

Top News:

Coronavirus has minor impact on iron ore output globally, price holds

Last week BHP has said it has not seen any impact on its operations from the coronavirus, despite a small number of its staff globally testing positive. It notes there has not been any broad transmission between employees and that it has taken measures to reduce the risk of the disease spreading. Like other miners, it has revised fly-in-fly-out schedules for its mines and has given at-risk staff members options for working from home or taking leave.

Similarly the largest Brazilian miner, Vale, is seeing no significant impact from the crisis. Last week, Credit Suisse analysts Caio Ribeiro and Gabriel Galvão estimated that the Brazilian miner Vale is not expected to fulfil its iron production for this year, although not because of the Covid-19 outbreak. "The factors that will hinder Vale's iron production target are related to climate, such as the strong rainy season that hit Minas Gerais and the Northern Region at the beginning 2020, as well as some operational problems," the analyst says, noting that the iron ore market is more resistant to the health crisis than other commodities.

The virus has in fact had a considerably smaller impact on iron ore supply than on many other metals such as copper or nickel. South Africa is the only major iron ore mining country with a complete ban on mining. The other major change on the seaborne market is Vale's closure of the Teluk Rubiah processing and distribution facility in Malaysia.

The limited impact on iron ore supply has not been too negative with regard to product pricing, as the daily 62% KORE index confirms that prices are now back to above \$85/t cfr Qingdao.

SOUTH AFRICA

In South Africa a nationwide lockdown for miners was declared from 26 March.

Kumba Iron Ore reduced output but continued operations during the three-week lockdown against Covid-19, but the country's chrome and manganese miners have suspended operations.

Kumba says it run with around 50% of its workforce, with rail and port logistics infrastructure remaining operational to support the export of iron ore. The firm also continued to provide a number of essential services, including mine maintenance, tailings facility safety management, water treatment and community water supply.

The scaling down of operations will nevertheless impact Kumba's 2020 production guidance of 41.5-42.5 million tonnes by around 2-3mt, the firm says.

Glencore said its South African ferrochrome smelter operations have transitioned to care and maintenance as of 26 March. Last month Glencore gave an attributable ferrochrome production guidance of 1.34mt for 2020.

Chrome ore miner Tharisa has declared force majeure on its contracted chrome concentrate sales agreements. Earlier this week the firm suspended operations and placed its units on care and maintenance. It said it plans to recommence production from 17 April.

South32 has placed its South Africa Manganese operations on care and maintenance for a minimum of 21 days.

Jupiter's Tshipi Borwa joint venture manganese ore mine, meanwhile, has suspended production and exports until 16 April.

The Minerals Council South Africa voiced its support for the lockdown. It said value-adding mining infrastructure, especially refineries and smelters, which cannot easily be switched on and off, will continue to operate at reduced levels using stockpiled ores or lower levels of mining production.

Next week's issues

PAGE 3

▶ PAGE 4

How is rebar production in Europe reacting to the coronavirus emergency?

▶ PAGE 5

How is the US steel industry self-managing production levels during the Covid-19 crisis?

▶ PAGE 6

Will Turkish mills push through rebar price hikes?

▶ PAGE 8

How much more price erosion will there be for US OTCG?

KORE 62% Fe / Qingdao CFR USD/t

W-o-w avg change		+0.04%
10 Apr 2020	\$ 84.50	
09 Apr 2020	\$ 84.62	high
08 Apr 2020	\$ 82.84	
07 Apr 2020	\$ 82.55	low
06 Apr 2020	\$ 83.00	
Average	\$ 83.50	
03 Apr 2020	\$ 82.91	
02 Apr 2020	\$ 82.78	low
01 Apr 2020	\$ 81.40	
31 Mar 2020	\$ 83.87	
30 Mar 2020	\$ 84.40	high
Average	\$ 83.10	

For Subscription & Other Enquiries:

CALL

UK: +44 7874 008654
 Germany: +49 304280 2034
 Spain: +34 637 018 130
 Singapore: +65 9766 8175
 Bulgaria: +359 896 266 305
 USA: +1 412-626-7489
 +1 412-657-2925
 Shanghai: +86 150 2141 6087

EMAIL

General info@kallanish.com
 Editorial editorial@kallanish.com
 Sales sales@kallanish.com

Global Overview

SAMPLE

North America

- US sheet prices slide
- US Plate, energy tubulars hold at low levels
- Mexican steel producers reduce or stop output

