



# Daily Virtual Steel Mill Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

**08/01/2026**

## Verdict

- Our view is Short-run Neutral

## Macro

- According to reports from The Wall Street Journal, informed sources have revealed that Trump and his advisors are planning a large-scale, multi-year strategy aimed at taking control of Venezuela's oil industry. Trump has reportedly told aides he believes this move could help push oil prices down to his preferred level of around \$50 per barrel. Many in the industry consider \$50 per barrel to be the threshold for profitability in drilling operations.

## Iron Ore Key Indicators:

- Platts IODEX 109.25, +2.60 MTD \$106.80. The ferrous market recorded significant gains yesterday, driven largely by the strength in coking coal and coke. Sentiment improved following news that several coal mines in Yulin, Shaanxi province, were removed from the supply guarantee list and had their production capacities officially reduced. While the direct impact appears limited, the rally was fueled more by expectations of further capacity cuts. On the demand side, inventories of raw materials at both steel mills and coking plants remain relatively low, creating genuine winter restocking demand, which continues to offer price support.

## SGX Iron Ore IODEX Futures& Options Open Interest (Jan 7th)

- Futures 153,104,200 tons (Increase 1,134,600 tons)
- Options 141,044,700 tons (Increase 2,468,300 tons)

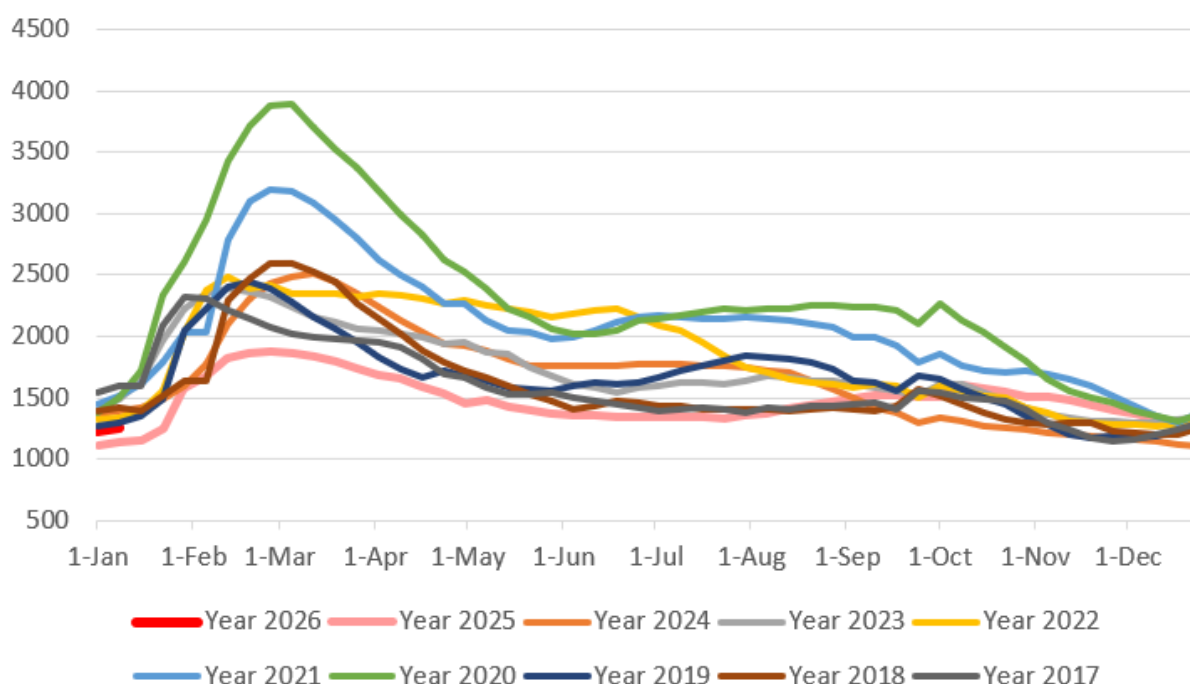
## Steel Indicators:

- CISA: In late-December, the average daily output of crude steel of China key steel enterprises was 1.807 million tons, down 11.0% compared to mid-Dec. Steel inventories reached 14.14 million tons, down 11.7% compared to mid-Dec.

## Coking Coal and Coke Indicators:

- According to SteelHome(an information provider in Chinese steel market), on the afternoon of January 7th, key coking enterprises held a market analysis meeting. Participants reached the following consensus: all enterprises will continue to proactively limit or reduce production to alleviate supply pressure, cut back or cease purchasing high-priced coal, optimize coal inventory structures, and effectively control costs.

Five Major Steels Inventories(10,000 tonnes)



The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [freightinvestorservices.com](https://freightinvestorservices.com)