



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral

Macro:

- The China-U.S. economic and trade talks have achieved substantive progress and reached important consensus. Both sides agreed to establish a China-U.S. economic and trade consultation mechanism. The two countries will finalize the relevant details as soon as possible and will release a joint statement on the talks on May 12.
- U.S. Commerce Secretary Howard Lutnick stated on Sunday that the 10% baseline tariff rate on imports from other countries is likely to "remain in place for the foreseeable future" amid ongoing trade tensions.

Iron Ore Key Indicators:

- Platts62 \$98.60, +0.60, MTD \$98.46. Iron ore prices edged higher on Friday, with the latest weekly data showing further increases in daily hot metal production and declining port inventories, providing fundamental support. However, seasonal patterns suggest that steel demand will gradually weaken from late May, and hot metal output is expected to follow suit.

SGX Iron Ore 62% Futures& Options Open Interest (May 9th)

- Futures 133,637,200 tons (Increase 2,285,300 tons)
- Options 122,741,100 tons (Increase 1,450,000 tons)

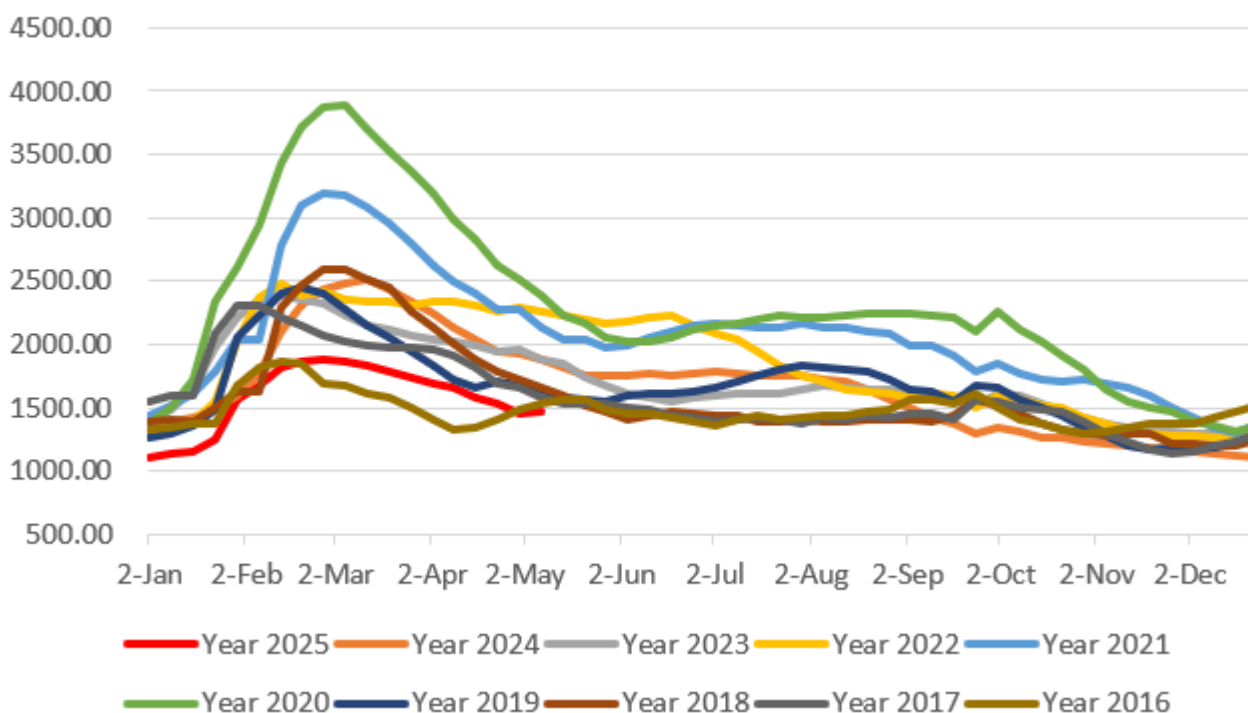
Steel Key Indicators:

- The blast furnace operating rate of 247 steel mills is 84.62%, increasing by 0.29% week-on-week and increasing by 3.12% year-on-year. The blast furnace utilization rate is 92.09%, increasing by 0.09% week-on-week and increasing by 4.42% year-on-year. The average daily hot metal output was 2.46 million tons, an increase of 2,200 tons % week-on-week.
- China 90 sample EAFs utilisation rate at 55.08%, down by 0.38% on the week, up 3.20% on the year.

Coking Coal and Coke Indicators:

- The seaborne market continues to see price disparities between buyers and sellers, with demand from the major buyer India slowing due to declining steel prices since April and sufficient mill inventories.

Five Major Steels Inventories(10,000 tonnes)



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