

Manganese Ferro-alloys in Europe:

Current situation & Future Outlook

IMnI Annual Conference 2003

Rio de Janeiro 2-6/06/03



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Agenda

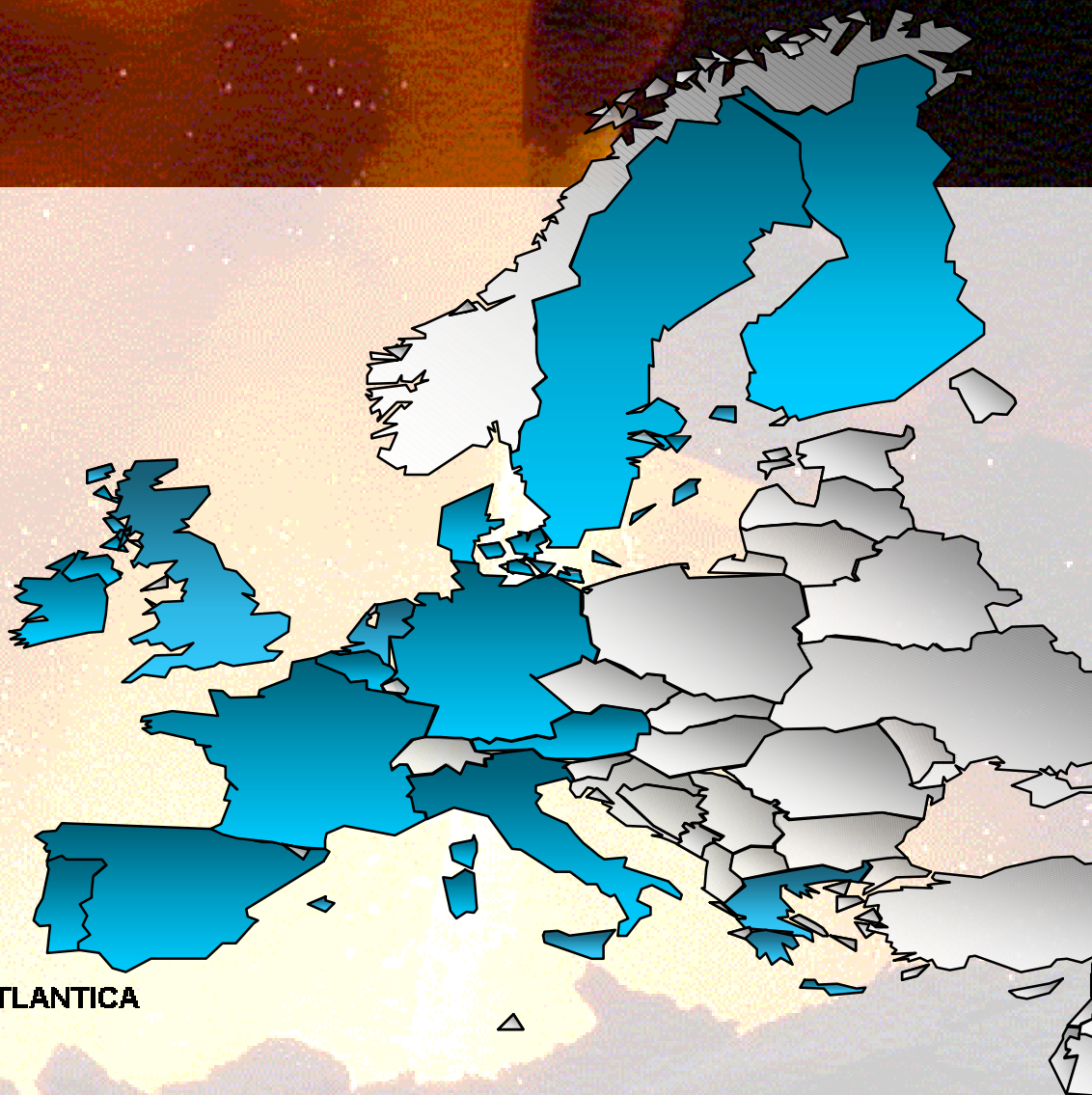
1.- Introduction

- Production vs Capacity
- Consumption
- Balance Supply / Demand
- Prices
- Actual Market Situation. Conclusions



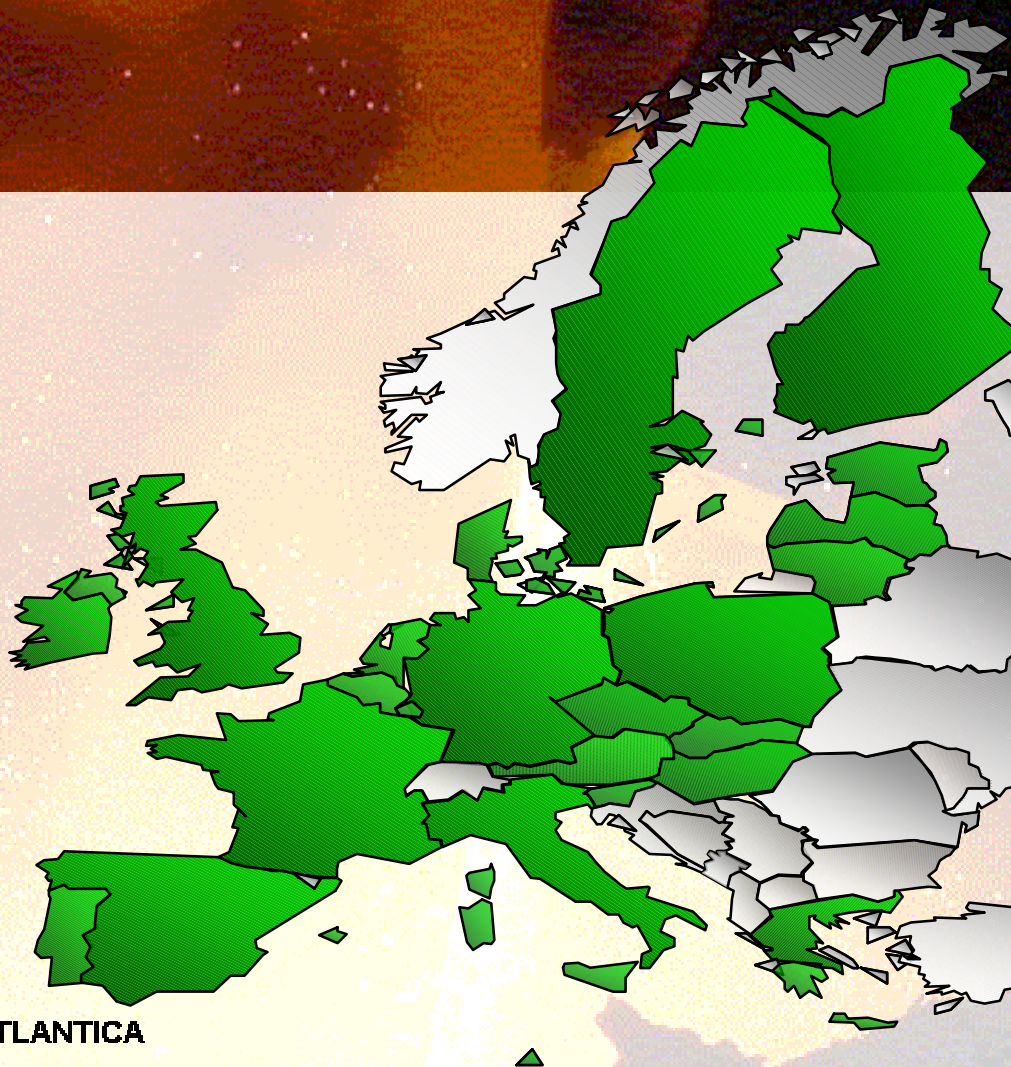
EU 15

- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Greece
- Holland
- Ireland
- Italy
- Luxemburg
- Portugal
- Spain
- Swedenl
- United Kingdom



