

## Macro

	Last	Previous	% Change
USDCNY	6.4292	6.4815	-0.8%
Repo 7 Days	3.19	2.2	45.0%
Repo 1 Day	3.34	2.15	55.3%
Dollar Index	90.584	90.238	0.4%
China GDP Constant Price YOY %	6.5	4.9	NA
China PMI (Caixin)	51.5	53	NA
China Industrial Production MOM %	1.1	1.03	NA
Commercial Space Under Construction	3.7	3.2	NA
Commercial Space Completed	912.2	591.7	NA
Commercial Building Space Sold, YTD YOY%	2.6	1.3	NA
Residential Space Under Construction, YTD YOY%	4.4	4	NA
Residential Space Completed, YTD YOY%	-3.1	-5.8	NA
Residential Floor Space Sold, YTD YOY%	3.2	1.9	NA

### Market Summary:

Iron ore bearish.

### Macro and Money Movement:

Market expect Biden would decrease the effect of previous 370 billion dollars tariffs against China, however there should be huge uncertainty when new challenges generate for both countries. Nasdaq created a biggest single day correction since Dec 3rd of the year 2020. The new listed pig futures as well as peanuts futures in China has absorbed many interests from petro-chemicals and metals sector. Metals sector volatility decreased after the mid of Jan.

### Steel:

Construction steel inventory started to restock since Dec 24th, 2020, as MySteel and Ganggu all indicated a consecutive 5 weeks increase since then. Construction steel trading volume collected from major physical traders dropped from 200,000 tonnes per day in last December to 138,000 tonnes per day during this January. Bloomberg indicated Shanghai 25mm rebar maintained around 3300 yuan from mid-January. The north-eastern pandemic cases delayed some northern steels transportation to southern areas. However the mills would maintained at higher utilisation rate before and after Chinese New Year since less travels concerning the pandemic spread potential.

### Iron ore:

Australia entered a cyclone season in Q1. Brazil also entered a rainy season. Market was rational under these environmental changes as part of speculation money left after iron ore created record high in December, thereafter under the risk of inspections. Mid-small miners sent annual report following big 4 miners, however the total increase was less than 10 million tonnes, which normally do not impact the market overall on the supply side.

DCE allowed more deliverable underlying iron ores including BenSteel pelletising ores, IOC6, Kumba and Ukraine pelletising ores, aiming to decrease market corner by stocking deliverable brands.

MySteel delivered 19.77 million tonnes, down 1.57 million tonnes w-o-w. The decrease on delivery was due to seasonally decline after December, which was normally a big month for miners to increase sales. The arrivals increased even more by 2.998 million tonnes last week, because MySteel 45 ports congestion raised to 108 days, which was a 4 year high. The port stock and daily evacuation was very flat during entire January.

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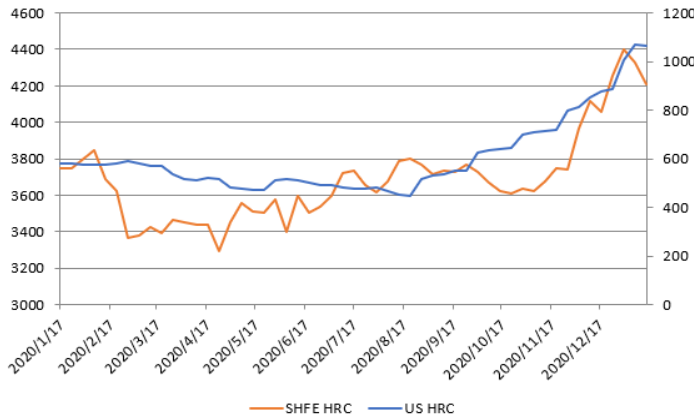


