
Monday Market Monitor - Iron Ore (WEEK 39) - Sheen reappears

Monday, 28 Sep, 2009

Iron ore miners saw an excellent week with spot prices rising by 5% to 8%.

It is difficult to outline the future course, as the rise in spot prices of Indian iron ore is not inline with the downward trend of Chinese domestic steel prices.

It was earlier anticipated that spot prices of Indian iron ore of 63.5% grade would be reaching USD 50per tonne level, which has been proved otherwise.

While some market players are optimistic some are not. In absence of support from the Chinese domestic steel prices this upturn remains under serious doubts and we have to wait to see how the scenario unfolds after Chinese return after week long holiday.

1. Exports - Transitory flutter

Iron ore fines

FOB East Coast of India

| ?Grade | Change |
|---------------|--------|
| Fe 63.5/63% | 5% |
| Fe 63.5/62.5% | 5% |
| Fe 63/62 % | 5% |
| Fe 62 / 61% | 5% |
| Fe 61 / 60 % | 5% |
| Fe 60/59 % | 6% |
| Fe 59 / 58 % | 8% |
| Fe 58 / 57% | 7% |

Change is on September 25th as compared to September 18th 2009

2. Domestic - Positives seen

Bellary

| ?Product | Grade | Size | Change |
|--------------------|--------|-------|--------|
| Iron Ore Calibrate | Fe 65% | 10-40 | 0% |
| Iron Ore Calibrate | Fe 64% | 10-40 | 0% |
| Iron Ore Calibrate | Fe 62% | 10-40 | 0% |
| Iron Ore Calibrate | Fe 60% | 5-20 | 2% |
| Iron Ore Calibrate | Fe 62% | 5-20 | 3% |
| Iron ore - Fines | Fe 63% | Fines | 0% |

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Burbil

| Product | Grade | Size | Change |
|------------------|--------|-------|--------|
| Iron ore - BF | Fe 65% | 10-40 | 0% |
| IOS-Primary | Fe 63% | 5-18 | 0% |
| IOS – Secondary | BF | - | 0% |
| Iron ore - Fines | Fe 63% | Fines | 0% |

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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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