



London Iron Ore Market Report

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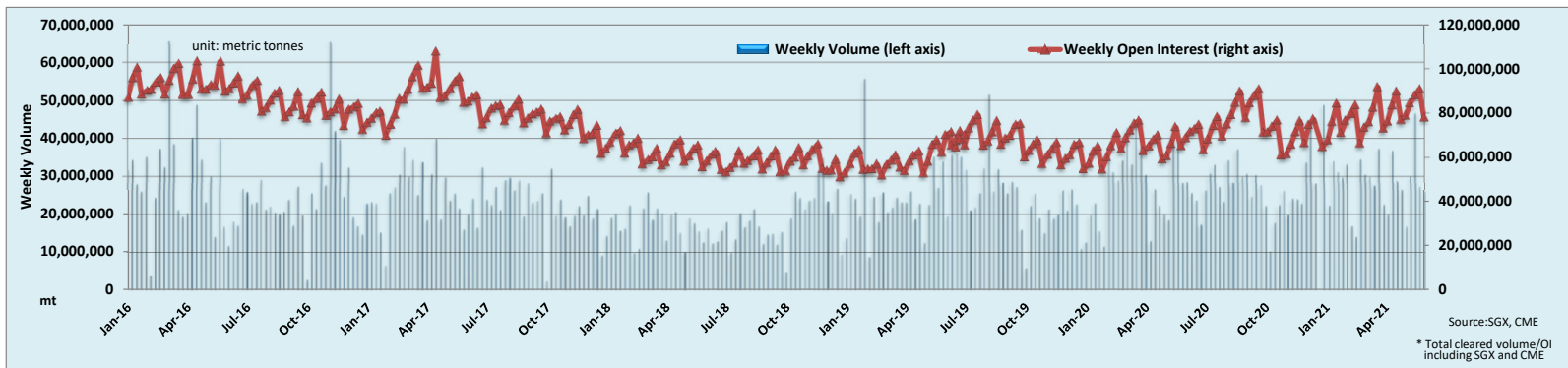
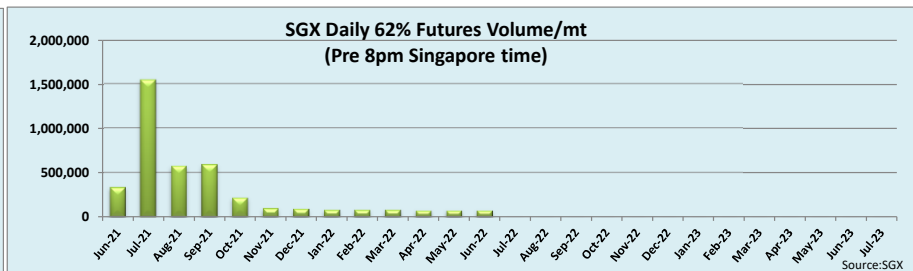
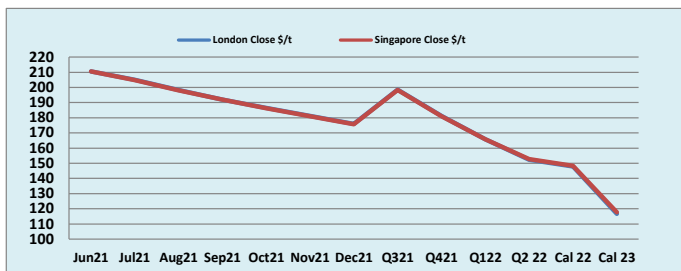
Iron ore futures were firmer on Wednesday on better steel prices following days of losses while record exports from Australia also supported iron ore prices. Tangshan billet prices rose 20 RMB to 4,960 RMB/mt on Wednesday amid the latest sintering curbs in Tangshan which is expected to last until 10 June. Meanwhile, shipments from Port Hedland – Australia’s main maritime gateway – climbed to 48 million tonnes last month, the highest level in nearly a year and a monthly record for May. However, the gains are capped by China’s soaring factory inflation, raising concerns that more measures might be put in place to control inflation and surging raw materials costs. The producer price index climbed 9% from a year earlier, following a 6.8% gain in April, according to the National Bureau of Statistics in China. Policymakers in China vow to stabilize prices by increasing supply of key consumer goods as well as cracking down on speculation and hoarding. Demand for high-grade iron ore was “particularly at risk as steel margins in China continue to shrink,” Vivek Dhar, commodities analyst at Commonwealth Bank of Australia, wrote in a note. Buying activities have seen a shift toward lower-grade fines like the Yandi Fines and Super Special Fines as products with low alumina content are no longer highly sought after as mills turn their focus to cost-saving rather than blast furnace productivity. Furthermore, prices of high-grade fines such as the Carajas fines are likely to slide further as shipments from Brazil improve in July.

INDEX	Change	MTD
Platts IO 62%	\$213.50	\$3.10
		\$209.26

INDEX	Price	Change	MTD
MB IO 65%	\$242.70	\$2.90	\$239.24

INDEX	Price	Change	MTD
Platts Lump Prem	\$0.7035	\$0.1435	\$0.5748

Iron Ore 62% Futures	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Q3 21	Q4 21	Q1 22	Q2 22	Cal 22	Cal 23
London Close \$/t	210.65	205.00	198.30	192.05	186.55	181.15	175.90	198.45	181.20	165.90	152.40	147.90	116.70
Singapore Close \$/t	210.65	204.80	198.15	191.90	186.35	180.95	175.65	198.30	181.00	165.75	152.75	148.35	117.80
Change	+0.00%	+0.10%	+0.08%	+0.08%	+0.11%	+0.11%	+0.14%	+0.08%	+0.11%	+0.09%	-0.23%	-0.30%	-0.93%



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