



# **Ferrosilicon DAILY EXPRESS**

**July 22<sup>nd</sup>, 2019 Monday**

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Tel: 010-87760688/811

Email: [kangmingfei@ferro-alloys.com](mailto:kangmingfei@ferro-alloys.com)



## Price Information--Ferrosilicon Spot Price

Ferrosilicon	Price (RMB/MT)	Up/Down	Area
Si75#	6600-6700	--	Ningxia
	6500-6600	--	Inner Mongolia
	6500-6600	--	Gansu
	6400-6600	--	Qinghai

Ferrosilicon	Price (RMB/MT)	Up/Down	Area
Si72#	6500-6600	--	Ningxia
	6400-6500	--	Inner Mongolia
	6400-6500	--	Gansu
	6300-6500	--	Qinghai

## Steel Tender Price – July

**Fujian Sangang Group** released the tender price of ferrosilicon 75# of July, the price was 6438 RMB/T, 208 RMB higher than last month, and the volume was 3500 tons.

**Guangxi Liuzhou Iron and Steel Group** released the tender price of ferrosilicon 75# of July, the price was 6580 RMB/T, 230 RMB higher than last month, and the volume was 3000 tons.

**CITIC Pacific Special Steel Holdings** released the tender price of ferrosilicon 75# of July, the price was 6460 RMB/T, 330 RMB higher than last month, and the volume was 3000 tons.

**HBIS group** released the tender price of ferrosilicon 75#, the price was 6450 RMB/T, 280 RMB higher than last month, and the volume was 2720 tons, 830 tons less than last month.

**Shanxi Iron and Steel** released the tender price of ferrosilicon 75#, the price was 6350 RMB/T, 280 RMB higher than last month, and the volume was 2500 tons.

**Nanjing Iron and Steel Group** released the tender price of ferrosilicon 75# of July, the price was 6400 RMB/T, 270-300 RMB higher than last month, and the volume was 2000 tons.

**Xiangtan Iron & Steel** released the tender price of ferrosilicon 75# of July, the price was 6420 RMB/T, 240 RMB higher than last month, and the volume was 1750 tons.

**Xin Steel** released the tender price of ferrosilicon 75# of July, the price was 6420 RMB/T, and the volume was 1500 tons.

**Wuhan Iron & Steel** released the tender price of ferrosilicon 75#, the price was 6420 RMB/T, 220 RMB higher than last month, and the volume was 1200 tons.

**Tianjin Iron & Steel Group** released the tender price of ferrosilicon 75#, the price

was 6180 RMB/T, 280 RMB higher than last month, and the volume was 900 tons.

**Henan Jiyuan Iron & Steel** released the tender price of ferrosilicon 75#, the price was 6180 RMB/T, 280 RMB higher than last month, and the volume was 900 tons.

**Jiujiang Pxsteel** released the tender price of ferrosilicon 75# of July, the price was 6300 RMB/T, and the volume was 800 tons.

**Valin LY Steel** released the tender price of ferrosilicon 75# of July, the price was 6400 RMB/T, and the volume was 800 tons.

**Anhui Changjiang Steel** released the tender price of ferrosilicon 75# of July, the price was 6220 RMB/T, 70 RMB higher than last month, and the volume was 400 tons.

**KISC** released the tender price of ferrosilicon 75#, the price was 6535 RMB/T, 275 RMB higher than last month, and the volume was 300 tons.

**Shandong Luli Steel** released the tender price of ferrosilicon 75# of July, the price was 6030 RMB/T, and the volume was 150 tons.

**Bao Steel** released the tender price of ferrosilicon 75# of July, the price was 6450 RMB/T, and the volume was constant.

## 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>> 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

### Nucor reports results for second quarter of 2019

July 18, 2019 -- Nucor Corporation (NYSE: NUE) today announced consolidated net earnings of \$386.5 million, or \$1.26 per diluted share, for the second quarter of 2019. By comparison, Nucor reported consolidated net earnings of \$501.8 million, or \$1.63 per diluted share, for the first quarter of 2019 and \$683.2 million, or \$2.13 per diluted share, for the second quarter of 2018.

