

# Umetal Iron Ore Daily

Iron Ore Market Data    Shipping Market Overview Iron  
Ore Market Summary    Steel Market Data

Providing latest updates on China's Iron Ore and Steel Markets

Published daily by email except on Sundays, Saturdays & national holidays

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## Foreign Quotes for Imported Iron Ore on Nov 20, 2013

US\$1=RMB6.1305

Country	Product	Grade (%)	CFR (\$/T)	Change	FOB (\$/T)	Change	Port of Loading
Australia	PB Fines	61.5	135	↓1	126	↓1	Dampier/Hedland
Australia	Newman Fines	63	136	↓1	127	↓1	Dampier/Hedland
Australia	MAC Fines	61.5	134	↓1	125	↓1	Dampier/Hedland
Australia	Yandi Fines	58	122	↓2	114	↓2	Dampier/Hedland
Australia	Robe River Fines	56	120	↓2	112	↓2	Dampier/Hedland
Australia	PB Lumps	62	151	→	143	→	Dampier/Hedland
Australia	Newman Lumps	63	152	→	114	→	Dampier/Hedland
Australia	MAC Lumps	62	150	→	142	→	Dampier/Hedland
Australia	Yandi Lumps	58	135	↓1	127	↓1	Dampier/Hedland
Brazil	SFCJ	66	148	↓1	128	↑1	Tubarao/PDM
Brazil	SSFT	65	142	↓1	122	↑1	Tubarao/PDM
Brazil	SFOT	63	137	↓1	117	↑1	Tubarao/PDM
Brazil	Lumps	65	155	→	135	↑2	Tubarao/PDM
Brazil	Pellets	66	173	↓1	153	→	Tubarao/PDM
Chile	Iron Ore Fines	63.5	126	↓1	81	↓1	Caldera
Chile	Concentrates	67	150	→	108	→	Caldera
India	Iron Ore Fines	63.5/63	136	↓1	122	↓1	Chennai/Paradip
India	Iron Ore Fines	59/58	121	↓1	107	↓1	Goa/Mangalore
India	Iron Ore Fines	55/54	105	↓1	91	↓1	Goa
India	Iron Ore Fines	53/52	87	↓1	73	↓1	Goa
Indonesia	Sea Sands	56/55	78	↓1	65	↓1	Jakarta
Indonesia	Iron Ore Fines	51/50	59	↓1	46	↓1	Jakarta
Iran	Hematites	62/61	122	→	97	→	Banda Abbas
Iran	Hematites	61/60	119	→	94	→	Banda Abbas
Iran	Hematites	60/59	115	→	90	→	Banda Abbas
Iran	Hematites	59/58	112	→	87	→	Banda Abbas
Iran	Magnetites	62/61	125	→	100	→	Banda Abbas
Iran	Magnetites	61/60	122	→	97	→	Banda Abbas
Iran	Magnetites	60/59	118	→	93	→	Banda Abbas
Iran	Magnetites	59/58	115	→	90	→	Banda Abbas
Malaysia	Iron Ore Fines	58/57	105	→	90	→	Penang
Malaysia	Iron Ore Fines	56/55	99	→	85	→	Penang
Malaysia	Iron Ore Fines	51/50	77	→	62	→	Penang
Malaysia	Iron Ore Lumps	57/56	110	→	95	→	Penang
Mexico	Iron Ore Fines	63.5	124	→	90	→	Lazaro
Mexico	Lumps	63	134	→	100	→	Lazaro
Mexico	Magnetites	58	107	→	70	→	Lazaro
Philippines	Iron Ore	51/50	40	↓1	30	↓1	Subic

Country	Product	Grade (%)	CFR (\$/T)	Change	FOB (\$/T)	Change	Port of Loading
Philippines	Sea Sands	58/57	96	→	79	→	Subic
Russia	Concentrates	67	150	↓1	130	↓1	Black Sea
Russia	Concentrates	65	147	↓1	127	↓1	Black Sea
South Africa	Iron Ore Fines	65/64.5	145	→	128	→	Saldanha Bay
South Africa	Iron Ore Lumps	65/64	158	→	141	→	Saldanha Bay
South Africa	Concentrates	64.5	138	→	113	→	Richards Bay
South Africa	Concentrates	60	123	↓3	98	↓3	Maputo
South Africa	Magnetites	56/54	97	↓1	72	↓1	Maputo
Venezuela	Iron Ore Fines	64/63.5	140	→	98	→	BOCA /Grande
Venezuela	Iron Ore Lumps	64/63.5	147	↑3	104	↑3	BOCA /Grande

Statement: Due to high cost and low market price of high grade iron ore fine, Indian miners stop quoting; meanwhile, supply of low grade Indian iron ore fine is suspended by port shutdown resulting from rainy season at western coast of India.

