



London Iron Ore Market Report

London +44 (0) 20 7090 1120 - info@freightinvestor.com | Singapore +65 6535 5189 - info@freightinvestor.asia

15 October 2021

Iron ore futures failed to rally on Friday as investors assessed the gloomy outlook for the demand in China. Soaring energy costs, power curbs put demand at risk. According to data from the World Steel Association, China's steel demand is now expected to fall by 1% this year instead of increasing by 3%.

Rio Tinto, released its quarterly report and downgrades its production expectations. the company said that due to the tight labor market in Western Australia, the completion of its new Gudai-Darri mine and the Robe Valley mine replacement project has experienced "modest delays". It is now estimated that shipments in 2021 will be between 320 and 325 million tons, which is lower than the company's previous forecast of 325-340 million tons.

Reuters commented that labour shortage and a tight global supply chain has exacerbated its difficulties, and the unfavorable factors of China's tightening of regulations may trigger further volatility.

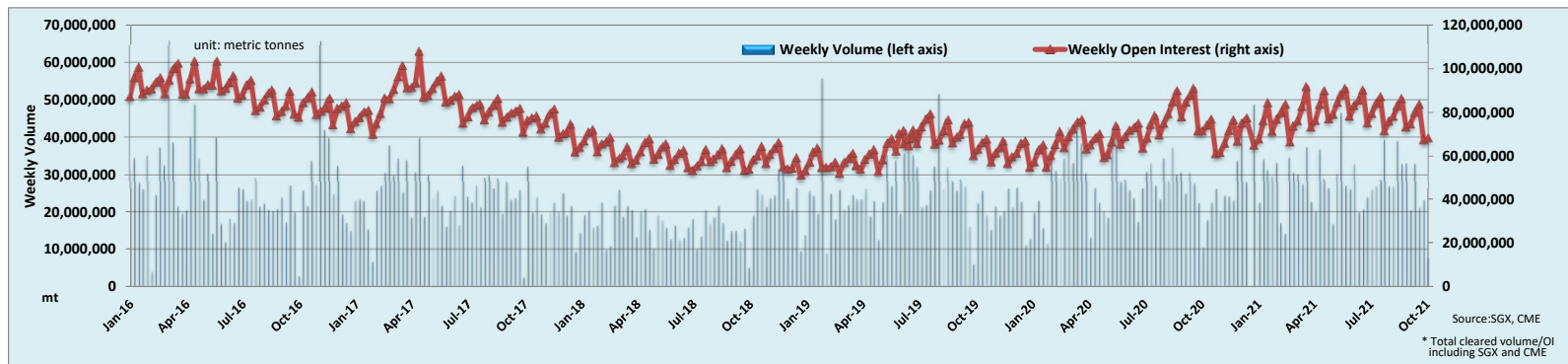
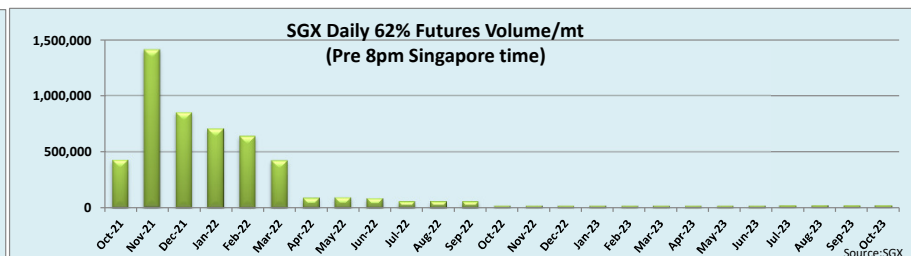
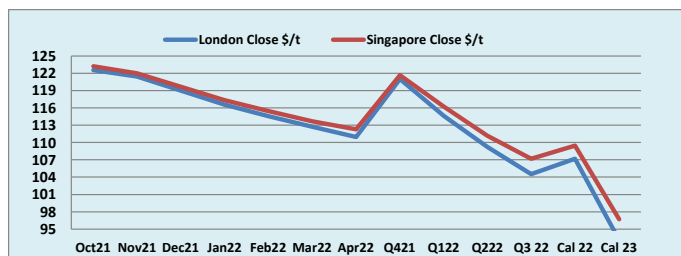
The pessimistic outlook of China's steel demand and the increased decarbonization efforts of the world's largest steel producer by restricting output have severely affected market sentiment. Market activity is not as active as yesterday.

INDEX	Price	Change	MTD
Platts IO 62%	\$125.45	-\$0.55	\$123.07

INDEX	Price	Change	MTD
MB IO 65%	\$148.00	-\$2.60	\$145.32

INDEX	Price	Change	MTD
Platts Lump Prem	\$0.2050	\$0.0000	\$0.1651

Iron Ore 62% Futures	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	Q4 21	Q1 22	Q2 22	Q3 22	Cal 22	Cal 23
London Close \$/t	122.55	121.45	119.00	116.55	114.55	112.70	110.95	121.00	114.60	109.25	104.50	107.20	93.15
Singapore Close \$/t	123.25	122.00	119.65	117.35	115.45	113.65	112.30	121.65	116.20	111.20	107.20	109.45	96.75
Change	-0.57%	-0.45%	-0.54%	-0.68%	-0.78%	-0.84%	-1.20%	-0.53%	-1.38%	-1.75%	-2.52%	-2.06%	-3.72%



Disclaimer: The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com