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EU 25



- | | |
|-----------------|------------|
| •Austria | •Cyprus |
| •Belgium | •Czech Rep |
| •Denmark | •Estonia |
| •Finland | •Hungary |
| •France | •Latvia |
| •Germany | •Lithuania |
| •Greece | •Malta |
| •Holland | •Poland |
| •Ireland | •Slovakia |
| •Italy | •Slovenia |
| •Luxemburg | |
| •Portugal | |
| •Spain | |
| •Sweden | |
| •United Kingdom | |



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EU

		EU 15	EU 25	USA
Population	M Inhab.	380	455	285
Surface Area	M Km ²	3.2	3.9	9.8
PIB	K€/capita	21,3	15,7	33,4



Mn Ferro-alloys

	<i>Specifications</i>	<i>Consumption Kg. / T steel</i>
<i>FeMn HC</i>	<ul style="list-style-type: none"> ☒ Mn : 75 ☒ C: 7% 	3
<i>Refined FeMn</i>	<ul style="list-style-type: none"> ☒ Mn :80/84% ☒ FeMn MC : 1%<C<1,5% ☒ FeMn LC: C< 1% 	1
<i>SiMn</i>	<ul style="list-style-type: none"> ☒ SiMn St : Mn: 65/68% Si: 15/18% C: 1,5/2,1% ☒ SiMn LC: Mn: 58/63% Si: 28/32% C: 0,1% 	4,3



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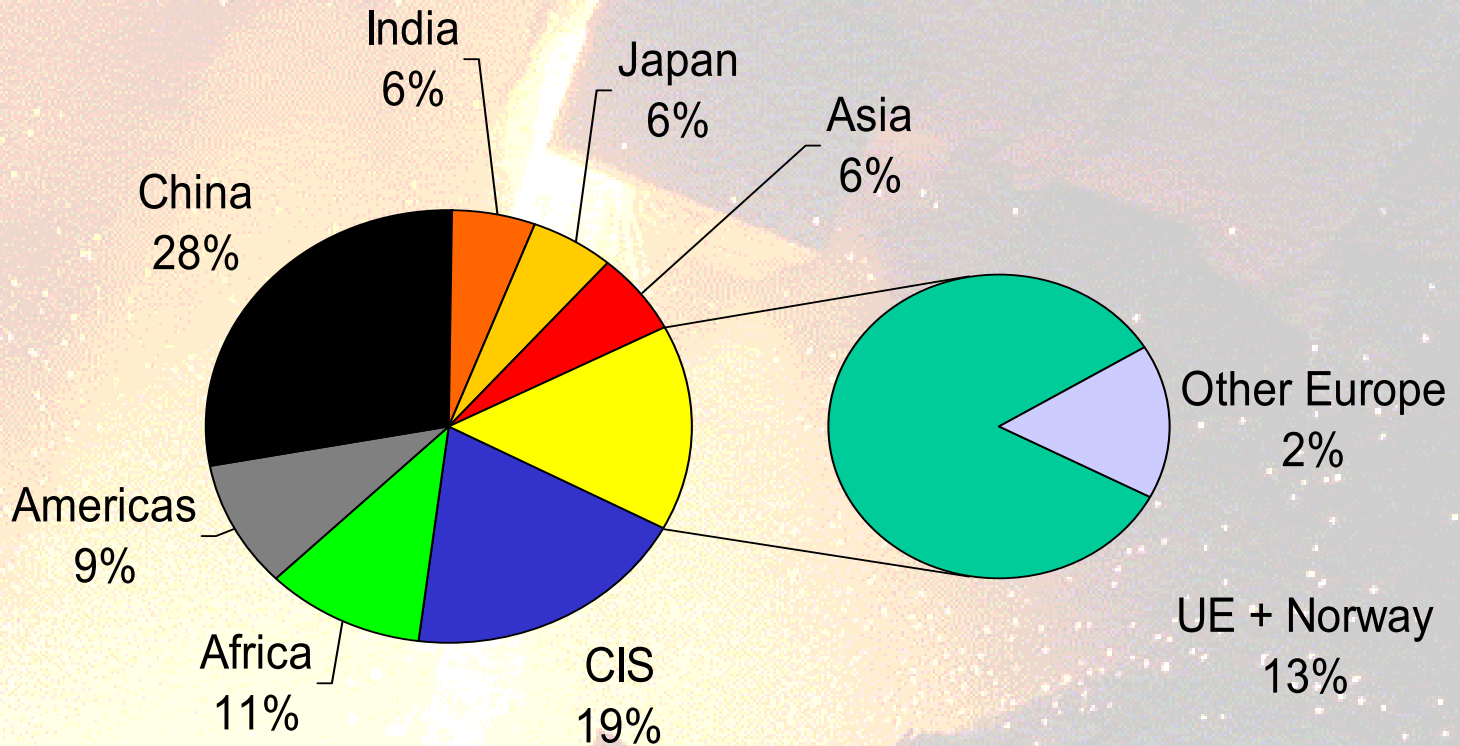
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Manganese Alloy Production 2002



