

# High Carbon Ferro Manganese: Consumption Trends & Production Capacities

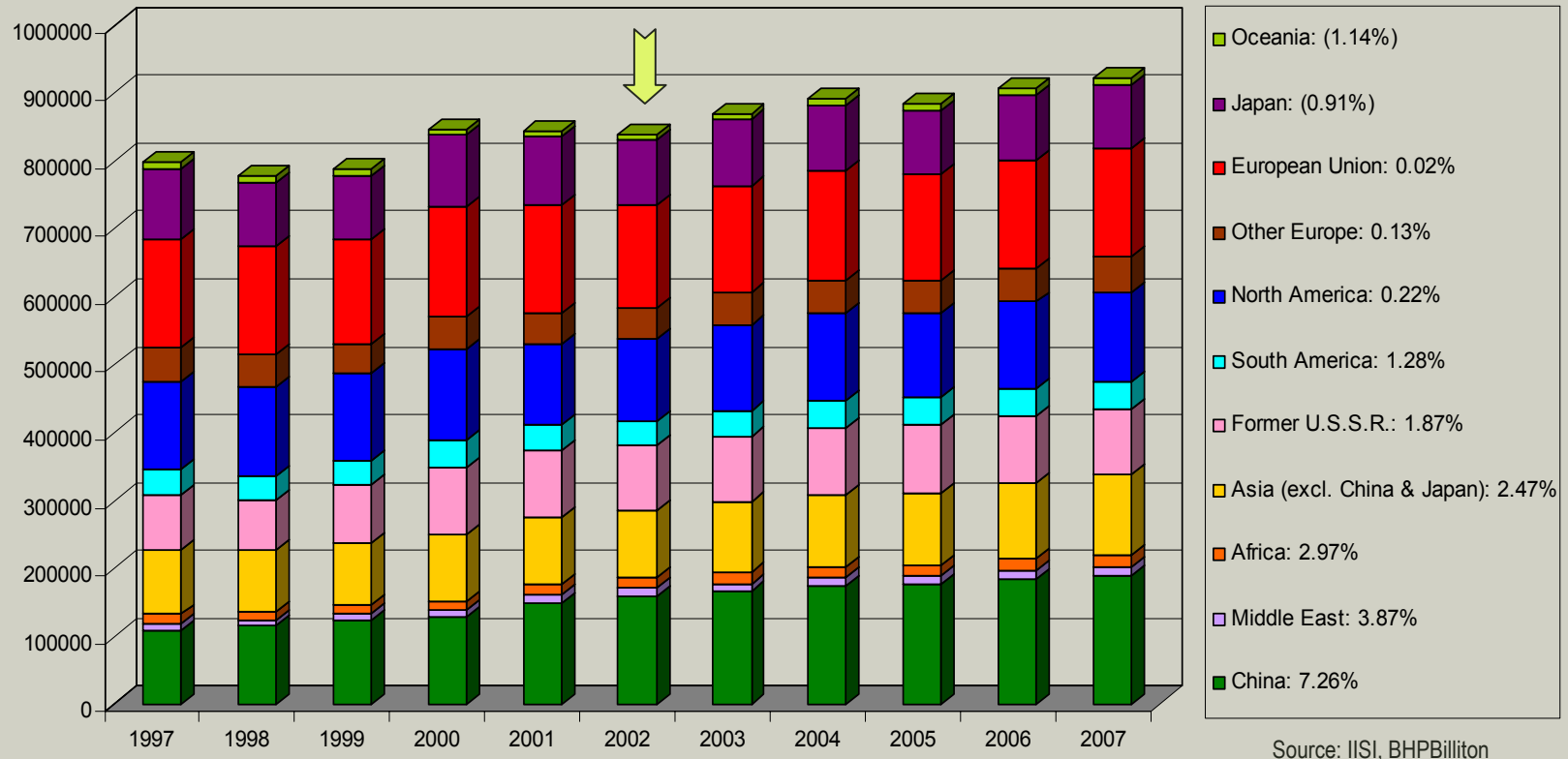
IMnI Conference - Shanghai - June 2002

Paul Salvan



