
Monday Market Monitor - Iron Ore (WEEK 03) - Party is over for time being

Monday, 25 Jan, 2010

The Chinese imported iron ore market exhibited weakening trends last week with lower grades leading the downslide.

Transactions continued to be scarce in the physical iron ore market as traders stood on the sidelines. A few traders said some steel mills have stopped purchasing to prepare for more softening in iron ore prices.

Announcement for credit squeeze resulting in down trend in Chinese domestic prices is attributed to weakening of spot prices of Indian iron ore fines last week

But market players see this as a temporary phase and expect recovery to take place soon as Chinese steel production remains unabated pushing for higher volumes of iron ore. Moreover Chinese buyers are expected to secure tonnages before their incoming holidays

Iron ore fines

FOB India

| Grade | Change |
|---------------|--------|
| Fe 63.5/63% | -3% |
| Fe 63.5/62.5% | -3% |
| Fe 63/62% | -4% |
| Fe 62/61% | -3% |
| Fe 61/60% | -4% |
| Fe 60/59 % | -6% |
| Fe 59/58 % | -6% |
| Fe 58/57% | -7% |
| Fe 57/56 % | -7% |
| Fe 56/55% | -8% |
| Fe 55/54 % | -8% |
| Fe 54/ 53 % | -9% |
| Fe 53/52 % | -10% |
| Fe 52/51 % | -11% |

Change is on January 22nd 2010 as compared to January 15th 2010

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.

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