



Ferrosilicon DAILY EXPRESS

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Ferrosilicon Spot Price

Ferrosilicon	Price (RMB/MT)	Up/Down	Area
Si75#	5700-5800	--	Inner Mongolia
	5700-5800	--	Gansu
	5700-5800	--	Ningxia
	5600-5700	--	Qinghai
	5600-5700	--	Shaanxi
Si72#	5500-5600	--	Inner Mongolia
	5500-5600	--	Gansu
	5500-5600	--	Ningxia
	5400-5500	--	Qinghai
	5350-5450	--	Shaanxi

Steel Mills Tender – November

Commodity	Steel Mills	Price (RMB/T)	Change vs. Last Month (RMB/T)	Volume & change vs. last month (Tons)
Ferrosilicon 72#	Shagang Group			1200
Ferrosilicon 72#	Fujian Sangang Group	6098	-32	3000
Ferrosilicon 72#	Nangang Iron & Steel			3000
Ferrosilicon 72#	HBIS Group	6050	-20	2630 (+680)
Ferrosilicon 72#	Xiangtan Iron & Steel	6050	-50	2000
Ferrosilicon 72#	Liuzhou Iron and Steel	6120/6130	-50/60	2000
Ferrosilicon 72#	Valin LY Steel			2000
Ferrosilicon 72#	CITIC Pacific Special Steel	6050	-50	1600
Ferrosilicon 72#	Fulun Steel			900
Ferrosilicon 72#	Chongqing Iron & Steel	5930	-50	800
Ferrosilicon 72#	Anyang Yongxing Special Steel	6030	+110	700
Ferrosilicon 72#	Hebei Puyang Iron and Steel			600
Ferrosilicon 72#	Changcheng Special Steel	6190		570
Ferrosilicon 72#	Hengyang Valin Steel Tube	6230	-50	512

Ferrosilicon 72#	Dalian Special Steel	5900	-	500
Ferrosilicon 72#	Baogang Group	5156		500
Ferrosilicon 72#	Yongyang Special-Steel			500
Ferrosilicon 72#	Fushun Special Steel	5900	-150	250
Ferrosilicon 72#	Xin Steel	6100/6130 /6180		

Supply

Sell>> Erdos Xijin Company supplies ferrosilicon (70#,72#,75#) & special ferrosilicon (low Al, low Ti, low C), Sales Manager, Mr. Ning, 15049433766/18147786766

Sell>> Wuhai Junzheng Group sells ferrosilicon, 72#, 75#, Mr. Zhou, 13327036330

Sell>> Tengda Northwest Ferroalloys Group supplies silicon, chrome and manganese products

Sell>> Baotou Oma company sell ferrosilicon, Mr. Fang 86-13901139228

Sell>> Sanyuan Zhongtai Company sell ferrosilicon, Mr. Di 86-13739507897

Sell>> Inner Mongolia Sanwei company Mr. Zhang 86-13614820288

Sell>> Ningxia Juhe Silicon Company Mr. Chen 86-13909598844

Sell>> Zhongwei Maoye Metallurgy company sell ferrosilicon Mr. Huang 13629555885

Sell>> Zhongwei Dayou Metallurgy company Mr. He 86-18709559808

Sell>> Zhongwei Yuexin Steel supply ferrosilicon 72#, 75#, size 10-50、10-80、50-10mm, Ms. Xiao 86-18795356999

Sell>> Zhongwei Tianze Metallurgy supply ferrosilicon 65#70#72#75#, low Al 0.02. Zhang Yue 86-18995453096

Sell>> Ningxia Xinkangsheng supply ferrosilicon, carbon raiser etc Mr. Ma 86-18395094491

Sell>> Ningxia Ruitaixiang company supply ferrosilicon 60# 65# 66# 72# 75# Ms. Wang 86-15809631594

Sell>> Aerbadi (Ningxia) Smelting Co., Ltd supply ferrosilicon 72# 75#, natural block, Mr. Chen, 17395155168, Mr. Liu, 17391519151

Sell>> Qinghai Wutong Industry Mr. Lee 86-13997034020

Sell>> Qinghai Huesheng Ferroalloy Co., Ltd, Mr. Chen 86-18697160185

Sell>> Qinghai Fuxin Silicon Mr. Gan 86-18097239888

Sell>> Gansu Honest special ferrosilicon Mr. Dai 86-13919058339

Sell>> Gansu Tianyikuangye company special ferrosilicon, normal ferrosilicon etc, Mr. Zhang 0931-2155553

