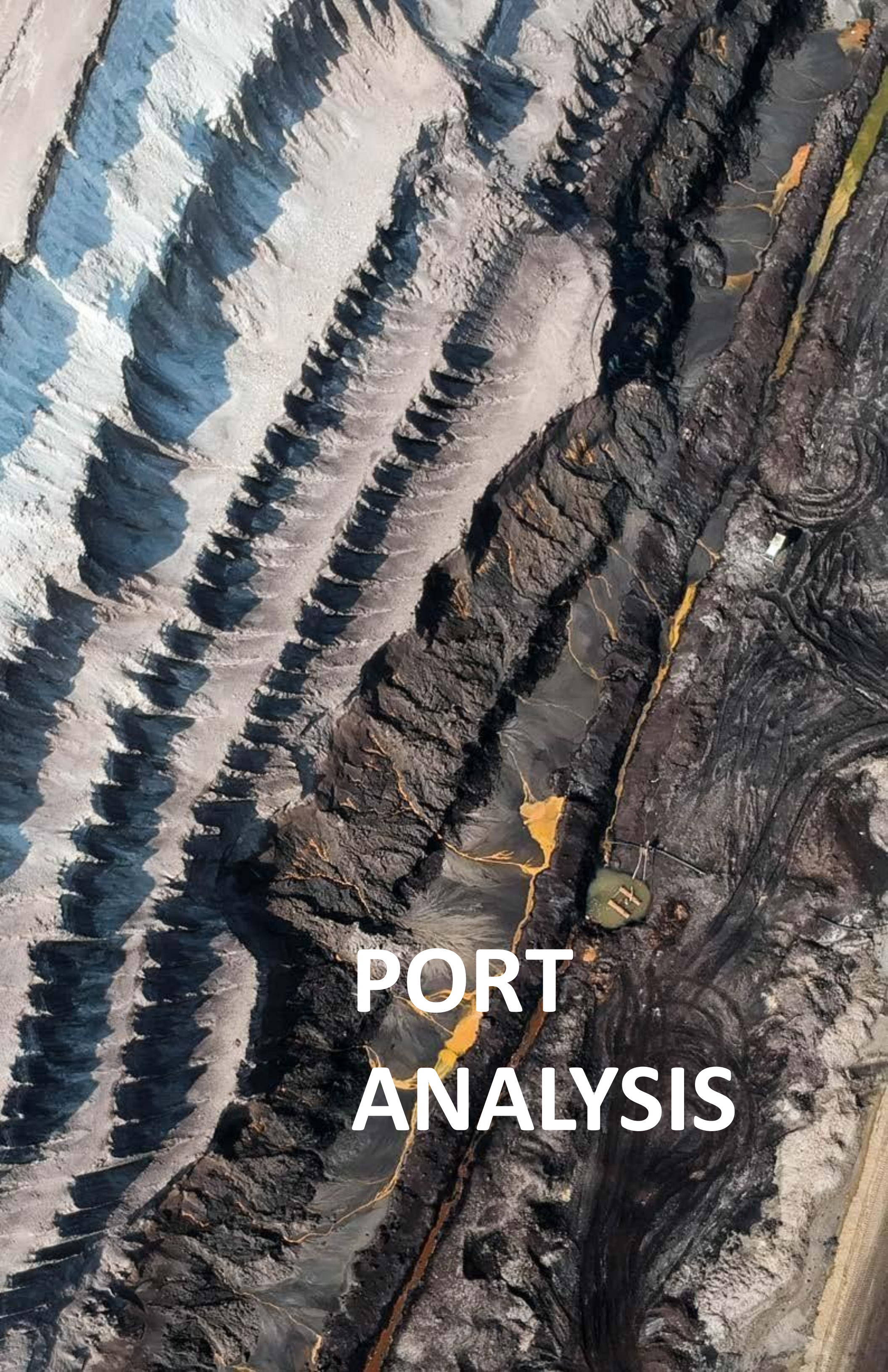




# **MINERAL AND