

RAW MATERIALS

Iron Ore	Pg 1
Pellets	Pg 1
Scrap	Pg 1
Coal	Pg 2

SEMI FINISHED STEEL

Sponge Iron	Pg 3
Pig Iron	Pg 3
Billet	Pg 3

FINISHED STEEL

Rebars	Pg 4
Flat Steel	Pg 4

FERRO-ALLOYS

Silico- Manganese	Pg 4
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CURRENCY**STATISTICS**

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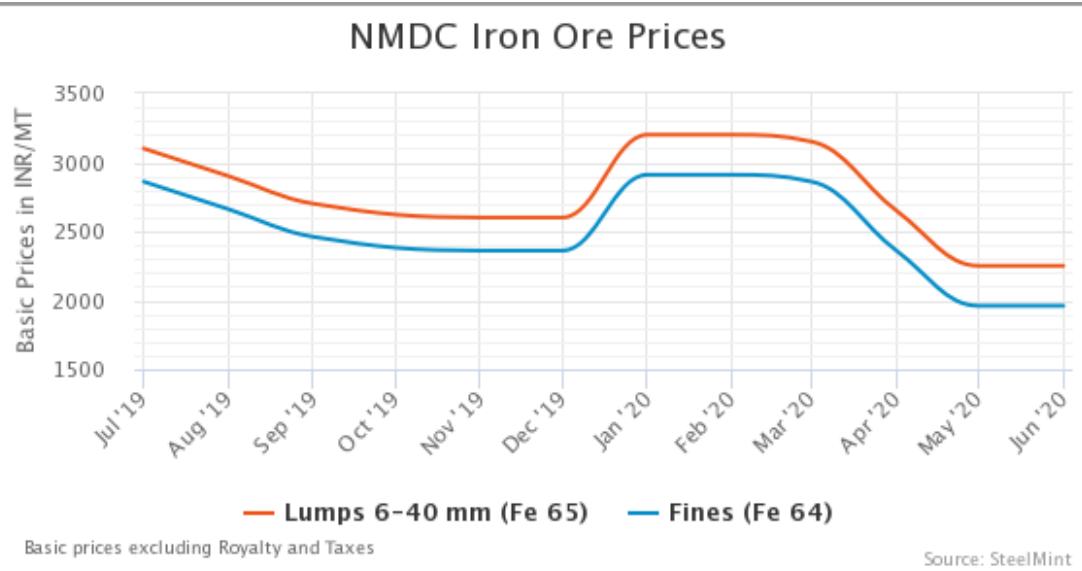


Indian STEEL MARKET SCAN

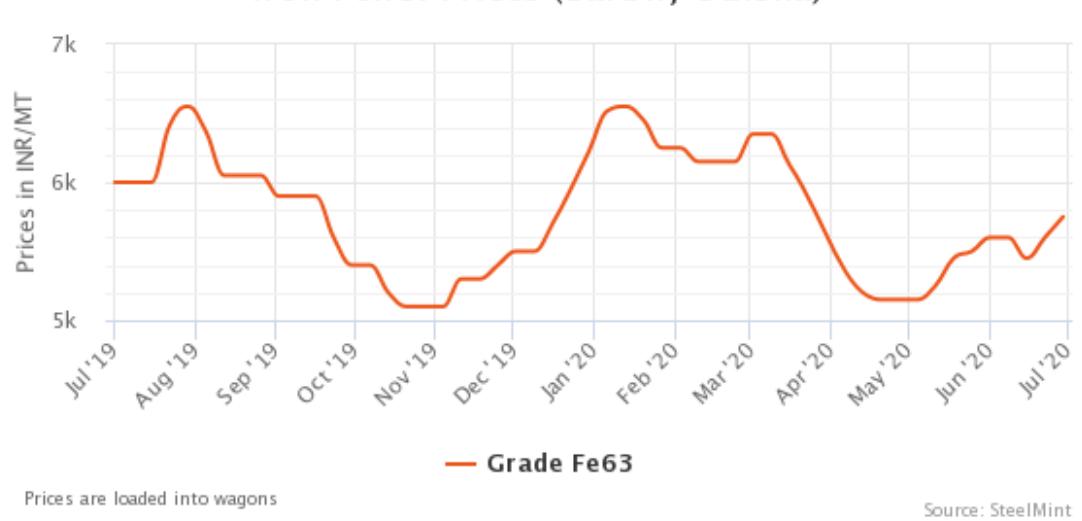
China Iron Ore Fines (CNF)



