

Metals & Mining

Unchanged Iron Ore SxD Amid Policy Signals and Trade Risks

Analyzing Global Iron Ore & Steel Data

We see iron ore outlook relatively unchanged in Jul'25. We highlight: (i) apparent steel demand in China is expected to slightly decline YoY in Jul'25, with steel inventories flat MoM (*though -16% YoY*); (ii) China's pig iron production was virtually unchanged YoY in Jul'25, while iron ore inventories at ports declined by ~3Mt MoM; and (iii) ongoing discussions on China's "anti-involution" campaign have sparked optimism on commodities, but global trade tensions and weakening demand remains as a headwind for iron ore prices.

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Our take: China's iron ore and steel markets are facing a convergence of policy-driven supply distortions, global trade uncertainty and demand-side weakness ([see our comments on page 2](#)).

[The "anti-involution" campaign has sparked expectations of production cuts](#) in sectors like steel, fueling optimism across several commodities, including iron ore and steel. However, past efforts to reduce steel capacity have had limited success, and current rhetoric lacks concrete implementation, while local governments remain hesitant to enforce closures due to concerns over tax revenue and employment.

On the trade front, while Chinese exports to the U.S. could be impacted by ongoing negotiations - despite strong performance in Jun'25 - gains in other markets, likely through transshipment, have helped offset losses. Still, risks of lower export volumes remain imminent and could weigh on steel and iron ore demand and prices, especially given record-high steel export levels and weak domestic demand, particularly in the property sector.

Property sector continues to contract, with housing sales and prices declining further. While incremental stimulus is expected, the [Central Urban Work Conference emphasized improving existing housing stock rather than launching large-scale redevelopment](#), limiting the potential for a strong rebound in construction-related steel demand.

All-in, **we maintain a cautious view on China's steel and iron ore demand in 2H25E**, with potential upside for iron ore prices (*i.e.: >US\$100/t levels*) should new stimulus measures targeting the property and infrastructure sectors are announced. Moreover, with deflationary pressures persisting in China, we believe that the "anti-involution" discussions will gain momentum as an alternative to address the country's overcapacity challenges. Even so, **we are keeping our ~US\$95-100/t iron ore price assumption throughout 2H25E**.

Iron ore outlook was relatively flat MoM in Jul'25. We highlight: (i) Chinese apparent steel demand is expected to slightly decline by -1% YoY in Jul'25. Moreover, we note BF mills' profitability virtually unchanged MoM in Jul'25, reflecting higher steel prices (*especially rebar*), and higher raw material costs (*iron ore prices up by +5% MoM in Jul'25*). (ii) Steel production is expected to decline by -1% YoY in Jul'25 (*estimates for NBS data using CISA figures*); (iii) pig iron production is expected to remain stable MoM in Jul'25 (*using CISA figures*), with rising iron ore imports in China (*+2% YoY in Jul'25*), and iron ore inventories at ports down by 3Mt MoM in Jul'25. Finally, (iv) steel exports remained elevated, currently running at an annualized rate of ~120Mt.

Metals & Mining Coverage Summary

Company	Ticker	Current Price	Target Price	Upside	Rec.	EBITDA (million)		EV/EBITDA		Mkt. Cap (R\$ mn)
						2025E	2026E	2025E	2026E	
Vale	VALE3	R\$ 54.11	R\$ 66.00	22%	Neutral	US\$14,123	US\$14,126	6.7x	6.4x	4.4x
Bradespar	BRAP4	R\$ 15.77	R\$ 20.80	32%	Neutral	n.a.	n.a.	n.a.	n.a.	n.a.
Gerdau	GGBR4	R\$ 16.20	R\$ 23.00	42%	Buy	R\$ 10,194	R\$ 11,725	9.1x	7.0x	4.0x
Metalurgica Gerdau	GOAU4	R\$ 9.03	R\$ 12.80	42%	Buy	n.a.	n.a.	n.a.	n.a.	n.a.
CSN	CSNA3	R\$ 7.31	R\$ 20.00	174%	Neutral	R\$ 11,693	R\$ 11,543	4.1x	5.5x	4.5x
CSN Mineração	CMIN3	R\$ 4.94	R\$ 6.00	21%	Neutral	R\$ 5,116	R\$ 4,355	14.0x	26.2x	6.8x
Usiminas	USIM5	R\$ 4.44	R\$ 10.00	125%	Neutral	R\$ 3,188	R\$ 3,504	4.4x	3.8x	2.6x
Aura Minerals	AURA33	R\$ 46.91	R\$ 70.00	49%	Buy	US\$480	US\$612	73.7x	5.1x	4.9x
CBA	CBAV3	R\$ 3.67	R\$ 9.00	145%	Buy	R\$ 2,231	R\$ 2,458	5.0x	4.3x	3.3x

Recent Iron Ore Performance

Anti-Involution Policies Emerging

Since mid-July, China's steel and iron ore markets have responded positively to a series of policy signals and macro developments, including **speculation around urban stimulus**, combined with the **government's renewed focus on supply-side reforms** and **overcapacity reduction** via **"anti-involution" campaigns**. Discussions around U.S.-China trade tensions and export redirection strategies added to the momentum. These factors contributed to a 6% MoM increase in iron ore prices in Jul'25, with rising premiums for higher-grade ore (65% vs. 62% Fe), and steel prices for rebar and HRC climbing 5-6% MoM, supporting expectations of improved steel mill margins.

Figure 1: Iron Ore (62%/65%) Prices (US\$/t)

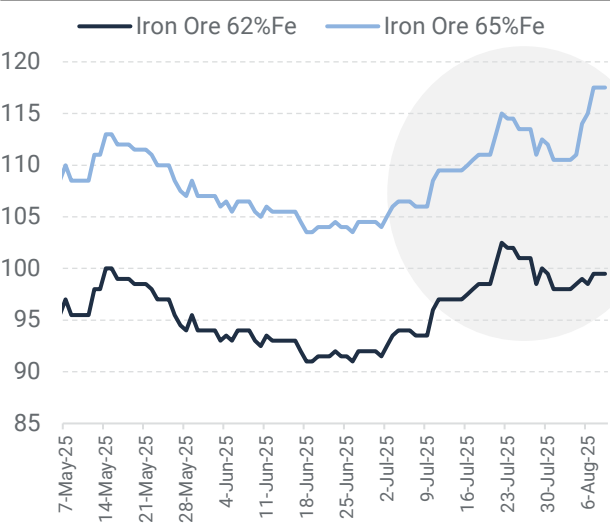


Figure 2: Steel (Rebar/HRC) Prices in China (US\$/t)

