



五矿期货有限公司

Supply-Demand Fundamentals Turn Marginal Weak, Iron Ore Trades Soft Amid Volatility

Iron Ore Monthly Report

June 5, 2026

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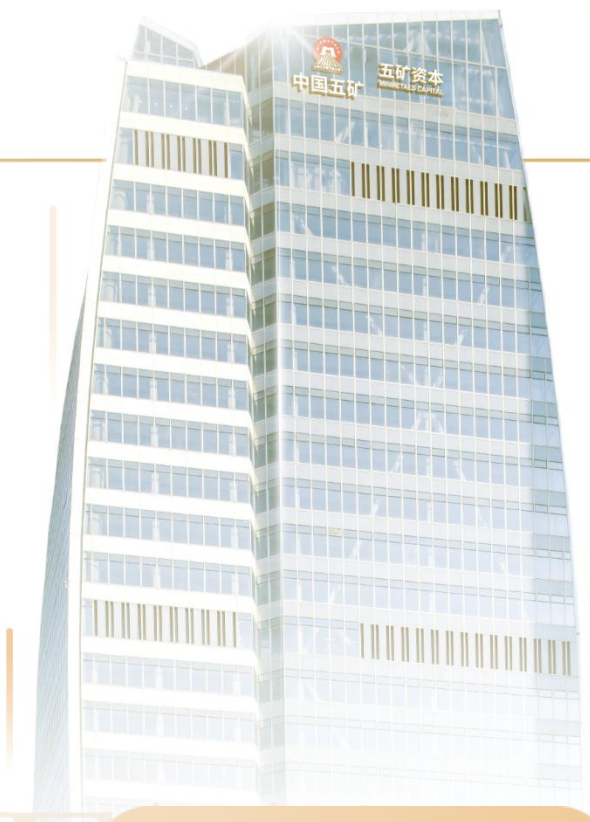
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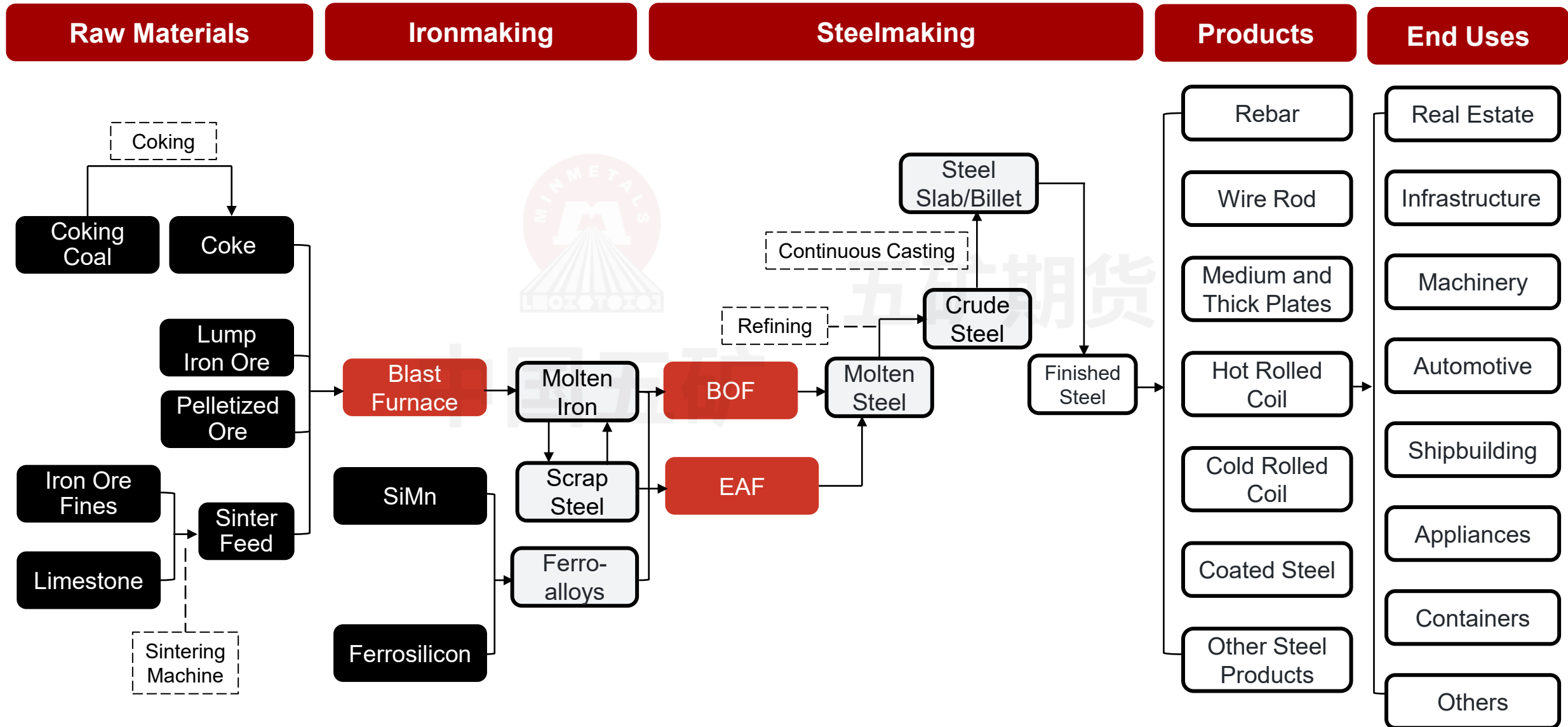
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Basis

01

Monthly Review & Strategy Recommendation

Schematic Diagram of the Ferrous Metal Industry Chain



- ◆ **Supply:** In May 2026, the weekly average global iron ore shipment volume reached 33.18 million MT (+1.65 million MT MoM). In May 2026, the weekly average iron ore shipments from Australia to China via 19 ports stood at 15.56 million MT (+0.77 million MT MoM). The weekly average shipment volume from Brazil hit 7.63 million MT (+0.59 million MT MoM). In May 2026, the weekly average iron ore arrival volume at 45 major ports recorded 24.94 million MT (+1.95 million MT MoM).
- ◆ **Demand:** In May 2026, China's average daily molten iron output was calculated at 2.3997 million MT (+7,700 MT MoM).
- ◆ **Inventory:** As of end-May 2026, the imported iron ore inventory at 45 major domestic ports stood at 163.96 million MT (-2.68 million MT MoM). In May 2026, the weekly average daily delivery volume of iron ore at 45 ports reached 3.23 million MT (+62,200 MT MoM). The weekly average daily iron ore consumption of domestic steel mills hit 2.95 million MT (+1,600 MT MoM).
- ◆ **Outlook for May:** Looking ahead to June 2026, overseas iron ore shipments are expected to rise seasonally and extend the upward trend seen in May, and near-term port arrivals will increase in line with previous shipment rhythms. On the demand side, domestic steel mills maintained high molten iron output in May, with the average daily volume staying above 2.39 million MT. Coal and coke prices surged sharply starting from late May due to a coal mine accident in Shanxi Province, which continuously compressed steel mill profits. Meanwhile, downstream sectors entered the seasonal off-season, so molten iron output is projected to peak in June and weaken marginally from the high level. The destocking pace at major ports slowed down in May, and port inventories are likely to stop declining and rebound in June amid deteriorating supply and demand fundamentals. Overall, iron ore fundamentals will soften in June. Rising coal and coke prices will squeeze iron ore's market space, while energy costs and ocean freight will provide certain downside support. Iron ore prices are expected to move lower amid fluctuations, and market participants will focus on downstream demand performance during the off-season.