# Regional Crude Steel Production

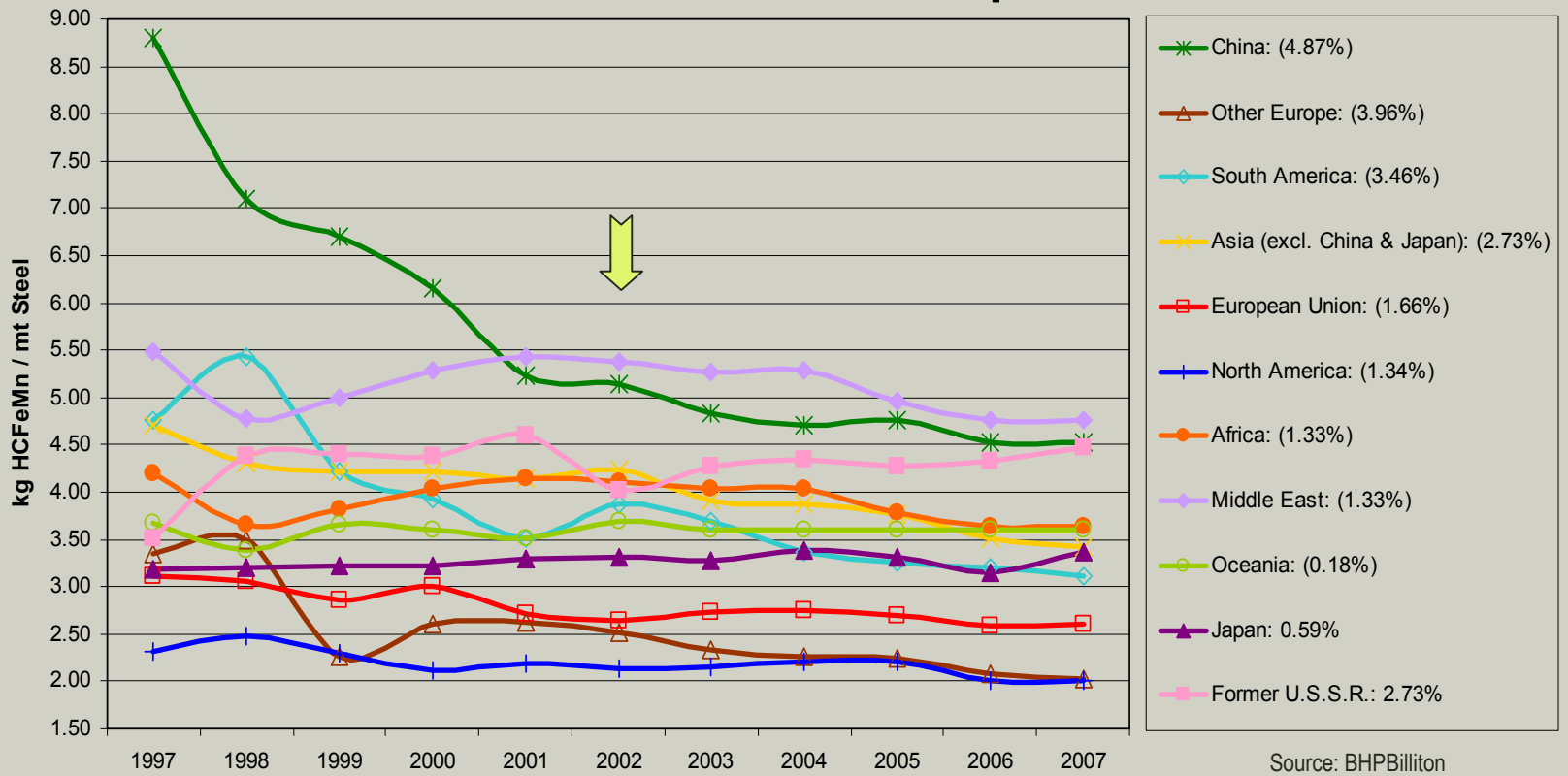
## Crude Steel Production



- Growth concentrated in Asia and former USSR
- Strongest growth in the People's Republic of China

