



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- In December, US consumer prices rose at the fastest pace in nine months, driven by higher energy commodity costs. The CPI increased by 0.4% on the month, the largest gain since March, and by 2.9% on the year, the biggest rise since July. However, the core CPI rose 3.2%, lower than November's 3.3%, which prompts financial markets to bet that the Fed will cut rates in June.
- Reuters: The US and Qatar said that negotiators reached a phased agreement to end the Gaza war between Israel and Hamas. This complex agreement outlines the arrangements for an initial six weeks cease - fire phase.

Iron Ore Key Indicators:

- Platts62 \$100.90, +0.20, MTD \$98.72. The futures market has seen a significant rebound this week. However, the strong US dollar and the preference of portside cargoes enabled PBF in the secondary market to expand discounts. The PBF discount has increased from \$0.2 per ton to \$0.3 per ton, which successfully attract many buyers. The price of MACF is \$97.2 per ton, a slight \$0.1 per ton rebound compared to the previous two days.

SGX Iron Ore 62% Futures& Options Open Interest (Jan 15th)

- Futures 118,041,600 tons(Increase 485,100 tons)
- Options 133,394,300 tons(Increase 1,388,000 tons)

Steel Key Indicators:

- Hoa Phat Steel mills in Vietnam reduced the price of SAE1006/SS400 hot - rolled coils for March/April delivery by \$6 per ton to \$518 per ton CIF Ho Chi Minh City.

Coking Coal and Coke Indicators:

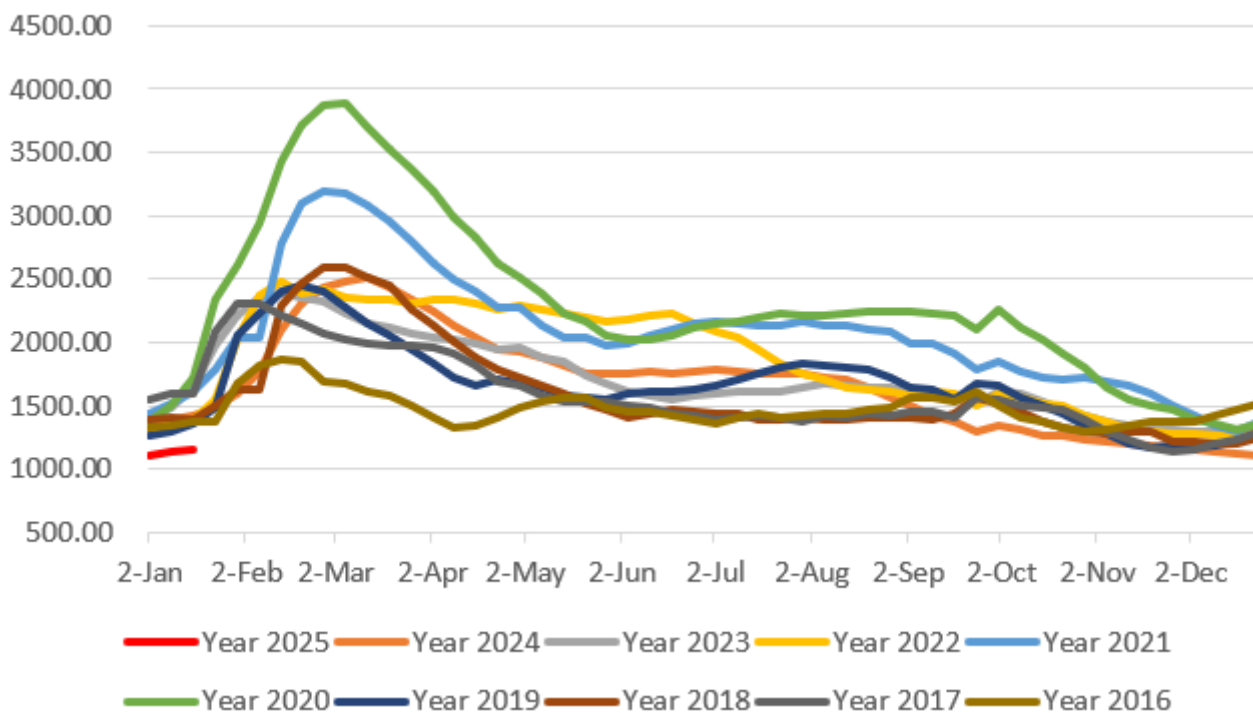
- In the Australian coking coal market, the PLV which was quoted at \$195 per ton a few days ago has continuously dropped to \$191 per ton due to the absence of buyers, dragging the index down by \$2. However, as part of this decline occurred out of assessment windows, it may further weigh on the index today.



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Five Major Steels Inventories(10,000 tonnes)



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