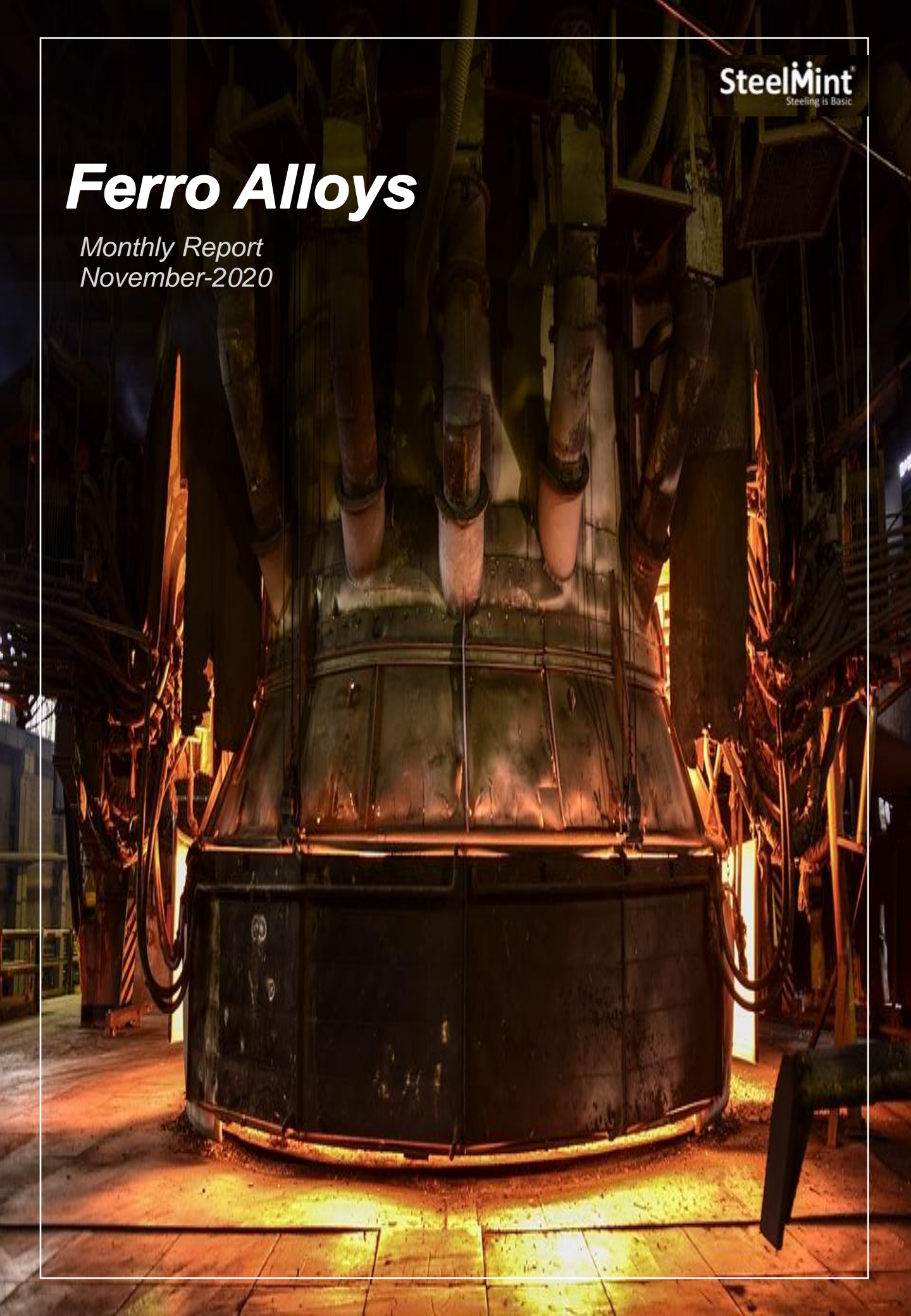


# ***Ferro Alloys***

*Monthly Report  
November-2020*





- 1-2** Manganese Ore
- 3** Manganese Alloys
- 3** Ferro Silicon
- 4-5** Chrome Ore
- 6** Ferro Chrome
- 6** MET Coke
- 7** Prices

TABLE OF  
**CONTENTS**





## Manganese Ore

### • Prices

- India: MOIL reduces manganese ore prices by upto 7.5% for Nov'20

MOIL has reduced the prices for all grades of Manganese ore by upto 7.5% m-o-m for Nov'20, w.e.f 01-11-20. Prices of Ferro grade is reduced by 7.5%, while Silico manganese grade is reduced by 5%. Prices of ores in the international market remains weak and downtrending leading to a fall in domestic prices.