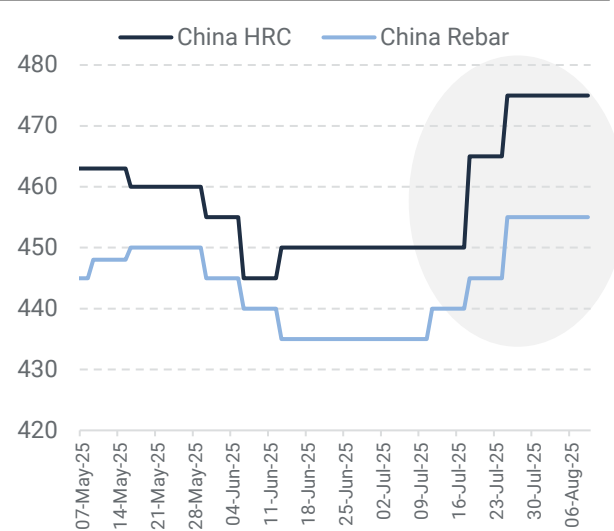


Figure 3: Main News On Iron Ore and Steel Markets

Chinese steel sector shifts to supply-focused adjustments	Link	Jul, 25 th
According to an online panel discussing the Chinese steel sector, China's economy is transitioning from demand-driven growth to supply-side reforms, creating significant implications for steel and commodity markets in 2025. The government now prioritizes addressing structural overcapacity over traditional stimulus measures.		
Markets bet Beijing is getting serious about China's overcapacity	Link	Jul, 24 th
Commodity prices from steel to polysilicon have surged this month as Chinese investors bet Beijing is finally serious about addressing overcapacity across the world's second-largest economy. Prices for nine industrial commodities including coal, steel, polysilicon, a building block for solar panels, alumina and lithium carbonate have climbed by 10% to 68% this month while share prices in steelmakers, solar panel manufacturers and clean energy companies have outpaced the benchmark CSI 300 Index.		
China vows sustainable urbanization after decades of breakneck growth	Link	Jul, 15 th
China promised to build livable, sustainable and resilient cities in the next phase of its urban development after the first top-level urban planning meeting in a decade, abandoning breakneck urban growth that once super-charged its economy. At the Central Urban Work Conference helmed by President Xi Jinping, China's top leaders recognized that urbanization was shifting from rapid growth to stable development.		
Chinese Property Stocks Jump on Unverified Reports of State Aid	Link	Jul, 10 th
A gauge of Chinese property shares jumped the most in nearly nine months, fueled by speculation a high-level meeting will be held next week to help revive the struggling sector. A Bloomberg Intelligence index of the nation's real estate stocks surged as much as 11%, with Logan Group Co. rising as much as 85% in Hong Kong, and Sino-Ocean Group Holding Ltd. climbing by 37%.		

Chinese Iron Ore & Steel Supply x Demand

Chinese Apparent Steel Demand Expected to Decline YoY in Jul'25

Our supply and demand analysis indicates that: (i) Chinese steel apparent demand is expected to slightly decline YoY in Jul'25, with BF mills' profitability virtually unchanged, reflecting higher steel prices (*especially rebar*), and higher raw material costs (*iron ore prices up +5% MoM in Jul'25*); (ii) crude steel production down by -1% YoY in Jul'25 (*estimates for NBS data using CISA figures*); (iii) steel exports remained strong at ~10Mt in Jul'25 (~69Mt YYD); while (iv) total steel inventories declined significantly (-16% YoY), mostly for traders.

For **iron ore**, we note: (i) prices increased by 5% MoM in Jul'25 amid optimism with "anti-involution" policies and expectations for potential stimulus measures; (ii) China's iron ore imports increased by 2% YoY in Jul'25, while port inventories declined by 14% YoY in Jul'25 (*currently below 5-year average*).

Figure 4: Supply and Demand Analysis for Iron Ore and Steel (% YoY)

Supply & Demand % YoY	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Iron Ore													
Apparent Demand	-8%	-9%	-7%	2%	4%	10%	16%	16%	4%	1%	-3%	-3%	0%
Production													
Pig Iron Production ¹	-7%	-4%	-9%	-1%	1%	-2%	6%	0%	3%	3%	1%	0%	0%
Pig Iron Production (NBS) ³	-8%	-9%	-7%	2%	4%	10%	16%	16%	4%	1%	-3%	-3%	0%
China Imports													
Iron Ore Exports	3%	-4%	5%	-3%	3%	-9%	1%	-7%	4%	0%	4%	4%	7%
Brazil	24%	-8%	3%	5%	7%	-22%	6%	-10%	7%	2%	7%	10%	5%
Australia	-3%	-2%	5%	-6%	2%	-4%	-2%	-7%	3%	-1%	3%	1%	7%
Inventories													
Ports	25%	27%	32%	41%	37%	28%	17%	9%	-3%	-7%	-9%	-10%	-14%
Australian Ore	22%	25%	32%	56%	48%	32%	22%	13%	5%	3%	1%	-3%	-10%
Brazilian Ore	41%	31%	30%	25%	26%	20%	13%	5%	-4%	-5%	-5%	-5%	-13%
Others	7%	25%	34%	37%	33%	37%	16%	5%	-19%	-32%	-34%	-32%	-25%
Steel													
Apparent Demand	-11%	-10%	-7%	0%	-2%	13%	-2%	3%	7%	-3%	-12%	-10%	-1%
Production													
Crude Steel Production 10-Day (CISA)	-5%	-5%	-10%	3%	5%	6%	2%	0%	3%	3%	-1%	-2%	-2%
Crude Steel Production (NBS)	-9%	-10%	-6%	4%	3%	13%	-1%	-1%	5%	0%	-7%	-9%	-1%
Steel Products (NBS)	-2%	-5%	0%	5%	8%	10%	10%	10%	9%	7%	4%	2%	10%
Exports													
Inventories	7%	-1%	-7%	-10%	-2%	-5%	-5%	-14%	-17%	-14%	-5%	-9%	-16%
Traders	11%	-2%	-15%	-16%	-7%	-10%	-12%	-13%	-20%	-21%	-23%	-27%	-26%
Flats	22%	17%	4%	-1%	-3%	3%	5%	-4%	-12%	-17%	-19%	-17%	-19%
Longs	1%	-17%	-34%	-31%	-11%	-23%	-27%	-20%	-26%	-24%	-28%	-37%	-34%
Mills	4%	-1%	-1%	-6%	1%	-3%	0%	-14%	-13%	-8%	12%	7%	-8%

Figure 5: China Apparent Steel Demand (Mt)

