

Macro

	Last	Previous	% Change
USDCNY	6.4789	6.4577	0.3%
Repo 7 Days	2.21	1.5	47.3%
Repo 1 Day	2.12	1.46	45.2%
Dollar Index	90.879	90.364	0.6%
China GDP Constant Price YOY %	6.5	4.9	NA
China PMI (Caixin)	50.9	51.5	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 neutral.

Macro and Money Movement:

From last Thursday, commodities tend to have weaker connections among crude oil, metals and currencies market after a big movement in February. Bloomberg indicated downstream activities recovering to normal level shortly after Chinese New Year, as well as the warming of the weather. U.S. dollar Index DXY was approaching two month high after created the lowest since February 2018 last week. China exchange data indicated over the past three trading days, industrial sector down 4.7% and agricultural sector down 2.16%..

Steel:

Steel mills production recovered last November level at 92.28%, observed by MySteel. Pig iron production at 2.45 million tonnes/day was also same with last November, from China National Bureau of Statistics. The EAFs are broadly recovering from this week said by a Fujian based trader. Tangshan environmental production through January and February decreased steel production and potentially recover normal after the incoming annual political conference in Beijing next week.

E.U. were researching on cancelling 26 types of steel import tariffs , however 12 out of 27 countries were against this proposal. In addition, China continues to explicitly link the cutting metals output to its broader climate goals, including steels and aluminum, as well as reduce alliance on minerals like iron ores. Both news were supporting steels. On the negative side, China potentially eliminate the HRC export subsidiaries in June 2021.

Iron ore:

The carbon emission strategy by China decreased the usage of coke and coals, as they are not considered as clean energy. However high and mid grade iron ores were supported since high efficiency during production. Market trade the tension between China and Australia several times from last year, traders were worried about the same condition happen on coal finally come to iron ore, by decreasing Australian imported iron ores.

MySteel iron ore delivery indicated medium and small miners were increasing significantly on export during February, a million increase per week on delivery was expected in March in line with February. As the weather become better in both Australia and Brazil, together with mid-small miners, China iron ore import expected to increase in March. Port stocks were slight decrease last week, which were in line with last year level. Iron ore trading volume was similar with last year level according to lunar year, indicating the physical market was still cautious at currently level, since early last year market was interrupted by pandemic spread.

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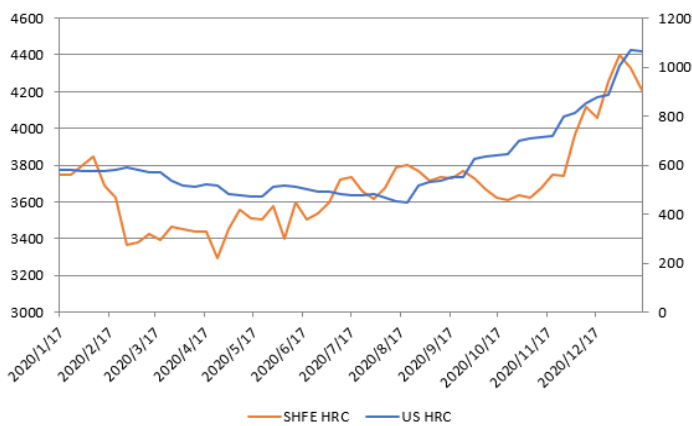


Weekly Ferrous Report

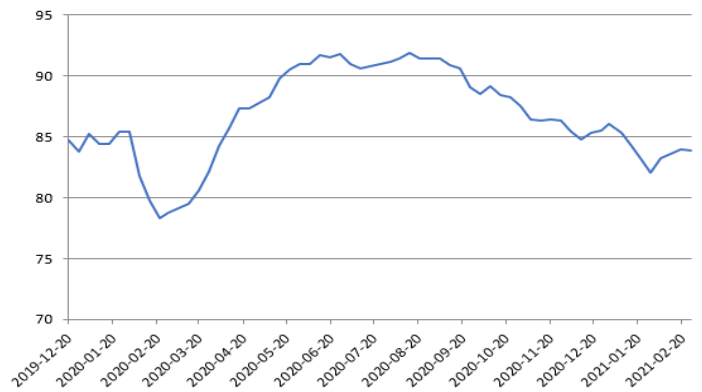
Steel

	Last	Previous	% Change
US HRC Front Month	1264	1162	8.8%
SHFE Rebar Major Month	4587	4399	4.3%
China Hot Rolled Coil	4878	4522	7.9%
China Monthly Steel consumption Unit 000's mt	86756.3	87772.1	-1.2%
Five Major Steel Inventories Unit 10,000 mt	1785.26	1615.92	10.5%
Construction Steel Total Inventory unit 10,000 mt	1132.42	975.48	16.1%
Crude Steel Production China Unit 000's mt	90236	91252	-1.1%
China Volume of Commodity Imports Unit 000's mt	1370	1850	-25.9%
China Volume of Commodity exports Unit 000's mt	4850	4400	10.2%