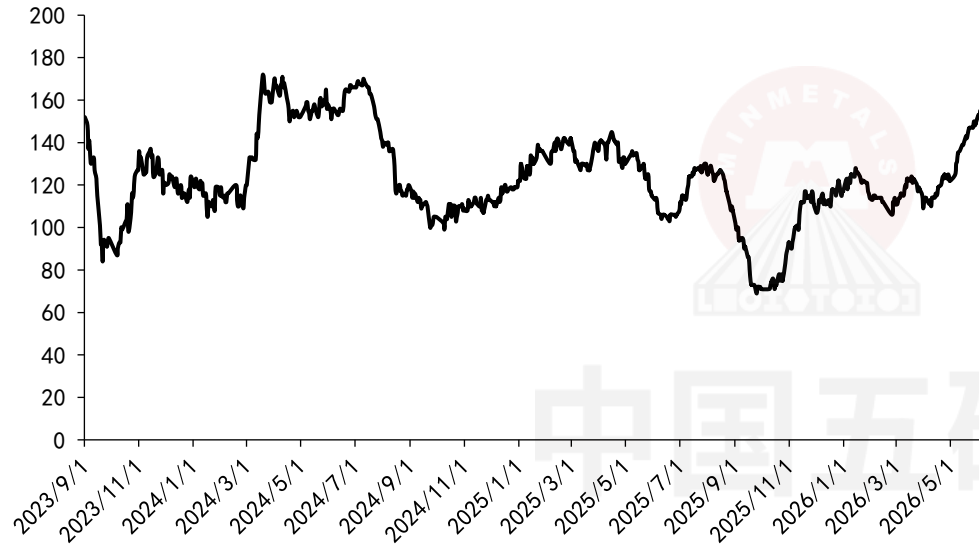
Valuation & Driving Forces

Fundamentals	Valuation		Driving Forces				
	Basis	Import Profit	Shipment	High-Low Grade Spread	Steel Mills Profitability	Molten Iron Output	45 Ports Inventory
Score	0	0	(-0.5)	0	0	0.5	0.5
Comment	-	Import margin remain negative	Shipments at elevated level	-	-	Production resumption	Destock
Summary	<p>Looking ahead to June 2026, overseas iron ore shipments are expected to rise seasonally and extend the upward trend seen in May, and near-term port arrivals will increase in line with previous shipment rhythms. On the demand side, domestic steel mills maintained high molten iron output in May, with the average daily volume staying above 2.39 million MT. Coal and coke prices surged sharply starting from late May due to a coal mine accident in Shanxi Province, which continuously compressed steel mill profits. Meanwhile, downstream sectors entered the seasonal off-season, so molten iron output is projected to peak in June and weaken marginally from the high level. The destocking pace at major ports slowed down in May, and port inventories are likely to stop declining and rebound in June amid deteriorating supply and demand fundamentals. Overall, iron ore fundamentals will soften in June. Rising coal and coke prices will squeeze iron ore's market space, while energy costs and ocean freight will provide certain downside support. Iron ore prices are expected to move lower amid fluctuations, and market participants will focus on downstream demand performance during the off-season.</p>						

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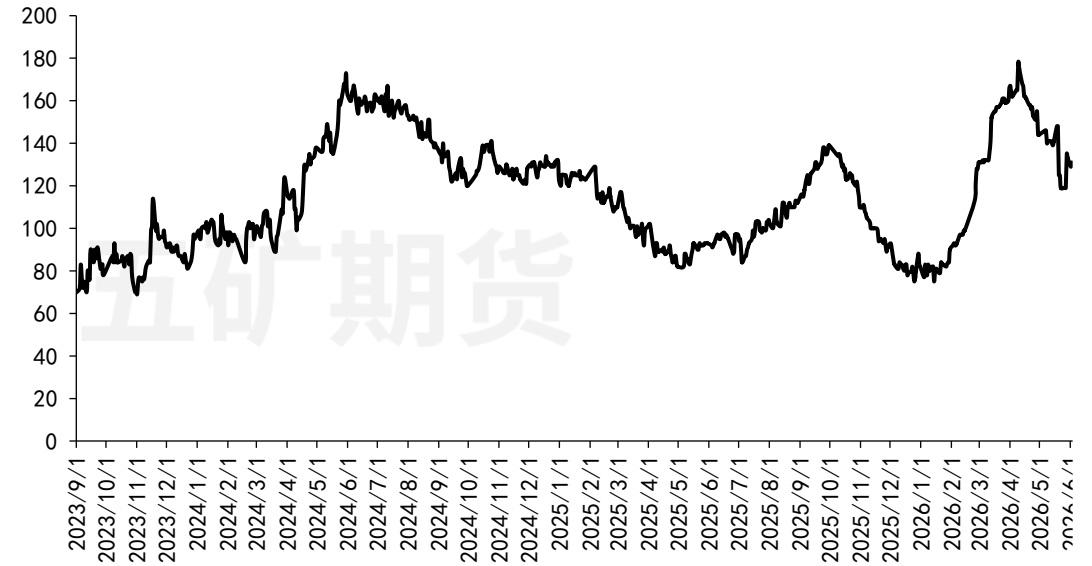
Futures Market & Spot Market

Figure 1: PB-Super Special Fines Spread (CNY/MT)



Sources: MYSTEEL, Minmetals Futures

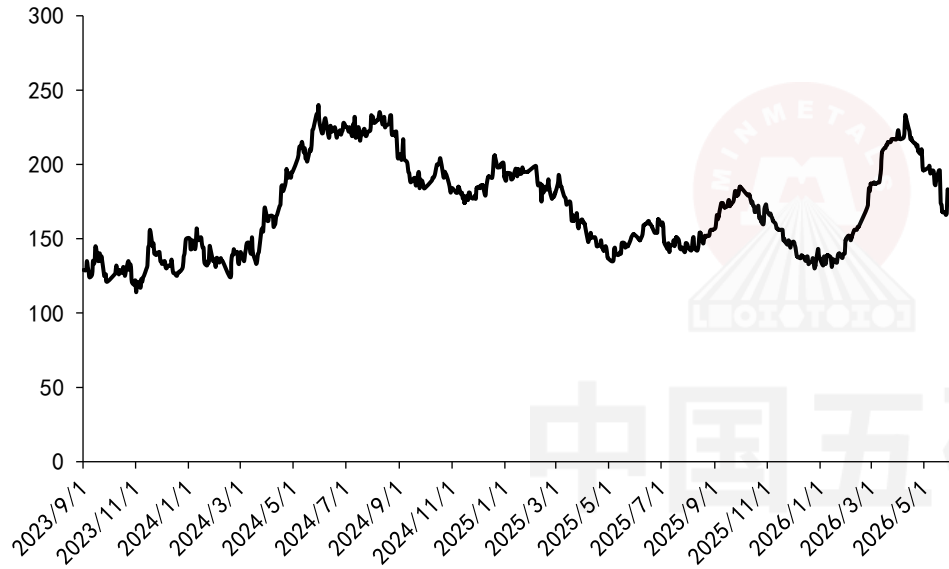
Figure 2: Carajás Fines-PB Fines Spread (CNY/MT)



Sources: MYSTEEL, Minmetals Futures

- End-May 2026, PB Fines–Super Special Fines spread stood at 149 CNY/MT (+27 CNY/MT MoM). Carajas Fines–PB Fines spread stood at 133 CNY/MT (-11.0 CNY/MT MoM).

Figure 3: Carajás Fines-Jimblebar Fines Spread (CNY/MT)



Sources: MYSTEEL, Minmetals Futures

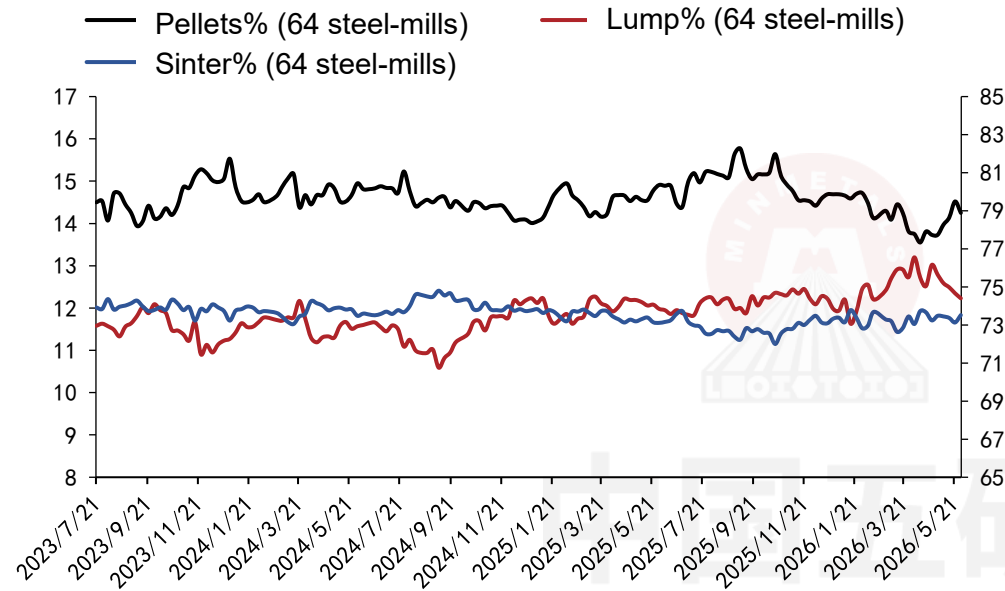
Figure 4: (Carajás + Super Special)/2-PB Fines Spread (CNY/MT)