Hence, latest foreign quotes of Indian iron ore we publish are for your reference only, neither actual transaction prices nor quotations from market players, which aims at maintaining the integrity of historic data.

[Click Here](#) For 3-Month CFR Price Comparison (Appendix I)

## Steel Market Indicators (Unit: RMB/T)

Product	City	Nov 20	Change			Remark
			1-day	1-week	4-week	
Billet	Tangshan	3010	20	-	-10	Billet for 150*150 195-Q235; Rebar for Φ25 HRB335; Wire rod for Φ8 Q235 high speed; HRC for Q235 5.5*1500*C; CRC for 1.2*1250*C SPCC; Medium plate for 20*2000*8000 Q235B. Steel Strip for 2.5*145*C Q195
	Beijing	3240	-20	-80	-60	
Rebar	Shanghai	3630	-10	-20	170	
	Guangzhou	3870	-	-10	170	
Wire Rod	Shanghai	3340	-10	-50	60	
	Beijing	3420	-	-30	-110	
HRC	Shanghai	3500	20	-10	10	
	Guangzhou	3600	-	-30	-	
CRC	Shanghai	4340	-10	-10	-80	
Medium Plate	Shanghai	3450	-	-	-50	
Strip	Tangshan	3210	-	-40	-	

## Iron Ore Stockpiles at Chinese Ports on Nov 15, 2013 (In 000'000 tonnes)

Date	India	Australia	Brazil	Total
2013-11-15	0.954	35.714	18.798	80.629
2013-11-08	0.954	35.882	18.521	78.519
Change	-	-0.168	+0.277	+2.11

### Note:

Inventories of imported iron ore at the ports stood at 80.629 million tonnes, increasing 2.11 million tonnes from one week earlier and rising for the seventh consecutive week. China's iron ore port stocks increased obviously in recent week thanks to the stock replenishment for winter production, as well as massive arrivals at ports. Tianjin port, Jingtang port and Caofeidian port have witnessed stock rises.

## CCCMC Prices

Date	Indian	High Price	Low	Unit
2013-10-28	FOB	118	117	US\$/DMT
2013-10-28	CIF	132	131	US\$/DMT

## China's Iron Ore Miners' EXW Price

Miner	Price	Chg	Remark
HMMA	1055	-	Dry basis, VAT excl.,
Luzhong	1145	-	Dry basis, VAT incl.,
Sinosteel	1150	-	Dry basis, VAT incl., acid

### Note:

Unit for price: RMB/t; Fe66%, Fe64, Fe65 concentrates for HMMA, Luzhong, Sinosteel respectively.

## Imported vs. Domestic Ore

62.5% Newman F	66% Domestic C	Gap
1076	1096	-20

**Note:** RMB/DMT, tax included, delivered to mills in cash; F for fines, C for concentrates.

## Coal Stockpiles at Port Guangzhou on Nov 19, 2013 (In tonnes)

Total	Change	Unit
2,526,000	15,000	Tonne

## Shipping Market

### Average Ocean Freight Rate in Brazil/Australia/India/Iran-China Route on Nov 19, 2013

Tubarao, Brazil - Qingdao		W. Australia - Qingdao		Vizag Port - Qingdao Port		Bandar Abbas/BIK - China	
Price	Change	Price	Change	Price	Change	Price	Change
20.833	-0.067	8.964	+0.078	14.55	+0.03	23-24	-

#### Note:

- For Brazil/Australia-China route: Capesize (160,000 tonnes): Fio Scale Loading. Unloading 30,000 tonnes/day. Commission: 3.75%;

- For India-China route: - Handymax (52,454 tonnes): Length ≤ 190M. Full Loaded Sail at a Speed of 14 Knots. Fuel Consumption 30 tonnes - No port congestion - One-port loading;

- For Iran-China route: Handysize (20,000 tonnes): Unloading 3,500 - 5,000 tonnes/day.

- Unit for price: \$/tonne.