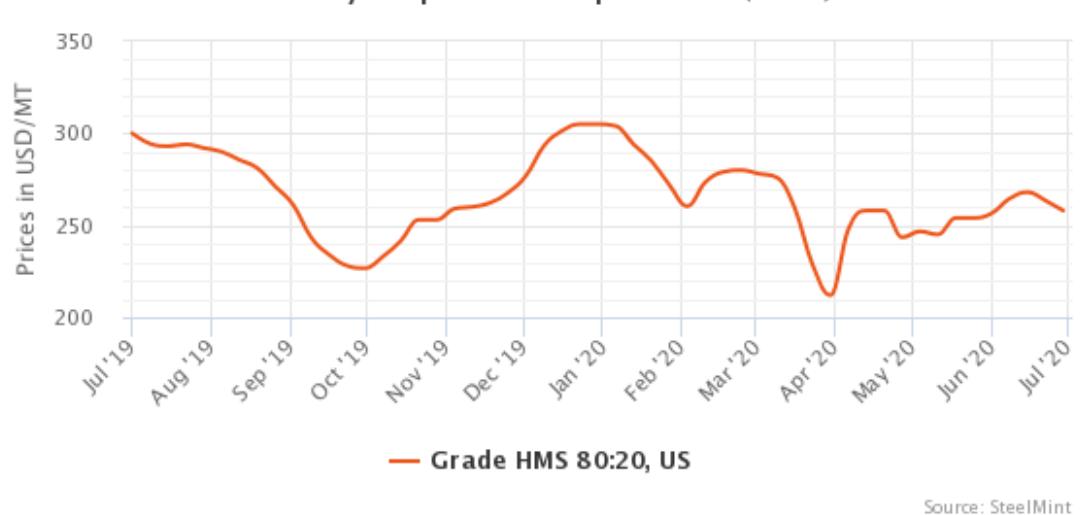
NMDC Iron Ore Prices



Iron Pellet Prices (Barbil, Odisha)



Turkey Imports Scrap Prices (CNF)



What happened

- Monthly average global iron ore fines (Fe 62%) price increased significantly by 10% to USD 103/t CFR China in Jun '20 against last month's USD 94/t CFR China amid surge in futures, supply tightness indications from Brazil and falling inventory at Chinese ports.

What may happen

- Global iron ore prices are expected to soften considering dull demand from China during monsoon.

What happened

- NMDC raised iron ore prices by 9-10% on tight availability. Odisha merchant miners raised iron ore lump prices, while fines prices remained relatively stable.

What may happen

- Domestic iron ore availability is expected to remain tight during the rainy season. A few key bidders of auctioned leases are expected to resume operations in July.

What happened

- Indian domestic pellet offers fell due to decline in sponge prices.

What may happen

- Indian pellet exports may come down on lower Chinese buying. Increased availability in domestic market may keep prices under pressure.

What happened

- Imported scrap prices to Turkey shot up by USD 12-14/t in the first half of June'20 amid active bookings for July shipments, followed by moving down by same margin in the second half back to USD 256/t CFR Turkey for US origin HMS 1&2 (80:20) due to Turkish buyers holding back from bookings.