- India: Karnataka manganese ore auction receives good response

State-owned, MSTC-Karnataka, conducted the e-auction for manganese ore on behalf of Sandur Mines (SMIORE) on 20 Oct 2020. 12,096t was booked at approximately 10.51% higher than the total floor value. The quantity offered has been low for two successive months after the onset of monsoons. Acore Industries remained the largest buyer in the auction with the total quantity of 7,560t.

- India: Imported manganese ore prices fell amidst weak demand

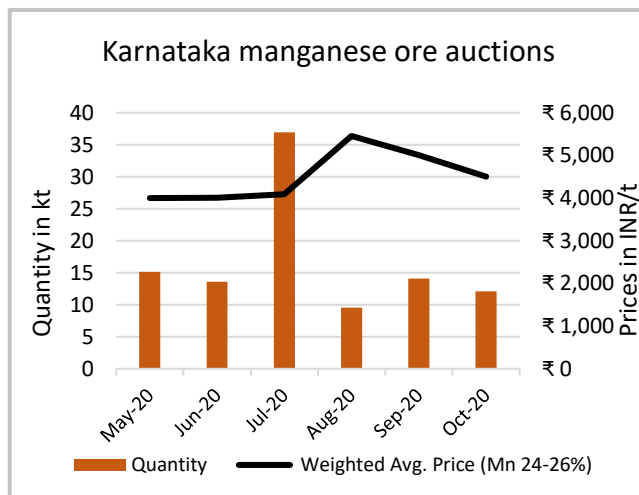
In October, the imported manganese ore prices fell due to weak silico manganese market, also the producers were expecting the prices to fall further due to tepid buying interest from the Chinese market.

- China: Manganese ore offers to China fell in Dec'20

Major manganese miners have reduced the offer levels owing to tepid buying interest from China. Chinese inventory for Manganese ore at their ports are at record high which is curbing the buying interest of the alloy producers in China.

India: MOIL Manganese ore Prices				
Tax	Grade	Nov-20	Oct-20	Sep-20
Basic Price, Exclusive of all Taxes	Lumps, Mn 37.5%	₹ 12,381	₹ 13,385	₹ 12,451
	Lumps, Mn 44%	₹ 14,087	₹ 15,229	₹ 14,167

Source: MOIL, Maintained and compiled by SteelMint



Source: MSTC, Maintained and compiled by SteelMint

Indian imported manganese ore prices (CNF India)				
Grade	Origin	Sep-20	Aug-20	Jul-20
Lumps, Mn 37.5%	South Africa	\$4.35/dmtu	\$4.12/dmtu	\$4.11/dmtu
Lumps, Mn 44% Fe 5%	Gabon	\$4.55/dmtu	\$4.33/dmtu	\$4.48/dmtu
Lumps, Mn 46% Fe 5%	Australia	\$4.85/dmtu	\$4.63/dmtu	\$4.81/dmtu

Source: SteelMint

Chinese imported manganese ore prices (CNF China)				
Grade	Origin	Oct-20	Sep-20	Aug-20
Lumps, Mn 37.5%	South Africa	\$4.03/dmtu	\$4.20/dmtu	\$3.97/dmtu
Lumps, Mn 44% Fe 5%	Gabon	\$4.26/dmtu	\$4.40/dmtu	\$4.18/dmtu

