

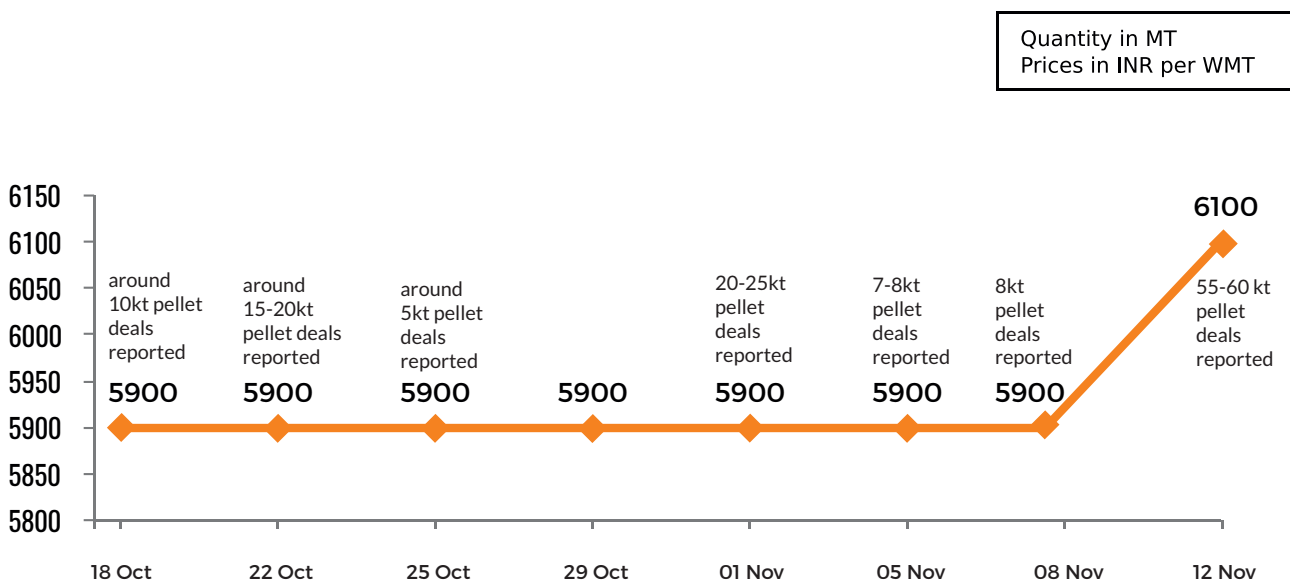
# Pellet Index-PELLEX

## PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	<b>INR 6,100/WMT*</b>
Date and Time of publication	12 November, 2019 & 18.30 (IST)
Publishing Window	Monday to Tuesday
Last Index Price (08 Nov, 2019)	5900
% change	3

\* **Rounded off to the nearest multiple of 50**

\* **Prices on delivered basis (including freight) to a DRI maker in Raipur**



### Concluded Transaction Price

- PELLEX (DAP Raipur), 63.5% Fe up by INR 200 to INR 6,100/wmt in recent deals.
- Deals of 55,000 -60,000 MT pellets reported from Raipur market at INR 5,900-6,000/MT(Ex-Raipur); normalizing for freight to Raipur at INR 6,050-6,150/MT (DAP Raipur). The deal were concluded to Raipur & Chandrapur.

### Firm Offers

- Raipur based pellet makers raised offers by INR 200/MT to INR 6,000/MT(Ex-plant); normalizing for freight to Raipur at INR 6,150/MT (DAP Raipur).
- Raigarh based pellet offers witnessed at INR 5,600/MT (Ex-plant), normalizing freight to Raipur at INR 6,250/MT (DAP Raipur).
- Jharsuguda based pellet maker concluded 1000 MT pellet deal at INR 5,600/MT (Ex-Plant).

### Firm Bids

- No firm bids were reported during the publishing window.

### Export Realization

- No pellet export deals were reported in this publishing window. SteelMint Pellet export assessment stands at USD 88-89/MT, FoB India.
- Ex -Plant export realization for Raipur pellet maker down to INR 4,900-5,000/WMT.
- In Central India export market is semi-liquid, therefore export realization factor has been ignored in the computation of PELLEX.

### Substitute Parity Price

- Odisha's Serajuddin mine raised iron ore lump (5-18mm) prices yesterday by INR 300/MT to INR 3,700/MT (ex-mines, incld Royalty, DMF & NMET).
- Considering the landed cost of Lump and other factors like yield, conversion cost, etc for NMDC and Orissa; the substitute parity price for Pellet is INR 6,070/MT (DAP Raipur).

### Deals from Other Regions

- West India (Gujarat) based steel mills have booked a pellet vessel (around 50,000t) from Odisha based pellet maker for Nov shipment at INR 7,200/MT landed Kandla.
- Jamshedpur based pellet maker concluded around 10,000 MT deal at INR 5,300/MT (Ex-plant).
- Bellary based major pellet makers has concluded 8,000 MT pellet deal at INR 6,200-6,400/MT(Ex-plant) yesterday.

### Statistical Exclusion for Bids and Offers

- No bids & offers excluded.

# **PELLET SPECIFICATION**

## **India Domestic Pellet specification, DAP Raipur**

<b>S. No.</b>	<b>Particulars</b>	<b>Specifications</b>
1	Price	INR per metric tonne
2	Fe Content	Base 63.5%, Range 63% to 64%
3	Silica	Base 3.5%, Maximum 5.0%
4	Alumina	Base 2.0%, Maximum 4.0%
5	Combined Silica/Maximum 7.0% Alumina	Maximum 7.0%
06	Trade Size	Minimum 2,500 MT, Maximum 10,000 MT
07	LOI	Base 3.0%
08	Delivery Terms	DAP Raipur (Delivered to Buyers site in Raipur)
09	Delivery period	Within 2 -4 week
10	Assessment Frequency	Twice in a Week
11	Data collection	Window 1 - Monday 9.00 until Tuesday 17.30 (IST) Window 2 - Wednesday 9.00 until Friday 17.30 (IST)
12	Publication	Window 1 - Tuesday 18.30 (IST) Window 2 - Friday 18.30 (IST)
13	Payment Terms	Advance (Loaded to Truck)

### **Note:**

- Transactions/market information not covered in the previous cycle to be considered in the next cycle
- PELLEX assesses DAP Raipur Prices. DAP is Delivered at Place, meaning prices on delivered basis (including freight) to a DRI maker in Raipur
- For more details, refer to SteelMint PELLEX Methodology document