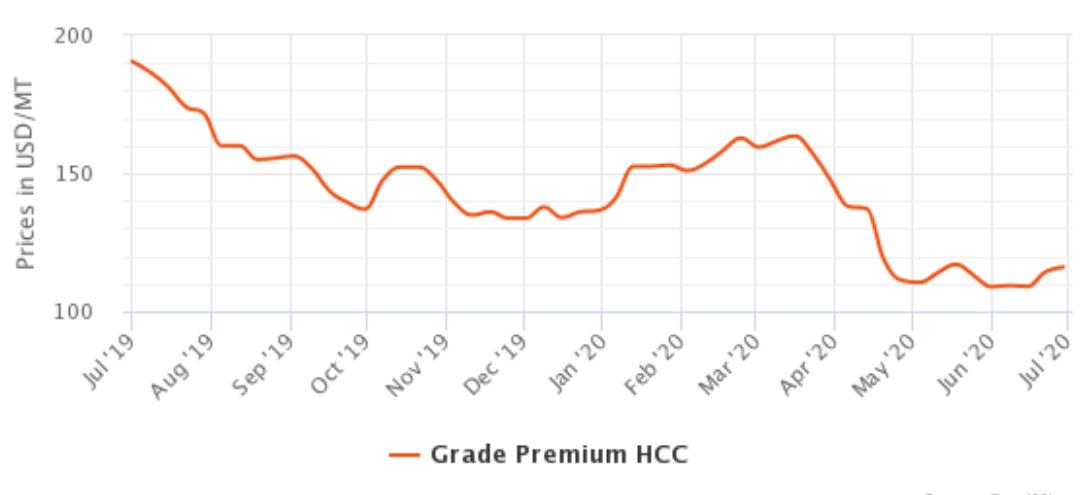
What may happen

- With Turkish buyers gradually returning to market for Aug'20 shipment bookings, prices are expected to stay in this range with slight possible uptick in the coming days, although the market expects no sharp movement in the near term.

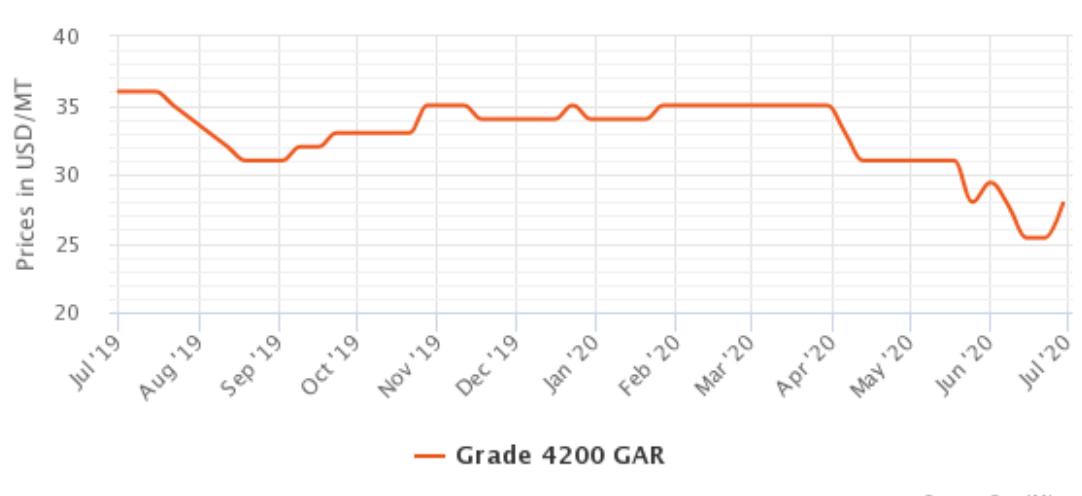
Domestic Scrap Prices (Ex-Mumbai, India)



Australia Hard Coking Coal Prices (FOB)



Indonesia Non Coking Coal Prices (FOB)



South Africa Non Coking Coal Prices (FOB)



What happened

- Domestic melting scrap prices tumbled by INR 1,200-1,300/t, particularly in the Western region, whereas prices down South remain stable due to limited availability in the local market along with sufficient imported scrap.

What may happen

- Melting scrap prices may observe slight fluctuation amidst limited scrap generation from urban areas owing to lockdown and measured production.

What happened

- Australian coking coal prices have recovered modestly over the past month, amid sustained buying interest in China, despite concerns over import restrictions. Premium HCC prices were assessed at around USD116.00/t FOB Australia at month end.