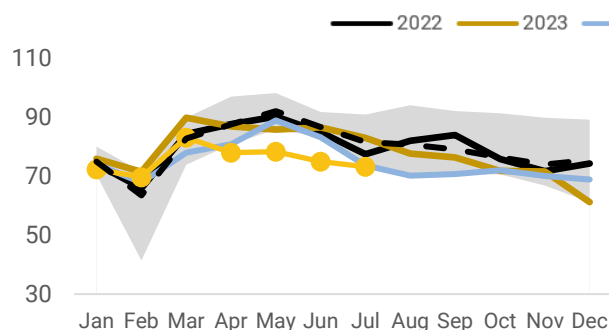
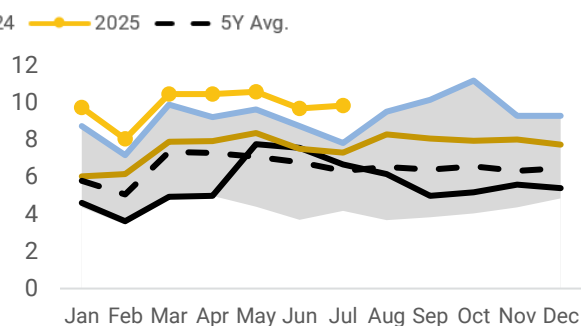


Figure 6: China Steel Exports (Mt)



Chinese Iron Ore & Steel Supply x Demand

CISA Figures For Jul'25 Slightly Down MoM for Steel Production

Figure 7: Supply and Demand Analysis for Iron Ore and Steel (Mt)

Supply & Demand - China	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Iron Ore													
Prices													
Iron Ore 62% Fe (US\$/t)	107	100	93	103	100	102	100	105	100	97	97	93	97
Iron Ore 58% Fe (US\$/t)	83	77	73	83	80	82	80	85	81	78	77	73	78
Iron Ore 65% Fe (US\$/t)	120	113	107	117	114	115	113	118	113	110	110	105	110
Apparent Demand													
Implied Steel Production ²	71	68	67	70	67	67	70	70	75	73	74	72	71
Production													
Pig Iron Production (CISA)	58	56	54	58	56	56	58	55	59	59	61	59	58
Pig Iron Production (NBS) ³	71	68	67	70	67	67	70	70	75	73	74	72	71
Implied Iron Ore Production ²	15	7	-2	10	7	-7	14	18	19	9	20	10	7
Imports & Exports													
China Imports	103	101	104	104	102	112	97	94	94	103	98	106	105
Exports	115	115	121	112	115	115	107	89	115	110	122	129	124
Australia	72	75	79	73	75	79	70	58	82	74	81	87	77
Brazil	39	34	37	35	33	31	31	25	28	30	35	36	41
South Africa	4	6	5	4	6	6	6	6	6	6	6	6	5
Inventories													
Ports	152	151	146	148	149	147	146	145	138	134	133	134	131
Australian Ore	71	70	68	69	70	67	68	68	65	64	65	65	64
Brazilian Ore	53	51	49	50	52	54	52	51	48	47	47	47	46
Others	28	30	29	29	27	26	25	26	24	22	22	21	21
Steel													
Prices													
China Rebar (US\$/t)	519	480	466	512	495	492	477	475	471	465	461	450	459
China HRC (US\$/t)	512	487	478	520	514	488	486	487	483	466	469	463	462
Apparent Demand													
	74	70	71	72	70	69	72	70	83	78	78	75	73
Production													
Crude Steel Production (CISA)	65	61	59	64	63	61	65	61	66	66	67	64	64
Crude Steel Production (NBS) ³	83	78	77	82	78	76	83	83	93	86	87	83	82
Steel Products (NBS)	114	111	117	119	119	119	119	119	134	125	127	128	126
Imports & Exports													
Exports	8	10	10	11	9	9	10	8	10	10	11	10	10
Imports	1	1	1	1	0	0	1	1	1	1	0	0	0
Inventories													
Traders	14	13	10	10	9	8	9	14	14	12	11	10	10
Flats	7	7	6	6	5	5	5	7	6	6	5	6	6
Longs	7	6	4	4	4	4	4	8	8	6	5	5	5
Mills	16	16	16	15	16	15	15	16	17	17	16	16	15
Other Chinese Data													
BF Daily Output	2.1	2.0	2.0	2.1	2.1	2.0	2.1	2.3	2.2	2.2	2.2	2.2	2.1

China's Iron Ore & Steel Seasonal Performance

Chinese Steel Apparent Demand Slightly Declined MoM in Jul'25

Figure 8: China Apparent Steel Demand (Mt)

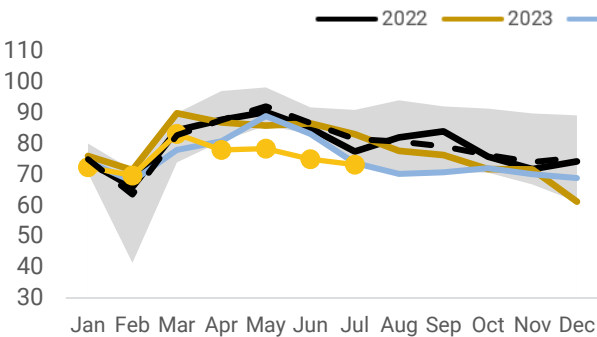


Figure 9: China Steel Exports (Mt)

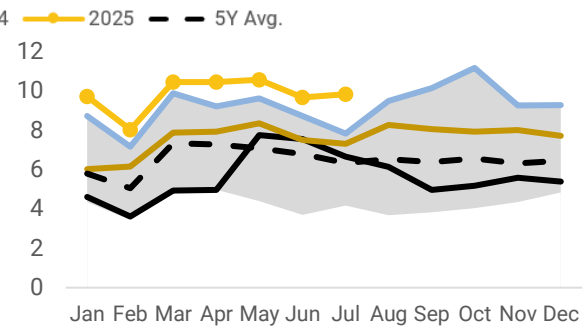


Figure 10: China Steel Imports (Mt)

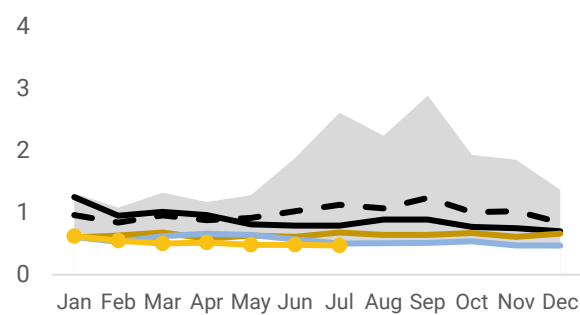


Figure 11: China Steel Output (Mt)