# Weekly Ferrous Report

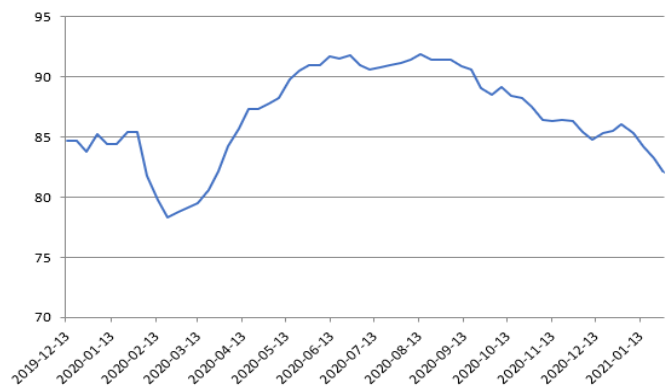
## Steel

	Last	Previous	% Change
<b>US HRC Front Month</b>	1149	1058	8.6%
<b>SHFE Rebar Major Month</b>	4191	4200	-0.2%
<b>China Hot Rolled Coil</b>	4524	4513	0.2%
<b>China Monthly Steel consumption Unit 000's mt</b>	87772.1	85109.8	3.1%
<b>Five Major Steel Inventories Unit 10,000 mt</b>	1367.98	1307.48	4.6%
<b>Construction Steel Total Inventory unit 10,000 mt</b>	768.07	720.45	6.6%
<b>Crude Steel Production China Unit 000's mt</b>	91252	87660	4.1%
<b>China Volume of Commodity Imports Unit 000's mt</b>	1370	1850	-25.9%
<b>China Volume of Commodity exports Unit 000's mt</b>	4850	4400	10.2%

US HRC Vs SHFE HRC

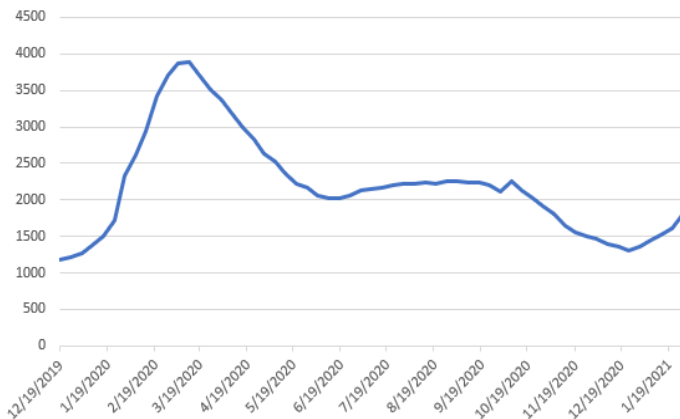


MySteel 247 mills BF Operation Rate in %



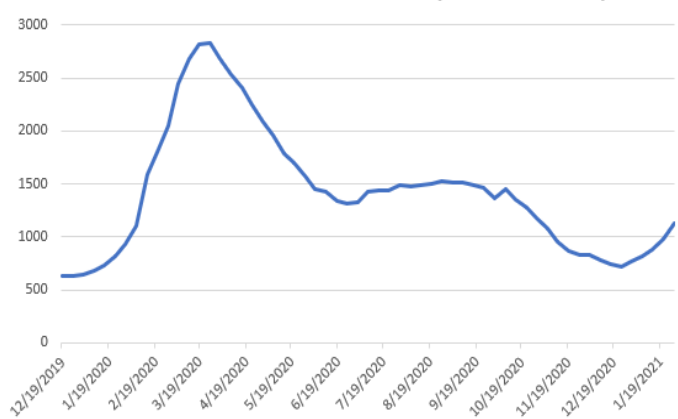
Sources from Bloomberg

China Five Major Steel Inventories (in 10,000 tonnes)



Sources from MySteel

Construction Steel Total Inventories (in 10,000 tonnes)



