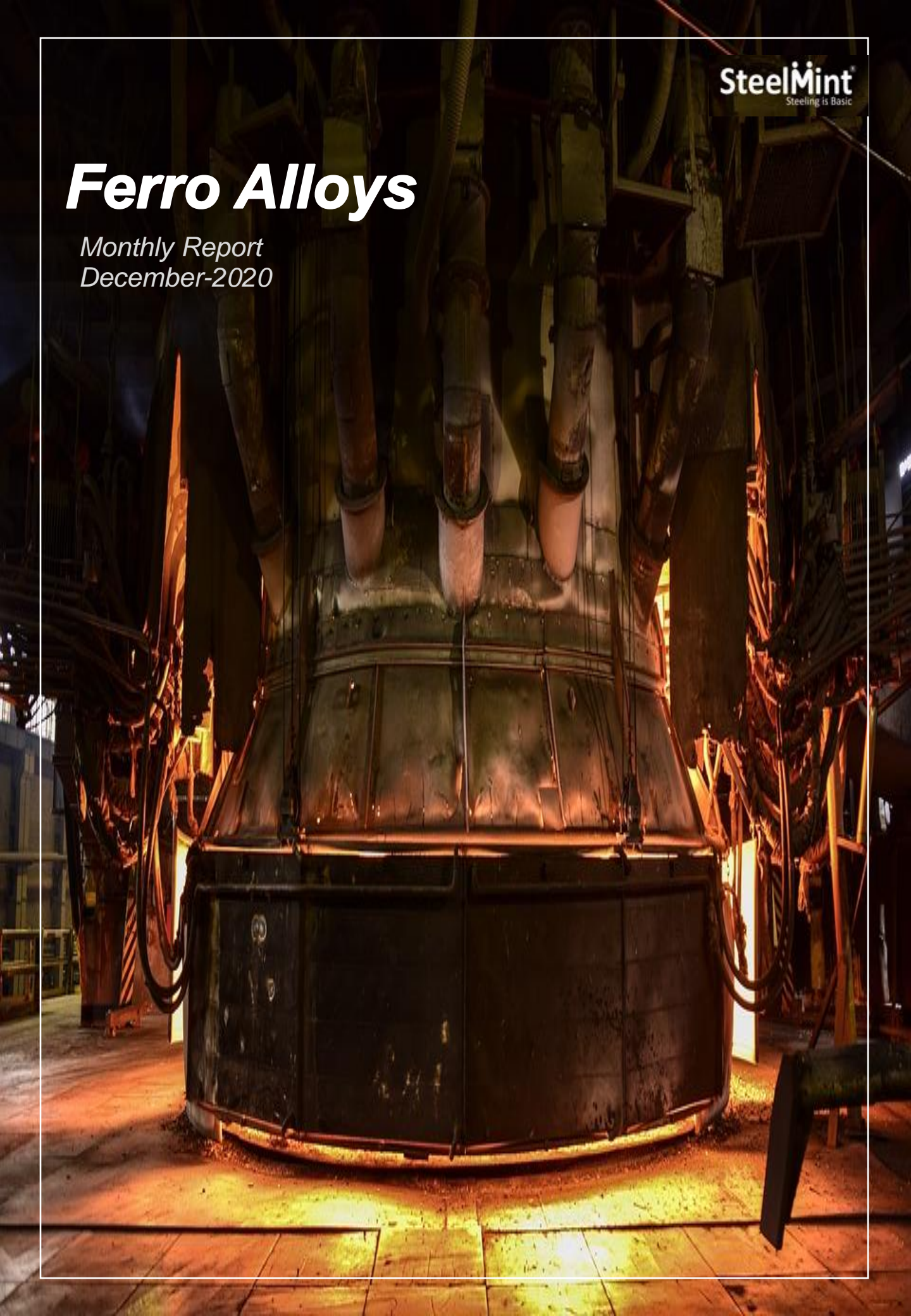


# ***Ferro Alloys***

*Monthly Report  
December-2020*





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## Manganese Ore

- India: MOIL rolls over manganese ore prices for Dec' 20**

MOIL rolled over manganese ore prices for all grades for Dec' 20. There was an expectation that MOIL might reduce prices to maintain parity with imported offers. However, firm silico manganese prices and rising freight costs have prompted the state-owned miner to not lower the prices.

