No: 19

www.Planner-group.com
T.me/Plannerinfo

Planner Sunday Journal

October 10th

www.Planner-group.com
T.me/Plannerinfo

Editorial

Energy crisis throughout the world turn out to be a big headache for global steel industry. Gas prices have risen more than 500% in Europe and the situation is as ugly in Asian nations. Oil and coal are also hitting new highs on the back of short supply, making the situation worse for consuming nations. China is implementing strict quota for electricity use in steelmaking hubs to maintain energy levels for the winter ahead. Elsewhere, Arcelormittal Europe announced this week due to rising energy and carbon emission costs, the company would impose a 50€ surcharge for all new contracts, which would be lifted as soon as the energy costs get back to normal; a condition that may not be met in the short term. Unless the demand is subdued, we might see a hot winter for the global steel prices, since the suppliers have the upper hand as long as they enjoy cheap energy prices for their products.

Market at a Glance

Item Date	Last Month (Avr)	Last Week (Avr)	September 30th	Change % (MoM)
Iron Ore CFR China	139.4	118.1	124.8	-11.6
Scrap CFR Turkey	453	445	453	0
Billet FOB CIS	607.5	600	600	-1.2
Slab FOB CIS	757.1	680	680	-11.3
Rebar FOB Turkey	684.2	665	665	-3.4
HRC FOB CIS	875.3	825	815	-8.0
CRC FOB CIS	1064.7	945	923	-15.1

www.Planner-group.com
T.me/Plannerinfo

Macro Economy

USD Index

The dollar index could not sustain its strong momentum after a disappointing jobs report, moving away from a one-year high to bottoming around the 94 neighborhood. The US economy added only 194K jobs in September, well below market expectations of 500K, raising questions on whether the Fed will keep with its plan to start reducing stimulus as soon as November. Still, the unemployment rate fell more than expected to 4.8%, the lowest rate since March 2020.

Crude Oil

Oil prices rose, gaining more than 4% on the week, as a global energy crunch lifted prices to their highest since 2014 as big global power users struggle to meet demand. Brent crude rose 0.54% to settle at $82.39 a barrel. U.S. crude settled up 1.34% at $79.35 a barrel.

Crypto Currencies

Introduction to Chainlink (LINK)

Chainlink is a digital currency based on Ethereum. This smart grid is actually a decentralized network of nodes that allows the registration of information and smart contracts in the context of blockchain. One of the main problems with using blockchain technology and decentralized applications is the inability of these applications to interact with information outside of blockchain. The Chainlink project is designed to address this issue.

Chainlink has so far partnered with more than 150 international companies, including Swift, Wanchain, a platform designed to interact between different digital currencies, and Request Network, an exchange that exchanges Fiat currencies for crypto currencies.

Why did the price of Chainlink increase six fold in 2019?

In 2019, Chainlink price increased 6 times. One reason for this was a misunderstanding. That year, the media announced that the Chainlink project has succeeded in concluding a cooperation agreement with Swift and Google. The news was published in many publications without the involvement of the Chainlink development team; for this reason, Chainlink cannot be accused of deceiving the public, but this misunderstanding had a positive effect on the rise of the cryptocurrency price.

How does Chainlink work?

Chainlink is a collection of decentralized nodes that receive information from off-blockchain sources and convert it to smart on-blockchain contracts using Oracle.

The smart contract system in the Chainlink project includes three smart chains, which are:

1. Credit agreement: In this chain, the performance history of Oracle providers is reviewed to identify and remove untrustworthy nodes.

2. Order Matching Contract: Registers the user's order in the network and matches it with the information of Oracle providers in order to select the best providers by analyzing their information.

3. Final Summary Contract: In the collection chain, all the information provided by Oracle providers is weighed together to extract a complete and correct result and present it to the customer.

Is it possible to extract Chainlink digital currency?

In 2017, the founders of the Chainlink project extracted one billion link tokens. Currently, the only way to get this digital currency is to buy from digital currency exchanges. According to statistics, 350 million LINK have been marketed so far. 300 million LINK are intended as incentives for the nodes, which will be released over time. Finally, 300 million LINK tokens are from those members of Development Group.

Anyone can access LINK and the data recorded on it which is non-manipulative; for this reason, Chainlink always provides accurate and reliable information for users. By using Chainlink system, blockchain technology can be used more and better; that’s why experts predict brilliant future for LINK. Many believe that Chainlink has many positive and practical features in order to achieve significant success; On the other hand, because the Chainlink project is constantly partnering with new companies and expanding its field of activity, we can be optimistic about Chainlink’s perspective.

Technical Analysis of Chainlink

Given that the price is below the Kumo cloud and the relative strength of trades is also declining, the possibility of a price drop to the range of $20 is not far off.

Financial Markets

Technical analysis of the US Dollar to the Swiss Franc

The trend in the one-day time frame of price is still on the upward trend, but in the coming days we will have a price correction to the floor of the specified channel.