## Transaction Report on Nov 19, 2013

Date	Fe (%)	Product	Origin	QTY (tonne)	Price	ETA	Date of Loading	Last Deal
Nov 19 61		PB fines	Australia	165000	US\$134.9/DMT	-	Dec 3- Dec 12	137.5 (Nov
Nov 19 65		Concentrates	Ukraine	-	RMB1030/WMT	-	Spot Cargo(Shandong port)	-
Nov 19 64.28		Pellets	India	-	RMB1260/WMT	-	Spot Cargo(Shandong port)	-
Nov 19 62		Fines	Brazil	-	RMB920/WMT	-	Spot Cargo(Shandong port)	-
Nov 19 61		PB fines	Australia	-	RMB910/WMT	-	Spot Cargo(Shandong port)	-

## Daily Report

### Umetal Insight: Imported Iron Ore Market Softens on Ample Supply & Flat Demand

UMETAL-CHINA, The Chinese imported iron ore market records a downside, owing to slow demand and abundant supply. The steel mills are cautious about restocking in sight of lean demand for steel. Rio Tinto sold a ship of PB fines at US\$134.9/dmt via spot tender, while Vale called a tender of 64.7% IOCJ fines departing from Subic on Nov 26-Dec 6, but found no buyer up to the moment. Carajas fines were heard to be quoted at US\$149.5/dmt, and Yandi fines at US\$123/dmt. In spite of no large reduction in their offers, the traders tended to leave more negotiating room in real dealing. The most brisk iron ore futures for May delivery closed 1.29% higher at RMB942/dmt. Trading prices for quayside cargoes dropped overall as mills hesitated about procuring on tight liquidity and slack steel prices. Square billet prices in Tangshan stayed flat though the most traded rebar contract added RMB29/tonne to

RMB3627/tonne at yesterday's close. Yanshan Steel today awards bidding at RMB3012/tonne, down by RMB41/tonne from a week ago and being RMB22/tonne above the current market, posing a mixed picture for square billet price changes. In early trading, spot prices for 61.5%-Fe PB fines slide by RMB10/tonne to RMB910/wmt at Qingdao Port and foreign quotes for 61.5%-Fe PB fines slide by US\$1/tonne to US\$135/dmt CFR China.

Currently, square billet prices stand at RMB2990/tonne (EXW; VAT included) in Tangshan. The most traders rebar contract for May delivery opens at RMB3630/tonne, up by RMB3/tonne from yesterday's close. In the spot steel market, prices for 25mHRB400 rebar are pegged at RMB3420/tonne (-10), RMB3660/tonne (+10) and RMB3890/tonne (-) in Beijing, Shanghai and Guangzhou. 5.5mm Q235 HRC prices stand at RMB3480/tonne (-10), RMB3400/tonne (-10) and RMB3600/tonne (-) in Shanghai,

Tianjin and Lecong.

Imported iron ore inventories at China's 34 major ports monitored by Umetal have been rising continuously, driven by sizeable increases in supply from Australia, Brazil and India. The iron ore market surplus is expected to expand in the following years. Citi predicted that global iron ore supply will increase by 11% or 144 million tonnes in 2014, and further, by an annual 5.7% or 88 million tonnes between 2015 and 2018.

The National Development and Reform Commission (NDRC), the Ministry of Industry and Information Technology (MIIT) and the China Iron and Steel Association (CISA) drafted out detailed rules to tackle steel overcapacity with Hebei province being a major target, at a meeting on Nov 17 about how to implement the State Council's "Guiding Opinion on Solving Severe Industrial Overcapacity". They said that the authorities will strengthen standard management on the steel sector, firmly restraint investment in newly added capacity and ban new capacity project construction. Under the lately unveiled 60-point reform plan, a shift from investment-driven economy will cut demand for steel products, while the top leaders also aim to curb steel supply.

On Nov 19, iron ore swaps for Nov, Dec and Jan delivery stood at US\$135.42/dmt, US\$133/dmt and US\$132/dmt CFR respectively on the Singapore Exchange. CSI index for 62%-Fe imported iron ore was pegged at US\$134.6/dmt while Platts 62%-Fe IODEX stood at US\$135.5/dmt. The steel mills mainly hold a "mouth-to-hand" stance in purchasing the steel-making ingredient, while traders are not willing to make large concessions as their spot cargoes were ordered at a higher price earlier. Moreover, increasing arrivals of cargoes weigh on the market. The Chinese imported iron ore market is predicted to be under weak adjustments in the short term.

