IRON ORE

Vale SA is turning to new markets to diversify iron ore sales as the industry's top customer China steps up efforts to influence prices of the steelmaking staple. While China still accounts for about half of Vale's iron shipments, the company is now selling to India and Vietnam and is exploring other markets in Southeast Asia and the Middle East, Chief Executive Officer Gustavo Pimenta said in an interview. It's a natural pivot from Vale's longstanding reliance on China as other emerging markets look to bolster their steel industries and Beijing focuses more on domestic consumption and technology. With Chinese steel production set to remain around 1 billion metric tons a year until the end of the decade, Vale wants to grow "significantly" in India, from current levels of about 10 million Over the next decade, the market probably will remain balanced despite the massive Simandou complex in Guinea coming onstream, Pimenta said. That's based on annual depletion of 50 million to 60 million tons, with another 150 million tons becoming unfeasible if prices go below $90 a ton versus about $100 now. The Brazilian company is also considering developing blending plants or partnering with locals in India. (Bloomberg)

STEEL

Oman has every opportunity to become a leader in global green steel industry thanks to its natural and geographical advantages, strong industrial infrastructure, and promising strategic planning. This is stated in a new report by the Institute for Energy Economics and Financial Analysis (IEEFA). According to the study, Oman already has a fully integrated steel production ecosystem, including iron ore enrichment, pellet production, direct reduction technology, and electric arc furnaces. The country also plans to develop new ore enrichment capacities. However, without switching from gas to green hydrogen, new DRI projects will not be able to claim the benefits of corresponding market premiums. The country also has great potential for renewable energy, given the significant investments in both solar and wind generationThe country has a clear, coordinated strategy to become a leading center for green hydrogen. Oman aims to produce 1-1.5 million tons by the end of the decade. (GMK Center)

COAL

India's coal imports rose sharply by 13.54 per cent to 22.05 million tonnes (MT) in September, driven by heightened demand for the dry fuel ahead of the festive season. The increase marks a significant jump from the 19.42 MT imported in the same month last year. The rise was led by non-coking coal, which totalled 13.90 MT during the month, slightly higher than the corresponding period of the previous financial year. Industry experts expect import levels to remain firm in the near term, with energy demand likely to stay elevated through the winter months and industrial output maintaining momentum. (businessworld)

GRAIN

Wheat advanced to a four-month high as traders weighed the fallout from a major drone attack on Russia's Black Sea port of Novorossiysk, a key export hub for grains and oil. A fuel depot at an oil terminal along with coastal facilities were damaged during the strike, according to local authorities, but it's unclear if any grain operations were hit. Benchmark wheat futures in Chicago climbed as much as 1% to the highest level since early July before paring some gains. Novorossiysk "is the main port for Russian grain exports," said Tobin Gorey, a strategist at Cornucopia Agri Analytics. If the attack "interrupts the flow for any significant period, the merchants are going to have to replace that grain from somewhere else, and that's not easy to do," he added. (Bloomberg)

OIL

Goldman Sachs commodity analysts have followed suit with the International Energy Agency, revising their predictions for oil demand much higher. By 2040, oil demand could expand to 113 million barrels daily, the analysts wrote in a note, as cited by Bloomberg. That would compare to 103.5 million barrels in 2024. The revision follows the International Energy Agency's latest World Energy Outlook, in which the IEA admitted oil and gas demand could continue growing until 2050 regardless of the net-zero push. As demand for energy grows, so will demand for the traditional sources of that energy, the agency said. In a departure from its predictions of peak oil demand and peak natural gas demand before 2030, the IEA now expects oil demand to reach 113 million barrels by 2050. (Oilpro)

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