

28/01/2026

Verdict:

- Our view is Short-run Neutral

Macro:

- According to Reuters, a winter storm sweeping across the United States has strained energy infrastructure and power grids, with analysts and traders estimating that U.S. oil producers lost up to 2 million barrels per day in output over the weekend, equivalent to about 15% of national production.
- On January 27, the U.S. Dollar Index once slid to 95.51, hitting its lowest level since February 2022 and extending its monthly decline to over 2.2%.

Iron Ore Key Indicators:

- Platts IODEX 103.35, +0 MTD \$106.00. The iron ore market remained relatively quiet yesterday. Although two mining sites operated by Vale experienced water overflow incidents, both have been brought under control. Liquidity in the primary market was adequate, with three cargoes of MACF traded at a discount of \$4.20/mt, and one cargo of BRBF was transacted at \$107.75/mt.
- Vale released its production and sales report for the fourth quarter of 2025. The report indicates that its iron ore production for Q4 reached 90.40 million tons, marking a quarter-on-quarter decrease of 4.2% but a year-on-year increase of 6%. Iron ore sales for the same quarter totaled 84.874 million tons, down 1.3% compared to the previous quarter while rising 4.5% year-on-year. For the full year 2025, Vale's total iron ore production amounted to 336 million tons, reflecting a year-on-year growth of 2.6%.

SGX Iron Ore IODEX Futures& Options Open Interest (Jan 27th)

- Futures 179,514,800 tons (Increase 1,824,900 tons)
- Options 165,495,600 tons (Increase 1,226,100 tons)

Steel Indicators:

- According to data from the National Bureau of Statistics, China's steel industry achieved a total profit of 109.83 billion yuan in 2025, representing a year-on-year increase of 299.2%.

Coking Coal and Coke Indicators:

- Market sources indicated that on globalCOAL, a seller offered a cargo of Goonyella coking coal at \$265/mt FOB, while a buyer bid at \$252/mt. No transaction has been concluded yet, but buyers have shown notable interest amid tight supply conditions.