According to Umetal reports, on Nov 18, Rio Tinto sold 165,000 tonnes of 61%-Fe PB fines at USD 134.9/tonne, layout 12.3-12.12;

A tender of 80,000 tonnes of MNP sold at USD 134.5/tonne through GlobalORE, arriving on Jan 14;

A tender of 90,000 tonnes of 58%-Fe Australian fines sold at USD 122/tonne through CBMX, laycan 11.26-12.5;

Iron ore, 65%-Fe Ukrainian concentrates, a China based trader sold at RMB 1030/tonne at Shandong port;

Iron ore, 64.28%-Fe Indian pellets, a China based trader

sold at RMB 1260/tonne at Shandong port;

Iron ore, 62%-Fe Brazilian fines, a China based trader sold at RMB 920/tonne at Shandong port;

Iron ore, 61%-Fe PB fines, a China based trader sold at RMB 910/tonne at Shandong port;

Iron ore, 57%-Fe Australian lumps, a China based trader sold at RMB 825/tonne at Shandong port;

Iron ore, 57%-Fe Robe river fines, a China based trader sold at RMB 820/tonne at Shandong port.

#### ANNEX:

#### Sales Prices of Imported Iron Ore in Port Qingdao on Nov 20, 2013

Iron Ore	Grade	Price	Change
PB fines	61.50%	910	-10
PB lumps	62.50%	1060	-10
MAC fines	61.50%	900	-10
MAC lumps	62.50%	1060	-10
Newman fines	62.50%	920	-10
Newman lumps	63.50%	1070	-10
YANDI fines	58.00%	820	-10
Rocket fines	59.00%	820	-10
SF	57.60%	800	-10
SSF	56.50%	790	-10
Robe river fines	57.00%	810	-10
Channar fines	62.00%	910	-10
Channar lumps	64.00%	1060	-10
Mount Gibson fines	60.00%	870	-10
Mount Gibson lumps	62.00%	1030	-10
One steel fines	58.00%	800	-10
One steel lumps	58.00%	900	-10
Atlas fines	57.00%	790	-10
PMI fines	57.00%	790	-10
Bonnie fines	57.50%	830	-10
Carajas fines	65.00%	1020	-
Brazilian fines	64.50%	960	-10
Brazilian fines	63.50%	940	-10
Brazilian fines	60.00%	820	-10
Brazilian concentrates	66.00%	1030	-10
Brazilian pellets	65.00%	1270	-10
Brazilian lumps	65.00%	1060	-
S. African concentrates	65.00%	1020	-
S. African fines	64.00%	1000	-

Iron Ore	Grade	Price	Change	Iron Ore	Grade	Price	Change
S. African fines	58.00%	810	-	Russia concentrates	63.50%	1000	-
S. African lumps	65.00%	1120	-	Russian pellets	65%	1270	-
Indian fines	63.50%	930	-10	Russian pellets	63%	1230	-
Indian fines	62.00%	910	-10	Indonesian fines	62.00%	780	-10
Indian fines	58.00%	820	-10	Indonesian fines	52.00%	510	-10
Indian fines	57.00%	800	-10	Peruvian fines	64.00%	660	-10
Indian fines	54.00%	630	-10	Chilean concentrates	67.00%	1080	-10
Indian fines	52.00%	600	-10	Chilean pellets	67.00%	1310	-10
Indian fines	50.00%	580	-10	Chilean fines	63.50%	910	-10
Indian lumps	57.00%	830	-	Malaysian sea sands	60.00%	-	-
Indian lumps	54.00%	730	-	Malaysian fines	57.00%	740	-10
Iranian hematite fines	62%	910	-	Mauritanian fines	62.00%	880	-10
Iranian hematite fines	60%	860	-	U.S. concentrates	66.00%	930	-
Iranian hematite fines	58%	810	-	U.S. concentrates	58.00%	800	-
Iranian hematite fines	54%	690	-	U.S. pellets	65.00%	1250	-10
Iranian magnetite fines	61%	920	-	Venezuelan fines	64.50%	920	-10
Iranian magnetite fines	58%	800	-	Mexico fines	63.50%	900	-10
Iranian magnetite fines	56%	770	-	Mexico fines	58.00%	790	-10
Iranian magnetite lumps	61%	1000	-	Mexican lumps	63.50%	980	-10
Ukrainian concentrates	66.00%	1050	-	N. Korea concentrates	54.00%	610	-10
Ukrainian concentrates	63.50%	1000	-	Philippine sea sands	56.00%	720	-10
Ukrainian pellets	65.00%	1260	-10	Zelanian sea sands	58.00%	640	-10
Ukrainian pellets	63.00%	1230	-	Finnish concentrates	66.00%	950	-
Canada concentrates	66.00%	1040	-10	Bahrainian pellets	65.00%	1280	-10
Canadian pellets	65.00%	1270	-10				
Russia concentrates	66%	1040	-				