Sources: MYSTEEL, Minmetals Futures

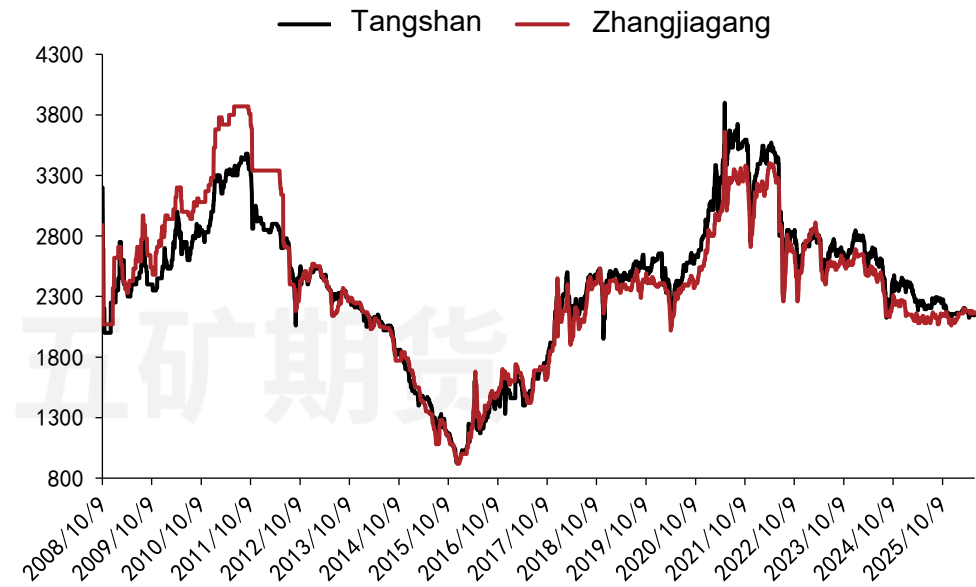
- End-May 2026, Carajas Fines–Jimblebar Fines spread stood at 181 CNY/MT (-15 CNY/MT MoM). (Carajas Fines + Super Special Fines)/2 – PB Fines spread stood at -8 CNY/MT (-19 CNY/MT MoM).

Figure 5: Steel Mill Charge Mix (%)



Sources: MYSTEEL, Minmetals Futures

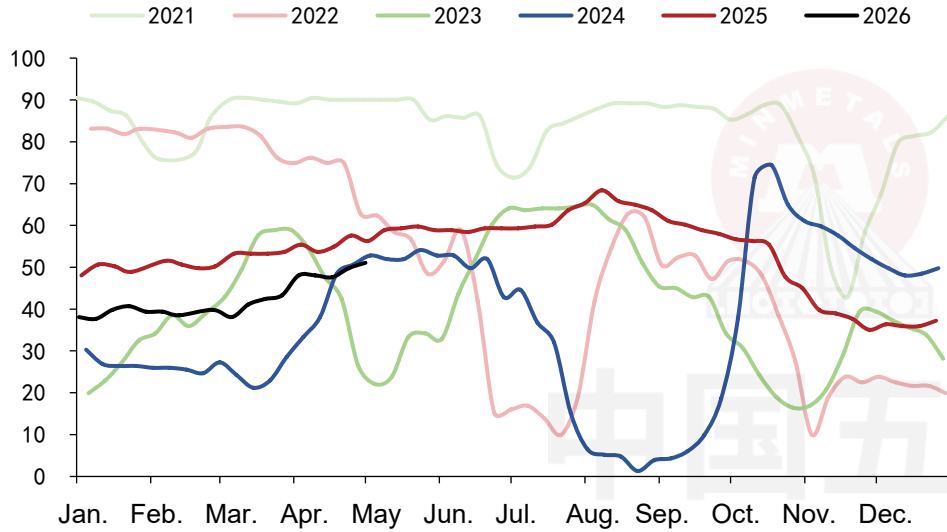
Figure 6: Scrap Steel Price (CNY/MT)



Sources: MYSTEEL, Minmetals Futures

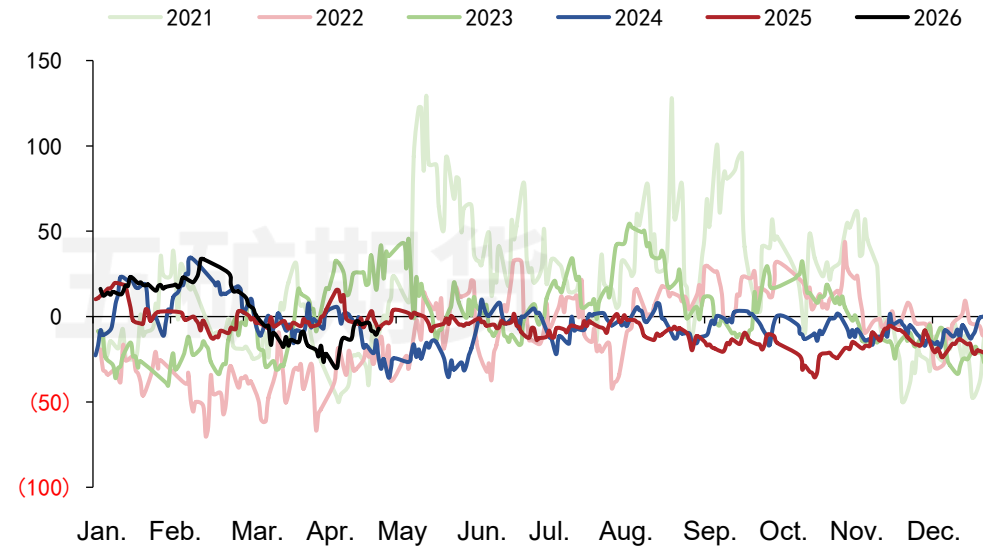
- As of end-May 2026, the furnace feed proportion of pellets stood at 14.25%, lump ore at 12.23%, and sinter ore at 73.52%.
- As of end-May 2026, Tangshan scrap steel prices closed at 2,145 CNY/MT (flat MoM). Zhangjiagang scrap steel prices stood at 2,160 CNY/MT (flat MoM).

Figure 7: Steel Mill Profitability Rate (%)



Sources: MYSTEEL, Minmetals Futures

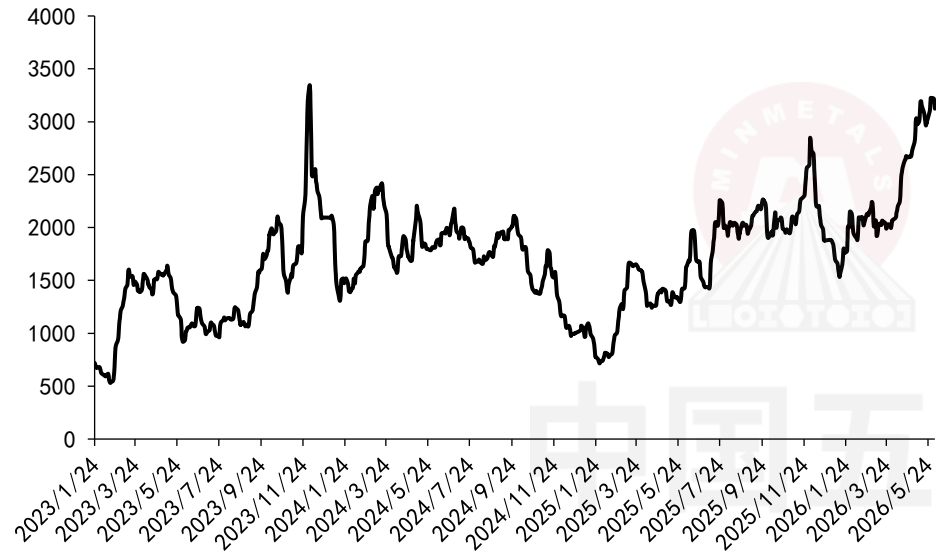
Figure 8: PB Fines Import Profit Margin (CNY/wet MT)



Sources: MYSTEEL, Minmetals Futures

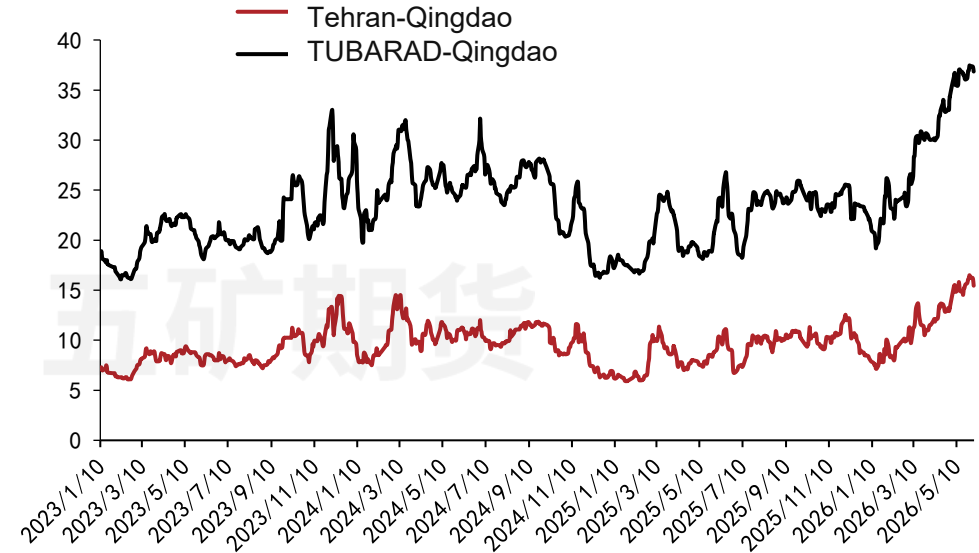
- End-May 2026, steel mill profitability stood at 62.34% (+12.56pp MoM).

