

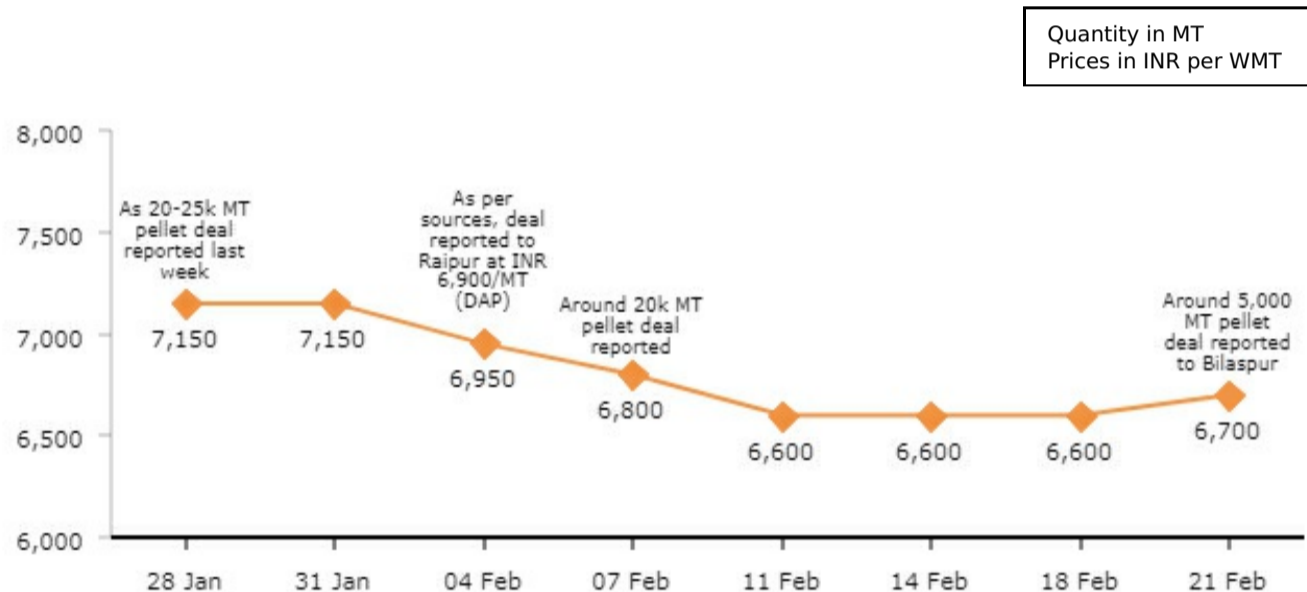
Pellet Index- PELLEX

PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	INR 6,700/WMT*
Date and Time of publication	21 February, 2020 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (18 Feb, 2020)	INR 6,600/WMT*
% change	2

* Rounded off to the nearest multiple of 50

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



Concluded Transaction Price

- PELLEX inch up by INR 100/MT to INR 6,700/wmt (DAP Raipur) in a recent deal.
- One of the Pellet makers from Raipur concluded 5,000 MT pellet deal to Bilaspur at INR 6,600/MT (Ex-plant) normalizing for freight to Raipur at INR 6,750/MT(DAP, Raipur) in this publishing window.

Firm Offers

- Raipur based pellet makers kept the offers stable at INR 6,700/MT(Ex-plant); normalizing for freight to Raipur at INR 6,850/MT (DAP Raipur).
- Raigarh based pellet makers are offering pellets at INR 5.900-6,000/MT (Ex-plant).

Firm Bids

- No firm bids for pellets were reported in this publishing window.
- SteelMint P-DRI Assessment (Feb 21, 2020) increased by INR 100/MT W-o-W to INR 18,600/MT (Ex-plant) against INR 18,500/MT last week.

Export Realization

- Eastern India based pellet maker has concluded a pellet export deal for 50,000 MT of Fe 64% grade pellets with 3% Al at USD 119/MT, CFR China.
- Ex -Plant export realization for Raipur pellet maker is around INR 6,400/WMT.
- In Central India the 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 7,030/MT (DAP Raipur).
- The Substitute factor has been ignored in the computation of PELLEX.

Deals from Other Regions

- Bellary based major pellet maker sold around 12,000 MT pellets in a week at INR 7,100-7,200/MT (Ex-plant).

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