**Note:** Unit for price: RMB/WMT(17% VAT included)

### Daily (Nov 19): Domestic Miners Unwilling to Undersell Cargos

UMETAL-CHINA, Domestic iron ore concentrate market and purchasing prices mainly keep steady. Market prices go up by RMB5-20/tonne in some areas.

Meantime, foreign quotes for imported iron ore generally sustain stability and only some specifications of Australian and Brazilian ore go down by US\$1/tonne. Spot market prices maintain steadiness. Specifically, the sales price of Indian fines (Fe: 63.5%) is pegged at RMB950/WMT (vat included) in port Tianjin, while the domestic iron ore concentrate price keeps steady at RMB830/WMT (vat excluded).

Imported ore market prices remain stable today, while domestic iron ore market remains firm under tight market resources. Available market resources see small amount in Liaoxi and miners are unwilling to undersell the cargos. Steel mills face difficulties in depressing prices on account of stock replenishment. Steel mills are cautious toward purchases. Beijing Miyun and large miners in Hebei raise their EXW prices by RMB20/tonne, influenced by which market confidence is improving amid stability. Many processing plants still suspend operation in Liaoxi and available market resources are in tight supply.

Miners keep their quotation at a relatively high level and are unwilling to undersell the resources. Steel companies still take a cautious attitude toward purchases. Overall market prices are less likely to go down in the short term.

### Chinese Steel Mills' Purchase Price for Domestic Iron Ore Concentrates

Region	Grade	Steel Mill	Price	Change	Remark
North-east	Fe66%	Lingyuan Steel	940	-	Deliver to mill, by acceptance, VAT included
North China	Fe66%	Jinxi Steel	1,080	-	Deliver to mill, by acceptance

<b>Central South China</b>	Fe65%	Xiangtan Steel	1,100	-	DMT, Tax included, by acceptance
<b>South China</b>	Fe64%	Shaoguan Steel	970	-	Acid, from Heyuan & surroundings
Market Price of China's Domestic Iron Ore Concentrates					
Region	Grade	Steel Mill	Price	Change	Remark
<b>Northeast</b>	Fe66%	Jianping	760	+10	WMT, VAT excluded
	Fe65%	Benxi	750	-	WMT, VAT excluded
<b>North China</b>	Fe66%	Qianxi	830	-	acid, WMT, tax excluded
	Fe64%	Shahe	900	-	alkalinity , WMT, tax excluded
<b>East China</b>	Fe65%	Fanchang	1,100	-	Dry basis, VAT included
	Fe65%	Zibo	1,190	-5	Dry basis, VAT included, alkalinity
<b>South China</b>	Fe64%	Huaiji	900	-	Dry basis, VAT included, acid
	Fe64%	Liuzhou	880	-	Dry basis, VAT included, acid

## Industry News

### Iron Ore Prices Stay Below US\$140/tonne on Slow Demand

Spot iron ore prices edged up to near two-month highs but slow demand from top importer China and ample supplies stopped the benchmark rate reaching US\$140/tonne, a level last seen in August.

Some Chinese steel mills were building up winter stockpiles of the raw material, although there was no aggressive buying because of lean demand for steel, traders said.

Benchmark 62% grade iron ore for immediate delivery to China gained 0.2% to US\$137/tonne on Monday, according to data publisher Steel Index.

That was near the two-month peak of US\$137.10 reached on Nov. 6. Prices have been trapped in a tight range between US\$131 and US\$138 since September.

"Chinese demand hasn't dropped, but it's flat and there has been plenty of available cargoes from the miners. It's really balanced for now," said a Shanghai-based iron ore trader.