Included in the first quarter of 2019 results was a benefit of \$33.7 million, or \$0.08 per diluted share, related to the gain on the sale of an equity method investment in the raw materials segment. Included in the second quarter of 2018 results was a benefit of \$23.3 million, or \$0.06 per diluted share, related to insurance recoveries.

In the first half of 2019, Nucor reported consolidated net earnings of \$888.3 million,

or \$2.88 per diluted share, compared with consolidated net earnings of \$1.04 billion, or \$3.23 per diluted share, in the first half of last year.

### **Asian customers prefer Iranian slabs**

Traditional slabs suppliers are trying to keep prices firm for the Asian market, having sold large quantities for August production. Meanwhile, suppliers from alternative destinations were ready to offer much lower tags and thus spurred customer interest.

CIS suppliers are offering slabs at \$445-450/t CFR for September shipment to Southeast Asia from both Far Eastern and Black Sea ports, slightly up from \$440-450/t CFR two weeks ago. Asia's key supplier in Russia largely sold out August production in the first half of the month, so availability from the CIS is somewhat limited at present, providing support to prices.

Better options were available from alternative suppliers. At least 70,000 t of Iranian slabs was marketed in Thailand and Indonesia last week at \$365/t FOB for end August-September shipment, which corresponds to more or less \$400/t CFR, sources estimate.

Buyers in Taiwan were also trying to get the lowest possible price referring to slow demand in the HRC segment in the region. "While earlier we could sell at \$515/t FOB, now \$505-510/t FOB would work. Moreover, demand in the local market is not good," a Taiwanese source noted. The acceptable price for Taiwan would be \$430-440/t CFR, sources consider.

Brazilian material was offered at \$465/t CFR. "Brazil is active now and will remain present in Asia till the end of 2019, but we are not ready to buy at similar levels now," a trader said.

### **National coal supply, demand balanced in the first six months**

National coal supply and demand managed to stay balanced in the first half of 2019, although situations differ from region to region, Zhang Hong, deputy secretary-general of the China National Coal Association, told a media conference on Tuesday.

In areas such as Yunnan and Guizhou provinces, supply failed to meet demand, while in North China and East China, coal was oversupplied, he said.

"Nationally the coal supply and demand balanced well in the first six months, but in some regions there was pressure to keep the balance," he said.

From January to May, profits in the coal industry were about 111 billion yuan (\$16.14

billion), and profits of the 90 leading coal companies, which contribute about 70 percent of national output, totaled 64.08 billion yuan, according to Zhang.

Although the profit growth rate declined, profits increased, he added.

He also said Chinese coal companies are making inroads into new business sectors for high-quality development, citing examples of some companies developing high-end coal chemicals.

With the supply-side reforms deepening, innovation and reforms are injecting new development strength into the coal industry, he said.

### **Ferrosilicon Price of Europe on 17th, July**

Date	Commodity		Price	Range	Unit
June 11th, 2019	Ferrosilicon	75%	1075	0	\$/T
June 19th, 2019	Ferrosilicon	75%	1075	0	\$/T
June 21st, 2019	Ferrosilicon	75%	1075	0	\$/T
July 3rd, 2019	Ferrosilicon	75%	1075	0	\$/T
July 9th, 2019	Ferrosilicon	75%	1075	0	\$/T
July 12th, 2019	Ferrosilicon	75%	960	-115	\$/T
July 17th, 2019	Ferrosilicon	75%	960	0	\$/T

### **American iron&steel industry contributes \$520 billion to the economy**

According to a released analysis, which was conducted by the prominent research firm of John Dunham & Associates (JDA) and commissioned by the American Iron and Steel Institute (AISI), the American iron and steel industry is a dynamic part of the U.S. economy, accounting for more than \$520 billion in economic output and nearly two million jobs in 2017 when considering the direct, indirect (supplier) and induced impacts. These workers earned over \$130 billion in wages and benefits. All told, the industry generated \$56 billion in federal, state and local taxes.