Figure 9: BDI (points)



Sources: MYSTEEL, Minmetals Futures

Figure 10: Ocean Freight by Country (USD/MT)

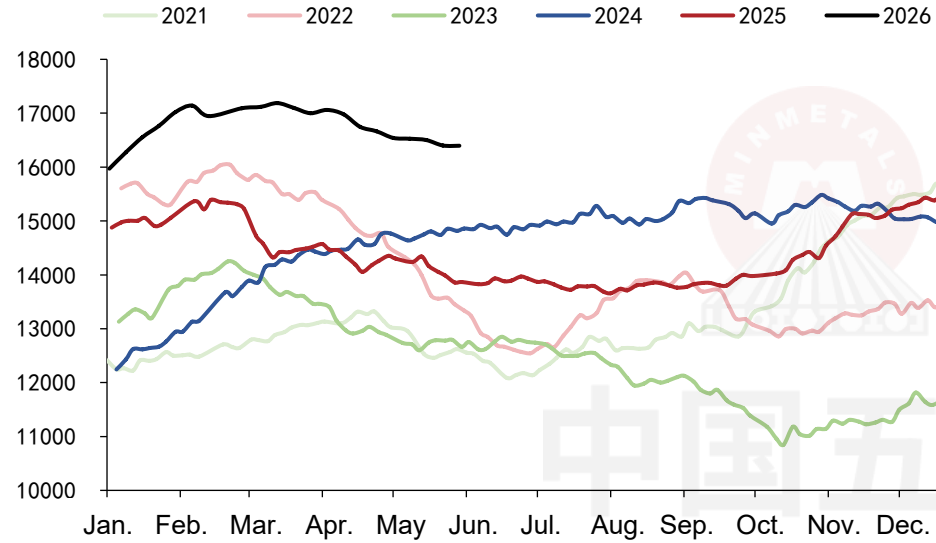


Sources: MYSTEEL, Minmetals Futures

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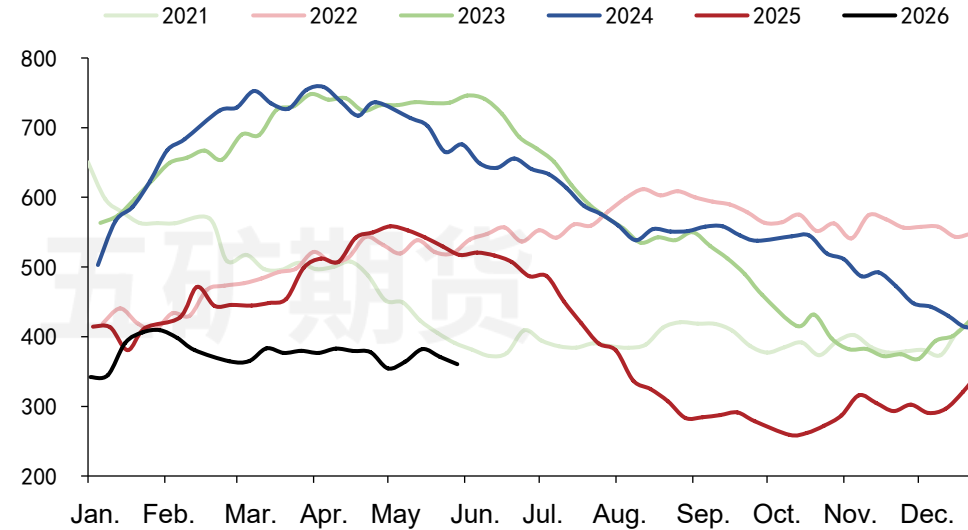
Inventory

Figure 11: Imported Iron Ore Port Inventory at 45 Chinese Ports (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

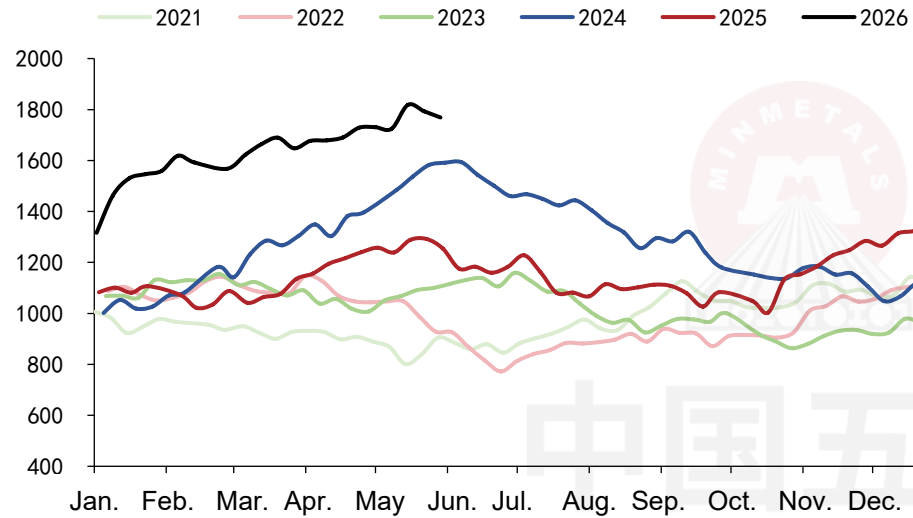
Figure 12: Port Inventory: Pellets (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

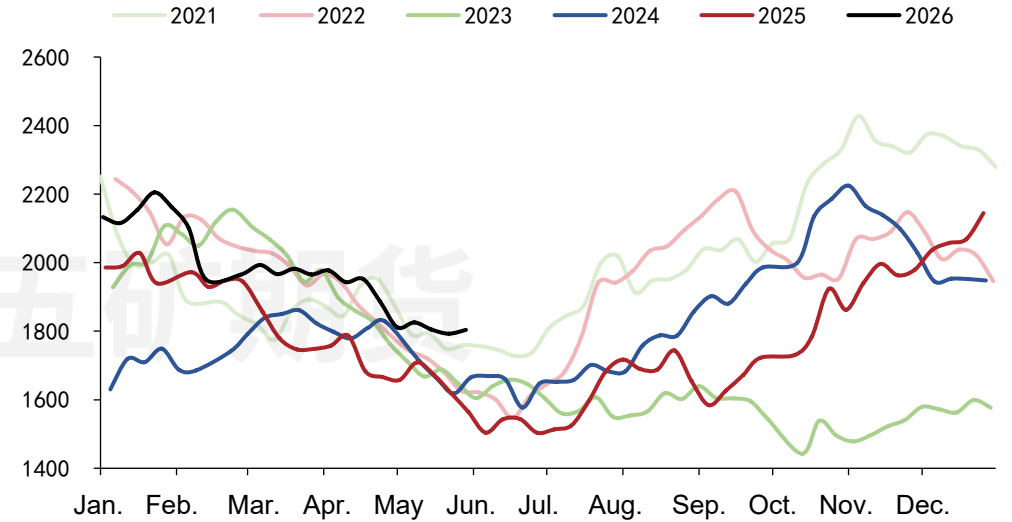
- End-May 2026, imported iron ore inventories at 45 major ports stood at 163.96 million MT (-2.68 million MT MoM). Pellet inventory stood at 3.6 million MT (-172,000 MT MoM).