US HRC Vs SHFE HRC

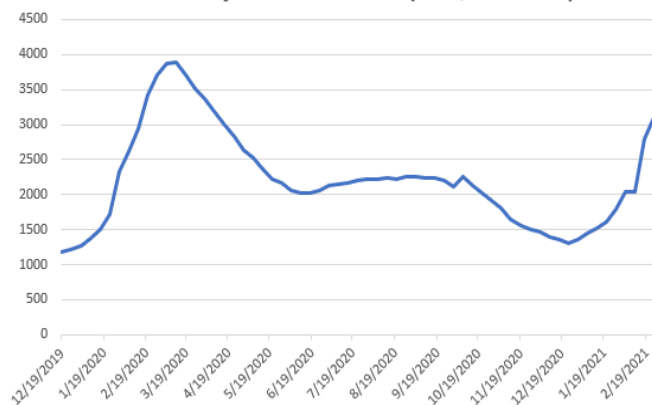


MySteel 247 mills BF Operation Rate in %



Sources from Bloomberg

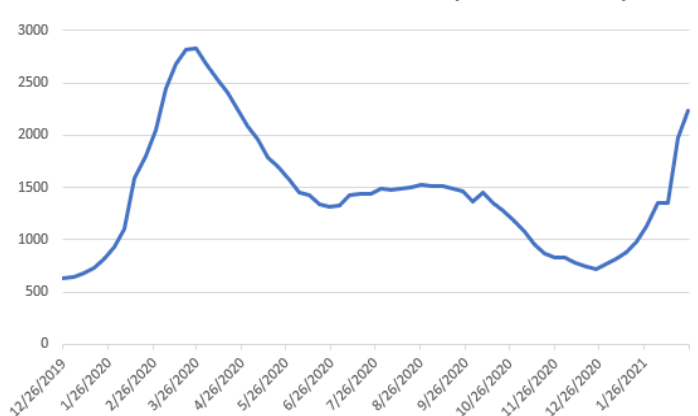
China Five Major Steel Inventories (in 10,000 tonnes)



Sources from MySteel

Sources from MySteel

Construction Steel Total Inventories (in 10,000 tonnes)