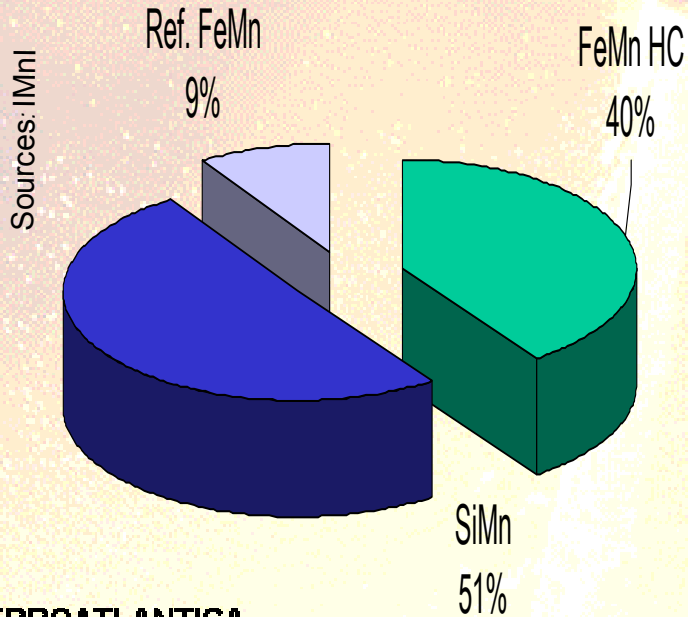
Sources: IMnI



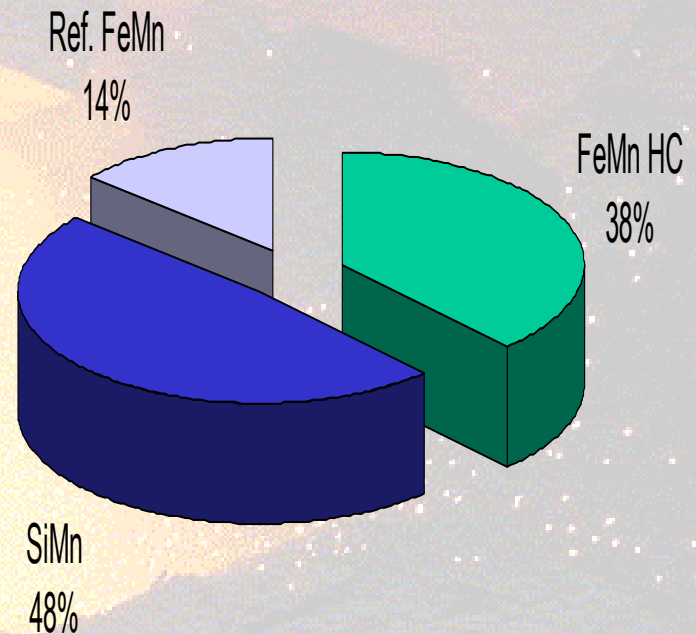
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Manganese Alloy Production 2002

