



# Daily Virtual Steel Mill Report

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### Verdict:

- Short-run Neutral.

### Macro:

- China National Bureau of Statistics: the value added of industrial enterprises above the designated scale increased by 5.4% on the year, up 0.46% on the month. From January to November, the value increased by 5.8% on the year. China Urban unemployment rate was 5% in November, in line with 5% estimated, last 5%.
- Data from the China Iron and Steel Association shows that in the first ten days of December 2024, key steel enterprises under statistical monitoring produced a total of 20.24 million tons of crude steel, with an average daily output of 2.024 million tons. The daily output decreased by 3.2% month-on-month.

### Iron Ore Key Indicators:

- Platts62 \$104.60, -2.50, MTD \$105.51. Seaborne iron ore prices fell after days of firming. Brazilian ore was relatively strong due to tight supply, while Australian ore dropped significantly. Last Friday, BHP sold MACF at \$99.8/ton. MACF maintained around \$103.8/ton in early December. PBF premiums in secondary sales slid from \$0.8 to \$0.5 with no market interest yet. Tangshan domestic concentrates prices rebounded slightly as operating rates are expected to fall in late Dec and Jan. The MB65 - P62 spread changed little, supported by Brazil's slow supply below and pressured by lower demand during Chinese New Year.
- China import iron ore inventories reached 94.31 million tons, up by 597,500 tons on the week. SGX Iron Ore 62% Futures& Options Open Interest (Dec 13th)
- Futures 125,993,600 tons(Decrease 47,300 tons)
- Options 150,933,900 tons(Increase 1,282,500 tons)
- The inventory of coking coal is 7.56 million tons, increase by 141,500 tons. The physical coke inventory is 6.235 million tons, increase by 194,500 tons on the week.

### Steel Key Indicators:

- The front month contract of Turkish scrap recovered from two-year-low \$338/mt to \$344/mt. Baltic origin HMS 1/2 80:20 scrap traded at \$347- 348/mt. The local steel mills started to restock.

### Coking Coal and Coke Indicators :

- The FOB Australia market was in mixed directions. There were PMV traded around \$224.5- 225/mt.
- The market was concerning about the India's coke imposition of import quota.

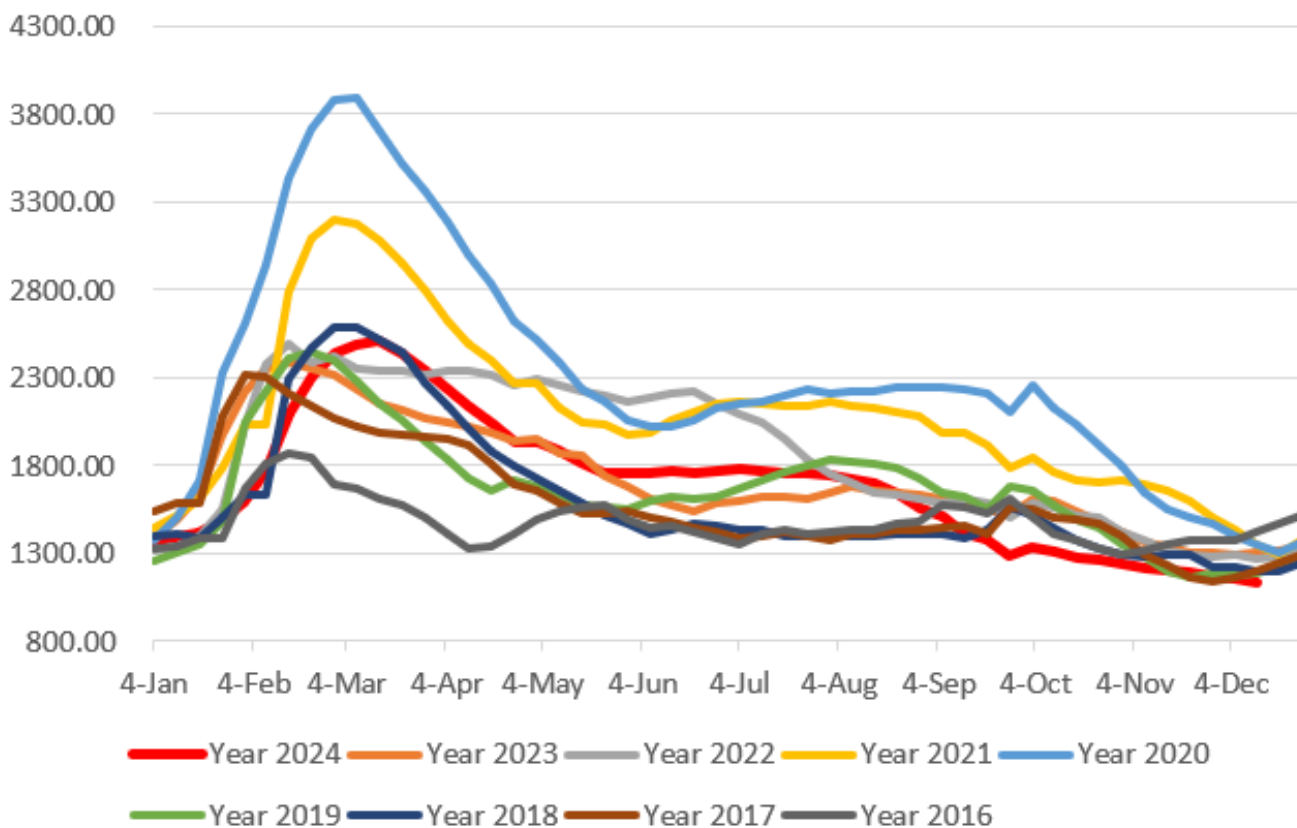
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Five Major Steels Inventories(10,000 tonnes)



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