Sources from MySteel



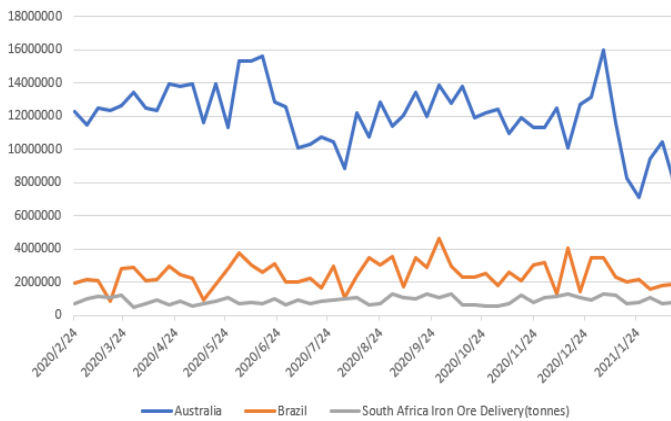


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Iron Ore

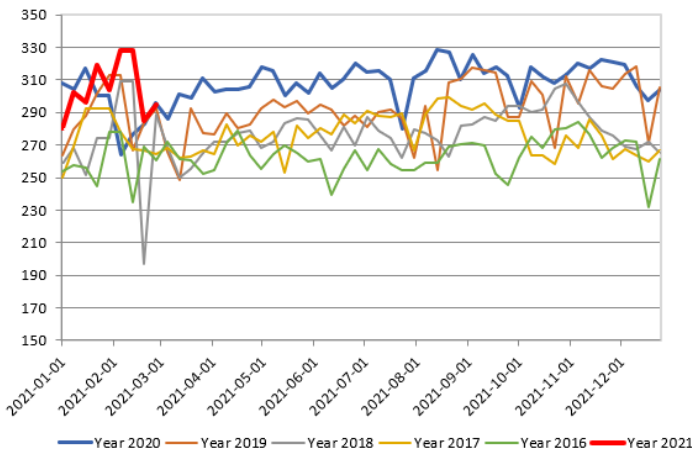
	Last	Previous	% Change
Platts 62% Fe	176.65	174.3	1.3%
MB 65% Fe	199.4	197.8	0.8%
Capesize 5TC Index	14224	15690	-9.3%
C3 Tubarao to Qingdao	17.375	17.74	-2.1%
C5 West Australia to Qingdao	7.05	8.005	-11.9%
Billet Spot Ex-Works Tangshan MT	4270	4180	2.2%
SGX Front Month	165.61	164.95	0.4%
DCE Major Month	1251.5	1160	7.9%
China Port Inventory Unit 10,000 mt	12,645	12,707	-0.5%
Australia Iron Ore Weekly Export Unit 10,000 mt	630.10	814.20	-22.6%
Brazil Iron Ore Weekly Export Unit 10,000 mt	141.10	189.80	-25.7%

Iron Ore Delivery (tonnes)



Sources from Bloomberg

Iron Ore Daily Port Evacuation (in 10,000 tonnes)



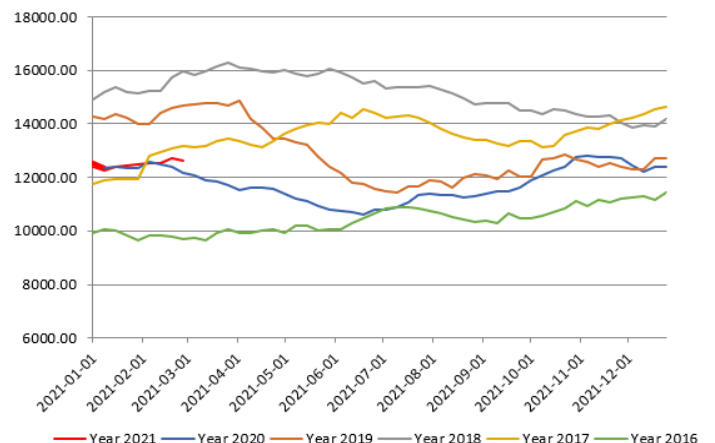
Sources from MySteel

MB 65 - Platts 62(\$/mt)



Sources from Platts

Iron Ore Port Inventories (in 10,000 tonnes)