The trading range has narrowed to

between US\$135 and US\$137 over the past two weeks, and investment bank ANZ said it expected prices to ease in the near term due to soft Chinese steel demand and high inventories of iron ore at Chinese ports.

Port stockpiles of iron ore stood at nearly 84 million tonnes last week, according to industry consultancy Mysteel, and ANZ said that was the highest level since July 2012.

The most traded May rebar contract on the Shanghai Futures Exchange closed up 0.8% at RMB3,624 (US\$595) a tonne on Tuesday after falling to a three-week low of RMB3,583 on Monday.

Iron ore for May delivery on the Dalian Commodity Exchange climbed 1.3% to RMB942/tonne after touching a two-week low of RMB925 on Monday.

Global miners such as Rio Tinto and BHP Billiton have been expanding output and trying to ship more iron ore to China even as Chinese demand has slowed from the double-digit pace of recent years along with economic growth.

That has put pressure on prices, which have fallen 14 percent from this year's peak. Citi said it expected spot iron ore to fall to US\$95 a tonne by the third quarter of 2015.

"We expect the iron ore market surplus to expand in 2014, driven by a very large increase in supply from Australia, combined by sizeable increases in exports from Brazil and India as well," Citi said in a report.

"This surplus is forecast to persist in 2015 and 2016, driven by continued large supply increases out of Australia and Brazil combined with slower steel production growth in China."

Citi said it expects global iron ore supply to increase by 11% or 144 million tonnes in 2014, and further, by an annual 5.7% or 88 million tonnes between 2015 and 2018.

### Volta Mining to Acquire Iron Ore Project in Pilbara

Volta Mining will acquire an iron ore project in the Pilbara with direct shipping ore that borders licences held by Fortescue Metals Group, Hancock Prospecting, BHP Billiton (Mount Whaleback), Hope Downs and

Brockman Mining.

The deal significantly ups the stakes and valuation for Volta as it was sitting at a market cap. of less than US\$2 million with not a lot of market support. The acquisition of Pilbara Commodities changes all that.

Volta will acquire 100% of the issued share capital of unlisted public company Pilbara Commodities which holds a 100% interest in 19 exploration licences in the Pilbara region.

However, it is the highly prospective DSO Newman Iron Ore Project that should get market types excited.

The Sirius Extension Prospect within the Newman Iron Ore Project is directly adjacent to Brockman's Inferred Mineral Resource of 109MT at 60.0% Fe Sirius Deposit.

Surface results taken from an approximate 4km outcropping within the Newman Iron Ore Project area exhibit up to +68% Fe.

The acquisition also includes: the West Pilbara Project (Iron Ore), The Bangemall Project (Copper, Zinc and Manganese) and the Pannawonica Project (Nickel, Copper).

Peter Smith of Pilbara Commodities will join Volta Mining's Board as Non-Executive Director.

Now Volta Mining will undertake a capital raising, but that shouldn't be a problem with the infusion of the Pilbara assets.

The raising will be fully underwritten by Perth based CPS Capital Group, to advance its current and newly acquired projects.

Major Transaction terms

- 45,000,000 fully paid ordinary shares

in Volta to be issued on Settlement at a deemed issue price of US\$0.03 each;  
 - 17,750,000 options (exercise price of US\$0.20, expiry 10 November 2016) to be issued on Settlement;  
 - 1,000,000 options (exercise price \$0.30, expiry 10 November 2016) to be issued on Settlement;

There are additional milestone payments payable to Pilbara Commodities shareholders including: completing a drill program on one or more of the tenements which finds iron grading higher than 55% Fe over a 50 metre continuous intersection, as well as other payments.

Managing Director of Volta Mining, David Sumich, said "This is an exciting acquisition for Volta Mining. It presents a real opportunity to further establish the company on the iron ore stage. The highly prospective Newman Iron Ore Project is complementary to our existing portfolio of iron ore assets in Gabon and we are excited to commence the next stage of exploration at the site."

As well as the Newman Iron Ore Project, Volta Mining will acquire Pilbara Commodities' remaining portfolio of projects in the region as part of the acquisition, which includes: the West Pilbara Project (Iron Ore), The Bangemall Project (Copper, Zinc and Manganese) and the Pannawonica Project (Nickel, Copper).