Figure 13: Port Inventory: Iron Concentrate (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

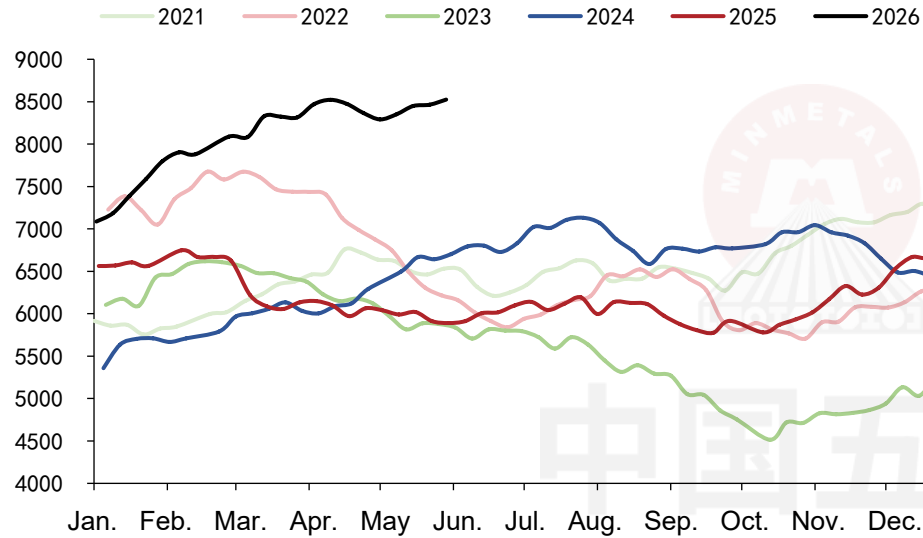
Figure 14: Port Inventory: Lump Ore (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

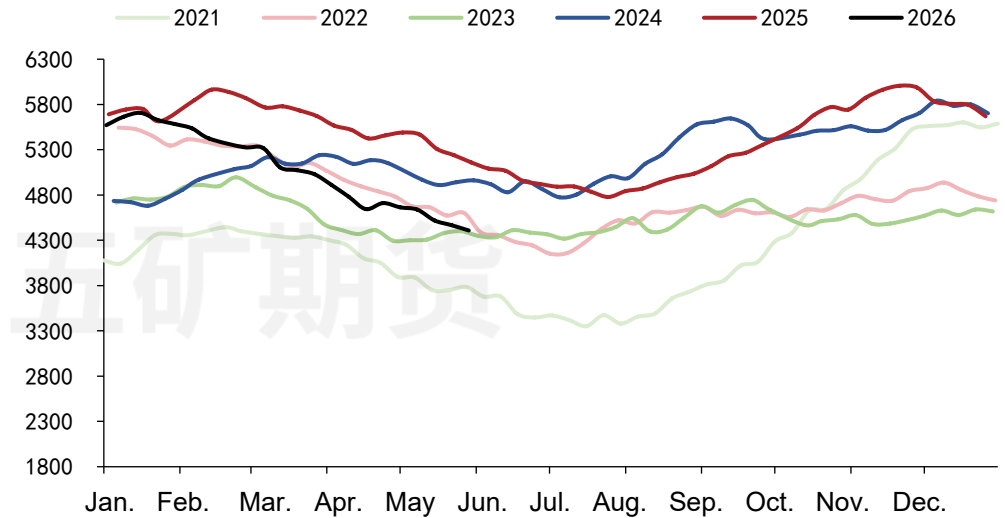
- End-May, port iron concentrate inventory stood at 17.69 million MT (+400,800 MT MoM). Port lump ore inventory stood at 18.04 million MT (-824,400 MT MoM).

Figure 15: Port inventory of Australian ores (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

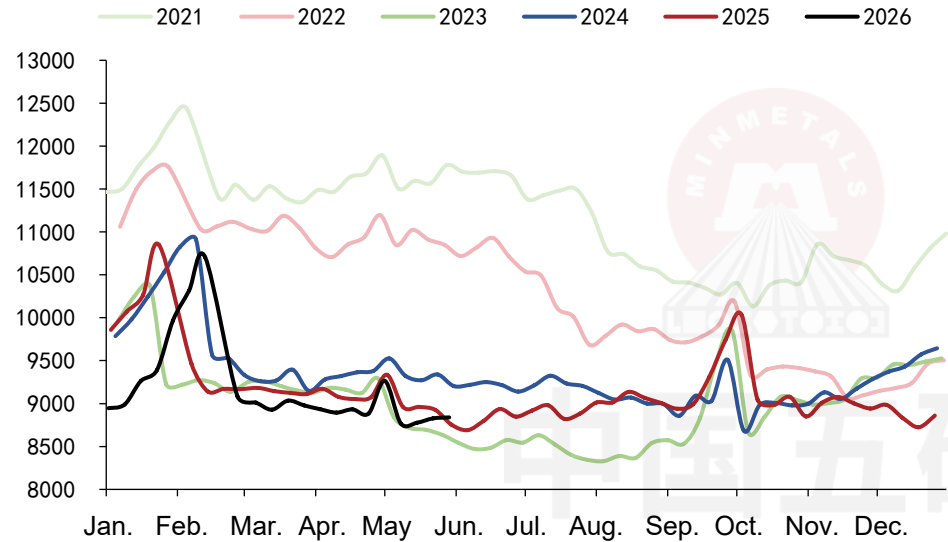
Figure 16: Port inventory of Brazilian ores (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

- End-May, port inventory of Australian-sourced iron ore stood at 85.25 million MT (+1.59 million MT MoM). Port inventory of Brazilian-sourced stood at 44.09 million MT (-3.03 million MT MoM).

Figure 17: Imported inventory of 247 Steel-mills (10,000 MT)



- End-May, imported iron ore inventory at 247 steel mills hit 88.39 million MT (-455,300 MT MoM).

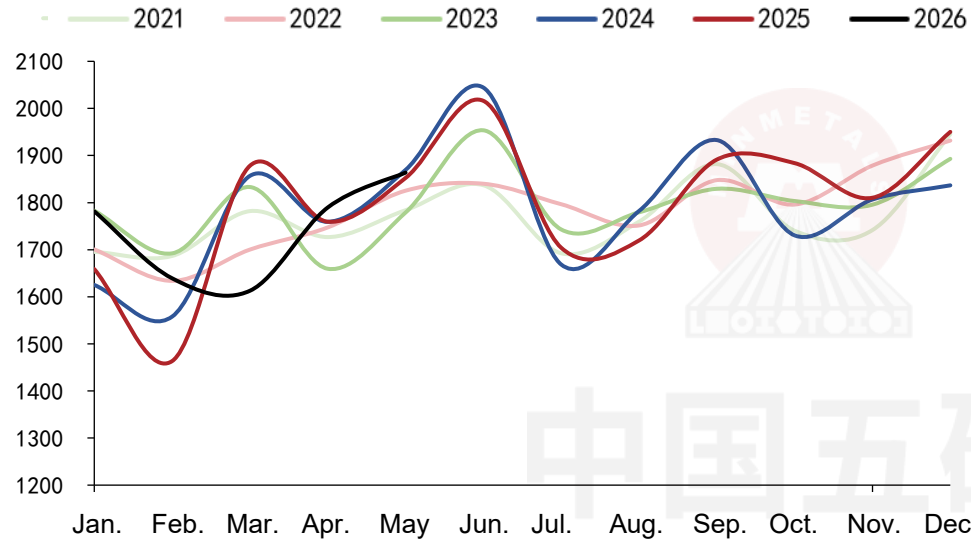
Sources: MYSTEEL, Minmetals Futures

04

Supply

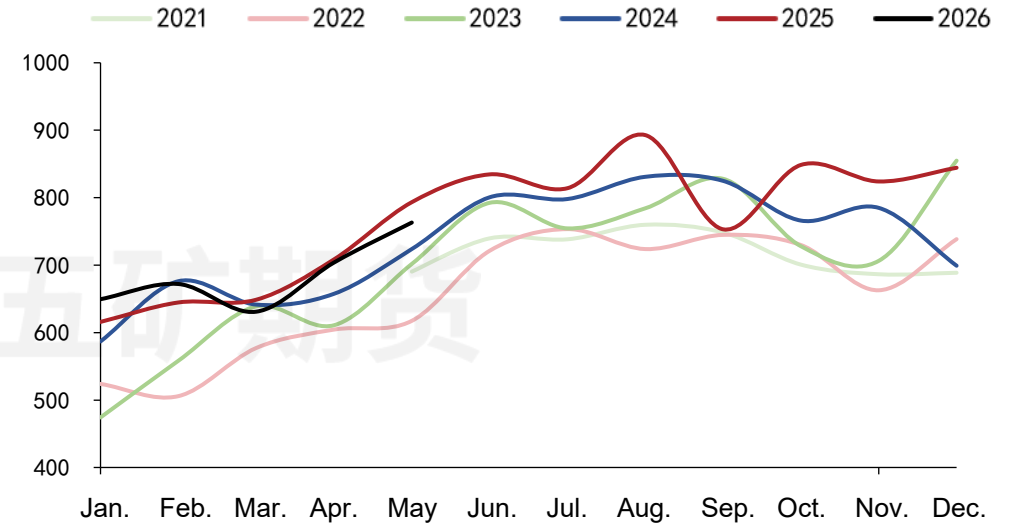


Figure 18: Australia to China Shipments: 19 Ports (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