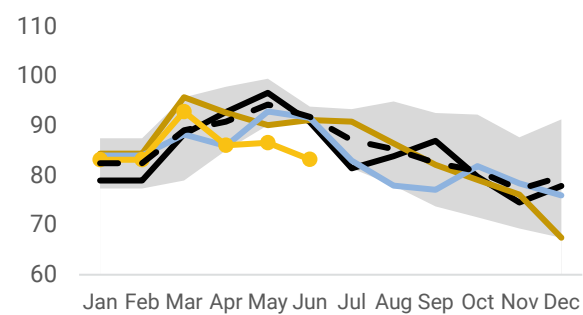


Figure 12: China Apparent Iron Ore Demand (Mt)

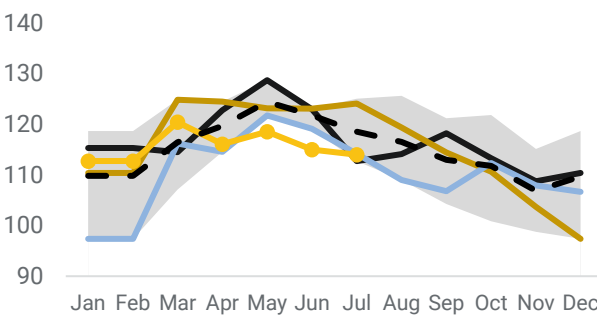


Figure 13: Iron Ore Exports By Major Countries¹ (Mt)

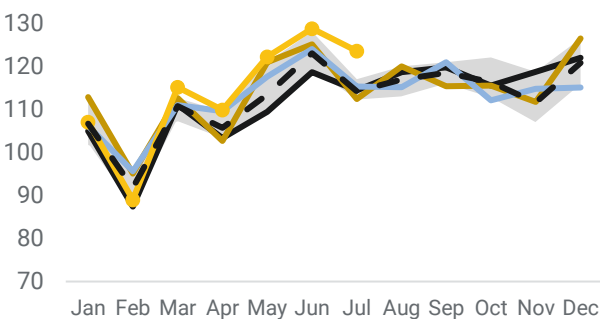


Figure 14: China Iron Ore Imports (Mt)

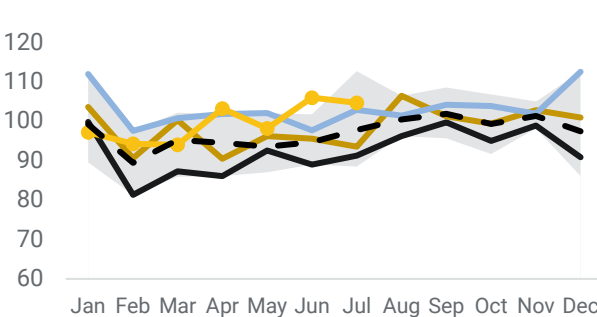
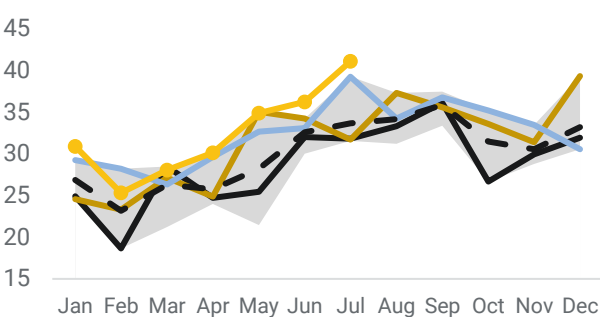


Figure 15: Iron Ore Exports from Brazil (Mt)



Brazil's Iron Ore Exports

Iron Ore Export Volumes Up +5% YoY in Jul'25 in Brazil

Figure 16: SECEX - Iron Ore Exports (% YoY and YoY Million Tons)

Iron Ore Exports % YoY	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Total Iron Ore Exports	-7%	-3%	24%	-8%	3%	5%	7%	-22%	6%	-10%	7%	2%	7%	10%	5%
Ponta da Madeira	-8%	-6%	34%	-12%	1%	26%	24%	-23%	5%	-17%	15%	16%	3%	-1%	-1%
Porto de Tubarão	-5%	-9%	10%	24%	-2%	6%	11%	-10%	2%	-34%	18%	8%	7%	24%	22%
Porto de Itaguaí	-1%	-1%	31%	-11%	8%	-16%	-15%	-41%	7%	8%	0%	-13%	0%	14%	-14%
Corumbá	-52%	-30%	-54%	-61%	-98%	-99%	-88%	-17%	19%	146%	11%	90%	170%	84%	291%
Other Ports	-13%	49%	3%	-32%	47%	-22%	-9%	27%	10%	44%	-23%	-43%	27%	-4%	45%
Iron Ore Fines	-7%	-3%	26%	-10%	2%	5%	7%	-22%	7%	-8%	6%	3%	6%	11%	5%
Ponta da Madeira	-7%	-6%	35%	-12%	-1%	27%	24%	-22%	6%	-16%	16%	18%	2%	0%	0%
Porto de Tubarão	-6%	-14%	14%	24%	-9%	6%	16%	-10%	9%	-35%	20%	19%	2%	36%	26%
Porto de Itaguaí	-1%	-1%	31%	-11%	8%	-16%	-15%	-41%	7%	8%	0%	-13%	0%	14%	-14%
Corumbá	-52%	-30%	-54%	-61%	-98%	-99%	-88%	-17%	19%	146%	11%	90%	170%	84%	291%
Other Ports	-13%	49%	3%	-32%	47%	-21%	-9%	27%	10%	44%	-23%	-43%	27%	-4%	45%
Agglomerated Products	-9%	0%	-3%	15%	30%	6%	2%	-21%	-13%	-37%	12%	-17%	19%	-10%	-2%
Ponta da Madeira	-68%	-36%	-13%	-25%	109%	-18%	19%	-75%	-23%	-75%	-19%	-47%	12%	-34%	-66%
Porto de Tubarão	-1%	6%	-1%	22%	19%	6%	0%	-11%	-11%	-30%	13%	-14%	20%	-7%	9%
Other Ports	214%	-89%	-100%	n.m.	n.m.	-100%	n.m.	-99%	196%	-100%	-100%	-100%	-92%	n.m.	n.m.
Iron Ore Exports (YoY mn tons)	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Total Iron Ore Exports	-2.4	-1.1	7.5	-3.1	1.2	1.6	2.1	-8.8	1.6	-2.9	1.7	0.5	2.2	3.1	1.9
Ponta da Madeira	-1.2	-0.9	4.5	-2.1	0.1	3.8	3.2	-4.3	0.7	-2.0	1.5	1.8	0.3	-0.1	-0.1
Porto de Tubarão	-0.4	-0.6	0.7	1.4	-0.1	0.4	0.7	-0.8	0.1	-2.4	0.9	0.5	0.5	1.5	1.6
Porto de Itaguaí	-0.1	-0.1	2.7	-1.2	0.8	-1.7	-1.4	-4.3	0.6	0.6	0.0	-1.3	0.0	1.5	-1.6
Corumbá	-0.5	-0.2	-0.4	-0.5	-0.8	-0.6	-0.2	-0.1	0.1	0.3	0.0	0.2	0.7	0.4	0.9
Other Ports	-0.3	0.7	0.1	-0.7	1.1	-0.3	-0.2	0.7	0.2	0.6	-0.8	-0.8	0.6	-0.1	1.0
Iron Ore Fines	-2.2	-1.1	7.6	-3.4	0.6	1.5	2.0	-8.1	1.9	-2.2	1.5	0.9	1.8	3.3	1.9
Ponta da Madeira	-1.0	-0.8	4.6	-2.1	-0.1	3.8	3.2	-4.0	0.7	-1.8	1.5	1.9	0.3	0.0	0.1
Porto de Tubarão	-0.3	-0.7	0.7	1.0	-0.4	0.3	0.7	-0.5	0.3	-1.9	0.7	0.8	0.1	1.6	1.4
Porto de Itaguaí	-0.1	-0.1	2.7	-1.2	0.8	-1.7	-1.4	-4.3	0.6	0.6	0.0	-1.3	0.0	1.5	-1.6
Corumbá	-0.5	-0.2	-0.4	-0.5	-0.8	-0.6	-0.2	-0.1	0.1	0.3	0.0	0.2	0.7	0.4	0.9
Other Ports	-0.3	0.7	0.1	-0.7	1.1	-0.3	-0.2	0.7	0.2	0.6	-0.8	-0.8	0.6	-0.1	1.0
Agglomerated Products	-0.2	0.0	-0.1	0.3	0.6	0.1	0.0	-0.6	-0.3	-0.7	0.2	-0.4	0.4	-0.2	0.0
Ponta da Madeira	-0.2	-0.1	0.0	-0.1	0.3	0.0	0.0	-0.3	-0.1	-0.2	0.0	-0.1	0.0	-0.1	-0.2
Porto de Tubarão	0.0	0.1	0.0	0.4	0.3	0.1	0.0	-0.3	-0.2	-0.5	0.2	-0.3	0.4	-0.1	0.2
Other Ports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Figure 17: SECEX – Iron Ore Exports By Port