World

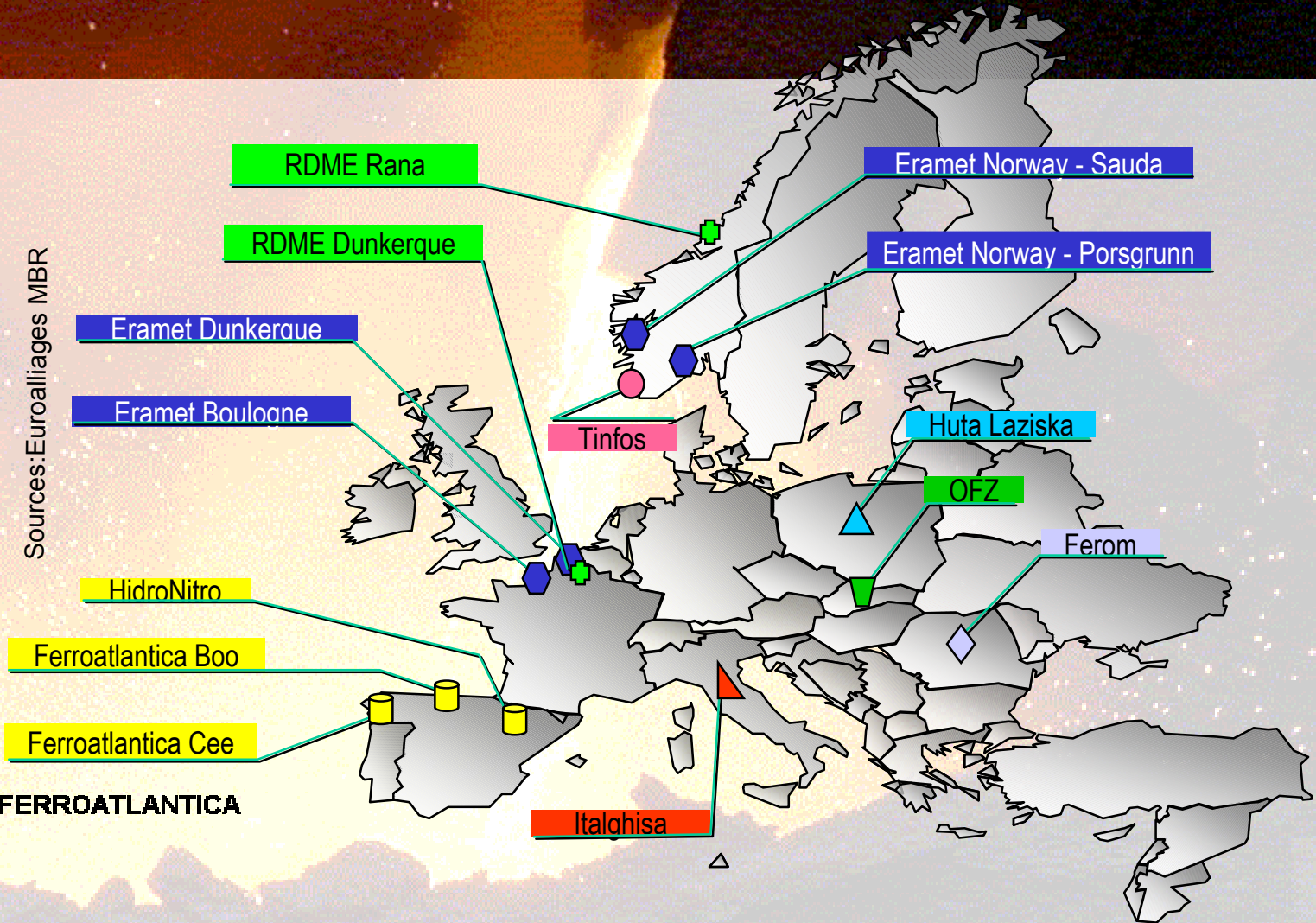


Europe



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Production Sites in Europe



Production Sites in Europe

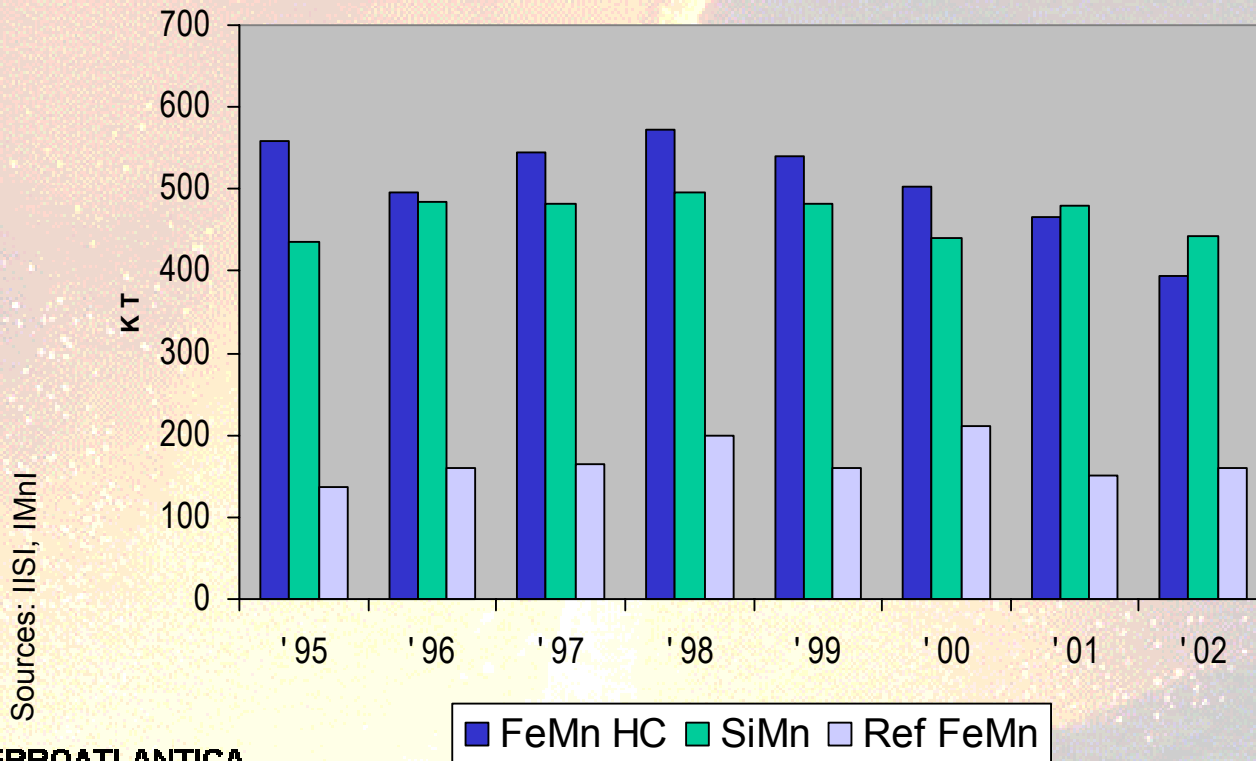
	FeMn HC	SiMn	Ref. FeMn	Power MW
Eramet Dunkerque		X		40
Eramet Boulogne	X			
Eramet Sauda	X	X	X	67
Eramet Porsgrunn	X	X	X	53
RDME (CVRD)	X			50
Italghisa	X	X		25
Tinfos	X	X		90
Huta Laziska	X	X		55
OFZ	X	X	X	87 - 115
Ferom	X	X	X	40
Ferroatlantica Boo	X	X	X	70
Ferroatlantica Cee	X	X		43
Hidronitro		X	X	40

Sources: Euoralliages, MBR



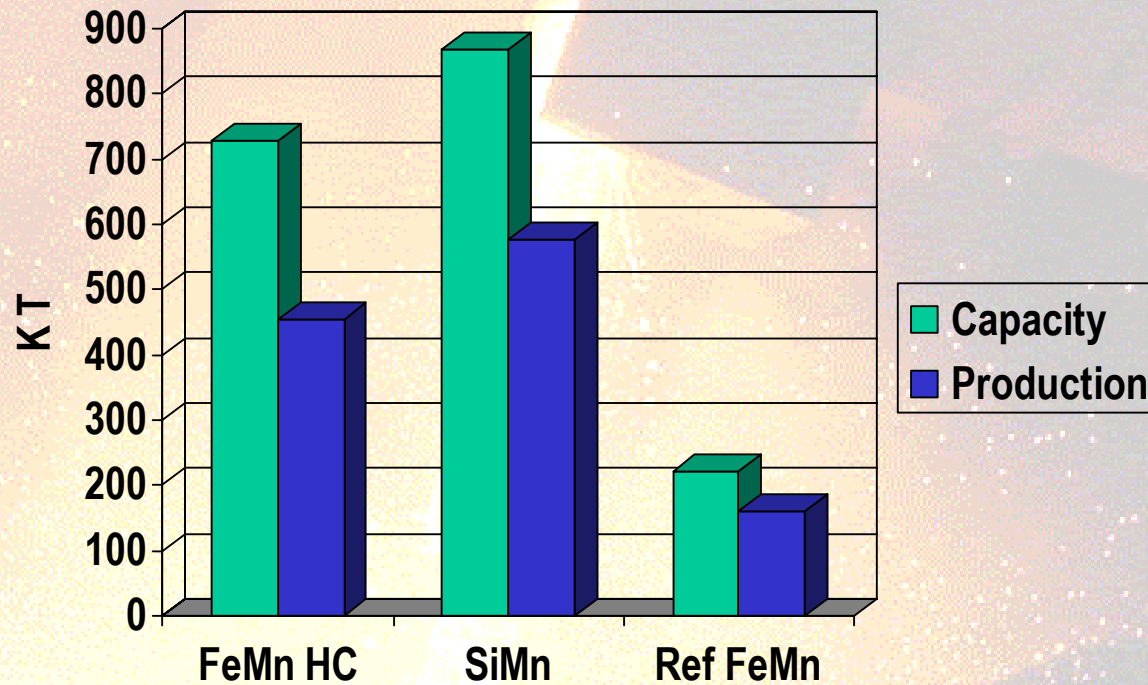
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Production EU '95 - 02



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Production vs Capacity Europe '02



