



# **Ferrosilicon DAILY EXPRESS**

**November 5<sup>th</sup> 2019 Tuesday**

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## Ferrosilicon Spot Price

Ferrosilicon	Price (RMB/MT)	Up/Down	Area
Si75#	5800-5900	--	Ningxia
	5800-5850	--	Inner Mongolia
	5800-5900	--	Gansu
	5700-5800	--	Qinghai
	5600-5700	--	Shaanxi
Si72#	5500-5600	--	Ningxia
	5600-5700	--	Inner Mongolia
	5500-5600	--	Gansu
	5550-5650	--	Qinghai
	5400-5500	--	Shaanxi

## Steel Mills Tender – November

Commodity	Steel Mills	Price (RMB/T)	Change vs. Last Month (RMB/T)	Volume (Tons)	Change vs. Last Month (Tons)
Ferrosilicon 72#	HBIS Group			1950	<b>-910</b>
Ferrosilicon 72#	Xiangtan Iron & Steel			1600	<b>-300</b>
Ferrosilicon 72#	Xinjiang Bagang			1000	<b>-200</b>
Ferrosilicon 72#	Shouguang Baolong	6100	→	800	
Ferrosilicon 72#	Xining Special Steel			600	
Ferrosilicon 72#	CITIC Pacific Special Steel	6100	<b>-(40-70)</b>		constant
Ferrosilicon 72#	Hengyang Valin Steel Tube	6300	<b>+50</b>	96 (early Nov.)	

## 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

### ● Experts urge action to boost steel industry

More measures are expected to be put in place to battle China's sluggish steel and iron market as major producers experience a slump in profits, industry officials and experts said.

"Steel and iron producers should step up efforts in expanding markets, optimizing business structures, and increasing the added value of their products to achieve more profits," said Qu Xiuli, deputy head of the China Iron and Steel Association (CISA), a national group consisting of steel companies, institutions, and organizations.

CISA data showed their member companies have seen a 32 percent drop in profits, which totaled 146.6 billion yuan (\$20.75 billion), for the first nine months of this year.

The price of iron ore concentrates, a main raw material for steel and iron products, has risen 21.5 percent year-on-year, the CISA data showed. Scrap steel, another key raw material, has seen its price climb 8.8 percent compared with the same period last year.

The price of imported iron ore has surged 31.7 percent year-on-year.

Qu explained in a news conference on Tuesday that the surging price of raw materials was mainly due to a shortfall in the global iron market, as a mining dam disaster in Brazil and a cyclone in Australia caused supply disruptions.

"In addition, the past nine months have seen the rising cost of logistics and higher spending on environmental protection, which all led to cost increases for our member steel and iron producers," Qu of CISA said. "In general, production costs have increased about eight to 10 percent for our member companies."

### ● China's iron and steel industry sees rising revenue

China's iron and steel industry reported business revenue growth of 8.9 percent year-on-year in the first eight months, official data showed.

Business revenue hit 5.58 trillion yuan (\$788.7 billion) in the first eight months,

according to a statement by the Ministry of Industry and Information Technology.

From January to September, the output of cast iron reached 612 million tons, up 6.3 percent year-on-year and that of crude steel grew 8.4 percent from one year earlier to 748 million tons.

During the period, rolled steel output in the country climbed 10.6 percent year-on-year to 909 million tons.

Steel exports fell 5 percent to about 50.3 million tons, whereas imports saw a decrease of 12.2 percent to hit 8.75 million tons in the first three quarters.

### ● **Plan aims to lower air pollution in winter**

China's top environmental watchdog has rolled out a more specific and ambitious plan to phase out or transform major emitters of airborne pollutants in the Beijing-Tianjin-Hebei province cluster this heating-supply season, following the worsening of air pollution during an unusually warm year.

Experts commended the range of performance-based production restrictions in the plan, saying it gives companies incentives to bring emissions to low levels. They also warned, however, that "long-lasting" and "wide-ranging" smog may occur due to unfavorable meteorological conditions.

Fall and winter are the seasons with the worst air quality in northern China, mainly because of coal-burning for heating. The Ministry of Ecology and Environment has regularly introduced plans to address the issue in recent years to enhance pollution control in the cluster, an area plagued by some of the country's worst emissions.

