

<b>RAW MATERIALS</b>	
Iron Ore	Pg 1
Pellets	Pg 1
Scrap	Pg 1
Coal	Pg 2
<b>SEMI FINISHED STEEL</b>	
Sponge Iron	Pg 3
Pig Iron	Pg 3
Billet	Pg 3
<b>FINISHED STEEL</b>	
Rebars	Pg 4
Flat Steel	Pg 4
<b>FERRO-ALLOYS</b>	
Silico- Manganese	Pg 4
<b>CURRENCY</b>	Pg 5
<b>STATISTICS</b>	Pg 5

**SteelMint**<sup>®</sup>  
Steeling is Basic



# Indian STEEL MARKET SCAN

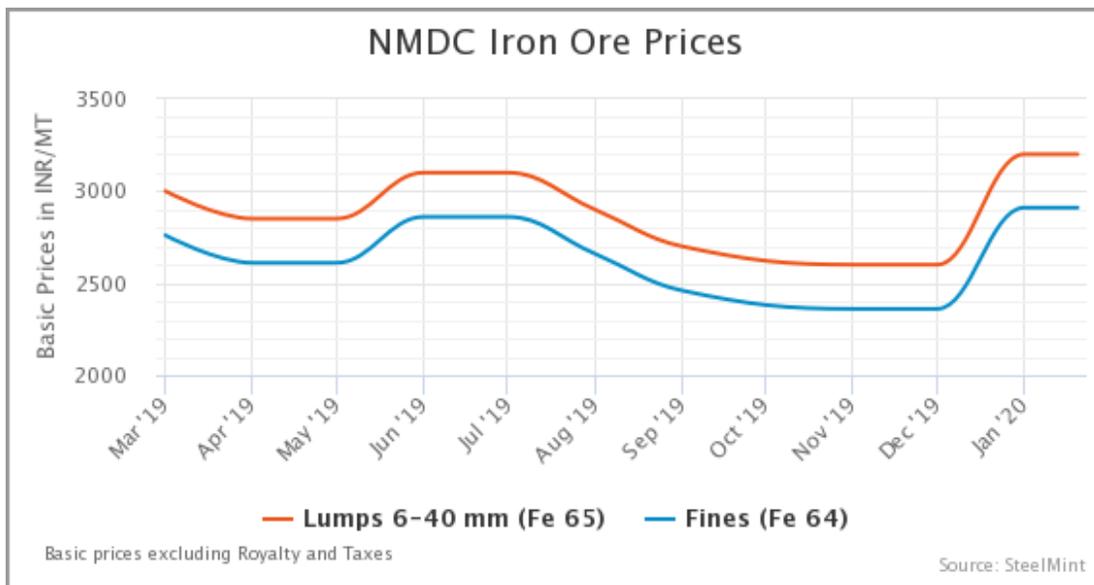


#### What happened

- Monthly average global iron ore fines (Fe 62%) prices moved down by 7% to USD 86.5/MT, CFR China in February 20 against last month. Due to weak demand and the coronavirus scare made trade difficult in China owing to slowdown in construction activities.

#### What may happen

- Global prices of high-grade ore are expected to remain volatile following the coronavirus outbreak and piling up of steel inventories with Chinese mills.

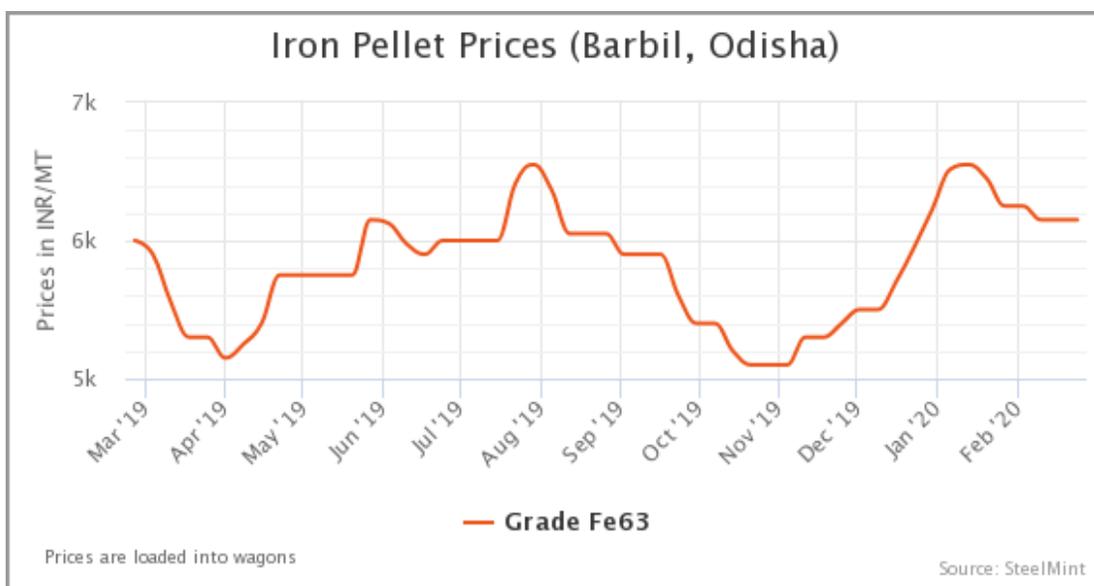


#### What happened

- Odisha merchant miners and NMDC kept prices unchanged. The Odisha government conducted auctions of 18 merchant iron ore mines which are due to expire in March '20.