Source: IMnI



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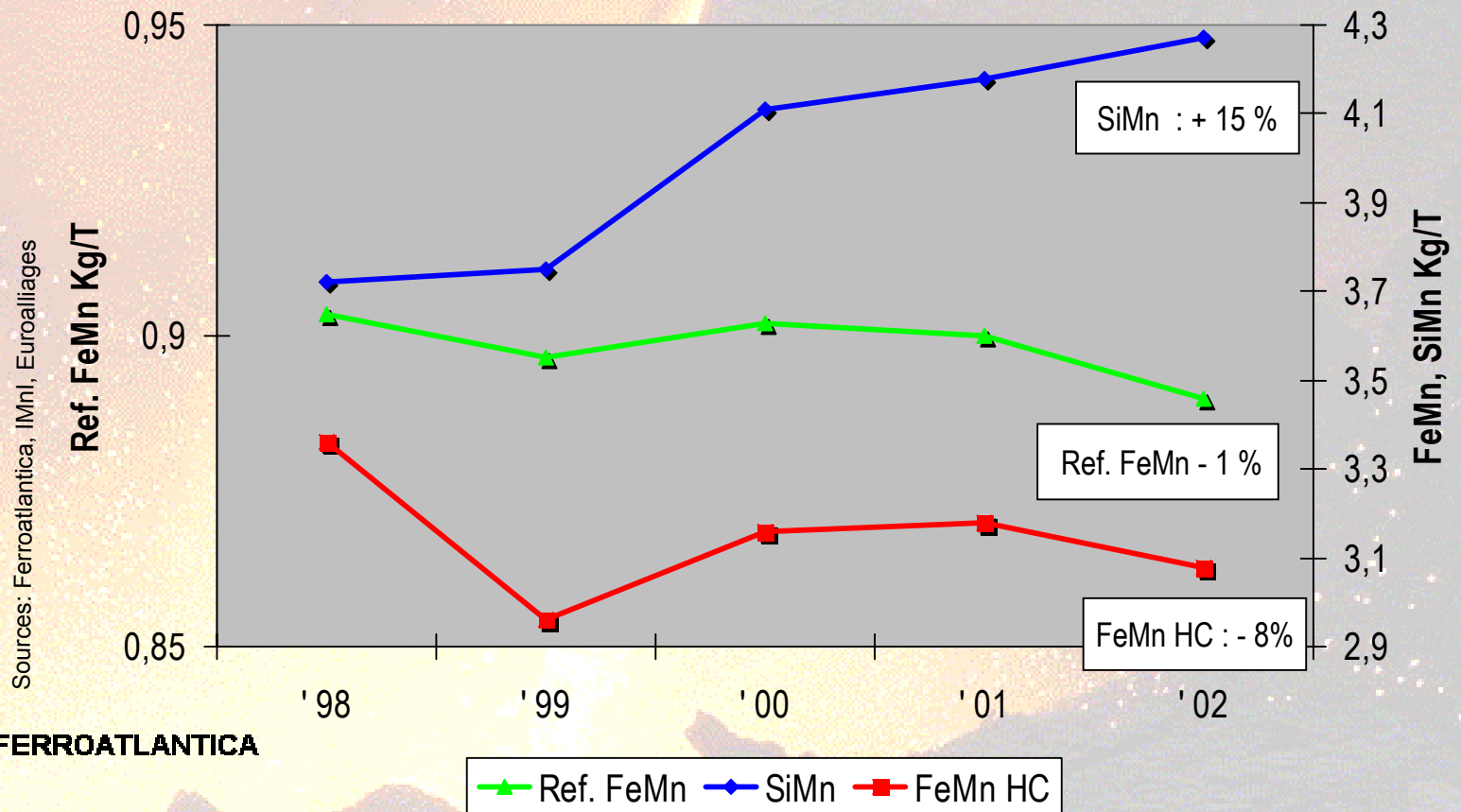
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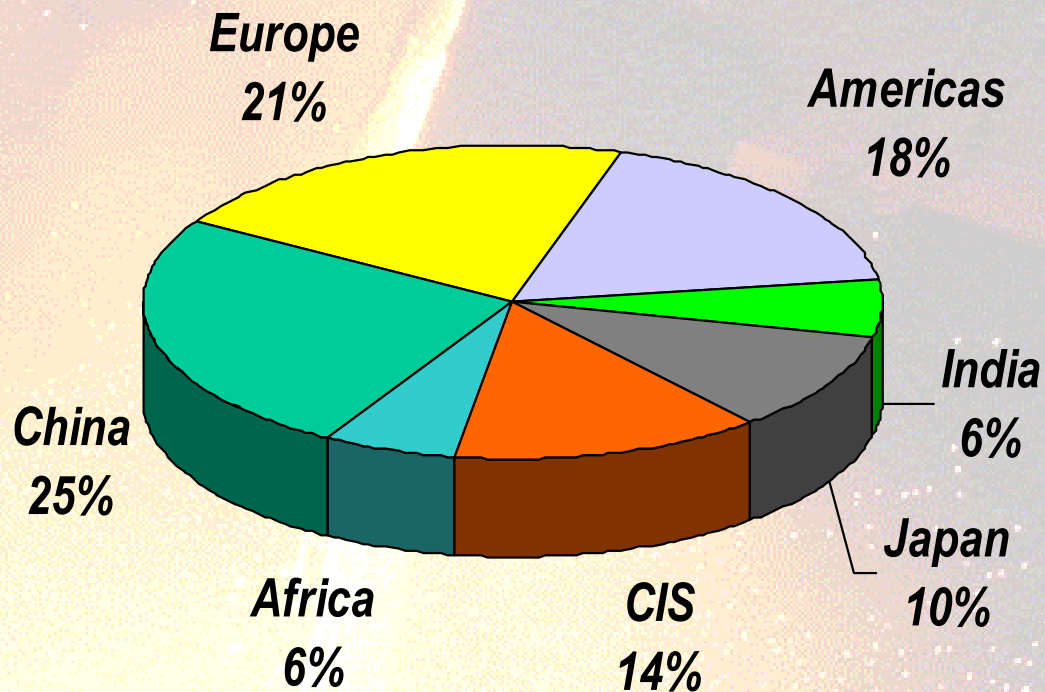


Unit Consumption (Europe)



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Consumption Mn Alloys 2002

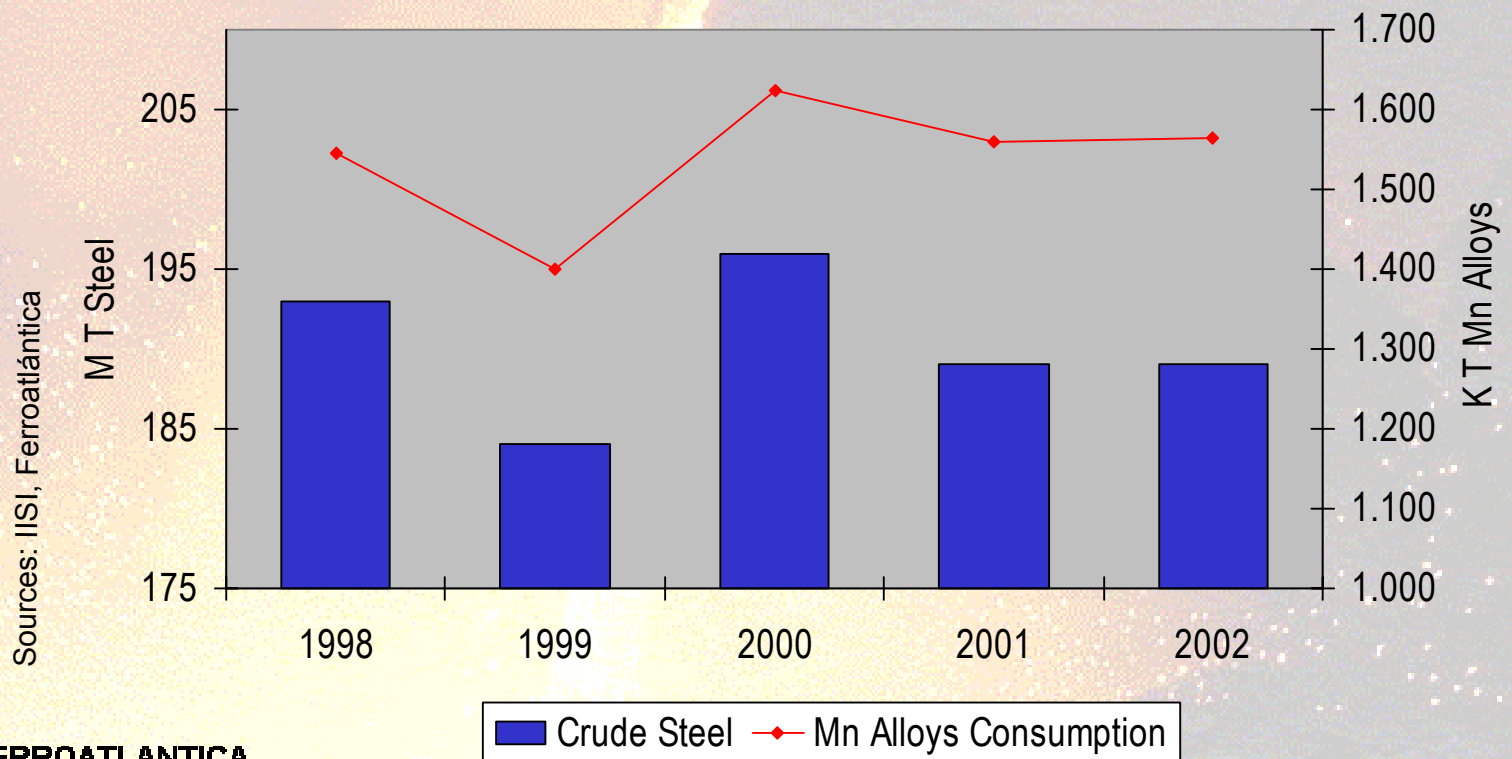


Sources: Ferro atlántica



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Consumption of Mn Alloys/Crude Steel Production in Europe



