



Iron Ore Market Daily Report

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26 October 2020

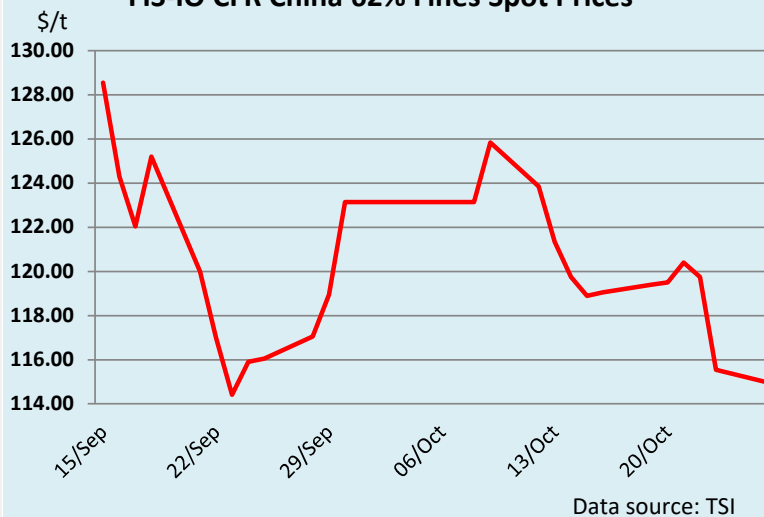
Market Commentary / Recent Trades

Iron ore extended its losses on Monday as investors weighed supply and demand, while casting a watchful eye on China's Communist Party plenum. Iron ore port inventories rose for a seventh consecutive week last Friday to hit an 8-month high. In addition, there are growing signs that the strength of demand is wavering as last week's Mysteel survey showed that steel inventories declined at a much slower pace. Adding to the pains is that the winter season is fast-approaching where construction activities will typically slow down, and steel demand is likely to be weak. On top of that, fresh environmental curbs have been put in place since last Friday following a level-2 pollution alert in the Tangshan region. About 26 steel mills in the region are believed to be faced with production curb or suspension.

Meanwhile, China's Communist Party plenum will convene this week as party officials will meet and lay out the blueprint for economic and social development targets for 2021-25. For steel-watchers, the focus will be on economic growth targets and goals for urbanization, and how ambitious its plans to reduce carbon emissions will be and what impact it will have on heavy industries. President Xi Jinping is also likely to unveil a longer-term plan for the next 15 years, called "Vision 2035".

Futures in Singapore were under pressure in London morning. Having closed around 113.5 on Friday, Nov was seen trading down from 112.5 to 112.15 while Dec traded as low as 109.0 during the early morning DCE session. After the close, iron ore recovered, with Nov trading up to as high as 112.6. Spreads also narrowed across the board, with Cal21/22 around 12.8 (vs 12.9 as per last Friday). Q1/Q2 was also down 15 cents to 6.05. Nov/Dec traded at 2.7 early in the morning but since widened back to around 2.8. Nov/Q1 traded at 7.4 and Dec/Q1 traded 4.8 and a decent chunk at 4.7.

FIS-IO CFR China 62% Fines Spot Prices



Iron ore futures curve and closing prices

26-Oct FIS Indicative Singapore End of Day Curve

	Bid	Offer	Close	Ch. 24hrs	Ch. 1 week	Ch. 4 weeks	MTD
Oct 20	\$119.75	\$119.95	\$119.85	-\$0.20	-\$0.95	\$3.00	\$121.12
Nov 20	\$112.50	\$112.70	\$112.60	-\$0.50	-\$3.30	-\$0.75	\$116.38
Dec 20	\$109.70	\$109.90	\$109.80	-\$0.35	-\$2.70	-\$0.25	\$113.02
Jan 21	\$107.30	\$107.50	\$107.40	-\$0.15	-\$2.25	\$0.26	\$110.10
Q4 20	\$114.00	\$114.20	\$114.10	-\$0.35	-\$2.30	\$0.70	\$116.85
Q1 21	\$105.00	\$105.20	\$105.10	-\$0.05	-\$1.85	\$0.55	\$107.38
Q2 21	\$98.95	\$99.15	\$99.05	\$0.15	-\$1.05	\$1.25	\$100.37
Q3 21	\$94.05	\$94.25	\$94.15	\$0.25	-\$1.30	\$1.05	\$95.22
.Q4 21	\$90.35	\$90.55	\$90.45	\$0.20	-\$0.75	\$1.00	\$91.42
Cal 21	\$97.05	\$97.25	\$97.15	\$0.10	-\$1.05	\$2.80	\$98.58
Cal 22	\$84.25	\$84.45	\$84.35	\$0.20	-\$0.55	\$2.50	\$85.31