#### What may happen

- Major mills in eastern India have stocked up iron ore in anticipation of supply disruption from Odisha from April '20.

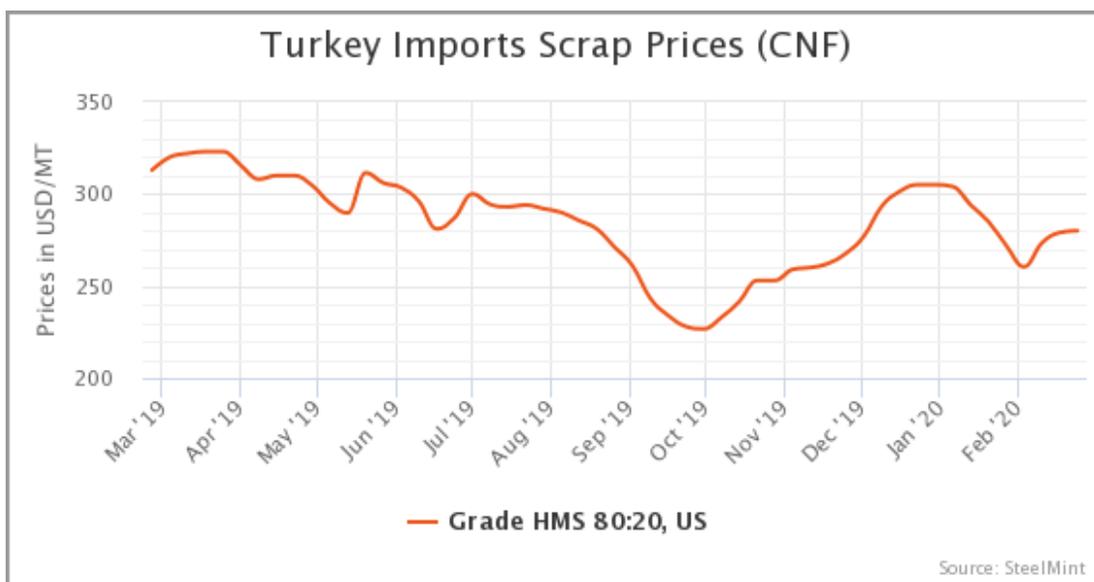


#### What happened

- Domestic pellets prices in India decreased throughout the last month due to limited pellets trade and weak semi-finished steel prices.

#### What may happen

- India pellets prices in the domestic market may remain under pressure following substantial stock maintained by sponge manufacturers.

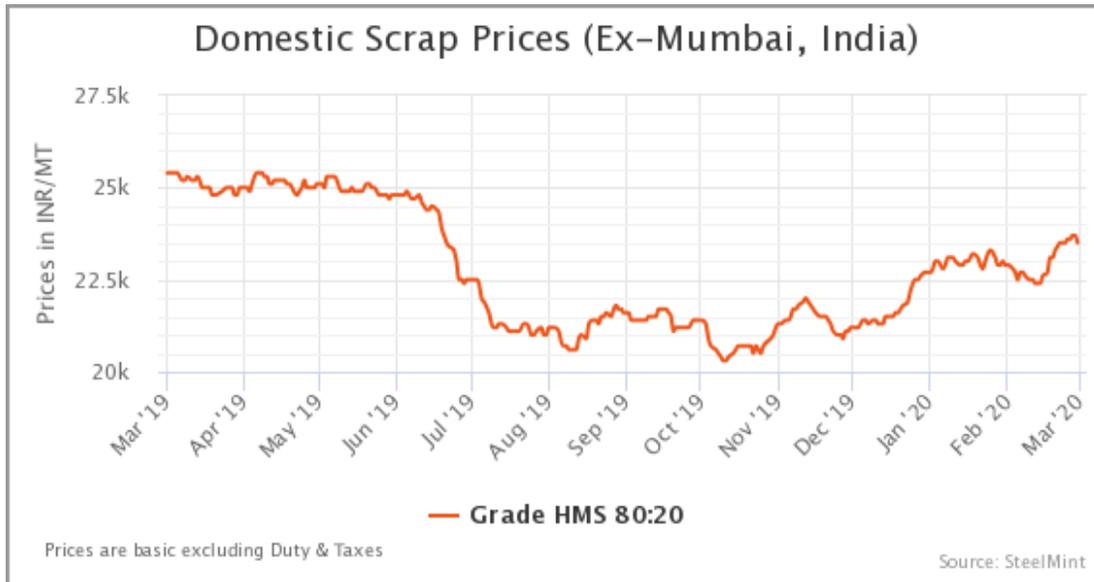


#### What happened

- Imported scrap offers to Turkey rebounded in February '20, climbing up by USD 20/MT over the month with US origin HMS 1&2 (80:20) reaching USD 280/MT CFR by February-end, with very active buying by mills all through the month.

