
Monday Market Monitor - Iron Ore (WEEK 35) - Export levels crashes by 12pct

Monday, 31 Aug, 2009

Export - Chinese buyers vanish

Iron ore fines

FON East Coast of India

| Grade | Change |
|---------------|--------|
| Fe 63.5/63% | -11.4% |
| Fe 63.5/62.5% | -11.5% |
| Fe 63/62 % | -10.7% |
| Fe 62 / 61% | -11.3% |
| Fe 61 / 60 % | -11.9% |
| Fe 60/59 % | -11.1% |
| Fe 59 / 58 % | -10.2% |
| Fe 58 / 57% | -10.9% |

FOB East Coast of India

Change is on August 28th 2009 as compared to August 21st 2009

The reason for this decline was prevalent as the market devoid of solid demand bursting of the bubble was on the anvil only its timing was a mystery. The receding monsoon is likely to aggravate the pall of gloom as the mills will augment supply expecting rebound in elusive demand.

As Chinese mills are postponing procurement and the availability of Indian spot cargos would increase, it appears that the rates would finally settle between today's spot price and the 2009 benchmark, most likely at USD 80 per tonne CIF.

Domestic -Relents under poor export mobilization

Bellary

| Product | Grade | Size | Change | % |
|--------------------|--------|-------|--------|-------|
| Iron Ore Calibrate | Fe 65% | 10-40 | 0 | 0.0% |
| Iron Ore Calibrate | Fe 64% | 10-40 | 0 | 0.0% |
| Iron Ore Calibrate | Fe 62% | 10-40 | 0 | 0.0% |
| Iron Ore Calibrate | Fe 60% | 5-20 | 0 | 0.0% |
| Iron Ore Calibrate | Fe 62% | 5-20 | 0 | 0.0% |
| Iron ore - Fines | Fe 63% | Fines | -50 | -3.6% |

Change is on August 28th 2009 as compared to August 21st 2009

Change is in USD per tonne

To know exact levels, likely scenario, domestic iron ore spot prices at Bellary and Barbil and FOB East Coast spot prices subscribe to "Iron Ore Services" of www.steelprices-india.com by registering or sending a mail to

admin@steelprices-india.com along with your full contact details. Please note that this is a paid service with subscription charges of USD 600 or INR 30,000 plus ST for 12 months.

The accuracy and the speed of reporting changes is well appreciated by not only Indian miners, but by global iron ore majors as well as Chinese mills as many of them have subscribed to this service to maintain another but solid listening post as far as Indian spot market is concerned.

(Sourced from www.steelprices-india.com)

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