



MINERAL AND METALS UPDATE

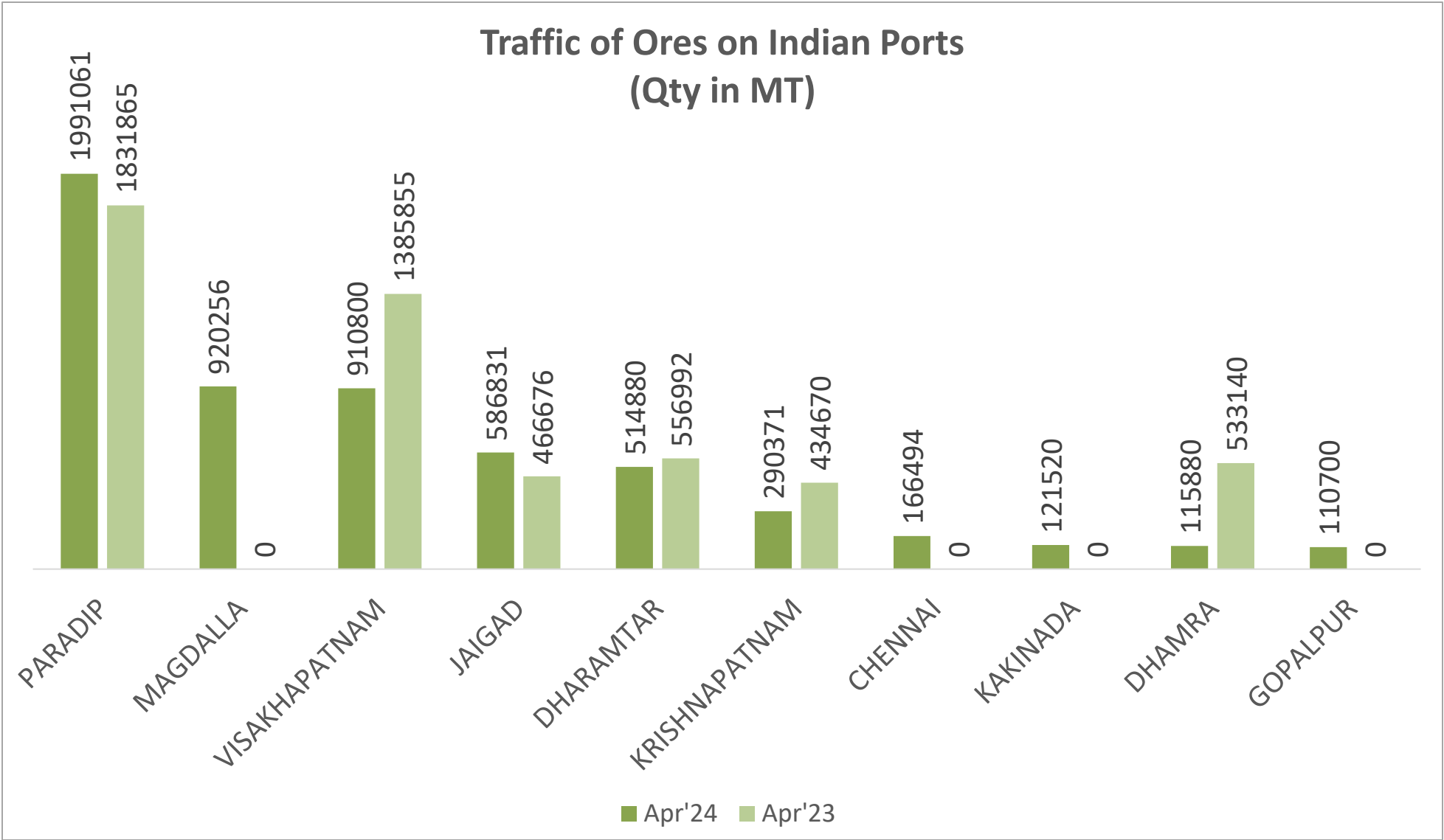