METALS UPDATE**

**APRIL 2024**



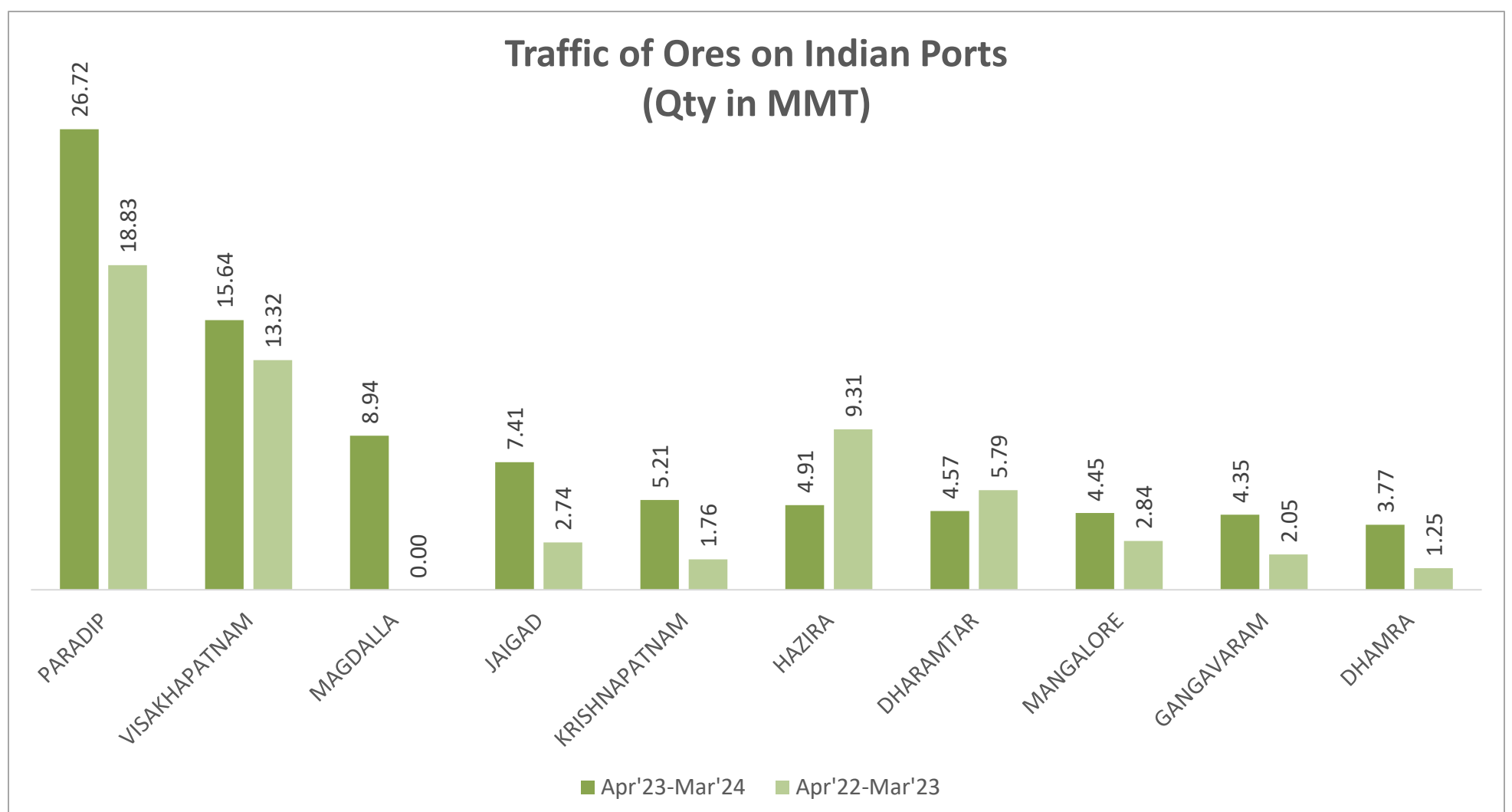
