

Ferrous Market Signals

Bull

- Post-war reconstruction in Iran and the resumption of steel trade flows could underpin sustained demand for iron ore and coking coal. Additionally, China's property market is showing gradual recovery signs, with very active second-hand home transactions in first-tier cities this year.
- As the Strait of Hormuz gradually reopens to shipping, oil prices plunged sharply on Friday. Consequently, commodities previously supported by high oil and freight costs—including iron ore and coking coal—may face downward valuation risks.
- Last week's refinery accident in Australia reignited concerns over the country's tight refined product supplies. However, major Australian mining regions, including iron ore and coal mines, have stated that near-term refined product inventory levels remain at healthy levels. U.S. crude oil exports are reportedly due to arrive in May, which will alleviate Australia's refined product shortage.
- At a State Council Information Office (SCIO) press conference, China's authorities confirmed that CNY 1 trillion in ultra-long special government bonds will be issued in 2026, with all related projects required to break ground by the end of June.
- Some mines in Shanxi have reduced output due to face relocation, fault-crossing operations, and safety inspections, leading to tightness in high-quality primary coking coal resources.

Bear

- Data from the China Passenger Car Association (CPCA) shows that cumulative retail sales of passenger vehicles reached 4.598 million units this year, down 18% year on year.
- In the first quarter, the national sales area of newly built commercial housing was 195 million square meters, down 10.4% year on year. Sales revenue stood at 1.73 trillion yuan, down 16.7% year on year.
- Following smooth negotiations between CRMG and BHP, new deals have been concluded for BHP seaborne cargoes. It is reported that BHP JMBF cargoes previously held at ports will also gradually become available for circulation.
- Customs clearance volume at Mongolian ports has been at historic highs recently, while China has stayed out of the seaborne coking coal market. India is maintaining a wait-and-see stance in the FOB coking coal market.

Market Data Snapshot (17th Apr)

Open Interest /lots	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Cape5TC (180)	20,705	15,923	13,941	10,447	10,337	10,319
Pmx5TC	22,984	20,827	18,089	12,083	11,643	11,668
Smx10TC	13,610	11,610	9,697	6,085	5,915	5,915
Iron Ore (IODEX)	324,052	570,330	330,694	118,347	60,425	64,945
Coking Coal	2,455	2,453	3,644	1,710	1,500	1,165
US HRC	6,998	8,439	7,891	4,884	2,548	2,213
FOB China HRC	1,228	1,025	476	119	161	17

Price	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Cape5TC (180) \$/day	31,886	34,286	33,596	31,714	30,950	31,000
Pmx5TC \$/day	17,436	19,268	19,418	19,150	18,582	18,279
Smx10TC \$/day	15,593	17,143	17,157	16,479	16,207	15,971
Iron Ore (IODEX) \$/mt	106.70	105.80	105.21	104.75	104.27	103.83
Coking Coal \$/mt	231.00	225.50	227.00	229.00	230.00	231.00
US HRC \$/st	1,046	1,079	1,102	1,085	1,065	1,050
FOB China HRC \$/t	486.5	486.0	488.0	489.0	491.0	492.5

OI WoW %	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Cape5TC (180)	3.7%	20.9%	7.6%	2.4%	2.4%	1.8%
Pmx5TC	1.6%	7.2%	5.6%	5.1%	2.1%	2.0%
Smx10TC	-0.7%	3.2%	1.4%	2.8%	1.0%	1.0%
Iron Ore (IODEX)	-9.6%	-3.2%	35.2%	6.2%	5.2%	3.9%
Coking Coal	-0.2%	-3.9%	10.6%	6.2%	5.6%	9.4%
US HRC	0.1%	-1.6%	4.4%	6.6%	14.0%	21.3%
FOB China HRC	-0.2%	13.9%	17.2%	0.0%	0.0%	0.0%

Price WoW %	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Cape5TC (180) \$/day	12.8%	11.3%	7.2%	7.3%	7.4%	6.9%
Pmx5TC \$/day	1.4%	1.8%	1.7%	2.5%	1.0%	1.0%
Smx10TC \$/day	1.5%	2.1%	2.0%	-0.5%	-0.7%	-1.1%
Iron Ore (IODEX) \$/mt	1.2%	2.2%	2.4%	2.6%	2.8%	3.0%
Coking Coal \$/mt	0.5%	0.7%	1.3%	2.0%	1.8%	1.7%
US HRC \$/st	0.0%	0.3%	1.4%	2.9%	3.4%	4.5%
FOB China HRC \$/t	-0.3%	0.1%	0.0%	0.7%	0.7%	0.5%

Sources: EEX, SGX, CME

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