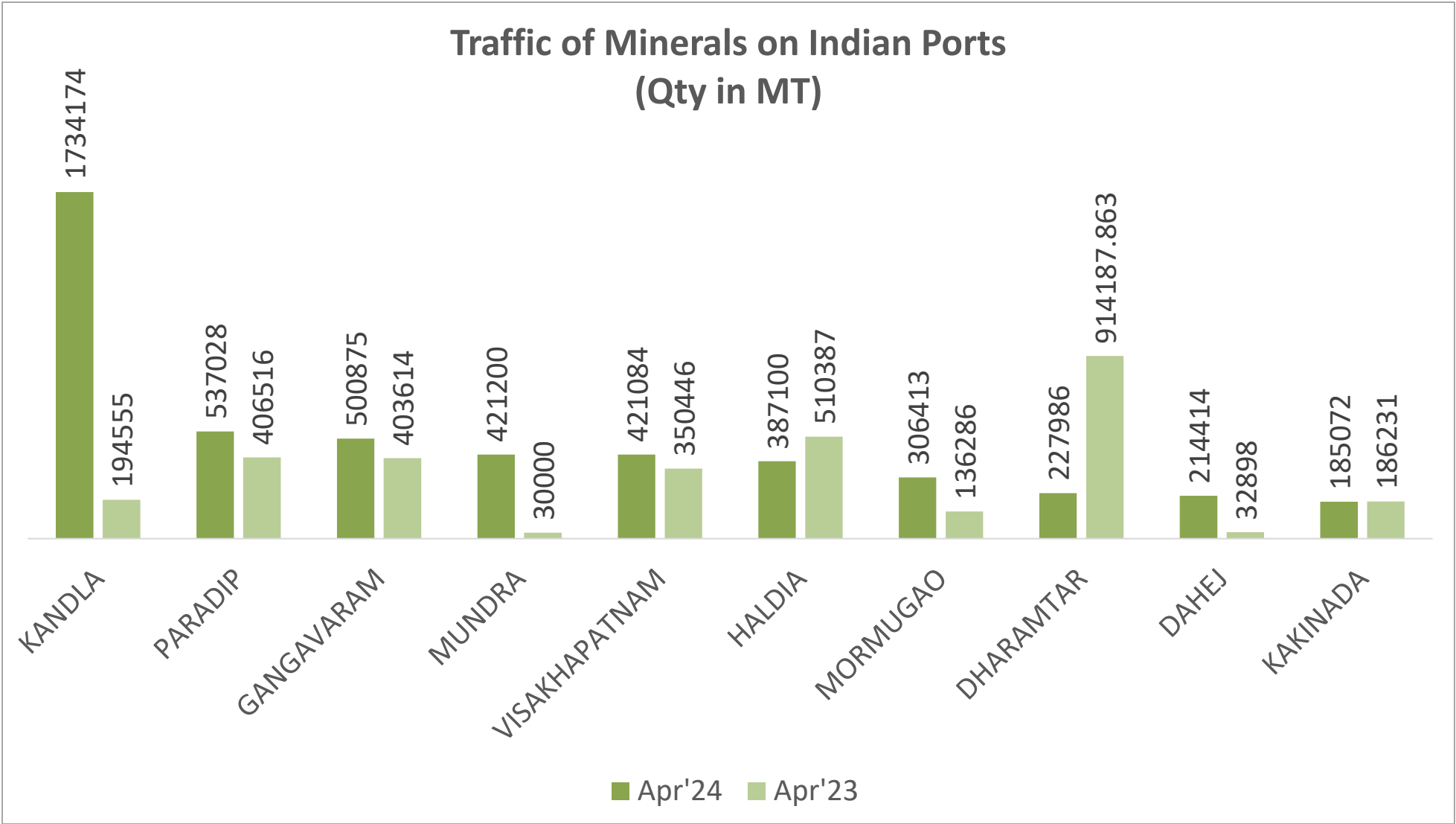
MAY 2024



