

Key Product Commentary

After the first session of this week it feels like the secondary market is continuing its lacklustre phase. Concluding deals appeared exceptionally tough across last week. There was just a smattering of trades known over the final days of the week. Much of these transactions were more prompt laycans / arrivals and at weaker premiums and discounts. Asking prices we see this morning across BHP, Vale and bespoke grades haven't altered much. However in a similar trend to last week we note the likes of PBF and PBF+L offers being revised slightly lower. With these grades we see ample offers available. Not all interests have been refreshed from last week, though total offer depth levels across Mar & Apr are already over 8mt. This figure close to the highs we witnessed on Thursday and Friday. As for mill offers today we have pushed up two. Again many mill sellers of fines & lump combos and BHP fines shipments have been less keen to sell at a loss. Therefore very limited numbers of sales have been seen by these end users offering seaborne in recent times. On a more positive note, there has been a few more interests come in this morning, more so from traders and at low levels. A 1H Mar PBF is bid at +\$0.40, for a mid or 2H a bid is noted at flat. A bit further out for a 1-20 Apr we are sat +\$0.70 @ +\$1.30. Finally for a Mar arrival LONS parcel we are -\$15 @ -\$9 on the wide. Port values this morning appear a touch firmer from last Friday. There was no changes to billet levels over the weekend which hasn't helped move onshore levels much. An encouraging factor last week was the pickup in traded onshore volumes with more mill buying. The average for the week came in just under 1mt. As mention so far we are between 0-5 up from Friday. Deals recorded thus far include RZ PBF 893 & 895 and QD PBF 895. There's been limited news from any primary sellers of platform or tender sales. So far we know of just one 240kt 3.26-4.04 NBLU bilateral sale by BHP coming later.

PBF

Perhaps buoyed on by some aggressive MOC offers on Friday, we have seen PBF sellers of Feb and Mar laycans sharpen their offers lower this morning. Another factor in some players minds will be the lack of sales last week. Bar one parcel and a mid-March PBF cape, we are seeing very much the same offer interests as last Friday. The aforementioned parcel and mid-March sales were heard concluded at 20 & 40c. We would think both of these levels could be bettered slightly by a 1H or March arrival type laycan. However with the markets knowledge of these traded levels, any potential buyers will be likely targeting similar. Offers this morning for March are kicking off from +\$0.85. As of lunchtime we still have two Feb and eight Mar sellers in hand. In all likelihood there will be some further volume being held back and still to be refreshed.

IOCJ

All quiet on the IOCJ front still. We have today just the two offers from a trader and a mill. Asking price of these are unchanged from last week. For the time being it feels like 65/62 and physical values are stable. Though it would be good to see another attempted sale by Vale in order to garner an idea of primary value.

Lump

Softness on lump was highlighted by the 11.5c sale by BHP on Friday. This print represented a 2c fall from their last sale. A n onshore mill/trader buyer was heard on this. The weaker level doesn't come as too much of a surprise given the struggles of secondary sellers in offloading shipments. In recent times those who have managed to sell have been achieving levels around -\$1.50. Combo sellers have fared a little better, though rumours of a PB combo sale in March around -\$0.50 is concerning. Further details on this trade are still being looked into. Today we have very much the same sellers as last week. This well offered lump space should keep lump values suppressed. In the near term only a coke price cut could aid in giving some upward momentum to lump.

Previous days Seaborne Deals in the Market:

Primary:

193,457kt IOC6, 7th Feb BL, Mar -\$2.25

80kt NBL, 3.6-15, Mar 0.1150

Secondary:

170kt PBF, mid Mar, Mar +\$0.40

Parcel PBF, Feb/Mar, Mar +\$0.20

80kt NBL, mid Feb, Landing

190kt IOC6, Feb Arr, Sold

65kt Karara, early Feb, Withdrawn

200kt Jingbao F, 1H Feb, Mar -\$8.20



Forward Physical Values

PROD.	Mar	Apr	May	Q3
PBF	\$0.55	\$0.85	\$0.80	\$0.65
IOCJ	\$0.80	\$0.90	\$0.90	\$0.80
PBL	\$0.1175	\$0.1225	\$0.1300	\$0.1425
NBL	\$0.1150	\$0.1200	\$0.1275	\$0.1400

Seaborne Last Traded levels

Product	Primary	Secondary
PBF	\$126.00 (+\$2.25)	\$124.00 (-\$0.45)
IOCJ	Mar +\$0.88	Mar ~ +\$0.80 to +\$1
PBL	Mar LP 0.1380	Mar -\$1.50
NBL	Mar LP 0.1150	Mar -\$1.50
BRBF	\$130.00 (+\$6.50)	Mar LA +\$4.30
NF	\$124.40 (+\$0.95)	Mar +\$0.00 (Combo)
MACF	\$120.50/62 (-\$1.80)	Mar -\$2.10
JMBF	Mar -\$5.60	Mar -\$5.10
YF	Mar -\$4.60	Mar -\$4.10
PBF+L	Jan+Feb +\$0.55	Mar +\$0.40/0.40