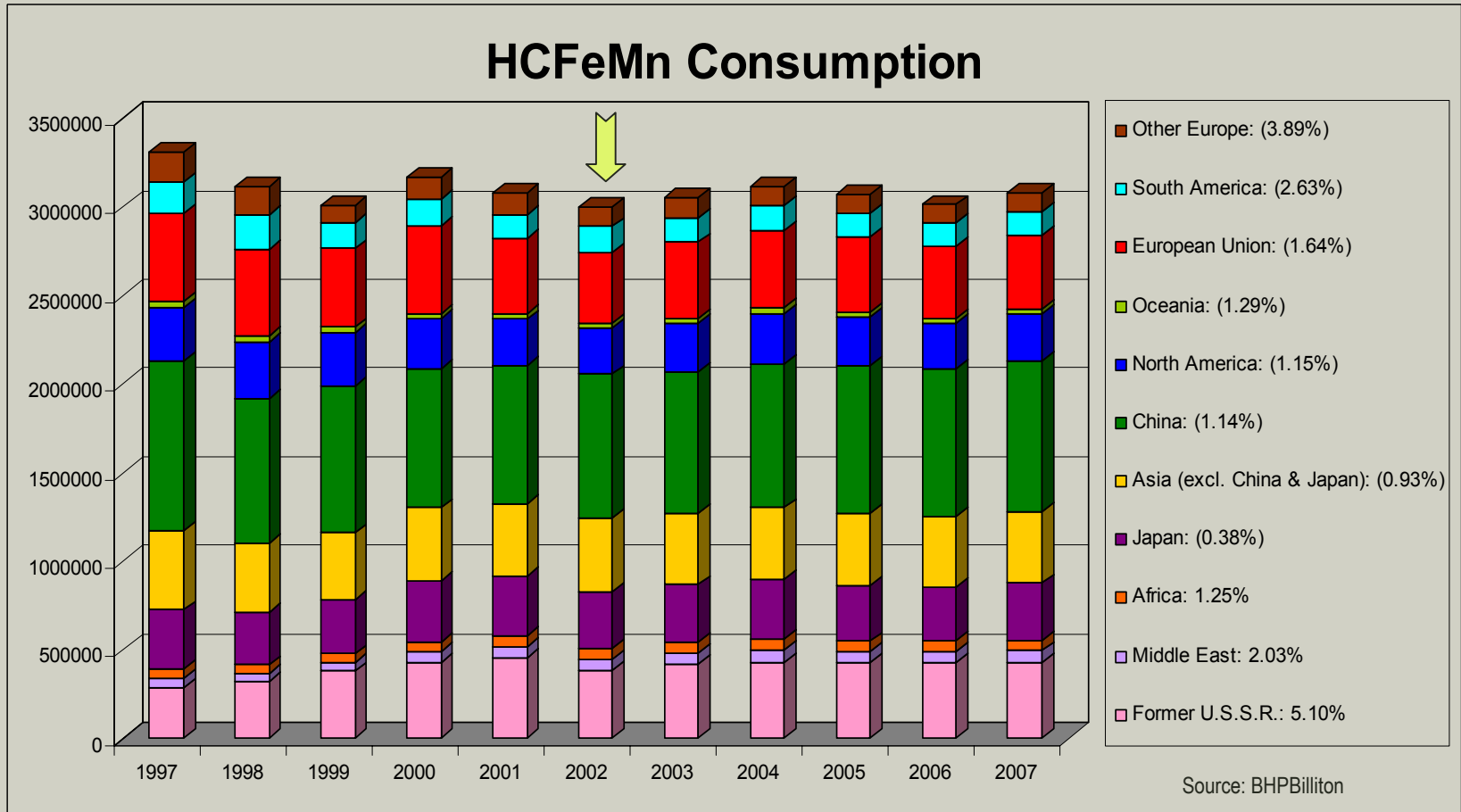
# Regional Mn unit consumption in the form of HCFeMn