Source: SteelMint

Manganese ore offers to China				
Mine	Grade/ Origin	Dec' 20	Nov' 20	Oct' 20
South 32	Mn45% Australian block	\$4.25/dmtu	\$4.55/dmtu	\$4.55/dmtu
	South African semi-carbonate	\$3.9/dmtu	\$4.35/dmtu	\$4.35/dmtu
UMK	South African Block	\$4.25/dmtu	\$4.33/dmtu	\$4.5/dmtu
Camilog	Gabon block	\$3.95/dmtu	\$4.3/dmtu	\$4.3/dmtu
Tshipi	South African Block	\$3.85/dmtu	\$4.1/dmtu	\$4.45/dmtu

Source: SteelMint

**Manganese Ore Statistics**

• **Indian manganese ore imports registered a significant hike in Sep'20**

According to Customs, Indian manganese ore imports registered a significant hike of 73% m-o-m in Sep'20. The imports were significantly higher from Gabon and Australia. Meanwhile, majority of imports happened for grades between 35% to 44%. The total imports for first nine months were up by 17% y-o-y.

• **Chinese manganese ore imports down by 9% y-o-y in Jan-Sep'20**

According to Customs data, China's manganese ore imports in Sep' 20 was 3.3mn t, which is marginally up by 3.4% m-o-m from 3.2 mn t in Aug' 20. Imports from Australia and Gabon increased significantly by 16% and 17% respectively. However, the total imports for first nine months were down by 9% y-o-y.

Indian Manganese Ore Imports						
Load Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y (%)
South Africa	0.18	0.13	32.1%	1.31	1.10	19.3%
Gabon	0.07	0.03	155.1%	0.47	0.28	66.6%
Australia	0.08	0.05	50.1%	0.45	0.28	60.8%
Cote D Ivoire	0.04	0.00	14687.5%	0.08	0.11	-23.1%
Brazil	0.02	0.02	-12.6%	0.07	0.22	-69.1%
Others	0.03	0.00	1441.1%	0.05	0.08	-32.7%
Grand Total	0.41	0.24	73.2%	2.42	2.06	17.8%

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

Chinese Manganese Ore Imports						
Load Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y (%)
South Africa	1.41	1.40	0.3%	9.15	9.54	-4.1%
Australia	0.51	0.44	16.1%	3.94	3.86	2.2%
Gabon	0.58	0.50	16.9%	3.60	2.31	55.9%
Brazil	0.23	0.24	-4.9%	2.08	1.78	16.8%
Cote D Ivoire	0.12	0.11	7.0%	0.95	0.75	27.7%
Others	0.05	0.11	-56.0%	0.33	3.43	-90.4%
Grand Total	3.29	3.19	3.4%	22.25	24.46	-9.1%

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

Indian Manganese ore imports grade wise: Sep' 20	
Grade	Quantity (t)
Mn ≥ 35% and < 40%	1,17,594
Mn ≥ 40% and < 44%	1,05,070
Mn ≥ 44% and < 46%	1,13,899
Mn ≥ 46%	25,693
Others	49,536
Grand Total	4,11,792

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

South African Manganese Ore Exports						
Unload Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y (%)
China	1.32	1.44	-8.3%	9.67	10.42	-7.2%
India	0.16	0.26	-38.1%	1.29	1.35	-4.5%
Malaysia	0.12	0.01	1412.5%	0.45	0.53	-14.6%
Singapore	0.06	0.06	14.7%	0.41	0.11	271.5%
Russia	0.05	0.00	64859.3%	0.19	0.47	-60.4%
Others	0.12	0.28	-56.6%	1.74	2.11	-17.7%
Grand Total	1.84	2.05	-10.0%	13.74	14.99	-8.3%

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

China: Manganese Ore inventory (first week of each month)				
Month	Chinese Port Inventory	Tianjin Port	Qinzhou Port	Caofeidian Port
Jan-20	4.74	3.80	0.94	-
Feb-20	4.88	3.93	0.95	-
Mar-20	5.66	3.35	1.22	1.09
Apr-20	5.49	3.21	1.16	1.12
May-20	5.15	2.86	1.21	1.08
Jun-20	4.99	2.72	1.18	1.09
Jul-20	5.20	2.90	1.17	1.13
Aug-20	6.10	3.70	1.40	1.00
Sep-20	6.57	4.30	1.33	0.94
Oct-20	6.79	4.60	1.34	0.85
Nov-20	7.25	5.04	1.44	0.77

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

Manganese Alloys

• **Indian Silico Manganese Prices downstream throughout the month**

In Oct' 20, the demand for silico manganese remained subdued, resulting in the continuous fall in the prices. Such downstream can be attributed to the dull finished steel market. Meanwhile, prices increased in the domestic market due to Indian currency appreciation, but the demand remained near to absent.