- India: Karnataka manganese ore auction receives good response**

State-owned, MSTC-Karnataka, conducted the manganese ore e-auction on behalf of Sandur Mines (SMIORE) on 01 Dec 2020. Out of the 14,616t offered 13,608t was booked at approximately 6.22% higher than the total floor value. The auctions could not fetch higher prices, as imported ore is available at cheaper prices, which restricted interest in the auctions.

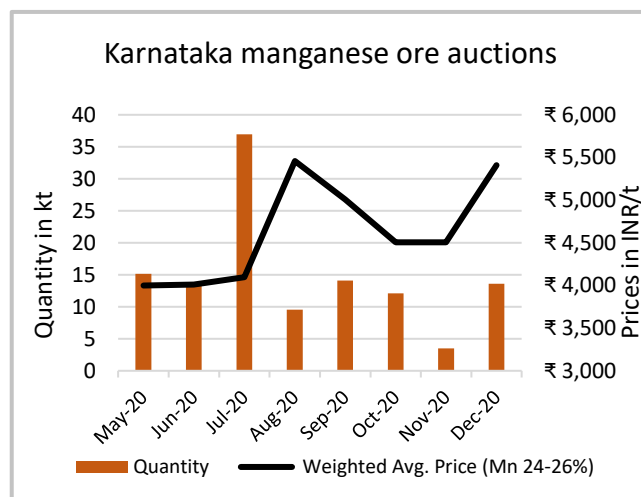
- India: Imported manganese ore prices fell amidst weak demand**

In November, the imported manganese ore prices fell due to weak buying interest from China and continuous downtrend silico manganese market in China. Meanwhile, in December, prices have gained momentum amidst up trending Manganese alloys prices and increasing freight cost owing to limited container availability.

- China: Manganese ore offers to China fell in Jan '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	Dec-20	Nov-20	Oct-20
Basic Price, Exclusive of all Taxes	Lumps, Mn 37.5%	₹ 12,381	₹ 12,381	₹ 13,385
	Lumps, Mn 44%	₹ 14,087	₹ 14,087	₹ 15,229



Indian imported manganese ore prices (CNF India)				
Grade	Origin	18-Dec-20	Nov-20	Oct-20
Lumps, Mn 37.5%	South Africa	\$4.00/dmtu	\$3.93/dmtu	\$4.18/dmtu
Lumps, Mn 44% Fe 5%	Gabon	\$4.35/dmtu	\$4.26/dmtu	\$4.43/dmtu
Lumps, Mn 46% Fe 5%	Australia	\$4.65/dmtu	\$4.56/dmtu	\$4.73/dmtu

Chinese imported manganese ore prices (CNF China)				
Grade	Origin	18-Dec-20	Nov-20	Oct-20
Lumps, Mn 37.5%	South Africa	\$4.20/dmtu	\$3.8/dmtu	\$4.03/dmtu
Lumps, Mn 44% Fe 5%	Gabon	\$3.90/dmtu	\$4.13/dmtu	\$4.26/dmtu

Manganese ore offers to China (Prices in \$/dmtu)				
Mine	Grade/ Origin	Jan '21	Dec '20	Nov '20
South 32	Mn45% Australian block	\$4.25/dmtu	\$4.25/dmtu	\$4.55/dmtu
	South African semicarbonate	\$3.8/dmtu	\$3.9/dmtu	\$4.35/dmtu
Comilog	Gabon block	\$3.95/dmtu	\$3.95/dmtu	\$4.3/dmtu
Tshipi	South African Block	\$3.9/dmtu	\$3.85/dmtu	\$4.1/dmtu

- Indian manganese ore imports went up by 5.5% in Oct '20

According to Customs, Indian manganese ore imports registered a hike of 5.5% m-o-m in Oct' 20. The imports were significantly higher from South Africa and Gabon. Majority of imports happened for grades between 35% to 40%. The total imports for first ten months of the year were up by 25% y-o-y. Imports in the past two months were much higher than the regular levels

- South African manganese ore exports up by 20% m-o-m in Oct '20

According to Customs data, South African manganese ore exports increased significantly amid reduced prices and improved supply. Exports to China and India accounted for 81% and 7% of the total exports respectively in Oct '20. Imports from India were down as manganese alloys producers booked enough material in previous months and had enough stocks in hand.

