



Mn Ore

A Global Overview with China Focus

Mark Camaj
Market Analyst, IMnI

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The Global Mn Market in 2007

- 2007 Highlights
- Mn Alloy (production and consumption)
- Mn Ore (production and consumption)
- Key China Trade Statistics



2007 Highlights

- Global Crude Steel Production increased 7.4% reaching 1.32 billion mt.
- Ghana Manganese purchased by Privat
- ConsMin purchased by Palmary (Privat)
- ArcelorMittal purchases OFZ and enters South Africa in 50% JV in Kalagadi Mn project
- Mn Metal, Mn Ore & Alloys all reach record price levels



Steel Production



Steel Production (M mt)

	2006	2007	% Change y-o-y
World Total	1239	1344	+7.5%
China	422.7	489.0	+15.7%
Japan	116.2	120.2	+3.4%
United States	98.6	97.2	-1.4%
Russia	70.8	72.2	+2.0%
India	49.5	53.1	+7.3%
South Korea	48.5	51.4	+6.0%
Germany	47.2	48.5	+2.8%
Ukraine	40.9	42.8	+4.7%
Brazil	30.9	33.8	+9.3%
Italy	31.6	32.0	+1.2%

Source: IISI

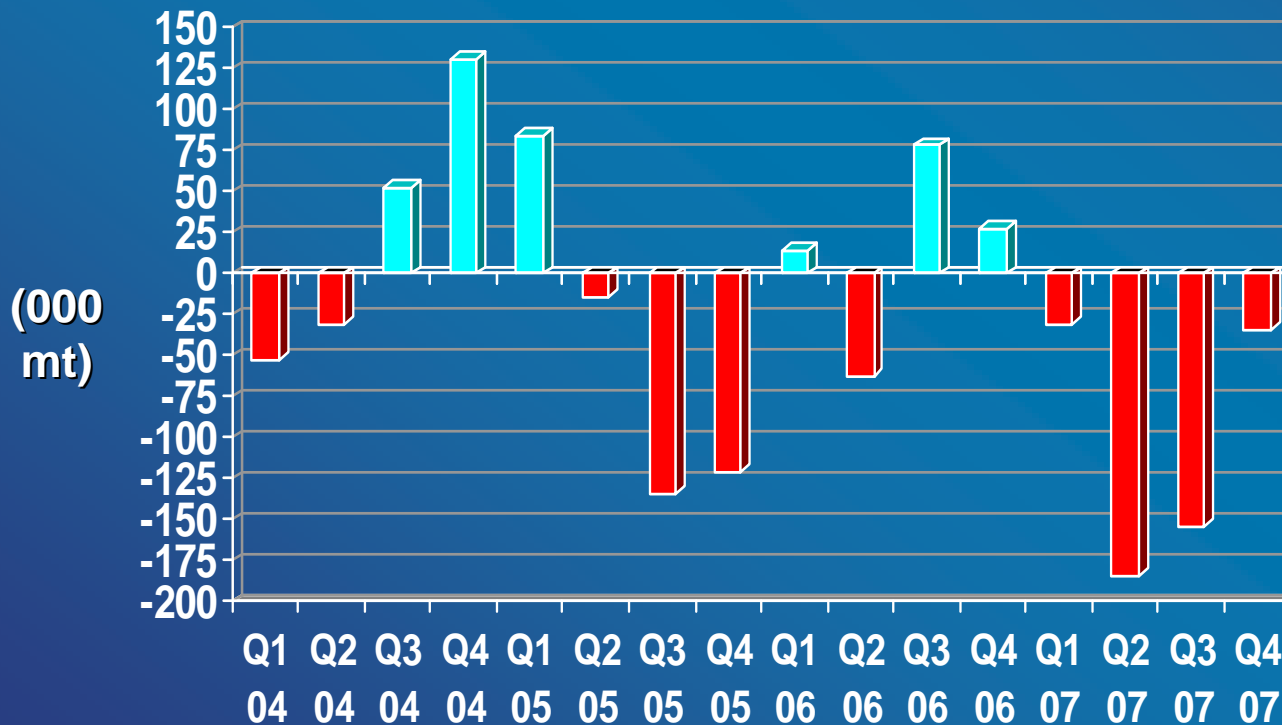


Brief look at Manganese Alloys



Global Mn Alloy Supply & Demand

The world Mn alloy supply & demand balance



2007 Supply Demand Balance

