



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral

Macro:

- The Federal Reserve kept its benchmark interest rate unchanged at 4.25%-4.50%, marking the fourth decision to hold rates steady since January.
- The latest IEA monthly report lowered its forecast for average oil demand growth to 720,000 barrels per day in 2025 (down from the previous estimate of 740,000 bpd) and to 740,000 barrels per day in 2026 (down from the prior projection of 760,000 bpd).

Iron Ore Key Indicators:

- Platts62 \$93.15, -1.15, MTD \$95.40. Iron ore fundamentals have weakened recently due to the onset of the traditional seasonal low-demand period, leading to several consecutive days of minor price declines. In the seaborne market, MACF remained active with two more 80kt cargoes traded yesterday at \$89.7 and \$90.1 respectively.

SGX Iron Ore 62% Futures& Options Open Interest (Jun 18th)

- Futures 153,213,200 tons (Increase 2,443,700 tons)
- Options 133,162,600 tons (Increase 192,500 tons)

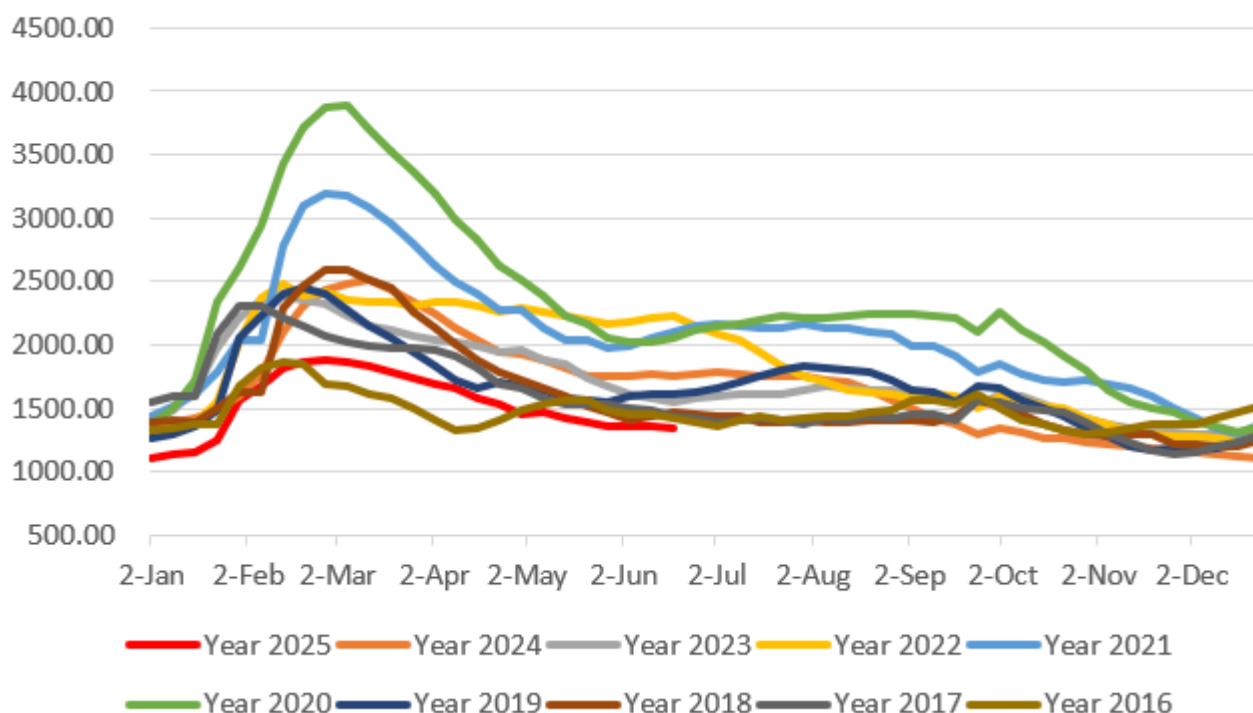
Steel Key Indicators:

- The average EXW cost of billets at the mainstream sample steel mills in Tangshan is 2,810 yuan/ton. Compared with the EXW price of square billets at 2,910 yuan/ton on June 18th, the average profit of steel mills is 100 yuan/ton, an increase of 12 yuan/ton on the week.
- India's state-owned steel company Rashtriya Ispat Nigam Limited (RINL) plans to restart its third blast furnace by the end of June. Currently, RINL operates two blast furnaces with a combined annual crude steel production capacity of 5 million tonnes. With the recommissioning of the third blast furnace, its annual capacity will increase by an additional 2.5 million tonnes, potentially raising total capacity to 7.5 million tonnes.

Coking Coal and Coke Indicators:

- An 80kt PMV Goonyella traded at \$180.90/mt in the seaborne market, providing upward momentum to the index. While this price represents a about \$12 decline from the previous transaction for the same product, some market participants still view it as relatively high.
- MySteel surveyed 523 China coking coal miners average utilisation rate at 84.5%, up 0.8% on the week.

Five Major Steels Inventories(10,000 tonnes)



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