### **US Steel industry outlook in May and June**

We're now midway into 2019. The US steel industry had a somber start to the year, and the sell-off only deepened as the year progressed. All major steel companies including U.S. Steel (X), AK Steel (AKS), Nucor (NUE), and Steel Dynamics (STLD) fell to their 52-week lows in May as the escalation in the US-China trade war rattled metal and mining investors.

However, June turned out to be a fairy tale month for steel stocks. Although steel stocks haven't really gone through the roof as President Trump claimed in an interview, they saw a sharp rally in June, helping them recoup some of their losses. U.S. Steel, AK Steel, Nucor, and Steel Dynamics saw an upwards price action of 29.5%, 37.8%, 15.6%, and 21.0%, respectively, last month. ArcelorMittal (MT) also went up 22.5%. Barring U.S. Steel and ArcelorMittal, steel stocks that we're discussing are now positive for the year. (marketrealist)

### **Weekly Commentary on Ferrosilicon Market (7.15-7.19): Ferrosilicon transaction price went up gently**

#### **Spots Market:**

**Ferrosilicon:** The ferrosilicon price of a big supplier in northwest China was increased from last Thursday, and many suppliers increased their production price in succession (some of them were cautious). This week, the transaction price went up gently but the trading volume was finite. But the price was upward due to the low inventory.

**Coke:** According to the latest data of National Bureau of Statistics, 15th July, quoted price of coke was 1779.5 yuan per ton, decrease 132.9 yuan per ton (6.9%). Late in this week, some steel mills in southern Shanxi region accepted the first round of price hikes to 1780 yuan per ton (tax-included acceptance, ex-factory price). Due to the restraint of production in Shandong and Shanxi province, the utilization of capacity fell down this week. The whole inventory was around 100,000 tons and supplies were tightening. Currently the first-round price-hiking was under way.

**Silicon Metal:** Recently, due to low price, the suppliers' enthusiasm was weakened and silicon metal factories were under stress, some of them already shut down their productions to relieve pressure.

**Steel:** Mainstream price was between 3970 to 4000 yuan per ton. Figures this week showed that the increased productions in East China balanced the decreased productions in Tangshan region and the overall outputs were increased. Inventories of spiral burr and hot rolling increased, and the consumption was weak.

**Magnesium Metal:** Influenced by the increased price and the decreased inventories of ferrosilicon, factories focused on producing mainly this week, the quoted price went up a little and mostly kept stable. As for downstream demand, it was still weak and the trading volume was low.

#### **Futures Market:**

Ferrosilicon futures 1909 contract was in a very high historical range, factories

increased price in succession but the real purchase was prudent. The positions arised largely last Friday and fell down this week and kept generally stable. Pre-crash highs was expected.

## Daily Market

### Brief Market Analysis

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

### Ferrosilicon futures 1909 contract

- 1.Futures warehouse: The number of warehouse receipts was 2398, and the warehouse receipts were 11,990 tons, of which 2440 was valid for the number of warehouse orders.
- 2.The futures main force 1909: closing price was around 6432.
- 3.The main position: the top 20 positions increased and decreased varied, the purchase volume is less than the holding position.

Ferrosilicon futures main contract 1909 daily closing price, the specific performance as follows:

Date	Closing price	Range %	Settlement Price	Futures trading volume
July 1 <sup>st</sup>	6218	↑ 0.42	6244	88188
July 2 <sup>nd</sup>	6178	↑ 1.06	6174	92792
July 3 <sup>th</sup>	6146	↑ 0.52	6152	60170
July 4 <sup>th</sup>	6164	↑ 0.20	6154	53850
July 5 <sup>th</sup>	6146	↓ 0.13	6156	42186
July 8 <sup>th</sup>	6140	↓ 0.26	6168	92242
July 9 <sup>th</sup>	5982	↓ 3.02	6074	145824
July 10 <sup>th</sup>	5990	↓ 1.38	6006	72024
July 11 <sup>th</sup>	6008	↑ 0.03	5968	92790
July 12 <sup>th</sup>	6244	↑ 4.62	6228	374784
July 15 <sup>th</sup>	6338	↑ 1.77	6316	186422
July 16 <sup>th</sup>	6324	↑ 0.13	6314	113906
July 17 <sup>th</sup>	6342	↑ 0.44	6334	164028
July 18 <sup>th</sup>	6356	↑ 0.35	6368	196106
July 19 <sup>th</sup>	6432	↑ 1.01	6400	158476

## Currency exchange rate



Currency exchange RMB&USD

Intermediate exchange rate of RMB exchange rate in the inter-bank foreign exchange market: RMB: USD **6.8759**.