#### What may happen

- After peaking in February, prices are widely anticipated to move down in early March, while buyers are taking time and negotiating for April shipment bookings, with sufficient inventories on over 35 bulk cargoes booked for March '20 shipments.

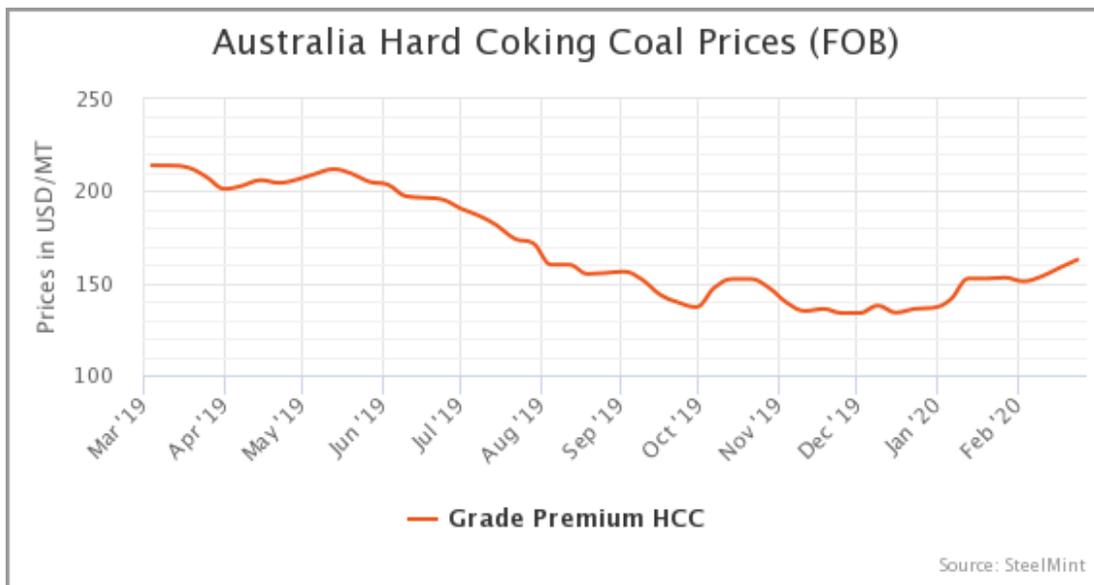


What happened

- Prices moved down by INR 200-1,300/MT in major scrap consuming locations of south and eastern India whereas the western region witnessed marginal uptick by INR 100-500/MT.

What may happen

- Sources assume prices will remain range bound due to volatile imported scrap offers along with depreciating currency and limited finished steel demand.



What happened

- Australian premium low-volatile (PLV) hard coking coal (HCC) prices inched higher this month amid expectations of a tightness in Chinese domestic and Mongolian coal supplies.
- Premium HCC prices were assessed at around USD 162.75/mt FOB Australia at month end.

What may happen

- At this juncture, near term spot market price expectations remain firm amid Chinese domestic supply tightness following the COVID-19 outbreak while endusers expect gradual resumption of domestic coal production and logistics activities.