SiMn - 60K

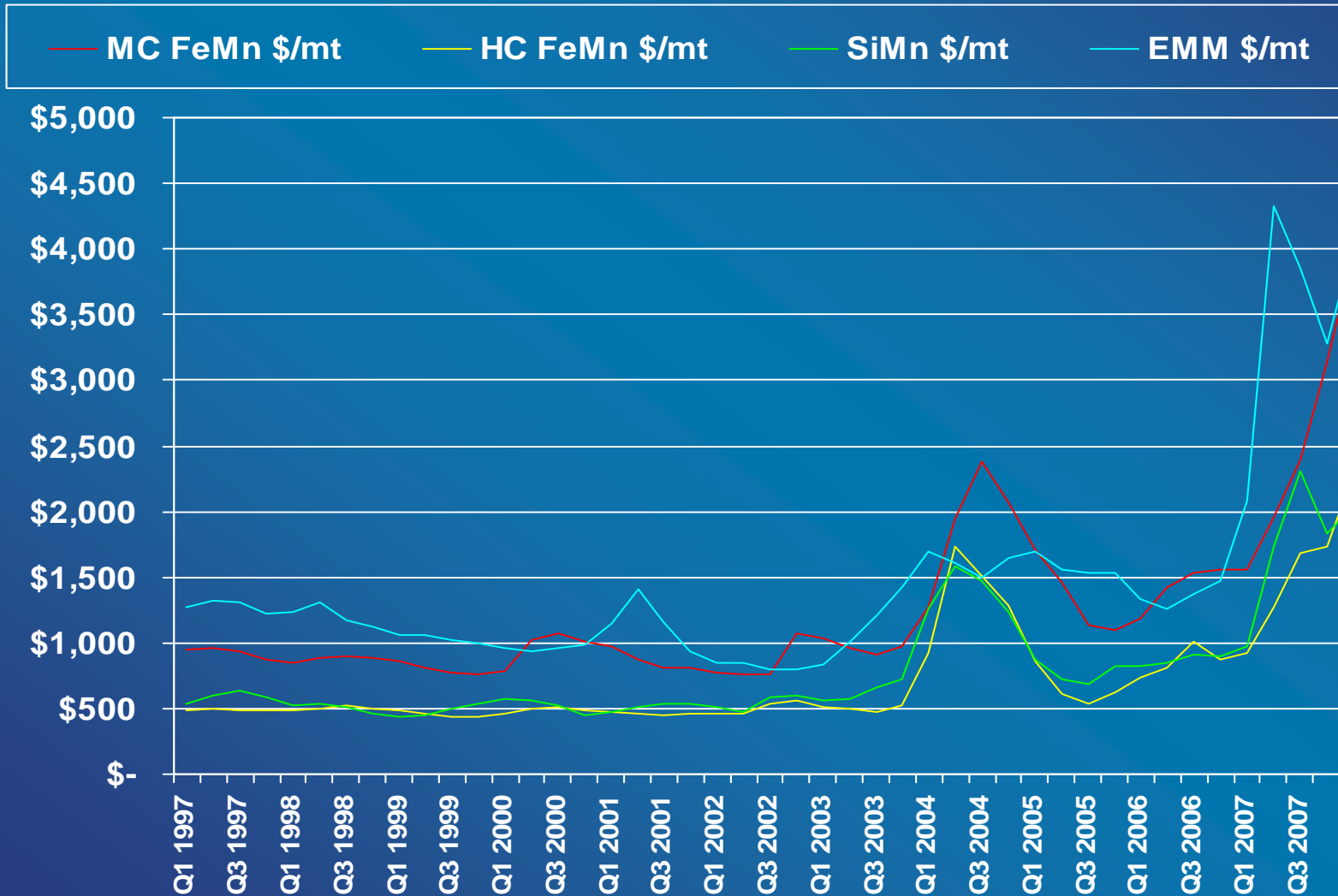
HC FeMn - 292K

Ref FeMn - 51K

Total - 402K

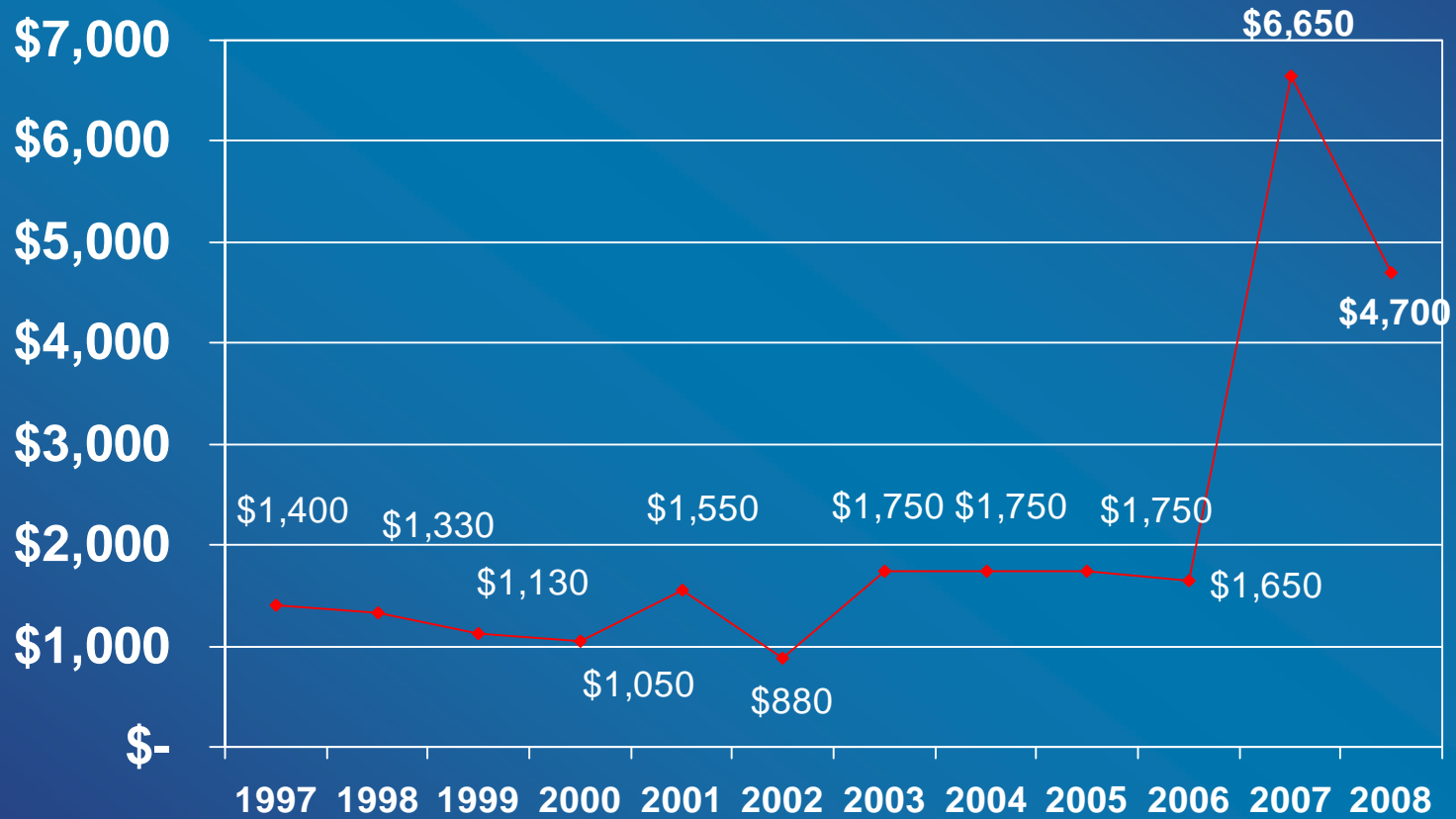


Mn Metal/Alloys Price History





EMM – Annual High Price





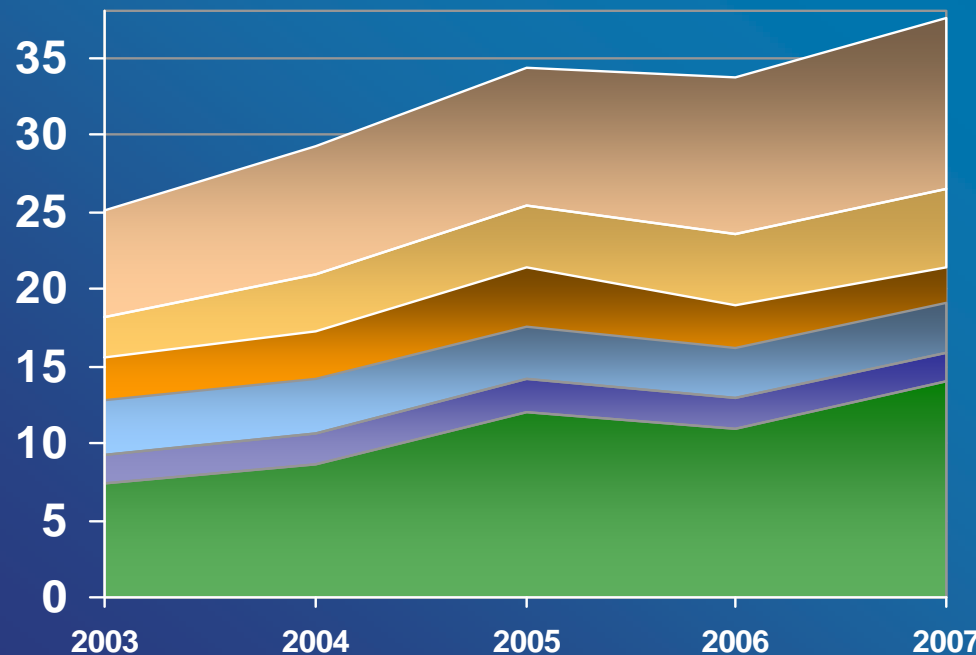
Manganese Ore



Mn Ore (wet) Production

2007 World production = **37.7** mil (wet) mt, **+11%** growth yoy,

Quarterly Mn Ore Production - wet (000 mt)

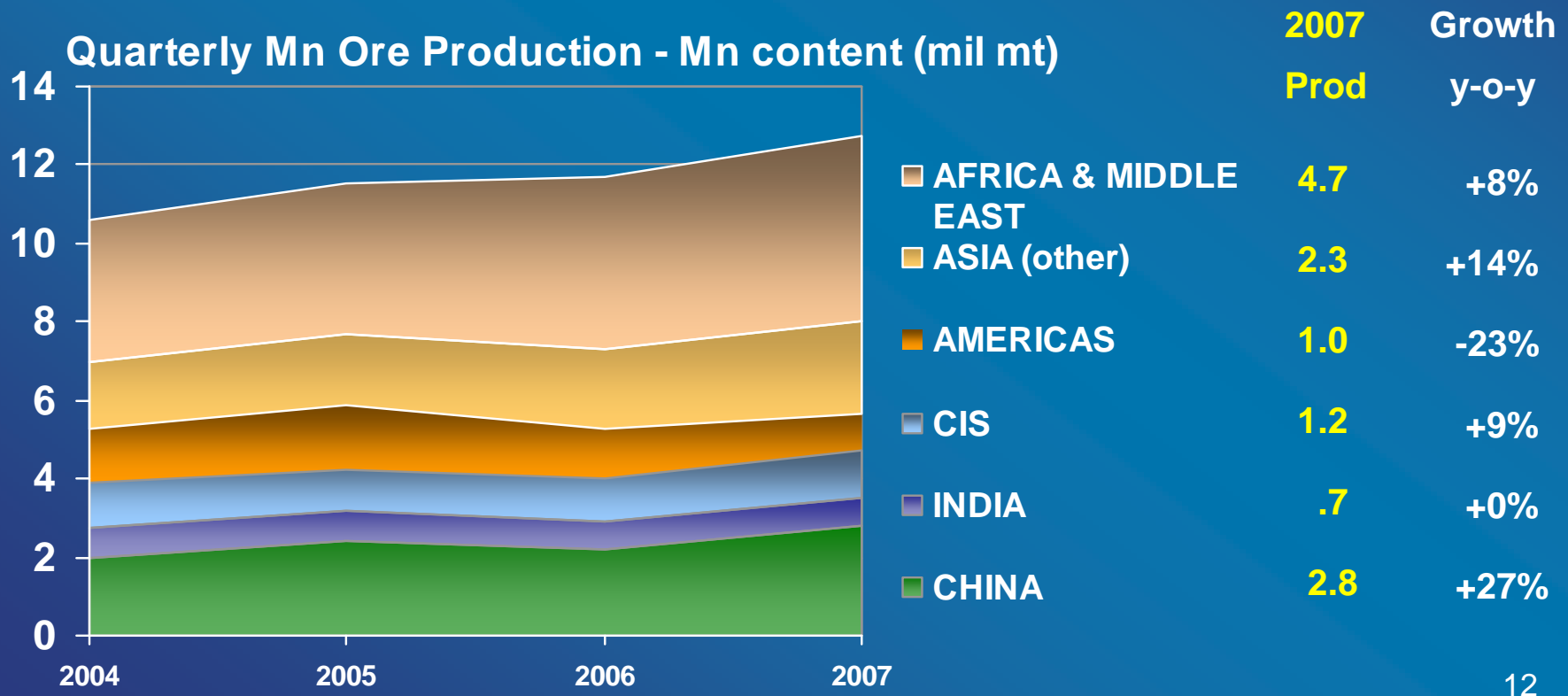


	2007 Prod	Growth y-o-y
AFRICA & MIDDLE EAST	11.1	+9%
ASIA (other)	5.1	+13%
AMERICAS	2.2	-24%
CIS	3.2	+2%
INDIA	1.9	+0%
CHINA	14.0	+27%