Steel

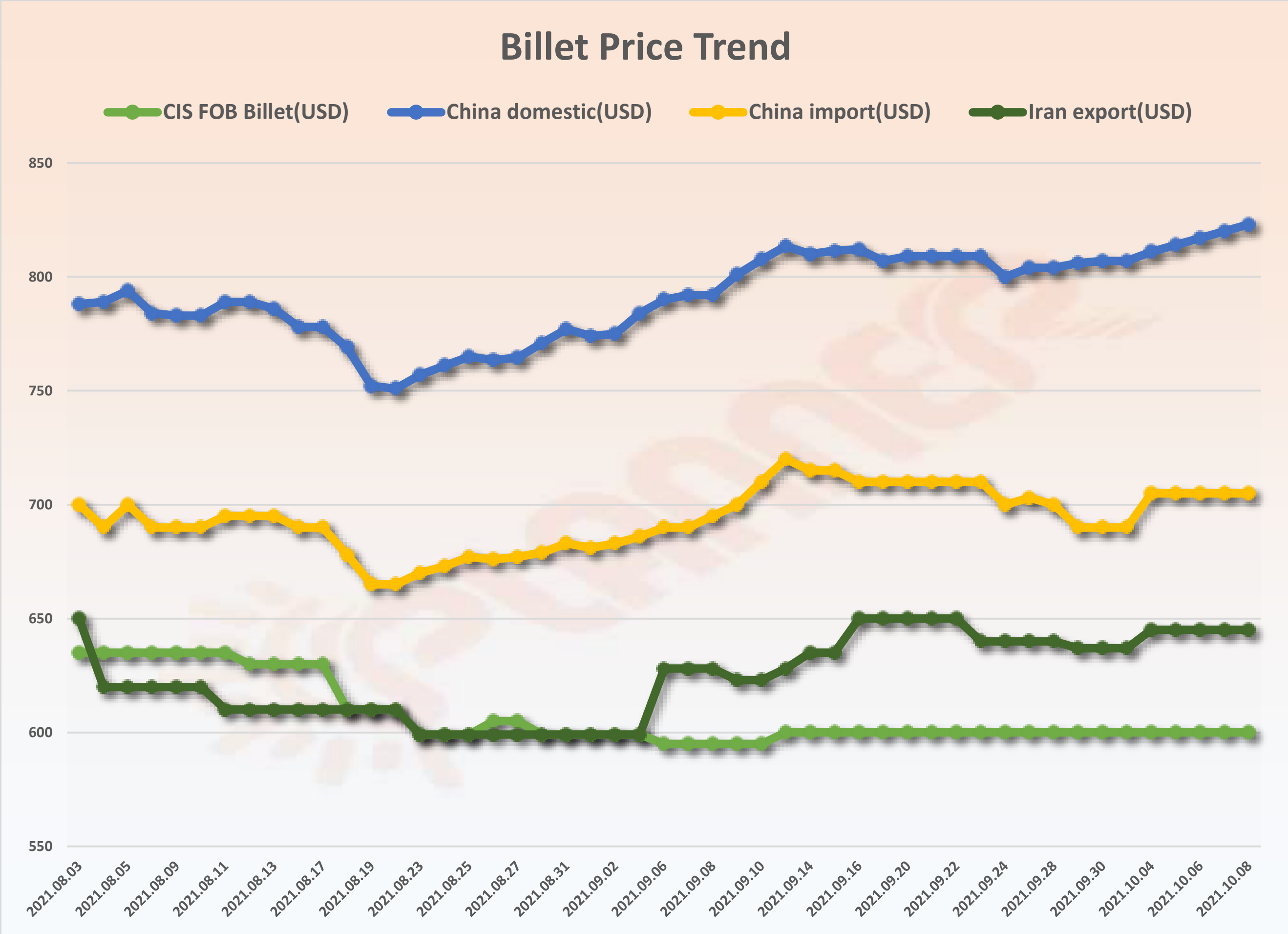
- **Semi-Finished Products**

A quite week passed for billet, since Chinese were out of the market for their National Holiday. At the first official trading day after the holidays, Tangshan billet quotes jumped by 120 RMB to 5330 RMB/Mt on Saturday, as the buyers are concerned about supply in the winter. Billet inventories in Tangshan also dropped during October 1-7, to fluctuate around 500k Mt. The demand is expected to pick up next week, when the trading level gets back to normal. The operating rate of 247 blast furnaces in China stood at 77.52%, showing an increase of 4.28% compared with last week. The high profitability of steel mills prevents them from lowering the production despite all the measures Chinese government has taken.

Although Turkish import scrap prices jumped last week, CIS market remained in lull. The center of attention for billet export is China and the demand is very low in other markets. Hence, CIS suppliers preferred to wait for China to reopen in order to make new sales. A cargo for 30k has been reported to Planner to be sold at 705 USD/Mt CFR with Russian origin. Another 40k cargo with Ukrainian origin is rumored to dealt at same price level for November shipment. Turkey has also been active in billet export to China and has sold more than 50k billet to this destination during September 2021.

