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## Monday Market Monitor - India (WEEK 48)-Impasse continues

Monday, 30 Nov, 2009

Indian domestic steel prices sentiments continued to remain weak in the last week. The Indian Long Product Price Index ILPPI increased by a small 5 points whereas Indian Flat Products Index IFPPI dipped by 17 points. The overall price index INDSPI decreased by 5 points.

Class	20-Nov	27-Nov	Change	%
ILPPI	5832	5838	5	0.1%
IFPPI	7169	7153	-17	-0.2%
INDSPI	6469	6464	-5	-0.1%

ILPPI - Indian Long Product Price Index

IFPPI - Indian Flat Product Price Index

INDSPI - Indian Steel Price Index

### Long Products

Category	20-Nov	27-Nov	Change	%
PI - TMT	5526	5539	13	0.2%
PI - WRC	6356	6356	0	0.0%
PI - Angle	5508	5510	1	0.0%
PI - Channel	5548	5536	-12	-0.2%
PI - Joist	5205	5219	14	0.3%

### PI - Product Index

#### Flat products

Category	20-Nov	27-Nov	Change	%
PI - Narrow Plates	6825	6846	20	0.3%
PI - Wide Plates	6962	6965	3	0.0%
PI - Hot Rolled	7016	6989	-26	-0.4%
PI - Cold Rolled	7745	7724	-21	-0.3%
PI - Galvanized	7597	7580	-17	-0.2%

### PI - Product Index

To know more about these indices please visit  
[http://steelprices-india.com/spi\\_services/spi.html](http://steelprices-india.com/spi_services/spi.html)

You can now get ILPPI, IFPPI and INDSPI as SMS alert on mobile by submitting your details at  
<http://steelprices-india.com/smsalert>

#### 1. Input material - Contradictory movements

The Indian scrap market continued to reel under the impact of depressed long product prices. The sea saw movements culminated price depreciation by up to 2%. The peculiarity of this price movements is all the more magnified with a rather reverberant international scrap prices. Mumbai being the sole exception probably under the impact of international price being a major importing centre.

However the only bright spot being Sponge Iron prices appreciating by upto 2% as a result of improvement in Iron ore prices reeling under curtailed supply and increased export pressure.

#### Melting scrap

80:20

#### HMS

Location	Change
Chennai	0%
Kandla	-1%
Kanpur	-2%
Kolkata	-2%
Mandi	-2%
Mumbai	1%

Change is on November 27th as compared to November 20th 2009

#### Alang

Product	Size	Change
Plate cuttings	1"	-4%
Ships	Mixed	-1%

Change is on November 27th as compared to November 20th 2009

#### Pencil ingot

Location	Change
Ahmedabad	-1%
Bhiwari	-1%
Durgapur	-1%
Ghaziabad	0%
Hyderabad	-1%
Jaipur	0%
Jamshedpur	0%
Kanpur	-2%
Kolkata	2%
Mandi	-1%

Mumbai	1%
Muzzafarnagar	-1%
Nagpur	-1%
Raigarh	2%
Raipur	0%
Rourkela	-2%
Rudrapur	-2%

Change is on November 27th as compared to November 20th 2009

#### Pig Iron

Location	Change
Agra	2%
Jalandhar	0%
Kolkata	0%
Raipur	0%

Change is on November 27th as compared to November 20th 2009

#### Sponge iron

Location	Change
Bellary	2%
Kolkata	6%
Raigarh	1%
Raipur	0%
Rourkela	0%

Change is on November 27th as compared to November 20th 2009

## 2. Long products - Catch twenty situation

Construction steel prices have been under pressure since July. It has defied all prophecies of demand generation in the 3rd Quarter as the impact of stimulus sinks. It was expected that there would be a growth in demand from the rural sector as construction activity picks up. Ironically prices have only slumped month on month as existing projects are on the verge of completion and not many new projects are coming up. On the flip side producers have been hesitant to lower their quotations owing to a spurt in price of iron ore and scrap.

The producers are faced with a situation where they have to remain adamant to cover their costs if not push for price increase or perish. The latter being a poison pill they seemed to contented with former.

