



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- The non farm payroll in US increased by 254,000 files in September, the largest increase since March 2024, and is estimated to increase by 150,000 files. The US unemployment rate in September was 4.1%, the lowest since June 2024.
- After announcing a strong package of support policies in China, Goldman Sachs upgraded the Chinese stock market to a "overweight" rating and stated that there is still a potential upside of 15-20% in the future.

Iron Ore Key Indicators:

- Platts62 \$109.10, +1.00, MTD \$108.26. Iron ore index maintained static during Chinese holiday since the primary and secondary market both ceased. The traders were waiting for the reopen of China market. TS billet up during holiday. LME scrap and rebar both increased last week. The iron ore for the beginning of the week potentially follow the China equities market, which jumped from the second low of the year to year-high during the past two weeks. SGX A50 Index and Hangseng Index both spiked during China holiday.
- Australia and Brazil total shipped 24.03 million tons of iron ore last week, down 3.56 million tons on the week.

SGX Iron Ore 62% Futures& Options Open Interest (Oct 4th)

- Futures 131,623,600 tons(Decrease 311,400 tons)
- Options 161,607,900 tons(Increase 605,000 tons)

Steel Key Indicators:

- China five major types of steel total produced 8.54 million tons last week, up by 3.7%. Total inventories 13.39 million tons, up by 3.7% on the week.
- LME scrap trading volume created the second weekly high during the last week of September.

Coking Coal and Coke Indicators:

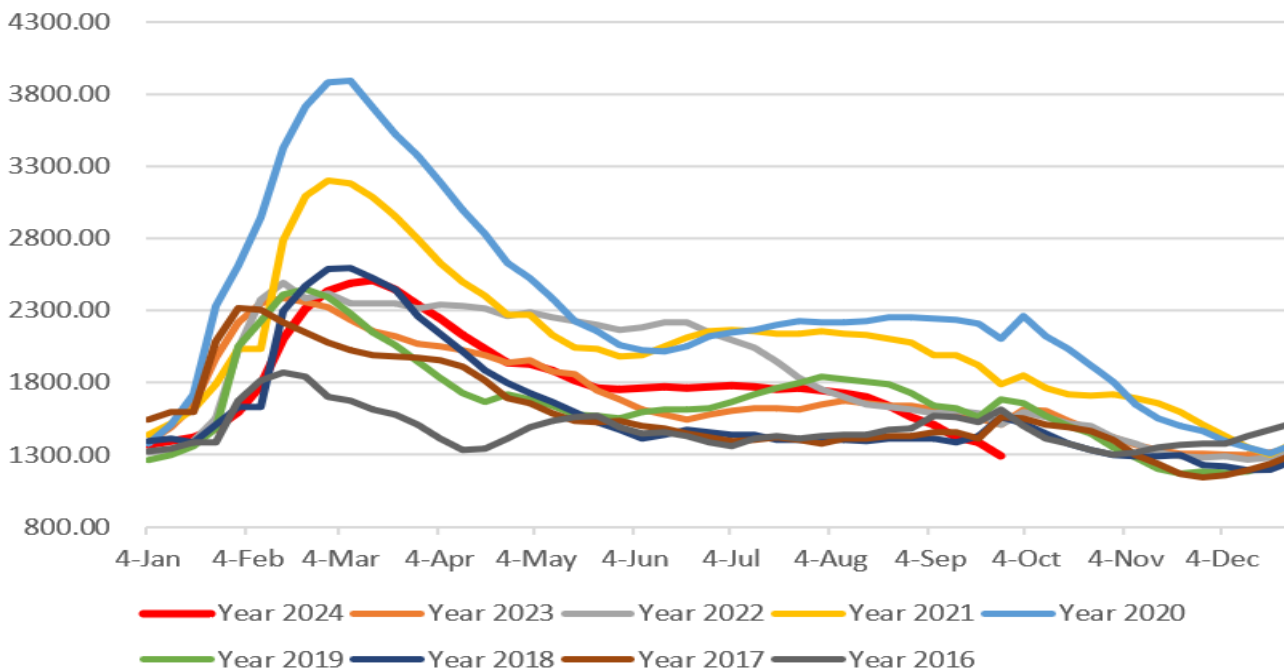
- The fifth round of China physical coke price hike landed by 50-55 yuan/ton, effective by October 8th.



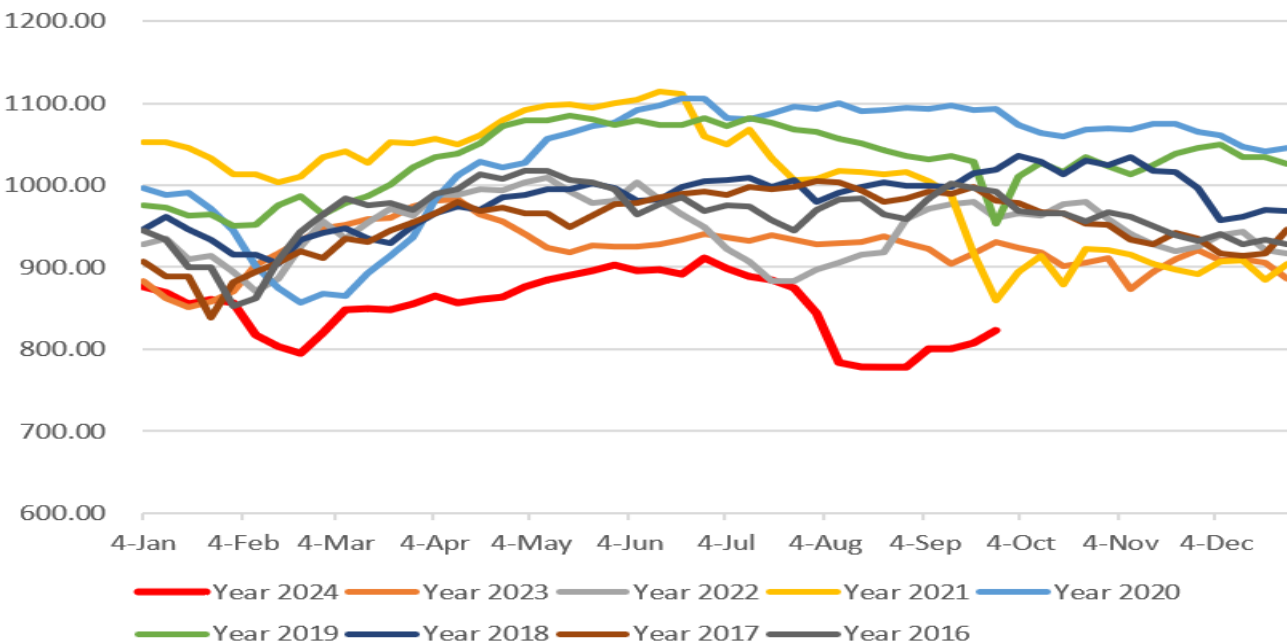
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Five Major Steels Inventories(10,000 tonnes)



Five Major Steels Production(10,000 tonnes)



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