



London Iron Ore Market Report

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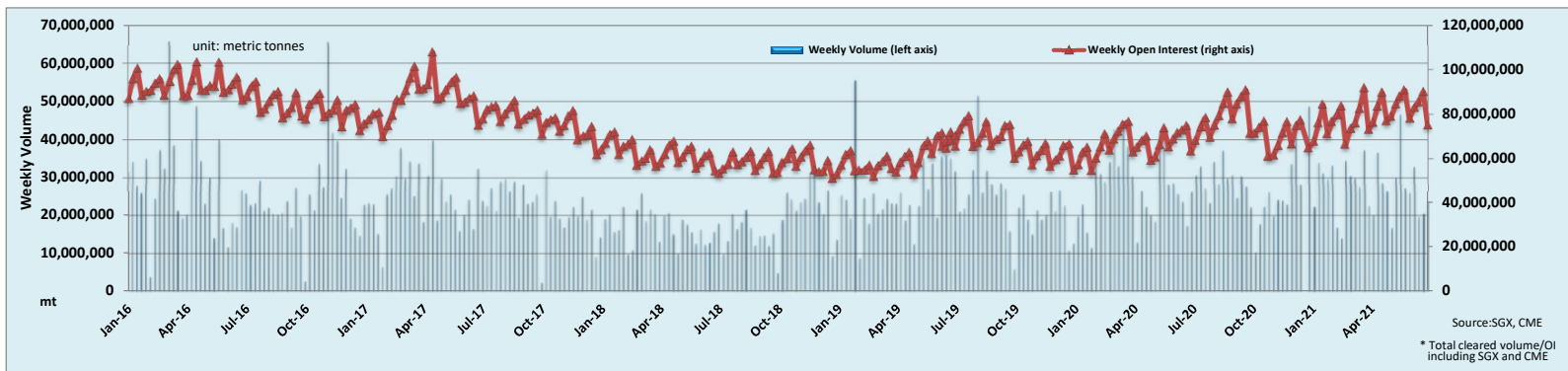
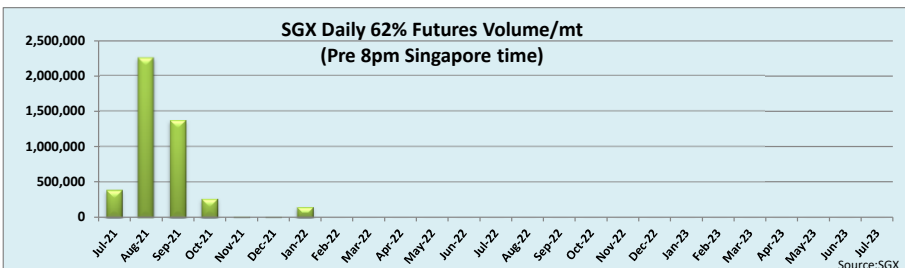
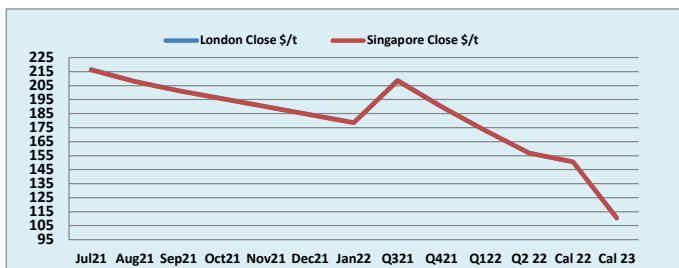
Iron ore futures endured a choppy Monday morning as investors steel supply and demand outlook amid China’s monetary support as well as an uptick in seaborne supply, while concerns of further production restrictions linger on. The Peoples’ Bank of China (PBOC) announced a broad cut in the reserve-requirement ratio to boost the flow of credit amid signs of a slowdown. The move will inject one trillion yuan of liquidity to the market which, according to analysts, will accelerate fiscal spending and the issuance of local government debt to fund infrastructure projects. Investors are also assessing the consumption outlook of China’s steel industry as seaborne flows pick up and inventories continues to pile up. According to Mysteel, iron ore supply should increase in the second half of the year compared to the first half, adding pressure to iron ore prices. Iron ore inventories across major ports in China were up 2.23 million tonnes last week from a week ago to 124.58 million tonnes. Meanwhile, investors remain wary of further production curbs as China look to rein in its steel industry. Some independent rolled steel firms in the steelmaking hub of Tangshan will halt operations for a few days this month, ANZ bank said in a note. Last week China’s National Development and Reform Committee (NDRC) pledged that the world’s second largest economy would aim to increase steel scrap usage by 23% to 320 million metric tonnes by 2025.

INDEX	Price	Change	MTD
Platts IO 62%	\$218.45	\$1.95	\$219.44

INDEX	Price	Change	MTD
MB IO 65%	\$251.00	\$2.60	\$252.49

INDEX	Price	Change	MTD
Platts Lump Prem	\$0.6200	-\$0.0100	\$0.6894

Iron Ore 62% Futures	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Q3 21	Q4 21	Q1 22	Q2 22	Cal 22	Cal 23
London Close \$/t	216.70	208.25	201.60	195.80	190.05	184.30	178.55	208.85	190.10	173.00	156.90	150.60	110.60
Singapore Close \$/t	216.15	207.90	201.30	195.55	189.85	184.15	178.50	208.45	189.85	172.90	156.75	150.45	110.45
Change	+0.25%	+0.17%	+0.15%	+0.13%	+0.11%	+0.08%	+0.03%	+0.19%	+0.13%	+0.06%	+0.10%	+0.10%	+0.14%



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