#### TMT

Fe 415

12mm

Location	Change

Ahmedabad	-1%
Chennai	0%
Delhi	0%
Indore	0%
Kanpur	-1%
Kolkata	2%
Mandi	0%
Mumbai	1%
Raipur	0%

Change is on November 27th as compared to November 20th 2009

WRC  
SWR14  
5.5/6

?Location	Change
Chennai	0%
Delhi	0%
Kanpur	0%
Kolkata	0%
Raipur	0%

Change is on November 27th as compared to November 20th 2009

ANGL  
Grade A  
65X65X6

?Location	Change
Ahmedabad	-1%
Bangalore	0%
Chennai	0%
Delhi	-1%
Indore	-1%
Kanpur	-1%
Kolkata	1%
Mandi	0%
Mumbai	1%

Raipur	0%
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Change is on November 27th as compared to November 20th 2009

CHNL  
Grade A  
75/40

?Location	Change
Ahmedabad	-1%
Bangalore	0%
Chennai	0%
Delhi	-1%
Indore	0%
Kanpur	0%
Kolkata	-1%
Mandi	0%
Mumbai	1%
Raipur	0%

Change is on November 27th as compared to November 20th 2009

JSTI  
Grade A  
250X125

?Location	Change
Ahmedabad	0%
Bangalore	0%
Chennai	0%
Delhi	-1%
Indore	0%
Kanpur	0%
Kolkata	2%
Mandi	0%
Mumbai	1%
Raipur	0%

Change is on November 27th as compared to November 20th 2009

3. Flat products - Agony compounds

Indian flat product steelmakers have downgraded their flat rolled material prices for the second time by INR 500 on 16th November bulking under abject absence of demand. Abundant import of HRC due to lower prices still having an advantage of INR 3000 per tonne over domestic levels. The agony has been further compounded with appreciation in the Rupee.

HRC

Tube

2.5x1250

?Location	Change
Ahmedabad	-1%
Bangalore	0%
Delhi	0%
Indore	0%
Kolkata	-1%
Ludhiana	-1%
Mumbai	0%

Change is on November 27th as compared to November 20th 2009

Patra

?Location	Change
Delhi	0%
Ludhiana	1%
Mandi	0%

Change is on November 27th as compared to November 20th 2009

Plates

Grade A

8X1250/1500

?Location	Change
Chennai	0%
Delhi	-1%
Kanpur	0%
Kolkata	3%
Mumbai	-1%

Change is on November 27th as compared to November 20th 2009

Plates

GRADE B

12-20X2500

?Location	Change

Ahmedabad	0%
Bangalore	0%
Chennai	0%
Delhi	3%
Indore	0%
Kanpur	0%
Kolkata	-1%
Mumbai	0%
Raipur	0%

Change is on November 27th as compared to November 20th 2009

CR  
DSK  
0.63x1000

?Location	Change
Ahmedabad	-1%
Chennai	0%
Delhi	-1%
Kanpur	0%
Kolkata	1%
Mumbai	-1%
Pune	-1%

Change is on November 27th as compared to November 20th 2009

GC  
100Gms  
0.4

?Location	Change
Bangalore	-2%
Chennai	0%
Delhi	0%
Kanpur	0%
Kolkata	0%
Mumbai	-1%

Change is on November 27th as compared to November 20th 2009

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#### 4. Indian Export Levels - Holds forte

HDG and PPGI prices remained firm owing to improved demand from Europe . European buyers indulged on buying to replenish their depleted stock before Christmas and New Year holidays and to cover their requirement post holidays.

?Item	Grade	Size	Delivery	Change
HDG	100Gms	0.4	FOB Mumbai	0
HDG	100Gms	0.58	FOB Mumbai	0
HDG	275Gms	0.75	FOB Mumbai	0
PLTS	Structural	12-40x2.5	FOB Vizag	0
PPGI	Standard RAL	0.4	FOB Mumbai	0

Change is on November 27th as compared to November 20th 2009

In USD per tonne

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