



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- The work conference of the People's Bank of China mentioned that it will cut the reserve requirement ratio and interest rates as appropriate to maintain ample liquidity and the stable growth of the total amount of finance.

Iron Ore Key Indicators:

- Platts62 \$98.8, -2.25, MTD \$99.93. The trading sentiment was rather conservative throughout the day. MACF was traded at a fixed price of \$95.05 per ton. PBF was traded at a fixed price of \$97.55 per ton. Recently, lump ores have been destocked at a relatively fast pace in eastern China, so the price of lump ores has been supported in the short term and has rebounded from \$0.138 dmtu to \$0.149 dmtu.
- China 45 ports iron ore inventories at 148.77 million tons, up 138,800 tons on the week. Daily evacuation at 3.18 million tons, down 59,500 tons on the week.

SGX Iron Ore 62% Futures& Options Open Interest (Jan 3rd)

- Futures 106,346,700 tons(Increase 2,189,300 tons)
- Options 125,379,500 tons(Increase 1,024,300 tons)

Steel Key Indicators:

- The average utilisation rate of 87 independent EAF steel mills in China was 53.80%, up 1.35% on the week. The average operating rate was 67.86%, down 1.02% on the week. Mysteel surveyed 247 steel mills. The operating rate of blast furnaces was 78.1%, down 0.61% on the week and up 2.47% on the year. The utilization rate of blast furnace was 84.55%, down 1.00% on the week and up 2.96% on the year.

Coking Coal and Coke Indicators:

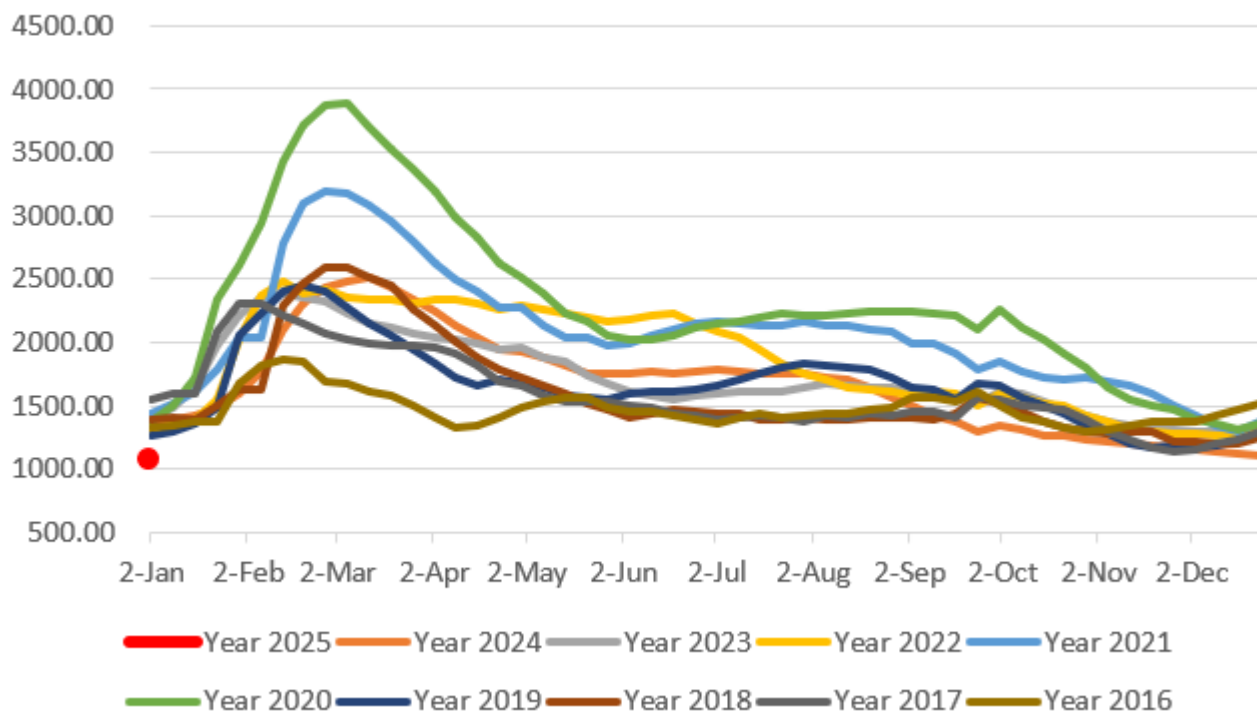
- China steel mills were discussing the sixth round of coking coal cut, yet to see any detail.
- FOB Australia coking coal traders were waiting for the real impact after the Indian government set import quota for coke for Q1 and Q2 in 2025.



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Five Major Steels Inventories(10,000 tonnes)



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