

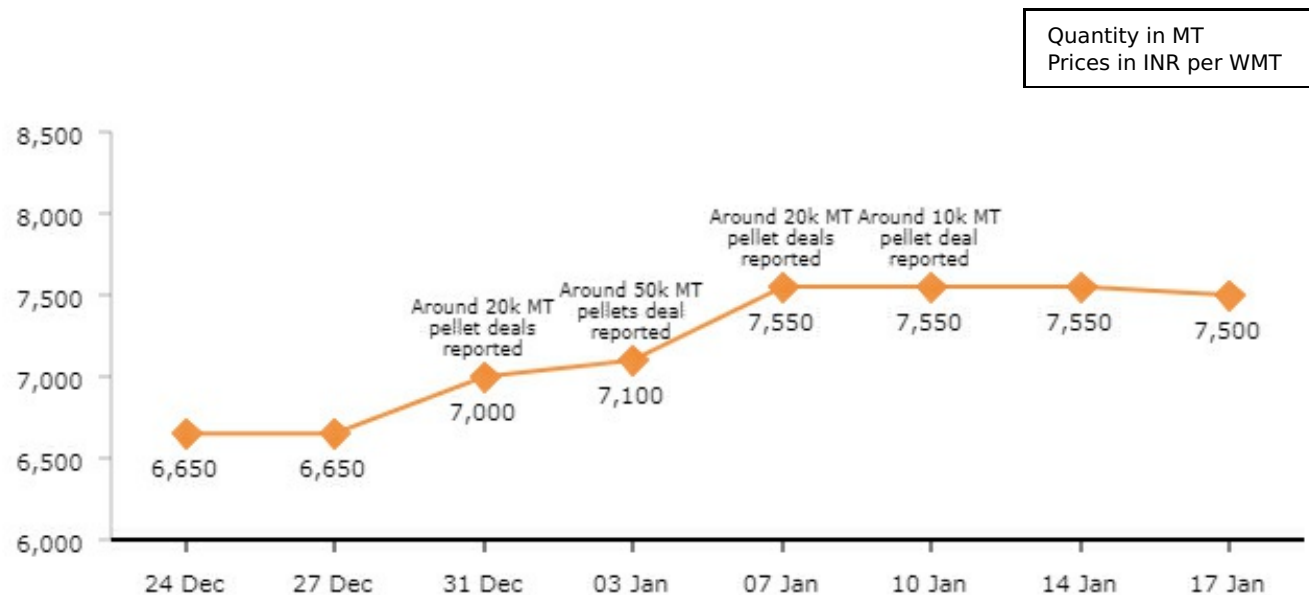
Pellet Index-PELLEX

PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	INR 7,500/WMT*
Date and Time of publication	17 January, 2020 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (14 Jan, 2020)	INR 7,550/WMT*
% change	1

* Rounded off to the nearest multiple of 50

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



Concluded Transaction Price

- PELLEX inch down by INR 50/MT to INR 7,500/wmt (DAP Raipur).
- No pellet deals heard from Raipur pellet makers in this publishing window.

Firm Offers

- Major Raipur based pellet makers kept the offers stable at INR 7,400/MT (Ex-plant); normalizing for freight to Raipur at INR 7,550/MT (DAP Raipur). Trade sources reported that one offer was heard around INR 7,100/MT (Ex-plant).
- Raigarh based pellet makers offer at INR 7,000- 7,200/MT (EXW).
- Jharsuguda based pellet maker is offering pellets at INR 7,000/MT (EXW).

Firm Bids

- No firm bid for pellets was reported in this publishing window.
- SteelMint P-DRI Assessment (Jan 17, 2020) decreased sharply by INR 800/MT W-o-W to INR 19,600/MT as against INR 20,400/MT (Ex-Raipur) a week before.

Export Realization

- One export deal heard in this publishing window. SteelMint assessment for standard grade pellets (Fe 64%, 3% Al) stands at USD 119-120/MT, CFR China.
- Ex -Plant export realization for Raipur pellet maker is around INR 6,400/WMT.
- In Central India the export market is semi-liquid, therefore export realization factor has been ignored in the computation of PELLEX.

Substitute Parity Price

- 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 6,470/MT (DAP Raipur).
- In Central India the market is liquid, therefore substitute Parity factor has been ignored in the computation of PELLEX.

Deals from Other Regions

Nil

Statistical Exclusion for Bids and Offers

Nil

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