PORT ANALYSIS

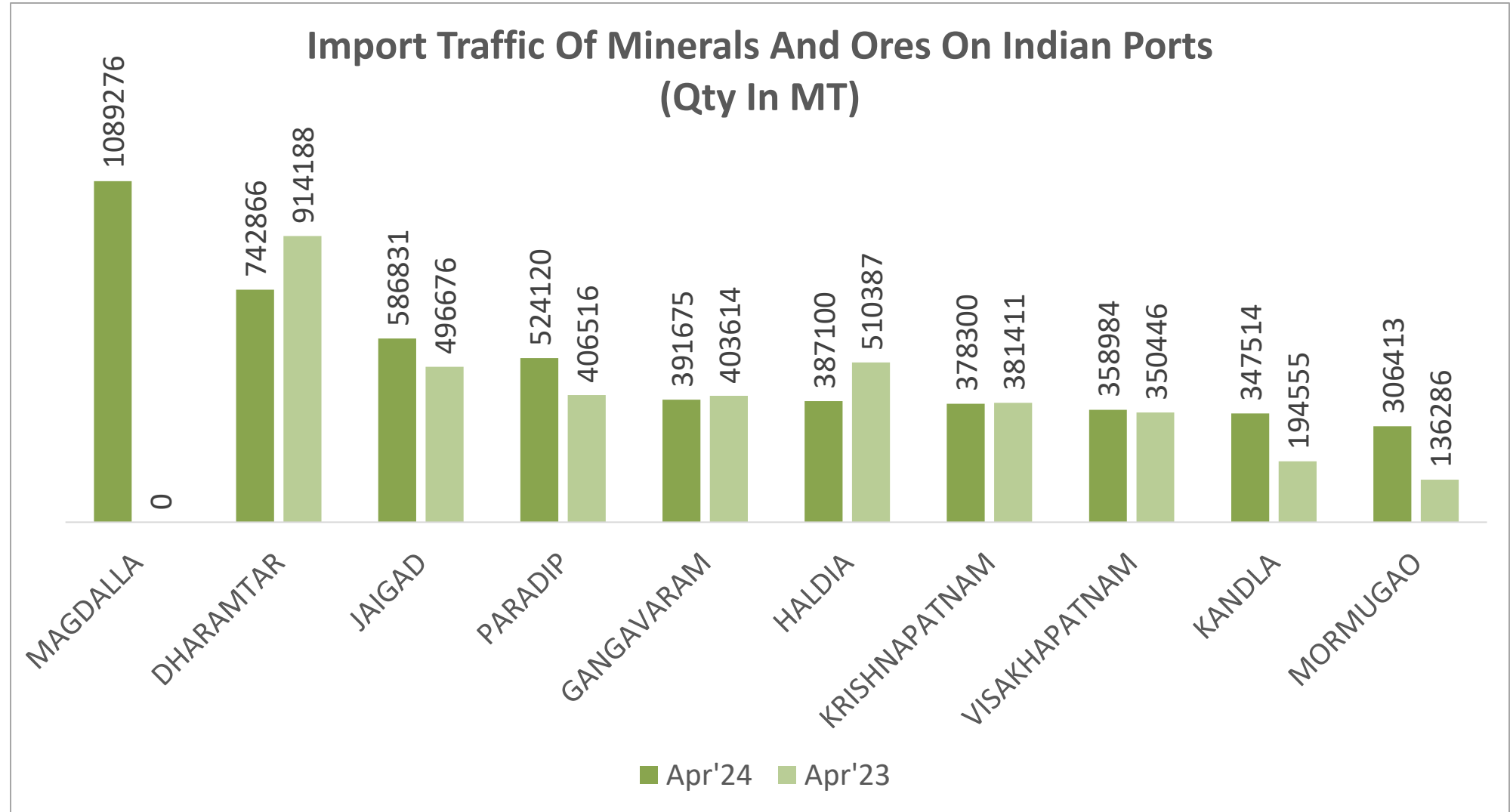
Traffic of Minerals & Ore at Indian Ports

- Port traffic for minerals and ore increased by 5.68% for Apr'24 at 12598827 MT as compared to 13357557 MT of the same period last fiscal.
- Paradip port saw the highest traffic for minerals and ores at 2528089 MT for the period of Apr'24.
- Traffic of Minerals inclined by 4.28% at 6404630 MT in Apr'24 compared to the same period Apr'23. Kandla port saw the highest traffic of minerals at 1734174 MT.
- Traffic of Ore decreased by 14.29% at 6194197 MT in Apr'24 compared to Apr'23. Paradip port saw the highest traffic of Ores at 1991061 MT.



Port-wise Import of Minerals & Ores

- For the period of Apr'24, the imports of minerals decreased by 6.44% at 4057540 MT as compared to the same period in the previous fiscal.
- The imports of Ore during Apr'24 increased by 30.41% at 2681611 MT as compared to the same period of the previous fiscal.