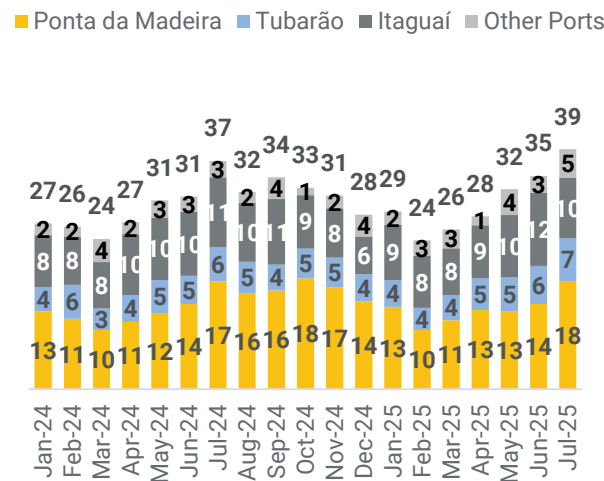
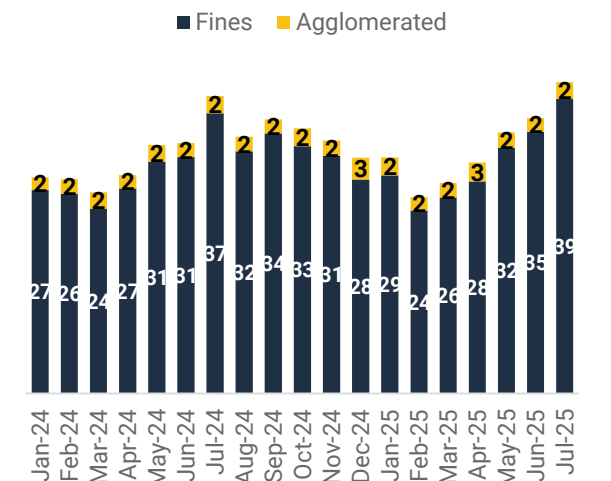


Figure 18: SECEX – Iron Ore Exports By Ore



Iron Ore Prices & Chinese Steel Industry Overview

Steel Output In-Line With 2024 Levels, According to CISA figures

Figure 19: Iron Ore Prices (USD/t)

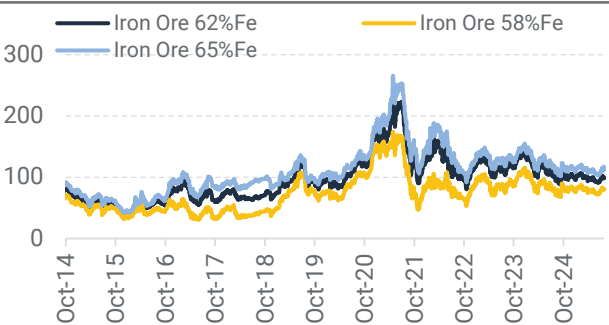


Figure 20: Iron Ore Prices Differentials (%)

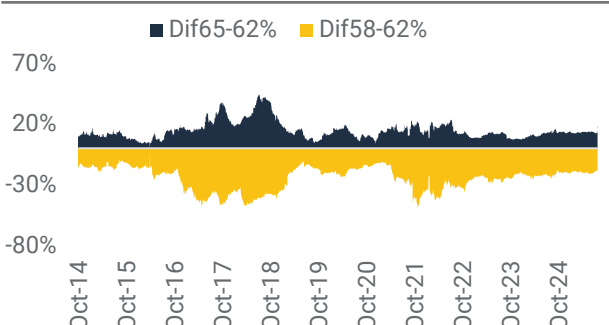


Figure 21: CISA 10-day Crude Steel Production (Mt/d)

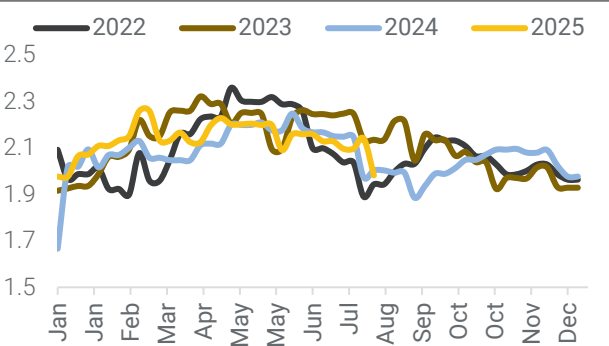


Figure 22: Daily Steel Output (Mt/d)