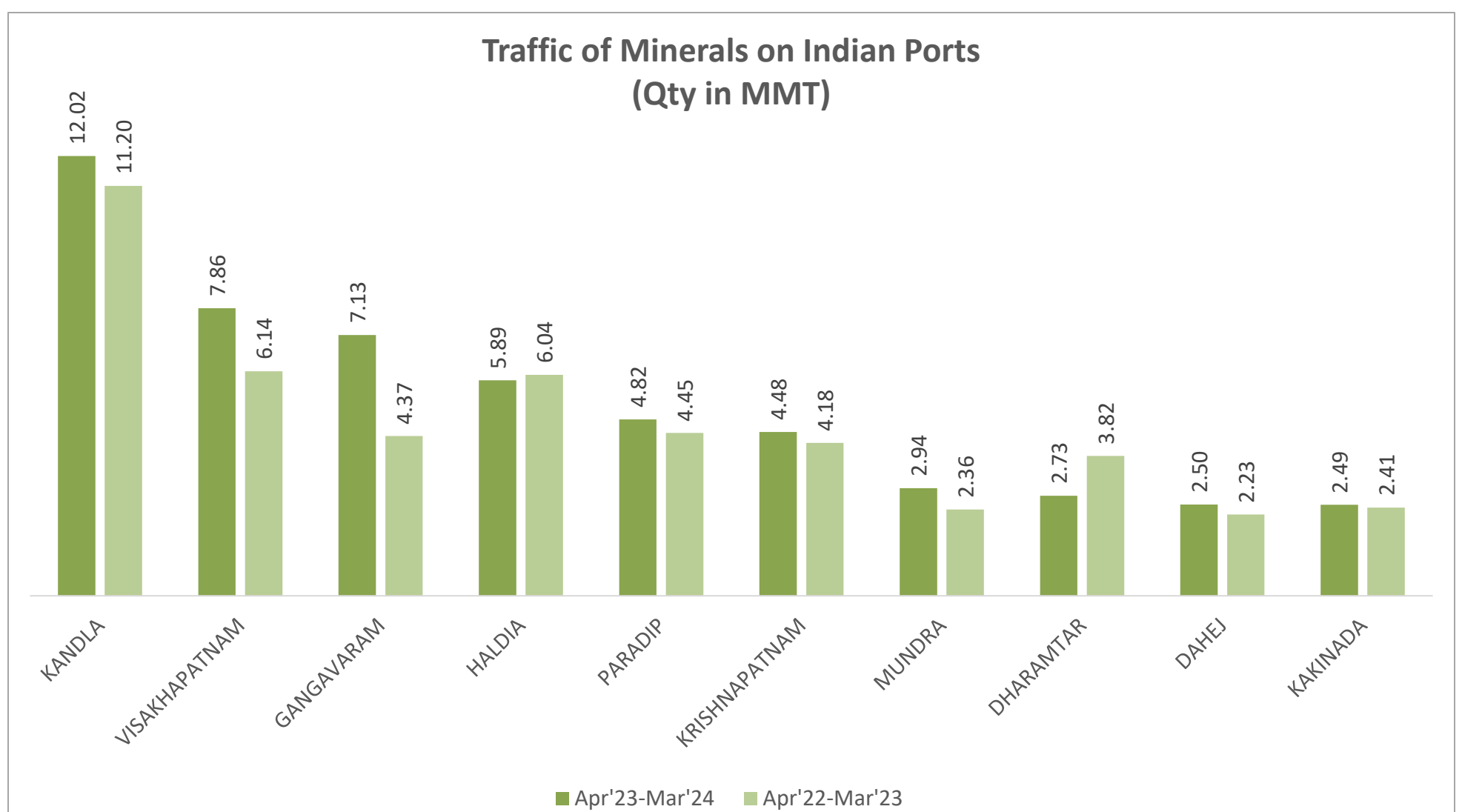


