



Ferrosilicon DAILY EXPRESS

December 20th 2019 Friday

Internal Daily. For members of Ferro-Alloys.com only.

Catalog

Ferrosilicon Spot Price

Steel Mills Tender

Supply & Demand

Market Insight

Daily Market

Currency Exchange Rate

International Data

Coming Events

Tel: 010-87760688/811

Email: kangmingfei@ferro-alloys.com



Ferrosilicon Spot Price

Ferrosilicon	Area	Price (RMB/MT)	Up/Down
Si75#	Inner Mongolia	5800-5900	--
	Gansu	5750-5850	--
	Ningxia	5750-5850	--
	Qinghai	5600-5700	--
	Shaanxi	5550-5650	--
Si72#	Inner Mongolia	5600-5700	--
	Gansu	5550-5650	--
	Ningxia	5550-5650	--
	Qinghai	5450-5550	--
	Shaanxi	5350-5450	--

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	6060	-10	3200
Ferrosilicon 72#	Fujian Sangang Group	6098	-32	3000
Ferrosilicon 72#	Nangang Iron & Steel	6020	→	3000
Ferrosilicon 72#	Yongfeng Group	6050	-20	3000
Ferrosilicon 72#	HBIS Group	6050	-20	2630 (+680)
Ferrosilicon 72#	Minmetals Yingkou Medium Plate	6050	→	2500
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#	ZENITH	6060	-10	2000
Ferrosilicon 72#	CITIC Pacific Special Steel	6050	-50	1600
Ferrosilicon 72#	KISC	6100		300
Ferrosilicon 72#	KISC	6121		800
Ferrosilicon 72#	Yangchun New Steel	6250		800

Ferrosilicon 72#	Jiyuan Iron & Steel	6050	-20	800
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#	Anhui Changjiang Steel	6000	-70	500
Ferrosilicon 72#	Tonghua Iron & Steel	6050	-20	400
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.Di86-13739507897

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#，size10-50、10-80、50-10mm，Ms. Xiao 86-18795356999

Sell>> Zhongwei Tianze Metallurgy supply ferrosilicon65#70#72#75#，low Al0.02.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. Dai86-13919058339
Sell>> Gansu Tianyikuangye company special ferrosilicon, normal ferrosilicon etc, Mr.Zhang 0931-2155553
Sell>> Lanzhou Hongye Company high purity ferrosilicon ($Si \geq 75\%$ $Al < 0.1\%$ $Ca < 0.02\%$, $C < 0.02\%$, $Ti < 0.05\%$ -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

- **China's crude steel output to hit 980 mln tonnes in 2019**

China's crude steel output is expected to reach 980 million tonnes in 2019, an annual increase of 7 percent, said He Wenbo, Party chief of the China Iron and Steel Industry Association, on Sunday.

Steel production gained growth momentum in the first half of the year, but lost momentum in the second half, he told a conference in Shanghai, adding that both imports and exports of steel declined.

The industry's profit margins declined due to the rising costs of iron ore and coking coal and increased investment in environmental protection, the official said.

The industry will strictly limit the adding of new capacity and promote mergers and acquisitions and ultra-low emissions renovation of existing capacity, He said.

- **A Tough Year for Steel Stocks: Will 2020 Bring Good Tidings?**

After a freefall, U.S. steel prices appear have bottomed out and are gaining some traction of late. Major U.S. steel mills have been raising prices over the past several weeks in a bid to reverse the downswing in domestic steel prices. Moreover, some of the U.S. steelmakers have recently taken steps to reduce excess capacity, partly through idling of plants, in the wake of falling prices. Capacity cuts have contributed to the recent decline in U.S. steel production.

Driven by the consecutive price hike actions by flat-rolled and plate mills and lower production, HRC prices turned upward in November from the three-year low level reached in October. Prices have also gained some upward momentum this month. Tighter domestic supply coupled with steel mills' continued push for price hikes are expected to lend support to U.S. steel prices going into 2020.

The recent uptick in scrap prices, which had been down for much of this year, could also drive up domestic finished steel prices. Although a meaningful recovery is not expected to materialize over the near term, it is needless to say that higher prices would still provide a respite to domestic steel makers next year.

However, the demand side of the equation doesn't look promising going into 2020. The World Steel Association ("WSA") – the international trade body for the iron and steel industry – expects global steel demand growth to slow on a year over year basis in 2020.

The WSA envisions demand growth to decelerate to 1.7% in 2020 from a projected 3.9% rise this year. The projection takes into account an expected slowdown in demand in China amid a faltering domestic economy.

The WSA envisions U.S. steel demand growth to slow to 1% in 2019 from 2.1% last year and further decelerate to a paltry 0.4% growth in 2020. A weakening manufacturing sector is expected to limit demand growth.

