



# **Ferrosilicon DAILY EXPRESS**

**August 11, 2020 Tuesday**

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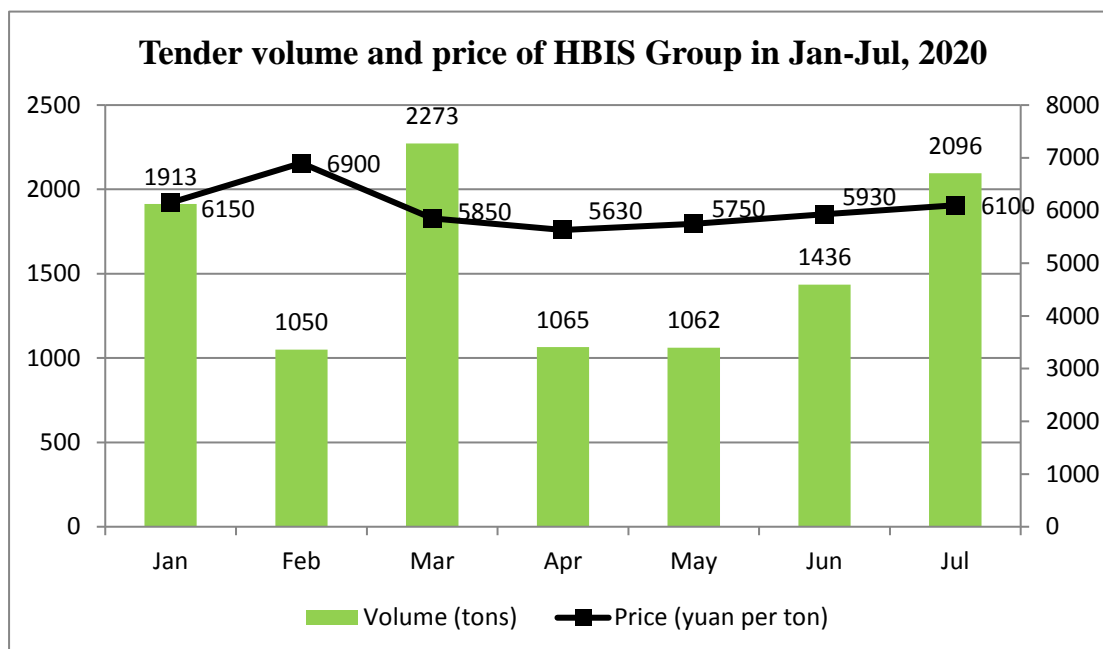
## Ferrosilicon Spot Price

Ferrosilicon	Area	Price (RMB/MT)	Up/Down
Si75#	Inner Mongolia	5700-5800	--
	Gansu	5700-5800	--
	Ningxia	5700-5800	↑
	Qinghai	5600-5700	↑
	Shaanxi	5550-5650	--
Si72#	Inner Mongolia	5500-5600	--
	Gansu	5500-5600	--
	Ningxia	5500-5600	↑
	Qinghai	5400-5500	--
	Shaanxi	5350-5450	--

## Steel Mills Tender – July, 2020

Commodity	Steel Mills	Price (RMB/T)	Change vs. Last Month (RMB/T)	Volume & change vs. last month (Tons)
Ferrosilicon 72#	Sangang Group	5900	-300	3300
Ferrosilicon 72#	Shagang Group	5880	-170	Tender volume 1500 tons, total volume 3000 tons
Ferrosilicon 72#	ZENITH	5880	-220	2800
Ferrosilicon 72#	HBIS Group	5880	-220	2335(-239)
Ferrosilicon 72#	Shagang Group	5780	-228	2050
Ferrosilicon 72#	Nanjing Iron and Steel	5850	-200	2000
Ferrosilicon 72#	CITIC	5900	-170	2000
Ferrosilicon 72#	Xiangtan Iron & Steel	/	/	1800
Ferrosilicon 72#	Masteel Group	5820	-180	1500
Ferrosilicon 72#	Shandong Iron & Steel	5880	-220	1300
Ferrosilicon 72#	Valin LY Steel	5930	-220	1000
Ferrosilicon 72#	Shaoguan Steel	5930	-220	1000

<b>Ferrosilicon 72#</b>	Henan Jiyuan Iron & Steel	5880	<b>-220</b>	800
<b>Ferrosilicon 72#</b>	Xining SpecialSteel	5800	<b>-350</b>	500
<b>Ferrosilicon 72#</b>	Changqiang Steel	/	/	300
<b>Ferrosilicon 72#</b>	Anhui Changjiang Steel	5820	<b>-260</b>	200



## 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 ( $\text{Si} \geq 75\%$   $\text{Al} < 0.1\%$   $\text{Ca} < 0.02\%$ ,  $\text{C} < 0.02\%$ ,  $\text{Ti} < 0.05\%$  -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

- **HBIS lines up investment in Peru iron ore mine**

HBIS Resources Co Ltd, a unit of China's second-biggest steelmaker HBIS Group, said on Monday it had signed an initial deal to develop the Pampa de Pongo iron ore mine in Peru alongside current licence-holder Zhongrong Xinda.