### **Process to Seize Unaccounted Iron Ore**

Reportedly, Indian directorate of mines and geology will initiate the process to seize unaccounted ore lying at various jetties in the state. The one month time given to traders to stake claim to the unaccounted ore expired on Sunday November 17. About 2.86 million tonnes of ore are lying stacked at jetties and stockyards in various places in the state.

On October 17, DMG notified the Goa Rules, 2013. Under this traders were required to submit claims to DGM within a month.

Mr Parag Nagarsekar, deputy director of DMG claimed that they will know the number of applications received only. A source said that very few traders may have filed applications. Mr Nagarsekar said that they will start seizing ore at jetties after assessing the applications received from the traders.

Currently, just 43 traders, who were found to be doing business legally, are registered with DMG as the old list containing names of 433 traders has been scrapped. A source said that most of the traders who deposited ore at different jetties have been excluded from the new list and till date they have not come forward with any claims. This also means that when mining restarts just 43 traders that have been revalidated will be able to trade.

Sources said that there is a small chance of traders staking claim to the ore at jetties, because it was illegally purchased by them. Mr Nagarsekar said that "If they declare their right, they will have to reveal the source from where they had procured it." While paperwork for seizing the ore will begin, actual seizure of ore will happen from Tuesday.

The new rules provide a jail term of up to 1 year and fine of up to 5,000 for illegal mining, transportation and storage of minerals in violation of the law. It also said that no person shall buy, store, sell, supply, transport or deliver for sale or processing minerals or deal with any mineral except under and in accordance with the rules and the terms and conditions of registration of the Mineral Conservation and Development Rules, 1988.

**Council to Think Over Signing**



**Iron Ore MOU**

It's reported that the East Gippsland Shire Council will decide whether to sign a MOU for an iron ore mining project at Nowa Nowa.

Eastern Iron is looking at creating an open cut mine within the Tara State Forest about 7 kilometers north of

Nowa Nowa. The project is still in the feasibility planning stages but it is estimated the mine could produce up to one million tonnes of iron ore per annum over eight to 10 years.

The East Gippsland council will consider whether to endorse an MOU to support the proposal at its meeting this

week. The project could create about 120 local jobs and generate US\$600 million to US\$800 million for the region. The MOU would promote positive economic, social and environmental outcomes.

## Macro News for Today

- [China's SOE Reforms Promising, Says Pundits](#)
- [Chinese Property Market Needs Long-term Mechanism](#)
- [China's Reforms Positive for Local Govts: Fitch](#)
- [FDI Grows Steadily Amid Reform Drive](#)
- [Q3 Consumer Confidence Levels at 3-year High: Nielsen](#)
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## Appendix I

### Foreign Quotes for Imported Iron Ore to China (US\$/dmt) (F for fines; L for lumps; C for concentrates.)

Country	Product	Fe (%)	Jul 2013	Aug 2013				Sep 2013				Oct 2013				Nov 2013	
			Week5	Week1	Week2	Week3	Week4	Week1	Week2	Week3	Week4	Week2	Week3	Week4	Week5	Week1	Week2
Australia	PB F	61.5	130	134	140	137	138	135	135	131	131	133	134	132	132	134	136
Australia	Newman F	62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Australia	MAC F	62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Australia	YANDI F	58	120	124	130	128	128	125	125	121	121	123	124	122	121	124	125
Australia	Robe River F	56	118	122	128	125	126	123	123	119	119	121	122	120	119	122	123
Australia	PB L	62	141	145	151	148	149	146	147	144	144	149	150	148	148	151	151
Australia	Newman L	63	143	147	153	150	151	148	149	145	145	150	151	149	149	152	152
Australia	MAC L	62	140	145	151	148	149	146	146	143	143	148	149	147	147	150	150
Australia	YANDI L	58	130	134	140	137	138	135	135	131	131	135	136	134	134	136	136
Australia	Newman F	63	131	135	141	138	139	136	136	132	132	134	135	133	133	135	137
Australia	MAC F	61.5	129	133	139	136	137	134	134	130	130	132	133	131	131	133	135
Brazil	SFCJ	66	136	142	148	144	145	145	145	142	142	143	145	142	142	148	150
Brazil	SSFT	65	132	138	144	141	142	139	139	136	136	137	139	136	135	142	144
Brazil	SFOT	63	131	137	143	140	141	138	138	135	135	136	137	131	130	138	139
Brazil	L	65	142	148	154	151	152	149	151	149	149	153	155	152	152	155	155
Brazil	P	66	159	165	171	167	168	166	166	164	164	168	169	169	171	174	174
India	Iron Ore F	63.5/63	131	135	143	138	139	137	137	133	133	134	135	133	134	136	137
India	Iron Ore F	61/60	130	134	140	137	138	136	136	132	126	133	134	132	127	135	136
India	Iron Ore F	63/62	124	128	134	131	132	130	130	126	132	127	128	126	133	129	130
India	Iron Ore F	62/61	127	131	137	134	135	132	132	128	128	129	130	128	129	131	132
India	Iron Ore F	60/59	121	125	131	128	129	127	127	123	123	124	125	123	124	126	127
India	Iron Ore F	59/58	117	121	127	124	125	123	123	119	119	120	121	119	120	121	122
India	Iron Ore F	58/57	114	118	124	121	122	120	120	116	116	117	118	116	117	117	118
India	Iron Ore F	55/54	95	104	110	108	109	107	107	104	104	105	106	104	105	105	106
India	Iron Ore F	53/52	89	93	99	97	98	96	96	93	93	92	93	88	86	87	88