Front Month Physical vs Spot Onshore Values

Prem/Disc	Product	Phys in RMB	RZ Value	Diff	Diff USD	CFD Value	Diff	Diff USD
\$0.55	PBF	¥921.06	¥895.00	¥26.06	\$3.79	¥909.00	¥12.06	\$1.76
\$0.80	IOCJ	¥1,039.18	¥1,004.00	¥35.18	\$5.12	¥1,008.00	¥31.18	\$4.54
\$11.75	PBL	¥1,031.22	¥1,008.00	¥23.22	\$3.38	¥1,008.00	¥23.22	\$3.38
\$11.50	NBL	¥1,038.12	¥1,005.00	¥33.12	\$4.82	¥1,027.00	¥11.12	\$1.62
\$5.25	BRBF	¥984.87	¥935.00	¥49.87	\$7.26	¥939.00	¥45.87	\$6.68
\$0.35	NF	¥944.22	¥911.00	¥33.22	\$4.84	¥926.00	¥18.22	\$2.65
-\$2.00	MACF	¥903.57	¥882.00	¥21.57	\$3.14	¥892.00	¥11.57	\$1.68
-\$4.00	YF	¥821.17	¥820.00	¥1.17	\$0.17	¥822.00	¥0.83	-\$0.12
-\$5.10	JMBF	¥879.29	¥866.00	¥13.29	\$1.93	¥875.00	¥4.29	\$0.62

Proxy Blend	IOCJ+SSF vs PBF	RZ	CFD	JYN
		¥888.50	¥895.00	¥918.00
	RMB Diff	-¥6.50	-¥14.00	-¥13.00
	USD Diff	-\$0.95	-\$2.04	-\$1.89
Portside Spreads	IOCJ vs PBF/62%	¥101.72	¥91.61	¥94.43
	BRBF vs PBF	¥40.00	¥30.00	¥40.00
	PBF vs PBL	-¥113.00	-¥99.00	-¥107.00
	IOCJ vs SSF	¥231.00	¥226.00	¥230.00

Other Product Values	Period: Mar
Indian Fines 57%	-21.50%
Indian Pellet 63%	\$8.00
IOC6	-\$2.25

Primary vs Secondary Differential	Apr
PBF	\$1.40
IOCJ	\$0.00



Onshore values to USD

	Rizhao RMB	USD Equiv	Caofeidien	USD Equiv	Jiangyin	USD Equiv
PBF (61.5%)	¥895.00	\$122.90	¥909.00	\$124.87	¥931.00	\$127.97
IOCJ (65%)	¥1,004.00	\$138.25	¥1,008.00	\$138.81	¥1,033.00	\$142.33
PBL (62.5%)	¥1,008.00	0.0753	¥1,008.00	0.0753	¥1,038.00	0.1399
NBL (63%)	¥1,005.00	0.0519	¥1,027.00	0.0989	¥1,040.00	0.1267
BRBF (62.5%)	¥935.00	\$126.46	¥939.00	\$127.01	¥971.00	\$131.45
NF (62.5%)	¥911.00	\$123.80	¥926.00	\$125.89	¥946.00	\$128.68
MACF (61%)	¥882.00	\$120.02	¥892.00	\$121.42	¥911.00	\$124.07
YF (57%)	¥820.00	\$112.96	¥822.00	\$113.24	¥848.00	\$116.92
JMBF (60.5%)	¥866.00	\$117.15	¥875.00	\$118.40	¥891.00	\$120.62
SSF (56.5)	¥773.00	\$106.89	¥782.00	\$108.18	¥803.00	\$111.16
FBF (58.5)	¥832.00	\$112.80	¥840.00	\$113.91	¥860.00	\$116.70

Mysteel 62% Index (Previous day)

17.2.2023	127.00
-----------	--------

Futures price 11.30am Singapore time

Mar 62%	127.05
Mar 65%	142.40
Mar 65/62	15.35

Exch rate:	6.87
Port costs:	¥22.00

【MCS】 Portside Iron Ore Transaction Report Feb 17th/2023

No.	PORT	Product	T/P	T/P on 16th	Comments
1	Jingtang	PBF	897	890	
2	Jingtang	PBF	896	890	
3	Jingtang	IOCJ	1008	1005	
4	Qingdao	PBF	891	885	
5	Qingdao	PBF	895	885	
6	Qingdao	SSF	770	765	
7	Rizhao	PBF	888	885	
8	Rizhao	PBF	891	885	
9	Rizhao	PBF	894	885	
10	Rizhao	PBF	895	885	
11	Rizhao	PBF	894	885	
12	Tianjin	PBF	907	903	

Todays Seaborne Bids / Offers and Interests

BIDS:

170kt PBF, 1H Mar, Mar indic +\$0.40, for mid/2H Mar flat indic bid
170kt PBF, 1H Apr, Apr indic +\$0.70 bid

OFFERS:

170kt PBF, mid Feb, Mar +\$0.90 offer, 28dd
170kt PBF, Feb/Mar, Mar 1.00 offer, 21dd
170kt PBF, Feb/Mar, Mar +\$0.90 offer, 25dd
170kt PBF, early Mar, Mar +\$1.00 offer, 26dd
170kt PBF, early Mar, Mar +\$1.15 offer, 21dd
170kt PBF, 1H Mar, Mar +\$1.30 offer, 21dd
170kt PBF, 3.1-20, Mar +\$0.85 offer, 25dd
170kt PBF, mid Mar, Mar +\$1.00 offer, 21dd
170kt PBF, 4.1-20, Apr +\$1.30 offer, 25dd
170kt PBF, Mar/Apr, Mar +\$0.60 offer, 21dd
110kt PBF, Mar/Apr, Mar 0.20 offer, PR
x2 80kt NBL, MAR Arr, Mar x.xx offer
50kt PBL, Feb/Mar, Mar +\$0.50 offer, PR
170kt PBF+L, Feb/Mar, Mar 1.00/1.00 offer, 35dd
190kt NF+L, 1H Mar, Mar x/x offer
170kt PBF+L, 1H Mar, Mar +\$0.8/0.8 offer
170kt NF+L, mid Mar, Mar 0.9/0.9 offer
170kt PBF+L, 2H Mar, Mar +\$0.80/0.80 offer, 28dd
170kt PBF+L, end Mar, Mar +\$0.50/0.50 offer, 21dd
170kt PBF+L, end Mar, Mar 0.2/0.2 offer, 21dd
190kt JMBF+NBL, early Mar, Mar 0.6/0.6 offer, 21dd
190kt JMBF+NF, 1H Mar, Mar x/x offer
90kt NF, 1H Mar, Mar +\$0.75 offer, 25dd
90kt MACF, 1H Mar, Mar -\$1.65 offer, 25dd
170kt MACF+NBL, mid Mar, Mar 0.8/0.8 offer
170kt MACF+NF, 2H Mar, Mar 0.8/0.8 offer, 28dd
190kt JMBF+MACF, end Mar, Mar 0.6/0.6 offer 24dd
90kt MACF+NF, Mar/Apr, Mar 0.1/0.1 offer, PR
220kt IOCJ, mid Feb, NOR QP ~ +\$1 offer
170kt IOCJ, mid Mar, Mar +\$1.30 offer, ex Malaysia
170kt BRBF, 1H Mar, Mar MBLA +\$4.00 offer
50kt RTX-L, 1H Mar, Mar -\$6 offer
170kt SP10 F, Feb/Mar, Mar MID 1.50 offer
170kt SP10 F, Mid Mar, Mar MID +\$1.50 offer
100kt IOC6, end Jan BL, Mar flat offer, PR
70kt LONS, 1H Feb BL, Mar -\$9.00 offer
65kt Karara Conc, early Mar, Mar QP offer
60kt Indian P, mid Feb, \$137.50 indic offer
55kt Rashmi, end Feb, Mar 7.50 offer

Secondary Offer Depth (mt)

Mar	6.935
Apr	1.135
Mill offers	20

Key

Forward Physical Values:

These are taken from reviewing both primary and secondary deals. Coupled with bids and offers we note from the physical broking team at Mysteel Commodity Services.

Seaborne Last Traded Levels & Commentary

Primary = miner sales

Secondary = market deals

MD = Miner discount

Combo = A parcel coupled with another product on one vessel

PR = Port Restricted

QP = Quotational Period

IOCJ, LONS, Indian P31 & P63 values basis arrival month

First Month Physical vs Spot Onshore Values:

For right diff USD column. Negative figure = seaborne pricing in versus spot onshore values. Positive figure = onshore levels, cheaper than seaborne levels.

Basis: Zinc vs Iron, Iron vs Steel

Indian Fines 57% 62% index price x actual Fe / 62 x (1 - x.xx)

Indian Pellet 64% 62% index / QP actual Fe = x.xx

Primary vs Secondary Differential: Spot month, minor sales versus 25-20 daycan basis 21 doc days

Offer Depth: Total offer volume loading or arriving within period

Mill Offers: Total count of offers from steel mills via our platform

Onshore:

Rizhao, CIO-Caofeidien

All prices are Mysteel values.

Lump prices using daily 62% price and converted to dmtu number

USD Equiv conversion: RMB price-port costs/VAT/moisture/tech rate

Disclaimer: The information in this document is confidential and may be privileged or subject to copyright. It is intended for the exclusive use of the addressee or recipients in named group chats or emails, it is not to be distributed to any third party, individual or