The two Chinese companies plan to set up a joint venture to work on the first stage of the mine, which also contains copper, cobalt and gold reserves, an HBIS Resources filing to the Shenzhen Stock Exchange showed.

The scope of cooperation includes mine and port construction and operation, it added. No value was put on the framework agreement, which was signed on July 31 and will serve as a basis for negotiations between the two firms.

Investing in Peru, the world's second-biggest copper producer after neighbouring Chile, would be HBIS' first foray into South America. It coincides with steady demand from Chinese steel mills as prices of iron ore, the main steel-making ingredient, top \$100 a tonne.

Qingdao-based Zhongrong Xinda acquired the rights to Pampa de Pongo in 2016 and its subsidiary Jinzhao Mining Peru is the project's operator.

A portfolio published by Peru's Ministry of Energy and Mines in October 2018 said Pampa de Pongo, in the Arequipa region, could produce 28.1 million tonnes of iron per year and was expected to start operations in 2023.

It put the investment required at \$2.2 billion.

Peru in mid-March imposed a mining lockdown to curb the spread of the new coronavirus, but has since eased restrictions. The country has reported more than 400,000 confirmed coronavirus cases and more than 18,000 deaths from covid-19, the respiratory disease the virus causes.

#### ● **Japan's steel woes set to be laid bare as top mills give updates**

Japanese steel producers, mired in one of their biggest postwar crises, are likely to reveal their troubles have crept into the new fiscal year when they start reporting earnings this week.

Nippon Steel Corp., the country's top producer and third-biggest in the world, and JFE Holdings Inc. have been pummeled this year as the coronavirus pandemic hurts already weak Japanese demand and the domestic industry faces intensifying rivalry from other Asian steelmakers. Analysts expect the companies to report losses in the first quarter after both Nippon and JFE posted record annual losses in the year ended March 31 amid multi-billion dollar impairments.

Nippon Steel reports earnings Tuesday and JFE is expected to release its quarterly figures Aug. 12.

"There's little good news," said Takeshi Irisawa, an analyst at Tachibana Securities

Co. in Tokyo. “The key focus at their quarterly earnings is whether there are any visible signs that demand will bottom out at some point and head for a recovery.”

ArcelorMittal said last week it remained cautious about a nascent recovery in its core steel markets, and was considering “structural changes” in light of the pandemic.

In Japan, output has slumped after operations were halted at one-third of the country’s 25 blast furnaces, and the crisis has even spurred talk of industry consolidation. Nippon Steel’s president and steel federation chief Eiji Hashimo has previously warned crude steel output could fall below 80 million tons this fiscal year.

Shares of both Nippon Steel and JFE remain near the record lows reached in April, and they’ve lost a combined \$10 billion of their value this year. The Topix Iron & Steel Index has slumped the most this year after the air transportation and mining sectors.

It may take longer for Japanese steelmakers that operate blast furnace mills, like Nippon Steel and JFE, to see an earnings recovery compared with other manufacturing industries due to low volumes and factors such as price cuts and higher expenses, according to Atsushi Yamaguchi, senior analyst at SMBC Nikko Securities Inc. Earnings may not bottom until the third or fourth quarter in a worst case scenario.

Still, Nippon Steel “remains our top pick thanks to its aggressive fixed-cost reductions and restructuring,” Yamaguchi said in the July 22 report. “Over the long term, we expect earnings at the firm to pull ahead of the pack.”