Mn Ore (Mn content) Production

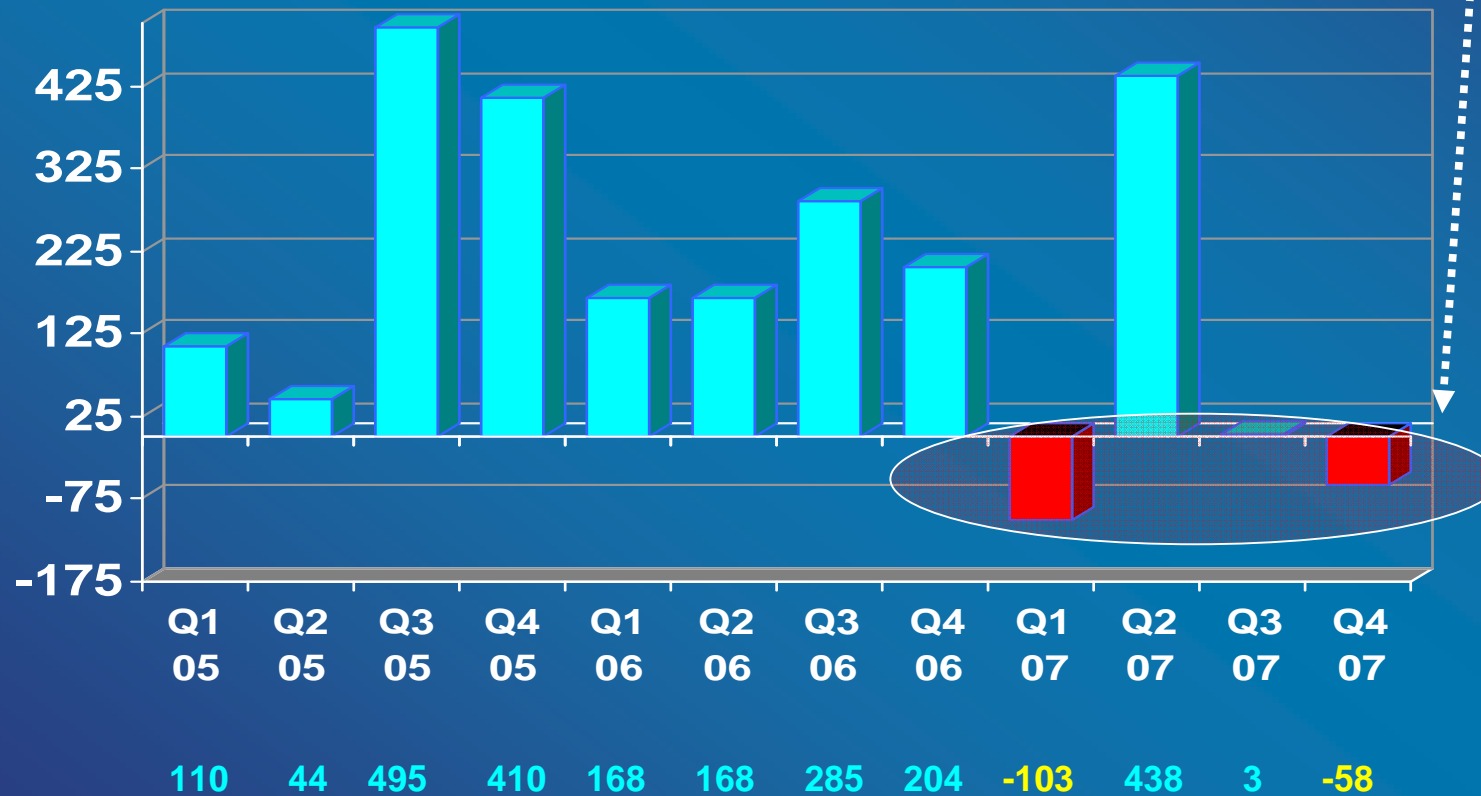
2007 World production = **12.8** mil (Mn content) mt, **+9%** growth yoy





Mn Ore Supply and Demand Balance (in 000 mt Mn Content)

