



# Daily Virtual Steel Mill Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## 25/09/2024

### Verdict:

- Short-run Neutral to Bullish.

### Macro:

- China PBOC withdraws net 291 billion yuan of 1-year medium term lending facility at yield of 2%, which was 2.3% previously. China CSI300 created 7.7% growth for the first 3 days of the week, which had already created biggest single week growth since June 2015.
- OPEC increased oil demand in mid-run, because the demand from India, Africa and Mid-East expected to increase.

### Iron Ore Key Indicators:

- Platts62 \$94.60, +5.25, MTD \$92.12. Iron ore spike with growing volume on physical market as expected. The rebound was contributed by both improving demand as well as macro stimulus in China, which lowered lending cost and increased commodity demand naturally. The PBF was traded up near \$7 to \$95.3 during the past two days. Apart from popular discounted concentrates, there were solid demand from premium iron ores, including PBFs and BRBFs, which were normally believed as the price should enter a mid-run rebound tunnel.

### SGX Iron Ore 62% Futures& Options Open Interest (Sep 24th)

- Futures 155,009,700 tons(Increase 6,571,000 tons)
- Options 180,122,900 tons(Increase 4,757,600 tons)

### Steel Key Indicators:

- According to World Steel Association, the crude steel production in August down 6.5% to 144.8 million tons. China August steel production at 77.9 million tons, down 10.4% on the year.

### Coking Coal and Coke Indicators:

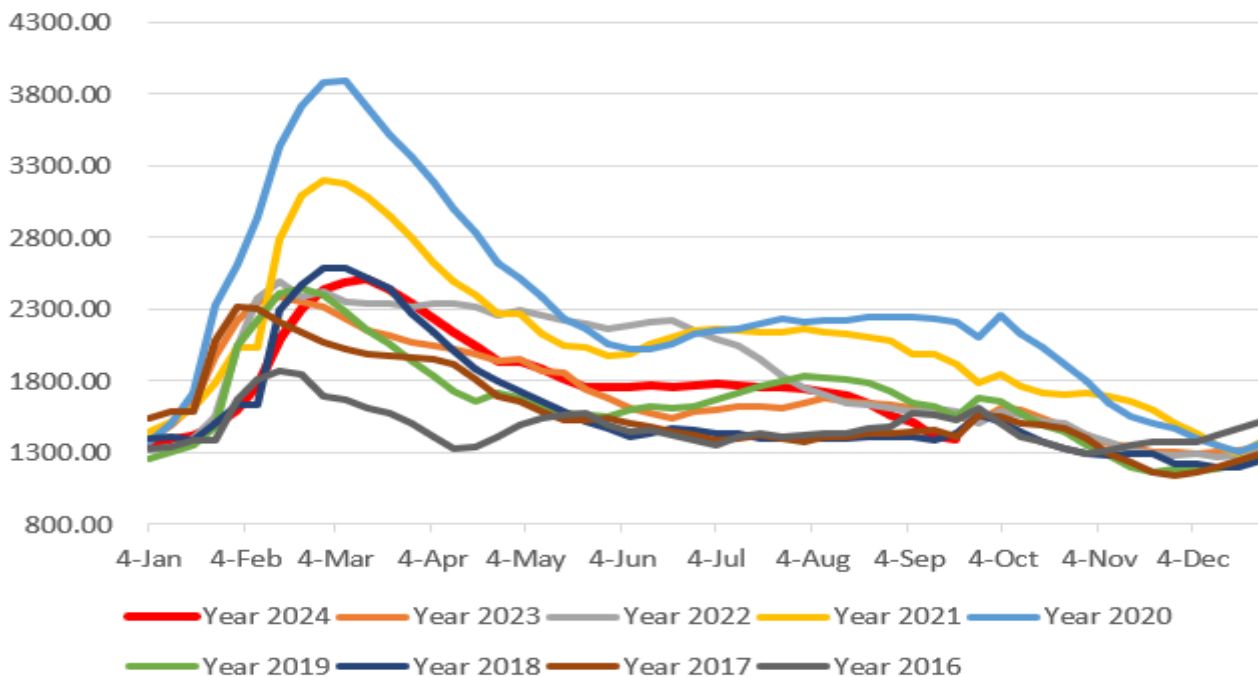
- The steel mills in China potentially accept the second round of physical coke increase.
- FOB coking coal remain supported by strong China demand and uptick price on futures.



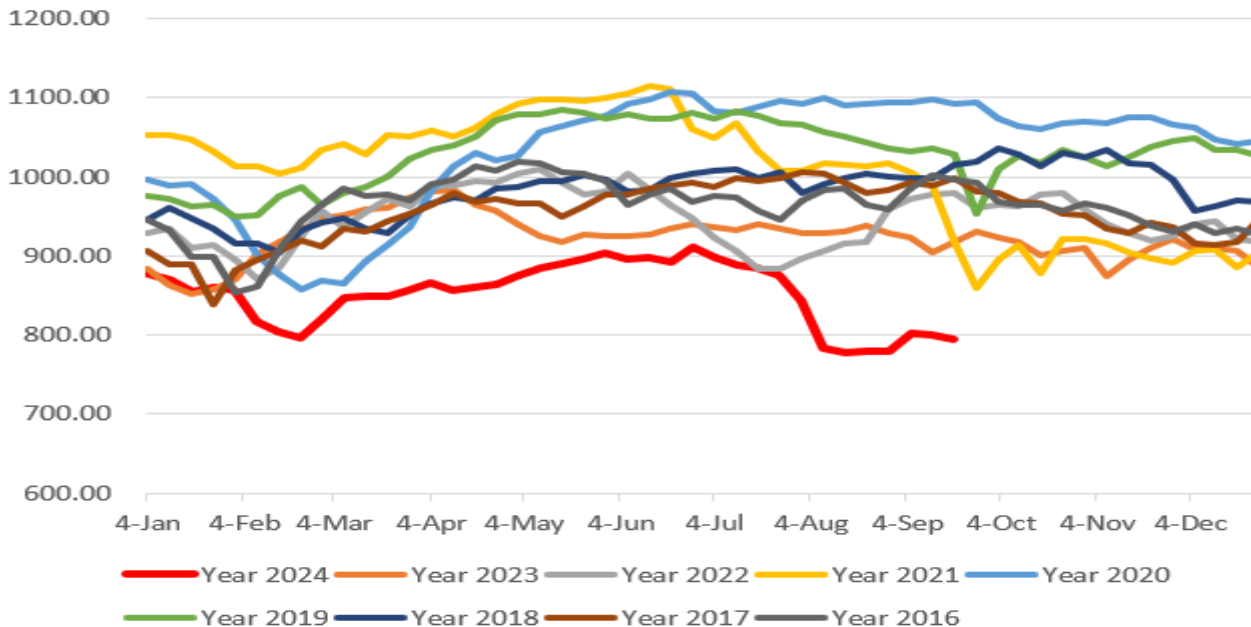
# Daily Virtual Steel Mill Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

**Five Major Steels Inventories(10,000 tonnes)**



**Five Major Steels Production(10,000 tonnes)**



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 [freightinvestorservices.com](http://freightinvestorservices.com)