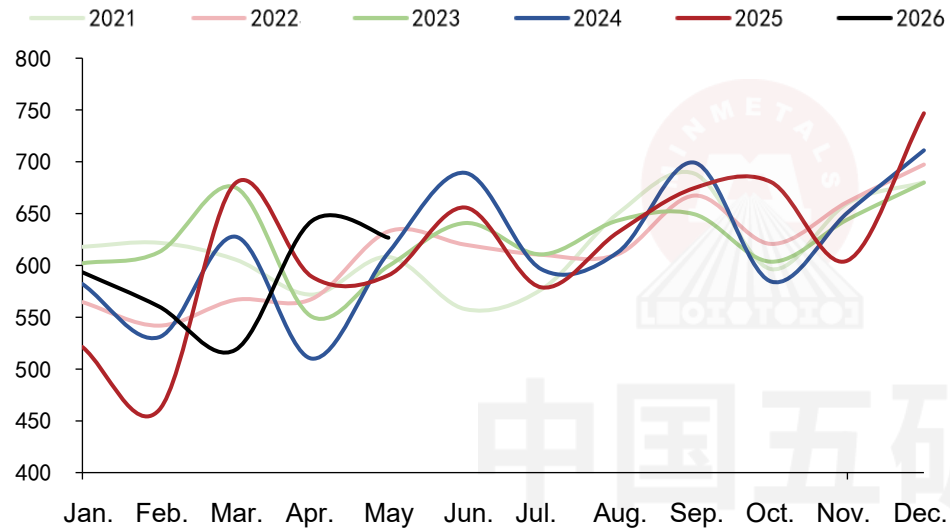
Figure 19: Brazil Shipments: 19 Ports (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

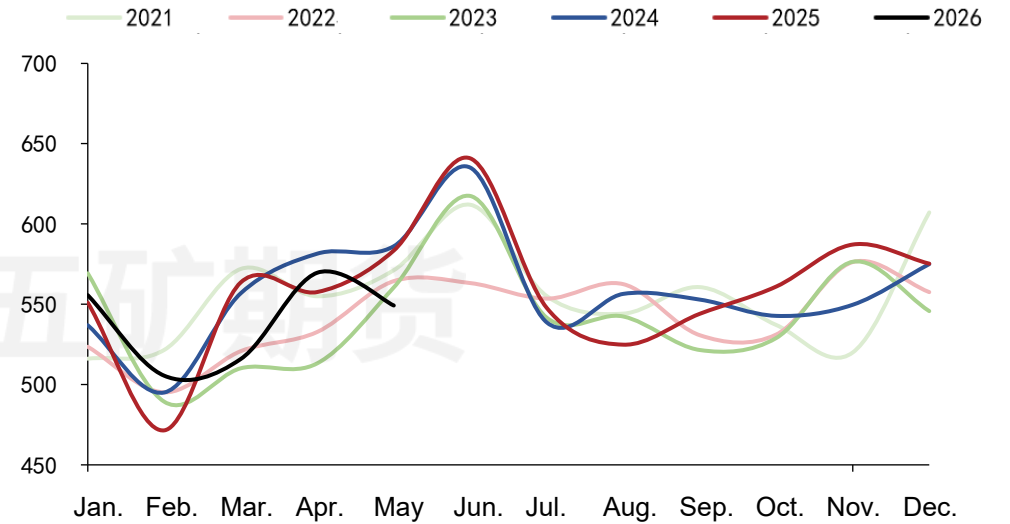
- In May 2026, the weekly average iron ore shipments from Australia to China via 19 ports stood at 15.56 million MT (+771,300 MT MoM). The weekly average shipment volume from Brazil reached 7.63 million MT (+593,400 MT MoM).

Figure 20: From Rio Tinto to China (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

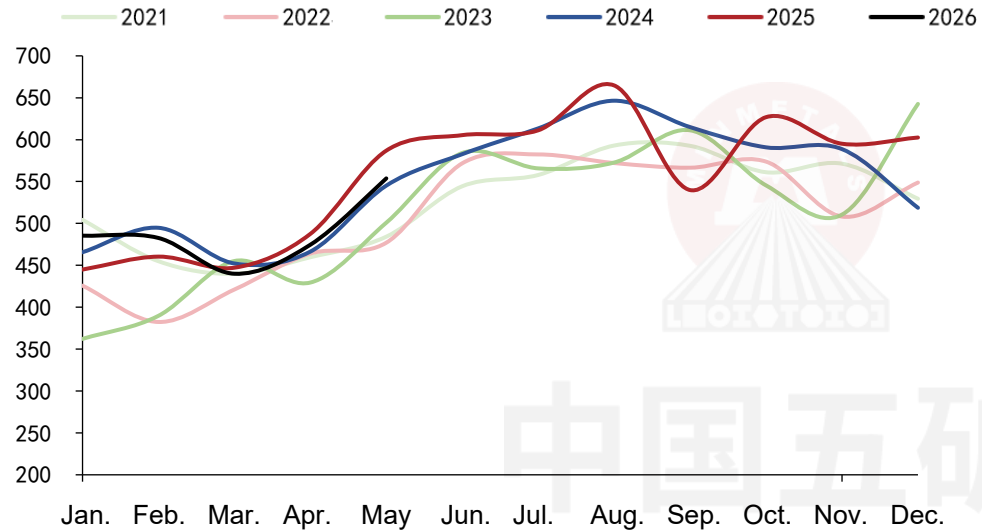
Figure 21: From BHP Billiton to China (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

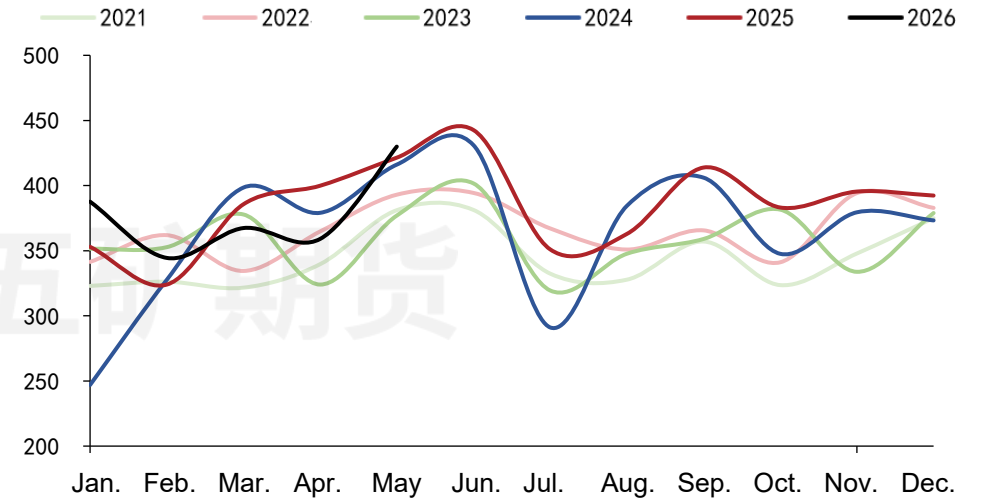
- In May 2026, Rio Tinto's weekly average iron ore shipments recorded 6.27 million MT (-162,300 MT MoM). BHP's weekly average shipment volume stood at 5.49 million MT (-204,100 MT MoM).

Figure 22: From Vale to China (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

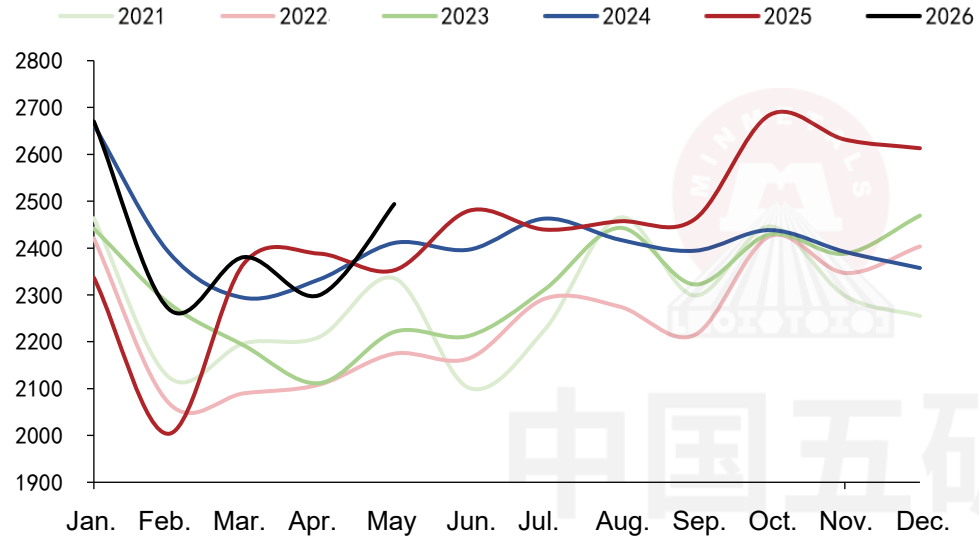
Figure 23: From FMG to China (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