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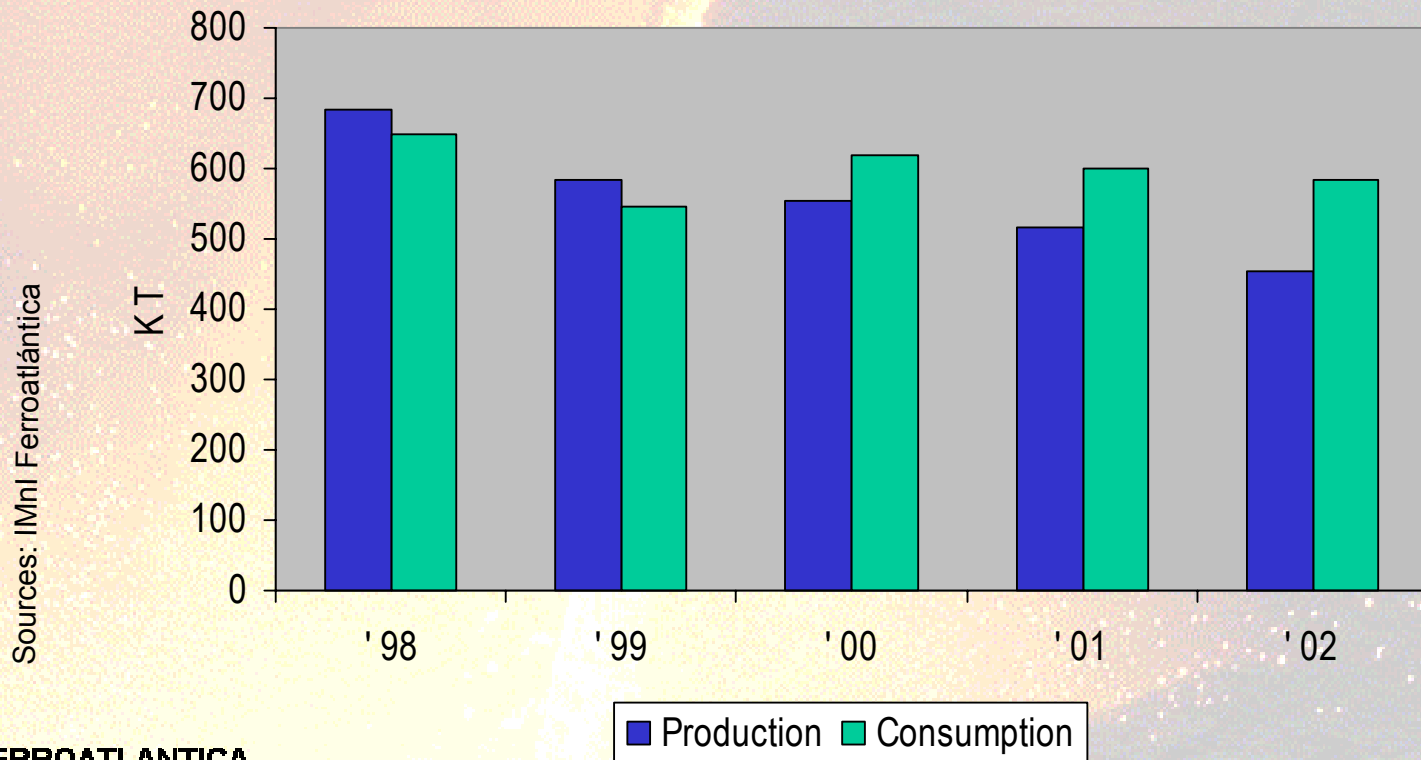
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FeMn HC Europe '98 - 02 Production/Consumption

