
Indian iron ore spot price continues to inch upward in China

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It is reported that the landed price of Indian iron ore on spot basis in China has extended strong gains since the beginning of October, mostly driven by ocean freight rates. Demand from Chinese steel mills has also picked up after Chinese national holiday from October 1st to October 7th as northern Chinese steel mills move to stock more iron ore before winter hits.

As per reports, the current import prices for 63.5% Fe iron ore fines are about USD 175 to USD 180 per tonne on a CFR basis as compared to USD 155 to USD 170 per tonne in late September.

In the domestic markets, 63.5% grade Indian ore fine is offered at CNY 1330 per tonne, 62.5% at CNY 1200 per tonne and 61% at CNY 1120 per tonne.

The current freight rate for a 50,000 DWT to 60,000 DWT vessel from eastern India to China has risen to around USD 44 per tonne up from end September levels of USD 41 to USD 42 per tonne.

The freight cost for a 150,000 DWT vessel from Brazil to China is reported at USD 87.59 per tonne and USD 37.79 per tonne from Australia. Domestic waterway shipping costs for iron ore are on the increase too. In eastern China for example, freight costs rose to about CNY 27 per tonne from Beilun port in Zhejiang province to Nantong in Jiangsu.

(Sourced from MySteel.net)

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