Sources from MySteel



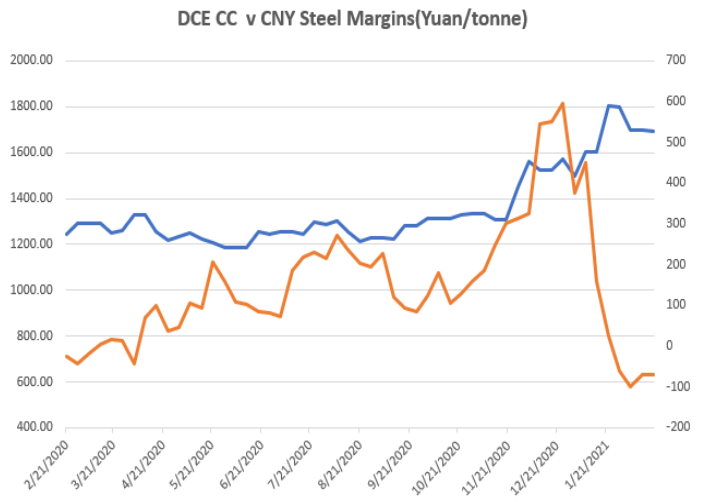
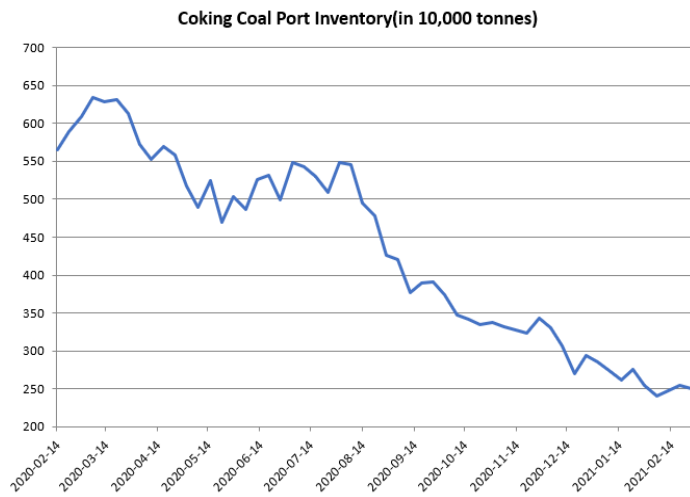
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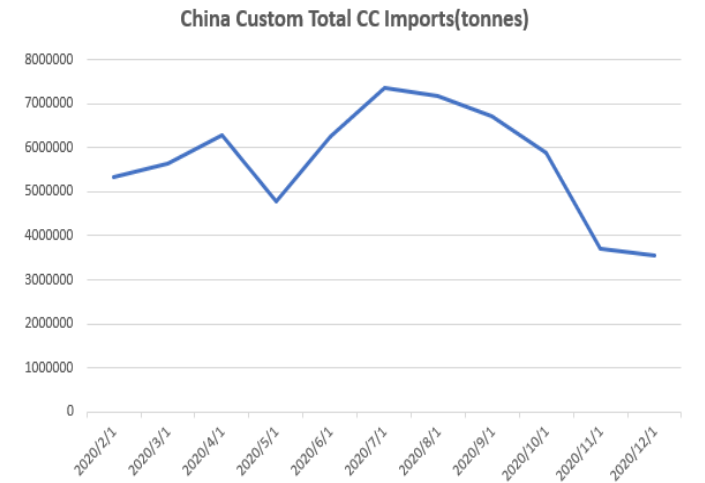
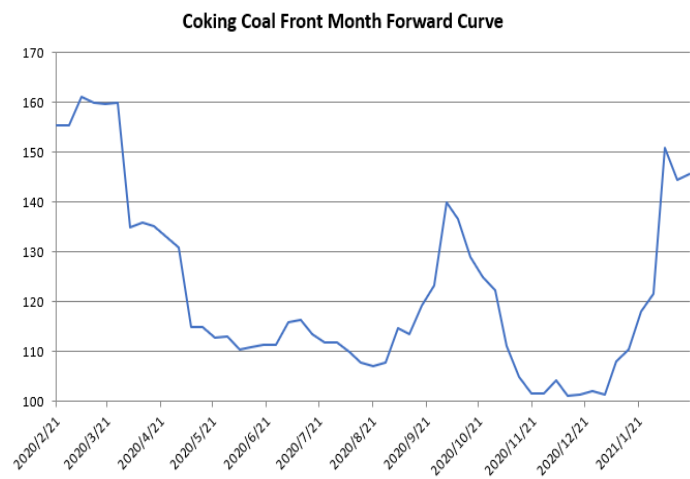
Coking Coal

	Last	Previous	% Change
TSI FOB Premium Hard Coking Coal	139.5	139.8	-0.2%
Coking Coal Front Month	146.41	145.75	0.5%
DCE CC Major Month	1484.5	1696	-12.5%
Coking Coal Port Inventory Unit 10,000mt	250.7	255	-1.7%
China Custom total CC Import Unit mt	3,570,270.00	3,722,090.00	-4.1%



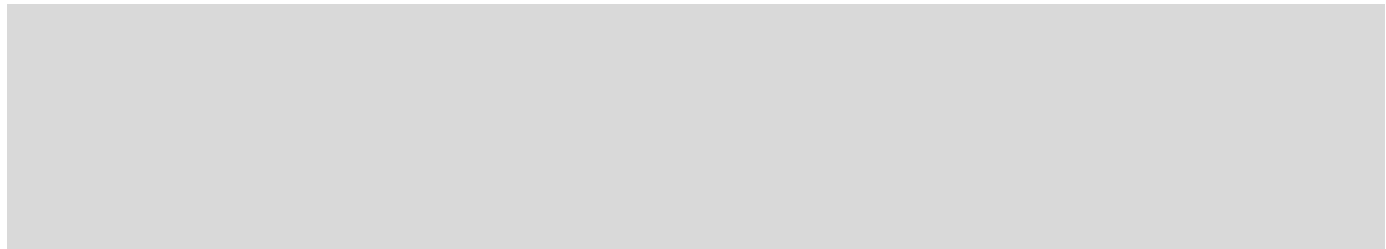
Sources from MySteel

Sources from Bloomberg



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