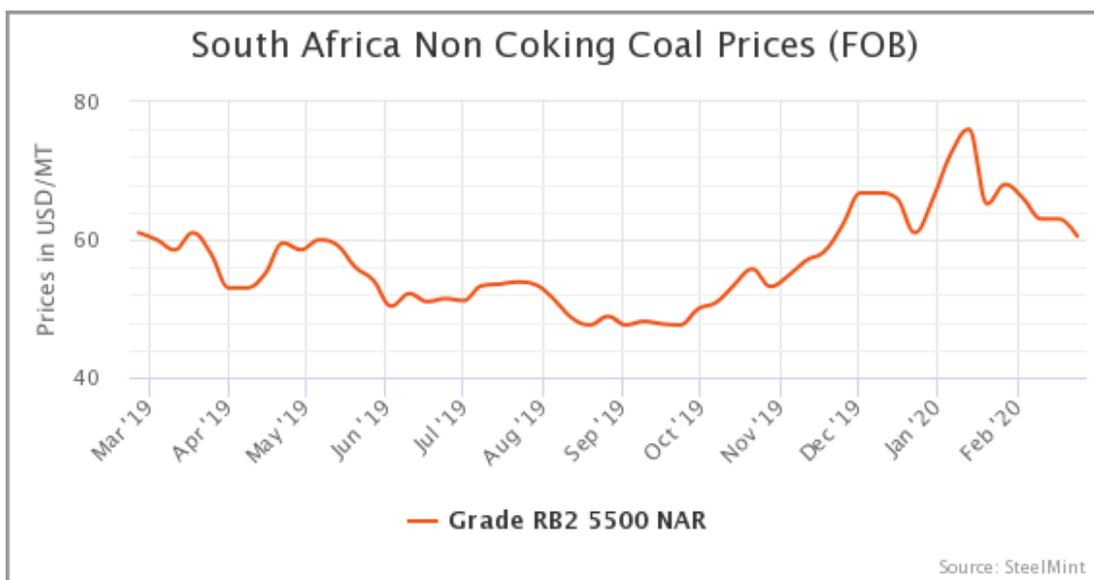


What happened

- Indonesian thermal coal prices were stable last month, amid subdued Indian buying activity, while the market is now relying on seaborne tenders to support the prevalent bearish sentiment. Offers for Indonesian 4,200 kcal/kg GAR coal were heard at around USD 34.82/mt FOB Kalimantan at month end.

What may happen

- Indonesia-based traders are anticipating an uptick in demand during the summer restocking period over April-May.

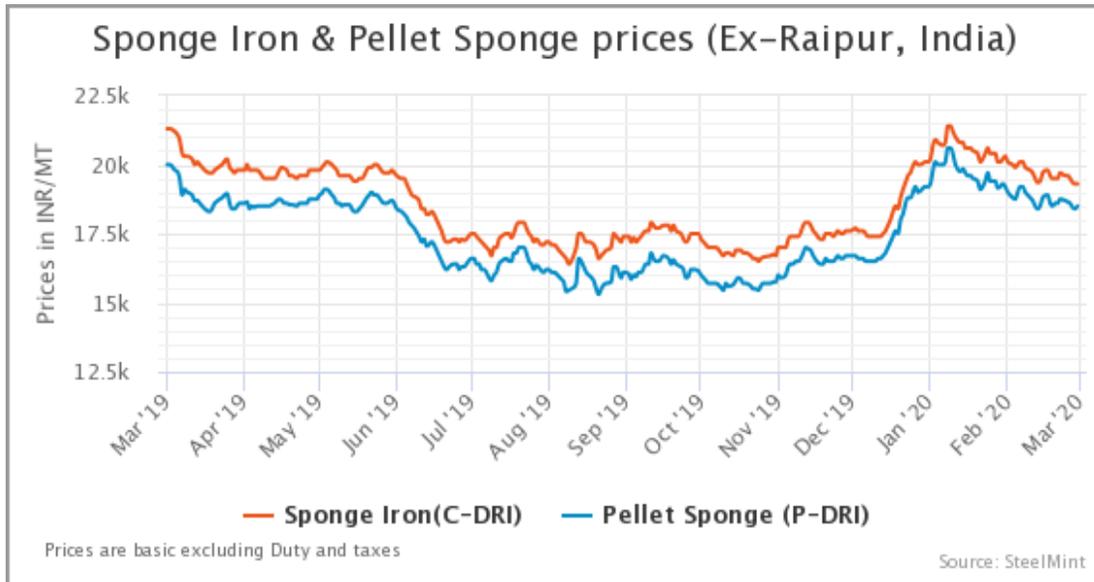


What happened

- South African thermal coal prices have remained under pressure over the last month amid poor demand especially from India and Pakistan which are the two key export destinations for South African thermal coal. Offers for the RB2 (5,500 NAR) coal were heard at around USD 57.00/mt FOB Richards Bay at month end.

What may happen

- South African coal export prices are likely to reduce in line with subdued import demand from top Asian buyers.