## HCFeMn Unit Consumption



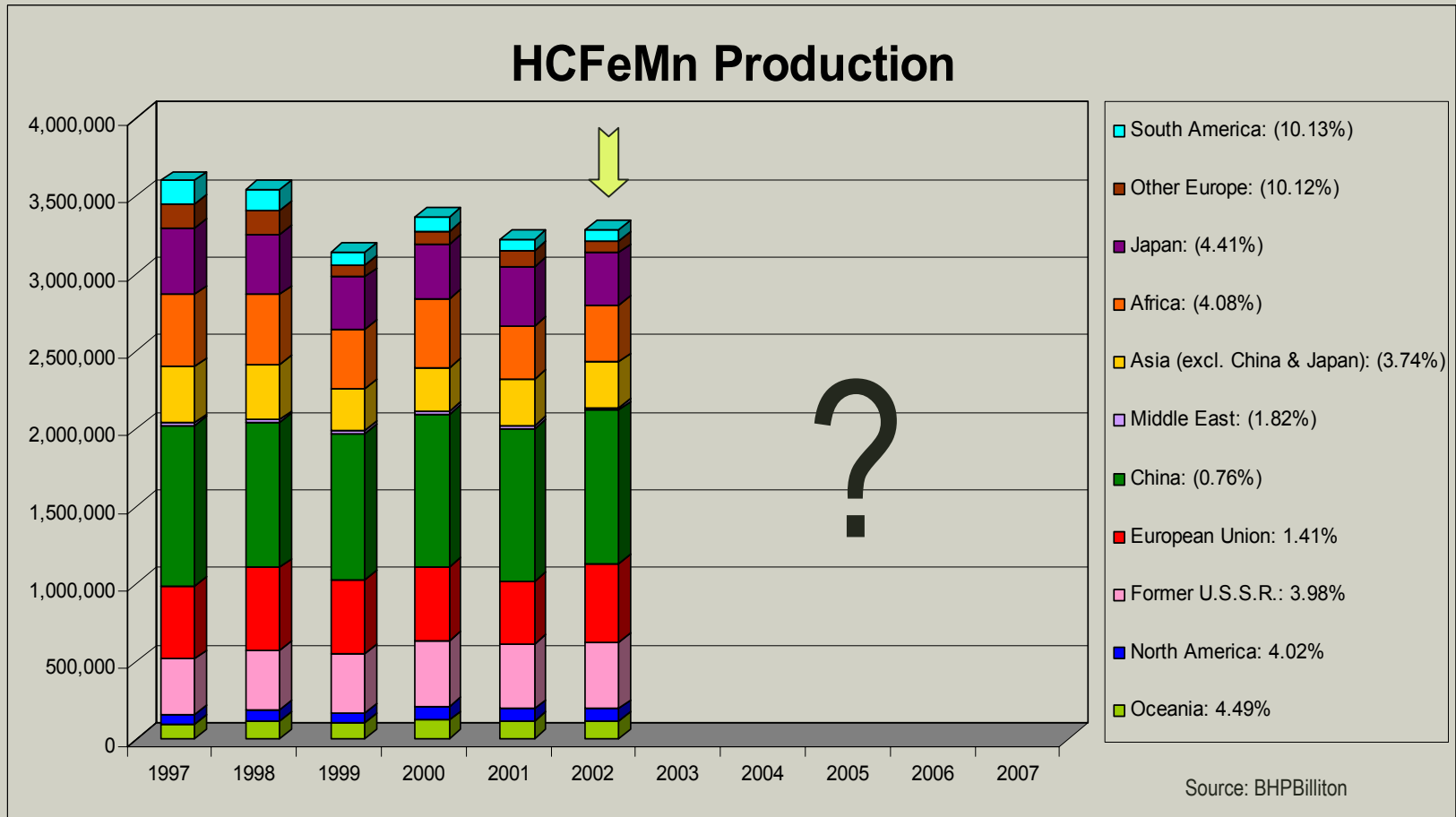
- HCFeMn unit consumption decreasing worldwide
- Sharpest drop in PRC, with more to come...

# Resulting Regional HCFeMn Consumption



- Total demand declining: switch to SiMn and efficiency improvements
- Drop in the Western world and Asia partially offset by growth in CIS.

