

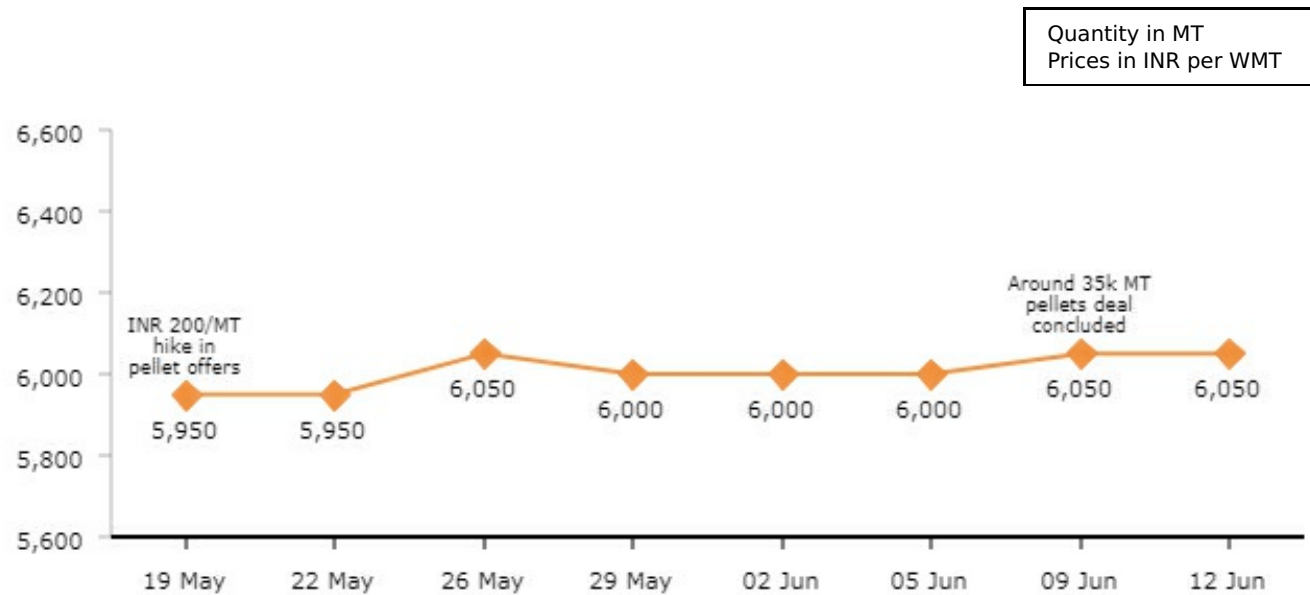
Pellet Index-PELLEX

PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	INR 6,050/WMT*
Date and Time of publication	12 June, 2020 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (09 Jun, 2020)	INR 6,050/WMT*

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

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



Concluded Transaction Price

- PELLEX stable at INR 6,050/wmt (DAP Raipur) in this publishing window.
- A pellet maker was reported to sold around 5,000t pellets in Raipur at INR 5,900-6,000/t (DAP, Raipur) recently.

Firm Offers

- Raipur based pellet offers stand stable at INR 6,000/t (Ex-plant); normalizing for freight to Raipur at INR 6,150/t (DAP Raipur).
- Raigarh based pellet makers offer stable at INR 5,600-5,700/t (Ex-plant) in this window of Index.

Firm Bids

- No firm bids for pellets received in this publishing window.
- SteelMint P-DRI assessment (June 12, 2020) moved down sharply by INR 400/t to INR 15,700/t (Ex-plant) as against the last assessment (on 09th June 2020) at 16,100/t. Prices have come down on demand-supply mismatch.

Export Realization

- No pellet deal has been concluded in this publishing window so far. However, certain deals are under negotiation to get concluded soon.
- SteelMint assessment for Fe 64% grade pellets with 3% Al stable in this publishing window at around \$116-118/t, CFR China against the last assessment.
- Ex -Plant export realization for pellet maker is around INR 6,400/t.

Substitute Parity Price

- As per reports, owing to issues of the requirement of storage license at the loading plants of the NMDC's Chhattisgarh mines, iron ore loading & dispatches have been temporarily suspended.
- 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 5,480/t (DAP Raipur).

Deals from Other Regions

- Bellary based pellet makers sold around 7,000 MT pellets in the local market at around INR 5,700-5,950/MT(Ex-plant) recently.

Statistical Exclusion for Bids and Offers

Two offers

PELLET SPECIFICATION

India Domestic Pellet specification, DAP Raipur

S. No.	Particulars	Specifications
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