



# UPDATE Weekly

June 15, 2012

Edition: 20

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Below are articles and summaries of **magnesium** related stories. Members are asked to distribute the update to their employees – if their employees wish to receive the IMA Weekly Update, please send their email addresses to the IMA Head Office. We appreciate your company press releases and announcements for inclusion in the Weekly Update.

## INDUSTRY CALENDAR

July 8 – 12, 2012

9<sup>th</sup> International Conference on Magnesium Alloys and their Applications  
Vancouver, Canada  
[www.magnesium2012vancouver.com/welcome.html](http://www.magnesium2012vancouver.com/welcome.html)

August 21 – 22, 2012

Global Automotive Lightweight Materials  
Detroit, Michigan, USA  
<http://www.global-automotive-lightweight-materials-detroit.com/>

September 27– 29, 2012

Calcium and Magnesium in Groundwater - Distribution and Significance International Seminar  
Katowice, Poland  
<http://camgseminar.pgi.gov.pl>

September 30 – October 3, 2012

COM 2012  
Niagra Falls, Ontario, Canada  
<http://www.cim.org/com2012/>

May 19 – 22, 2013

70<sup>th</sup> Annual IMA World Magnesium Conference (more details coming soon!)  
Xi'an, China  
[www.IMAworldconference.org](http://www.IMAworldconference.org)

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## ASSOCIATION NEWS

IMA 69<sup>th</sup> Annual World Conference: ***Conference Highlights!***

IMA 69<sup>th</sup> Annual World Conference: ***Annual Meeting Minutes***

Desulfurizing Steel: Magnesium is the Reagent of Choice in “Mg Showcase” – Spring 2012 Edition

Innovative Designs Featured in 2012 IMA Awards of Excellence and International Environmental Responsibility Award

Article follow below

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## INDUSTRY NEWS

**US Magnesium Considers Appeal of ITC Decision to Repeal Russian Anti-Dumping Duties**

[www.metalfirst.com](http://www.metalfirst.com) (15-Jun-2012)

**Nisshin Steel to Launch ZAM Production at US Subsidiary**

[www.japanmetalbulletin.com](http://www.japanmetalbulletin.com) (08-June-12)

Articles follow below

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## CHINA'S LATEST

**Chinese Magnesium Prices Pick Up**

[www.metal-pages.com](http://www.metal-pages.com) (11-Jun-2012)

**China April Unwrought Magnesium Exports Down 14.4%**

[www.metal-pages.com](http://www.metal-pages.com) (11-Jun-2012)

Articles follow below

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*EDITOR'S NOTE: IMA makes every possible effort to substantiate the articles which appear in the Weekly Update. However, as this is not always possible IMA does not warrant the details nor accuracy of any given article. Please keep in mind that materials are attained through press releases, outside articles from numerous sources and publications. Such materials often contain opinions which are not that of the association nor should they be construed as such. We realize that in the case of some materials, the translations might often lead to less than perfect grammar, etc. It is our position however to print as submitted rather than take upon ourselves the editing of such materials which would entail potential changes unwanted by any given author.*

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## ASSOCIATION NEWS

### **IMA 69<sup>th</sup> Annual World Conference: *Conference Highlights!***

The 69th Annual IMA World Conference in San Francisco, California brought together professionals from around the world to discuss and promote the **magnesium** industry. About 300 delegates from 24 countries attended the international conference featuring 21 industry speakers and five awards winner presentations spanning three days of sessions, a variety of networking opportunities, and an exhibition.

Aside from the Awards of Excellence, several IMA volunteers were honored for their work during the conference. IMA presented an award to Martin Tauber for outstanding service as the 2012 Awards Committee Chairman, and Jan Guy received an award for outstanding service as 2012 Program Chair. Prof. Dr. Karl Ulrich Kainer was honored for his outstanding service as 2007-2012 European Committee Chairman, and Tom Heider was recognized for outstanding service as 2011-2012 North American Committee Chairman.

Tony LoCoco received special recognition as treasurer of the IMA. In his 22 years of service, Tony has provided steadfast leadership and governance on the Board and Executive Committee -- working closely with staff in a hands-on style -- to ensure fiscal responsibility on behalf of membership.

Ken White was also recognized for his years of service to the IMA. For the past three years, as President, Ken provided leadership, counsel and wisdom. Ken retired from the organization at the conference, but will continue to be part of IMA activities on the Board of Directors and Executive Committee in an Ex Officio role.

During the Conference, Dr. Prof. Karl Kainer was elected President of the IMA Board of Directors and Joyce Mandel was appointed as Executive Vice President.

The IMA would once again like to thank all of the conference sponsors and exhibitors for their help in making the 69th IMA Annual World Magnesium Conference possible. Next year's conference will take place from May 19-22, 2013 in Xi'an, China.

