



# Daily Virtual Steel Mill Report

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### Verdict:

- Short-run Neutral to Bullish.

### Macro:

- JPMorgan expected the European Central Bank to cut interest rates by 25 basis points in October, and expected the bank to start cutting rates at every meeting from October. The deposit rate is expected to reach 2% in June 2025, up from the previous forecast of September 2025.
- Three largest cities in China eased rules for homebuyers following the government's effort to save property sector. Guangzhou became the first Tier I city to no longer limit the number of homes owns and stop review the eligibility of homebuyers.

### Iron Ore Key Indicators:

- Platts62 \$101.80, +3.75, MTD \$93.11. Iron ore maintained bullish in general last week, eyeing massive physical trades. However, the trades were becoming quiet during last two days approaching China long holiday. The restock for holiday called and end. The discount cargoes still saw enough demand before and after holiday. However, the premiums cargoes' demand were not as sustainable. The spike of iron ore was based on China financial and housing stimulus. Thus, be aware of pricing-in risks after holiday.

### SGX Iron Ore 62% Futures& Options Open Interest (Sep 27th)

- Futures 159,663,200 tons(Increase 2,438,400 tons)
- Options 185,169,400 tons(Increase 1,395,000 tons)

### Steel Key Indicators:

- Turkey exported 24.80 million tons of crude steel from January to August in 2024, became the second largest crude steel export country.

### Coking Coal and Coke Indicators:

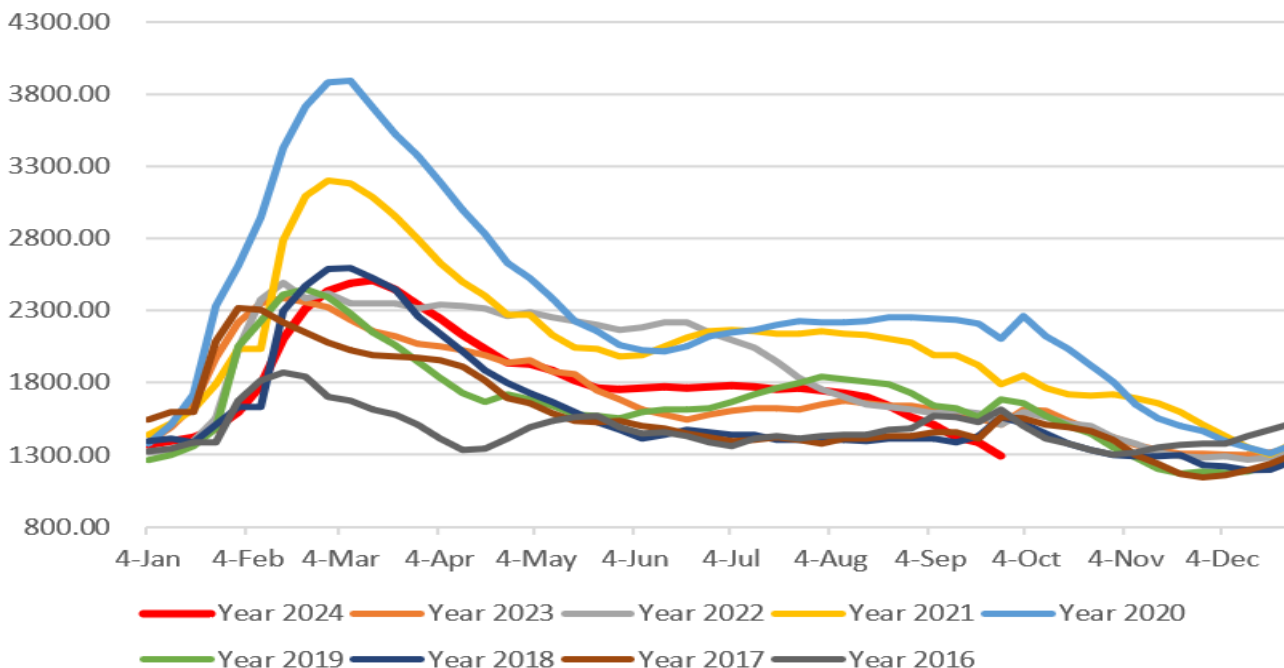
- The FOB Australia index was significantly higher pushed by the strong derivatives market and the ascending price trend on China physical cokes. There were two PMVs trades at \$207.77 and \$207.9 respectively. FOB coking coal saw tight supply for near-term laycans.
- China northern mills accepted third rounds of physical coke price hike by 50- 55 yuan/ton, total up by 150-165 yuan/ton.



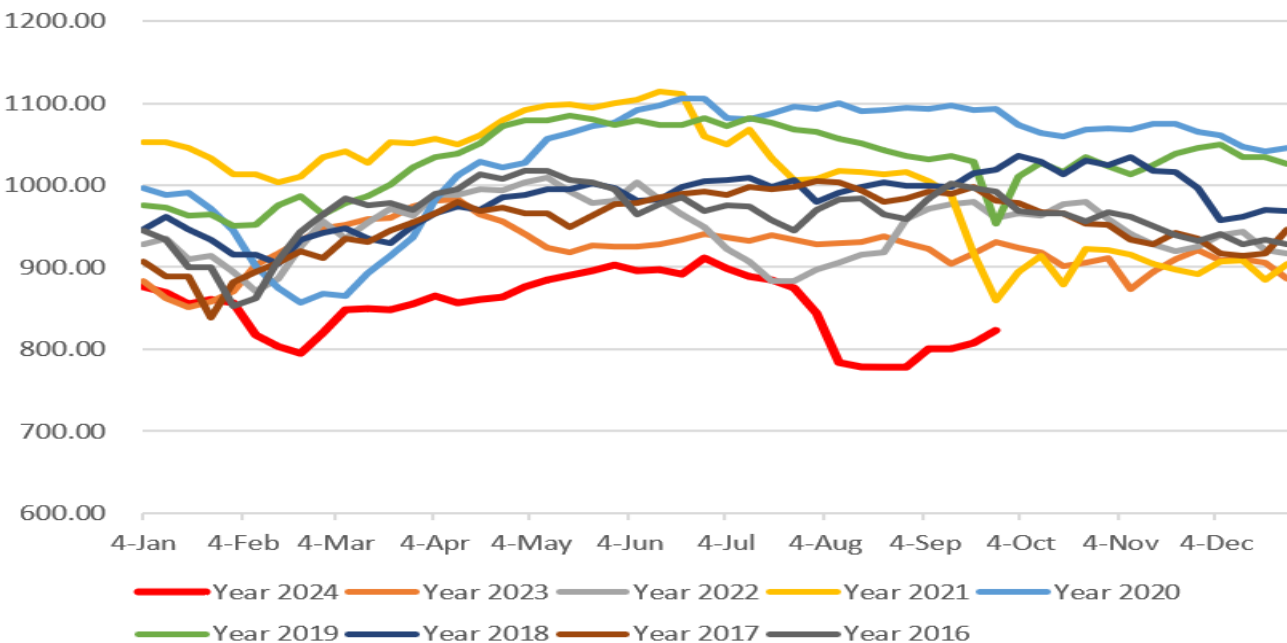
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Five Major Steels Inventories(10,000 tonnes)



Five Major Steels Production(10,000 tonnes)



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