# PORT ANALYSIS



## Traffic of Minerals & Ore at Indian Ports

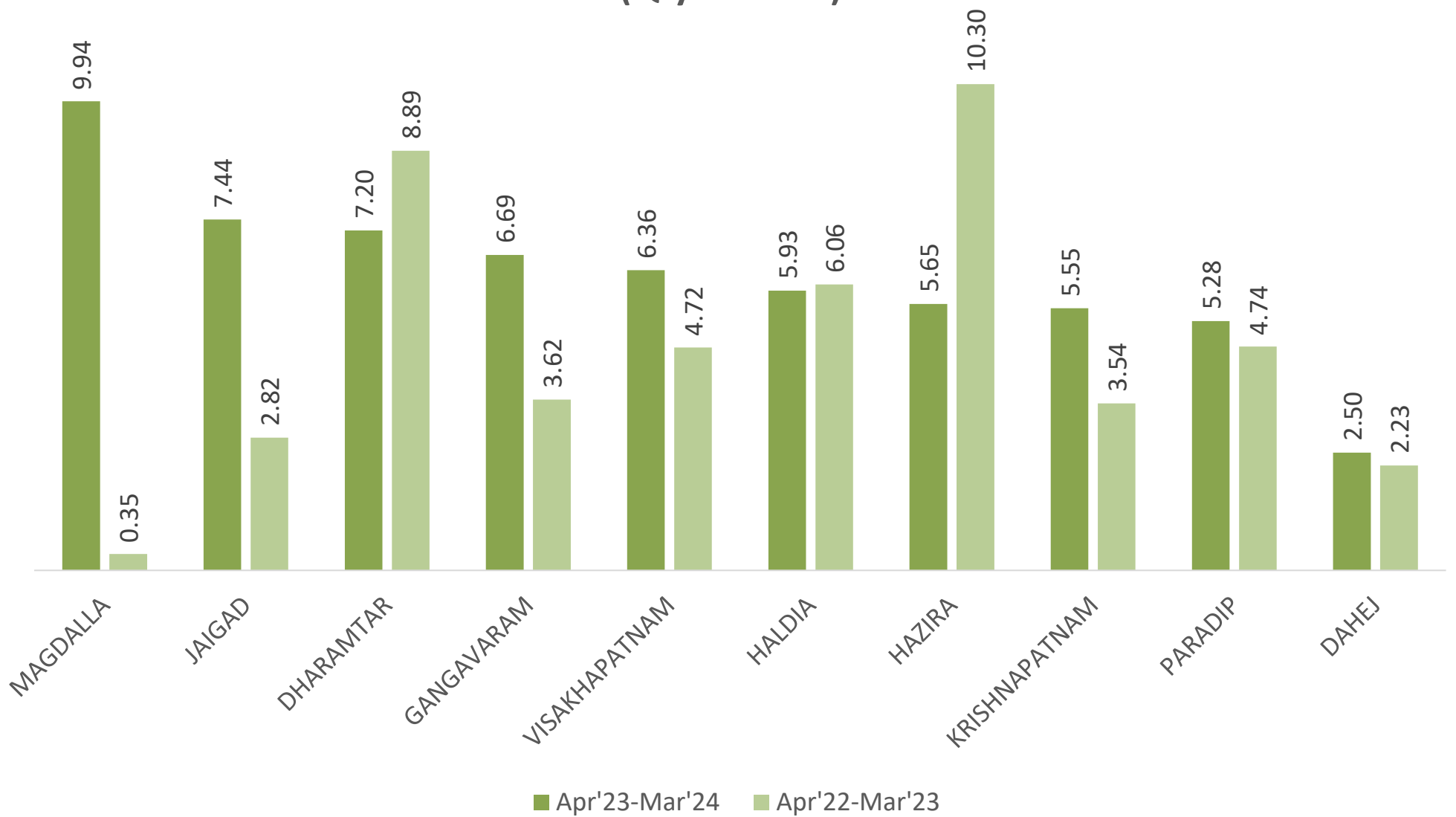
- Port traffic for minerals and ore increased by 23.91% for Apr'23-Mar'24 at 172.89 MMT as compared to 131.55 MMT of the same period last fiscal. Traffic increase was seen in Mar'24 at 14.75 MMT by 0.27% as compared to that of 14.71 MMT in Mar'23.
- Paradip port saw the highest traffic for minerals and ores at 31.54 MMT for the period of Apr'23-Mar'24.
- Traffic of Minerals inclined by 5.59% at 72.77 MMT in Apr'23-Mar'24 compared to the same period Apr'22-Mar'23. However traffic of minerals decreased by 3.22% in Mar'24. Kandla port saw the highest traffic at 12.02 MMT.
- Traffic of Ore increased by 37.23% at 100.12 MMT in Apr'23-Mar'24 compared to Apr'22-Mar'23. Similarly, in Mar'24 traffic increased by 2.95% as compared to that in Mar'23. Paradip port saw the highest traffic of Ores at 26.72 MMT.



