Issue: 33-23 | Date: 05 Sep 2023

聞 This week:

VALE develops new briquette production to reduce emissions

Brazil's Vale says it has started loading tests at its first iron ore briquette plant in Brazil. This is the last stage before production begins at the Tubarão unit.

"This is a historic moment for the steel industry," Vale's executive chief Eduardo Bartolomeo comments. "After several years of development in Brazil, we are offering an innovative product that will support our clients in the challenge of decarbonising their operations and we are meeting demands from society to fight climate change.'

The briquette is made of iron ore and an agglomerate technological solution, which can be obtained with the use of sand provided by the treatment of mine tailings. It is capable of resisting elevated blast furnace temperatures without disintegrating, Vale explains.

The product reduces GHG emissions in steel production by up to 10% compared with the traditional BF's process. The briquette, which can also be used in the direct reduction route, replacing pellet, is part of the miner's strategy to reduce Scope 3 emissions by 15% by 2035.

The first briquette plant at Tubarão is scheduled to start up by the end of this year, and the second one at the beginning of 2024. Both will have an annual capacity to produce 6 million tonnes. The investment is \$256 million and generated 2,300 jobs during construction.

US EXPANSION CONSIDERED

Vale is considering expanding the scale of production of its new type of iron ore briquettes. The miner is positively considering installing an innovative project in the United States supported by the growing local demand for sustainable steel. So said the company's vicepresident Alexandre D'Ambrosio during the first day of the Brazilian mining institute (Ibram) conference in Belém do Pará.

Vale has already industrially tested the briquette in seven different blast furnaces in the Americas.

Vale has an eye on incentives from the US Inflation Reduction Act for the initiative, D'Ambrosio comments to Bloomberg. The miner would potentially evaluate the building of a briquette plant in the US that would feed third-party direct reduction facilities. That process would use natural gas which could be replaced by green hydrogen. Vale is already using that model in the Middle East while it seeks partnerships with steelmakers in North America, where "the US is encouraging the production of green hydrogen," D'Ambrosio added.

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- PAGE 5 Amid the muted Turkish sentiments, will bulk scrap find its way to India and Bangladesh?
- Can European mills boost slightly HRC prices in September?
- PAGE 7 Can new market dynamics shake up steel prices?
- Will CIS semis suppliers achieve higher prices in the first half of September?
- Will Russian steelmakers focus on construction amid sanctions?

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Global Overview

Americas:

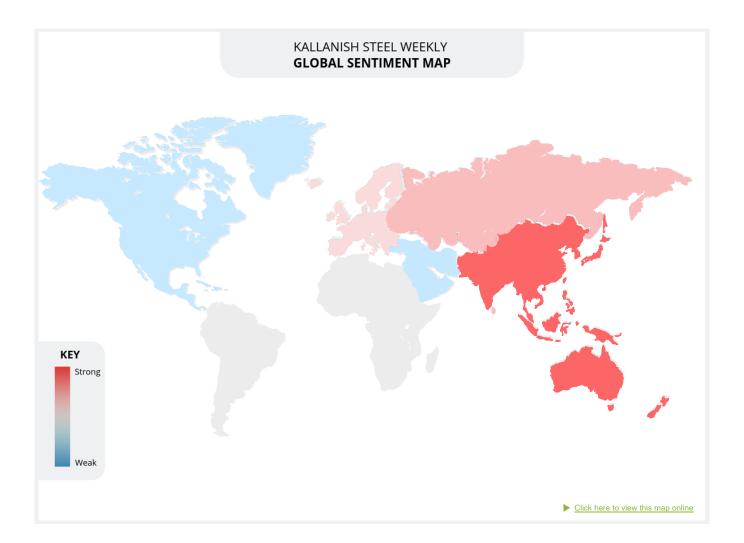
- Nucor lowers plate offers
- US sheet prices down
 US Steel continued discussions

Europe:

- Italian coil prices look up Scrap in Spain recovers Plate market in NW Europe remains quiet

Asia:

- Chinese steel prices firm
- Production cuts in China yet to materialise
- Iron ore prices hold strong



India:

- India imported scrap offers increase on domestic demand
- Bangladeshi mills hold scrap
- purchase Pakistan scrap quotes grow on inventory repletion

CIS:

- CIS Billet offers remain firm
- Slab suppliers focus on domestic

Middle East:

- Scrap activity weakens in Turkey
- Turkish rebar market remains

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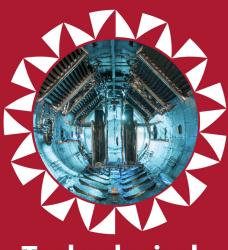




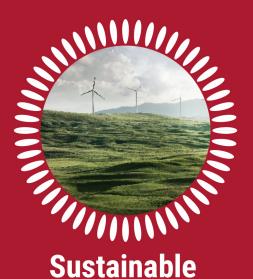
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Word of the week

Basic Oxygen Furnace

The basic oxygen furnace converts iron from the blast furnace into steel. When oxygen is blown over the molten iron in a BOF vessel, it combines with and removes carbon as carbon monoxide and carbon dioxide. Unwanted silicon, phosphorus and other elements are also driven off, while other impurities are combined with fluxes which are removed and then made into slag. The reactions in the BOF vessel creates heat, so ferrous scrap is added to cool it down.

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

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