Iranian sellers were not so active in export market and focused on domestic sales till Chinese get back to the market. Offers from Iran range between 630-640 USD/Mt FOB, which is not of interest for Chinese buyers, as well as Persian Gulf nations due to lower domestic quotation. With domestic prices in China going up, it is hardly probable for Iranian mills to reduce their offers next week.

In slab segment, market passed a quite week. Offers from CIS range from 680-690 USD/Mt FOB, while Indians concluded a deal for 30k at 720 USD/Mt CFR China. The freight is estimated around 35-40 USD/Mt. Flat prices in China have little room to increase, but the situation in Europe is different. Slab prices exported to EU have the opportunity to rise since European mills are likely to follow Arcelormittal on energy surcharge.

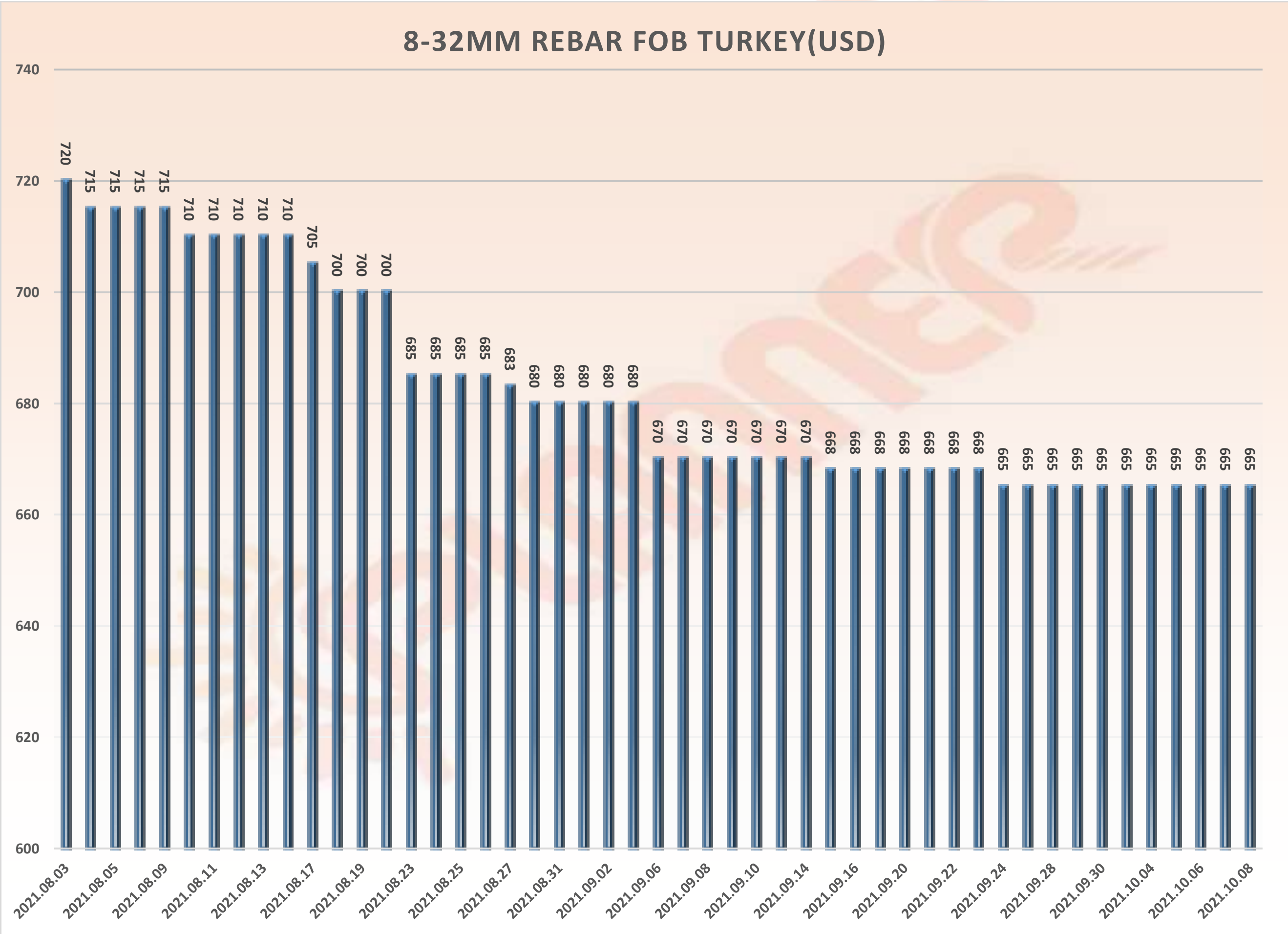


Market Outlook: Chinese Central Government is determined to cut electricity supplied to steel producers in order to enhance the livelihood of the people. Considering this, energy crisis in Europe and stronger scrap quotes, semis prices may steadily rise next week.

