

Verdict:

- Our view is Short-run Neutral

Macro:

- National Bureau of Statistics: In the first three quarters of 2026, China's GDP grew by 4.6% year-on-year. From January to September, national real estate development investment amounted to 5.3364 trillion yuan, down 20.6% year-on-year.

Iron Ore Key Indicators:

- Platts IODEX 90.90 +1.15, MTD \$90.79. Iron ore prices rebounded modestly after a prolonged gradual decline, and market sentiment had improved somewhat. On the 16th, Vale CEO Gustavo Pimenta stated that 15 million tonnes of high-cost marginal production had exited the market.

SGX Iron Ore IODEX Futures& Options Open Interest (Oct 16th)

- Futures 155,106,000 tons (Increase 2,141,900 tons)
- Options 137,363,800 tons (Increase 2,733,500 tons)

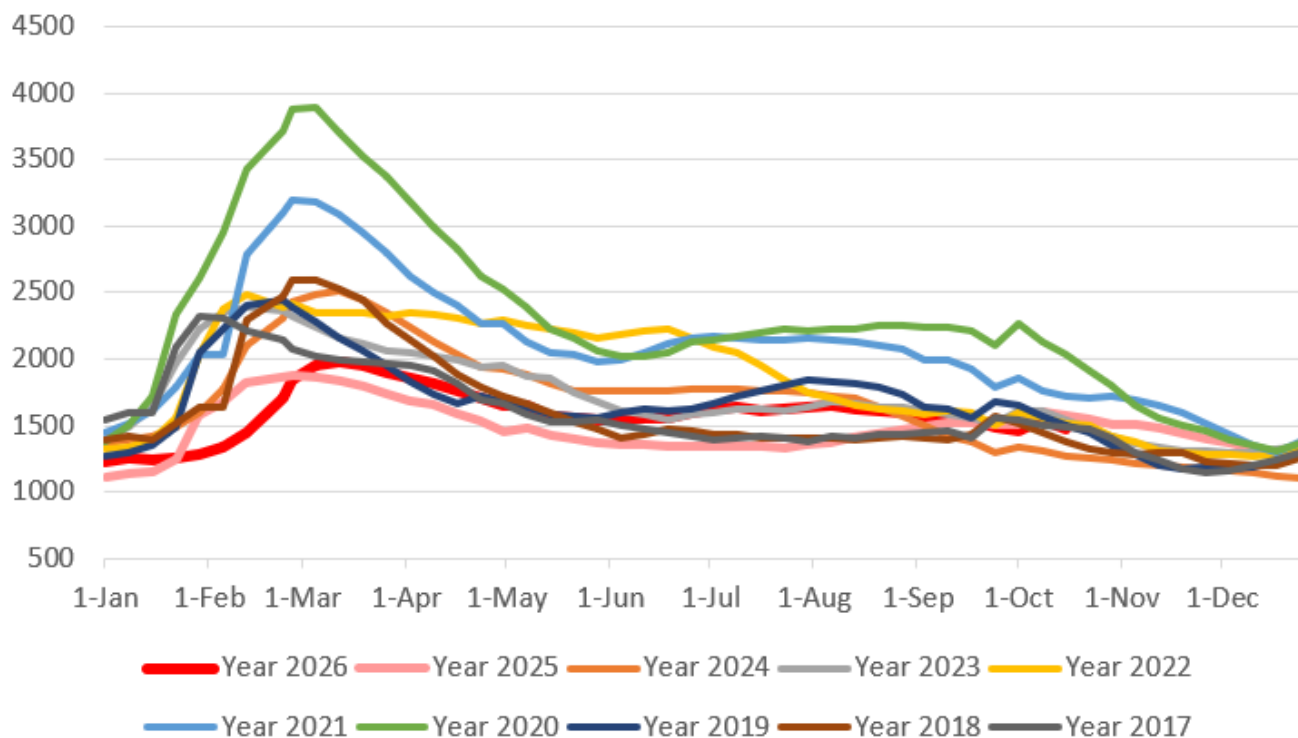
Steel Indicators:

- Last week the blast furnace operating rate of 247 steel mills was 80.51%, decreasing by 0.86% week-on-week and decreasing by 3.76% year-on-year. The blast furnace utilization rate is 87.74%, decreasing by 0.06% week-on-week and decreasing by 2.59% year-on-year. The average daily hot metal output was 2.34 million tons, a decrease of 1,800 tons week-on-week and a decrease of 72,900 tons year-on-year.
- CISA: In early-Oct, the average daily output of crude steel of China key steel enterprises was 1.939 million tons, up 3.1% compared to late-Sep. Steel inventories reached 16.97 million tons, up 8.4% compared to late-Sep.

Coking Coal and Coke Indicators:

- On October 16, NDRC convened a work promotion meeting in Taiyuan, Shanxi, on accelerating coal mine resumption, production increase, and supply assurance. The meeting required Shanxi Province to expedite the resumption of production at suspended coal mines and to make every effort to increase coal supply on the premise of ensuring safety.

Five Major Steels Inventories(10,000 tonnes)



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