• **India: Ferro Manganese prices remained stable**

Indian ferro manganese prices remained stable in the domestic market despite dull demand. Meanwhile, the exports demand remained moderate. The prices increased in exports due to Indian currency appreciation

Indian Silico Manganese Prices				
Domestic		Prices/t		
Location	Grade	Oct-20	Sep-20	Aug-20
Durgapur	60-14	₹ 59,219	₹ 61,400	₹ 60,850
Raipur	60-14	₹ 58,969	₹ 61,100	₹ 61,150
Export				
FOB India	60-14	\$820	\$840	\$814
	65-16	\$876	\$900	\$876

Source: SteelMint

Indian Ferro Manganese Prices				
Domestic		Prices/t		
Location	Grade	Oct-20	Sep-20	Aug-20
Durgapur	HC 70%	₹ 59,700	₹ 61,300	₹ 59,750
Raipur	HC 70%	₹ 60,900	₹ 61,500	₹ 60,875
Export				
FOB India	HC 70%	\$818	\$805	\$818
	HC 75%	\$859	\$868	\$874

Source: SteelMint

Ferro Silicon

**Indian Ferro silicon prices came down as logistics eased up**

Ferro silicon prices escalated unreasonably since Bhutan's lockdown due to Covid outbreak. However, the prices came down in Oct' 20, after the logistics eased up from Bhutan and regular supply of ferro silicon started. However, Guwahati still had a stronger position as they were the only option for the buyers who wanted immediate delivery.

Ferro Silicon Prices				
India		Prices		
Location	Grade	Oct-20	Sep-20	Aug-20
Guwahati	HC 70-75%	₹ 80,000	₹ 84,000	₹ 80,400
Bhutan	HC 70-75%	₹ 80,000	₹ 82,000	₹ 74,600
Global				
FOB China	HC-75%	\$1,100	\$1,075	\$1,025
FOB Bhutan	HC-70-75%	\$1,100	\$1,100	\$1,100

Source: SteelMint

## Chrome Ore

### India: OMC chrome ore auctions received good response

Odisha Mining Corporation auctioned 1,13,100t of chrome ore today. The total quantity for higher grade ores (above 40%) was less, and received the best response, with bids higher by 27% above floor price. Meanwhile, as compared to last auctions, prices of chrome ore came down by upto 19% for medium grades.

India: Chrome Ore Prices				
Company/Region	Grade	Nov-20	Oct-20	May-20
OMC	.+54%	₹ 12,516	₹ 15,054	₹ 9,804
	52-54	₹ 12,075	₹ 14,476	₹ 9,307
	48-50	₹ 11,017	₹ 11,810	₹ 8,407

Source: SteelMint Research

### China: Imported chrome ore prices remained stable for China in Oct'20

Imported chrome ore prices in China remained unchanged for almost the entire month. Although, South African government has decided on imposing exports tax on China, its affect is yet to be seen. Chinese inventory for chrome ore is significantly high, and have enough to sustain for almost 2-3 months, without any new imports.

Chinese imported manganese ore prices (CNF China)				
Grade	Origin	Oct-20	Sep-20	Aug-20
Conc. 40-42%	South Africa	\$139	\$140	\$133
Conc. 46-48%	Turkey	\$198	\$200	\$200

Source: SteelMint Research

### South African cabinet approves to levy export tax on chrome ore

South Africa, the world's biggest chrome producer, has approved a proposal to impose tax on Chrome ore exports. This measure is taken in consideration to support the domestic ferro chrome industry. The details of export tax is yet to be disclosed. China is almost entirely dependent on South Africa for its chrome ore supplies.

