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# Iron Ore Market on Close FAQ

## What is Platts Market on Close?

The Platts Market on Close assessment process (MOC) is the process Platts editors use to assess the price of iron ore and other commodities.

The MOC approach to methodology operates on the principle that price is a function of time. Structured and highly transparent, the MOC is a process in which bids, offers and transactions are reported by participants to Platts editors and published in real time throughout the day until market close.

Following the close, Platts editors examine the data gathered through the day, conduct their analysis and develop price assessments that reflect an end-of-day value.

## Who can participate in the iron ore MOC?

MOC participants are buyers and sellers of iron ore. They include, but are not limited to, miners, steel mills, independent trading houses, and entities acting on their behalf.

Companies that have been reviewed by Platts may report bids, offers and transactions to Platts as part of the MOC process. However, any company can report trading interest in existing bids and offers in the MOC, whether it has been reviewed or not. Recurring interest may lead to entity review.

Participation in the MOC is voluntary. As a publisher, Platts only accepts data provided by reputable companies that meet counterparty acceptance criteria and comply with the guidelines Platts has set to govern the MOC.

## Who will conduct the MOC participation review?

Entities that wish to participate in the iron ore MOC should complete this form <https://www.spglobal.com/platts/en/our-methodology/participation-review>.

Platts Market Integrity & Review Group then conducts a participation review to establish that the company is credible, creditworthy and an active participant in the broader market for that commodity. The entities can also request more information on how MOC works and Platts guidelines governing the process. Entities must be reviewed for each specific market and evaluated against the editorial criteria for that market.

For more information on the participation review process, please contact [market\\_integrity\\_review@spglobal.com](mailto:market_integrity_review@spglobal.com).

## How is performance ensured?

Platts expects trades reported in the iron ore MOC to be physically performed. Participants should not unreasonably hamper the established delivery process. Platts reviews the performance of trades reported in the iron ore MOC to maintain the integrity of the assessment process. Platts reserves the right to not publish bids, offers and trade information from a company that fails to perform as per standard industry practice and Platts guidelines.

## How does Platts conduct counterparty acceptance review?

Platts applies objective criteria to review companies that wish to participate in the MOC. All companies need to demonstrate that they are acceptable counterparties to a critical mass of active market participants on typical terms and in accordance with Platts published methodologies.

To participate, all companies must also demonstrate the ability to perform as an iron ore buyer and/or seller, providing evidence of trade performance and logistical capability to perform.

In the MOC assessment process, Platts specifies that transactions must be at arm's length, meaning not conducted between corporate affiliates, individuals or companies that may be related in such a way that creates the potential for a perceived or actual conflict of interest. As part of the counterparty acceptance review, Platts verifies companies' financial standing and creditworthiness as well as understanding of the Platts editorial guidelines.

## Where is daily MOC information published?

- Firm bids, offers and trades from companies are published in real time on Page 700 of Platts Steel Alert (STL) and on Platts Dimensions Pro and Platts Market Center.
- Platts Dimensions Pro <https://platform.platts.spglobal.com/>
- Platts Market Center <https://pmc.spglobal.com/>
- Market participants may also refer to the following microsite: <https://iron-ore-moc.plattslabs.com/news>, where information is freely available in real-time.

## What are 'intraday values'?

Platts publishes intraday values at 3:45 pm Singapore time each working day. Intraday values reflect the market value of IODEX and specific iron ore brands at that defined point in time, both on an outright and floating basis, as assessed by Platts.

In assessing intraday values, Platts considers price information received before 3:45 pm Singapore time and applies the same methodology as in assessing its end-of-day assessments.

Platts reviews bids and offers price levels in the MOC process for reasonability relative to the published intraday values.

### **Does Platts only use the price information reported in the MOC process when assessing the iron ore indices?**

Platts prioritizes the bids, offers and transactions reported in the MOC process when assessing the iron ore market as they are the most transparent and detailed information available to Platts and the market.