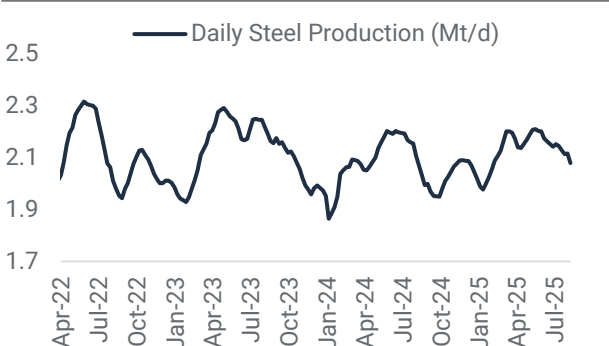


Figure 23: Chinese Steel Production (Mt)¹

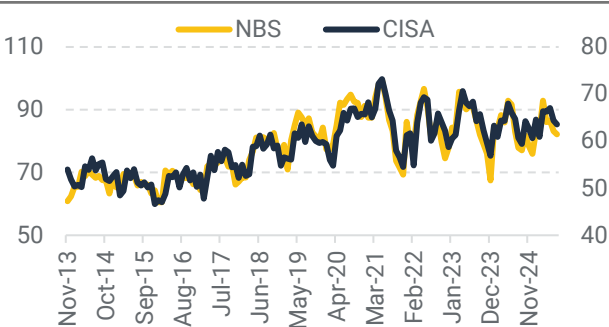


Figure 24: Chinese Pig Iron Production (Mt)¹

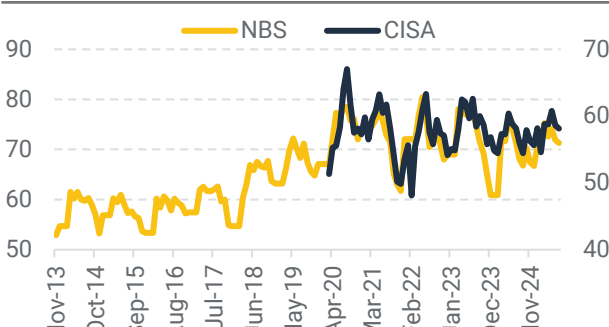


Figure 25: China HRC and Rebar Prices (USD/t)



Figure 26: China HRC and Rebar Margins² (USD/t)

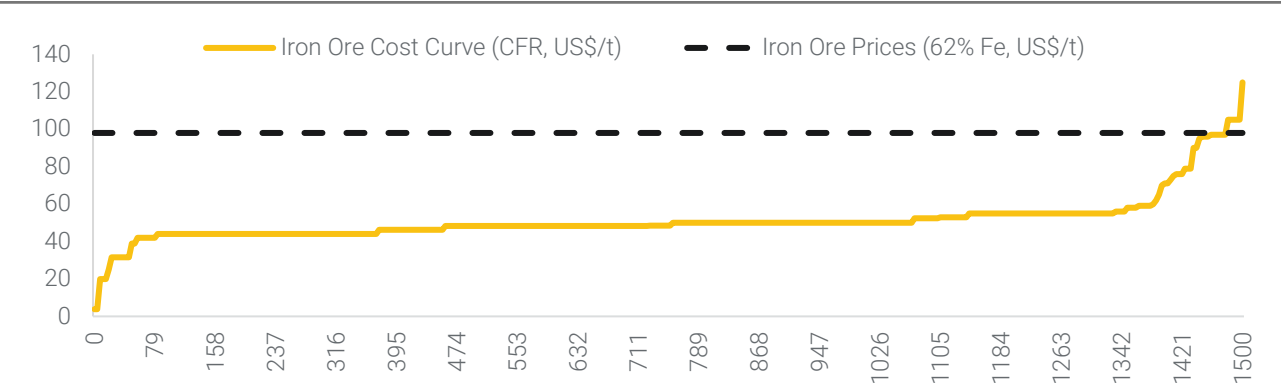


Source: China Customs, National Bureau of Statistics, SECEX, LSEG Refinitiv, Bloomberg and XP Research. ¹CISA numbers accounts for ~75% of Chinese steel production. ²China Margins = Steel Prices - 1.6 * Iron Ore 62% Fe - 0.6 * China Domestic Coke

Iron Ore Cost Curve

Cost Curve Remains Above ~US\$90/t

Figure 27: Iron Ore Cost Curve (Iron Ore 62% Fe on Y-axis [US\$/t] and Accumulated Capacity on X-axis [mt])



Iron Ore & Steel Inventories

Iron Ore Port Inventories Down, Below 5-Year Average

Figure 28-29: Chinese Iron Ore Port Inventories (Mt)

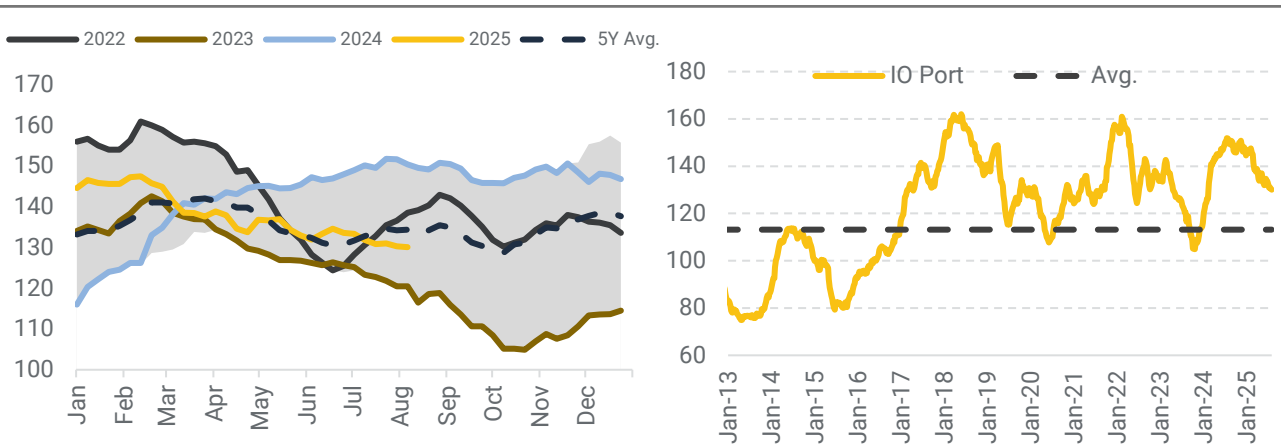
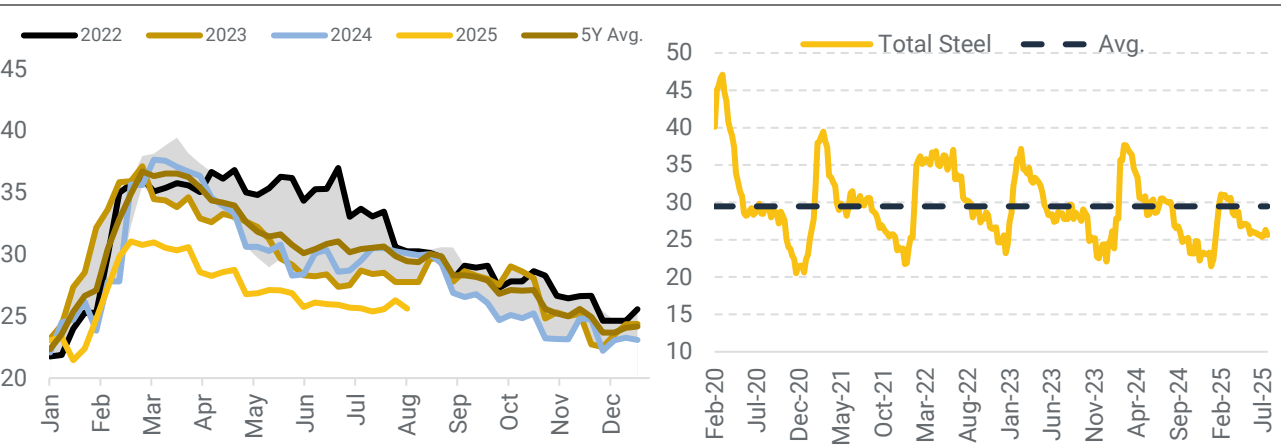