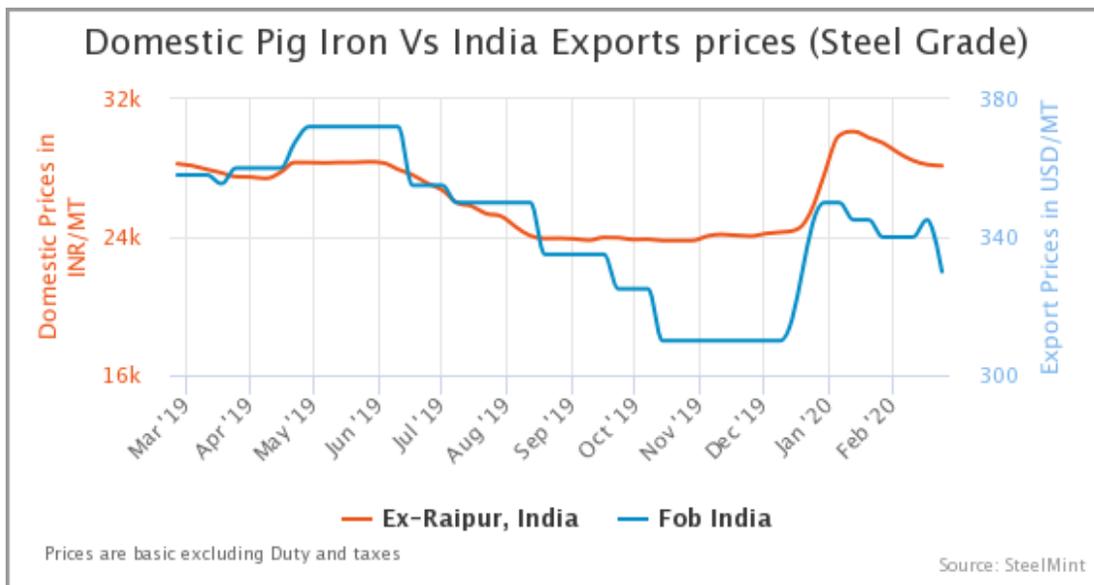


#### What happened

- Prices dropped by INR 600-1,300/MT due to limited demand following decline in steel and scrap prices globally

#### What may happen

- Sponge prices are expected to remain under pressure due to low capacity utilisation of furnaces, especially in Central India. Further the major changes will be more dependent on raw materials price movements.

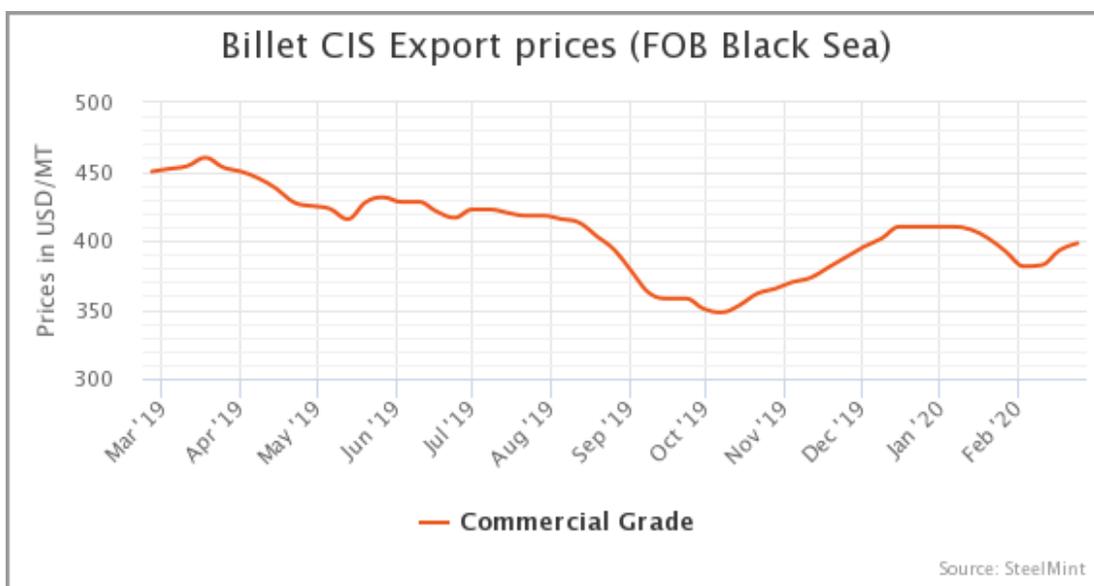


#### What happened

- Indian pig iron producers were forced to reduce prices due to improved supply and falling steel prices in the domestic market. Prices declined by INR 1,000-1,400/MT in major markets.

#### What may happen

- Industry experts are hopeful of stability or a gradual drop in pig iron prices due to sufficient supply and average demand.