When no bid, offer or transaction data exists, Platts may consider other verifiable data reported and published through the day, including fully and partially confirmed trades, intraday values and other market information as provided for publication.

Platts editors engage directly with producers, consumers, traders, brokers and shippers to gather price information. This includes trade information resulting from bilateral negotiations, brokerage platforms and tenders.

### **How does an MOC participant report bids, offers and transactions to Platts during MOC?**

MOC participants can report bids, offers and transactions, and the related price adjustment by emailing [iodex@spglobal.com](mailto:iodex@spglobal.com), through phone and/or commonly used instant messaging systems.

Platts publishes the work phone number of the Platts editor responsible for MOC price reporting on the day during the MOC hour.

MOC participants should reach out to Platts iron ore team ([iodex@spglobal.com](mailto:iodex@spglobal.com)) directly to report their interest in hitting or lifting bids or offers published during Platts iron ore MOC.

Following reported expression to trade with a counterparty in MOC, confirmation should be promptly provided by both counterparties to Platts. In addition, Platts expects counterparties to confirm the reported trade directly with each other. Subsequently, the verification from both sides should be provided to Platts.

### **What information does Platts need when MOC participants report bids, offers and transactions?**

MOC participants may provide complete cargo and price information containing: seller, buyer, loading laycan or delivery window which falls within the Platts 2-8 week assessment window, quantity (in metric tons), quality (in Fe, SiO<sub>2</sub>, Al<sub>2</sub>O<sub>3</sub>, Phosphorous, etc), price on fixed or floating basis (in \$/dmt, \$/dmtu or RMB/wmt), credit terms and other related terms.

Platts publishes in the MOC process bids/offers for cargoes on a CFR basis, priced basis Qingdao, with the ability to discharge at any main port in China, in accordance with current market practice.

Counterparties are expected to perform on trades reported in the MOC based on typical GT&Cs and credit terms that have been applied and accepted widely in the open market.

### **What's the timeline for iron ore MOC?**

As part of the MOC process, market participants must submit bids and offers with complete information to Platts editors before 5 pm Singapore time. Bids and offers can be raised or lowered in set increments until 5.25 pm for seaborne fines, lumps and pellets, and 5.28 pm for port stocks. At 5.30 pm, the market closes and all bids and offers still standing automatically expire.

### **Can market participants withdraw or change bids and offers?**

Market participants may withdraw their bids or offers at any time during the MOC by communicating their withdrawal to Platts editors.

MOC participants can only change the price in set increments defined in the iron ore MOC timing and increment guidelines <https://www.spglobal.com/platts/en/our-methodology/methodology-specifications/metals/metals-moc-timing-and-increment-guidelines>

Under normal circumstances, MOC participants can change the price of their published bids and offers at a minimum interval of every 5 minutes for seaborne cargoes and a minimum interval of every 2 minutes for port cargoes. Platts may narrow the minimum intervals or raise minimum price increments when high market volatility is observed.

### **What is the fee for participation in the MOC?**

No commission or other payments are required for MOC participation. MOC participants do not need to be subscribers of Platts services.

### **Where can I find more information about Platts Iron Ore MOC?**

Platts MOC participation review process <https://www.spglobal.com/platts/en/userform/moc>

Platts Iron Ore specifications guide [https://www.spglobal.com/commodityinsights/PlattsContent/\\_assets/\\_files/en/our-methodology/methodology-specifications/global\\_iron\\_ore.pdf](https://www.spglobal.com/commodityinsights/PlattsContent/_assets/_files/en/our-methodology/methodology-specifications/global_iron_ore.pdf)

Platts assessments methodology [https://www.spglobal.com/platts/plattscontent/\\_assets/\\_files/en/our-methodology/methodology-specifications/platts-assessments-methodology-guide.pdf](https://www.spglobal.com/platts/plattscontent/_assets/_files/en/our-methodology/methodology-specifications/platts-assessments-methodology-guide.pdf)

# Platts

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