

Ferrous Market Signals

Bull

- FMG narrowed September term-contract of SSF from 10.75% to 10%, FBF from 7% to 6%, WPF from 3.6% to 2.5%.
- The demand of BRBF, SFGB and JMBF were growing during August. In addition, the Indian fines were seeing growing market proportion in China due to low price.
- China's average daily pig iron output stands at 2.4 million tons, remaining at a year-on-year high.
- China MIIT and multiple government department issued work plan for stabilizing growth of iron and steel industry from 2025-2026. Some market sources indicated the vision mentioned a 4% increase on the added value of iron and steel industry.
- Since July, China coal mine output has recovered slowly, mainly due to production suspension/reduction caused by underground issues, coupled with safety-driven output cuts and other factors. Among 153 coking coal mines surveyed, 54 have suspended/reduced production, involving a total capacity of 61.1 million tons.

Bear

- After eight rounds of physical coke price hike was rejected by northern China mills.
- Indian domestic coking coal demand was sluggish because rainy weather and weak steel sales.
- Market feedback indicates that after the release of September term contracts, spot lump ore demand has cooled down, liquidity in the secondary market has weakened, and there is a lack of momentum for further short-term gains in premiums.
- In the future, blast furnaces may see a short-term production cut. In August, the global weekly average iron ore shipment volume reached 32.07 million tons, which is similar to the same period last year and an increase of 1.35 million tons compared with July. The relatively high shipment volume during the off-season indicates that iron ore port inventories are potentially to continue accumulating in the subsequent period.

Market Data Snapshot (29th Aug)

Open Interest /lots	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Cape5TC	19,237	14,781	12,441	12,521	6,224	6,224
Pmx4TC	25,041	17,107	12,893	12,863	5,092	5,092
Smx10TC	13,109	8,858	7,465	7,045	3,565	3,565
Iron Ore 62%	352,971	448,773	256,768	258,745	76,523	48,155
Coking Coal	3,372	2,805	2,054	1,739	1,079	1,010
US HRC	5,397	5,082	2,468	3,479	1,276	1,001
FOB China HRC	1,038	626	368	203	129	120

Price	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Cape5TC \$/day	27,500	28,754	26,454	24,142	16,563	15,213
Pmx4TC \$/day	15,011	14,927	14,179	12,895	10,793	10,144
Smx10TC \$/day	16,333	15,492	14,150	12,975	10,550	9,858
Iron Ore 62% \$/mt	103.50	103.47	103.20	103.00	102.52	101.93
Coking Coal \$/mt	188.00	192.50	193.50	195.00	202.00	202.00
US HRC \$/st	793	820	844	858	873	878
FOB China HRC	473.0	475.0	480.0	480.0	480.0	480.0

OI WoW %	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Cape5TC	8.1%	8.7%	3.2%	3.3%	2.8%	2.8%
Pmx4TC	0.9%	6.6%	3.6%	3.7%	9.8%	9.8%
Smx10TC	0.2%	2.4%	1.0%	0.3%	4.1%	4.1%
Iron Ore 62%	-5.7%	26.9%	3.8%	18.0%	12.8%	5.1%
Coking Coal	-1.0%	2.4%	0.0%	-1.1%	0.5%	1.0%
US HRC	-2.2%	16.9%	0.4%	3.6%	10.5%	24.0%
FOB China HRC	-3.7%	4.2%	-0.3%	0.0%	0.0%	0.0%

Price WoW %	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Cape5TC \$/day	-2.3%	-1.4%	-2.7%	-3.4%	0.4%	-8.8%
Pmx4TC \$/day	-5.7%	-5.0%	-4.2%	-4.8%	0.2%	-6.4%
Smx10TC \$/day	-3.0%	-5.8%	-5.4%	-5.0%	-1.4%	-7.7%
Iron Ore 62% \$/mt	2.9%	2.9%	2.8%	2.7%	2.7%	2.6%
Coking Coal \$/mt	-0.3%	0.0%	-0.8%	-1.8%	-0.5%	-1.0%
US HRC \$/st	-4.2%	-2.7%	-0.8%	-0.8%	-0.2%	0.3%
FOB China HRC \$/t	0.1%	0.3%	1.2%	0.8%	0.0%	-0.1%

Sources: EEX, SGX, CME

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