



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- The U.S. ISM manufacturing PMI for October dropped to 46.5, hitting a 15-month low, while the price index surged. Due to two hurricanes and the strike at Boeing, the number of new non-farm jobs in the US in October plummeted to 12,000, the lowest since 2020 and far below the expected 100,000.
- China Ministry of Commerce and Securities Regulatory Commission issued "Administrative Measures for Strategic Investment by Foreign Investors in Listed Companies", allowing foreign individuals to implement strategic investment, reducing the asset requirements for foreign investors. The measures will come into effect on December 2th in 2024.

Iron Ore Key Indicators:

- Platts62 \$102.20, -1.65, MTD \$102.20. The fundamentals of iron ore last week generally did not change much. Supply and demand increased simultaneously. Hot metal output increased, but at the same time, port inventories increased. The inventories of iron ore in steel enterprises decreased both year-on-year and month-on-month. Therefore, the oscillation of the iron ore system is caused by macro changes. In the coming week, it coincides with the U.S. general election and China economic conferences. In the late afternoon of Friday, Vale sold 100kt IOCJ at \$118.1/mt. The last trade was \$116.5/mt in late October.

SGX Iron Ore 62% Futures& Options Open Interest (Nov 1st)

- Futures 116,977,400 tons(Increase 2,633,700 tons)
- Options 158,240,500 tons(Increase 212,500 tons)

Steel Key Indicators:

- Turkish deepsea import ferrous scrap stabilised after a huge correction from October 7th to October 24th. Sellers were waiting for news on US election week, however become confidence on the offers. At the same time, Turkish mills also believed the bottom of market should come.

Coking Coal and Coke Indicators:

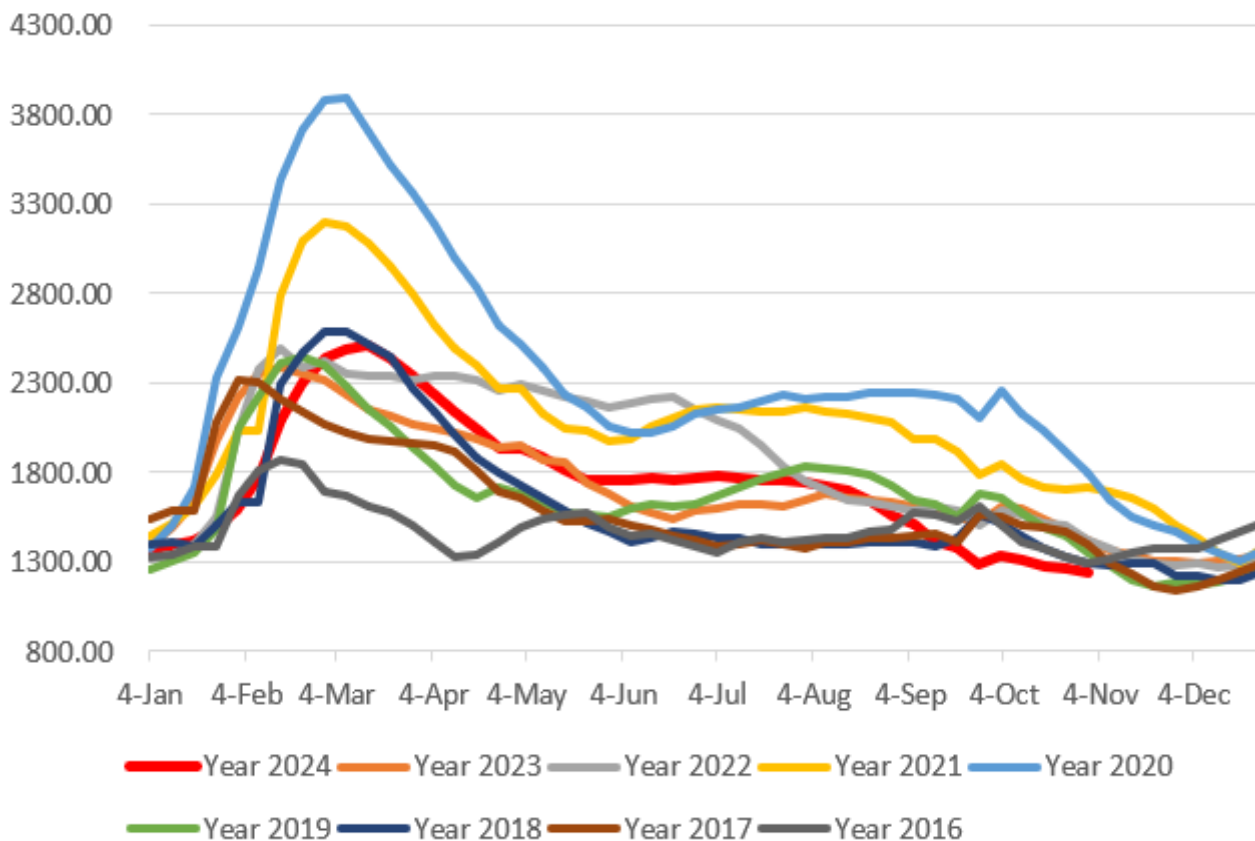
- China buyers entered the FOB Australia coking coal market while Indian buyers were absent during past week.



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Five Major Steels Inventories(10,000 tonnes)



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