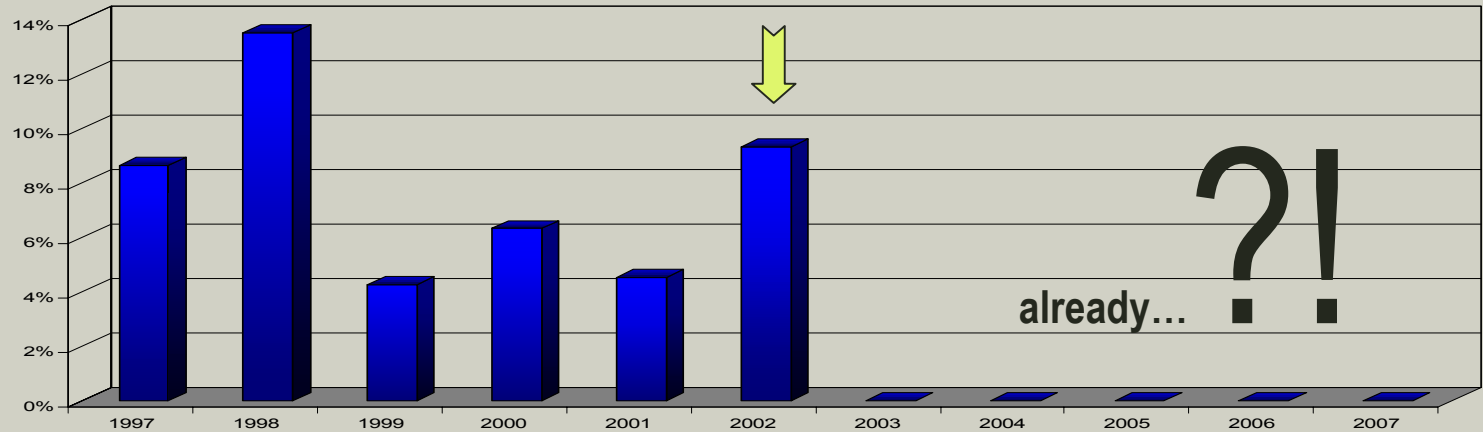
# Regional HCFeMn Production



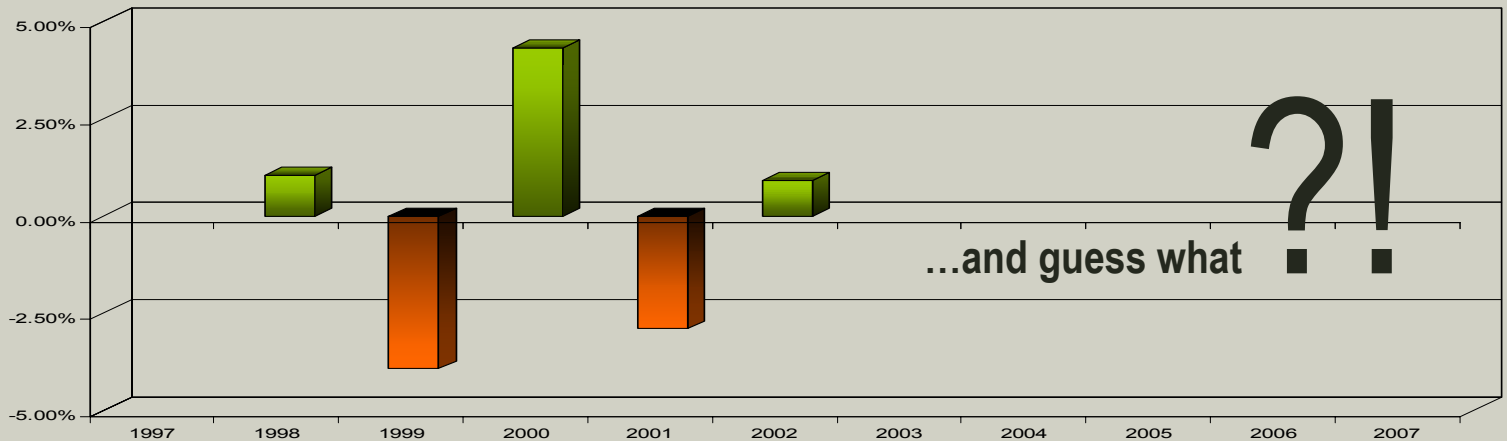
→ 1997: massive oversupply ⇒ 1998-1999: consolidation and production adjustments  
 → to 2002: partial but insufficient re-alignment to demand