Indian Manganese Ore Imports						
Load Country	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y
South Africa	0.26	0.18	43.5%	1.56	1.28	22.5%
Gabon	0.12	0.07	70.6%	0.59	0.29	105.5%
Australia	0.06	0.08	-26.3%	0.50	0.28	77.5%
Cote D Ivoire	0.00	0.04	-96.9%	0.08	0.11	-25.7%
Brazil	0.00	0.02	-93.8%	0.07	0.25	-71.8%
Others	0.00	0.03	36.4%	0.05	0.08	-34.9%
Grand Total	0.43	0.41	5.5%	2.86	2.28	25.1%

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

Chinese Manganese Ore Imports						
Load Country	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y
South Africa	1.43	1.41	1.9%	10.58	10.77	-1.7%
Australia	0.55	0.51	9.0%	4.49	4.23	6.2%
Gabon	0.50	0.58	-14.7%	4.09	2.68	52.8%
Brazil	0.29	0.23	26.9%	2.37	2.15	10.1%
Ghana	0.30	0.22	38.5%	1.22	4.36	-72.0%
Others	0.17	0.36	36.4%	2.72	3.48	-22.0%
Grand Total	3.24	3.29	1.7%	25.49	27.68	7.9%

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

South African Manganese Ore Exports						
Unload Country	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y
China	1.80	1.32	36.5%	11.47	11.73	-2.3%
India	0.16	0.16	-2.3%	1.45	1.45	-0.6%
Singapore	0.07	0.06	11.5%	0.48	0.13	259.3%
Malaysia	0.02	0.12	-83.5%	0.47	0.61	-22.6%
South Korea	0.08	0.02	433.1%	0.34	0.37	-9.1%
Others	0.09	0.16	-44.5%	1.75	2.39	-26.5%
Grand Total	2.22	1.84	20.5%	15.96	16.69	-4.4%

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%	117,594
Mn ≥ 40% and < 44%	105,070
Mn ≥ 44% and < 46%	113,899
Mn ≥ 46%	25,693
Others	49,536
Grand Total	411,792

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
Dec-20	7.42	5.37	1.28	0.76

All quantity in mn t

Source: Customs, compiled and maintained by SteelMint

## Manganese Alloys

- Indian Silico Manganese Prices downstream throughout the month**

In Nov '20 prices of silico manganese increased in the domestic market amidst Diwali holidays booking and better demand from the steel market. Meanwhile, exports prices also increased owing to retreating MEIS benefits.

- 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 late November, and is continuing to increase owing to better steel demand.

Indian Silico Manganese Prices				
Domestic		Prices/t		
Location	Grade	18-Dec-20	Nov-20	Oct-20
Durgapur	60-14	₹ 66,000	₹ 59,375	₹ 59,219
Raipur	60-14	₹ 66,500	₹ 59,531	₹ 58,969
Export				
FOB India	60-14	\$ 880	\$820	\$840
	65-16	\$ 990	\$876	\$900

Indian Ferro Manganese Prices				
Domestic		Prices/t		
Location	Grade	18-Dec-20	Nov-20	Oct-20
Durgapur	HC 70%	₹ 66,000	₹ 58,500	₹ 59,700
Raipur	HC 70%	₹ 66,000	₹ 60,083	₹ 60,900
Export				
FOB India	HC 70%	\$ 890	\$819	\$818
	HC 75%	\$ 940	\$848	\$859

## Ferro Silicon

- Indian Ferro silicon prices came down as logistics eased up from Bhutan**

Ferro silicon prices gradually came down as the logistics improved from Bhutan, which was largely affected by the pandemic led labour restrictions and dispatches delays. Meanwhile, prices in Mid-Dec have increased significantly on international cues.

