

SE News Stories; Aluminum
HD **Australia alumina static at \$319/mt; freight slips \$1**

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WC 440 words

PD 1 April 2014

SN Platts Metals Daily

SC METLSDLY

VOL ISSN: 2325-0658, Volume 3, Issue 64

LA English

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The Platts daily Australian **alumina** assessment was again static at \$319/mt FOB on April 1, as participants await the results of the India's Nalco **alumina sale** tender, which is due to close on April 2.

The outlook for **alumina** remains bleak, but the price may find momentary support, consumer and trade sources said. So far, smelter curtailments and closures have been less than capacity expansions in the West, and smelters across **China** will still continue to need cargoes, sources said.

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However, continued weak domestic aluminum prices in **China** have put downward pressure on loss-making smelters and more curtailments are expected in the coming months, sources said.

"The market is oversupplied in **alumina** globally; any smelter curtailments should make **alumina** even longer," a Western trader said.

Meanwhile, Brazil's Para State Environmental Secreteriate, or SEMA, has suspended the Alunorte refinery's environmental operational license for loading **alumina** at the Vila do Conde port as of April 1, Norsk Hydro, majority shareholder of Alunorte, said on April 1. Production of **alumina** at the 6.3 **million** mt/year refinery was, however, unaffected, the Norwegian **company** said in a statement.

The impact on Australian prices is not yet apparent, as it depends on how fast a resolution is reached between the two parties, the Western trader said.

The Platts daily assessment for Handysize **alumina** freight from Western Australia to northeastern **China** fell \$1 to \$25/mt, basis 30,000 mt cargoes for May loadings. A **Chinese** consumer/trader reported fixing a larger 35,000 mt parcel for a first-half May shipment from Western Australia to Lianyungang at \$24/mt on April 1, while two shipowners quoted a freight rate of \$25.50/mt.

Shipping sources said the freight market had weakened this week as there appeared to be little in the way of fixtures from Australia for Handysize ships and vessels were readily available along the Western Australia coast.

The Platts daily **China alumina** assessment for Henan province was unchanged at Yuan 2,480/mt (\$403) ex-works for 70:30 cash and credit payment terms on April 1.

"Prices in Henan have stabilized for the time being, as buyers are taking delivery of parcels and sellers' inventories are running thin," a Henan smelter said.

The front-month April aluminum contract on the SHFE closed at Yuan 12,830/mt at the end of last week, up from Yuan 12,705/mt on March 20, but down from Yuan 13,275/mt on February 28.

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CO alun : Alunorte - Alumina do Norte do Brasil S.A. | nohyd : Norsk Hydro ASA

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