

26/01/2026

Verdict:

- Our view is Short-run Neutral

Macro:

- On January 23 local time, the U.S. announced a new round of sanctions targeting multiple entities and vessels related to Iran's energy and shipping sectors, focusing specifically on shipping and management networks that facilitate the export of Iranian oil, energy products, and their derivatives.

Iron Ore Key Indicators:

- Platts IODEX 104.65, +1.20 MTD \$106.33. Iron ore prices rebounded after consecutive declines. Although a recent safety incident at Baotou Iron and Steel Group has caused some short-term impact on hot metal output, the overall ferrous market remains relatively stable. In the seaborne market, the discounts for NHGF and MACF have narrowed to -\$5.15/mt and -\$4.25/mt, respectively.

SGX Iron Ore IODEX Futures& Options Open Interest (Jan 23rd)

- Futures 179,086,300 tons (Increase 2,442,900 tons)
- Options 163,504,000 tons (Increase 1,159,500 tons)

Steel Indicators:

- According to Mysteel, last week the blast furnace operating rate of 247 steel mills is 78.68%, decreasing by 0.16% week-on-week and increasing by 0.70% year-on-year. The blast furnace utilization rate is 85.51%, increasing by 0.03% week-on-week and increasing by 0.87% year-on-year. The average daily hot metal output was 2.28 million tons, an increase of 900 tons week-on-week and an increase of 26,500 tons year-on-year.
- According to the World Steel Association, in December 2025, the 70 countries and regions included in its statistics produced 139.6 million tonnes of crude steel, a year-on-year decrease of 3.7%. The global crude steel output for the full year of 2025 reached 1,849.4 million tonnes, down by 2.0% from the previous year.

Coking Coal and Coke Indicators:

- After the price of Australian coal was driven up by a transaction of Goonyella coking coal at \$250.10/mt, market sentiment has turned cautious. Although buyers show resistance to the high prices, some Indian steel mills indicate that, given stable demand, the current price level is likely to remain supported. Production recovery at mining areas remains slow, and the vessel queue at the Dalrymple Bay Coal Terminal is expected to take three to four weeks to resolve, suggesting that supply-demand conditions will stay tight in the near term.