### ● **Analysis: Europe HRC steel spreads fail to improve in October**

European steel indicative margins did not improve in October from September, as lower regional HRC steel prices offset cost advantages from declines in iron ore pellet premiums and scrap, according to an analysis.

Europe HRC to raw materials spreads were largely flat in the third quarter from the low of the previous quarter, and much weaker than in Q1 2019 and from 2018 and 2017 levels.

The decline in steel spreads over the past six months clouds the outlook for European steel producers, which have struggled with weaker demand from automakers.

Some mills have tried to consolidate operations in order to cut costs.

Profitability is being hit just as companies seek to invest further to commercialize cutting-edge steelmaking technologies over the next two decades to reduce emissions.

## 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 2358, and the warehouse receipts were 11790 tons, and 1945 were valid for the number of warehouse orders.
2. The 2001 ferrosilicon contract price on ZCE closed at 5740 yuan per tonne on November 4.
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
October 8 <sup>th</sup>	5874	5860	↑ 0.31	5868	52022
October 9 <sup>th</sup>	5860	5878	↑ 0.17	5874	37708
October 10 <sup>th</sup>	5878	5920	↑ 0.78	5906	55808
October 11 <sup>th</sup>	5916	5878	↓ 0.47	5894	45820
October 14 <sup>th</sup>	5882	5832	↓ 1.05	5848	59776
October 15 <sup>th</sup>	5832	5862	↑ 0.24	5856	71210
October 16 <sup>th</sup>	5860	5838	↓ 0.31	5838	56804
October 17 <sup>th</sup>	5838	5824	↓ 0.24	5816	81924
October 18 <sup>th</sup>	5812	5830	↑ 0.24	5808	64656
October 21 <sup>st</sup>	5816	5818	↑ 0.17	5810	58400
October 22 <sup>nd</sup>	5814	5796	↓ 0.24	5804	45488
October 25 <sup>th</sup>	5770	5810	↑ 0.73	5796	58322
October 28 <sup>th</sup>	5814	5762	↓ 0.59	5760	74092
October 29 <sup>th</sup>	5772	5814	↑ 0.94	5802	61622
October 30 <sup>th</sup>	5810	5780	↓ 0.38	5782	45588
October 31 <sup>st</sup>	5780	5756	↓ 0.45	5772	65298
November 1 <sup>st</sup>	5762	5782	↑ 0.17	5766	57924
November 4 <sup>st</sup>	5780	5740	↓ 0.45	5740	78166

## 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 Ferrosilicon Exports in September and from January to September

According to China Customs, China exported 22403.444 tons of ferrosilicon ( $>55\%$ ) in September, 2019, down by 2.76% than last month, and down by 52.02% than the same period in 2018.

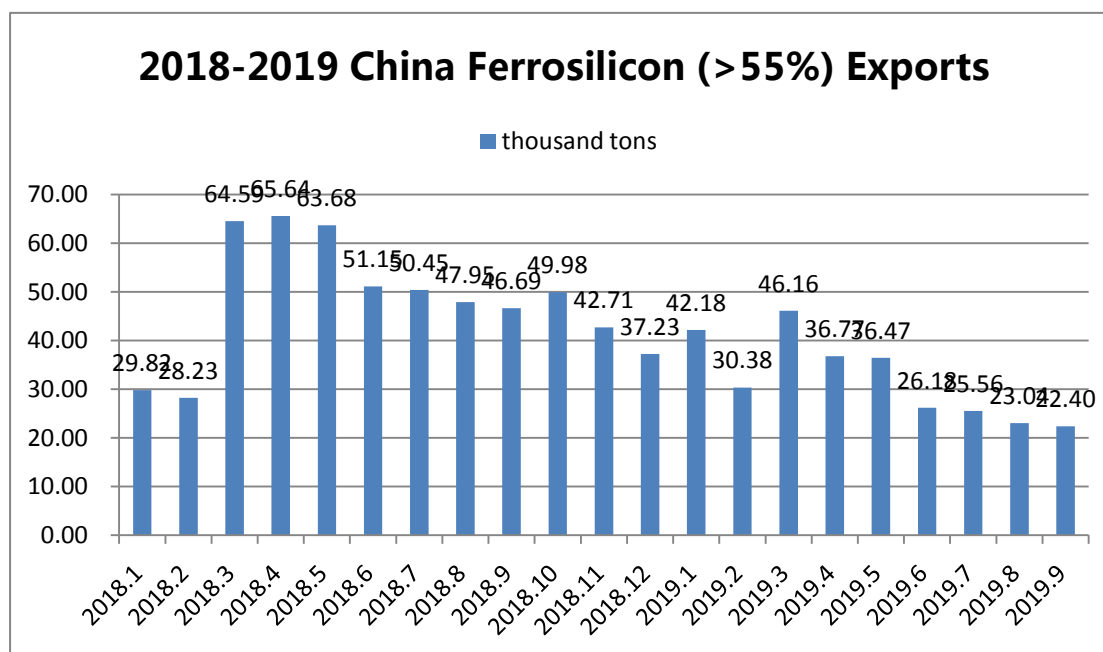
Of which, there were 7453 tons exported to Korea, accounts for 33.27%; and 7382.1 tons to Japan, accounts for 32.95% of the total exports in September.

