

COMMODORE RESEARCH

Further Decline In Chinese Steel Production

The most recently released data from the China Iron and Steel Association (CISA) shows that daily crude steel production at large and medium-sized mills averaged 1.81 million tons during February 21 - February 29. This is 1% less than was produced during the previous ten days and is 15% less than was produced during February 21 - February 28 2019. While the pace of decline in CISA steel production has been fairly slow recently, on a year-on-year basis steel production is now down by 15% which is very large. In early February, steel production was still up slightly on year-on-year basis. Going forward, we will be continuing to monitor steel production very closely. The CISA data is a bit lagging, and it remains to be seen if steel production is faring any better this month. Various data points recently have been showing some segments of the economy continuing to improve, but as we have also discussed in previous work there remains speculation that local governments and businesses have been faking some coronavirus recovery data. CISA data is not yet showing a recovery in steel production.

Jeffrey Landsberg | Managing Director
[Commodore Research & Consultancy](#)

Commodore Research & Consultancy is a full-service consultancy that publishes weekly reports and provides analysis on the dry bulk market and China. Analysis in this commentary should not be considered investment recommendations. Careful attention is made to ensure that all data and information used is accurate. Commodore Research & Consultancy will not be held accountable for any direct or indirect errors. This commentary is prepared for informational purposes. Commodore Research & Consulting is not affiliated with Breakwave Advisors LLC, ETF Managers Group LLC or ETFMG Financial LLC (the "non-affiliated companies"). The non-affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by any investor on the basis of this commentary. In no event will the non-affiliated companies be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this commentary. Commodore Research & Consultancy receives a fee for the preparation of this commentary.