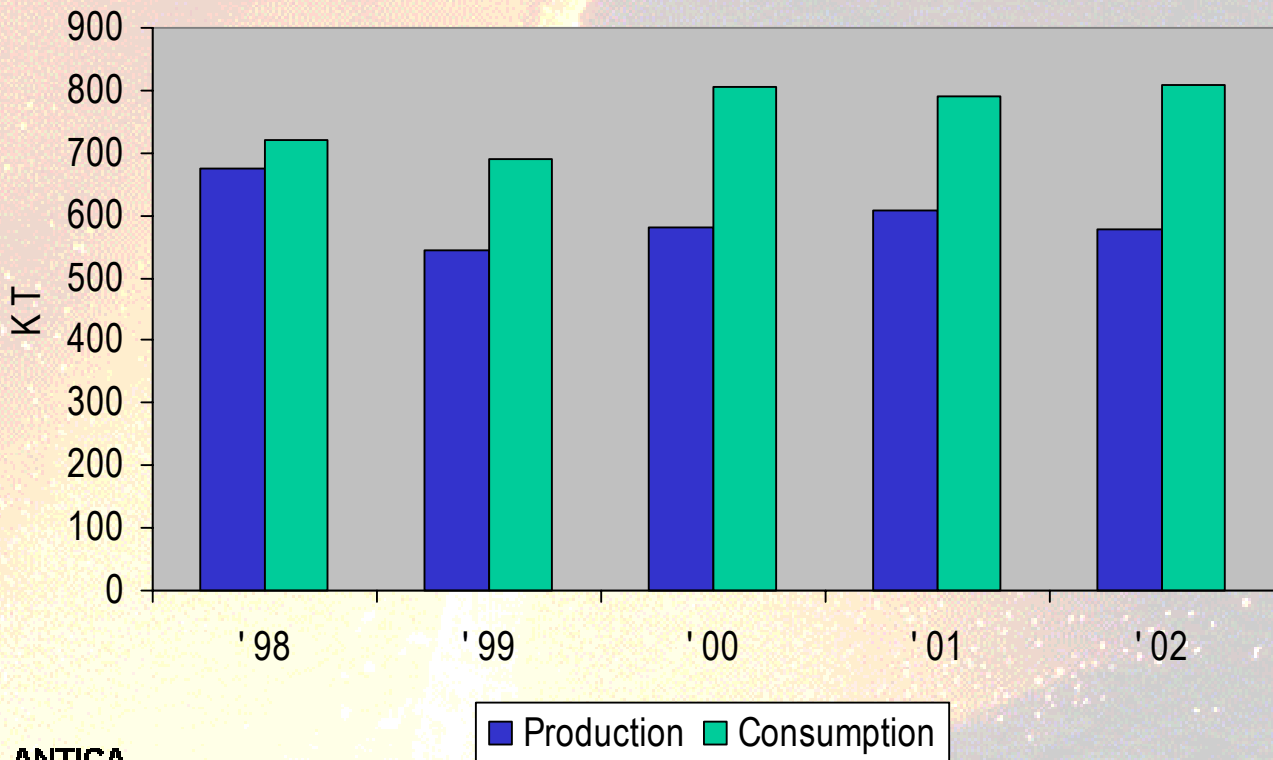


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SiMn Europe '98 – '02

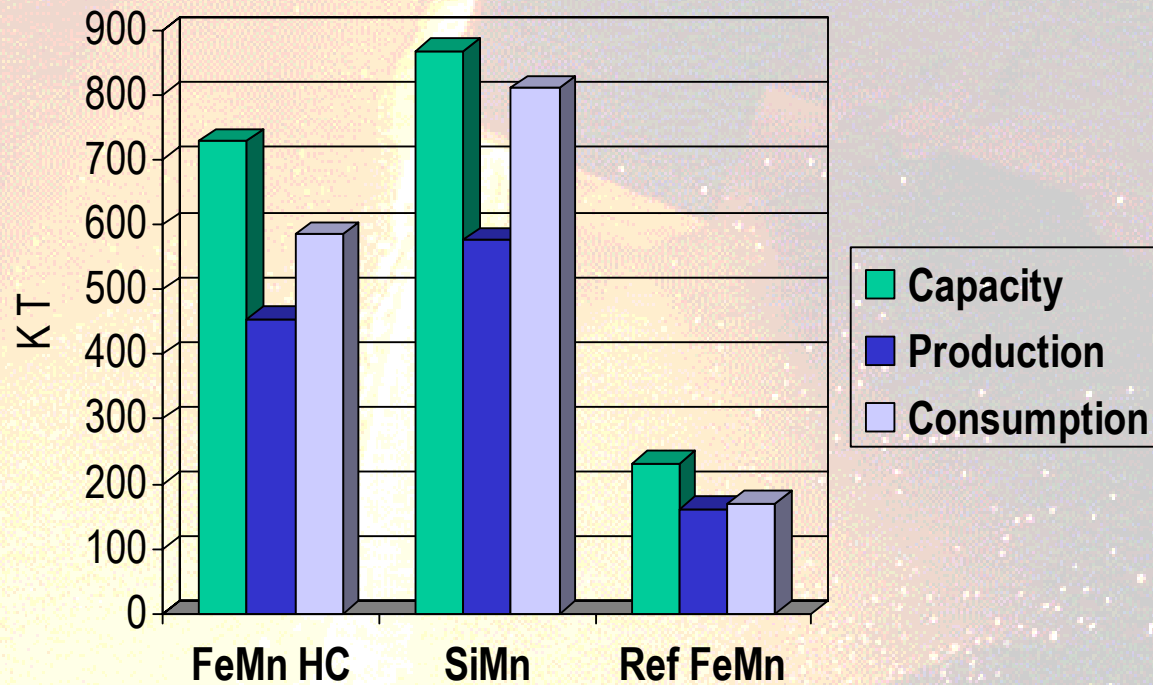
Production/Consumption

Sources: IMnI Ferroatlántica



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Europe '02 Capacity/Production/Consumption

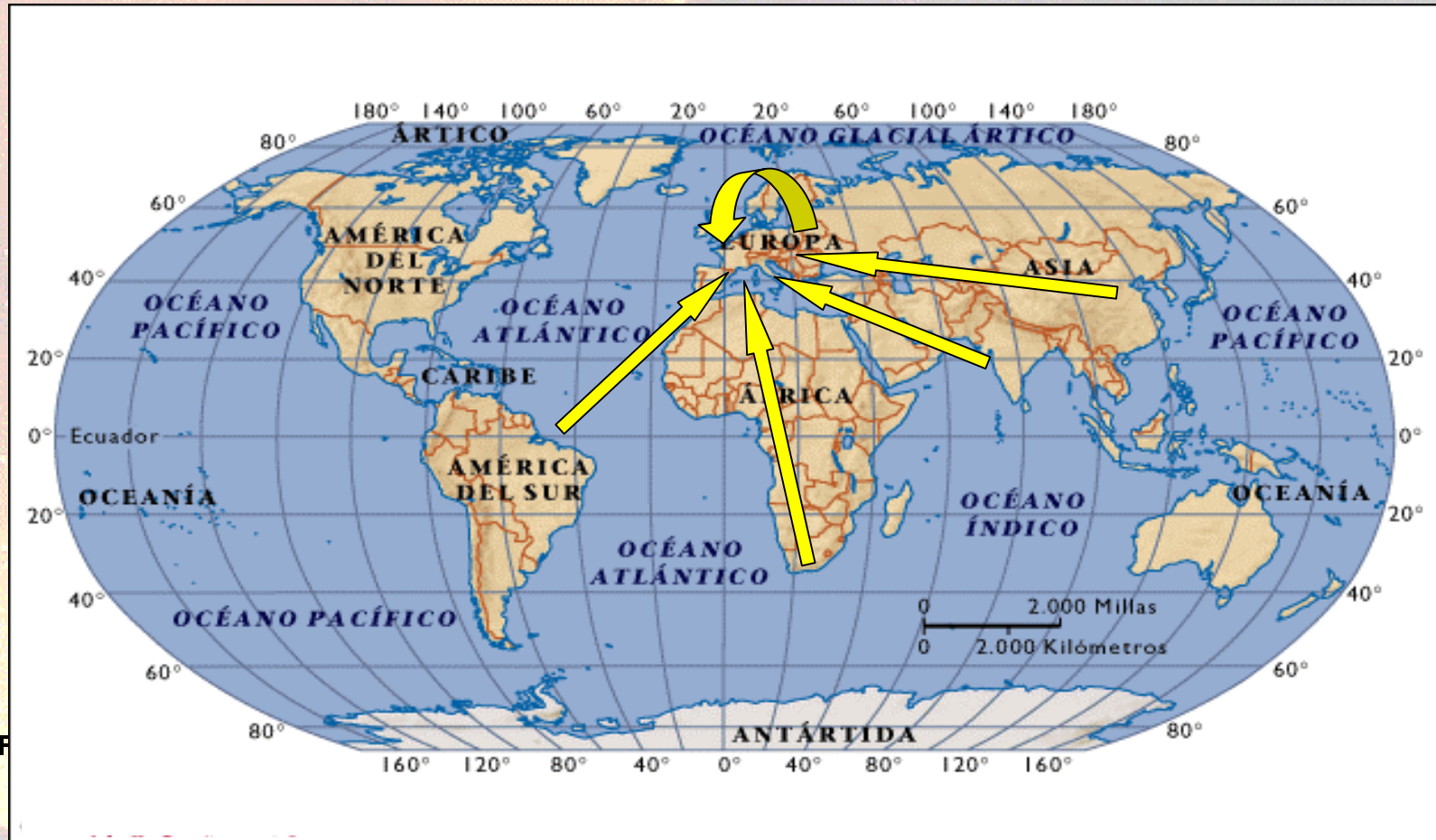


Sources: IMnl Ferroatlántica



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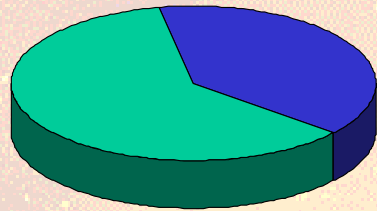
Imports Mn Alloys Europe