Nevertheless, the de-escalation in U.S.-China trade tensions, at least for now, due to the announcement of the phase one trade deal would instil confidence in the reeling U.S. steel industry.

Although the demand environment is not expected to get better given the global

slowdown, a recovery in steel prices and easing trade tensions would nevertheless bode well for American steel companies heading into the new year.

- **Baowu Steel Group seeks to become global market leader**

China Baowu Steel Group, the nation's largest steelmaker, is seeking to strike a balance between solid growth and sustainable development through supply-side structural reform.

As the bellwether of the Chinese steel industry, China Baowu Steel has been carrying on supply-side reform in the past few years and is striving to become a global steel leader with an annual output of 100 million metric tons in the years to come, said Chen Derong, chairman of China Baowu.

Its recent merger with Maanshan Iron and Steel Co Ltd (Magang) has provided it with support to fulfill its goal. In November, China Baowu has acquired a 57.18 percent stake in Magang's listed entity from its controller Anhui Provincial State-owned Assets Supervision and Administration Commission to date, according to public information.

"Magang has 20 million tons of steel capacity, and Magang's unique product portfolio will extensively consolidate Baowu's strengths and increase its output to more than 90 million tons," said Chen.

China Baowu manufactured 67.43 million tons of crude steel in 2018, and Magang produced 19.64 million tons of crude steel, according to statistics from the China Iron and Steel Association, which means their total output is only 13 million tons away from Baowu's year-2025 goal of 100 million tons.

In addition to increasing their steel production quantity, the restructuring also paved the way for their collaborative development in leveraging each other's advantages. For example, Baowu is well known for its silicon iron and auto sheets, whilst Magang's vehicle wheel steels are widely used on bullet trains.

"The two companies' respective strengths will further enhance their capability in the steel sector with more complete production lines," said Zhang Tieshan, operational director with supply chain company Didisteel.

The marriage of China Baowu and Magang is also expected to allow the two steelmakers to guide the steel industry in a green and intelligent direction.

- **Northwest China turns to more green energy**

XI'AN -- Five northwestern Chinese provincial-level regions saw double-digit growth

in electricity generation from clean energy this year following heavy investment in green energy to improve the energy mix and reduce pollution.

During the January-November period, the five regions of Shaanxi, Gansu, Ningxia, Qinghai and Xinjiang generated 88.54 billion kWh of electricity from wind, an annual increase of 10.3 percent, according to the Northwest Branch of State Grid.

Meanwhile, the five regions generated 52.97 billion kWh of electricity from solar energy, up 18.3 percent.

The electricity from wind and solar energy now contributes to a quarter of all the electricity consumption in the regions, according to the Northwest Branch of State Grid.

Over the past nearly 10 years, the new energy generating capacity in the five regions has surged almost 45 times, with several of the country's largest wind and solar power projects having been built there.

To cut greenhouse gas emissions and tackle air pollution, China has been trying to use more renewable energy to reduce its heavy reliance on polluting coal.

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 3681, and the warehouse receipts were 18405 tons, and 3210 were valid for the number of warehouse orders.
2. The 2001 ferrosilicon contract price on ZCE closed at 5812 yuan per tonne on December 19.
3. The main position: the top 20 positions increased and decreased varied, the purchase volume is less 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
December 11 th	5780	5908	2.25%	5846	92456
December 12 th	5886	5730	-1.98%	5800	104276
December 13 th	5740	5728	-1.24%	5732	59794
December 16 th	5738	5730	-0.03%	5720	31376
December 17 th	5740	5730	0.17%	5732	23722
December 18 th	5740	5780	0.84%	5756	29656
December 19 th	5770	5812	0.97%	5794	30752

Currency Exchange Rate

Currency exchange RMB&USD

Intermediate exchange rate of RMB exchange rate in the inter-bank foreign exchange market: RMB: USD 7.0020.

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%).

