

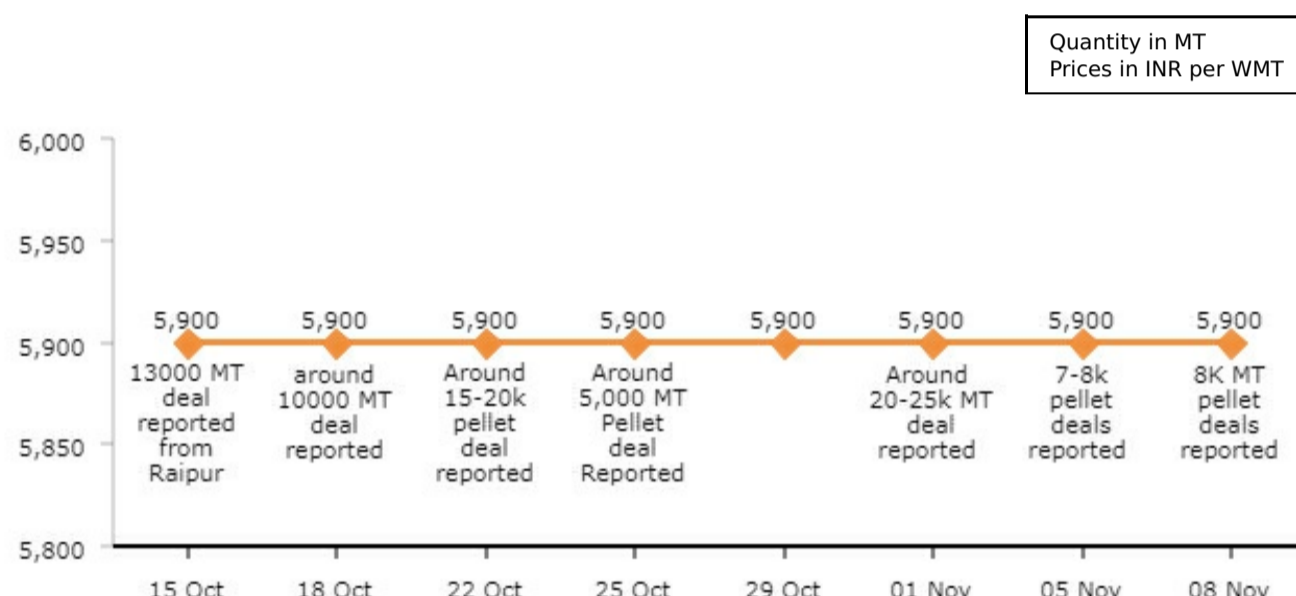
Pellet Index-PELLEX

PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	INR 5,900/WMT*
Date and Time of publication	08 November, 2019 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (05 Nov, 2019)	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) in recent deals.
- Deals of 8,000 MT pellets reported from Raipur market at INR 5,800/MT(Ex-Raipur); normalizing for freight to Raipur at INR 5,950/MT (DAP Raipur). These deals were concluded to Raipur, Durg, and Bilaspur.

Firm Offers

- Raipur based pellet offers remain stable at INR 5,800/MT(Ex-plant); normalizing for freight to Raipur at INR 5,950/MT (DAP Raipur).
- Raigarh based pellet offers stable at INR 5,500-5,600 (Ex-plant), normalizing freight to Raipur at INR 6,150-6,250/MT (DAP Raipur).

Firm Bids

- Two bids were reported in this publishing window at INR 5,650/MT (DAP Raipur).
- SteelMint P-DRI Assessment (Nov 08, 2019) increased by INR 500/MT to INR 16,500/MT (Ex-Raipur) against INR 16,000/MT a week ago.

Export Realization

- No pellet export deals were reported in this publishing window. SteelMint Pellet export assessment stands at USD 88-89/MT, FoB India.
- Ex -Plant export realization for Raipur pellet maker down to INR 4,900-5,000/WMT.
- In Central India export market is semi-liquid, therefore export realization factor has been ignored in the computation of PELLEX.

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 5,990/MT (DAP Raipur).

Deals from Other Regions

- Raigarh based pellet makers have concluded around 10,000-15,000 MT pellet deal at around INR 5,400-5,500/MT(Ex-Raigarh) in the local market in the last two-three days.
- Jamshedpur based pellet maker concluded around 5,000 MT deal yesterday at INR 5,350/MT (Ex-plant).
- Around 16,000 MT pellet was sold by South-based pellet makers in last two-three days at around INR 6,100-6,200/t (EXW-Bellary). Deals were heard to be concluded for Hyderabad, Chennai, and Bellary based steel mills.
- Yesterday Durgapur based steelmaker concluded 5,000 MT pellet deal at around INR 5,300/MT (Ex-plant).

Statistical Exclusion for Bids and Offers

One offer and Two Bids

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