OMC Chrome Ore Auction to be held on 09 Nov' 2020								
Mines	Grade (Cr <sub>2</sub> O <sub>3</sub> )	Quantity offered for e-auction	Bid Quantity	Base Price (INR/WMT)	H1 Price (INR/WMT)	Change over Base Price	H1 Price	Change over October H1 Prices
		WMT	WMT	Nov-20	Nov-20		Oct-20	
South Kaliapani Chromite Mines	.+54%	3,300	3,300	9,919	12,619	27.22%	15,087	-16%
	52-54	1,300	1,300	9,552	12,512	30.99%	14,476	-14%
	48-50	1,800	1,800	8,817	11,117	26.09%	12,055	-8%
	46-48	11,400	11,400	8,450	8,650	2.37%	10,644	-19%
	44-46	14,200	12,100	8,082	8,082	0.00%	9,434	-14%
	42-44	900	-	7,715	7,715	0.00%	8,923	-14%
	>40%	80,000	80,000	2,859	3,259	13.99%		NA
Sukrangi Chromite Mines	44-46	100	100	8,082	8,082	0.00%	9,334	-13%
	42-44	100	100	7,715	7,715	0.00%	8,823	-13%
Total		1,13,100	1,10,100					

Source: SteelMint Research

## Chrome Ore Statistics

### India: Chrome ore production lowest in a decade, reduces by 10% m-o-m in Sep' 20

Since the past six months, chrome ore mines have been going through a lot of instability, which has been affecting the production levels. Indian Chrome ore production recorded a drop of 10% m-o-m in Sep' 20. This year there was a severe contraction in the production levels due to the lockdown imposed by the govt in April, following the lockdown. The mining sector faced a huge labour shortage in line with strict government norms. Pandemic led lockdown was accompanied by the change of hands for the major three mines viz., Sukinda, Kamarda and Saruabil mines. This further led to reduced production from these mines. Meanwhile, ongoing monsoons have worsened the situation for the chromium mining industry.

### India: Chrome ore dispatches down by 30% m-o-m in Sep' 20

Indian chrome ore dispatches came down by 30% m-o-m in Sep' 20 as the pre-existing mined lots were dispatched from the auctioned mines. Misirlal mines remained the largest seller of chrome ore as they have to vacate the mine before mid-September. Meanwhile, dispatches from OMC picked up after few months of limited supply, and were up by 187%, also dispatches from IMFA recorded an increase by 85% m-o-m in Sep'20 on slight improvement in productions.

### South Africa: Chrome ore exports increased by 33% m-o-m in Sep' 20

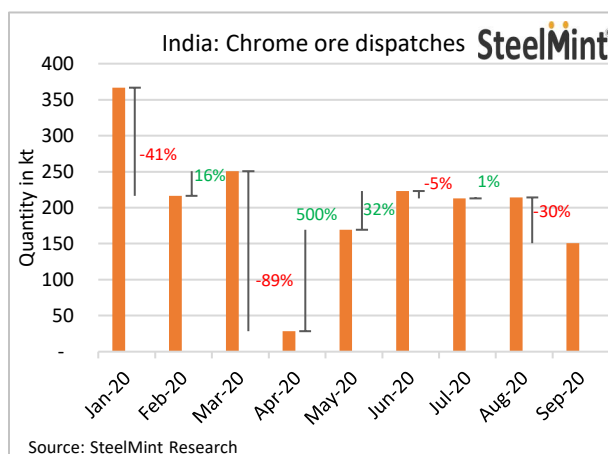
In Sep'20, South African exports of Chrome ore increased by 33% m-o-m. Meanwhile, exports were down in the first nine months as compared to previous year. This can be attributed to the logistics issues due to the pandemic led lockdown.

### China: Chrome ore imports remained stable in Sep'20

Chinese chrome ore imports were marginally up by 1% m-o-m in Sep' 20 in line with enough inventory with the producers and in the domestic ports. Imports were significantly increased from Zimbabwe, while a drop can be witnessed from Turkey and Oman.