China exported 289149.137 tons of ferrosilicon ( $>55\%$ ) for the first nine months of 2019, including 93887.557 tons to Japan, which accounts for 32.47% of the total exports of China; and 70396.1 tons to Korea, which accounts for 24.35%.

China exported 2925.202 tons of ferrosilicon ( $\leq 55\%$ ) in September, 2019, up by 32.78% than last month and down by 9.53 than the same period in 2018.

In September, China exported 933.5 tons of ferrosilicon ( $\leq 55\%$ ) to Korea, which accounts for 31.91% of the total exports in September; and exported 757 tons to Japan, which accounts for 25.88% of the total exports in September.

China exported 23915.061 tons of ferrosilicon ( $\leq 55\%$ ) for the first nine months of 2019, including 7784.05 tons to Korea, which accounts for 32.55% of the total exports of China; and 5604.675 tons to Japan, which accounts for 23.44%.



- **Korea imported 20448.257 tons of ferrosilicon (>55%) in September**

According to the data of Korea Customs Service, Korea imported 20448.257 tons of ferrosilicon (>55%) in September, 2019, up by 13.98% than the same period in 2018.

In September, Korea imported 11199.6 tons of ferrosilicon (>55%) from China, which accounts for 54.77% of its total imports in September.

- **Japan imported 35175.672 tons of ferrosilicon (>55%) in September**

For the month of September, 2019, Japan imported 35175.672 tons of ferrosilicon (>55%), down by 0.89% vs. August and up by 51.7% vs. the same period in 2018.

Through the first nine months of 2019, Japan imported 334756.513 tons of ferrosilicon (>55%), roughly flat compared with the same period in 2018.

In September, Japan imported 8516.8 tons of ferrosilicon (>55%) from China, up by 51.49% vs. August and down by 9.02% vs. the same period in 2018.

From January to September, Japan imported 106949.896 tons of ferrosilicon (>55%) from China, down by 20.6% vs. the same period in 2018.

- **Japan imported 1258.274 tons of ferrosilicon ( $\leq$ 55%) in September**

For the month of September, 2019, Japan imported 1258.274 tons of ferrosilicon ( $\leq$ 55%), down by 51.19% vs. August and up by 10.4% vs. the same period in 2018.



Through the first nine months of 2019, Japan imported 14543.486 tons of ferrosilicon ( $\leq 55\%$ ), up by 21.27% vs. the same period in 2018.

In September, Japan imported 776.5 tons of ferrosilicon ( $\leq 55\%$ ) from China, up by 27.92% vs. August and down by 18.02% vs. the same period in 2018.

From January to September, Japan imported 5759.858 tons of ferrosilicon ( $\leq 55\%$ ) from China, up by 5.26% vs. the same period in 2018.

### ● **World Steel Association: September 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 September 2019, a 0.3% decrease compared to September 2018.

World crude steel production was 1,391.2 Mt in the first nine months of 2019, up by 3.9% compared to the same period in 2018. Asia produced 1,000.1 Mt of crude steel, an increase of 6.3% over the first nine months of 2018. The EU produced 122.5 Mt of crude steel in the first nine months of 2019, down 2.8% compared to the same period of 2018. North America's crude steel production in the first nine months of 2019 was 90.6 Mt, an increase of 0.3% compared to the same period of 2018. The C.I.S. produced 76.0 Mt of crude steel in the first nine months of 2019, down by 0.1% over the same period of 2018.