Sell>> Lanzhou Hongye Company high purity ferrosilicon ($\text{Si} \geq 75\%$ $\text{Al} < 0.1\%$ $\text{Ca} < 0.02\%$, $\text{C} < 0.02\%$, $\text{Ti} < 0.05\%$ -0.01% etc.), supply all types of ferrosilicon and size

under 0-3 mm, size(10-50mm, 3-10mm)Si 72#powder(0-3mm),Mr. Shi
86-13309408708

Demand

Buy>> Shanxi Shenmu Dongfeng Magnesium Co.Ltd., Chen Jiashuai, 13772375803

Buy>> Shandong Xiangcheng Metallurgical Furnace Charge Co. Ltd., Mr. Li,
13963341489

Buy>> Jiangsu Zhongzaixin Metallurgical Furnace Charge Co. Ltd., Mr. Song,
15861080167

Buy>> Henan Anyang Zhenhuan Metallurgical Refractories Co. Ltd., Mr. Li,
13949530398

Buy>> Boyu Metal Corporation, Ms. Tong, 15242409770

Buy>> Beijing LY Metals and Mining Co., Ltd, Mr. Zhao, 18513433578

Buy>> Shanxi Orient Henglv Investment Casting Co., Ltd, Mr. Mou, 18636705861

Buy>> Silicon 68-72, Barium 4-6, granularity 0.2-0.8, 5-15, 3-8 or natural block, Mr.
Chen, 13909598844

Market Insight

● Dalian iron ore options to give nation bigger say in global market

The newly launched iron ore options will not only help China to have more decision power in the international market but also further enrich the country's financial market, said experts.

Approved by the China Securities Regulatory Commission, the iron ore options started trading at the Dalian Commodity Exchange (DCE) on Monday. With iron ore futures as the underlying assets, the newly launched options include 10 contracts.

Speaking at the launch ceremony, Luo Dongsheng, vice-mayor of Dalian, said the city owns the only bonded delivery warehouse for iron ore futures, providing services to the northeastern parts of China, Japan and South Korea. The launch of the iron ore option has provided market participants a more convenient and diversified risk management tool.

The iron ore option is the seventh commodity option launched in China so far. DCE president Li Zhengqiang said that the exchange has been able to introduce a complete product portfolio that covers futures, options and swaps. The spot market and the futures market will be better linked, and so will be the domestic and overseas markets,

he said.

"The yuan-denominated derivatives will better reflect the true market demand in China and help the Chinese prices be more influential in the international market," he said.

According to the statistics provided by DCE, Chinese iron ore futures had an accumulated trading volume of 236 million contracts in 2018. By the end of February this year, 118 overseas clients from 12 countries and regions had opened accounts at the exchange, and 79 of them were involved in the trading. The average daily trading volume of overseas clients reached 21,000 contracts.

● **Chinese Iron Ore Import and Steel Export Numbers for 11 Months of 2019**

General Administration of Customs latest data showed that China imported 90.65 million tonnes of iron ore in November, down 2.4 percent from 92.86 million tonnes last month, up 5.1 percent from 86.25 million tonnes a year earlier. The data also showed that between January and November, China imported 970.69 million tonnes of iron ore, down 0.7 per cent from 977.68 million tonnes a year earlier.

China exported 4.58 million tonnes of steel in November, down 4.2% from 4.78 million tonnes last month and 13.6% from 5.3 million tonnes a year earlier. The data also showed that China's steel exports from January to November were 59.66 million tonnes, down 6.5% from 63.78 million tonnes in the same period last year, while China's steel imports were 10.82 million tonnes in the same period, down 11.2% from 12.16 million tonnes in the same period last year.

● **Algerian steel traders voice concern over impending import rule change**

Algerian steel importers have voiced concerns over impending changes to make imports of all goods into the country on a free on board (FOB) basis from December 31.

On September 29, the Algerian finance ministry informed the Algerian association of banks and financial institutions (ABEF) of measures to make imports of mobile phones and household goods on a free on board (FOB) basis. From December 31, the measure will apply to all imports, including steel.

"It's a big mess and people are totally confused - all buyers prefer to import on a CFR basis as it's easy," a steel trader told S&P Global Platts.

"Importers will be pushed to use a local public company, CNAN [the Algerian national navigation company], and that means they will use the local currency [Algerian dinar] to pay for freight instead of US dollars and euros," the trader said.