## International Trade Data

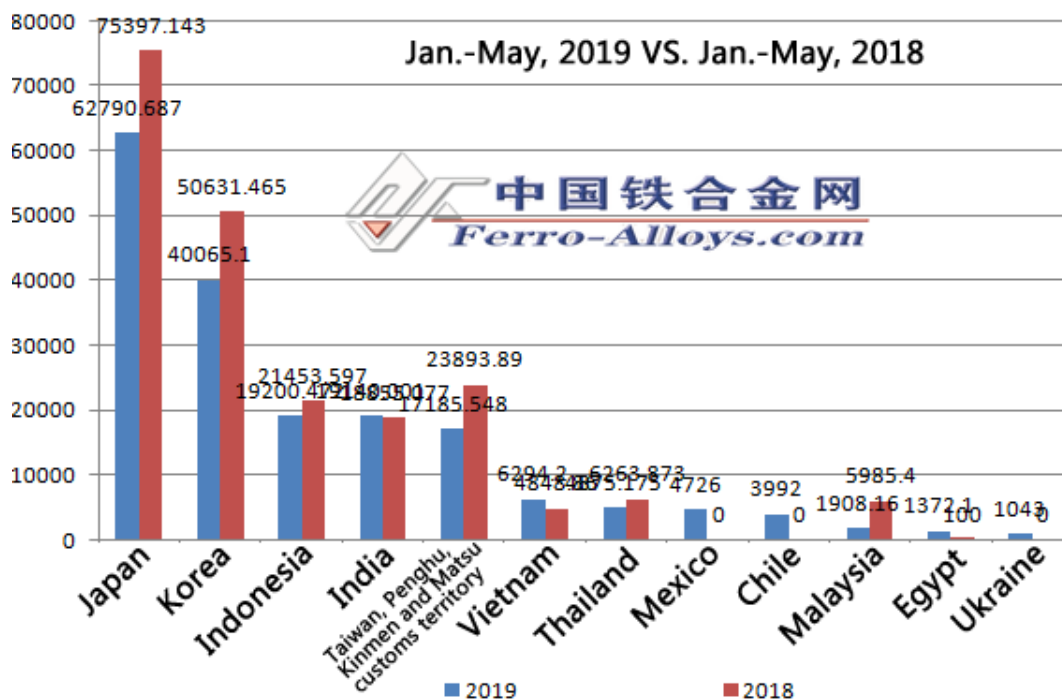
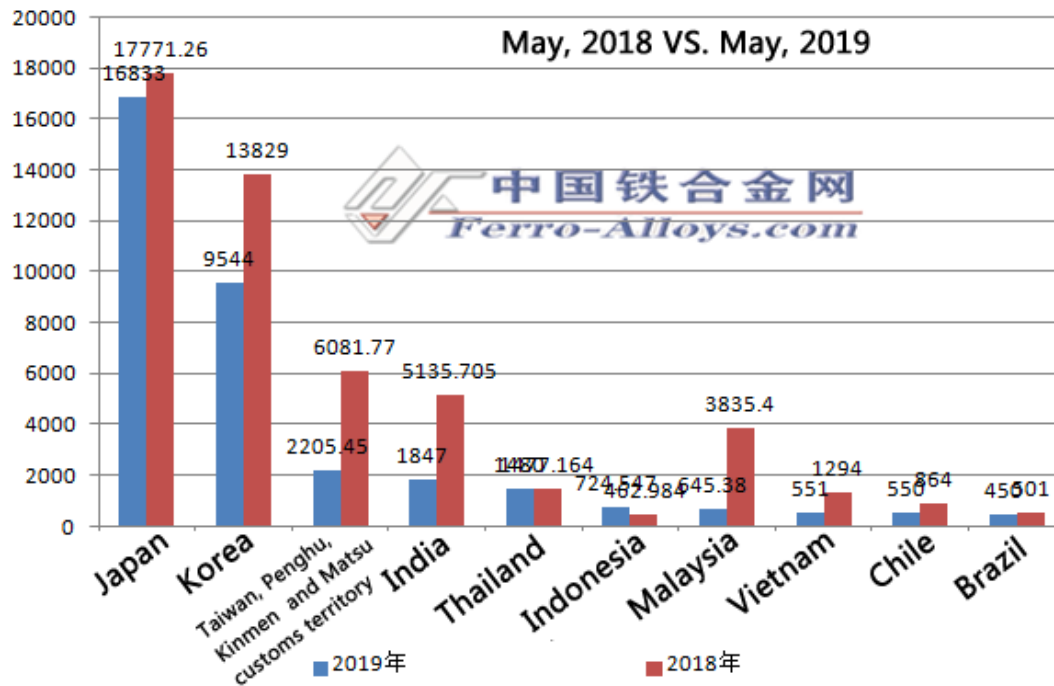
A total of 36470.087 tons of ferrosilicon(>55%) were exported from China in May, 2019, down 42.73% vs. the same period of 2018, including 34830.377 tons exported to the Top 10 countries/areas, took up about 95.5% of the total exports.

