



Daily Virtual Steel Mill Report

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

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Verdict:

- Our view is Short-run Neutral

Macro:

- Driven by surging energy prices resulting from the Iran war and rising inflation expectations, government bond yields moved higher across multiple countries. In particular, the 30-year U.S. Treasury yield rose as much as 4 basis points to 5.16%, the highest level since October 2023. The 10-year and 2-year Treasury yields reached 4.63% and 4.10%, respectively, their highest levels since February 2025.

Iron Ore Key Indicators:

- Platts IODEX 109.95, -1.55 MTD \$110.92. Last Friday, iron ore prices edged lower from elevated levels, with market participants generally adopting a wait-and-see stance during the US-China summit. In the near term, although port inventories remain at high levels, current steel mill profitability is healthy, and elevated hot metal output continues to support demand. Unless there is a notable decline in downstream steel demand, iron ore prices are expected to maintain a narrow range-bound pattern.

SGX Iron Ore IODEX Futures & Options Open Interest (May 15th)

- Futures 169,185,400 tons (Decrease 262,100 tons)
- Options 176,395,800 tons (Increase 1,864,000 tons)

Steel Indicators:

- According to Mysteel, last week the blast furnace operating rate of 247 steel mills was 83.52%, increasing by 0.26% week-on-week and decreasing by 0.63% year-on-year. The blast furnace utilization rate is 89.72%, increasing by 0.16% week-on-week and decreasing by 2.04% year-on-year. The average daily hot metal output was 2.39 million tons, an increase of 4,200 tons week-on-week and a decrease of 54,400 tons year-on-year.
- CISA: In early-May, the average daily output of crude steel of China key steel enterprises was 2.110 million tons, up 3.6% compared to late-April. Steel inventories reached 16.88 million tons, up 9.4% compared to late-April.

Coking Coal and Coke Indicators:

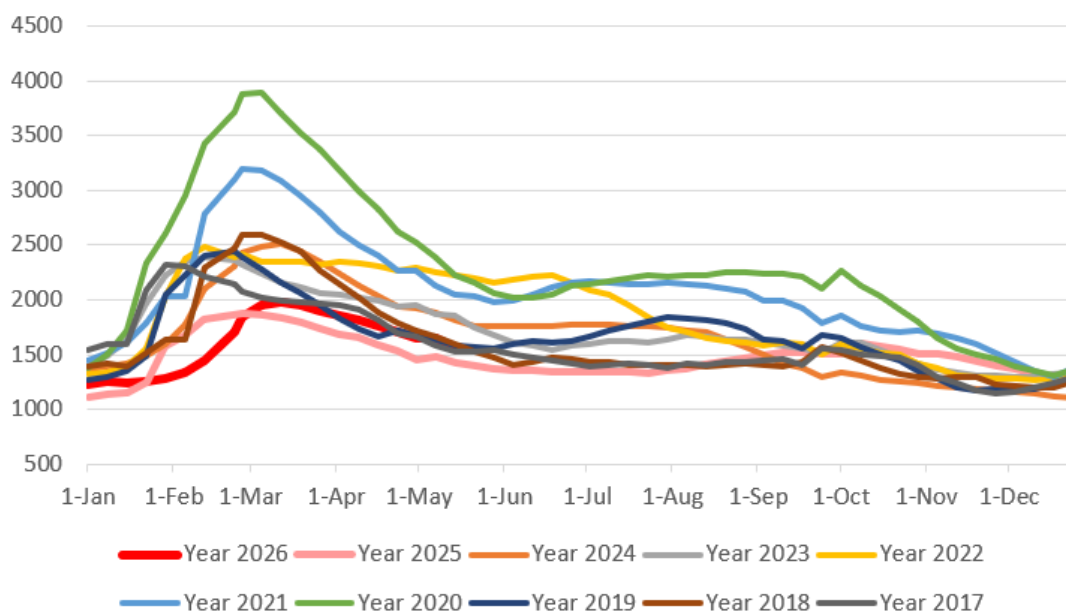
- On May 15, the Indonesian Ministry of Energy and Mineral Resources released the HBA for the second half of May 2026, showing a continued broad-based increase across all coal grades compared with the first half of May.



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Five Major Steels Inventories(10,000 tonnes)



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