

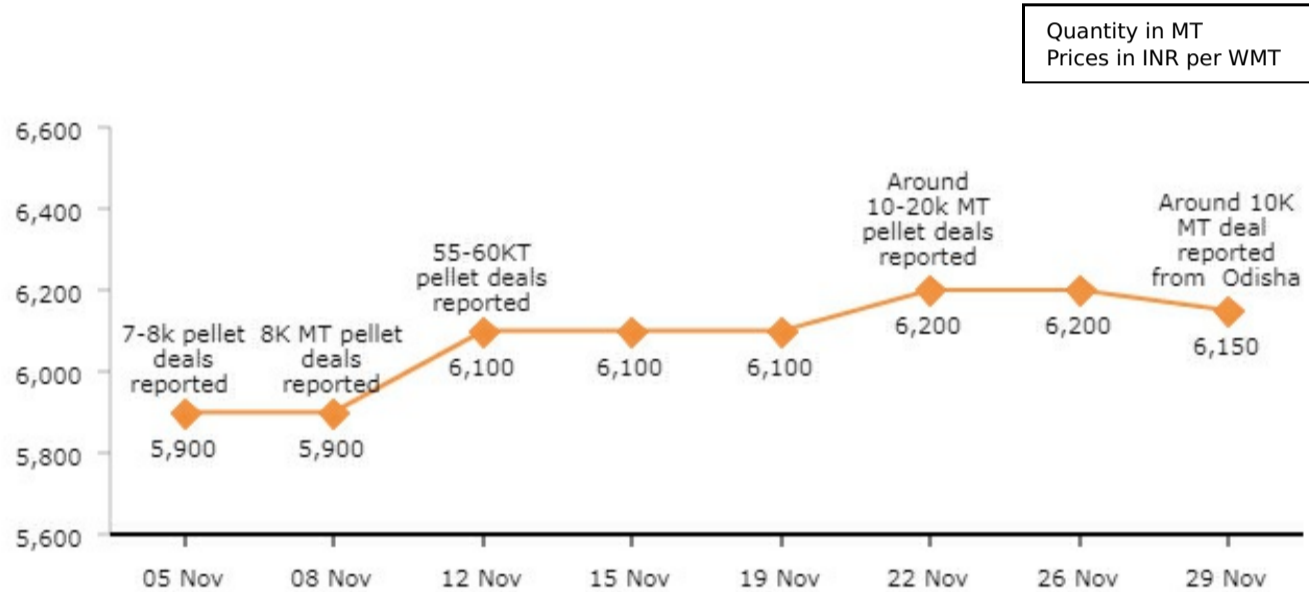
Pellet Index- PELLEX

PELLEX Rationale

PELLEX- DAP Raipur (Delivered Price - Plantsite in Raipur)	INR 6,150/WMT*
Date and Time of publication	29 November, 2019 & 18.30 (IST)
Publishing Window	Wednesday to Friday
Last Index Price (26 Nov, 2019)	INR 6,200/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 by INR 50/MT to INR 6,150/wmt (DAP Raipur) amid deals from Odisha.
- Pellet deals for around 10,000 MT reported to Raipur market from Odisha based pellet maker at INR 5,500-5,600/MT(Ex-plant); normalizing for freight to Raipur at INR 6,150-6,250/MT (DAP Raipur).
- Amid pending deliveries of previous bookings, few Raipur pellet makers are still not offering in the domestic market.

Firm Offers

- Raipur based pellet offers remain stable at INR 6,300/MT(Ex-plant); normalizing for freight to Raipur at INR 6,450/MT (DAP Raipur).
- Raigarh based pellet makers kept offers at INR 5,750/MT (Ex-plant). Monnet Ispat is under maintenance shut-down for the week.

Firm Bids

- No firm bids were reported in this publishing window.
- SteelMint P-DRI Assessment (Nov 29, 2019) increased by INR 200/MT W-o-W to INR 16,700/MT (Ex-Raipur) against INR 16,500/MT a week ago.

Export Realization

- No pellet deals were reported in this publishing window. SteelMint Pellet export assessment stands at USD 97-98/MT, FoB India.
- Ex -Plant export realization for Raipur pellet maker up to INR 5,600-5,650/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 5,990/MT (DAP Raipur).
- As per the sources Sponge manufacturers in Raipur are preferring NMDC DRCL0.

Deals from Other Regions

- Bellary based pellet makers sold around 20,000 MT pellets at INR 6,200/MT(EXW) in the last couple of days.
- In another deal from Bellary based major pellet maker has concluded around 10,000-12,000 MT pellet deal at INR 6,350-6,400/MT(Ex-plant) to Karnataka and Tamil Nadu steel makers.
- Yesterday Jamshedpur based pellet maker has concluded around 10,000 MT pellets deal at INR 5,600/MT(EXW).

Statistical Exclusion for Bids and Offers

Nil

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