Please note: Iron Ore non-origin CFR China (62% FE Fines) Swap and Index Futures settled on monthly average of The Steel Index (TSI) reference price. Contract is cleared SGX Swaps(1 lot = 500 metric tons), SGX Futures(1 lot = 100 metric tons) and CME Futures(1 lot = 500 metric tons). Cash settlement - no physical delivery.



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FIS Indicative FOB Iron Ore Prices

Iron Ore Stockpiles

Steel and Coal Prices

Origin	USD/ton	Chg	Weekly Info	Thousand tons	Chg	Product	USD/ton	Chg
India Fines (63.5/63%)	\$103.56	-\$0.55	Total	111,460	-390	SHFE Rb Jan 20	\$538.34	-\$10.25
AUS FOB Impl.	\$106.92	-\$1.01	Rizhao	13,510	-200	DCE Coke Jan 20	\$317.67	-\$3.29
Brazil FOB Impl.	\$96.18	-\$1.61	Qingdao	13,700	150	Nymex HRC Oct 20	\$645.00	\$5.00

Source: Bloomberg

Please note: Australia and Brazil FOB prices are IMPLIED using a formula subtracting dry freight (C3 for Brazil and C5 for Australia) from the C&F China Iron Ore spot price. India FOB prices is sourcing from Umetal. China stockpiles are estimated using Antaika data sources provided on Bloomberg. Steel Futures are respectively from DCE, SHFE and CME Exchanges.

FIS Iron Ore Freight Matrix

Voyage	Size	Load Port	Disch. Port	Oct-20	Nov-20	Q4 20	Q1 21	Q2 21	Cal 21
Ex Australia	160kt	W Australia	Qingdao	\$8.55	\$7.88	\$7.96	\$5.75	\$6.85	\$6.85
Ex Brazil	160kt	Tubarao	Qingdao	\$18.50	\$17.00	\$17.17	\$13.00	\$15.50	\$15.50

Please Note: Australia and Brazil spot freight rates are estimated using Baltic daily assessment. Forward prices are calculated using an approximation from relevant FFA paper markets and are indicative tradable prices at FIS.

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FIS 铁矿石市场报告

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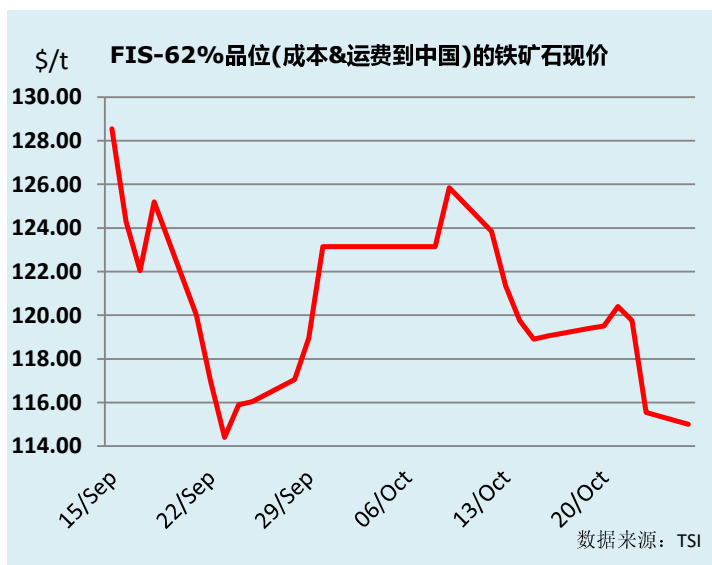
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市场评论 / 近期交易

