



Daily Virtual Steel Mill Report

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Verdict:

- Our view is Short-run Neutral to Bearish

Macro:

- Trump has formally nominated former Federal Reserve Governor Kevin Warsh as the next Chair of the Federal Reserve. Warsh's nomination as Fed Chair has sparked hawkish expectations, and coupled with factors such as profit-taking, precious metals prices have fallen sharply.
- Trump noted that Iran is negotiating "seriously" with the United States.

Iron Ore Key Indicators:

- Platts IODEX 103.20, -0.95 MTD \$105.62. Port inventories for imported iron ore continued to accumulate, while iron ore prices retreated last Friday. Steel mills' pre-holiday restocking is nearing completion, though it is still expected to provide some support in the early part of the week.

SGX Iron Ore IODEX Futures& Options Open Interest (Jan 30th)

- Futures 144,663,300 tons (Decrease 39,922,100 tons)
- Options 144,740,900 tons (Decrease 24,814,400 tons)

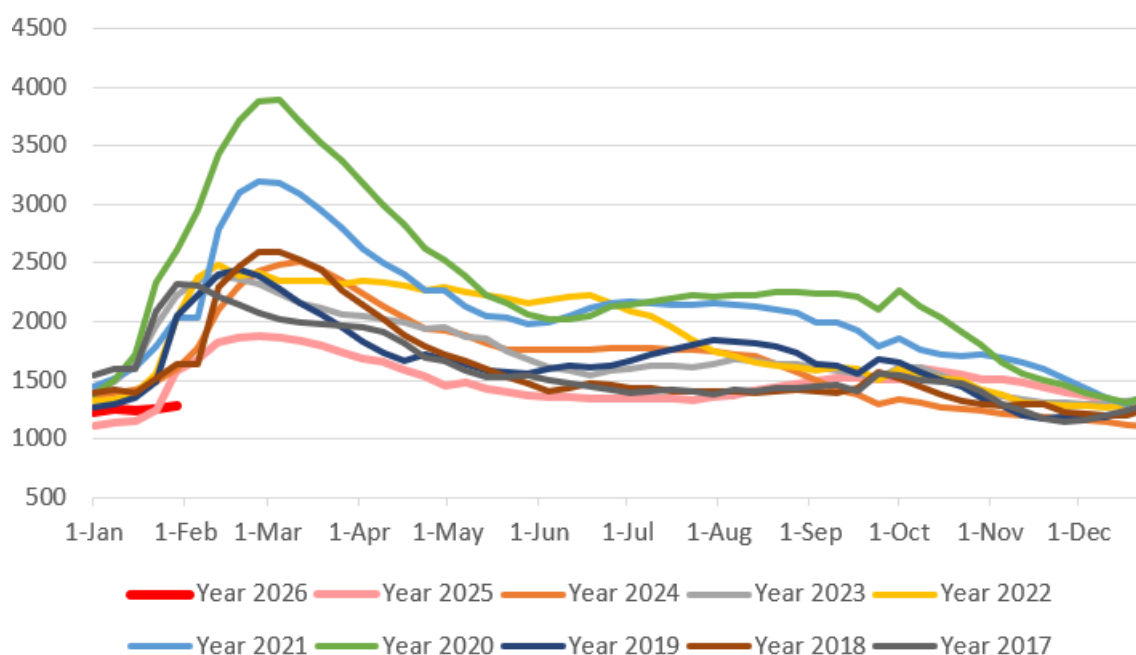
Steel Indicators:

- According to Mysteel, last week the blast furnace operating rate of 247 steel mills is 79.00%, increasing by 0.32% week-on-week and increasing by 1.02% year-on-year. The blast furnace utilization rate is 85.47%, decreasing by 0.04% week-on-week and increasing by 0.83% year-on-year. The average daily hot metal output was 2.28 million tons, a decrease of 1200 tons week-on-week and an increase of 25,300 tons year-on-year.
- The National Bureau of Statistics reported that China's official manufacturing PMI stood at 49.3% in January, decreasing by 0.8 percentage points month-on-month. Due to the traditional off-season for some manufacturing sectors, coupled with still insufficient effective market demand, the overall activity level in the manufacturing industry experienced a decline.

Coking Coal and Coke Indicators:

- The Australian coal market has stabilized, with mining operations and port shipments yet to fully resume normal levels, contributing to sustained high prices. Indian steel mills, as main buyers, are resisting the high prices and seeking lower-cost alternatives, leading to a market standoff.

Five Major Steels Inventories(10,000 tonnes)



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