

Iron ore exports jump 5-fold y-o-y in December

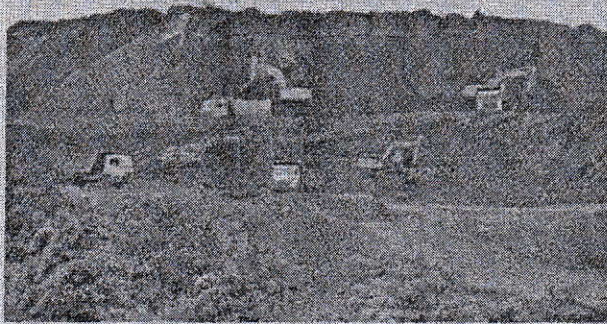
EXPORT LEVY CUT. Domestic prices are also increasing

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A month-after withdrawal of iron-ore export duty, exports jumped seven-fold on a sequential basis in December. Nearly 2.26 million tonnes (mt) of iron ore were exported last month, the third highest monthly bookings reported so far this fiscal.

On a year-on-year basis, exports increased by nearly 500 per cent, trade data suggests. In December 2021 iron ore export was 0.38 mt, according to market research firm *Steelmint* show.

In December 2022, exports were the best after April, when they stood at 3.05 mt, and then May, when it was reported at 2.70 mt. Export orders dropped May onwards on the back of weakened commodity cycle,



BOUNCING BACK. December was among the best months with export bookings to continue (file photo) K BHAGYA PRAKASH

strict Covid control measures in China - the key export market; and India imposing stringent export duty on steel making commodities including high grade ore (amongst the key export items).

Steelmint's data show that in June 0.31 mt of iron ore (lumps and fines included)

was exported; in July 0.5 mt; August 0.41 mt; in September it dropped to zero and picked up slightly in October to 0.13 mt and in November export was 0.30 mt.

According to traders, uptake started end-November onwards after withdrawal of export duty from November 19 onwards.

"Due to cargo lying at ports, Indian iron ore exports rose post-removal of export duties. December was amongst the best months this fiscal and trends suggest good bookings going forward," a trade source told *businessline*.

Domestic iron ore prices are also witnessing an increase.

DROP IN VALUE TERMS

However, Commerce Ministry data shows that iron ore export, in value terms, dropped by over 64 per cent in the April-December period to ₹6,539 crore. In the year-ago-period it stood at ₹18,260 crore.

But, for December 2022, ₹1,293 crore worth of iron ore was exported; up 212 per cent over December 2021's ₹414 crore; and significantly higher than November exports valued at ₹128 crore.