China's crude steel production for September 2019 was 82.8 Mt, an increase of 2.2% compared to September 2018. India produced 9.0 Mt of crude steel in September 2019, up 1.6% on September 2018. Japan produced 8.0 Mt of crude steel in September 2019, down 4.5% on September 2018. South Korea's crude steel production was 5.7 Mt in September 2019, a decrease of 2.7% on September 2018.

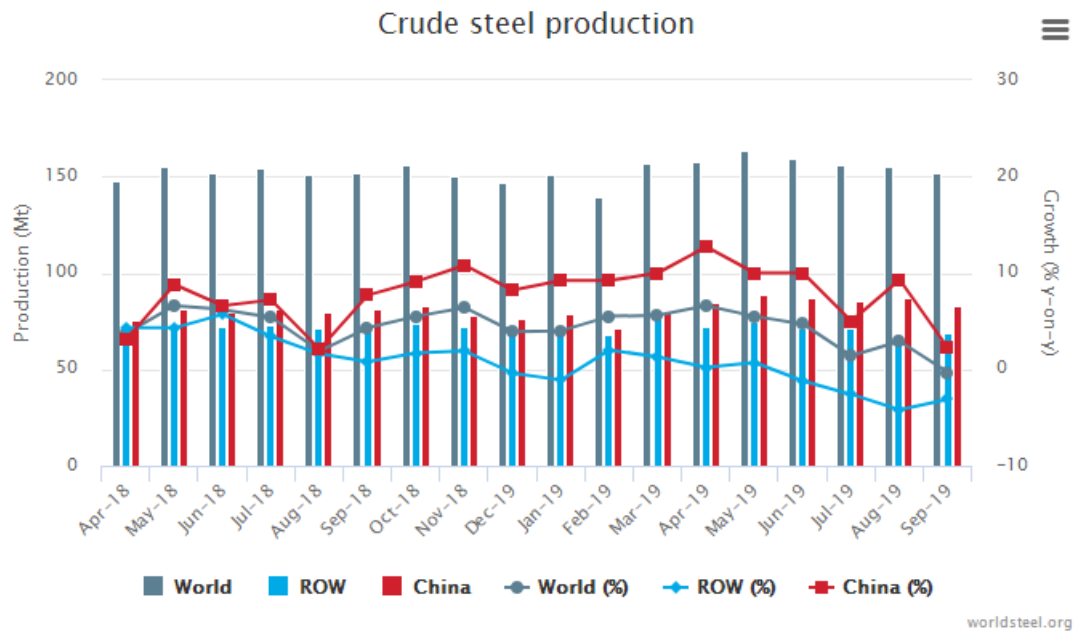
In the EU, Germany produced 3.4 Mt of crude steel in September 2019, down by 4.0% on September 2018. Italy produced 2.2 Mt of crude steel in September 2019, up by 1.1% on September 2018. France produced 1.2 Mt of crude steel in September 2019, a 10.2% decrease compared to September 2018. Spain produced 1.2 Mt of crude steel in September 2019, down by 1.0% on September 2018.

The US produced 7.1 Mt of crude steel in September 2019, a decrease of 2.5% compared to September 2018.

Brazil's crude steel production for September 2019 was 2.4 Mt, down by 22.0% on September 2018.

Turkey's crude steel production for September 2019 was 2.7 Mt, down by 6.9% on September 2018.

Crude steel production in Ukraine was 1.7 Mt this month, down 2.3% on September 2018. (World Steel Association)



## Coming Events

**2019 中国铁合金行业年会**  
暨2020年锰铬镍矿石和铁合金市场展望  
**China Ferro-Alloys Industry Annual Conference**  
Market Outlook of Manganese, Chrome, Nickel Ore & Ferroalloys 2020

2019年11月21-23日 天津  
Nov. 21-23, 2019 Tianjin China

主办单位: (Hosts) ChinMetal 中国铁合金网  
支持单位: (Supporters) 中国五矿集团 中钢集团 IMRA 国际冶金资源协会 天津华荣 国际冶金工业协会 天津泰连 国际铬业协会 东疆保税港区

协办单位: (Co-Organizers) 中国铁合金工业协会 天津泰连