There were 26377 tons of ferrosilicon(>55%) were exported to Japan and Korea, about 72.3% of the total exports of May, 2019.

In the first five months of 2019, the volume of exported ferrosilicon(>55%) was 191962.228 tons, down 17.12% vs. the same period of 2018, including 180177.343 tons to the top 10 countries/areas, about 93.86% of the total exports of the first five months of 2019.

And the amount of Japan and Korea was 102855.787 tons, about 53.58% of the first five months of 2019.

Top 10 countries/areas of exports of ferrosilicon(> 55%) Tons							
May				Jan.-May			
No.	Countries /areas	2019	2018	No.	Countries /areas	2019	2018
1	Japan	16833	17771.26	1	Japan	62790.687	75397.143
2	Korea	9544	13829	2	Korea	40065.1	50631.465
3	Taiwan, Penghu, Kinmen and Matsu customs territory	2205.45	6081.77	3	Indonesia	19200.472	21453.597
4	India	1847	5135.705	4	India	19140.001	18855.077
5	Thailand	1480	1477.164	5	Taiwan, Penghu, Kinmen and Matsu customs territory	17185.548	23893.89
6	Indonesia	724.547	462.984	6	Vietnam	6294.2	4848.86
7	Malaysia	645.38	3835.4	7	Thailand	4875.175	6263.873
8	Vietnam	551	1294	8	Mexico	4726	0
9	Chile	550	864	9	Chile	3992	0
10	Brazil	450	501	10	Malaysia	1908.16	5985.4
Total of top 10 countries/areas		34830.377	51252.283	Total of top 10 countries/areas		180177.343	207329.305
Total of May		36470.087	68683.838	Total of Jan.-May		191962.228	231607.331



**The US imported 84,642 mt of 55-80% ferrosilicon in the first five months of 2019**

The US imported 84,642 mt of 55-80% ferrosilicon in the first five months of 2019 and 9,423 mt in May 2019 vs. 58,866 mt and 4,196 mt, respectively, in the same 2018 periods. The major suppliers in the first five months of 2019 (same 2018 period in parentheses) were: Russia, 43,432 mt (32,980 mt).

### Korea imported 15526 tons of ferrosilicon(>55%) in May 2019

There was a total of 15526 tons of ferrosilicon(>55%) imported in Korea in May, 2019, about a 12 percent decrease from the 17655 tons in the same period of 2018. And the total sum was \$16690, down about 34% vs. the same period of 2018.