Ferro Silicon Prices				
India		Prices		
Location	Grade	18-Dec-20	Nov-20	Oct-20
Guwahati	HC 70-75%	₹ 95,000	₹ 79,700	₹ 80,000
Bhutan	HC 70-75%	₹ 94,500	₹ 79,300	₹ 80,000
Global				
FOB China	HC-75%	\$1,140	\$1,120	\$1,100
FOB Bhutan	HC-70-75%	\$1,120	\$1,100	\$1,100

## Chrome Ore

- India: OMC Chrome ore auctions receives weak response in Dec '20**

Odisha Mining Corporation auctioned 33,100t of chrome ore in Dec '20. The auction received dull response as the smaller producers have reduced their production and the supply situation has also eased up.

- China: Imported chrome ore prices fell marginally in Nov '20**

Imported chrome ore prices in China fell in the later period of the 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.

- Tata Steel Mining to sell up to 40,000 t of chrome ore in Dec '20**

After commencing dispatches from Oct '20, Tata Steel Mining Ltd (TSML) is ramping up sales of chrome ore in the domestic market. TSML sold 15,000 t of chrome ore in Nov '20 and with increasing production m-o-m, the company is expected to sell 40,000 t of chrome ore to domestic buyers in Dec '20.

India: Chrome Ore Prices				
Company	Grade	Dec-20	Nov-20	Oct-20
OMC	.+54%	₹ 10,099	₹ 12,516	₹ 15,054
	52-54	₹ 9,234	₹ 12,075	₹ 14,476
	48-50	₹ 8,706	₹ 11,017	₹ 11,810

Source: SteelMint Research

Chinese imported manganese ore prices (CNF China)				
Grade	Origin	18-Dec-20	Nov-20	Oct-20
Conc. 40-42%	South Africa	\$130	\$136	\$139
Conc. 46-48%	Turkey	\$195	\$195	\$198

Source: SteelMint Research

OMC Chrome Ore Auction to be held on 10 Dec '20						
Mines	Grade (Cr2O3)	Base Price (INR/WMT)	Quantity offered for e-auction (WMT)	Bid Quantity (WMT)	Weighted Avg, Price (INR/WMT)	Percentage Increase
South Kaliapani Chromite Mines	.+54%	9,523	2,100	2,100	10,099	0.06
	52-54	9,170	1,100	1,100	9,234	0.01
	50-53	8,817	300	300	9,217	0.05
	48-50	8,465	3,400	3,400	8,706	0.03
	46-48	8,112	12,600	12,600	8,144	0.00
	44-46	7,759	12,600	7,400	7,775	0.00
	42-44	7,406	200	200	7,406	0.00
Sukrangi Chromite Mines	52-54	9,170	100	100	9,270	0.01
	50-53	8,817	100	100	8,817	0.00
	48-50	8,465	100	No bid	8,465	0.00
	46-48	8,112	100	No bid	8,112	0.00
	44-46	7,759	200	No bid	7,759	0.00
	42-44	7,406	200	No bid	7,406	0.00
Total			33,100	27,300		

Source: SteelMint Research

## Chrome Ore Statistics

### India: Chrome ore production increases significantly in Oct '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 significant hike of 83% m-o-m in Oct '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. However, now the production is reaching back to its normalcy again.

### 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 down by 5% m-o-m in Oct '20

In Oct '20, South African exports of Chrome ore decreased by 5% m-o-m owing to reduced demand from China and Mozambique. Meanwhile, exports were also down in the first ten months as compared to previous year. This can be attributed to the logistics issues due to the pandemic led lockdown.

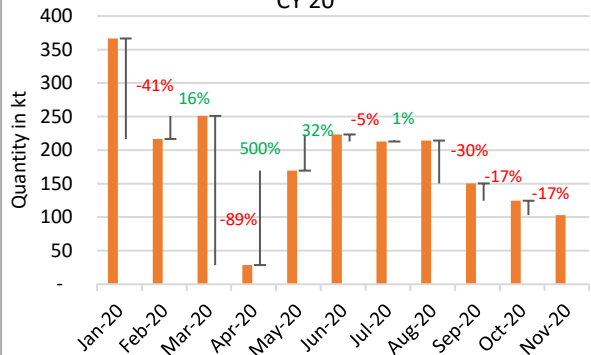
### China: Chrome ore imports down by 3.5 % m-o-m in Oct '20

Chinese chrome ore imports were down by 3.5% m-o-m in Oct '20 in line with enough inventory with the producers and in the domestic ports. Imports were significantly down from Zimbabwe, Pakistan and Turkey.