Sources from MySteel

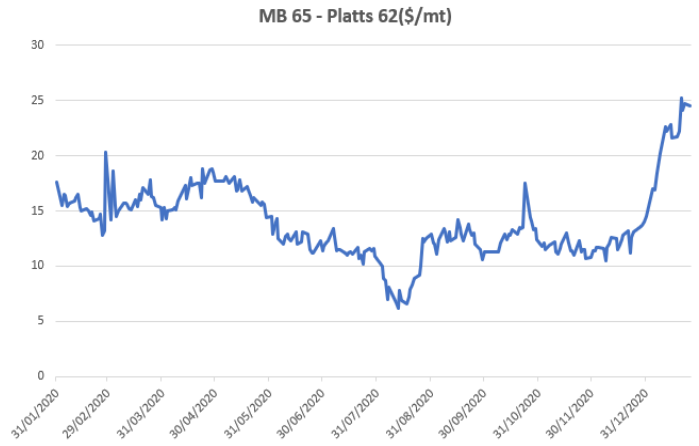
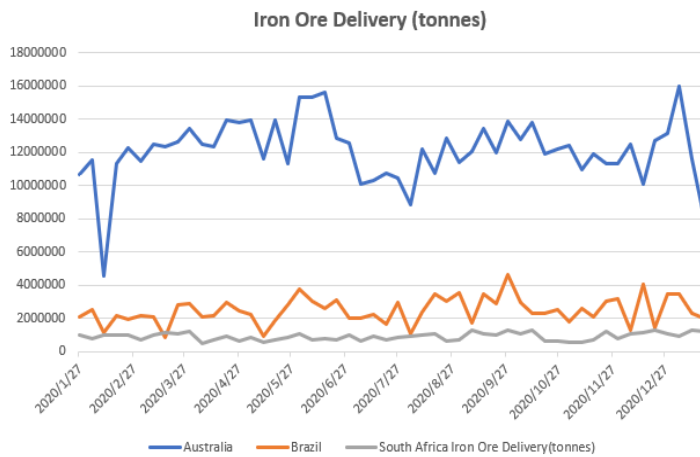
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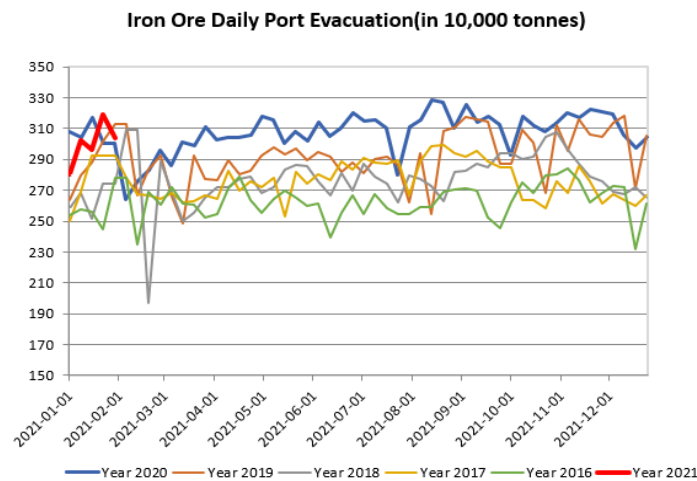
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## Iron Ore

	Last	Previous	% Change
Platts 62% Fe	168.5	168.6	-0.1%
MB 65% Fe	193	193.3	-0.2%
Capesize 5TC Index	23366	24631	-5.1%
C3 Tubarao to Qingdao	18.46	19.245	-4.1%
C5 West Australia to Qingdao	7.6	7.873	-3.5%
Billet Spot Ex-Works Tangshan MT	3860	3830	0.8%
SGX Front Month	168.13	169.34	-0.7%
DCE Major Month	1183.5	1174.5	0.8%
China Port Inventory Unit 10,000 mt	12,501	12,438	0.5%
Australia Iron Ore Weekly Export Unit 10,000 mt	713.90	828.00	-13.8%
Brazil Iron Ore Weekly Export Unit 10,000 mt	220.60	203.00	8.7%

