

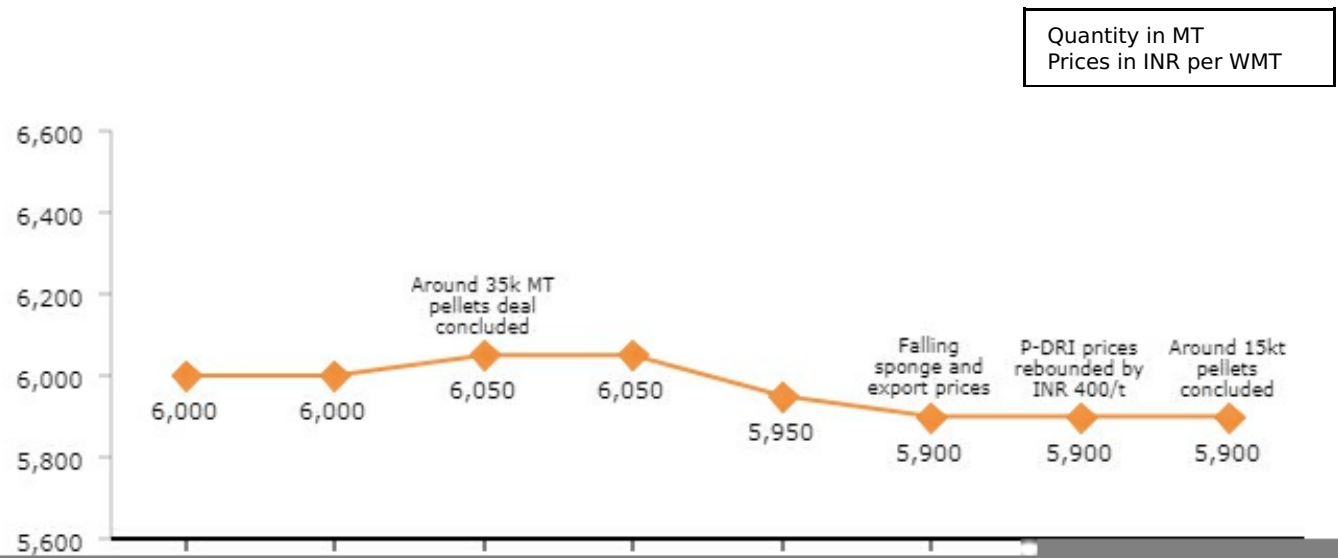
# Pellet Index- PELLEX

## PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	<b>INR 5,900/WMT*</b>
Date and Time of publication	26 June, 2020 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (23 Jun, 2020)	INR 5,900/WMT*

\* **Rounded off to the nearest multiple of 50**

\* **Prices on delivered basis (including freight) to a DRI maker in Raipur**



### Concluded Transaction Price

- PELLEX stable at INR 5,900/wmt (DAP Raipur) amid recent trade concluded in this publishing window .
- One deal has been done by a Raipur based major pellet maker for 15,000t at INR 5,700-5,800/t for both local and outside Raipur.

### Firm Offers

- Major Raipur based pellet makers have kept offers stable at INR 6,000/t ( Ex-plant); normalizing for freight to Raipur at INR 6,150/t (DAP Raipur).
- Raigarh based pellet offers have come down by INR 100/t to INR 5,400-5,500/t (Ex-plant) in this publishing window.
- Jharsuguda based pellet maker lowered offer by INR 200-300/t to INR 5,200 - 5,300/t (Ex-plant).

### Firm Bids

- No firm bids for pellets received in this publishing window.
- SteelMint P-DRI assessment ( June 26, 2020) moved up sharply by INR 800/t w-o-w to INR 15,600/t (ex-plant) as against last week assessment (19th Jun) at 14,800/t (ex-plant). Active trades have kept prices supported.

### Export Realization

- No deal for export has been concluded in this window owing to ongoing Chinese holidays.
- However, SteelMint assessment for pellet export stands at for Fe 64% grade pellets 2.5-3.5 % Al) at \$100/t, FOB India.
- Ex -Plant export realization for pellet maker stable to around INR 5,900/t this week.

### Substitute Parity Price

- Considering the landed cost of Lump and other factors like yield, conversion cost, etc for NMDC and Orissa; the substitute parity price for Pellet is INR 5,310/t (DAP Raipur).
- Raipur participants are waiting for NMDC price revision which may be observed in the 1st week of July as per sources.

### Deals from Other Regions

- Raigarh based pellet maker concluded around 13,000t pellets (Fe 63%) deal in the local Raigarh market at INR 5,400/t (EXW) in the last two-three days.
- Jharsuguda (Odisha) based pellet maker sold around 7,000-8,000t pellets (Fe 63%) in Raigarh at INR 5,200-5,300/t (EXW).
- Jamshedpur based pellet makers sold around 7,000t pellets at INR 5,300/t (EXW) in yesterday.
- Major Bellary based pellet maker sold around 15,000t high-grade pellets (Fe 65%) at around INR 6,800/t (EXW) in Hyderabad two days back. In another regular grade Fe 63% deal, pellet makers have sold around 31,000t pellets at INR 5,700-5,850/t (EXW) in the last few days.

### Statistical Exclusion for Bids and Offers

One offer

# PELLET SPECIFICATION

## India Domestic Pellet specification, DAP Raipur

S. No.	Particulars	Specifications
1	Price	INR per metric tonne
2	Fe Content	Base 63.5%, Range 63% to 64%
3	Silica	Base 3.5%, Maximum 5.0%
4	Alumina	Base 2.0%, Maximum 4.0%
5	Combined Silica/Maximum 7.0% Alumina	Maximum 7.0%
06	Trade Size	Minimum 2,500 MT, Maximum 10,000 MT
07	LOI	Base 3.0%
08	Delivery Terms	DAP Raipur (Delivered to Buyers site in Raipur)
09	Delivery period	Within 2 -4 week
10	Assessment Frequency	Twice in a Week
11	Data collection	Window 1 - Monday 9.00 until Tuesday 17.30 (IST) Window 2 - Wednesday 9.00 until Friday 17.30 (IST)
12	Publication	Window 1 - Tuesday 18.30 (IST) Window 2 - Friday 18.30 (IST)
13	Payment Terms	Advance (Loaded to Truck)

### Note:

- Transactions/market information not covered in the previous cycle to be considered in the next cycle
- PELLEX assesses DAP Raipur Prices. DAP is Delivered at Place, meaning prices on delivered basis (including freight) to a DRI maker in Raipur
- For more details, refer to SteelMint PELLEX Methodology document