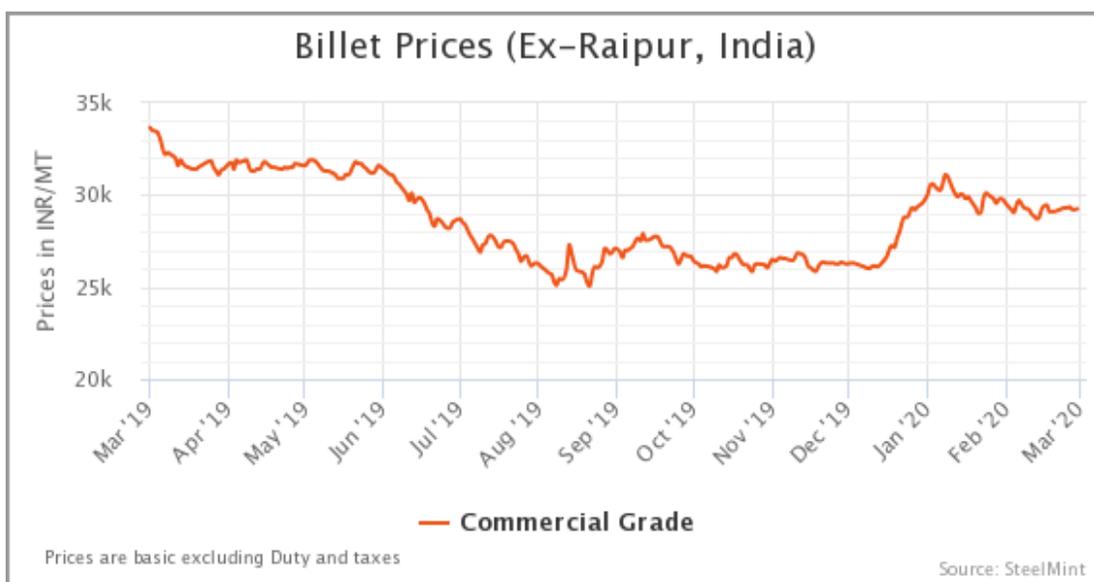


#### What happened

- Amid corona virus outbreak, global market witnessed limited trades over drop in offers, during month's first half. However, the market recovered in the second half. CIS billet export offers are at USD 395/MT, FoB Black Sea, up USD 14/MT m-o-m.

#### What may happen

- The coming month would also be challenging for the global market, as it has partially recovered from the coronavirus scare. Also, some billet export majors like India and Iran are getting better realizations in their domestic markets and hence showing limited interest in exports

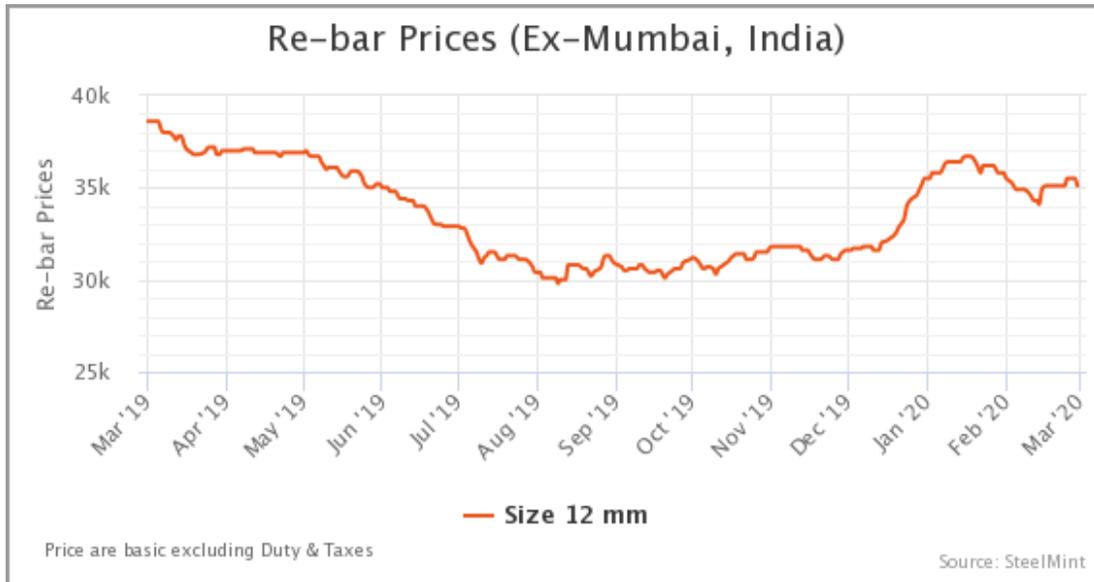


#### What happened

- Following the decline in sponge iron prices and subdued demand globally over coronavirus outbreak, Indian Billet offers plunged by INR 400-1,200/MT.

#### What may happen

- Industry participants believe that prices will remain volatile. However, if finished steel demand improves, billet prices will find support.