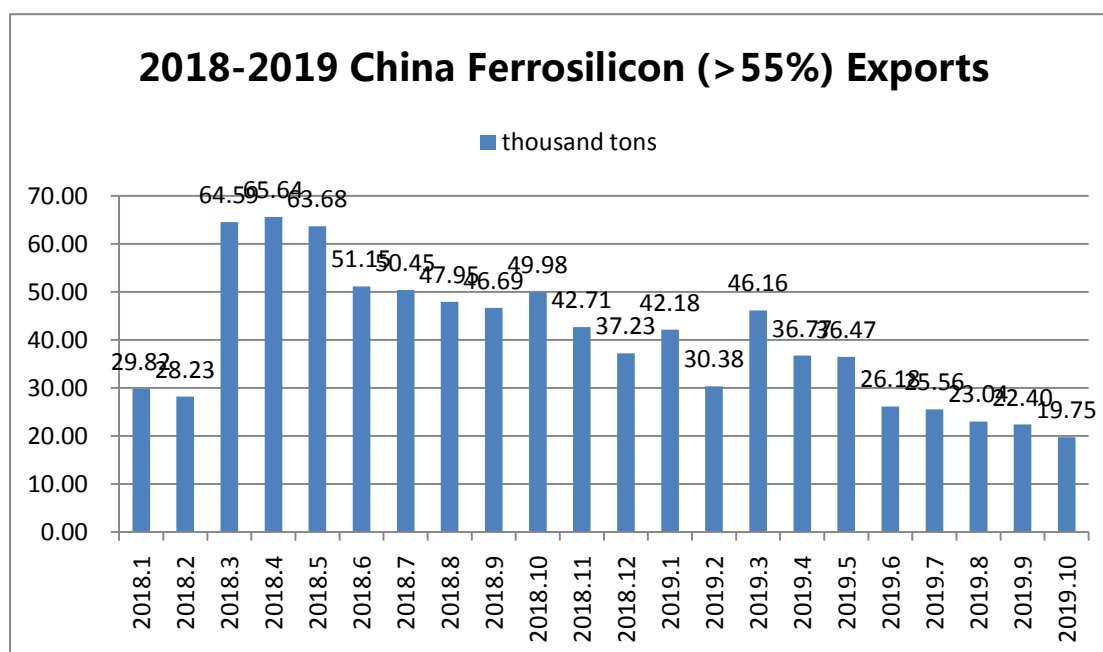
- **China exported 2111.95 tons of ferrosilicon (≤55%) in October**

According to China Customs, for the month of October, China exported a total of 2111.95 tons of ferrosilicon (≤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(≤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.

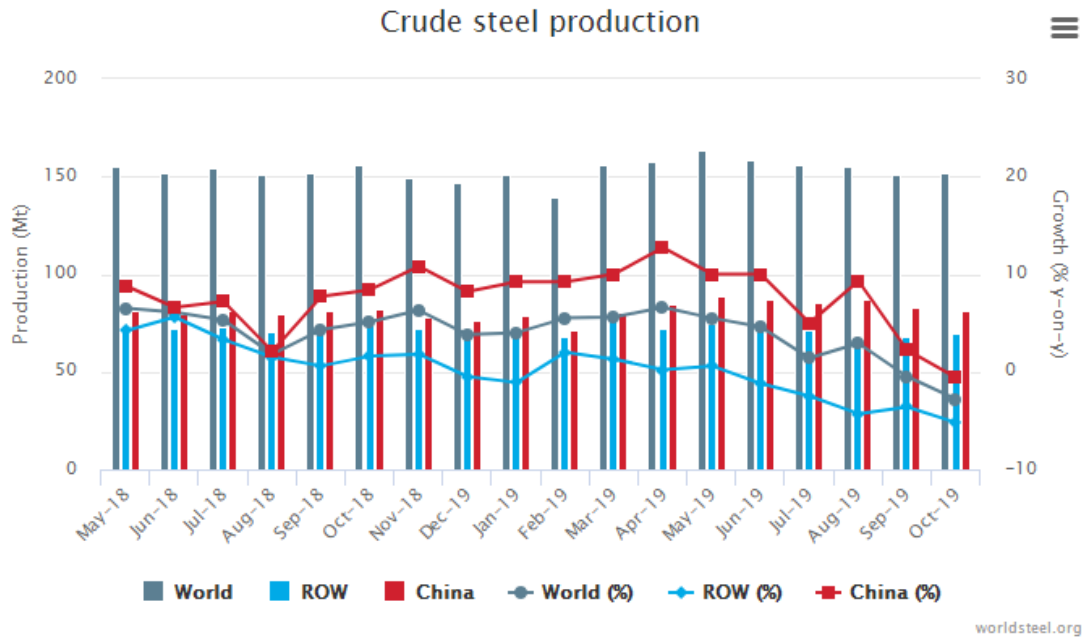
In the EU, Germany produced 3.3 Mt of crude steel in October 2019, down by 6.8% on October 2018. Italy produced 2.2 Mt of crude steel in October 2019, down by 3.7% on October 2018. France produced 1.2 Mt of crude steel in October 2019, a 10.6% decrease compared to October 2018. Spain produced 1.2 Mt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

The 17th China Ferro-Alloys

第17届中国铁合金国际会议 International

May 27th–30th, 2020, Chongqing, China

2020年5月27日–30日 重庆·中国

主办单位(Hosts):
中国五矿化工进出口商会
China Iron and Steel Industry Association

中国铁合金网
Ferro-Alloys.com

赞助单位(Sponsors):
博赛集团
BOSAI GROUP