## Port-wise Import of Minerals & Ores

- For the period of Apr'23-Mar'24, the imports of minerals increased by 11.29% at 52.19 MMT as compared to the same period in the previous fiscal. During Mar'24, imports went down by 9.24% as compared to that of Mar'23.
- The imports of Ore during Apr'23-Mar'24 increased by 36.59% at 35.24 MMT as compared to the same period of the previous fiscal. During Mar'24, imports increased by 44.60% at 3.26 MMT as compared to that of Mar'23.

Import Traffic Of Minerals And Ores On Indian Ports  
(Qty In MMT)



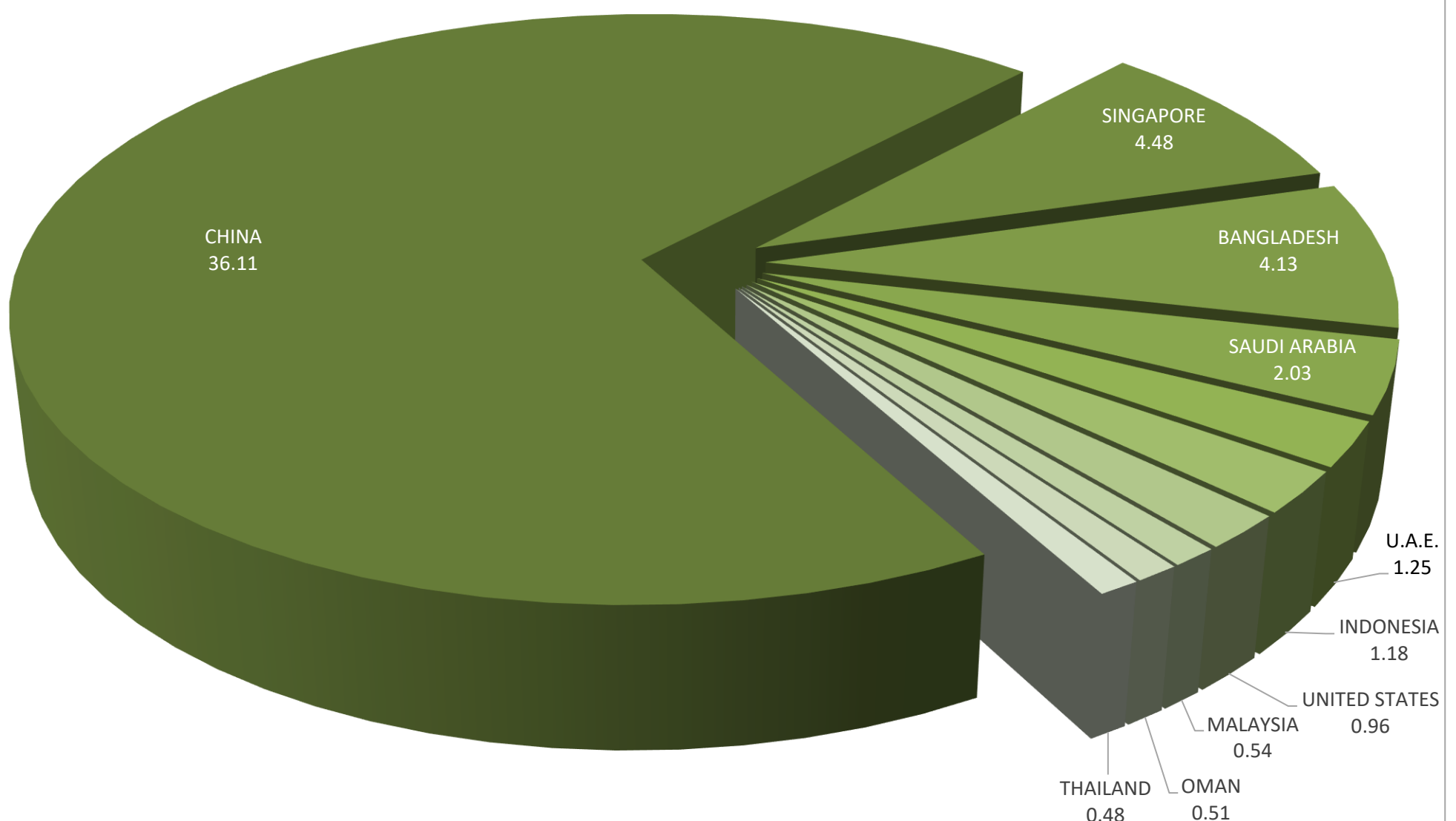
Top 10 importers of minerals and ores	Import Quantity (MMT)
<b>JSW GROUP</b>	<b>18.63</b>
<b>ARCELORMITTAL NIPPON STEEL INDIA LTD.</b>	<b>15.85</b>
<b>TATA GROUP</b>	<b>5.88</b>
<b>VEDANTA ALUMINIUM LTD.</b>	<b>4.75</b>
<b>STEEL AUTHORITY OF INDIA LTD.</b>	<b>2.41</b>
<b>KIOCL</b>	<b>2.05</b>
<b>KAY KAY TRDG. CO.</b>	<b>1.94</b>
<b>HINDALCO INDUSTRIES LTD.</b>	<b>1.83</b>
<b>PIONEER ALUMINIUM INDUS. LTD.</b>	<b>1.62</b>
<b>ULTRATECH CEMENT LTD.</b>	<b>1.46</b>