India: Chrome Ore Production						
Company	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y (%)
Tata Steel	0	0	NA	0.54	1.39	-61.33%
O.M.C.	0.025	0.015	66.67%	0.49	0.91	-46.37%
IMFA	0.017	0.035	-50.39%	0.37	0.37	1.14%
Balasore Alloys	0.000	0.010	-100%	0.15	0.17	-15.60%
FACOR	0.012	0.000	NA	0.10	0.10	0.55%
Others	0.000	0.000	NA	0.08	0.50	-83.91%
Grand Total	0.054	0.060	-10.04%	1.73	3.45	-49.83%

All quantity in mn t  
Source: Customs, compiled and maintained by SteelMint



South African Chrome Ore Exports						
Unload Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y (%)
China	0.97	0.69	39.43%	5.97	5.85	1.98%
Mozambique	0.28	0.24	20.79%	2.40	3.79	-36.7%
Indonesia	0.05	0.03	85.59%	0.24	0.35	-30%
Hong Kong	0.02	0.04	-38%	0.21	0.09	132%
India	0.01	0.00	311%	0.14	0.07	88.16%
Others	0.07	0.06	14.65%	0.54	0.70	-23%
Grand Total	1.40	1.05	33.29%	9.49	10.85	-12.5%

All quantity in mn t  
Source: Customs, compiled and maintained by SteelMint

China: Chrome Ore Imports						
Load Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y
South Africa	0.94	0.83	12.72%	8.32	8.81	-5.59%
Turkey	0.05	0.07	-29.32%	0.46	0.71	-35.42%
Zimbabwe	0.06	0.04	58.01%	0.39	0.51	-23.39%
Oman	0.02	0.04	-54.23%	0.27	0.42	-35.57%
Pakistan	0.02	0.03	-10.90%	0.23	0.26	-11.31%
Others	0.04	0.11	-66.49%	0.57	0.69	-16.69%
Grand Total	1.13	1.12	0.99%	10.24	11.40	-10.16%

All quantity in mn t  
Source: Customs, compiled and maintained by SteelMint

## Ferro Chrome

### • India: Ferro Chrome prices fell amidst weak demand

Despite severe increase in the chrome ore prices, the ferro chrome prices remained downstream due to lack of demand from the international market. The geo-political issues from China aggravated the trade situations as Chinese demand shifted from India to other countries.

Indian Ferro Chrome Prices				
Domestic		Prices		
Location	Grade	Oct-20	Sep-20	Aug-20
Jajpur, India	HC 60%	₹ 71,208	₹ 72,250	₹ 62,500
China	HC 52%	¥5,950	¥5,943	¥5,870
Exports				
CNF South Korea	HC 60%	¢70/lb	¢70/lb	¢68/lb
CNF Japan	HC 60%	¢71/lb	¢71/lb	¢69/lb
CNF China	HC 60%	¢68/lb	¢68/lb	¢66/lb

Source: SteelMint

South African Ferro Chrome Exports						
Unload Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y
China	0.07	0.09	-31.3%	0.83	0.90	-8.0%
United Arab Emirates	0.02	0.05	-55.0%	0.37	0.36	2.8%
Indonesia	0.05	0.02	159.1%	0.23	0.35	-32.5%
United States	0.02	0.01	90.7%	0.13	0.19	-31.9%
Japan	0.03	0.01	220.9%	0.13	0.20	-34.9%
Others	0.07	0.00	2388.2%	0.48	0.70	-31.2%
Grand Total	0.25	0.19	34.5%	2.17	2.69	-19.4%

Chinese Ferro Chrome Imports						
Load Country	Sep-20	Aug-20	M-o-M	Jan-Sep-20	Jan-Sep-19	Y-o-Y (%)
South Africa	0.11	0.23	-51.2%	1.30	1.27	2.4%
Kazakhstan	0.09	0.07	30.6%	0.62	0.52	19.1%
India	0.03	0.05	-33.4%	0.26	0.30	-13.3%
Zimbabwe	0.01	0.01	-50.2%	0.08	0.09	-15.1%
Finland	0.00	0.01	-86.2%	0.06	0.03	128.9%
Others	0.00	0.00	-57.6%	0.02	0.07	-73.2%
Grand Total	0.24	0.37	-35.7%	2.34	2.28	2.4%

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

## Met Coke

### Global Market Scenario

Metallurgical coke remains in tight supply globally, driven by strong demand in China. The strong import demand for met coke has emerged in China as widespread capacity cuts and coking coal supply tightness limited China's own domestic coke production. China's informal ban on Australian coal imports has aggravated the country's coking coal shortage and pushed domestic met coke prices higher. The strengthening Yuan against the dollar has been attracting buyers in China to opt for higher imports of met coke.