"But the thing is, CNAN does not have enough vessels to manage all imports and it does not have enough lines to cover all destinations," he said.

Algerian buyers that booked flat steel cargoes in November, for January delivery, are most concerned, market participants said.

Obstacles to importing finished steel into Algeria have grown in recent years, in line with the development of domestic long steel rolling capacities, with Italian and Spanish long steel exporters most affected by a more protectionist stance adopted by the Algerian government.

"This rule change on imports will be positive for the domestic steel industry," a local Algerian source said.

Algerian buyers imported 203,215 mt of Europe-origin rebar in January-September, up from 149,881 mt over the course of 2018. However, this represents a sharp decline from 857,461 mt imported from EU sellers in 2017 and almost 2.5 million mt in 2016.

"It's a question of mathematics - if you need to import 1 million mt of goods, and you don't have 1 million mt capacity of vessels, how are you supposed to import?" an Italian mill source said.

"Also, this might affect more seasonal goods like cereals, but steel is not seasonal - and the Algerian election might also change things so we will have to see."

● **AM Italia sites to strike as production cuts, 4,700 jobs threatened**

Workers at ArcelorMittal Italia, Italy's largest flat steel producer, will go on strike Tuesday December 10 after the company set out plans to cut production and 4,700 jobs at the former Ilva site by 2023, union sources told S&P Global Platts last Thursday.

The company presented its plans for the former Ilva site to unions and Italian government representatives Wednesday afternoon, union sources said. ArcelorMittal has changed its planned production volumes for Ilva since it bought the company from the Italian government in 2018.

The Italian government rejected the plan.

ArcelorMittal Italia wants to produce around 4.5 million mt/year of crude steel next year, according to slides seen by Platts, with three blast furnaces: BF1, BF2 and BF4 that are operational now. This would make AM Italia production in line with this year's.

It plans to raise production to 6 million mt/year of crude steel from 2021 to 2024, initially using the same three blast furnaces. BF2 will stop production in 2023 to be replaced by a new electric arc furnace that will use a hybrid solution with scrap, pig iron and direct reduced iron. The new EAF investment would be around Eur230 million and will have lower carbon emissions.

Under the previous plan agreed with the Italian government in 2018, ArcelorMittal said it would increase Ilva's output to 6 million mt/year of crude steel from 4.5 million mt/year currently, and then systematically lift output to 8.5 million mt/year by 2023 with around 11,000 workers.

The new plan depends on the pending decision for BF2 in which the court in Taranto will rule by December 13 on whether to keep it operational.

AM Italia announced November 4 it would have to withdraw from the Ilva agreement after the Italian Parliament removed legal protection from the company, leaving its managers liable for prosecution over environmental issues. The decision was also made as a result of the court in Taranto obliging the Ilva extraordinary commissioners to meet certain conditions at the works by December 13, failing which BF2 would be shut down.

The special commissioners filed an urgent appeal in court in Milan in response. The hearing was recently postponed to December 20 giving AM and the Italian government time to find common ground.

Under the new plan, the company will not revamping BF5, the largest of the former Ilva plant, with a capacity of around 4.5 million mt of crude steel a year. The revamping of linked batteries 10 and 11 will also not go ahead, saving the company Eur250 million. The company will also save an additional Eur180 million through reducing the size of the iron ore park and avoiding work on BF2.

ArcelorMittal declined to comment on the discussions.

Daily Market

Brief Market Analysis

The spot market of ferrosilicon showed stable and the main steel mills are purchasing.

Ferrosilicon futures 2001 contract

1. Futures warehouse: The number of warehouse receipts was 3541, and the warehouse receipts were 17705 tons, and 1230 were valid for the number of

warehouse orders.

2. The 2001 ferrosilicon contract price on ZCE closed at 5784 yuan per tonne on December 10.

3. The main position: the top 20 positions increased and decreased varied, the purchase volume is more than the holding position.

Below are ferrosilicon futures main contract 2001 daily specific performances:

Date	Opening price	Closing price	Range %	Settlement Price	Trading volume
December 2 nd	5812	5768	↓ 0.86	5786	57712
December 3 rd	5768	5754	↓ 0.55	5738	68716
December 4 th	5756	5738	0.00	5744	28534
December 5 th	5738	5748	↑ 0.07	5766	39146
December 6 th	5758	5740	↓ 0.45	5746	35358
December 9 th	5760	5772	↑ 0.45	5768	53268
December 10 th	5780	5784	↑ 0.28	5778	37556

Currency Exchange Rate

Currency exchange RMB&USD

Intermediate exchange rate of RMB exchange rate in the inter-bank foreign exchange market: RMB: USD 7.0385.