What may happen

- India's spot demand for seaborne coking coal is unlikely to revive before September this year, but China-delivered prices are expected to hold steady on the back of healthy steel sales and production levels.

What happened

- Indonesian low-calorific value coal prices plunged to multi-year lows during last month, owing to a sharp decline in Chinese power utility procurement activities, coupled with subdued Indian demand.
- Indonesian 4,200 kcal/kg GAR coal price was assessed at around USD 23.50/t FOB Kalimantan at June-end.

What may happen

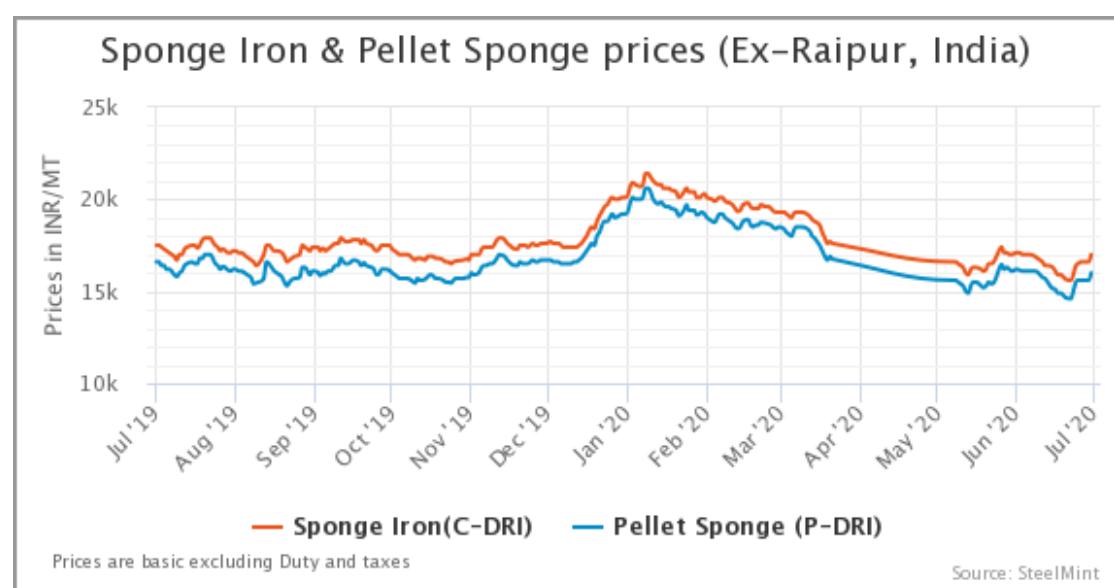
- Indonesian thermal coal export prices will likely remain at low levels this year due to the ongoing Covid-19-led demand slump.

What happened

- South African thermal coal prices surged by USD 4/t in the first week of June and then slided by USD 2/t in the second week, remaining stable in the next two weeks amid limited buying interest from India and increased freight rates.

What may happen

- No major price hike is expected amid lack of buying interest from India and demand from other countries likely to remain sluggish.