- **Finished long products**

Reopening of Chinese market was accompanied by rise in finished long prices, especially rebar. The main contract of rebar in Chinese futures market soared by 160 RMB to close at 5866 on Saturday, October 9th. The average price of rebar in 31 major cities also hiked by 100 RMB to reach 6025 RMB/Mt on Friday, October 8th. Rebar production is by far at the lowest level since 2017 and the inventories are depleted at a fast pace. The daily trading level of rebar in China hit more than 270k Mt on Friday, but, with high-priced goods, the continuation of high trading volume is in question.

The Turkish long products tags rose by $10-20/mt this week as scrap prices increased. Export rebar offers soared by $10/mt by end of the week between $670-690/mt FOB, The Operational price is valued at $675 /mt FOB based on the Planner Index. In the domestic market with more promising demand, prices zoomed up by at least $10/mt on weekends with offers placed in the range of 675-685. The planner assesses the rising price of rebar following the increase in domestic and imported billet and imported scrap prices along with rising gas prices and energy supply challenges for the next week.



In wire rod market, Turkish suppliers increased their export offers due to better demand in the domestic market as well as higher scrap levels. They voice wire rod at 770-780 USD/Mt FOB for November shipment and some even quote 800 USD/Mt.

Market Outlook: Long prices are inclined to rise as a result of higher scrap quotations on the one hand and feel resistance because of low demand on the other. It is predicted that prices will fluctuate in current range, but the dynamic will remain positive for the next week.

- **Finished flat products**

Another weekly gain was set for HRC in Chinese domestic market. The main HRC contract in Chinese futures market rose by 187 RMB to close at 5890 on Saturday, October 9th. The average price of spot market in 24 major cities of China also increased by 86 RMB to reach 5917 RMB/Mt on Friday, October 8th. The weekly production of HRC is expected to fall below 3 million Mt, while the inventories are almost flat. Hence, the HRC price is expected to rise but not as much as that of rebar next week.

CIS exporters hesitated to give further discounts too buyers as the trend was unclear last week. With Chinese back and Europe in urgent need of energy sources, suppliers in CIS market started to raise their offers, especially for European buyers, while other markets have no chance to buy at such levels. Latest offers of CIS sellers are heard around 820-825 USD/Mt FOB, up 5-10 USD from last week. Participants think that the current developments could put the price trend at a turning point for the short term.

In CRC market, there is still lack of demand, although the fundamentals of the market are getting stronger. Factors such as scrap price trend and lack of energy resources in some countries are adding to better outlook. The latest offers from CIS are voiced in the range of 890-950 USD/Mt FOB based on the grade and delivery time.

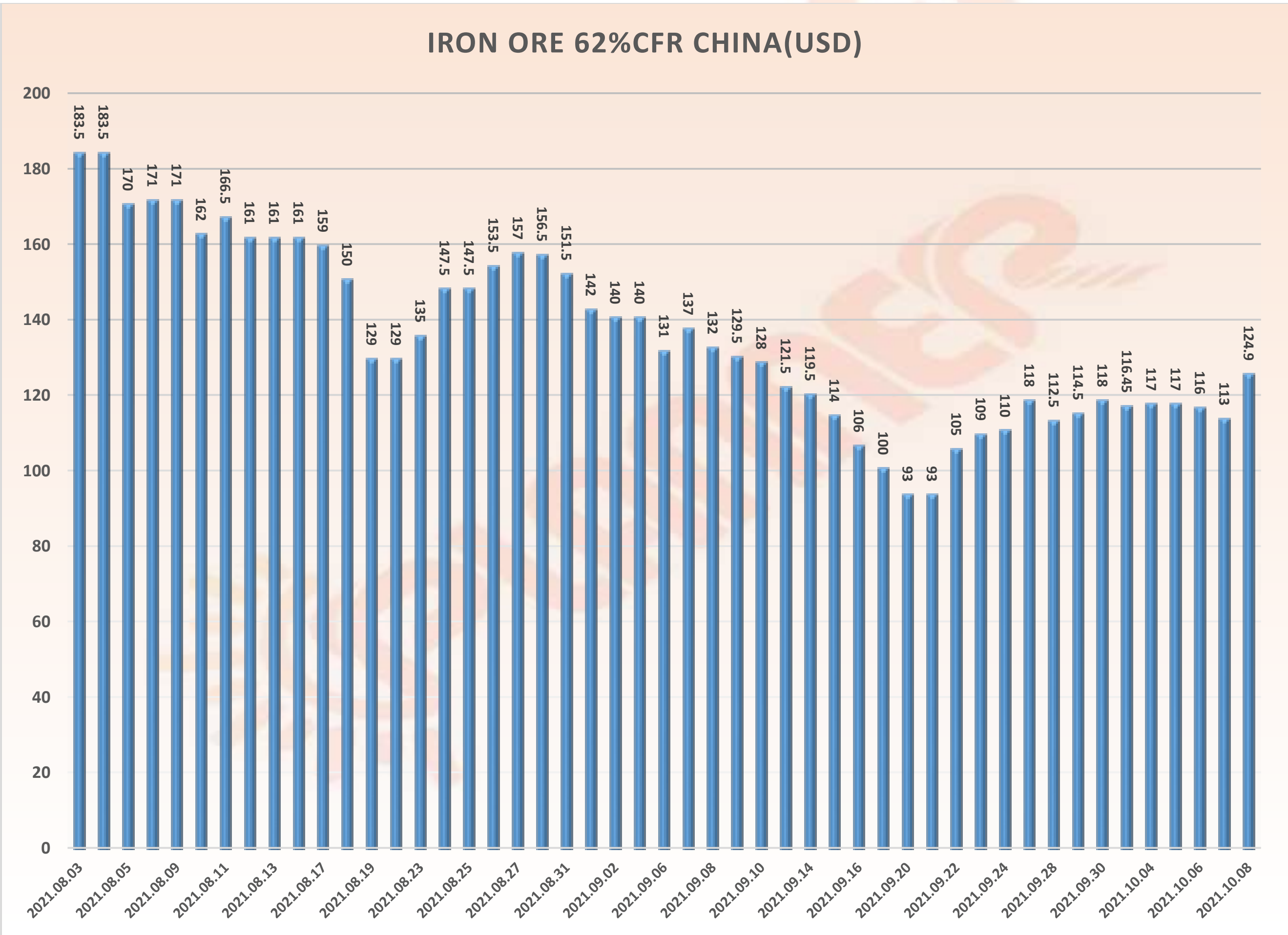
Market Outlook: it is yet soon to say if the falling trend would change for a rising one. Better outlook next week will determine the market direction for flat products.

