



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- The Caixin China Manufacturing PMI in March stood at 51.2, rising by 0.4% compared with that in February, reaching a new high since December 2024, indicating that the production and operation activities in the manufacturing industry continue to expand at an accelerated pace.
- Vietnam has reduced the tariff rates of some types of automobiles from a maximum of 64% to 32%, the tariff rate of liquefied natural gas from 5% to 2%, and the tariff rate of ethanol from 10% to 5%.

Iron Ore Key Indicators:

- Platts62 \$104.10, +0.25, MTD \$104.10. The high-grade iron ore demand has low cost-efficiency. Thus, demand market was poor in Aisa. The virtual steel margin reached year-low at -20 yuan/ton. In short-run, demand shifts from seaborne to portside.

SGX Iron Ore 62% Futures& Options Open Interest (Apr 1st)

- Futures 123,252,100 tons(Increase3,374,500 tons)
- Options 111,515,400 tons(Increase 532,500 tons)

Steel Key Indicators:

- China 76 sample EAFs average cost at 3400 yuan/ton, average loss at 108 yuan/ton.

Coking Coal and Coke Indicators:

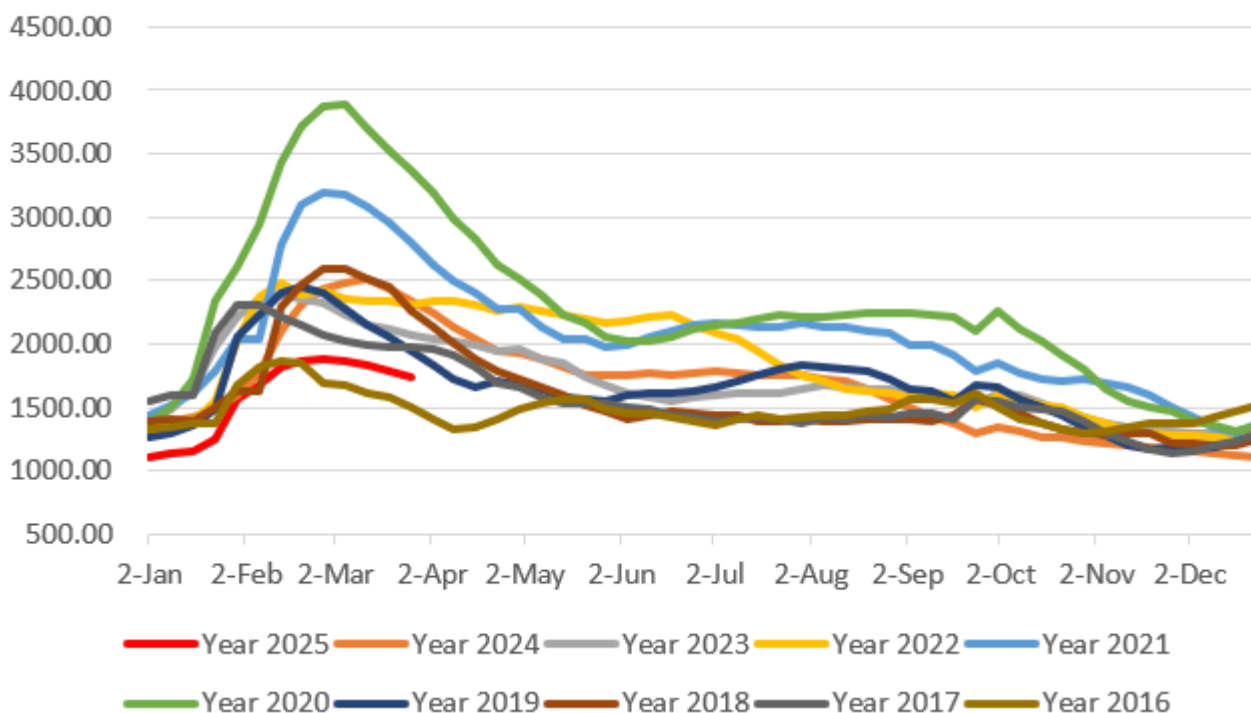
- After 11 rounds of price cut by 550 – 605 yuan/ton, China steel mills expected a recovery in April.



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Five Major Steels Inventories(10,000 tonnes)



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