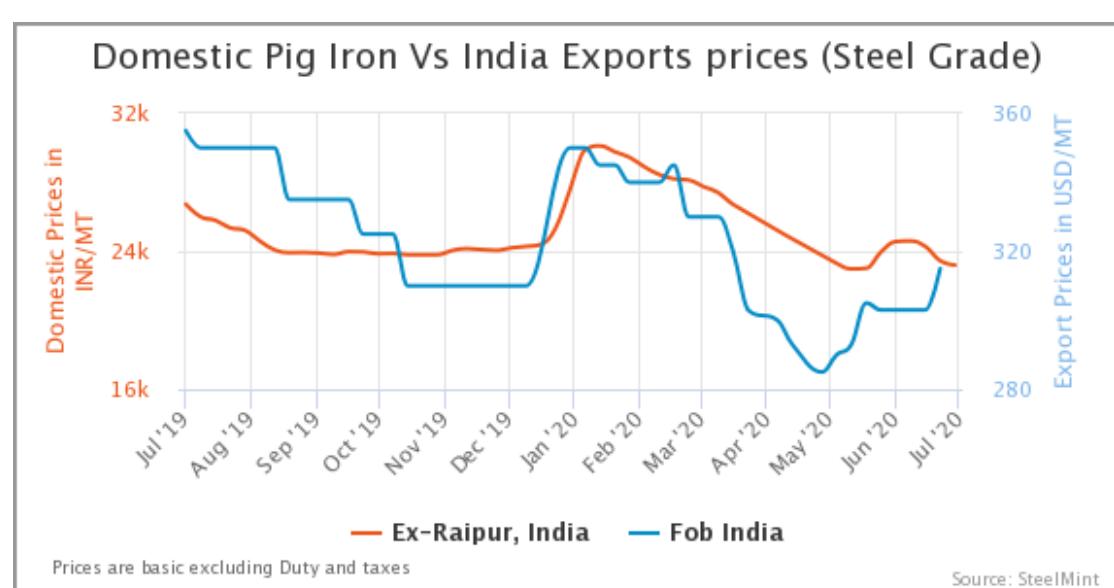


What happened

- Prices plunged owing to falling billet prices and lack of demand with limited production utilisation by ingot/billet manufacturers at about 60-70%.

What may happen

- Domestic sponge iron offers are unlikely to fall further and are expected to find support due to low seasonal productivity and strengthening raw material prices.

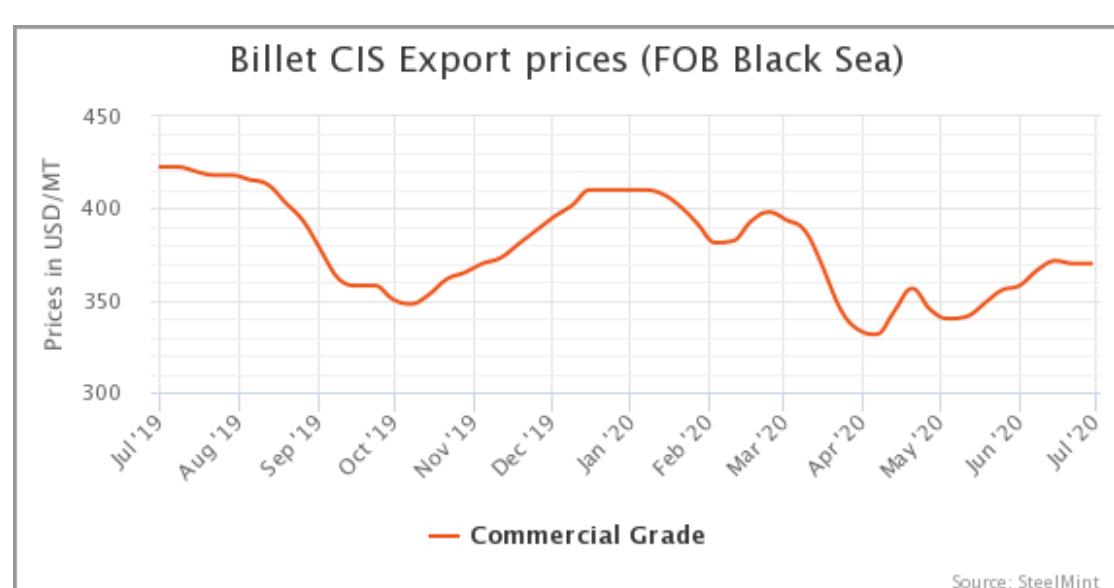


What happened

- Prices increased slightly by INR 500/t in eastern region owing to export bookings and supply shortage in the spot market. However, slight fall in prices was recorded in the central region due to sufficient stocks with stockists and mills.

What may happen

- Prices may remain volatile in July on expected tight supply of sponge iron and seasonal low demand of finished steel products.