www.Planner-group.com
T.me/Plannerinfo

Raw Materials

- **Iron Ore**:

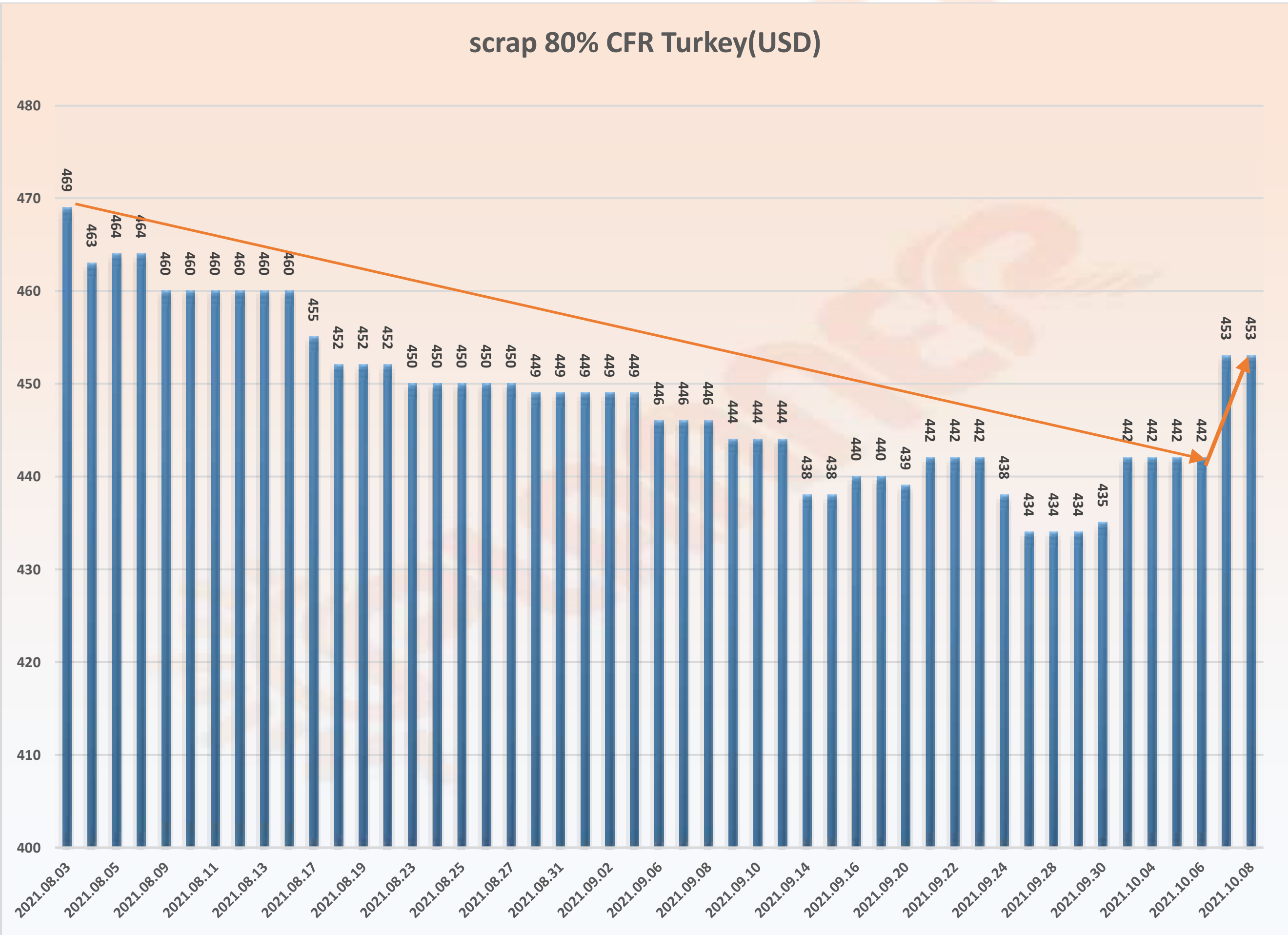
Chinese holidays could not stop the rally of iron ore. The most traded contract of iron ore in futures market gained 38 RMB on weekly basis while the 62% Australian fines rose by 5 USD in the same period. The imported material increased by 12 USD just on Saturday, October 9th to reach 124.9 USD/Mt. Halt of production in some sites have led to iron ore price hike, while the port inventories increased again to set a new record. Rising cocking coal and coke prices has let to better demand for medium and high grade iron ore, leading the rally to continue. Though, the outlook of demand for iron ore is still dark.