Reduction of inventories;
high replacement costs

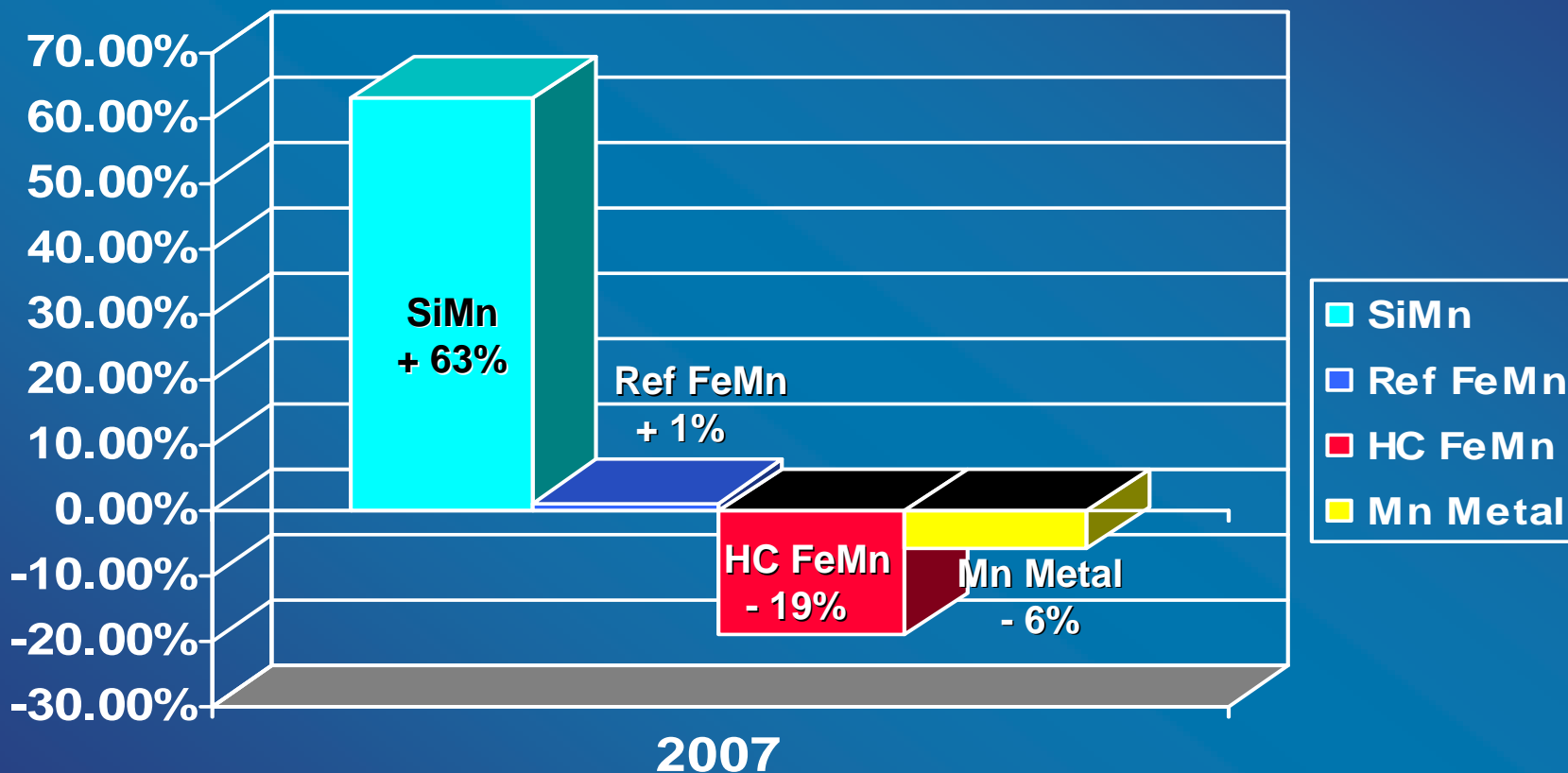




Key China Trade Statistics



China Exports: Growth y-o-y



**China Exports
2007**

SiMn
844K mt

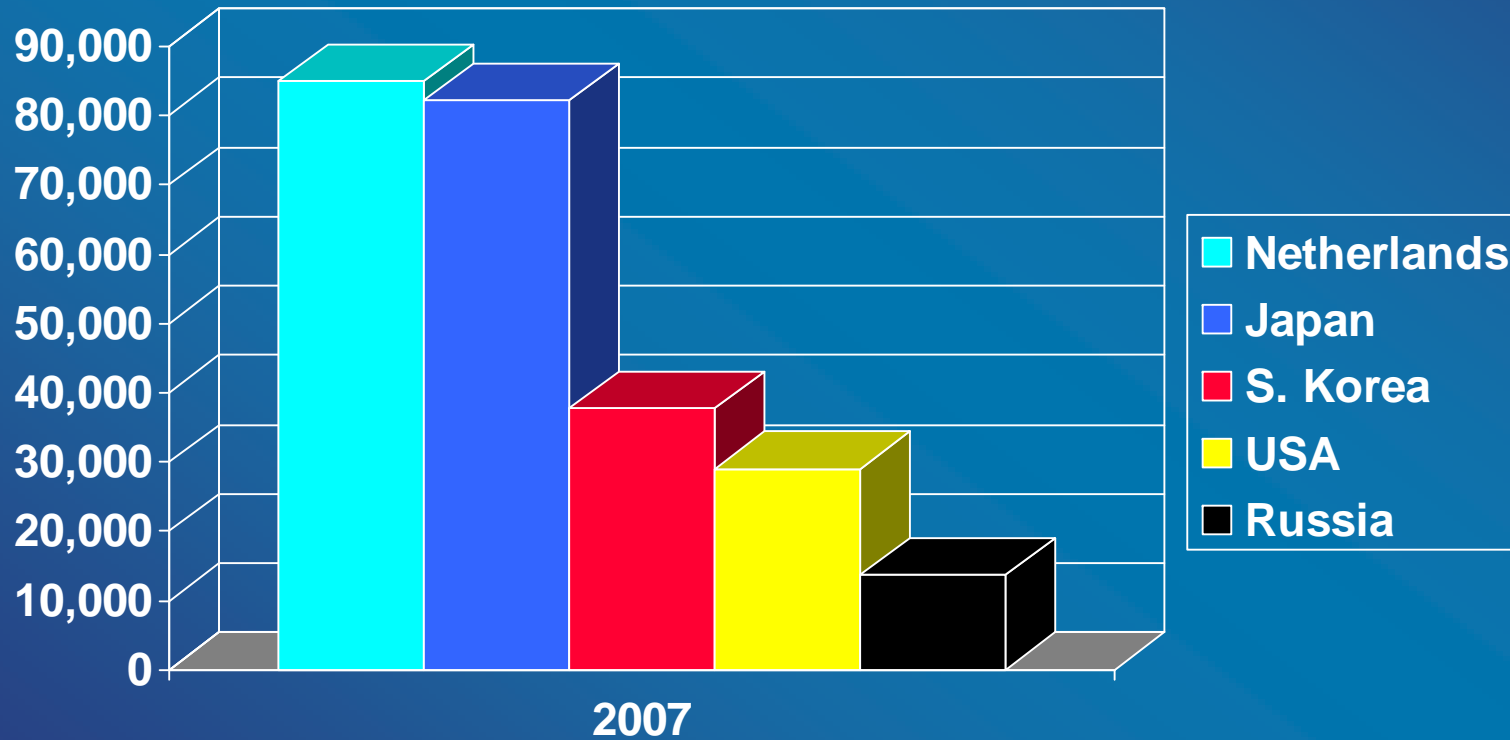
Ref FeMn
105K mt

HC FeMn
147K mt

EMM
320K mt

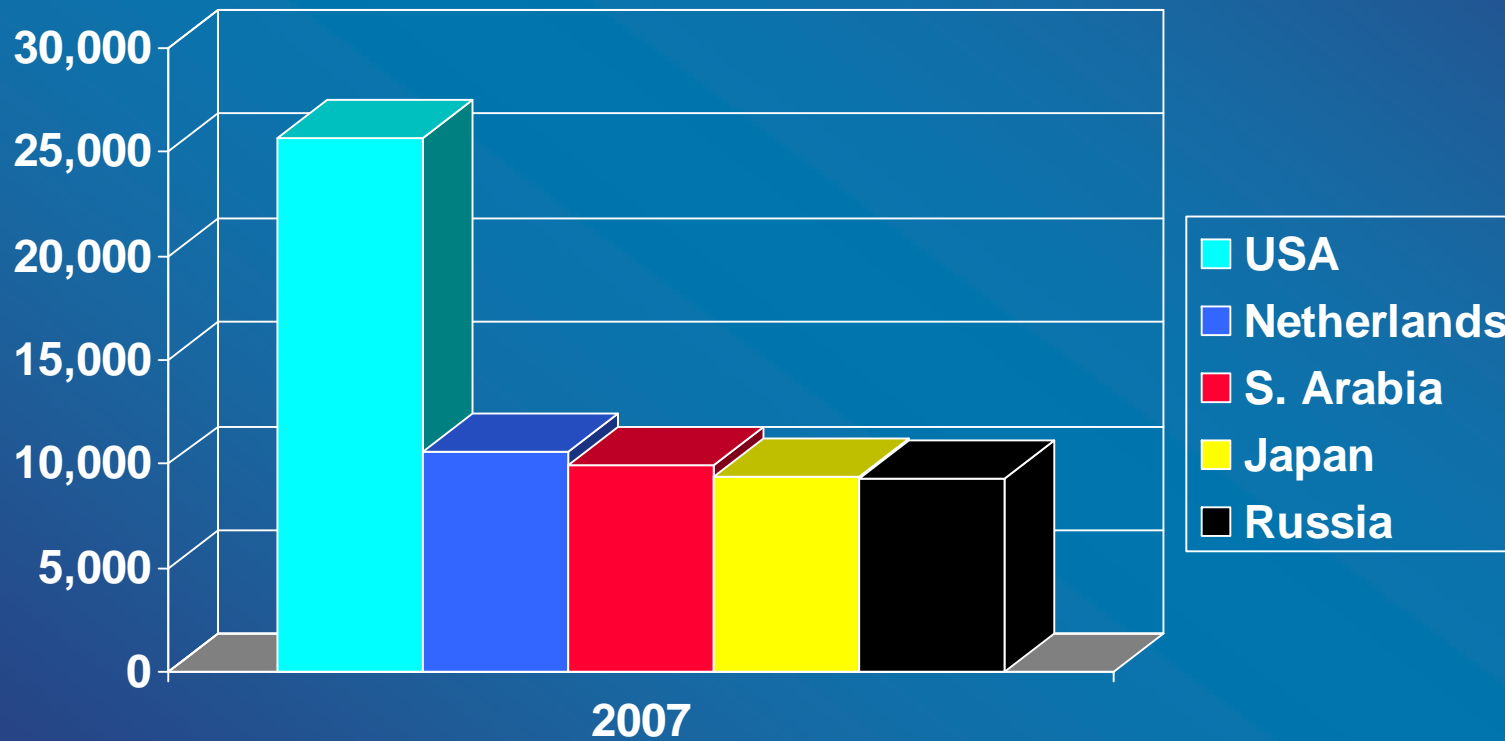


China EMM Export Destinations



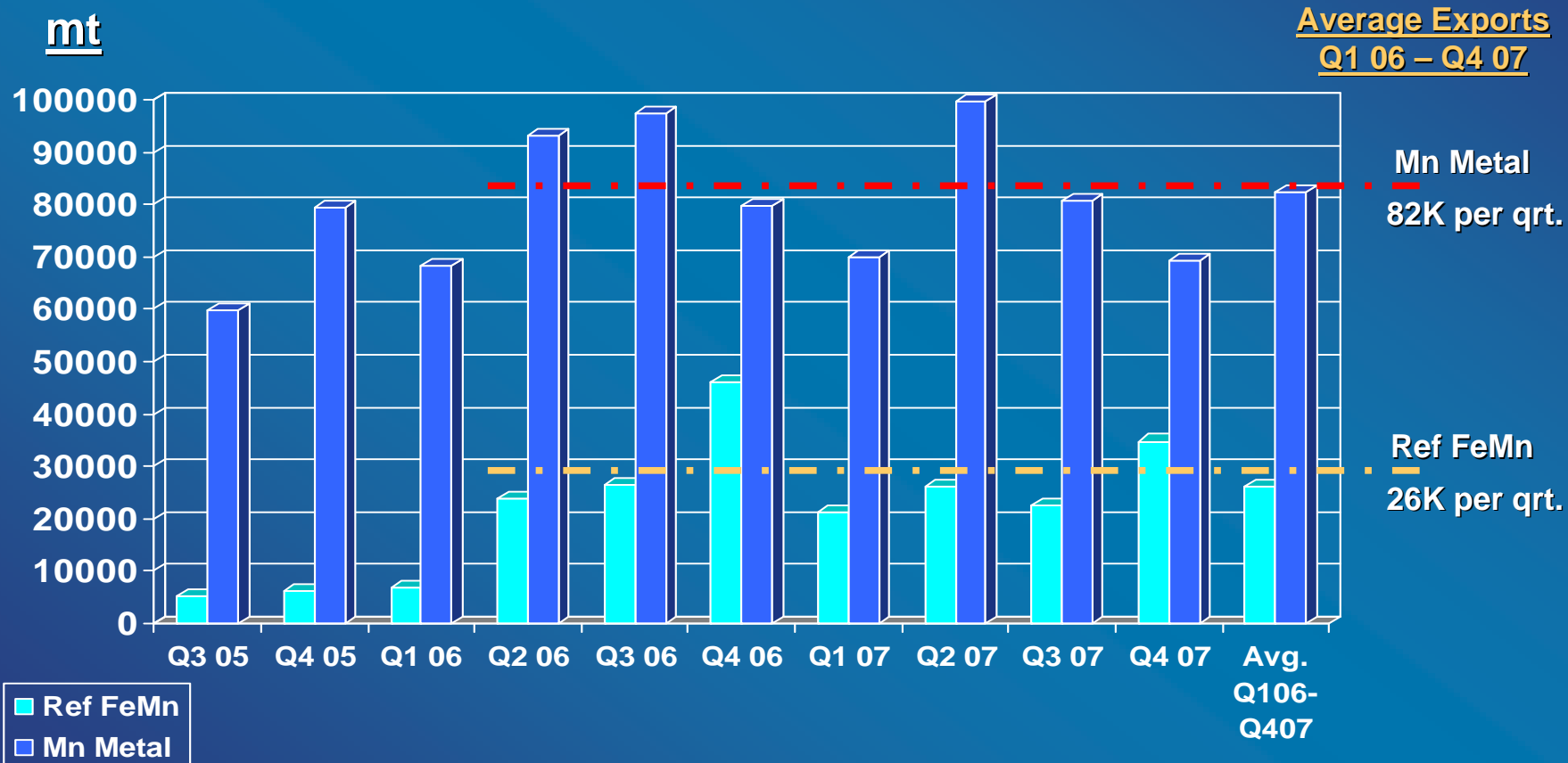


China Ref FeMn Export Destinations