### Colombian Market Scenario

Colombian met coke producers are largely sold out for the rest of this year. Strong demand for Colombian metallurgical coke, driven by China earlier in the year and now by the return of Latin American buyers, has supported prices around the level of \$250/t FoB Colombia.

### Near-term Outlook

There is expectation of persistent tight supply in the global seaborne met coke market, which would fuel up bullish sentiments. It is also expected that more and more coking plants are set to call for price hikes in the short term.



Prices

Commodity	Sub-Commodity	Grade/Location	Oct-20			3-Months (Aug-Oct'20)	
			Avg.	Min	Max	Min	Max
Ferro Alloys	Silico Manganese	60-14; Ex-Durgapur	₹ 59,219	₹ 58,500	₹ 60,250	₹ 58,500	₹ 62,750
		60-14; Ex-Raipur	₹ 58,969	₹ 58,250	₹ 60,500	₹ 58,250	₹ 62,750
		60-14; fob India	\$820	\$805	\$840	\$780	\$840
		65-16; fob India	\$876	\$850	\$890	\$840	\$910
	Ferro Manganese	HC 70%; Ex-Durgapur	₹ 59,700	₹ 59,000	₹ 61,500	₹ 59,000	₹ 63,000
		HC 70%; Ex-Raipur	₹ 60,900	₹ 60,500	₹ 62,500	₹ 59,000	₹ 63,000
		HC 70%; fob India	\$818	\$810	\$830	\$810	\$840
		HC 75%; fob India	\$859	\$850	\$875	\$850	\$900
	Ferro Chrome	HC 60; Ex-Jajpur	₹ 71,208	₹ 69,000	₹ 74,000	₹ 60,500	₹ 74,000
		HC 52; Ex-China	¥5,942	¥5,900	¥5,950	¥5,850	¥5,950
	Ferro Silicon	HC 70; Ex-Bhutan	₹ 80,000	₹ 79,000	₹ 82,000	₹ 70,500	₹ 82,000
		HC 70; Ex-Guwahati	₹ 80,000	₹ 79,000	₹ 82,000	₹ 71,500	₹ 92,000
Raw Material	Manganese Ore	Lumps Mn 44; MOIL	₹ 15,229	-	-	₹ 12,879	₹ 15,229
		Lumps Mn 37.5; MOIL	₹ 13,385	-	-	₹ 11,319	₹ 13,385
		Mn 37.5, CNF India (\$/dmtu)	\$4.18	\$4.05	\$4.35	\$3.95	\$4.35
	Chrome Ore	Friable, +54; OMC	₹ 15,054	-	-	-	-
		Friable, 52-54; OMC	₹ 14,476	-	-	-	-
	Met Coke	64% CSR, CNF India	\$291	\$287	\$298	\$269	\$298
		62% CSR, CNF India	\$287	\$283	\$294	\$261	\$294
Steel	Billet IS 2831	Raipur	₹ 30,540	₹ 29,250	₹ 31,650	₹ 28,400	₹ 31,700
		Mandi Gobindgarh	₹ 33,317	₹ 31,950	₹ 34,500	₹ 31,300	₹ 34,500
		Mumbai	₹ 31,869	₹ 30,100	₹ 33,500	₹ 29,000	₹ 33,500
	HRC; IS 2062	Exy-Mumbai	₹ 42,460	₹ 41,600	₹ 42,750	₹ 39,500	₹ 42,750

**CONTRIBUTORS**

Rohan Baid  
(COO CoalMint)

Ankita Chakraborty  
(Sr. Associate: Research)

Manish Agarwal  
(Head of Statistics)

**CONTACT US**

Head Office:  
301, 3rd Floor, Jeevan Parisar,  
Rajeev Nagar, Behind Crystal Arcade,  
Raipur (C.G.) - 492007, India

Branch Office:  
My Cube, Block A-11, 4th Floor,  
FMC Fortuna Building,  
234/3A AJC Bose Road,  
Kolkata-700020