www.Planner-group.com
T.me/Plannerinfo

- **Scrap**

As the cold season approaches and concerns about rising price of electricity, energy and other raw materials needed by the steel industry, Turkish producers showed a greater willingness to buy scrap for November shipment. This caused suppliers to resist lower prices amid rising freight cost and decreasing offers. During the week, the US HMS 1&2 (80:20) price index elevate from $442 /mt to $455/mt, including shipping costs of around $40/mt by the end of the week. With the increase in the price of scrap in Turkey and growing demand in Asia markets, the price of raw material increased in Japan, South Korea as well as Vietnam, following the reduction of quarantine restrictions. With improved demand for steel at most destinations and limited supply of the material, Planner expectations increase by $5-10/mt for HMS 1 & 2 (80:20) scrap price index of US origin and workable rate for European material above $445/mt CFR.



- **Hard Cocking Coal**

The metallurgical coal market was relatively stable in the absence of China during the golden holidays and suppliers in Australia waited for the Chinese to return and determine the direction of the market. Despite lower demand in the second half of this year compared to the same period last year in major consumer countries such as China, India supply restrictions does not allow any prices reduction. In China, on the eve of winter, the government has ordered coking coal producers in Shanxi to send part of their production to power plants instead of sending it to steel mills, which increase demand for imports. It will push up prices in China and, consequently, Australian FOB base coking coal. The planner expects to resume the rise in the price of low-volume Chinese imported coal this week, which is mainly supplied from the United States and Canada.

2021/10/09

Commodity	Origin	Currency, Delivery term	Price	Daily change
Iron Ore, 62%	Australia	$/t, CFR China	124.5	+11.5
Ferrous scrap HMS I/II 80:20	USA	$/t, CFR Turkey	455	+2
Coking coal Premium low vol	Australia	$/t, FOB	387	+2
Coking coal Premium low vol	-	$/t, CFR China	605	+5
Billet Q235	China	CNY/t, EXW	5,330	+20
Billet Q235	China	$/t, EXW	827	+3.5
Slab	China	CNY/t, EXW	5450	+60
Slab	China	$/t, EXW	846	+11
Imported Billet BOF/3SP 150mm	-	CFR China	710	+5
Billet	CIS	$/t, FOB	605	+5
Slab	CIS	$/t, FOB	680	0
HRC	CIS	$/t, FOB	810	-5
Rebar	Turkey	$/t, FOB	675	+10
Billet	Iran	$/t, FOB	640	-5
Slab	Iran	$/t, FOB	658	-20
Rebar	Iran	$/t, EXW	605	+20

Transactions of construction steel(rebar, wire rod and bar-in-coil) in 237 Trading house of china

Yesterday's trading volume (tons)	272563
Today's trading volume (tons)	231078

www.Planner-group.com
T.me/Plannerinfo

Steel Industry Admired Producers

14) JFE Steel

JFE Steel is the second largest Japanese steel manufacturer. The company was created in 2003 through the merger of the steel manufacturing business of Kawasaki Steel and Nihon Kokan. It is owned by JFE Holdings, which is listed on the Tokyo Stock Exchange. After these mergers and spinoffs, JFE Steel is the second largest steel company in Japan, after Nippon Steel & Sumitomo Metal. Its head office is in Tokyo, Japan. The capital of this company is about 239.6 billion yen. The president and CEO of JFE is Mr. Yoshihisa Kitano. Based on the latest information, it has about 45,844 employees tile March 31, 2020.This steelmaker produces Sheets, plates, pipes and tubes, stainless and specialty steels, bars and wire rods, and iron powders. According to the newest data that released by World Steel Association, this company has produced 24.36 M/t crude steel in 2020 and has ranked the fourteenth among top steelmakers in the world.

