



Daily Virtual Steel Mill Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

06/02/2025

Verdict:

- Short-run Neutral.

Macro:

- The US trade deficit in December expanded by 24.7% to \$98.4 billion, the highest since March 2022. It is also the second-largest deficit on record, with the monthly increase being the largest since March 2015. In December, imports surged to a record level of \$364.9 billion. In the face of tariff threats, US local companies rush to purchase foreign-made goods such as metals and computers.
- In 2024, Turkey's iron ore imports reached 10 million tons, a year - on - year increase of 12.5%. The strong demand for iron ore stems from a rapid 9.4% increase in Turkey's crude steel production.

Iron Ore Key Indicators:

- Platts62 \$104.40, -1.05, MTD \$104.95. After the Chinese New Year celebrations, the downstream market has not resumed operations yet. Therefore, steel mills are rather cautious in their procurement of raw materials, showing a low willingness to purchase premium iron ore fines.

SGX Iron Ore 62% Futures& Options Open Interest (Feb 5th)

- Futures 95,950,000 tons(Decrease 317,300 tons)
- Options 96,267,300 tons(Increase 1,056,000 tons)

Steel Key Indicators:

- Mysteel's survey shows that the capacity utilization rate of independent electric arc furnace plants in China is 4.97%, a decrease of 11.79% on the week. EAFs expected to gradually resume operations in the second half of next week or the week after next.

Coking Coal and Coke Indicators:

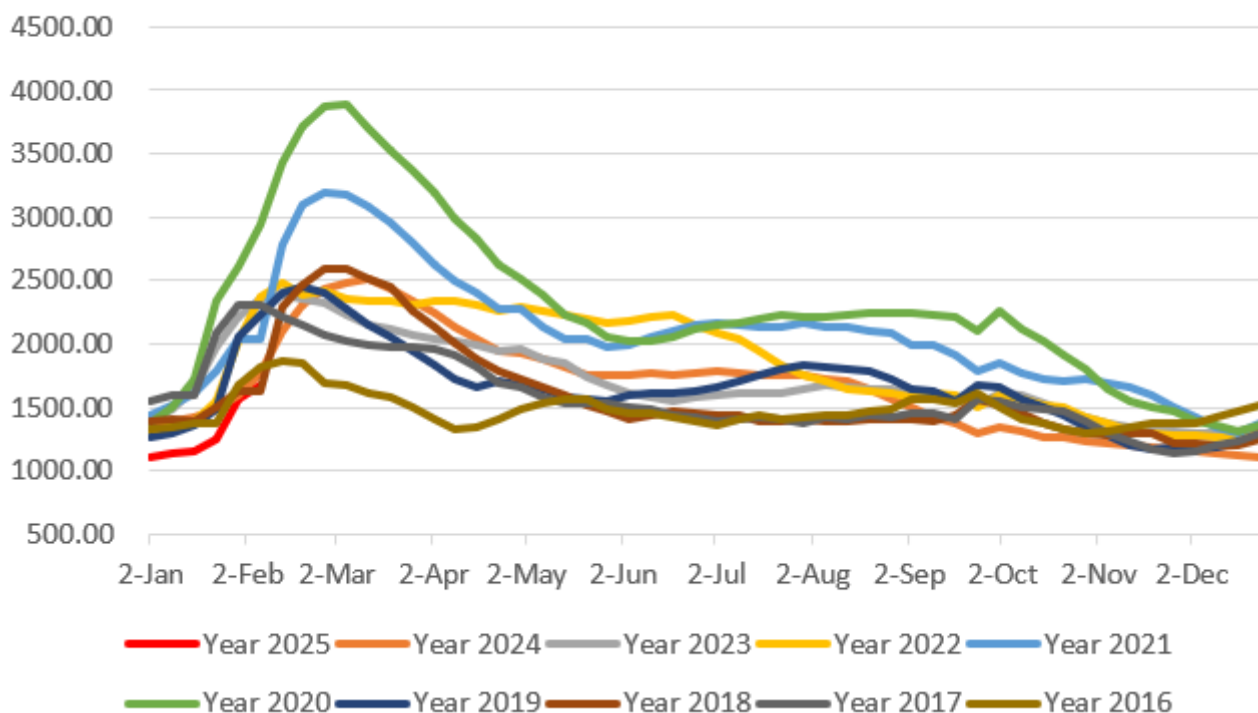
- Discussions among China mills have started regarding the eighth - round price reduction of physical coke, with a proposed range of 50 - 55 yuan per ton.
- Some tenders of Australia coking coal started to attract Indian buyers after consecutive price drops during past three weeks. The buyers were bidding \$187.25/mt for PLVs, expected to complete the trade recently.



Daily Virtual Steel Mill Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Five Major Steels Inventories(10,000 tonnes)



The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com