International Data

● China exported 19751.7 tons of ferrosilicon (>55%) in October

According to China Customs, for the month of October, China exported a total of 19751.7 tons of ferrosilicon (>55%), down by 11.84% vs. September and 60.48% vs. the same period in 2018.

In October, China exported 8269 tons of ferrosilicon (>55%) to Korea, which accounts for 41.86% of the total exports in October and 5289.1 tons to Japan, which accounts for 26.78%.

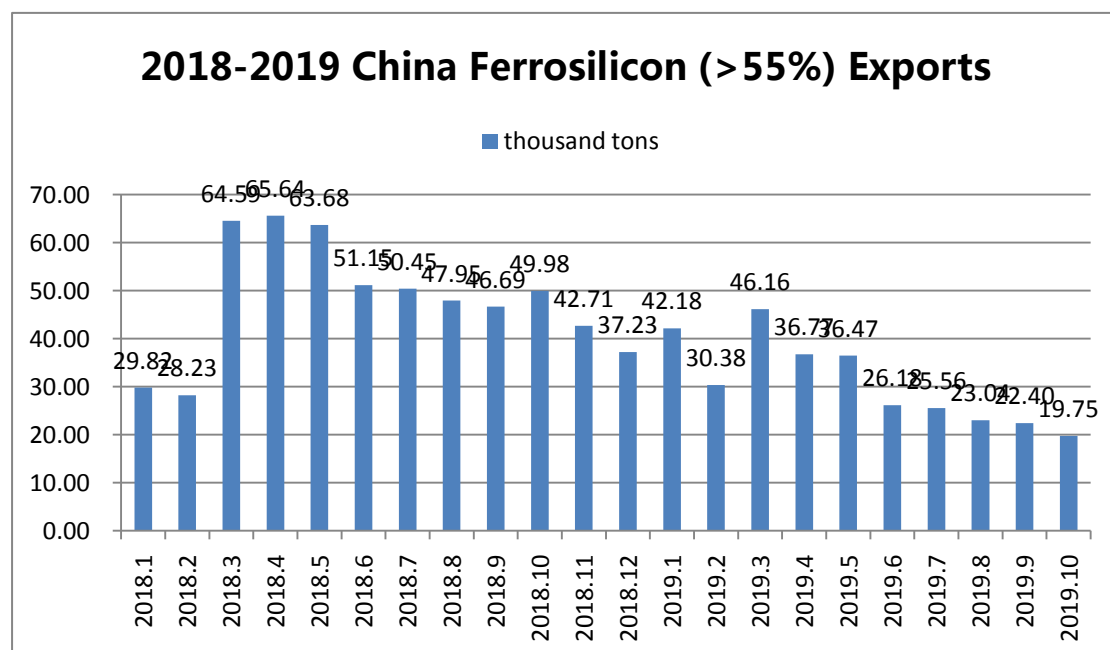
According to China Customs, from January to October, China exported a total of 308900.837 tons of ferrosilicon (>55%). Including 99176.657 tons to Japan, which accounts for about 32.1%) and 78665.1 tons to Korea (accounts for 25.47%).

● China exported 2111.95 tons of ferrosilicon (≤55%) in October

According to China Customs, for the month of October, China exported a total of 2111.95 tons of ferrosilicon ($\leq 55\%$), down by 27.8% vs. September and down by 28.02% vs. the same period in 2018.

In October, China exported 783 tons of ferrosilicon ($\leq 55\%$) to Korea, which accounts for 37.07% of the total exports in October and 383.1 tons to Japan, which accounts for 18.14%.

According to China Customs, from January to October, China exported a total of 26027.011 tons of ferrosilicon ($\leq 55\%$). Including 5987.775 tons to Japan, which accounts for about 23.01% and 8567.05 tons to Korea (accounts for 32.92%).



- **Korea imported 21,221.34 tons of ferrosilicon (>55%) in October**

For the month of October, Korea imported 21,221.34 tons of ferrosilicon (>55%), down by 12.31% vs. the same period in 2018.

In October, Korea imported 13515.40 tons from China, which accounts for 63.69% of its total imports.

