

Domestic Scenario:

Iron ore Prices stay stable since the second week of January, 2008.

The Indian export market is presently quiet due to insufficient buying activities in China and weak demand prevailing due to approach of Chinese New Year holiday.

At present, major traders are quoting USD135-140/t FOB Indian main ports for iron ore fines 63.5%min.

A source from a Karnataka-based trader said that it keeps the offer for iron ore fines 60%min at USD107/t FOB Mangalore port, on the same level as that at the beginning of last week. Besides, Chinese steel mills are not eager to purchase the material in large quantities affected by the continuously sluggish steel market in the recent two months.

In addition, the recently heavy snowfall in most parts of Southern China brings much difficulty in the purchase and transportation of raw materials including iron ores to steel mills and traders there for the time being.

However, the source speculated the situation to turn better after the middle of next month when the steel market is expected to rebound. **(Source: Asian Metal)**

The table below gives the price trend of Indian Iron Ore Fines (63.5%) exported to Chinese market

Date	Price Base	Low price(US\$/t)	High Price(US\$/t)	Trend
03.12.07	FOB	130	135	↔
10.12.07	FOB	130	135	↔
17.12.07	FOB	135	140	↑
24.12.07	FOB	135	140	↔
05.01.08	FOB	138	143	↑
12.01.08	FOB	135	145	↔
19.01.08	FOB	136	140	↔
28.01.08	FOB	136	140	↔

Source: Steel Trade Today

International Scenario:

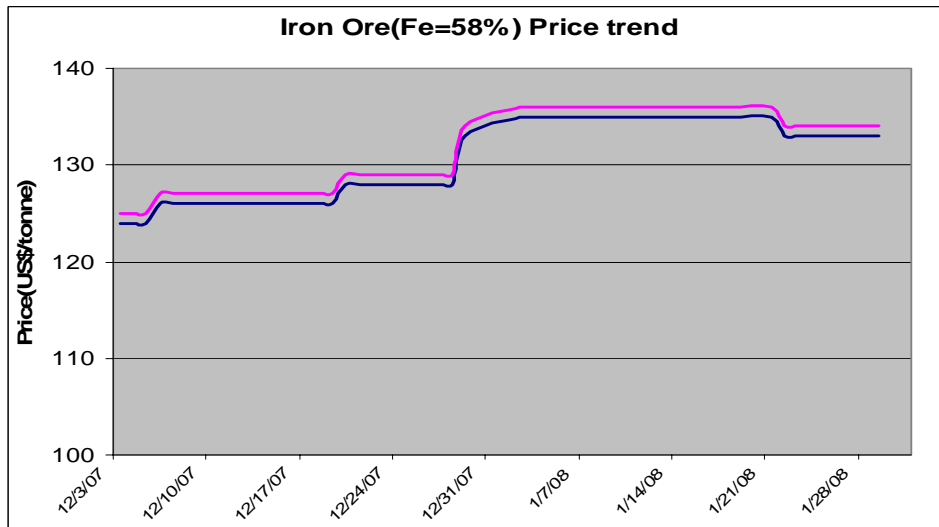
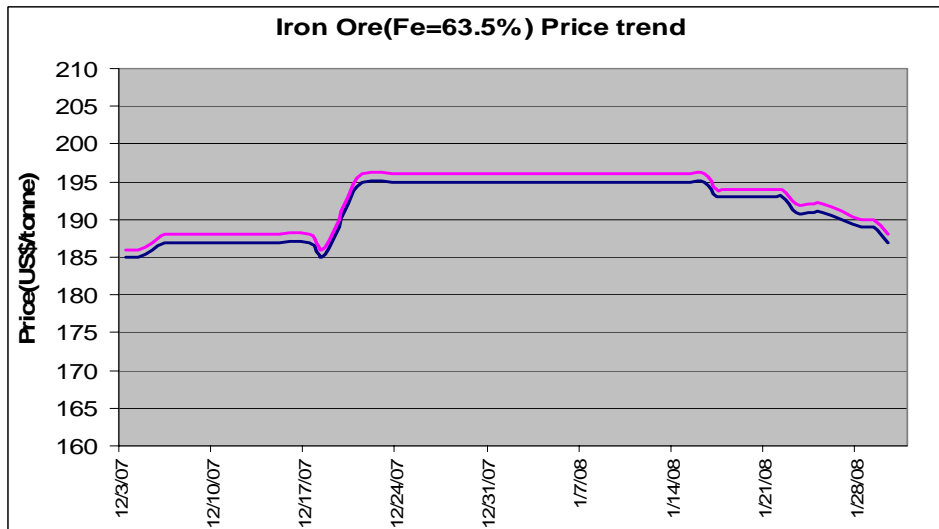
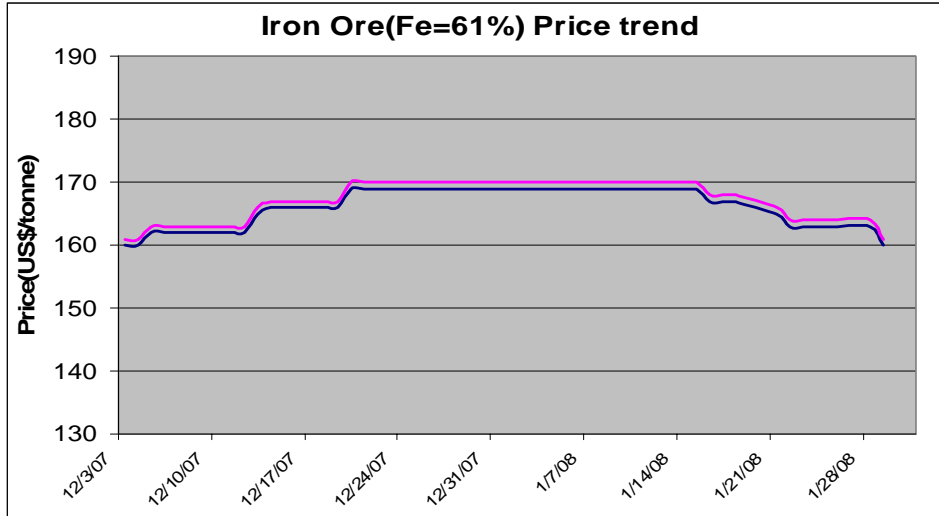
Iron-Ore prices remained firm. Scrap prices move up fast and strong, surge by \$50/tonne on an average over a week in the international market.

Jan'08 Week 1: The average reference prices for import transactions of Fe 63.5% Indian iron ore ruled at US\$ 138-143/ton (FOB), up US\$ 3/ton from that posted on Dec 24, 2007.

Jan'08 Week 2: Prices remained stable.

Jan'08 Week 3: Prices ruled at US\$ 136-140/ton (FOB).

Jan'08 Week 4: Prices remained stable.



Price is CNF China in US\$/t, **Source: Asian Metal**

Outlook:

Iron-Ore market to remain stable until the latter half of February.

The auction platform fetched a price of Rs.2550/MT (basic) for Iron Ore Fines (0-10mm, Fe=62.5%) from other client ex-Gua mines, Jharkhand in the second week of January and Rs.1310/MT (basic) for Iron Ore Fines (0-10mm, Fe=58-60%) ex-SAIL,ISP Burnpur in the fourth week of January.