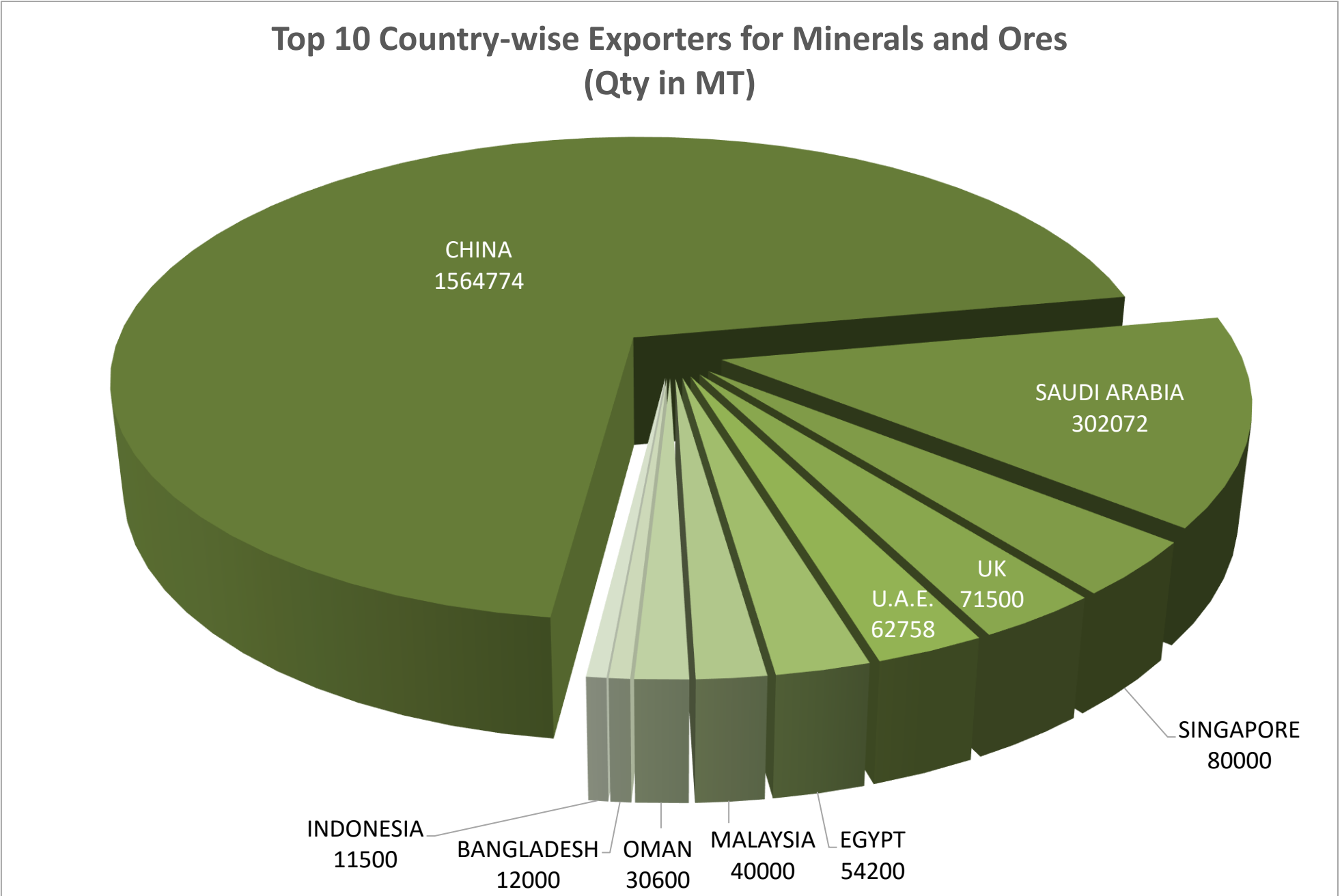


Top 10 importers of minerals and ores	Import Quantity (MT)
JSW GROUP	1715884
ARCELORMITTAL NIPPON STEEL INDIA LTD.	1234348
TATA GROUP	455017
STEEL AUTHORITY OF INDIA LTD.	337256
VEDANTA LTD.	269373
KAY KAY TRDG. CO.	253424
ULTRATECH CEMENT LTD.	220875
SURYADEV ALLOYS AND STEELS	166000
NIRMA LTD.	108047
SARADA METALS AND ALLOYS	84153

Country-wise Exports of Minerals & Ores from India

- Indian Exports for Minerals declined by 30.87% at 2347090 MT for the period of Apr’24 as compared to the same period in the previous fiscal. Exports for Ores stood at 3512586 MT showing an increase of 32.07%. Overall exports decreased by 15.86% at 5859676 MT in Apr’24.
- The highest exports went to China at 1564774 MT in Apr’24.