Country	Product	Fe (%)	Jul 2013	Aug 2013				Sep 2013				Oct 2013				Nov 2013	
			Week5	Week1	Week2	Week3	Week4	Week1	Week2	Week3	Week4	Week2	Week3	Week4	Week5	Week1	Week2
Indonesia	Iron Sand	56/55	87	87	92	85	85	82	78	75	75	77	78	75	75	78	79
Indonesia	Iron Ore F	51/50	78	79	84	76	76	75	69	58	58	60	61	58	57	59	60
Iran	Hematites	62/61	114	121	126	122	122	122	122	120	120	121	122	121	120	122	122
Iran	Hematites	61/60	111	118	123	119	120	120	120	118	118	119	120	119	117	119	119
Iran	Hematites	60/59	108	115	120	116	116	116	116	114	114	115	116	115	113	115	115
Iran	Hematites	59/58	104	111	116	112	112	112	112	110	110	111	112	111	110	112	112
Iran	Magnetite	62/61	117	124	129	125	125	125	125	123	123	124	125	124	123	124	124
Iran	Magnetite	61/60	114	121	126	122	122	122	122	120	120	121	122	121	120	121	121
Iran	Magnetite	60/59	110	117	122	118	118	118	118	116	116	117	118	117	116	117	117
Iran	Magnetite	59/58	107	114	119	115	115	115	115	113	113	114	115	114	113	114	114
Malaysia	Iron Ore F	58/57	104	105	110	107	107	106	106	104	104	106	107	104	104	105	105
Malaysia	Iron Ore F	56/55	98	99	104	101	101	100	100	98	98	100	101	98	98	99	99
Malaysia	Iron Ore F	51/50	78	79	82	79	79	78	78	76	76	78	79	76	76	77	77
Malaysia	Iron Ore L	57/56	109	110	115	112	112	111	111	109	109	111	112	109	109	110	110
Philippines	Iron Ore	51/50	46	46	48	33	33	36	37	36	35	36	37	35	38	40	41
Philippines	Iron Sand	58/57	94	93	95	93	94	94	95	96	96	97	97	94	94	96	96
Russia	Iron Ore C	67	138	143	149	146	147	147	147	144	144	146	148	145	147	149	151
Russia	Iron Ore C	65	136	141	147	144	145	145	145	142	142	143	145	142	144	146	148
Russia	Iron Ore C	63.5	130	135	142	139	140	140	140	137	137	138	140	137	139	140	142
Russia	Iron Ore P	63	142	147	154	151	153	153	153	150	150	156	158	161	163	165	166
Russia	Iron Ore P	65	153	158	164	161	163	163	163	160	160	165	167	170	172	174	175
S. Africa	Iron Ore F	65/64.5	137	142	148	145	146	146	146	144	144	145	146	143	142	144	145
S. Africa	Iron Ore L	65/64	147	152	158	155	156	156	156	154	154	157	159	156	155	157	158
S. Africa	Iron Ore C	64.5	133	138	144	141	142	138	138	136	136	137	139	136	138	137	138
S. Africa	Iron Ore C	60	118	123	131	128	129	125	125	123	123	124	126	123	125	124	126
S. Africa	Magnetite	56/54	91	96	102	99	100	98	98	96	96	97	96	93	95	97	98

[Back to Top](#)