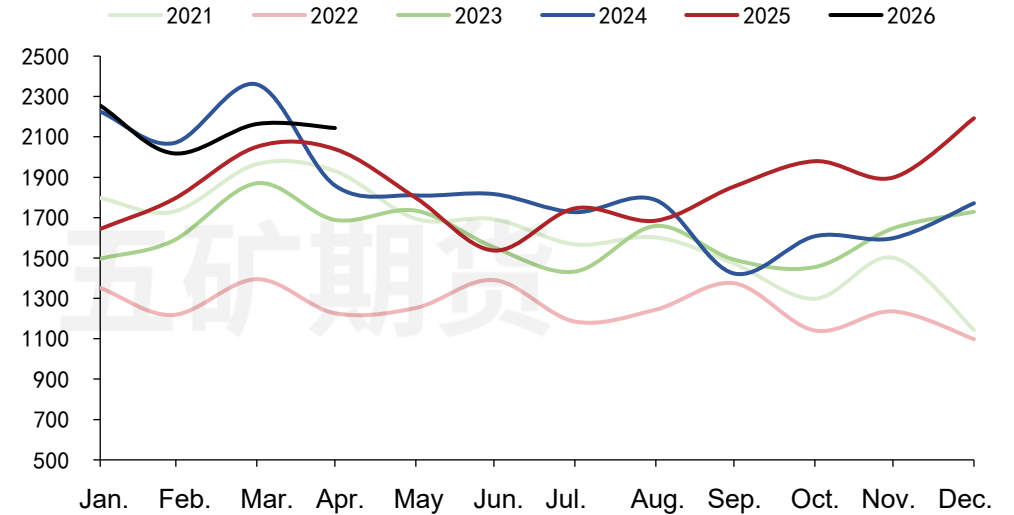
- In May 2026, Vale’s weekly average iron ore shipments hit 5.54 million MT (+791,800 MT MoM). FMG’s weekly average shipment volume reached 4.30 million MT (+708,700 MT MoM).

Figure 24: China Iron Ore Arrival Volume (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

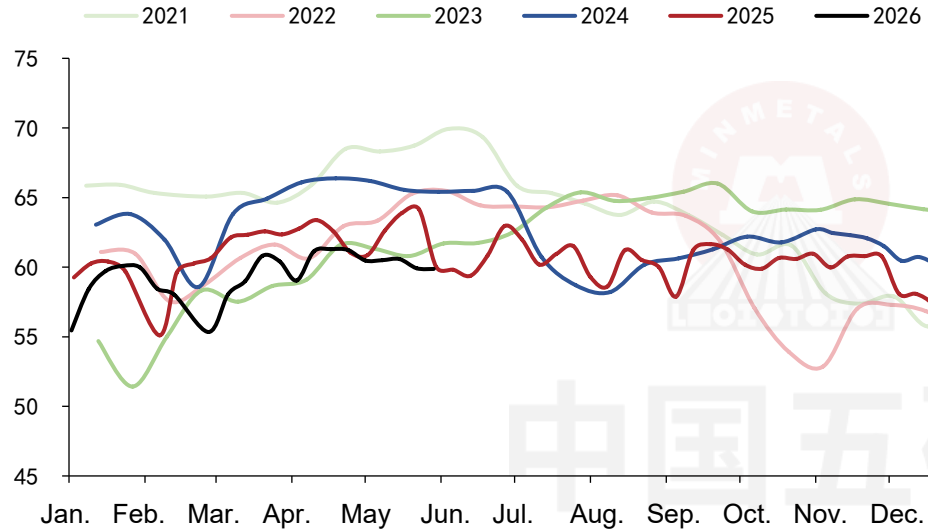
Figure 25: Domestic Non-Mainstream Ore Import Volume (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

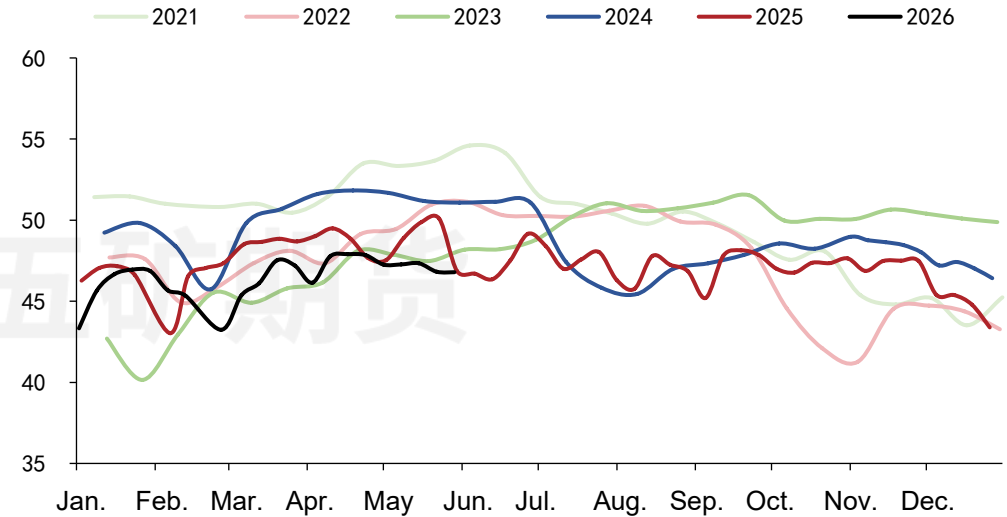
- In May 2026, the weekly average iron ore arrival volume at 45 major ports stood at 24.94 million MT (+1.95 million MT MoM). In April 2026, China's iron ore imports from countries other than Australia and Brazil reached 21.44 million MT (-197,900 MT MoM).

Figure 26: Domestic Mines Operating Rate (%)



Sources: MYSTEEL, Minmetals Futures

Figure 27: Daily Average Output of Iron Concentrate Fines in 186 Miners (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

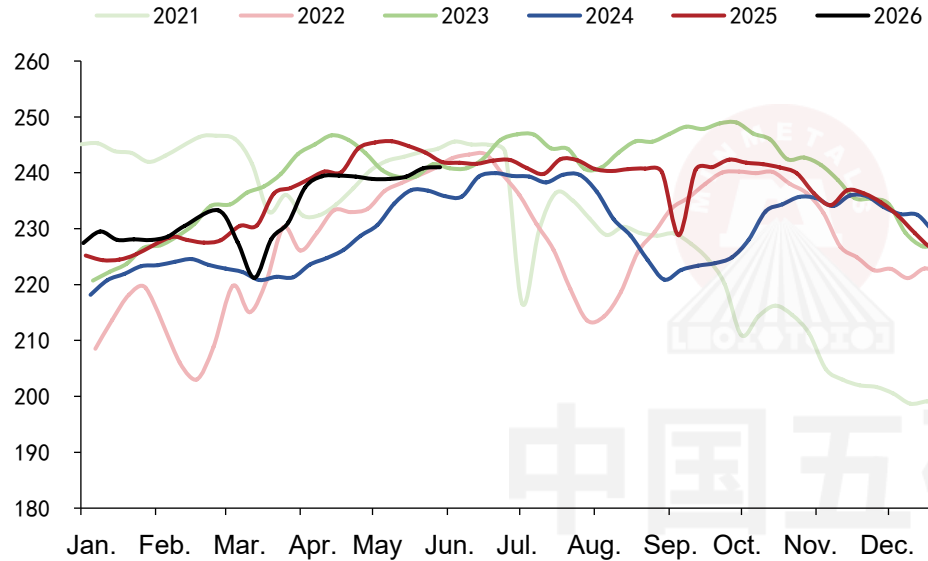
- As of end-May 2026, the capacity utilization rate of 186 domestic iron ore mines stood at 59.87% (-1.36 percentage points MoM). The average daily output of domestic iron concentrate hit 467,900 MT (-10,500 MT MoM).

05

Demand

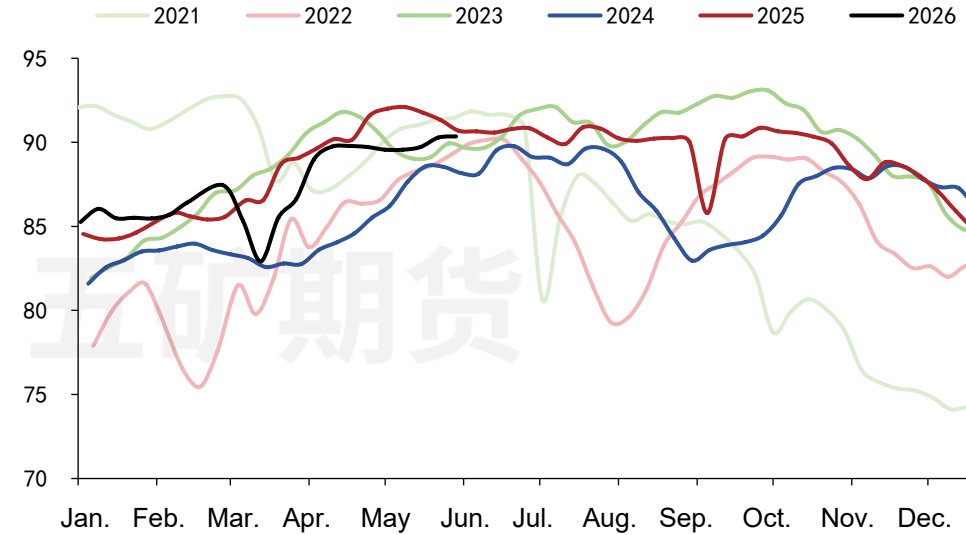
The background of the slide features a series of thin, light-colored lines that curve and flow across the bottom half, creating a sense of movement and depth. The lines are more densely packed in some areas and more sparse in others, contributing to a modern, abstract aesthetic.