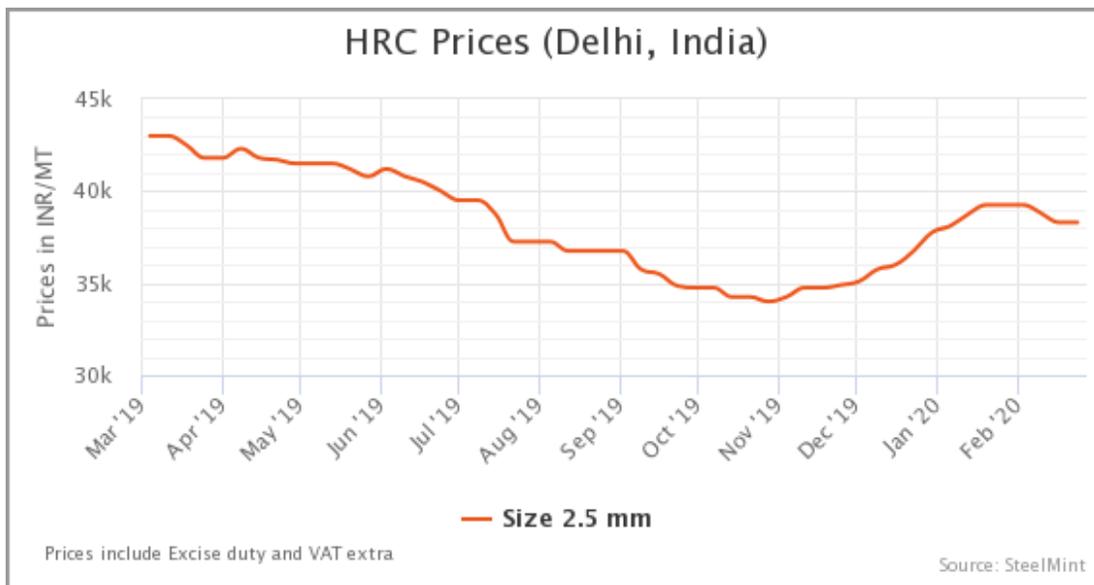


#### What happened

- Primary mills increased prices by INR 500-1,500/MT on falling inventories. However in the secondary market, lack of trades and a drop in billet prices resulted in rebar prices falling by up to INR 1,500/MT.

#### What may happen

- Primary mills increased rebar prices by INR 500-1,000/MT for March '20. However, price sustenance may remain a concern considering the rise in price gap between primary and secondary mills which is more than the required proportionate.

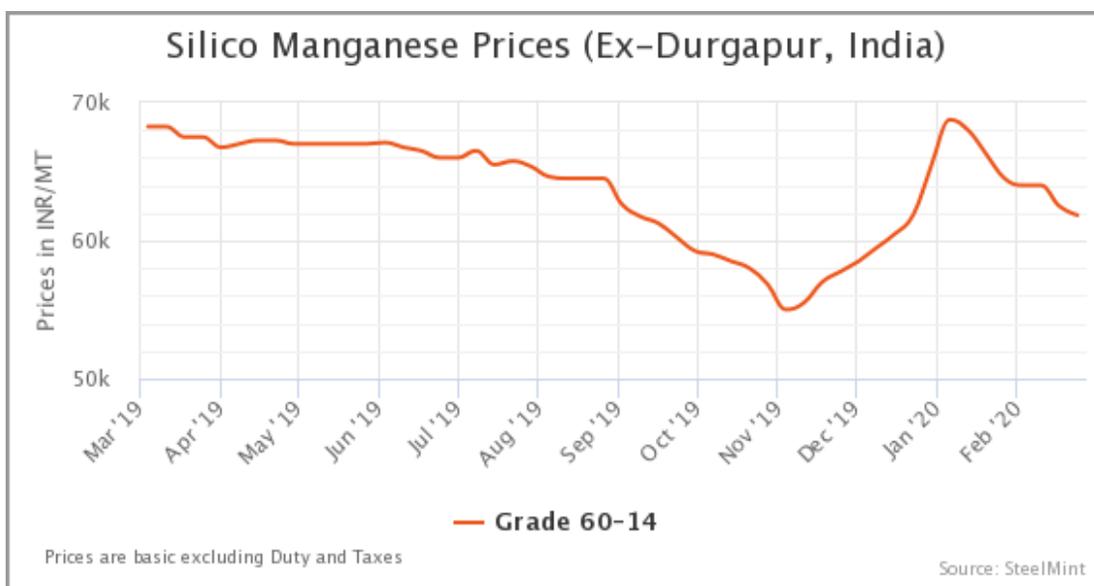


#### What happened

- Indian steel makers raised flat steel prices by INR 1500- 2000/MT in February 2020 over higher production cost. However, prices in trade segment declined on sluggish demand.
- Indian HRC export offers plunged by USD 50/MT on a month-on-month (m-o-m) basis following global decline
- Indian importers booked 10,000 MT HRC from South Korea at USD 503/MT CFR India

#### What may happen

- Indian steel mills hiked flat steel prices by INR 500-750/MT for March deliveries.

