



# Daily Virtual Steel Mill Report

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### Verdict:

- Our view is Short-run Neutral to Bullish

### Macro:

- CISA held a planning directors' meeting, emphasizing strict control over new capacity and streamlined exit mechanisms. The association called for research into establishing a new capacity governance framework to mitigate escalating overcapacity risks in the steel industry and break the cycle of "involution-style" competition.
- The Ministry of Industry and Information Technology announced that action plans to stabilize growth in ten key industries—including steel, nonferrous metals, and petrochemicals—will soon be released. These plans aim to drive structural adjustments, optimize supply, and phase out outdated capacity in these critical sectors.

### Iron Ore Key Indicators:

- Platts62 \$100.25, +1.15, MTD \$96.82. Iron ore traded within a narrow range on Friday, supported by marginally higher hot metal production in the latest weekly data and recent policy stimulus, which bolstered market sentiment. Seaborne trading remained active, with three PBF cargoes concluded at fixed prices. The 65-62 spread has widened to \$13.5/dmt, up from \$10/dmt at the start of the month.

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

- Futures 195,008,400 tons (Increase 8,167,900 tons)
- Options 161,870,300 tons (Increase 2,264,100 tons)

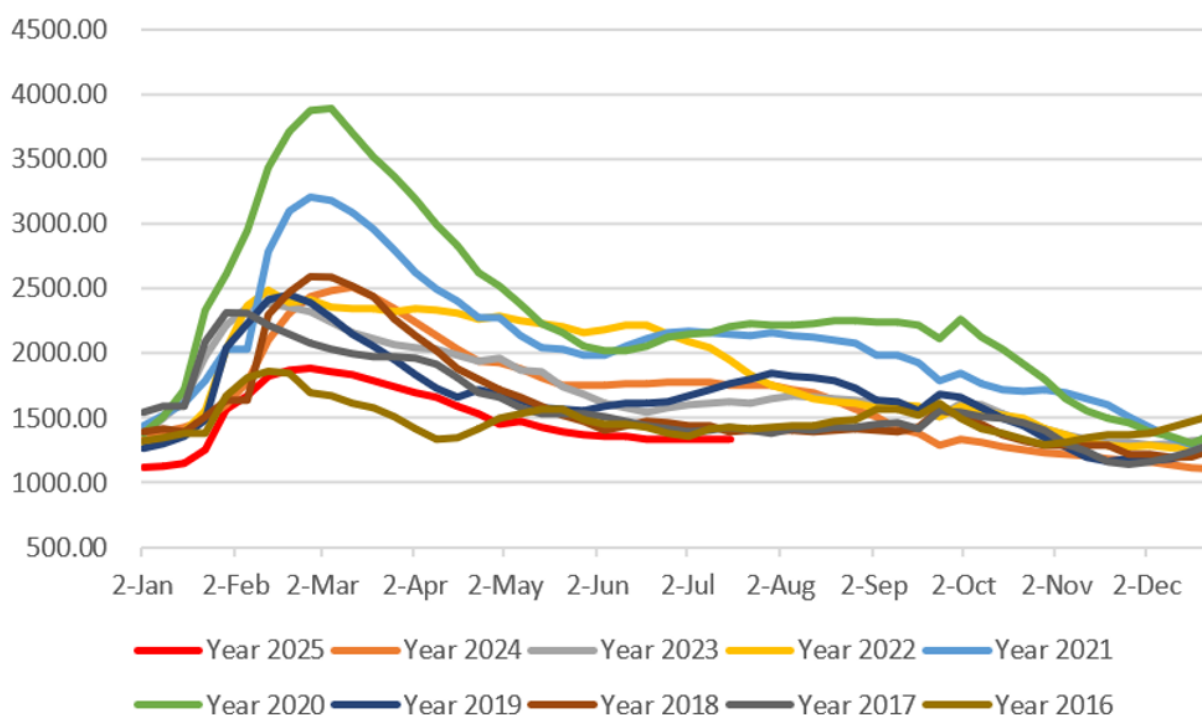
### Steel Key Indicators:

- The blast furnace operating rate of 247 steel mills is 83.46%, increasing by 0.31% week-on-week and increasing by 0.83% year-on-year. The blast furnace utilization rate is 90.89%, increasing by 0.99% week-on-week and increasing by 1.27% year-on-year. The average daily hot metal output was 2.42 million tons, an increase of 26,300 tons week-on-week.
- China 90 sample EAFs utilisation rate at 51.79%, up 1.43% on the week, up 6.81% on the year.

### Coking Coal and Coke Indicators:

- On the morning of July 21, the Market Committee of the China Coking Industry Association convened a market analysis meeting, where participants unanimously concluded that coke prices should be raised as soon as possible under current market conditions.

Five Major Steels Inventories(10,000 tonnes)



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