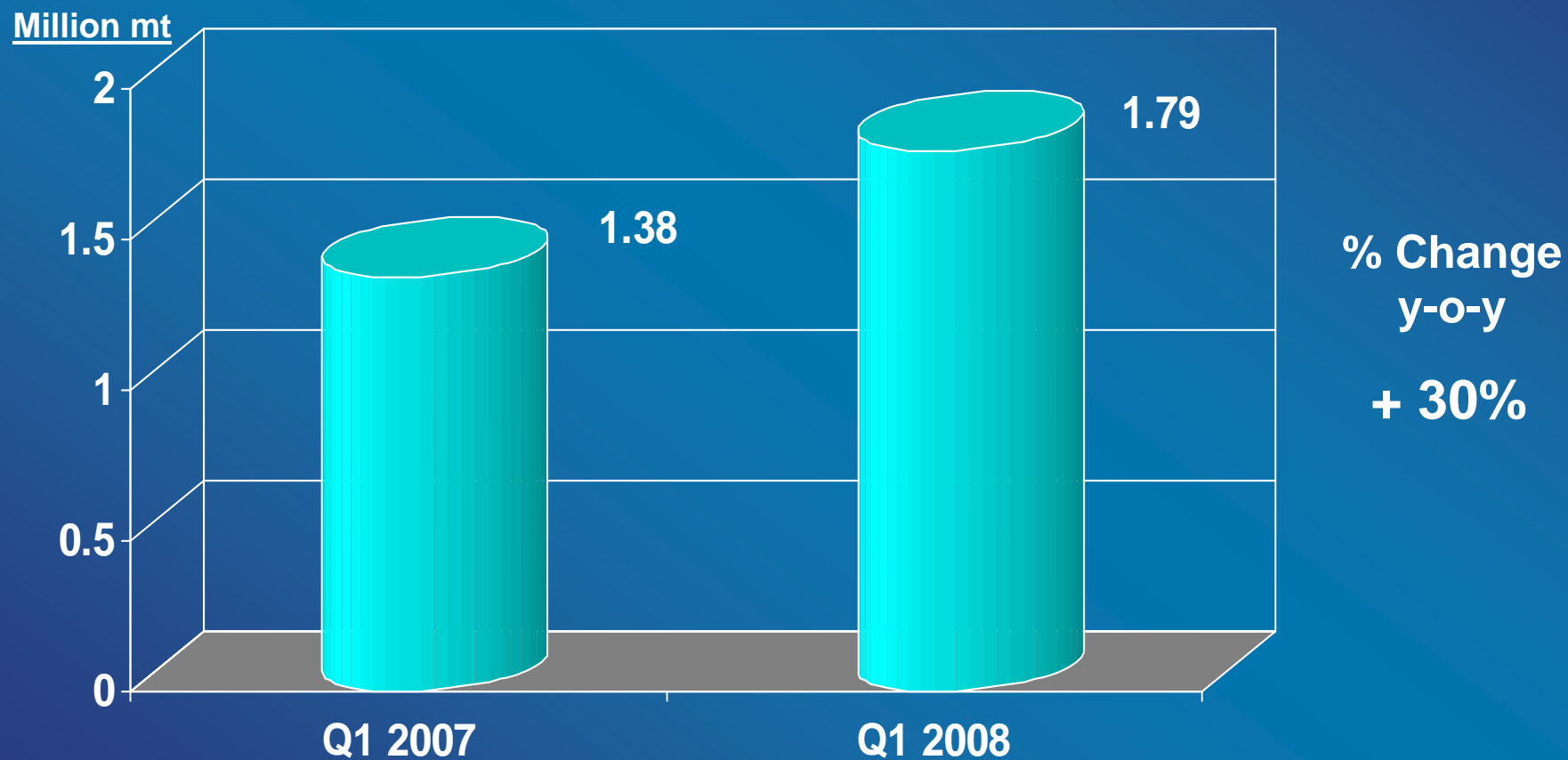
China Exports – Mn Metal & Ref FeMn



Trade Data Source: GTIS

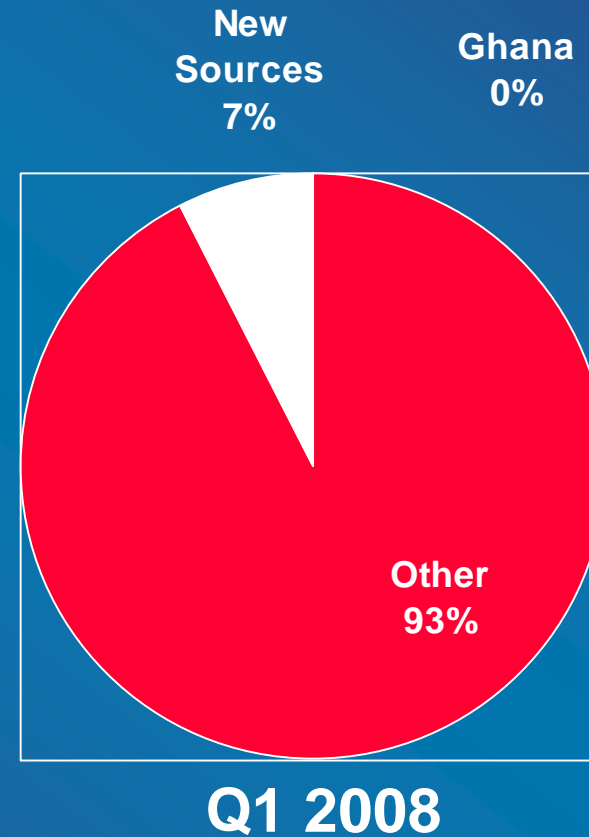
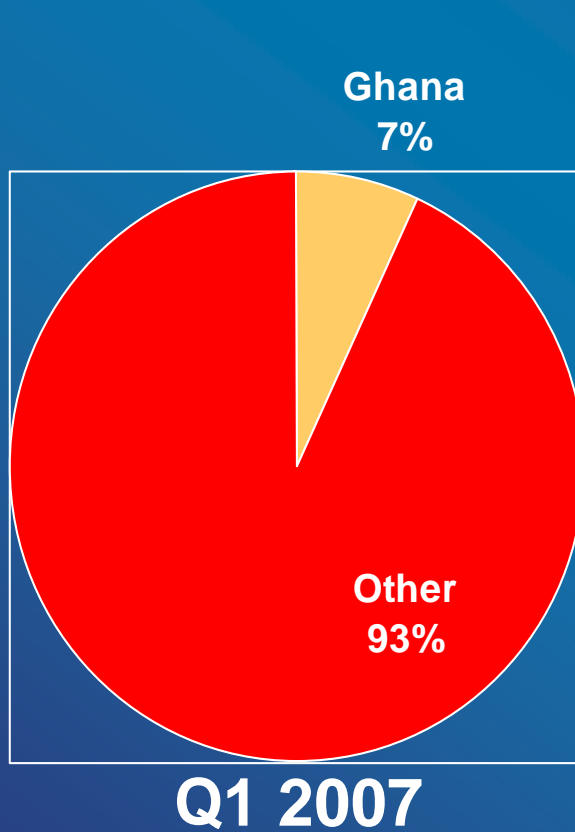


China Mn Ore Imports Q1 2008



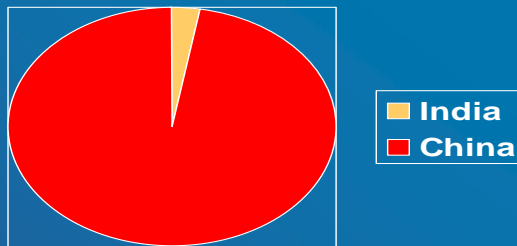


China Declared Mn Ore Imports

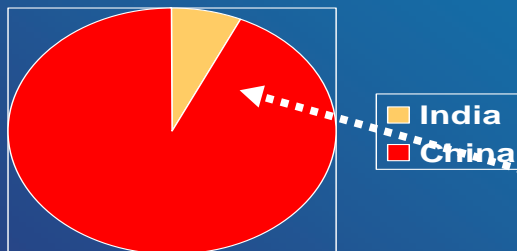


Mn Ore Imports – India & China

2006 Mn ore imports to China/India (wet)



2007 Mn ore imports to China/India (wet)



	2006 (mt)	2007 (mt)	Change yoy
China Imports (China Declared)	6,213K	6,643K	+7%
India Imports (exporter Declared)	175K	491K	+181%

Doubled Mn ore imports; Demand continues to grow



Summary of Key Points

- Steel continues to grow healthily, driving demand for Mn alloys and Mn Ore
- Mn Alloys supply demand balance was negative as demand for each grew by double digits
- Mn Ore supply tightness developed at the end of the year leading to current high prices
- Major Mn alloy producing countries are (and will continue) to compete for future Mn ore supply



IMnI Market Research

Major Strategic Objectives:

- Increase reliability of statistics and market data
- Perfect existing reports to improve flexibility and speed
- Proactively develop new market research tools for members

China Aims:

- Increase members and reporting to IMnI



Questions?

Thank you