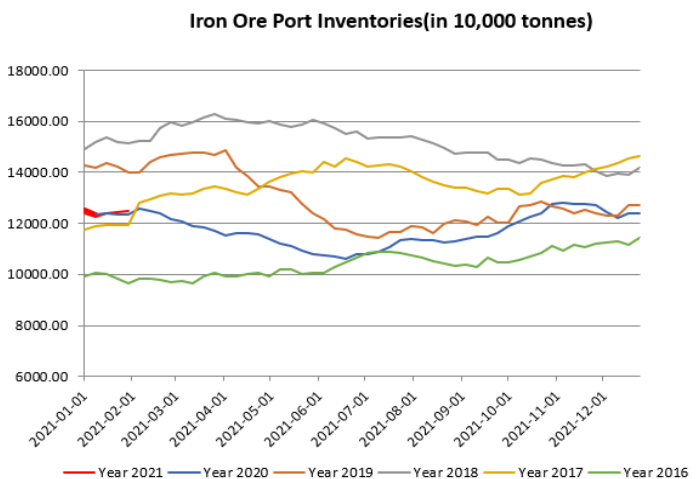


Sources from Bloomberg



Sources from MySteel

Sources from Platts

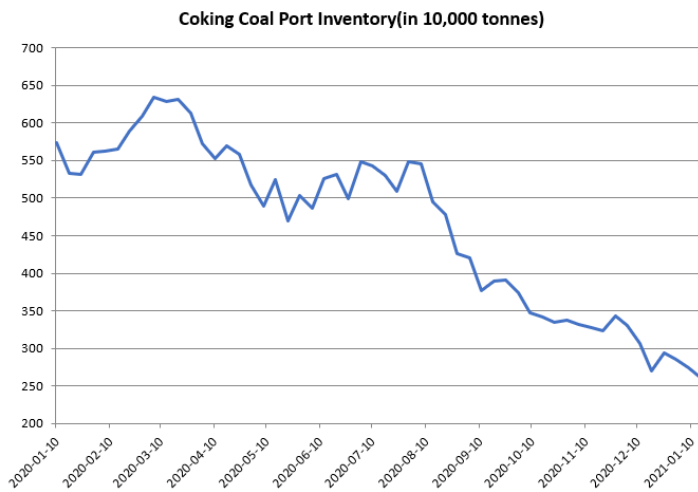


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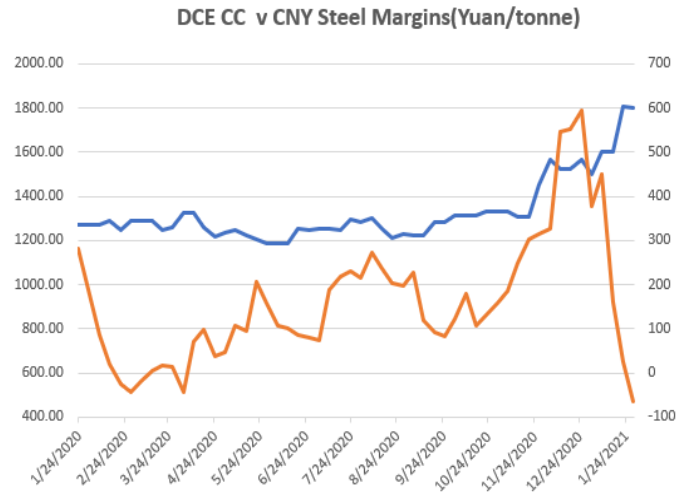


## Coking Coal

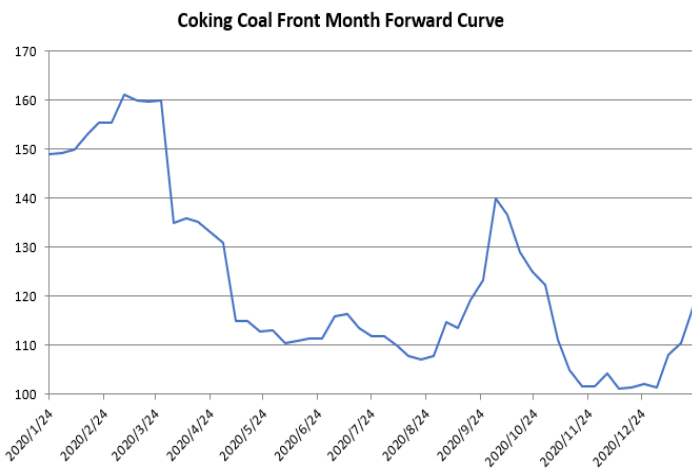
	Last	Previous	% Change
<b>TSI FOB Premium Hard Coking Coal</b>	141.1	132.3	6.7%
<b>Coking Coal Front Month</b>	121.7	118.15	3.0%
<b>DCE CC Major Month</b>	1800	1806	-0.3%
<b>Coking Coal Port Inventory Unit 10,000mt</b>	261	274	-4.7%
<b>China Custom total CC Import Unit mt</b>	3,570,270.00	3,722,090.00	-4.1%



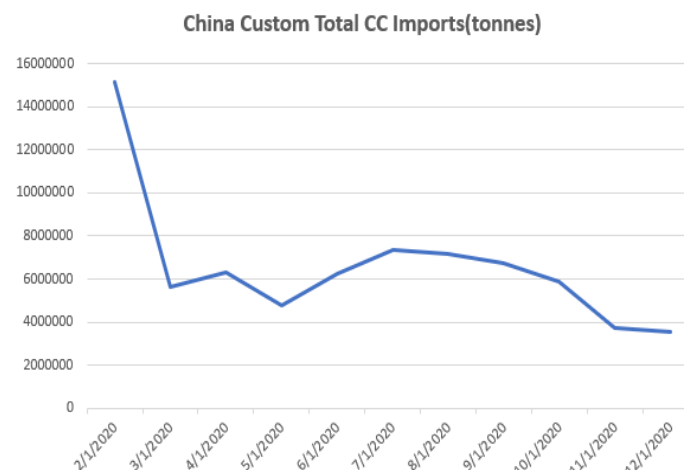
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