# Regional Supply / Demand vs Prices

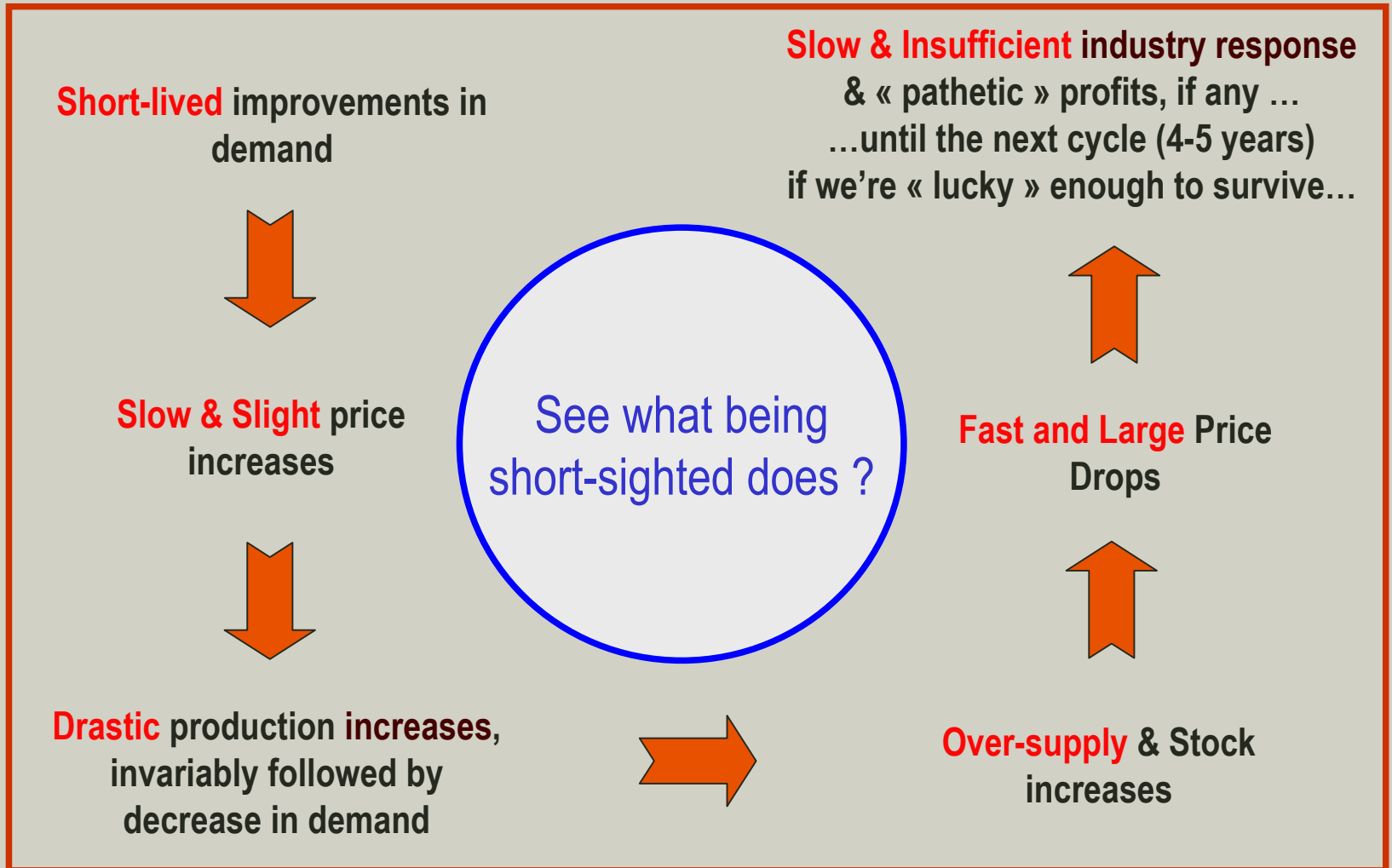
## HCFeMn Over/(Under) Supply



## HCFeMn Price Movement (CRU Average USA - Europe)



# HCFeMn Prospects will depend on ... LEARNING



# Conclusion

**Better foresight**



**Better information**



**IMnl, a very good platform**

...and...

**long-term & global  
thinking**

...or it will get worse...