

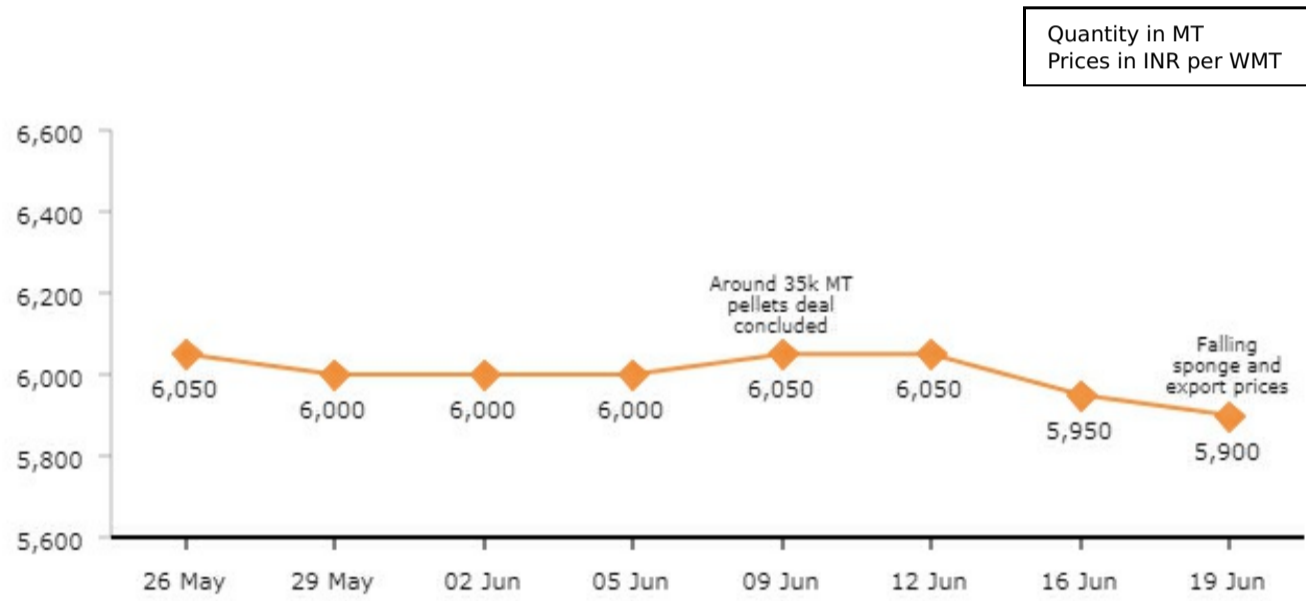
Pellet Index- PELLEX

PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	INR 5,900/WMT*
Date and Time of publication	19 June, 2020 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (16 Jun, 2020)	INR 5,950/WMT*
% change	-1

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

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



Concluded Transaction Price

- PELLEX down marginally by INR 50/MT to INR 5,900/wmt (DAP Raipur) amid plunge in sponge and pellet export prices in this publishing window.
- However, no deal has been concluded in the domestic market in this publishing window.

Firm Offers

- Raipur based pellet makers 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 makers offer remained stable at INR 5,600/t (Ex-plant) in this window of Index.

Firm Bids

- No firm bids for pellets received in this publishing window.
- SteelMint P-DRI assessment (June 19, 2020) moved down sharply by INR 900/t w-o-w to INR 14,800/t (ex-plant) as against the last assessment at 15,700/t (ex-plant). Sponge iron prices in Raipur are hovering at three-years low.

Export Realization

- A Central India based pellet maker has concluded around 55,000 t pellet export deal for Fe 64% grade pellets with 3% Al in mid of this week to China at around USD 111/t, CFR.
- In another deal, a southern India based pellet maker- KIOCL has also concluded a pellet export deal (Fe 64% grade pellets less than 2% Al). The deal was reported to have concluded for the non-Chinese market most probably to the MENA region, as per the sources.
- Ex -Plant export realization for pellet makers is down by INR 200/t to around INR 6,000/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 5,320/t (DAP Raipur).

Deals from Other Regions

Nil

Statistical Exclusion for Bids and Offers

Three offers

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