India: Chrome Ore Production

Company	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y (%)
Tata Steel	0.022	0.000	NA	0.56	1.51	-62.8%
O.M.C.	0.035	0.025	41.6%	0.53	0.97	-45.6%
IMFA	0.035	0.017	98.8%	0.41	0.40	2.4%
Balasore Alloys	0.000	0.000	NA	0.15	0.19	-21.6%
FACOR	0.008	0.012	-35.1%	0.11	0.11	-2.9%
Others	0.000	0.000	NA	0.08	0.51	-84.4%
Grand Total	0.100	0.054	83.2%	1.83	3.69	-50.3%

India: Chrome ore dispatches CY 20



Source: SteelMint Research

South African Chrome Ore Exports

Unload Country	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y
China	0.835	0.965	-13.5%	6.80	6.77	0.5%
Mozambique	0.358	0.285	25.7%	2.75	4.28	-35.7%
Indonesia	0.040	0.050	-19.7%	0.28	0.39	-28.0%
Hong Kong	0.021	0.022	-6.0%	0.23	0.11	120.4%
India	0.018	0.013	39.3%	0.15	0.08	96.9%
Others	0.064	0.066	-2.6%	0.60	0.76	-20.8%
Grand Total	1.336	1.401	-4.6%	10.83	12.39	-12.6%

China: Chrome Ore Imports

Load Country	Oct-20	Sep-20	M-o-M	Jan-Oct-2020	Jan-Oct-2019	Y-o-Y (%)
South Africa	0.932	0.939	-0.8%	9.25	9.97	-7.3%
Turkey	0.044	0.052	-16.4%	0.50	0.79	-36.6%
Zimbabwe	0.042	0.061	-31.3%	0.44	0.57	-23.2%
Oman	0.015	0.018	-17.4%	0.29	0.47	-39.4%
Pakistan	0.009	0.023	-60.6%	0.24	0.28	-15.4%
Others	0.048	0.036	33.7%	0.62	0.77	-19.9%
Grand Total	1.089	1.129	-3.5%	11.33	12.86	-11.9%

## Ferro Chrome

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

Prices in the domestic market decreased amidst oversupply and lack of inquiries from exports. Many producers reduced their prices on severe liquidity crisis which further put a downward pressure on the market.

Indian Ferro Chrome Prices				
Domestic		Prices		
Location	Grade	18-Dec-20	Nov-20	Oct-20
Jajpur, India	HC 60%	₹ 66,000	₹ 67,100	₹ 71,208
China	HC 52%	¥5,850	¥5,910	¥5,950

Chinese Ferro Chrome Imports						
Load Country	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y (%)
South Africa	0.100	0.112	-10.7%	1.30	1.41	-7.8%
Kazakhstan	0.071	0.086	-17.2%	0.62	0.60	4.0%
India	0.032	0.030	6.6%	0.26	0.33	-20.9%
Zimbabwe	0.008	0.007	16.3%	0.08	0.10	-21.6%
Finland	0.001	0.002	-39.7%	0.06	0.04	63.5%
Others	0.002	0.005	-57.6%	0.02	0.07	-73.2%
Grand Total	0.215	0.238	-9.5%	2.55	2.55	0.2%

South African Ferro Chrome Exports						
Unload Country	Oct-20	Sep-20	M-o-M	Jan-Oct-20	Jan-Oct-19	Y-o-Y
China	0.111	0.065	70.0%	0.94	0.98	-4.3%
United Arab Emirates	0.046	0.024	93.9%	0.41	0.40	2.2%
Indonesia	0.083	0.052	60.1%	0.32	0.37	-13.6%
United States	0.023	0.016	41.2%	0.15	0.23	-34.5%
Japan	0.011	0.026	-57.3%	0.14	0.20	-29.8%
Others	0.082	0.069	19.6%	0.56	0.79	-28.5%
Grand Total	0.356	0.252	41.5%	2.52	2.97	-15.0%