Figure 30-31: Chinese Total Steel Inventories (Mt)



China Macro Outlook

China’s Economic Growth Softened Slightly in Jun’25

China’s economic growth softened slightly in Jun’25: (i) industrial production remained strong, rising to +6.8% YoY in Jun’25 (from 5.8% in May’25), supported by robust exports to the U.S. and ASEAN (exports +7.2% YoY), benefiting from restocking amid the U.S.-China trade ceasefire; (ii) property sector continued to weaken, with housing sales down and further declines in prices, though new projects and completions ticked up slightly; and (iii) retail sales growth cooled to +4.8% YoY (from 6.4% in May’25), with solid auto sales driven by subsidies, but slower spending on food and clothing.

Figure 32: China – Summarized Macroeconomic Data

Description	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Macro														
GDP	YoY %			4.6%			5.4%			5.4%			5.2%	
CPI	YoY %	0.5%	0.6%	0.4%	0.3%	0.2%	0.1%	0.5%	-0.7%	-0.1%	-0.1%	-0.1%	0.1%	
PPI	YoY %	-0.8%	-1.8%	-2.8%	-2.9%	-2.5%	-2.3%	-2.3%	-2.2%	-2.5%	-2.7%	-3.3%	-3.6%	
Manufacturing PMI	Index	49.4	49.1	49.8	50.1	50.3	50.1	49.1	50.2	50.5	49.0	49.5	49.7	49.3
Caixin Mfg PMI	Index	49.8	50.4	49.3	50.3	51.5	50.5	50.1	50.8	51.2	50.4	48.3	50.4	49.5
Industrial Production	YoY %	5.1%	4.5%	5.4%	5.3%	5.4%	6.2%		5.9%	7.7%	6.1%	5.8%	6.8%	
Industrial Profits	YoY %	4.1%	-17.8%	-27.1%	-10.0%	-7.3%	11.0%			2.6%	3.0%	-9.1%	-4.3%	
Retail Sales	YoY %	2.7%	2.1%	3.2%	4.8%	3.0%	3.7%		4.0%	5.9%	5.1%	6.4%	4.8%	
Credit Data														
Total Social Financing	YoY %	44%	-3%	-9%	-23%	-5%	48%	9%	49%	22%	n.a.	11%	27%	
Credit Impulse	Index	-1.3	-1.8	-2.3	-3.7	-4.3	-4.6	-3.8	-2.0	-1.0	1.0	0.7	1.9	
Money Supply	Index	6.3	6.3	6.8	7.5	7.1	7.3	7.0	7.0	7.0	8.0	7.9	8.3	
New Yuan Loans	Index	36	127	227	70	80	136	708	139	501	39	86	312	
Foreign Reserves	Index	3,256	3,288	3,316	3,261	3,266	3,202	3,209	3,227	3,241	3,282	3,285	3,317	3,292
Trade Balance														
Trade Balance	USD Bn	84.7	91.0	81.7	95.7	97.2	105.1	138.4	31.6	102.4	96.2	103.2	114.8	98.2
Exports	YoY %	7.0%	8.7%	2.4%	12.7%	6.6%	10.7%	6.0%	-3.0%	12.3%	8.1%	4.8%	5.9%	7.2%
Imports	YoY %	7.2%	0.5%	0.3%	-2.3%	-3.9%	0.9%	-16.4%	1.5%	-4.3%	-0.3%	-3.4%	1.1%	4.1%
Fixed Asset Investments														
Urban FAI	YoY %	3.6%	3.4%	3.4%	3.4%	3.3%	3.2%		4.1%	4.2%	4.0%	3.7%	2.8%	
Construction FAI	YoY %	20.4%	21.6%	6.0%	-3.7%	-4.3%	-1.9%		-32.6%	-12.6%	-0.3%	-19.8%	-21.2%	
Output														
Excavator output, Volume	YoY %	50.8%	68.2%	72.6%	46.5%	45.1%	31.5%			11.5%	13.0%	11.1%	7.8%	
Cement production	YoY %	-12.8%	-12.1%	-10.8%	-8.5%	-10.8%	-1.8%			2.3%	-5.0%	-8.1%	-5.2%	
Ship production	YoY %	30.1%	7.9%	19.7%	28.4%	53.8%	24.6%			31.4%	39.9%	41.8%	12.9%	
Real Estate														
Real Estate Climate Index	Index	92.1	92.3	92.3	92.4	92.6	92.7	93.3	93.8	93.9	93.8	93.7	93.6	
New Home Prices	MoM %	-0.7%	-0.7%	-0.7%	-0.5%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.2%	-0.3%	
Floor Space Sold	YoY %	-15.2%	-12.6%	-11.0%	-1.6%	3.2%	-0.4%	-2.7%	-5.1%	-0.9%	-2.1%	-3.3%	-5.5%	
Area Under Construction	YoY %	-21.8%	-0.1%	-29.6%	-35.0%	-41.9%	-12.7%	-10.9%	-9.1%	-32.5%	-24.7%	245.2%	-0.4%	
New Home Starts	YoY %	-8.4%	-28.3%	-19.9%	-26.7%	-26.8%	-23.0%	-26.3%	-29.6%	-18.2%	-22.1%	-19.2%	-9.4%	
New Home Completions	YoY %	-21.8%	-36.6%	-31.4%	-20.1%	-38.8%	-30.5%	-23.1%	-15.6%	-11.5%	-27.9%	-19.5%	-1.8%	
Auto														
Passenger car sales	YoY %	-5.0%	-4.0%	1.5%	10.7%	15.2%	11.7%	0.9%	36.2%	10.4%	11.1%	13.3%	14.5%	
Car Production	YoY %	-1.2%	-0.1%	0.2%	6.3%	16.8%	15.1%			9.0%	11.0%	12.3%	7.5%	