- **Japan imported 30878.094 tons of ferrosilicon (>55%) in October**

For the month of October, Japan imported 30878.094 tons of ferrosilicon (>55%) in total, including 6363.73 tons from China, which accounts for 20.61%.

Through the first ten months of 2019, Japan imported 365634.607 tons of ferrosilicon

(>55%) in total, including 113313.626 tons from China, which accounts for 30.99%.

- **Japan imported 1080.14 tons of ferrosilicon ($\leq 55\%$) in October**

For the month of October, Japan imported 1080.14 tons of ferrosilicon ($\leq 55\%$) in total, including 661 tons from China, which accounts for 61.2%.

Through the first ten months of 2019, Japan imported 15623.626 tons of ferrosilicon ($\leq 55\%$) in total, including 6420.858 tons from China, which accounts for 41.1%.

- **World Steel Association: October 2019 crude steel production**

World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 151.5 million tonnes (Mt) in October 2019, a 2.8% decrease compared to October 2018.

China's crude steel production for October 2019 was 81.5 Mt, a decrease of 0.6% compared to October 2018. India produced 9.1 Mt of crude steel in October 2019, down 3.4% on October 2018. Japan produced 8.2 Mt of crude steel in October 2019, down 4.9% on October 2018. South Korea's crude steel production was 6.0 Mt in October 2019, a decrease of 3.5% on October 2018.

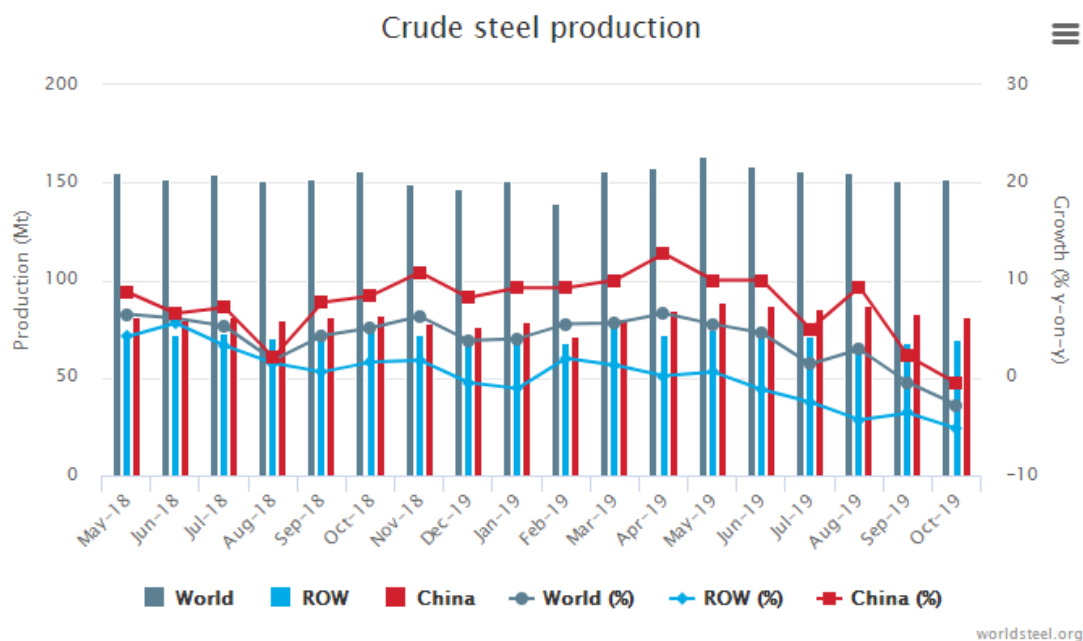
In the EU, Germany produced 3.3 Mt of crude steel in October 2019, down by 6.8% on October 2018. Italy produced 2.2 Mt of crude steel in October 2019, down by 3.7% on October 2018. France produced 1.2 Mt of crude steel in October 2019, a 10.6% decrease compared to October 2018. Spain produced 1.2 Mt of crude steel in October 2019, down by 7.6% on October 2018.

The US produced 7.4 Mt of crude steel in October 2019, a decrease of 2.0% compared to October 2018.

Brazil's crude steel production for October 2019 was 2.6 Mt, down by 19.4% on October 2018.

Turkey's crude steel production for October 2019 was 2.7 Mt, down by 15.0% on October 2018.

Crude steel production in Ukraine was 1.6 Mt this month, down 12.7% on October 2018. (WSA)



Coming Events



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