### **IMA 69<sup>th</sup> Annual World Conference: *Annual Meeting Minutes***

The 2012 Annual Meeting took place on Tuesday, May 22, 2012 at the 69<sup>th</sup> Annual World Conference in San Francisco. IMA President Ken White presided and called the meeting to order at 8:00 AM. The agenda included a treasury report, membership report, and annual conference report. There were also two propositions brought to membership for vote, including the election of Officers and Directors and a revision to IMA By-Laws.

To read more, please access this website or copy the URL into your web browser:  
[http://intlmaq.org/assets/pdfs/IMA\\_Annual\\_Membership\\_Meeting\\_Minutes2012-05-22.pdf](http://intlmaq.org/assets/pdfs/IMA_Annual_Membership_Meeting_Minutes2012-05-22.pdf)

### **Desulfurizing Steel: Magnesium is the Reagent of Choice in “Mg Showcase” – Spring 2012 Edition**

In the process of steelmaking, removing excess sulfur from the hot metal is key to creating high-quality structural steel. Why control sulfur content? In many applications, sulfur content control is critical, since sulfur in the form of iron sulfides (FeS) can lead to structural failure. Steel mills use a variety of materials and technologies to remove sulfur from steel, because structural steel applications demand low sulfur levels in order to achieve the highest quality structural steel, with optimal strength, forming and joining characteristics.

To read more, please access this website or copy the URL into your web browser:  
[http://intlmaq.org/showcase/MgShowcase\\_spring2012\\_web.pdf](http://intlmaq.org/showcase/MgShowcase_spring2012_web.pdf)

## **Innovative Designs Featured in 2012 IMA Awards of Excellence and International Environmental Responsibility Award**

The International Magnesium Association (IMA) awarded innovative designers and engineers in the 2012 Awards of Excellence and International Environmental Responsibility Award competitions. The awards were announced at the 69<sup>th</sup> Annual World Magnesium Conference held in San Francisco, California USA in May. The Awards of Excellence competition was open to all companies demonstrating outstanding examples of **magnesium's** use as well as **magnesium** products and manufacturing technologies in three categories: Design, Process, and Application.

The Design Class encompassed one category for 2012: Cast Products. This design category recognizes unique, novel, and creative design and development of **magnesium** and applications, and exhibits a significant advance over current practice. First Place for Design – Automotive Cast Product was awarded to Aristo-Cast, Inc., Almont, Michigan for their Ultra-lightweight/High Efficiency LED Lighting. The product demonstrates extremely thin-walled sections, as thin as 0.5 mm, and is able to overcome the metal mold reaction that occurs with the **magnesium** and the silica sand shell material. First Place for Design – Cast Product – Commercial was awarded to Smiths Detection & Nexus Design, Danbury, Connecticut, for its Magnesium Die Casting Housing & Cover design. The Die Caster saved costs and improved quality of heat sink properties by using an internal lift, and was able to cast internal heat sink pins as part of the casting. Minimum draft on all features helped to keep the weight under design limits.

The Process Category recognizes innovation in manufacturing or processing technology leading to higher quality and reduced costs. First Place in the Process Category was awarded to Magnesium Elektron UK & Magnesium Elektron North America, Manchester, England, for its Development of DC Casting Technology for Aerospace and Armour Sheet & Plate Applications design. Computer simulation was utilized to redesign the casting process equipment unique to **Magnesium** alloys. The computer simulation significantly reduced the developed time to produce cast slab product, according to the company.

The Application Category recognizes significant advances resulting in a large volume potential for **magnesium**. In some cases, the products, processes, and technology must be in commercial practice and be successful. First Place for Application was awarded to Beijing Guangling Jinghua Science & Technology Company, Ltd., Beijing, China, for its Application of Magnesium Alloy Handrail in a City Bus. The lightweight effectiveness of the product saves the weight by almost 40% compared to aluminum alloy handrail. The total weight of **magnesium** alloy handrail for one bus is 24.48kg, compared to 40.9kg for aluminum alloy.

The International Environmental Responsibility Award for 2012 was presented to Shaanxi Magnesium Association (SXMA), Shaanxi Province, China. They were awarded for their energy efficiency and emission reduction of **magnesium**-smelting production through initiating cyclic economy and using waste semi-coke gas. This process realizes the recovery of waste energy by consuming 5t less of standard coal per tons of **magnesium**. Using semi-coke gas enhances the clean level of **magnesium** production when compared to the traditional practice of using coal gas as fuel.

Founded in 1942, the International Magnesium Association is an international trade organization representing the producers, processors, fabricators, and marketers of **magnesium**, along with suppliers to the industry. The IMA's membership spans more than 30 countries on 5 continents. For more information contact IMA at 1000 N. Rand Road, Suite 214, Wauconda, IL 60084. Telephone: 847/526-2010; fax: 847/526-3993; [info@intlomag.org](mailto:info@intlomag.org); [www.intlomag.org](http://www.intlomag.org).