## Country-wise Exports of Minerals & Ores from India

- Indian Exports for Minerals declined by 8.87% at 20.58 MMT for the period of Apr'23-Mar'24 as compared to the same period in the previous fiscal. Exports for Ores stood at 64.87 MMT showing an increase of 37.57%. Overall exports increased by 26.39% at 85.46 MMT in Apr'23-Mar'24.
- The highest exports went to China at 36.11 MMT in Apr'23-Mar'24.

Top 10 Exporters of Minerals and Ores	Export Quantity (MMT)
<b>ARCELORMITTAL NIPPON STEEL INDIA LTD.</b>	<b>15.56</b>
<b>JSW GROUP</b>	<b>8.94</b>
<b>RUNGTA GROUP</b>	<b>7.09</b>
<b>JSW DOLVI CO.</b>	<b>4.35</b>
<b>VEDANTA LTD.</b>	<b>3.72</b>
<b>ARCHEAN CHEMICAL INDUS. PVT. LTD.</b>	<b>3.68</b>
<b>KIOCL</b>	<b>3.45</b>
<b>VEDANTA LTD. (CAIRN OIL AND GAS)</b>	<b>2.73</b>
<b>PRAFUL ENTERPRISE</b>	<b>2.37</b>
<b>FRIENDS GROUP</b>	<b>2.21</b>

Top 10 Country-wise Exporters for Minerals and Ores  
(Qty in MMT)





# MARKET OVERVIEW & TRENDS





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**Why is global demand for Indian iron ore exploding?**

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Disclaimer: The information contained in this market update is drawn from wide range of newspapers, business and trade magazines, government, company and industry association websites. While all possible care is taken to verify the correctness and authenticity of information contained in this compilation, no claim to independent authorship of articles is implied or intended. Readers are expected to make their own independent evaluation and verification of information for their use. While all information contained in this report are believed to be correct, the editors of this compilation or J. M. Baxi & Co. do not guarantee the quotes or other data and the same is provided only in good faith.

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## India's iron ore exports at a three year high at 47.8 MT

*- China accounted for over 90% of the purchase of this key raw material, used primarily in steel-making; Outbound shipments was 43.20 MT*

India's iron ore exports stood at 47.8 million tonne (MT) for FY24, the highest in three years; and the second highest in six years, driven primarily by strong demand from China. Reports across some key ministries and trade sources indicate a 130 per cent rise in iron-ore exports YoY, driven by a strong demand for fines and lumps (at 37 MT and over 100 per cent rise in demand). China accounted for over 90 per cent of the purchase of this key raw material, used primarily in steel-making. Outbound shipments was 43.20 MT. Exports to other countries were less than 1 MT, with Indonesia reporting the second highest export of 0.91 MT, last fiscal. India mainly exports low-grade fines, with pellets accounting for about 24 per cent of total shipments (or 11.32 MT). Iron ore demand in FY23 was 21.28 MT, while in FY22 it was 26.40 MT, as per data collated by consultancy firm, BigMint (formerly SteelMint). Over the last six years highest iron ore exports were reported in FY21 which was at 60.15 MT. "There is also a low base effect primarily because a six month long export duty had hit overseas sales last fiscal. In general there was good demand from China for most part of the fiscal.

