

SE News Stories; Aluminum
HD **Australia alumina** rangebound ahead of Lunar New Year

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The Platts Australian **alumina** assessment was rangebound at \$335/mt FOB on January 22, as market participants stayed on the sidelines waiting for further market direction.

With the majority of smelters in Asia and the Middle East stocked up for the next few months, **Chinese** consumers and Western traders have been the main prospective **alumina** buyers for Australian material.

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But the **Chinese** consumers are now standing back ahead of the **Chinese** Lunar New Year holidays, and traders looking to place their cargoes in **China** are also retreating to the sidelines.

"The market is slowing down," a Western trader said. A **Chinese** trader expressed a similar sentiment. "There aren't many buyers in the market right now; the **Chinese** end users aren't keen to buy," the trader said.

China's financial markets will be closed for Lunar New Year celebrations from January 31 to February 6.

Market participants also said there was no shortage of Australian **alumina** in the coming months. A **Chinese** consumer-turned-trader said an Asian consumer may be looking to resell a cargo. Another source said he received two separate offers in the past week: one was for a prompt cargo; the other to swap a second-half 2014 cargo. "I doubt anyone would have any difficulty getting a March cargo," he added.

BHP Billiton produced 2.6 **million** mt of **alumina** in the second half of 2013, up 8% compared with the same period in 2012, the **company** said in its production report released on January 23 (see separate story). **Alumina** production for the October-December quarter stood at 1.4 **million** mt, up 10% year on year, and up 8% from the previous quarter.

India's Nalco issued a tender for the **sale** of a 30,000 mt **alumina** cargo for February 17-21 shipment from Vishakhapatnam, industry sources said late on January 21. The closing date for fixed-price FOB Vishakhapatnam bids is January 28 with validity until January 29, they said.

The Platts daily Handysize **alumina** freight assessment from Western Australia to northeast **China** was unchanged on January 22 at \$24.50/mt, basis 30,000 mt cargoes for February-March loadings.

The Platts daily **China alumina** assessment for Henan province was stable on January 22 at Yuan 2,520/mt (\$413) ex-works for 70:30 cash and credit terms, in quiet spot activity.

According to the latest figures from the **China** General Administration of Customs, **China's** bauxite imports for calendar year 2013 were 71.6 **million** mt, up 78.7% from 2012 (see separate story).

Imports rose in 2013 as **Chinese** buyers stockpiled ahead of the Indonesian mineral ores export ban, which came into effect on January 12, 2014. Indonesia was **China's** top supplier of imported bauxite before the ban, accounting for about 70% of **China's** total 2013 bauxite imports. In 2013, **China's**

imports of Indonesian bauxite reached 48.7 million mt, which reflected a 71.7% increase from the 28.4 million mt imported in 2012.

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