## Daily Market

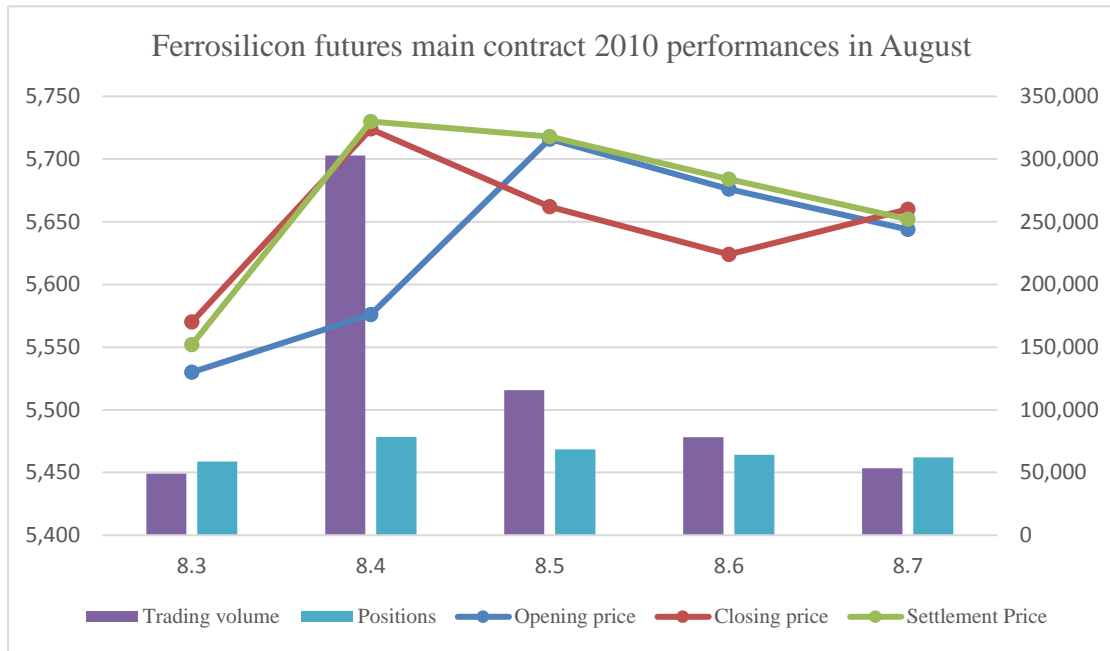
### Ferrosilicon futures 2010 contract

1. Futures warehouse: The number of warehouse receipts was 13977 (69885 tons), and 2598 (12990 tons) were valid for the number of warehouse orders.
2. The 2010 ferrosilicon contract price on ZCE closed at 5714 yuan per ton on August 10.
3. The main position: the top 20 positions increased and decreased variedly, the purchase volume is less than the holding position.

Below are ferrosilicon futures main contract 2010 daily specific performances:

Date	Opening price	Highest price	Lowest price	Closing price	Trading volume	Positions	Range	Settlement Price
8.3	5,530	5,572	5,520	5,570	49,176	58,709	0.22%	5,552

<b>8.4</b>	5,576	5,872	5,570	5,724	302,976	78,382	<b>3.10%</b>	5,730
<b>8.5</b>	5,716	5,770	5,646	5,662	115,825	68,356	<b>-1.19%</b>	5,718
<b>8.6</b>	5,676	5,726	5,616	5,624	78,139	64,249	<b>-1.64%</b>	5,684
<b>8.7</b>	5,644	5,674	5,620	5,660	53,391	62,128	<b>-0.42%</b>	5,652
<b>8.10</b>	5,646	5,772	5,644	5,714	101,263	65,353	<b>1.10%</b>	5,732



## Currency Exchange Rate

Currency exchange RMB&USD

Intermediate exchange rate of RMB exchange rate in the inter-bank foreign exchange market: RMB: USD 6.9711.

## International Data

- **China ferrosilicon (>55%) exports down 24.95% YoY in June 2020**

According to data of China Customs, China exported 19694.647 tons of ferrosilicon (>55%) in June 2020, down 29.11% vs. last month and down 24.95% year on year.

In June, China exported 4963.06 tons of ferrosilicon (>55%) to Japan, which accounts for 25.2% and 4493.84 to Korea, which accounts for 22.82%.

- **China ferrosilicon ( $\leq 55\%$ ) exports down 41.67% YoY in June 2020**

According to data of China Customs, China exported 1312.8 tons of ferrosilicon ( $\leq 55\%$ ) in June 2020, up 9.08% than last month and down 41.67% vs the same period in 2019.

In June, China exported 446 tons of ferrosilicon ( $\leq 55\%$ ) to Korea, which accounts for 33.97% and 321 tons to Japan, which accounts for 24.45%.