Top 10 Exporters of Minerals and Ores	Export Quantity (MT)
ARCELOR MITTAL NIPPON STEEL INDIA LTD.	1101122
JSW GROUP	673088
RUNGTA SONS PVT. LTD.	455635
VEDANTA LTD.	270800
JSW INTL. TRADE CORPN. PTE LTD.	207000
EMPRADA MINES AND MINERALS PVT. LTD.	121250
TRIVENI ENGG. EXPERTS TRDG.	120000
LLOYDS METALS & ENERGY. LTD.	88710
GIMPEX PVT. LTD.	80000
JINDAL STAINLESS LTD.	79500





MARKET OVERVIEW & TRENDS

Why is global demand for Indian iron ore exploding

- *Exports of iron ore pellets increased nearly 80% y-o-y to 11.3 mnt in FY'24 as against 6.3 mnt in FY23.*

India's exports of iron ore fines and lump hit a three-year high of 36.5 million tonne (mt) in FY24 compared with around 15 mt in FY23, an increase of about 145 percent year on year, according to data collected by market analytics firm BigMint. Exports of iron ore pellets, likewise, increased nearly 80 percent y-o-y to 11.3 mt in FY24 as against 6.3 mt in FY23, data show. According to reports, over 90 percent of the exports are made to China followed by Malaysia and Qatar.

Chinese appetite for Indian iron ore

China's iron ore imports saw an 8.1 percent increase in the initial two months of 2024, according to reports, compared to the previous year, attributed to steelmakers replenishing stocks to fulfil production requirements during and after the Lunar New Year holiday. The surge in Indian iron ore fines exports to China was driven by robust pre-Chinese New Year restocking and encouraging economic signals in China. Additionally, the elevated costs associated with high-grade iron ore imports from alternative sources, coupled with narrow profit margins for Chinese mills, raised the demand for India's competitively priced lower-grade ore.

Domestic iron ore demand

Indian steel mills fear surge in Chinese imports after US tariffs Indian steel mills fear surge in Chinese imports after US tariffs India's iron ore production, a key steel making ingredient, comprises both low-grade and high-grade ores, but the country has significant reserves of low-grade iron ore. Low-grade iron ore typically contains a lower percentage of iron content and higher levels of impurities compared to high-grade ores, leading steel companies to opt for higher-grade ores, which have over 62 percent Fe (the chemical sign of iron).

Removal of duty boost exports

The elimination of the 50 percent export duty on iron ore and 45 percent duty on pellets, along with the cessation of the 15 percent levy on finished steel exports in November 2022, significantly boosted export activities. The imposition of these levies had rendered exports economically unfeasible. There was a surge in shipments from India immediately after their removal. China emerged as the primary destination for approximately 90 percent of total exports, underscoring the consistent demand for low-grade Indian iron ore from China, despite the constrained profit margins of Chinese steel manufacturers, which have remained stable over the years.

Production levels of Indian iron ore

India achieved a record-high iron ore production of approximately 280 mt in the recently concluded fiscal year, a notable 10 percent jump y-o-y. With the rise in domestic iron ore production, its availability for exports has also expanded.

Source: Money Control

India's mining sector grows by 7.5% in FY24

- India's mining sector thrived in FY24, with iron ore and limestone production leading the growth. The sector's positive performance was driven by robust demand in steel, cement, and aluminum industries, highlighting strong economic activity. India's mining sector grew by 7.5 per cent in FY24, with production of iron ore and limestone recording high growth during the year, an official statement said on Friday. For the month of March, the index of mineral production was 1.2 per cent higher year-on-year at 156.1. Production of iron ore was at 277 million metric tonne (MMT) in 2023-24 against 258 MMT in 2022-23, registering a growth of 7.4 per cent.
- "Showing a similar trend, limestone production has also surpassed the production record of 406.5 MMT achieved in FY 2022-23, increasing by 10.7 per cent to 450 MMT in FY 2023-24," the statement said. The production growth of iron ore and limestone reflects the robust demand conditions in the user industries viz. steel and cement. Coupled with the high growth in aluminium, these growth trends point towards strong economic activity in user sectors such as energy, infrastructure, construction, automotive and machinery. In the non-ferrous metal sector, the production of primary aluminium increased from 40.73 lakh tonne (LT) in 2022-23 to 41.59 LT during 2023-24. India is the second largest aluminium producer, third largest lime producer and fourth largest iron ore producer in the world.

Source: Economic Times



Other Reports For May 2024

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