Figure 28: Daily Average Domestic Molten Iron Output (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

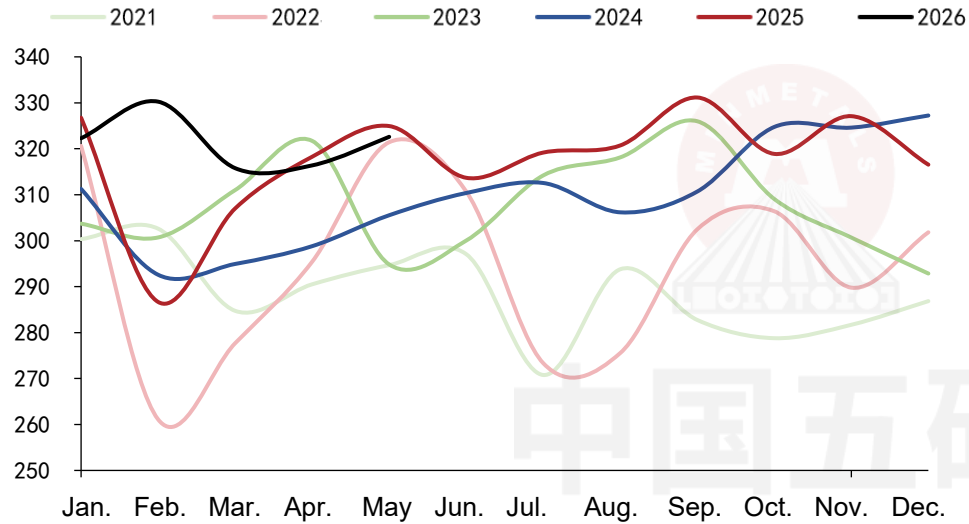
Figure 29: Blast Furnace Utilization Rate (%)



Sources: MYSTEEL, Minmetals Futures

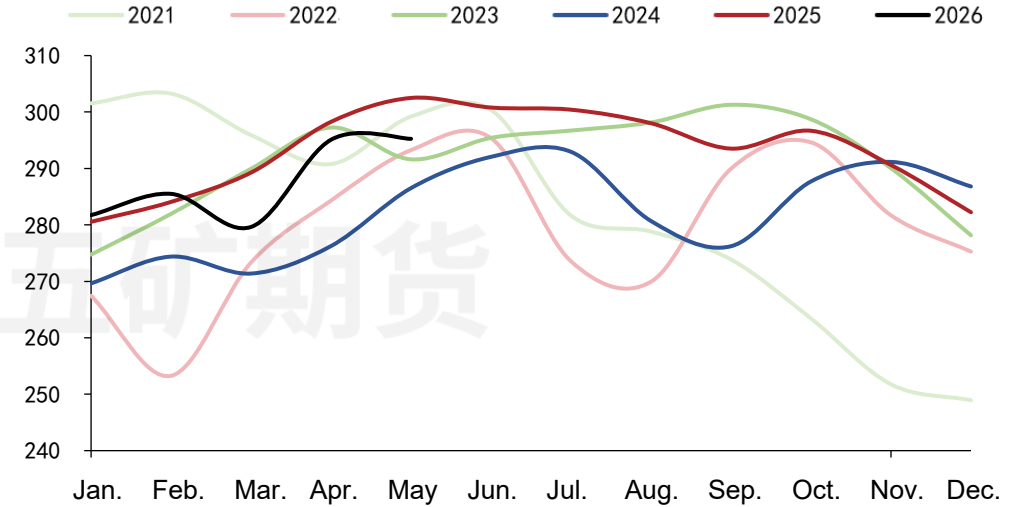
- In May 2026, China's average daily hot metal output was calculated at 2.40 million MT (+7,700 MT MoM). As of end-May 2026, the capacity utilization rate of domestic blast furnaces reached 90.35% (+0.63 pp MoM).

Figure 30: Average Daily Withdrawals (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

Figure 31: Daily Consumption of Imported Iron Ore of 247 Steel-mills (10,000 MT)



Sources: MYSTEEL, Minmetals Futures

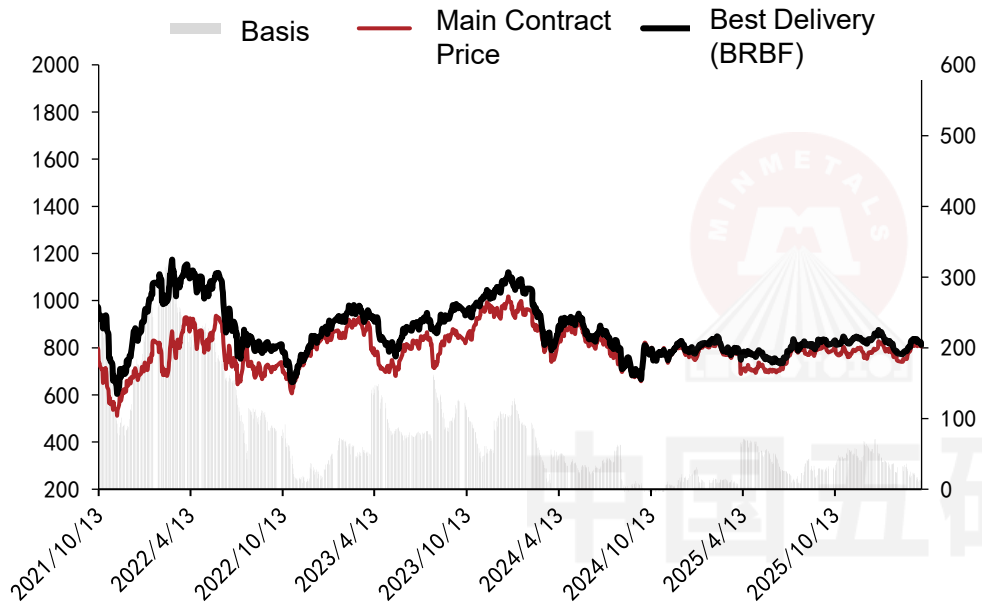
- In May 2026, the weekly average daily delivery volume of iron ore at 45 major ports stood at 3.23 million MT (+62,200 MT MoM). The weekly average daily iron ore consumption of domestic steel mills hit 2.95 million MT (+1,600 MT MoM).

06

Basis

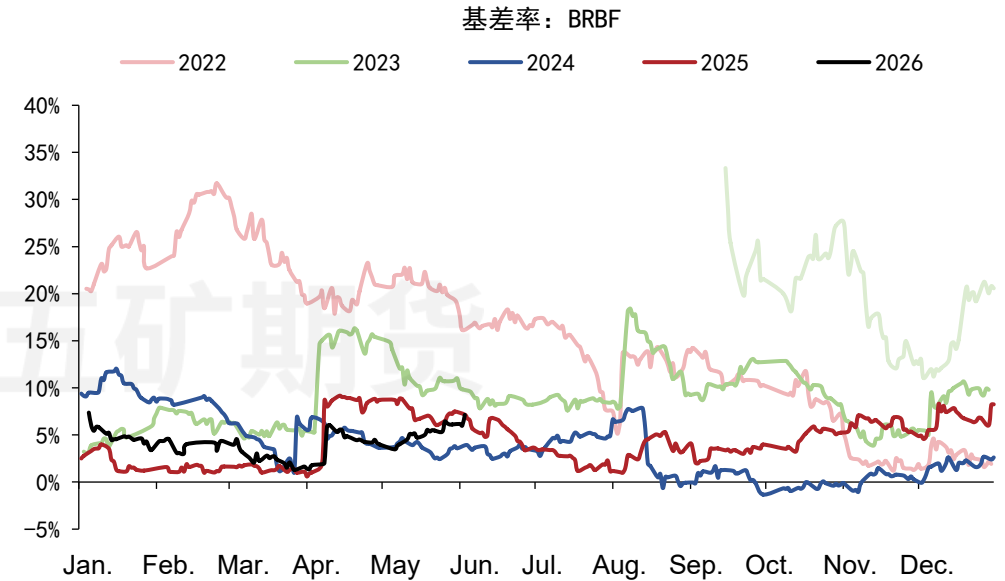


Figure 32: Iron Ore Basis (RMB/MT)



Sources: MYSTEEL, Minmetals Futures

Figure 33: Basis Rate (%)



Sources: MYSTEEL, Minmetals Futures

- As of May 29, 2026, the basis of the front-month BRBF iron ore contract was calculated at 51 CNY/MT, with a basis rate of 6.11%.

Please refer to international@minfutures.com for any comment or suggestion.

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