In May, Korea imported 11781 tons of ferrosilicon(>55%) from China, about 75.9% of its total imported volume of May.

No.	COUNTRY	May-19		May-18		Annual Percentagy Change	
		USD	weight	USD	weight	USD	weight
1	China	12,017	11,781	18,334	13,652	-34%	-14%
2	Malaysia	2,081	1,800	5,516	3,165	-62%	-43%
3	Russian Federation	1,790	1,520	750	540	139%	181%
4	Taiwan Province of China	168	150	0	0	-	-
5	India	111	75	130	77	-15%	-3%
6	Germany	189	60	50	18	278%	229%
7	Japan	89	43	16	8	456%	437%
8	France	107	40	123	43	-13%	-7%
9	Norway	101	38	183	80	-45%	-52%
10	South Africa	37	18	39	18	-5%	0%
11	Hong Kong	0	0	60	48	-	-
12	Thailand	0	0	12	6	-	-
Total		16,690	15,526	25,213	17,655	-34%	-12%

### Japan imported ferrosilicon(>55%) 33806.692 tons in May

In May, 2019, Japan imported ferrosilicon(>55%) 33806.692 tons, including 14735.21 tons from China, about 43.59% of the total volume.

In the first months of 2019, Japan imported ferrosilicon(>55%) 187435.183 tons, 37.38% of which was from China, was 70062.639 tons.

COMMODITY	COUNTRY NAME	CURRENT MONTH QUANTITY (Ton)	CURRENT MONTH VALUE (1000YEN)	CUMULATIVE YEAR TO DATE QUANTITY (Ton)	CUMULATIVE YEAR TO DATE VALUE (1000YEN)
7202.21-000	R KOREA	-	-	160.66	20671
7202.21-000	TAIWAN	-	-	206.98	28593
7202.21-000	INDIA	-	-	49	9199
7202.21-000	TURKEY	-	-	99.39	12762

7202.21-000	SLOVENI	–	–	12.037	3232
7202.21-000	CHINA	14735.21	1950814	70062.639	9574970
7202.21-000	MALYSIA	6960.67	896870	32975.576	4351585
7202.21-000	RUSSIA	6324.187	805807	50187.061	6687007
7202.21-000	BRAZIL	4239.6	987622	23186	5542696
7202.21-000	ICELAND	1398	277221	6870.7	1425165
7202.21-000	NORWAY	123	30751	2322.275	523172
7202.21-000	FRANCE	20	5908	1268.84	267183
7202.21-000	THAILND	6.025	1326	34.025	7651
TOTAL		33806.69	4956319	187435.183	28453886

### Japan imported ferrosilicon( $\leq 55\%$ ) 3016.21 tons in May

In May, 2019, Japan imported ferrosilicon( $\leq 55\%$ ) 3016.21 tons, including 1620 tons from Russia, about 53.7% of the total volume.

In the first months of 2019, Japan imported ferrosilicon( $\leq 55\%$ ) 8956.951 tons, 39.5% of which was from Russia, was 3545.189 tons.

COMMODITY	COUNTRY NAME	CURRENT MONTH QUANTITY (Ton)	CURRENT MONTH VALUE (1000YEN)	CUMULATIVE YEAR TO DATE QUANTITY(Ton)	CUMULATIVE YEAR TO DATE VALUE(1000YEN)
7202.29-000	NORWAY	–	–	303.5	58943
7202.29-000	FRANCE	–	–	20	6570
7202.29-000	SLOVENI	–	–	8.697	2675
7202.29-000	USA	–	–	19.9	4082
7202.29-000	S AFRCA	–	–	80.125	12394
7202.29-000	RUSSIA	1620	194115	3545.189	431125
7202.29-000	CHINA	885	183494	3505.03	660498
7202.29-000	BRAZIL	276	30878	361	39660
7202.29-000	THAILND	215.21	47363	1068.51	237549
7202.29-000	R KOREA	20	4041	45	9082
TOTAL		3016.21	459891	8956.951	1462578

### Brazil exported iron ore 2940 million tons in June

According to Brazil official data, in the first five days of July, 2019, daily exports of iron ore was 1.24 million tons.