Imports vs Consumption FeMn HC EU

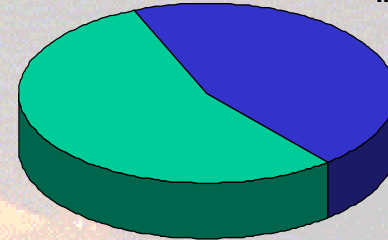
Sources: Eurostat, Ferroatlántica

1998



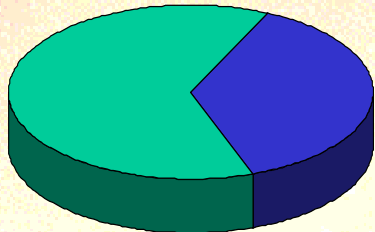
Import
39%

1999



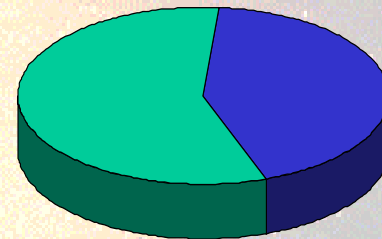
Import
45%

2000



Import
38%

2001



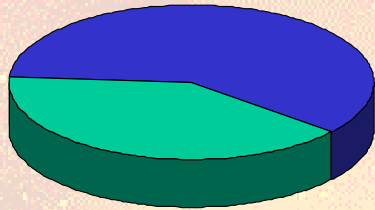
Import
43%



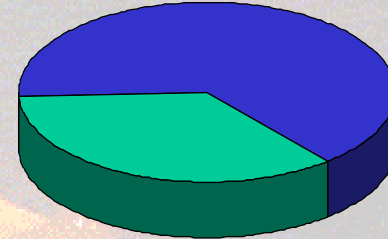
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Imports vs Consumption SiMn EU

1998 Import
60%

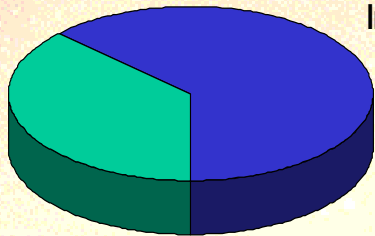


1999 Import
65%



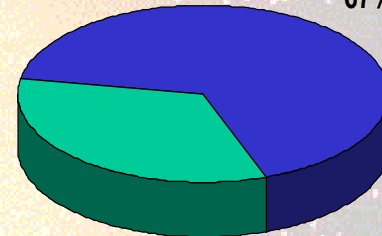
2000

Import
63%



2001

Import
67%



Sources: Eurostat, Ferroatlántica



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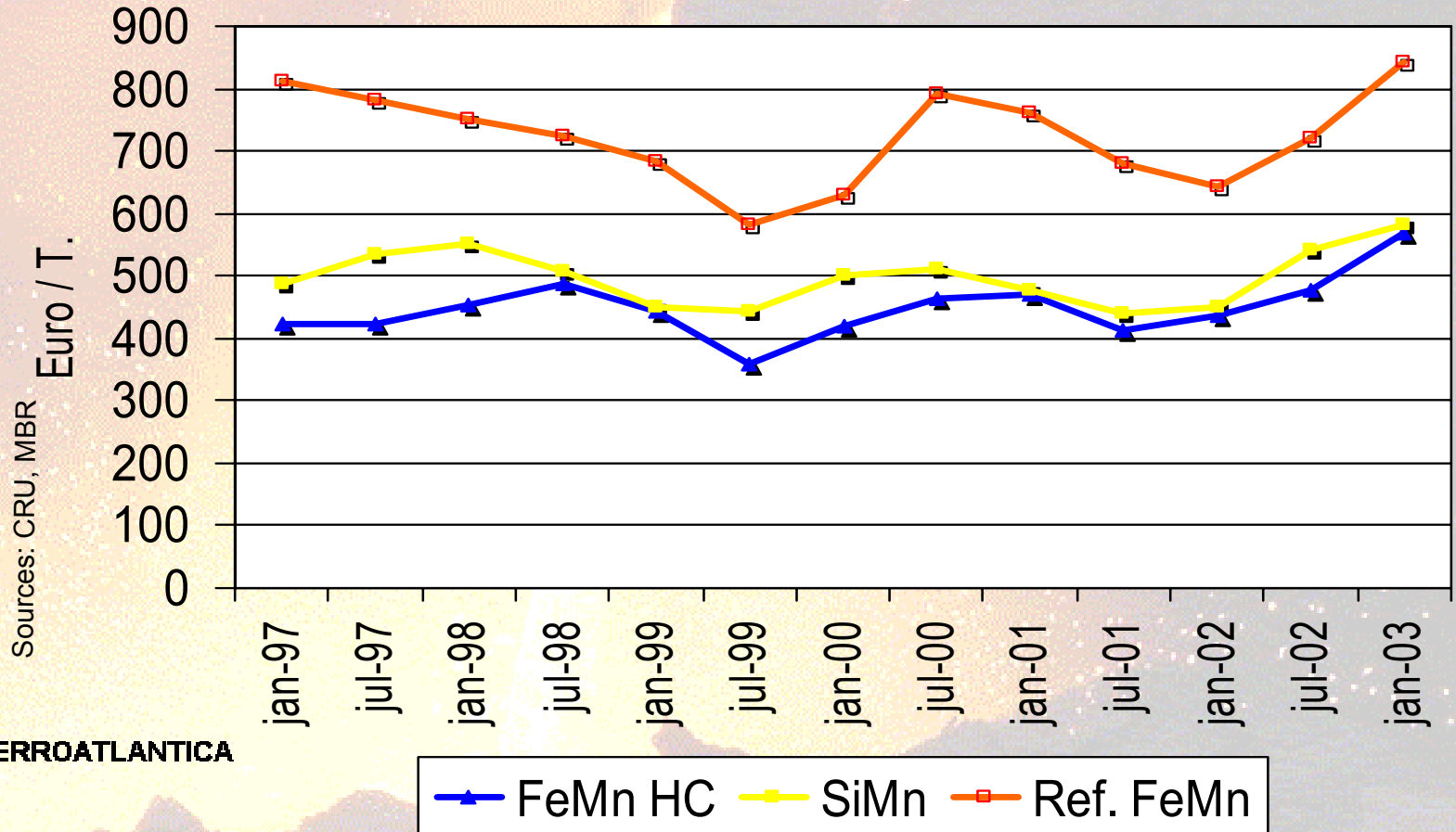
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Prices



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6.- Actual Market Situation. Conclusions



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Actual Market Situation

- Slightly decreasing demand, steady Steel Production
- Steady production capacity, tending to increase (Rana)
- European sites producing under capacity level
- Imports at dumping prices
- Sustained increase in imports from Romania, Brasil, China, Kazahstán, India.
- End of the Anti-Dumping against Ukraine and China
- Short-term purchasing politics, on the side of demand, could provoke permanent closures of european plants



Conclusions

- Within Mn Alloys industry, Europe is a large consumer
- Europe has a production capacity large enough to match supply with demand, and has the world's highest productivity sites.
- Europe covers only 65% of its demand with its own production
- Keeping production in Europe is in the interest of the consumer
- Import prices in Dumping will only improve in the short term for the customer