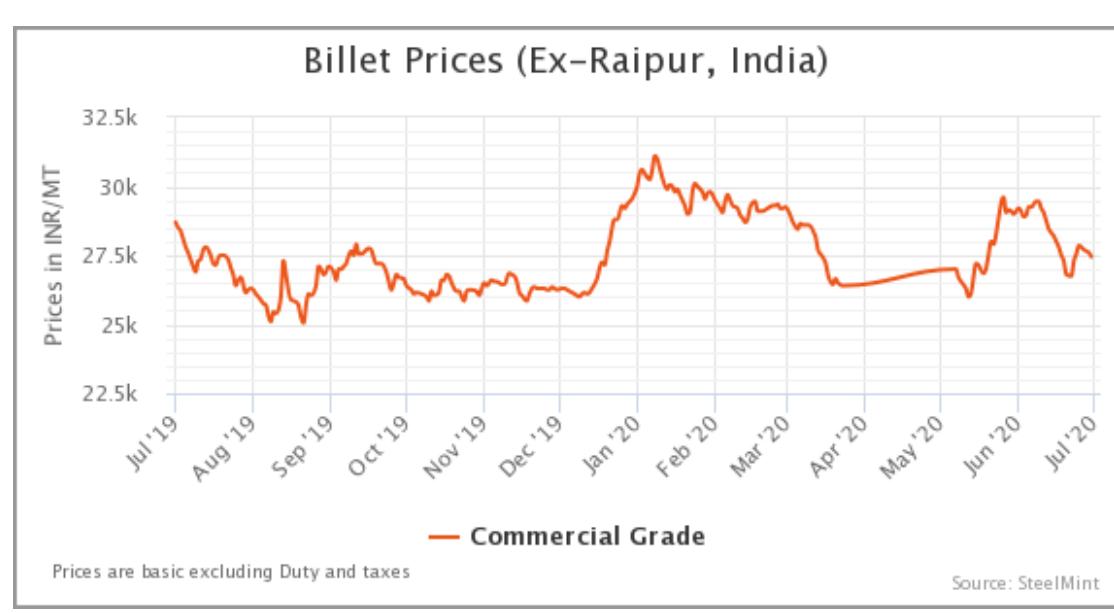


What happened

- The global billet market was reported active, as demand started coming back to pre-COVID-19 levels. India continued to remain among the major billet exporters. The country's cargoes were largely booked for China and SE Asia. CIS billet export prices moved up USD 5 m-o-m.

What may happen

- In the coming month, India's presence in the global billet market could shrink amid anti-Chinese sentiments in the country. However, this could pose better opportunities for other billet exporting nations to capture space in the global market.

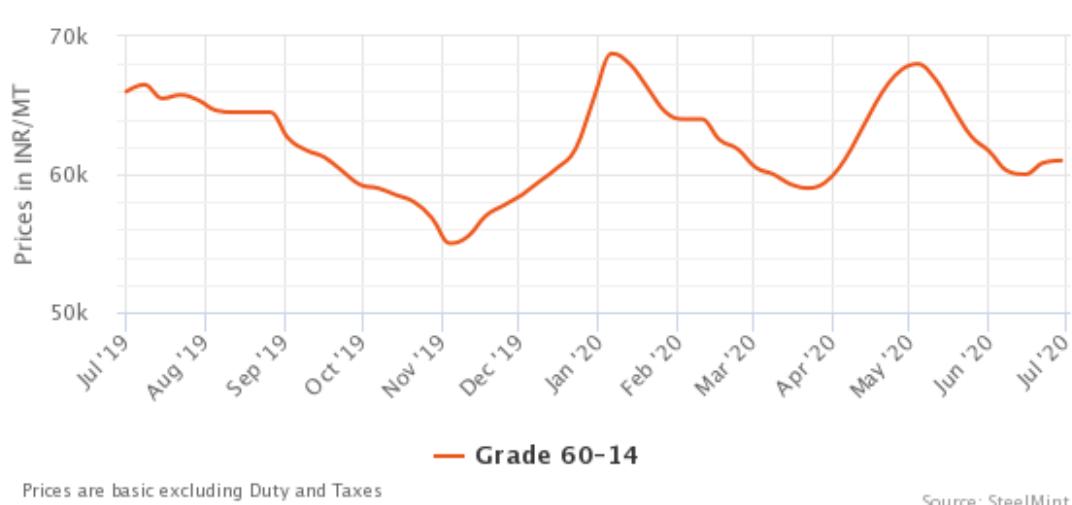


What happened

- Offers plunged by INR 500-2,000/t owing to poor offtake of finished steel products along with falling future orders.