- **China ferrosilicon ( $>55\%$ ) exports down 24.66% YoY in Jan-Jun**

According to data of China Customs, in Jan-Jun, China exported a total of 164391.806 tons of ferrosilicon ( $\leq 55\%$ ), down 24.66% YoY, including 39233.27 tons to Korea, which accounts for 23.87% and 39141.61 tons to Japan, which accounts for 23.81%.

- **China ferrosilicon ( $\leq 55\%$ ) exports down 41.11% YoY in Jan-Jun**

According to data of China Customs, through January to June 2020, China exported a total of 9916.575 tons of ferrosilicon ( $\leq 55\%$ ), a year-on-year decrease of 41.11%, including 3918 tons to Korea, which accounts for 39.51% and 2228.4 to Japan, which accounts for 22.47%.

- **Japan June ferrosilicon ( $>55\%$ ) imports down 8.83% YoY**

According to data of Trade Statistics of Japan, in June 2020, Japan imported 32271.141 tons of ferrosilicon ( $>55\%$ ), down 8.83% YoY and down 39.415% vs. last month, including 5479.14 tons imported from China, which accounts for 16.98%.

In Jan-Jun, Japan imported a total of 188879.765 tons of ferrosilicon ( $>55\%$ ), down 15.24% YoY, including 44197.956 tons imported from China, which accounts for 23.4%.

- **Japan June ferrosilicon ( $\leq 55\%$ ) imports up 167.33% YoY**

According to data of Trade Statistics of Japan, in June 2020, Japan imported 2250.95 tons of ferrosilicon ( $\leq 55\%$ ), up 167.33% YoY and up 236.16% vs. last month.

In June, Japan imported 431 tons of ferrosilicon ( $\leq 55\%$ ), which accounts for 19.15% and 1571 tons from Russia, which accounts for 69.79%.

In Jan-Jun, Japan imported a total of 6269.517 tons of ferrosilicon ( $\leq 55\%$ ), down 36.02% YoY, including 2532.386 tons from China, which accounts for 40.39%.



- **worldsteel: June 2020 crude steel production**

World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 148.3 million tonnes (Mt) in June 2020, a 7.0% decrease compared to June 2019. Due to the ongoing difficulties presented by the COVID-19 pandemic, many of this month's figures are estimates that may be revised with next month's production update.

World crude steel production was 873.1 Mt in the first six months of 2020, down by 6.0% compared to the same period in 2019. Asia produced 642.0 Mt of crude steel in the first half of 2020, a decrease of 3.0% over the first half of 2019. The EU produced 68.3 Mt of crude steel in the first half of 2020, down by 18.7% compared to the first half of 2019. North America's crude steel production in the first half of 2020 was 50.2 Mt, a decrease of 17.6% compared to the first half of 2019.

China produced 91.6 Mt of crude steel in June 2020, an increase of 4.5% compared to June 2019. India produced 6.9 Mt of crude steel in June 2020, down 26.3% on June 2019. Japan produced 5.6 Mt of crude steel in June 2020, down 36.3% on June 2019. South Korea's steel production for June 2020 was 5.1 Mt, down by 14.3% on June 2020.

Germany produced 2.5 Mt of crude steel in June 2020, down 27.3% on June 2019. Italy produced 1.8 Mt of crude steel in June 2020, down 13.0% on June 2019. France and Spain each produced 0.8 Mt of crude steel in June 2020, down 34.9% and 31.5% respectively on June 2019.

The United States produced 4.7 Mt of crude steel in June 2020, a decrease of 34.5% compared to June 2019.

Production in the C.I.S. is estimated to be 7.9 Mt in June 2020, down 5.0% on June 2019. Ukraine produced 1.8 Mt of crude steel in June 2020, up 9.0% on June 2019.

Turkey's crude steel production for June 2020 was 2.8 Mt, up by 4.1% on June 2019.

## **Coming Events**

2020

8<sup>th</sup>

# 第八届 **电解锰** 国际会议 暨锰系合金市场研讨会

## The 8<sup>th</sup> Electrolytic Manganese Metal International Conference & Manganese Alloys Market Seminar

2020年8月19-21日 宁夏·银川  
August 19-21, 2020 Yinchuan, Ningxia

主办单位:  
Host



协办单位:  
Co-Organizers



赞助单位:  
Sponsor Organization



# 第17届中国 **铁合金** 国际会议

## The 17<sup>th</sup> China **Ferro-Alloys** International Conference

2020年9月23日-25日 重庆·中国  
September 23th-25th, 2020, Chongqing, China

主办单位(Hosts):



协办单位(Co-Organizers):



支持单位(Supports):