### Sequential Decline

Chinese steelmakers booked significant volumes of iron ore and pellets during the fourth quarter of 2023. As a result, Indian exports were quite high until January 2024, moving up from 3.41 MT in September and increased to 6.29 MT in December. It peaked in January. Post a 6.63 MT export in January – highest for the fiscal, outbound shipments have dropped for two consecutive months – in February and March. February sales stood at 5.18 MT, down 22 per cent sequentially (over January), while for March it further slipped to 3.60 MT (down 31 per cent sequentially and down 45 per cent over January peaks). China accounted for over 90 per cent of the purchase of this key raw material, used primarily in steel-making. Outbound shipments was 43.20 MT. Exports to other countries were less than 1 MT, with Indonesia reporting the second highest export of 0.91 MT, last fiscal. India mainly exports low-grade fines, with pellets accounting for about 24 per cent of total shipments (or 11.32 MT).

**Source: The Hindu Business Line**





## Why is global demand for Indian iron ore exploding?

- 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. 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. Over 90 percent of the exports are made to China followed by Malaysia and Qatar.
- China's iron ore imports saw an 8.1 percent increase in the initial two months of 2024 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 narrow profit margins for Chinese mills, raised the demand for India's competitively priced lower-grade ore.
- 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).
- 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.
- 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 major ports see 5% rise in traffic in FY24, driven by iron ore exports, coking coal imports

- India's major ports saw a 5 per cent-odd y-o-y increase in cargo traffic, including container movement, to 819.3 million tonnes (mt), driven by rising iron ore exports and increasing coking coal imports. Cargo traffic in the earlier fiscal (FY23) was 784.3 mt.
- Coking coal and PCI shipments (including metcoke) coming in increased by 10.24 per cent to 65 mt last fiscal against the 59 mt reported in the year-ago-period, primarily on the back of strong demand in the country and an increased production. Steel consumption increased 14 per cent to 136 mt, while finished steel production was up 12.4 per cent to 138.5 mt. Coking coal is a key steel-making raw material and India is amongst the largest importers globally.
- On the other hand, iron ore shipments was up at 61 mt, up 33 per cent y-o-y over the 46 mt in Fy23. Increased buying from China, specially till January, took outbound shipments to a three-year-high.

### Port-wise performance

- Mormugao saw the highest increase in traffic in percentage terms, by nearly 19 per cent to 21 million in FY24. It was at 17 mt in FY23. The rise came on the back of increased iron ore exports to 5 mt, up 117 per cent y-o-y. Traffic across all other categories, like petroleum, coking coal and thermal coal saw a decline.
- Paradip, reported the highest cargo traffic at 145.4 mt, up 8 per cent y-o-y. The port saw a near 14 per cent increase in coking coal shipments coming in 15.4 mt, against the 13.4 mt in the year-ago period; while iron ore shipments saw a 40 per cent increase to 18.5 mt. Petroleum and thermal coal shipments remained flat.
- Haldia dock, part of the Syama Prasad Mookherjee Port, saw the highest shipment of coking coal at 21 mt, same as last year's levels. Coking coal shipments at the port (Haldia and Kolkata together) remained flat at 23 mt levels. Deendayal port was the only one that saw traffic decline, by 4 per cent y-o-y to 133 mt. It stood at 138 mt, in the year-ago-period.

**Source: The Hindu Business Line**





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## Other Reports For April 2024

J. M. Baxi & Co. Monthly Agri Products Update

J. M. Baxi & Co. Monthly Automotive Logistics Update

J. M. Baxi & Co. Monthly Cement Update

J. M. Baxi & Co. Monthly Chemical Update

J. M. Baxi & Co. Monthly Coal Update

J. M. Baxi & Co. Monthly Container Update

J. M. Baxi & Co. Monthly Cruise Shipping Update

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J. M. Baxi & Co. Monthly Fertilizer Update

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J. M. Baxi & Co. Monthly Port Update

J. M. Baxi & Co. Monthly Project Cargo Update

J. M. Baxi & Co. Monthly Seafarers Insights Update

J. M. Baxi & Co. Monthly Steel Update







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