What may happen

- Indian billet prices are expected to remain under pressure on expected sluggish finished steel demand due to the onset of monsoon.

Re-bar Prices (Ex-Mumbai, India)**HRC Prices (Delhi, India)****Silico Manganese Prices (Ex-Durgapur, India)****China Import Ferro Chrome Prices (CNF)****What happened**

- Prices of rebar manufactured by medium/small scale mills drifted down by INR 2,000-4,000/t in June in most locations except North and South India where prices fell by INR 1,000-2,000/t due to inappropriate transactions despite flat production levels.

What may happen

- Few Indian large mills have corrected rebar prices which were on slightly superior levels and it has been adjusted by INR 500-1,500/t for particular regions upon quantity along with payment terms.

What happened

- Major Indian steel producers kept their prices unchanged in Jun'20. However, trade prices declined by INR 500-1000/t due to limited buying in the domestic market.
- Indian HRC export offers increased by USD 25-30/t on a monthly basis.

What may happen

- Major Indian steel producers raised HRC and CRC prices by INR 500/t in Jul'20 following hike in global prices.

What happened

- Indian silico manganese prices fell continuously and bottomed out mid-month. However, last week prices increased due to supply shortage and better demand for 60-14 grade.

What may happen

- Prices are highly unlikely to come down in the coming week. However, due to present lacklustre steel market, future prices remain uncertain.

What happened

- Indian ferro chrome prices increased initially due to high tender prices from China. However, prices came down subsequently following low demand.

What may happen

- Ferro chrome prices are stable for now. However, low demand in the domestic market may drive down prices further.

United State Dollar(1 USD)

Currency	2020-07-06	1 Week Earlier	2 Week Earlier	1 Month Earlier	3 Month Earlier	6 Month Earlier
India (INR)	74.63	75.53	76.03	75.52	76.25	71.11
China (Yuan)	7.02	7.08	7.08	7.07	7.05	6.87
Brazil (Real)	5.31	5.49	5.31	4.96	5.11	4.17
Australia (Dollar)	1.44	1.45	1.46	1.43	1.57	1.46
South Africa (Rand)	17.04	17.21	17.41	16.81	18.08	14.54
United Arab Emirates (Dirham)	3.67	3.67	3.67	3.67	3.67	3.67
Europe (Euro)	0.88	0.89	0.89	0.89	0.92	0.90
Indonesia (Rupiah)	14519.33	14275.76	14208.38	13919.44	15659.29	13638.19
Russia (RUB)	71.97	69.97	69.52	68.29	73.51	61.55

Indian Statistics (Production/Export/Import)

	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20
Production	Iron ore	23.45	24.9	19.59	8.44	12.59
	Coal (CIL)	63.11	66.26	84.36	40.38	41.3
	Manganese Ore	0.22	0.25	0.16	0.05	0.08
	Chrome Ore	0.45	0.32	0.43	0.10	0.10
	Crude Steel	9.29	9.56	8.04	2.752	5.32
Export	Iron Ore	2.85	2.05	3.30	1.63	3.91
	Iron Ore Pellet	1.05	0.60	0.81	1.17	2.07
	Mill Scale	NIL	NIL	0.03	Nil	Nil
	Pig Iron	0.04	-	0.03	0.10	0.10
	Flat Steel	0.66	0.56	0.61	-	-
Import	Coal	21.01	22	20.82	16.95	12.13
	Scrap	0.5	0.4	-	-	-
	Iron ore	0.1	-	0.11	-	-
	Manganese Ore	0.31	0.23	0.26	0.38	0.24
	Chrome ore	0.02	0.01	0.01	0.01	0.01
	Flat Steel	0.37	0.3	0.3	0.38	0.34

Qty in MnT (Million Tons)

Source SteelMint, PIB, CIL

(Provisional Data)

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