EMISSIONS | OIL | FERROUS | FREIGHT | AGRI | METALS | ENERGY | PHYSICAL FREIGHT



# **Daily Virtual Steel Mill Report**

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### 22/09/2025

#### Verdict

Our view is Short-run Neutral

#### Macro

- The People's Bank of China kept the one-year and five-year LPR rates unchanged at 3.0% and 3.5% respectively.
- Typhoon Huakasha has intensified into a super typhoon. The Guangdong Provincial Meteorological Bureau has issued warnings, urging authorities to make advanced preparations for extreme disaster prevention.

### Iron Ore Key Indicators:

• Platts62 \$106.55, +1.35, MTD \$105.30. Iron ore prices edged higher on Friday, largely flat on a weekly basis after a period of volatility. Trading activity in the seaborne market picked up, with three cargoes of 62% MAC fines, one cargo of 61.2% Newman fines, and one cargo of 61% PB fines concluded at fixed prices. Additionally, one cargo of 62% PB fines was traded at a discount of \$0.45/dmt based on the November index.

SGX Iron Ore IODEX Futures& Options Open Interest (Sep 19th)

- Futures 209,501,600 tons (Increase 700,000 tons)
- Options 198,095,200 tons (Increase 2,198,100 tons)

#### Steel Key Indicators

- Last week, the blast furnace operating rate of 247 steel mills was 83.98%, increasing by 0.15% week-on-week and increasing by 5.75% year-on-year. The blast furnace utilization rate was 90.35%, increasing by 0.17% week-on-week and increasing by 6.29% year-on-year. The average daily hot metal output was 2.41 million tons, an increase of 4,700 tons week-on-week.
- The Ministry of Industry and Information Technology (MIIT) and other departments have jointly issued the Steel Industry Growth Stabilization Work Plan (2025–2026), setting an average annual growth target of around 4% for the industry's value-added output over the next two years. The plan emphasizes accelerating the launch, production, and capacity expansion of key domestic iron ore projects, strengthening efforts to stabilize supply and prices of raw materials such as iron ore and coking coal.

#### **Coking Coal and Coke Indicators**

• A cargo of PMV Goonyella coking coal was traded at \$189.50/mt last Thursday, reflecting a \$1.50/mt increase compared to a transaction a week earlier. However, overall interest from Chinese and Indian buyers in seaborne coking coal remains limited.

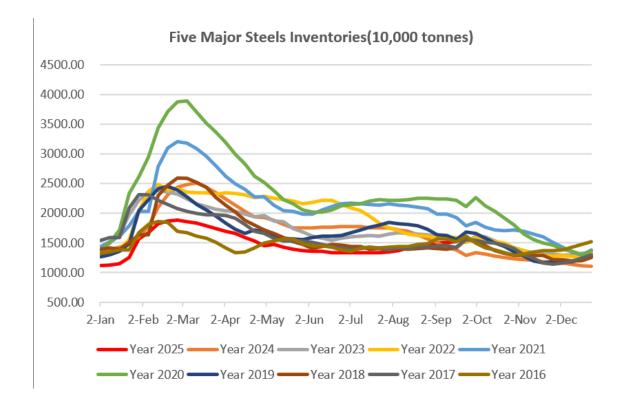
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