



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- The number of initial jobless claims in the US was 219,000 last week, compared with an expected 215,000 and a previous 214,000.
- The PBOC held the 2025 Macro-Prudential Work Conference and proposed to improve the management of real estate finance, help the market stop falling and return to stability, and support the construction of a new development model. It is also necessary to promote the cross-border use of CNY and strengthen its functions in cross-border payment, pricing, investment and financing.

Iron Ore Key Indicators:

- Platts62 \$109.50, +1.90, MTD \$106.86. As the former US President Donald Trump talked about potential deals that might ease the trade frictions, the black market interpreted this as a bullish signal and started to rebound rapidly. Additionally, the outbound volume of steel products in the East China region has seen the trading volume expand year-on-year for three consecutive days. The iron ore positions on the Dalian Commodity Exchange have rebounded by more than 12% for three consecutive days, marking the week with the fastest position growth in the past 11 months. Vale sold 170kt IOCJ at \$122.1/mt yesterday.
- The total inventory of iron ore in 45 China ports was 153.3954 million tons, a decrease of 529,900 tons on the week. The daily port evacuation volume was 2.9766 million tons, an increase 161,700 tons.
- Rio Tinto's output was 329 million tons in 2024, down 1% on the year. Due to the impact of the hurricane, Rio Tinto has lowered its shipping volume target for 2025, but only by 6.5 million tons, which is lower than market expectations. Vale's C1 cost in the fourth quarter of last year reached \$18.8 per ton, a 9% decrease on the quarter and a 10% decrease on the year, reaching the lowest level since 2022. Vale's output was 328 million tons in 2024, a 2% increase year - on - year.

SGX Iron Ore 62% Futures& Options Open Interest (Feb 20th)

- Futures 117,261,900 tons(Increase 3,156,500 tons)
- Options 138,144,500 tons(Increase 371,000 tons)

Steel Key Indicators:

- China Zennith Group EXW price for rebar delivered in late-February at 3520 yuan/ton, unchanged from mid-February. Wire-rod EXW price at 3770 yuan/ton, unchanged.

Coking Coal and Coke Indicators:

- Although the high PMV trade at \$188.5/mt once lift the FOB coking coal index, Indian buyers don't think it is a sustainable level.

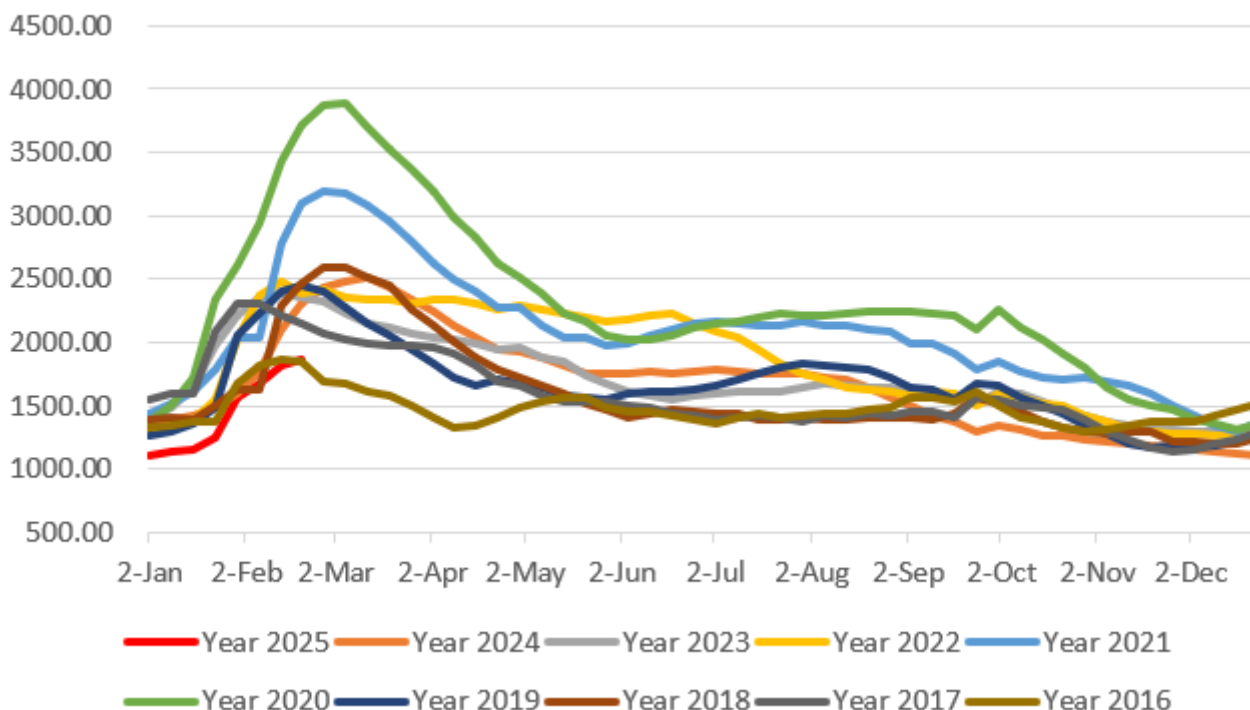
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Five Major Steels Inventories(10,000 tonnes)



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