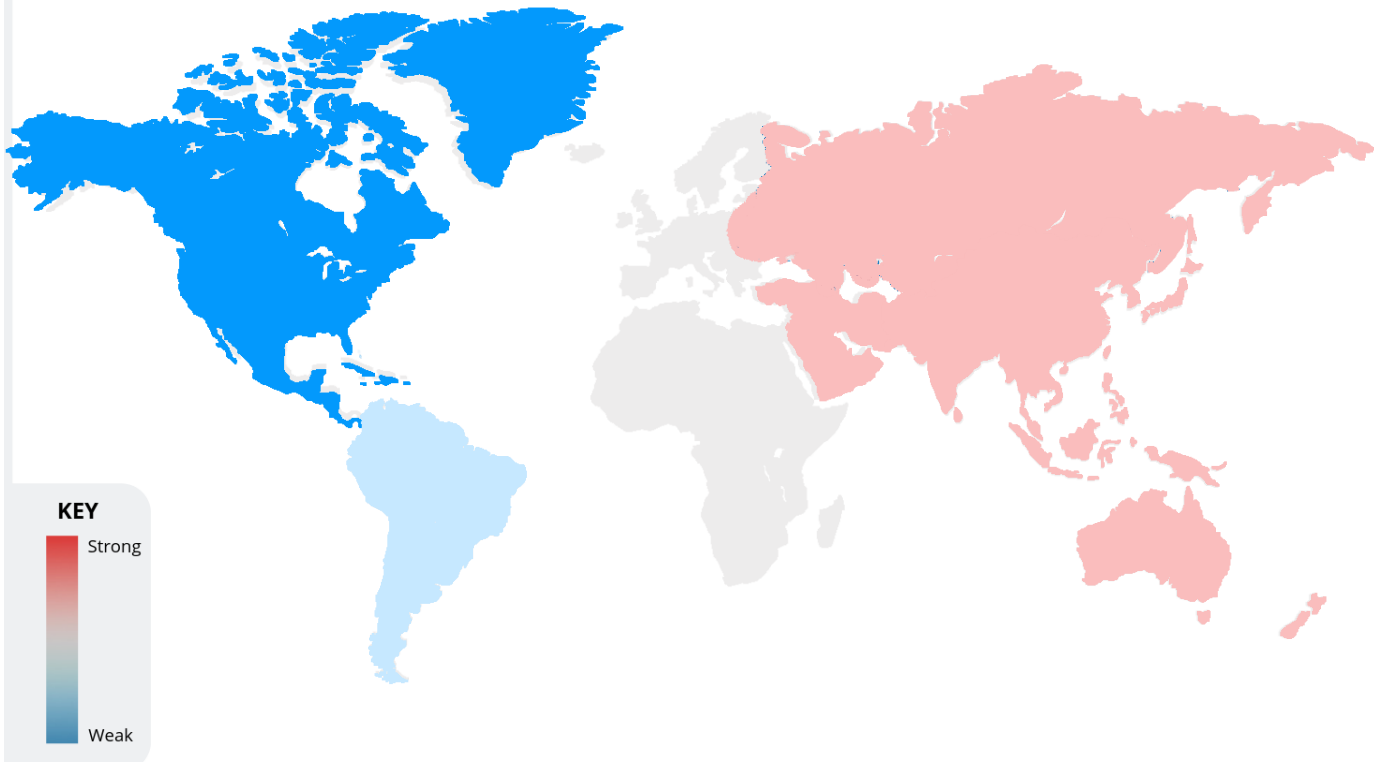
Europe

- Italian rebar mills prepare to restart
- EU scrap prices look up
- Safeguard tightening remains possible

Asia

- Iron ore firm
- Chinese market attracts imports
- Chinese rebar prices recover

KALLANISH STEEL WEEKLY GLOBAL SENTIMENT MAP



[See the interactive version online](#)

Latin America

- Brazilian pig iron down
- Gerdau closes BF

Middle East

- Turkish scrap soars again on tight supply
- Turkish rebar quotes increase but buying interest low
- UAE mills adjust output

CIS

- CIS billet quotes increase but bids still lower

ORDER FORM

Subscribe to Kallanish Steel Weekly today

Start your subscription to Kallanish Steel Weekly (KSW) today

Kallanish Steel Weekly is a new weekly publication from Kallanish Commodities.

The pricing options for 12 month subscriptions are available below.

To sign up complete the form below and return to us.

Standard: Kallanish Steel Weekly US\$ 1500/ €1300

Premium: Kallanish Steel Weekly US\$ 2100 / €1850

KSW Content:

The publication is filled with market information, charts and graphs.

- Supplied in PDF
- Pricing Table
- 5-6 pages
- Special features
- Prices to watch
- Word of the week
- Global heat map



Start my subscription

Yes, please start my subscription so that I can read the Kallanish Steel Weekly. Please choose your option below:

- Option 1: Standard KSW US\$ 1500
- Option 2: Premium KSW US\$ 2100

Name

Job Title

Company

Address

City

Phone

Email

Payment type: Pay by invoice
 Pay by credit card

Credit card: Visa AMEX Mastercard

Card number

CCV Exp

Name on card

Signature

Please tick below:

- I confirm I am signing up for a 12 month subscription to KSW
- I have read and agreed to the Kallanish Terms and Conditions.

Signature: _____ Date: _____

📍 Word of the week

Molybdenum

A strong carbide forming element in steel. It produces a pronounced secondary hardening effect and so is present in hot working tool steels and is used as a partial replacement for tungsten (W) in certain grades of high speed steel (HSS). It greatly improves hardenability (of the elements commonly added for this purpose only vanadium (V) has a stronger effect), and reduces temper embrittlement, so is often used in quenched and tempered engineering steels. It is used in conjunction with chromium (Cr) and V in creep resistant steels and up to 5% can be present in maraging steels. It is added to stainless steels to promote resistance to pitting and crevice corrosion attack and is therefore an especially useful addition in alloys intended for offshore and subsea applications.

SAMPLE

Contact

If you found this issue of Kallanish Steel Weekly interesting please let us know, we would love to hear from you.

Kallanish - UK
 Britannia House
 t: +44 7874 008654

Kallanish - Germany
 t: +49 304280 2034

Kallanish - Singapore
 t: +65 9766 8175

Kallanish - Bulgaria
 t: +359 896 266 305

Kallanish - China
 Shanghai, China
 t: +86 182 1728 2941

Kallanish - USA
 t: +1 412 626-7487
 t: +1 412-657-2925

General:
info@kallanish.com
www.kallanish.com