In overall this company thinks global, it owns 50% of California Steel Industries, USA. It is in a limited partnership with AK Steel, formerly called Armco. In Korea, it came to own 15% Dongkuk Steel. In China, it has a joint hot rolling & electro-galvanization mill with Guangzhou Iron & Steel Enterprise Group. In Thailand, it produces electro-galvanization steel sheets at 80%-owned Thai Cold Rolled Steel Sheet Public Co., Ltd. This holding has branches in other countries such as UAE, Philippine, Mexico, USA, Brazil, India, Indonesia, Singapore, Thailand, Vietnam, China and South Korea. JFE Steel is a steelmaker engaged in the total steel-making process, taking iron ore raw material and turning it into final products. Boasting one of the world's greatest capacities for steel production, JFE Steel satisfies customers by producing steel under a corporate philosophy of "contributing to society with the world's most innovative technology." The company also contributes to environmental protection by developing reduced-impact ironmaking processes and high-performance steel materials.

www.Planner-group.com
T.me/Plannerinfo

Shipping Market

- **Capesize**

The Capesize market was in a steep climb for most of this week as it reached a pinnacle of $74,786 Wednesday before stalling, regathering, and then pushing on to $75,190 at weeks' end. These heights were last visited in November 2009. The market is currently looking very robust on several fronts with vessel tightness on numerous loading windows across the globe, while an energy crisis in several countries add to complications. This combination may provide further signal for rallies to come. With that said, the paper market seems less convinced as a steep fall to $50k levels for the Q4 period is pricing. Looking at the Pacific basin, the Transpacific C10 opened the week at $67,000 before surging to $82,854 on the back vessel tightness before charterers managed to pull it back slightly to close the week at $76,328. The Atlantic Basin showed less signs of abating as it hit a high to close the week at $84,750. The Fronthaul C9, a preference for many vessel owners now to close out Q4, was commanding a headline topping $105,650, rising +5950 on Friday alone. The market remains very buoyant with prices a little wild as traders move in big increments.

- **Panamax**

The Panamax market proved to be a mixed picture this week, with the Atlantic shedding recent gains as the North of the region came under severe pressure. Conversely, the Asian basin witnessed some substantial gains with the NoPac trips proving to offer underlying support. Pressure was applied all week in the Atlantic as tonnage built up in the North. And, despite decent demand from the Black Sea, rates eased on both the transatlantic trips as well as the fronthaul. Asia proved to be mostly NoPac centric with solid levels of activity throughout. The highlight was $40,500 being agreed on an 82,000-dwt delivery Japan. However, the mean rate over the week returned circa $37,500 for 82,000-dwt types. The Australia to India coal runs continued to command decent premiums with $36,500 concluded a few times on 82,000-dwt vessels with China delivery. Period activity included a 76,000-dwt agreeing $29,000 for 9/12 months, basis China delivery.

- **Ultramax/Supramax**

Whilst sentiment remained positive in most areas, brokers described a rather lethargic week overall as the upcoming holidays in China kept a lid on activity levels. The BSI made slight gains from the end of last week seeing a week on week gain of 24 points from last Friday's close. Period activity remained. A 52,000-dwt open East Mediterranean fixing in the mid $30,000s for six to eight months trading redelivery Atlantic. From the South Atlantic, the upper $20,000s - plus upper $1 million ballast bonus for fronthaul runs to Asia and the Indian Ocean areas - were seen. Demand remained from the Mediterranean for inter Atlantic business. A 56,000-dwt open central Mediterranean fixing a trip to West Africa at $51,500. With the upcoming holidays, the Asian arena waned as the week came to an end. However, a 56,000-dwt fixing a trip from Indonesia to China at $43,000. Good levels were seen from the Indian Ocean, a 56,000-dwt open Chittagong fixing a trip via South Africa redelivery China at $35,000.

- **Handysize**

The US Gulf made large positive strides this week, with a 38,000-dwt fixed for a trip from the US Gulf to the Continent/Mediterranean range at $28,000. A scrubber fitted 40,000-dwt was fixed from Tampico via Houston to North Brazil at $33,000 for a cargo of Pet coke. East Coast South America is a split market with the South Brazil and Argentina region seeing good returns with a 37,000-dwt fixing from Recalada to Peru-Chile Range at $54,000. A 33,000-dwt open UK was fixed via the Continent to Brazil with Fertilizers at $36,000. Asia has been less active but a 33,000-dwt open Vietnam fixed two to three laden legs at $35,000 with worldwide redelivery. A 36,000-dwt open Philippines fixed via Australia to South East Asia with Alumina at $35,000. Period saw a 34,000-dwt logger open in Australia fixing for a period in the mid $30,000s plus a $450,000 ballast bonus