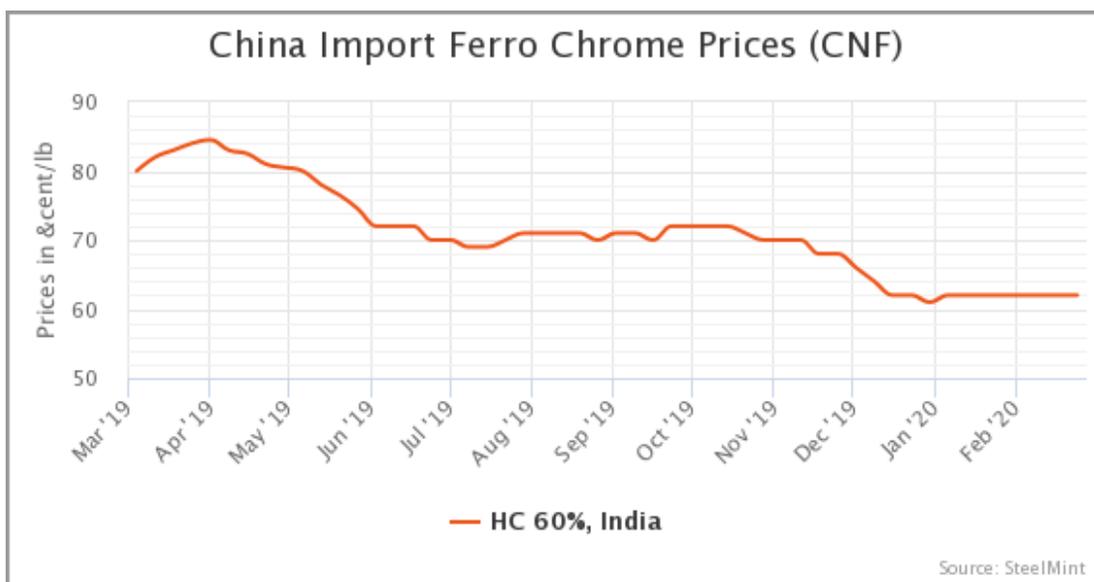


#### What happened

- Indian Silico Manganese prices dropped amid an oversupply in the domestic market and overall lacklustre steel market.

#### What may happen

- Prices may drop further in the coming weeks. Also, MOIL price revision could be a deciding factor for the prices of Silico Manganese.



#### What happened

- Indian Ferro Chrome prices decreased amid oversupply as most of the producers had to allocate the material in the domestic market amid the absence of overseas demand.

#### What may happen

- Ferro Chrome prices may drop further due to continued lack of demand.

Currency	United State Dollar(1 USD)					
	2020-03-11	1 Week Earlier	2 Week Earlier	1 Month Earlier	3 Month Earlier	6 Month Earlier
India (INR)	73.62	73.24	71.67	71.33	70.98	71.04
China (Yuan)	6.95	6.95	7.03	6.97	7.00	7.12
Brazil (Real)	4.64	4.52	4.39	4.33	4.07	4.16
Australia (Dollar)	1.53	1.51	1.52	1.48	1.46	1.48
South Africa (Rand)	16.06	15.26	15.29	14.81	14.37	15.03
United Arab Emirates (Dirham)	3.67	3.67	3.67	3.67	3.67	3.67
Europe (Euro)	0.88	0.90	0.92	0.92	0.90	0.91
Indonesia (Rupiah)	14359.06	14121.30	13946.68	13666.95	13987.33	14150.15
Russia (RUB)	71.57	65.76	65.55	63.16	62.59	64.31

Indian Statistics (Production/Export/Import)		Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20
Production	Iron ore	15.13	19.33	22.77	25.44	23.45	-
	Coal (CIL)	30.77	39.35	50.02	58.02	63.11	66.26
	Manganese Ore	0.16	0.19	0.24	0.29	0.22	-
	Chrome Ore	0.16	0.24	0.35	0.42	0.45	-
	Crude Steel	8.96	9.09	8.92	9.01	9.32	9.29
Export	Iron Ore	1.14	1.74	2.29	2.28	2.85	2.05
	Iron Ore Pellet	1.11	0.89	1.17	1.30	1.05	0.60
	Mill Scale	NIL	NIL	NIL	NIL	NIL	NIL
	Pig Iron	0.06	NIL	0.035	0.09	0.04	-
	Flat Steel	0.94	0.91	0.86	0.71	0.66	-
Import	Coal	19.1	19.17	20.79	21.66	21.01	22
	Scrap	0.36	0.32	0.38	0.39	0.5	-
	Iron ore	NIL	NIL	0.12	0.10	0.1	-
	Manganese Ore	0.32	0.23	0.15	0.16	0.31	-
	Chrome ore	0.01	0.01	0.01	0.01	0.02	-
	Flat Steel	0.48	0.38	0.26	0.39	0.37	-

Qty in MnT (Million Tons)

 Source SteelMint, PIB, CIL  
(Provisional Data)

## CONTACT DETAILS



**Raipur:**  
#301, Jeevan Parisar,  
Rajeev Nagar  
Behind Crystal Arcade  
Raipur (C.G) - 492 007 India  
Tel: +91 97700 56666

**Kolkata**  
Block A-11, 4th Floor,  
FMC Fortuna Building,  
234/ 3A AJC Bose Road  
Kolkata -700020  
Telefax: +91-7044070530

Email: [info@steelmint.com](mailto:info@steelmint.com) | Web: [www.steelmint.com](http://www.steelmint.com)

**Disclaimer:** SteelMint has taken due care and caution in compilation of content for its web site. Information is just for reference not intended for trading purpose or to address your particular requirement. The content includes facts, views, and opinions are of individuals and not that of the website or its management. We and our content licensors are not giving investment advice, tax advice, legal advice, or other professional advice. We and our content licensors do not guarantee or warrant the accuracy, completeness or timeliness of, or otherwise endorse these views, and opinions.

Users/Visitors have to make their own decisions based on their own independent enquiries, appraisals, judgement, wisdom and risks. SteelMint and its affiliates, or their employees, directors or agents shall not be liable or responsible for any loss or costs or any action whatsoever arising out of use or relying on the spot prices disseminated.

2009-2020 © SteelMint All Rights Reserved. [Terms & Conditions](#)