## Met Coke (Colombia)

- Strong buying from China and Brazil has kept Colombian metallurgical coke in short supply, while Latin American mills have also returned for Colombian met coke in the past few months, with the restart of their blast furnaces.
- The supply tightness in the Colombian met coke market has intensified at present, with European mills scouring for spot cargoes in the first quarter of the next year, despite limited availability until at least the second quarter.
- Colombian met coke producers are largely sold out for the rest of this year, while trader sources have indicated little to no availability in January, and buyers are likely to have to turn to alternative origins such as Japan, Poland, Russia and South Korea.
- Latest prices of Colombian met coke are assessed at around \$350/t CNF India.
- Outlook**
  - Colombia's metallurgical coke exports are expected to drop this year, amid a contraction in global steel demand due to the ongoing pandemic.
  - Brazil will continue to account for most of Colombia's met coke exports, followed by Mexico and India.



Commodity	Sub-Commodity	Grade/Location	Mid-Dec	Nov-20			3-Months (Sep-Nov '20)	
				Avg.	Min	Max	Min	Max
Ferro Alloys	Silico Manganese	60-14; Ex-Durgapur	₹ 65,000	₹ 59,375	₹ 58,500	₹ 61,000	₹ 58,500	₹ 62,000
		60-14; Ex-Raipur	₹ 64,500	₹ 59,531	₹ 58,000	₹ 60,750	₹ 58,000	₹ 62,750
		60-14; fob India	\$860	\$815	\$805	\$830	\$805	\$840
		65-16; fob India	\$940	\$868	\$845	\$900	\$845	\$910
	Ferro Manganese	HC 70%; Ex-Durgapur	₹ 64,000	₹ 58,375	₹ 57,000	₹ 59,000	₹ 57,000	₹ 63,000
		HC 70%; Ex-Raipur	₹ 64,500	₹ 59,813	₹ 59,500	₹ 60,000	₹ 59,500	₹ 63,000
		HC 70%; fob India	\$850	\$821	\$810	\$845	\$810	\$845
		HC 75%; fob India	\$880	\$848	\$845	\$850	\$845	\$900
	Ferro Chrome	HC 60; Ex-Jajpur	₹ 66,000	₹ 71,208	₹ 69,000	₹ 74,000	₹ 60,500	₹ 74,000
		HC 52; Ex-China	¥5,850	¥5,942	¥5,900	¥5,950	¥5,850	¥5,950
	Ferro Silicon	HC 70; Ex-Bhutan	₹ 88,000	₹ 79,300	₹ 77,500	₹ 82,500	₹ 77,500	₹ 82,500
		HC 70; Ex-Guwahati	₹ 89,000	₹ 79,700	₹ 78,500	₹ 82,000	₹ 78,500	₹ 88,000
Raw Material	Manganese Ore	Lumps Mn 44; MOIL	₹ 14,087	₹ 14,087	-	-	₹ 14,087	₹ 15,229
		Lumps Mn 37.5; MOIL	₹ 12,381	₹ 12,381	-	-	₹ 12,381	₹ 13,385
		Mn 37.5, CNF India (\$/dmtu)	\$4.00	\$3.93	\$3.85	\$4.35	\$3.85	\$4.35
	Chrome Ore	Friable, +54; OMC	₹ 10,099	₹ 12,516	-	-	-	-
		Friable, 52-54; OMC	₹ 9,234	₹ 12,075	-	-	-	-
	Met Coke	64% CSR, CNF India	\$352	\$312	\$303	\$323	\$272	\$323
		62% CSR, CNF India	\$349	\$306	\$299	\$314	\$267	\$314
Steel	Billet IS 2831	Raipur	₹ 37,400	₹ 33,737	₹ 32,000	₹ 35,350	₹ 29,000	₹ 35,350
		Mandi Gobindgarh	₹ 39,600	₹ 35,911	₹ 34,400	₹ 37,000	₹ 32,100	₹ 37,000
		Mumbai	₹ 40,000	₹ 35,118	₹ 33,000	₹ 36,800	₹ 30,000	₹ 36,900
	HRC; IS 2062	Exy-Mumbai	₹ 52,000	₹ 46,937	₹ 46,000	₹ 48,250	₹ 40,800	₹ 48,250

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