Daily exports of the same period of 2018 was 1.63 million tons, and the volume of the whole July of 2018 was 36 million tons.

In June, 2019, there were 29.4 million tons of iron ore exported, and daily exports of June was 1.55 million tons.

## May 2019 crude steel production

World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 162.7 million tonnes (Mt) in May 2019, a 5.4% increase compared to May 2018.

China's crude steel production for May 2019 was 89.1 Mt, an increase of 10.0% compared to May 2018. India produced 9.2 Mt of crude steel in May 2019, up 5.1% on May 2018. Japan produced 8.7 Mt of crude steel in May 2019, down 4.6% on May 2018. South Korea's crude steel production stood at 6.4 Mt, up 2.2% on May 2018.

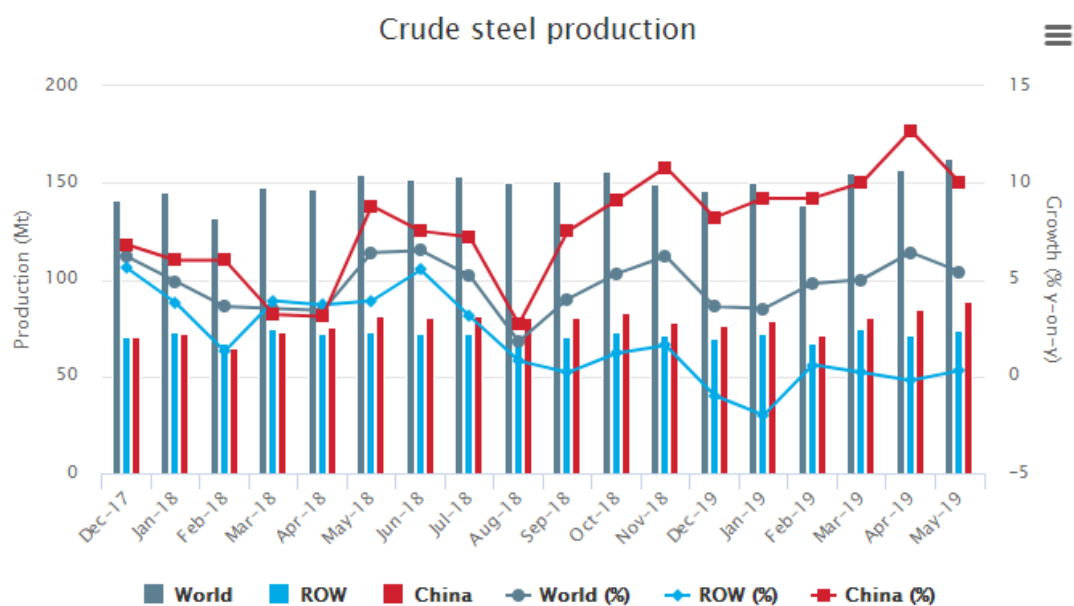
In the EU, Italy's crude steel production for May 2019 was 2.2 Mt, up by 1.1% on May 2018. France produced 1.2 Mt of crude steel in May 2019, a decrease of 7.6% compared to May 2018. Spain produced 1.3 Mt of crude steel in May 2019, down by 7.1% on May 2018.

The US produced 7.7 Mt of crude steel in May 2019, a 5.4% increase on May 2018.

Crude steel production in Ukraine was 1.8 Mt in May 2019, up 7.8% on May 2018.

Brazil's crude steel production for May 2019 was 2.8 Mt, up by 2.9% on May 2018.

Turkey's crude steel production for May 2019 was 3.1 Mt, down 8.0% on May 2018.  
(World Steel Association)



## Coming Events



2019

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THAN HUAN MANG NE

金开锰业  
JIN KAI MANG YE

景合津

# 第七届电解锰国际会议

*The 7<sup>th</sup> Electrolytic Manganese International Conference*

2019年8月21-23日 宁夏银川

August 21-23, 2019 Yinchuan, Ningxia