市场认为铁矿供大于求，周一铁矿延续了上周的跌势，同时投资者正等待中共中央委员会全体会议出台的新政策。上周五中国港口铁矿库存连续第七周增长并且触及8个月以来的高点。而根据Mysteel上周的调研，钢材去库速率大幅下降，说明铁矿需求将走弱。不仅如此，进入冬季后建筑活动一般会放缓，而钢材需求会随之减少。唐山已在上周五进入空气污染II级相应，26家钢厂将限产或者关停。另一方面，中共全体会议于本周召开，会议将提出2021-2025年的经济蓝图以及发展目标。钢铁行业的相关人员以及投资者正关注经济增长指标以及城市化目标，以及碳减排的力度和对重工业造成的影响。习近平主席可能会披露一个更长的十五年计划。伦敦时间，新加坡铁矿承压。十一月从周五的收盘价113.5下跌至112.5后又跌至112.15，十二月于亚洲早盘成交于109.0。收盘后，价格有一定反弹，十一月涨至112.6。价差收窄，Cal21/Cal22成交于12.8（周五收盘于12.9）。Q1/Q2收窄0.15至6.05。十一月/十二月成交于2.7后拉宽至2.8。十一月/Q1于7.4，十二月/Q1一度成交于4.8，又数次成交于4.7。



掉期/期货远期曲线和收盘价格

26-Oct

市场价格FIS

收盘价格

时期	买入价	卖出价	收盘价	24小时涨幅	1周涨幅	4周涨幅	月累计收盘价
Oct 20	\$119.75	\$119.95	\$119.85	-\$0.20	-\$0.95	\$3.00	\$121.12
Nov 20	\$112.50	\$112.70	\$112.60	-\$0.50	-\$3.30	-\$0.75	\$116.38
Dec 20	\$109.70	\$109.90	\$109.80	-\$0.35	-\$2.70	-\$0.25	\$113.02
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Q2 21	\$98.95	\$99.15	\$99.05	\$0.15	-\$1.05	\$1.25	\$100.37
Q3 21	\$94.05	\$94.25	\$94.15	\$0.25	-\$1.30	\$1.05	\$95.22
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Cal 22	\$84.25	\$84.45	\$84.35	\$0.20	-\$0.55	\$2.50	\$85.31

注明: 铁矿石无原产地CFR中国(62%铁品位)掉期和期货根据TSI钢铁指数的月平均值结算。合约通过新加坡交易所铁矿掉期(1手=500公吨), 新加坡交易所铁矿期货(1手=100公吨)和CME交易所铁矿期货(1手=500公吨)进行结算。现金结算-无实货交割。

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FIS铁矿石离岸价格

铁矿石港口库存

钢铁产品和煤的价格

原产地	美金/吨	涨幅	周数据	千吨	涨幅	产品	美金/吨	涨幅
印度矿粉 (63.5/63%)	\$103.56	-\$0.55	总计	111,460	-390	SHFE螺纹钢一月21	\$538.34	-\$10.25
澳洲离岸隐含价	\$106.92	-\$1.01	日照	13,510	-200	DCE 焦炭一月21	\$317.67	-\$3.29
巴西离岸隐含价	\$96.18	-\$1.61	青岛	13,700	150	NymexHRC 十月20	\$645.00	\$5.00

注明: 澳大利亚和巴西离岸隐含价格是通过铁矿石掉期曲线中第二个月的成本加运费到中国的价格减去海运费率的价格(巴西C3和澳大利亚C5)而计算得出的。印度离岸价格是通过去除海运费率计算得出的。中国铁矿石存储量是根据不同工业消息来源而估计的。钢铁期货价格来自于相关交易所。

FIS 铁矿石运费矩阵-请致电询问报价

航程	容量	装货港	卸货港	十月20	十一月20	第四季度20	第一季度21	第二季度21	2021年
澳大利亚出发	150千吨	澳洲西部	青岛	\$8.55	\$7.88	\$7.96	\$5.75	\$6.85	\$6.85
巴西出发	150千吨	图巴郎	青岛	\$18.50	\$17.00	\$17.17	\$13.00	\$15.50	\$15.50

注明: 海运费率现价是通过不同工业信息来源而预计的。远期价格是通过相关期货合约的价格而估计计算的。澳大利亚和巴西远期价格是通过相关合作人报价而获取的可交易价格。

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