNY 30 to CNY 50 per tonne WoW. That of 0.5mm HDG by private steel maker posts at CNY 4950 per tonne an increase of CNY 50 per tonne from last Friday while that of 0.5 mm color coated sheet produced by Baosteel stands at CNY 6500 per tonne up by CNY 200 per tonne from that of last Friday.

Taking Shanghai price for 1.0 sheet by Anshan steel as benchmark, the price increase has become moderate this week as predicted by Mysteel last week. We think the prices would continue to increase slightly in the coming weeks and downward corrections can be seen along the way.

As for the export, the Chinese hot dipped galvanized coil export offers were unchanged at around USD 630 per tonne to USD 660 per tonne FOB. Boosted by the recovering demand, major steel mills have aggressively pushed up the list prices for domestic deliveries and they are somehow reluctant to make export offers as overseas market is unattractive at the moment. At the meanwhile, international buyers also are not active in buying any resources from China, given the soft demand and the relatively higher prices of Chinese HDG.

In international market, the prices of Korean hot dip galvanized steel and electro galvanized steel post at USD 630 per tonne and USD 650 per tonne respectively.

(Sourced from.Mysteel.net)

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