Figure 33: Real Estate Indicators (YoY %)

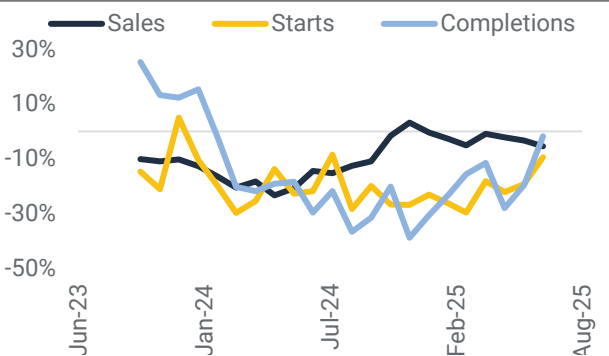
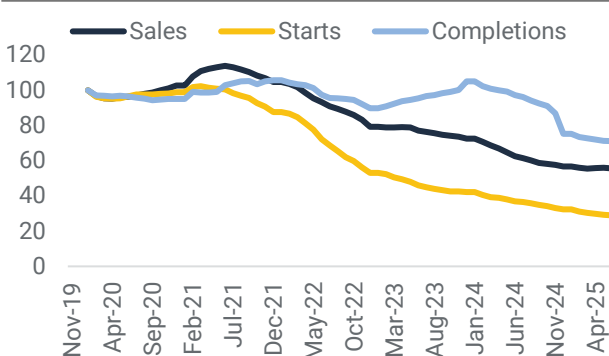


Figure 34: Real Estate Indicators (Feb’19=100)



Comps Table

Figure 35: Metals & Mining Comps Sheet

Companies	Current	Rating	Market Cap	ADTV	P/E		EV/EBITDA		Dividend Yield	
	Price				(\$ mi)	(\$ mi)	2025	2026	2025	2026
Diversified Miners					13.0x	12.4x	5.6x	5.4x	3.7%	4.1%
Vale	54.11	Neutral	45,289	247.8	6.7x	6.4x	4.4x	4.4x	6.6%	6.6%
Rio Tinto PLC	4,573.00	N.C.	102,868	185.7	10.4x	10.4x	5.5x	5.4x	5.6%	5.7%
BHP Group Ltd	40.21	N.C.	133,138	196.4	13.0x	13.0x	5.7x	5.8x	4.0%	3.9%
Anglo American PLC	2,172.00	N.C.	34,392	109.7	32.4x	18.4x	7.8x	6.9x	1.1%	2.2%
Glencore	288.25	N.C.	46,143	177.5	23.9x	12.5x	6.4x	5.3x	3.4%	4.3%
South 32	147.40	N.C.	8,872	0.6	13.0x	12.4x	4.9x	4.9x	3.3%	3.5%
Iron Ore					11.0x	12.8x	5.1x	5.7x	6.5%	5.3%
CSN Mineração	4.94	Neutral	4,997	4.4	14.0x	26.2x	6.8x	9.0x	6.5%	3.1%
FMG	18.85	N.C.	37,858	93.9	11.0x	12.8x	5.1x	5.7x	6.5%	5.3%
Kumba Iron	30,055	N.C.	5,461	10.8	7.1x	8.2x	3.3x	3.8x	10.1%	7.3%
Latam Steel					6.7x	6.2x	4.2x	3.3x	4.8%	5.0%
Gerdau	16.20	Buy	5,804	30.4	9.1x	7.0x	4.0x	3.3x	3.9%	4.4%
Usiminas	4.44	Neutral	1,057	12.4	4.4x	3.8x	2.6x	2.4x	4.5%	5.7%
CSN	7.31	Neutral	1,787	13.2	4.1x	5.5x	4.5x	4.9x	5.1%	4.0%
Ternium	31.26	N.C.	6,267	7.4	9.9x	8.2x	5.2x	4.2x	8.4%	7.8%
US Steel					16.4x	11.6x	8.5x	6.9x	1.6%	1.6%
Nucor	137.79	N.C.	31,795	248.1	16.4x	12.2x	8.5x	7.3x	1.6%	1.6%
United States Steel Corp	n.a.	N.C.	12,417	721.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Steel Dynamics	122.07	N.C.	18,122	159.0	13.4x	9.8x	9.1x	6.9x	1.6%	1.7%
Commercial Metals	53.10	N.C.	5,944	44.5	20.5x	11.6x	7.7x	6.3x	1.3%	1.4%
Asia Steel					32.5x	14.5x	9.0x	7.0x	0.0x	2.8%
POSCO Holding	295,500	N.C.	17,286	90.0	17.9x	11.9x	6.1x	5.3x	3.2%	3.2%
Baoshan Iron & Steel	7.47	N.C.	22,659	89.2	15.1x	13.1x	6.7x	6.2x	4.0%	4.6%
China Steel Corp	19.15	N.C.	10,162	12.9	87.0x	41.3x	14.6x	12.5x	1.4%	2.0%
Tata Steel	157.95	N.C.	22,556	35.5	47.0x	15.8x	11.2x	7.8x	2.2%	2.3%
Japan Steel					7.4x	11.6x	6.7x	7.1x	5.4%	4.2%
Nippon Steel	2,985.00	N.C.	21,809	103.3	9.6x	16.1x	8.1x	8.4x	5.2%	4.1%
Kobe Steel	1,746.50	N.C.	4,706	26.2	5.3x	7.2x	5.3x	5.7x	5.6%	4.4%
Europe Steel					13.8x	8.3x	5.3x	3.4x	1.6%	1.7%
Arcelor Mittal	28.82	N.C.	28,670	58.7	9.6x	8.2x	5.8x	4.9x	1.5%	1.6%
Thyssenkrupp AG	9.88	N.C.	7,172	40.7	19.6x	11.3x	1.8x	1.4x	1.6%	1.7%
Salzgitter AG	23.38	N.C.	1,639	10.2	n.a.	8.3x	5.3x	3.2x	1.2%	1.4%
Voestalpine AG	26.82	N.C.	5,342	8.7	17.4x	12.0x	5.3x	4.8x	2.2%	2.8%
SSAB AB	57.54	N.C.	5,909	6.3	10.2x	8.0x	4.2x	3.4x	3.7%	4.7%



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