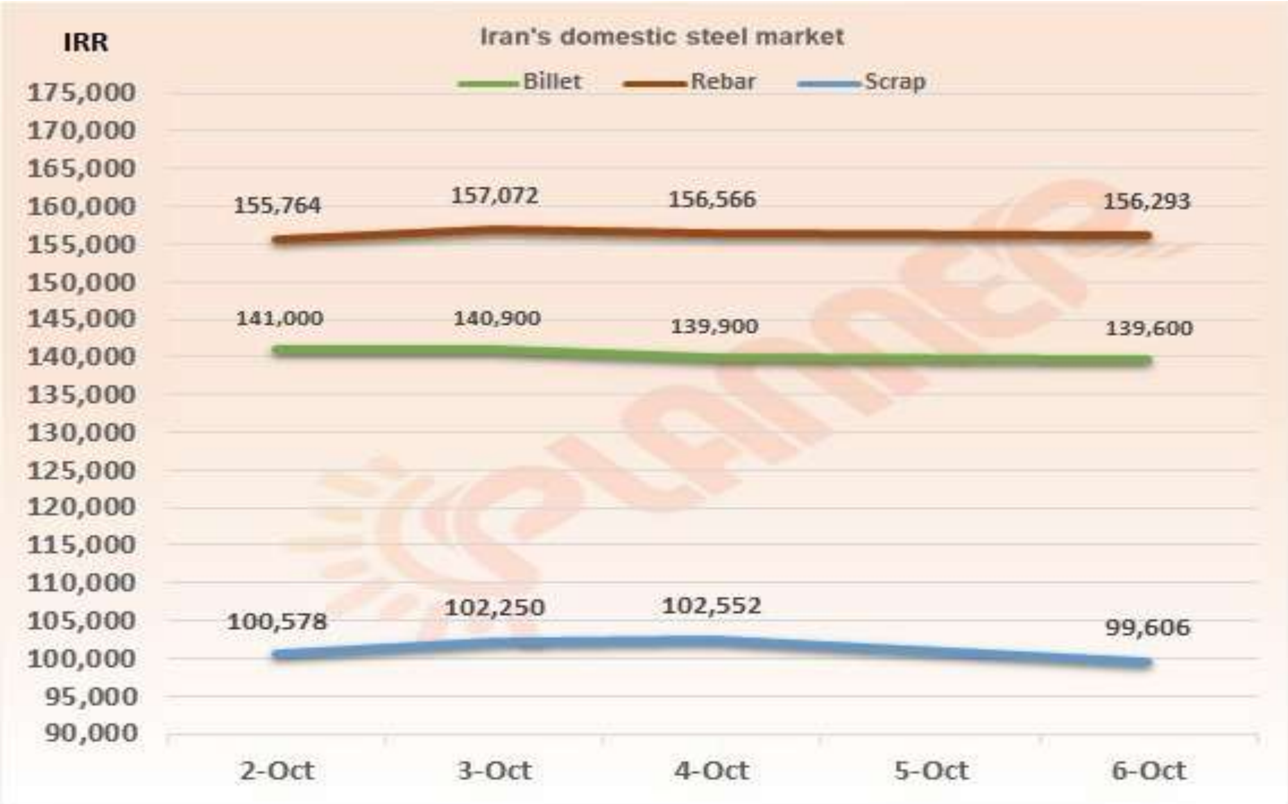
Weekly Review of Iran Domestic Market

Last week we saw a sharp jump in domestic steel prices. So that the weekly average price for rebar in physical market was 156424 IRR last week and was accompanied by an increase of 4929 IRR compared to its previous week. The same happened to the weekly average price of billet in spot market and we saw an increase of 5612 IRR for the weekly average price.

The dependency of domestic steel prices on the US dollar and the rising exchange rate, was one of the important factors in the growth of steel prices last week.

In addition, the uncertainty in determining the base rate of steel supply at IME market and the new government failure to fulfill its promises on reducing the prices, are other factors affected prices to rise.

The political tensions in the country and the inflation expectations resulting from this atmosphere caused a sharp fluctuation in the dollar exchange rate and other economic variables, also uncertainty in the implementation of the Minister of mines, industry and trade plans continues to create a complex and unknown situation in the domestic steel market.



SteelMint®

Disclaimer: This report has been provided for subscribers' information only. Planner does not bear consequences of the decisions readers make based on these articles. Please do not share the content of this report with others.


Nov 16-17, 2021
Kish Free Zone
Conference Center
Iran
PLANEX
2021
PLANNER
Steel Supply Chain in Focus
Speakers and Panelists
Mr. Walter P. Schroeder
International Trader
Germany
Mr.Mansoor Yazdizadeh
CEO Of Esfahan
Steel Company
Iran
Mr. Mehdi Karbasian
Former CEO of IMIDRO
Iran
Mr. Abotorab Fazal
CEO of Mine and
Industry Development
International Company
Iran
Mr. Bahram Sobhani
Manager of Iranian Steel
Producing Association
Iran
Ms. Oksana Golovko
Editor, CIS and MENA Markets
Metal Expert
Ukraine
Mr. Mehrdad Akbarian
The manager of Iranian Iron ore
producers and exporters
Iran
Mr. M. Khojasteh
Member of the Board
M7 Metals Company
England
Mr. Amir Sabbaq
Economic Development
Manager of IMIDRO
Iran
Mr. Mohamad ali Hajiabadi
Kahroba Gostar Company
Iran
MS. M. Mazinani
Senior analyst of steel and
raw materials market
Iran
Mr. Emre Ugursal
Commercial Manager
of Bastug Metalurji
Turkey
Mr. Masoud Abdeyazdan
Planner editor in chief
Iran
info@planexevent.com
www.planexevent.com
+98 913 911 9400