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## **INDUSTRY NEWS**

### **US Magnesium Considers Appeal of ITC Decision to Repeal Russian Anti-Dumping Duties**

[www.metalfirst.com](http://www.metalfirst.com) (15-Jun-2012)

US Magnesium LLC has confirmed that it is mulling an appeal of a US government decision to revoke anti-dumping duties on **magnesium** imports from Russia.

A spokeswoman at the Salt Lake City, Utah-based company said it was currently in discussions with its legal team over a possible appeal.

"We do have the option to appeal to another court level. Our trade firm is reviewing the opinion and we will make a decision from there," she said.

Last February, The US International Trade Commission (ITC) decided to revoke anti-dumping duties on imports of Russian **magnesium** as part of its five-year sunset review, but retained duties on imports of the light metal from China.

US import duties on **magnesium** metal from Russia had been set at 21.71% for Solikamsk Magnesium Works and at 43.58% from VSMPO-Avisma, for whom **magnesium** is a by-product.

US Magnesium appealed the ruling but the US Court of International Trade rejected its plea earlier this month, which has led the sole US **magnesium** producer to now consider its options.

Trade sources told Metal-Pages that Russian imports have fallen drastically since the introduction of the anti-dumping duties and have so far failed to reignite since the ITC ruling as Russian producers concentrate on domestic titanium production.

"The Russians aren't really exporting here at the moment because they are focused on titanium production and **magnesium** is just a by-product for them," said one trade source, noting that Russian imports into the US totaled about 470 tonnes last year.

"That's probably why the ITC revoked the duties. Supply is fairly tied up here and we also don't see much Chinese metal coming in because of the duties."

Last June, the US Commerce Department upheld a previous ruling to place an anti-dumping duty of 111.73% on **magnesium** from China's Tianjin Magnesium International Co. Ltd. (TMI) for the period between May 1, 2007 and April 30, 2008.

The decision to maintain anti-duties on Chinese producers has been heavily criticized by many downstream operators, particularly US die-casters, as they claim the tariffs push up prices for **magnesium**.

### **Nisshin Steel to Launch ZAM Production at US Subsidiary** **[www.japanmetalbulletin.com](http://www.japanmetalbulletin.com) (08-June-12)**

Nisshin Steel starts production of zinc, aluminium and **magnesium** coated steel, ZAM at the subsidiary, Wheeling-Nisshin in USA as a first step for globalization of the high corrosion resistance steel. The subsidiary invests around US\$ 25 million to convert the line at headquarters plant in West Virginia to start operation in second half of 2013. Nisshin Steel eyes potential ZAM production in Southeast Asia for the globalization program.

Nisshin Steel targets monthly 100,000 tonnes of sales through the globalization. The firm already has 60,000 tonnes of production capacity at Toyo, Sakai and Ichikawa plants. The firm launches the US production to meet demand from local users including transplants of Japanese manufacturers.

ZAM with 6% aluminium and 3% **magnesium** has 10-20 times of corrosion resistance. The product is used for housing structure and other applications including automotive parts and appliances.

Nisshin Steel launched Wheeling-Nisshin in 1984 as joint venture with US integrated steel maker. The venture started operation of No.1 galvanizing line in 1988 and started No.2 line in 1993. Nisshin Steel acquired remaining share in the venture to control 100% of the plant with annual 600,000 tonnes of output capacity.

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## CHINA'S LATEST

### **Chinese Magnesium Prices Pick Up** [www.metal-pages.com](http://www.metal-pages.com) (11-Jun-2012)

Chinese **magnesium** ingot prices have picked up due to shrinking output and low stocks, industry sources told Metal-Pages on Monday.

Chinese **magnesium** ingot prices have edged up RMB100/tonne to RMB17,100-17,600/tonne.

"It is hard to recruit people due to the hot weather, and there is more wear and tear to equipment," a Shaanxi-based producer source said, adding that he has no plans to produce more despite profitable **magnesium** prices.

The source will not sell at RMB17,000/tonne. "We have no spare stocks in the warehouse and we will not accept bids lower than RMB17,100/tonne," the source said.

A trader from Shanxi reported higher prices from local producers. "We closed a deal at RMB17,600/tonne, about RMB100/tonne higher than last week's prices."

A trader from Liaoning attributed the price increases to weaker supply. "Coke plants are cutting production owing to poor sales, so **magnesium** smelters have insufficient gas supply," he said, expecting **magnesium** prices to pick up slightly in the coming weeks.

### **China April Unwrought Magnesium Exports Down 14.4%** [www.metal-pages.com](http://www.metal-pages.com) (11-Jun-2012)

China's exports of unwrought **magnesium** metal (Mg 99.8% min) have decreased 14.4% to 14,816 tonnes in April, according to official customs data.

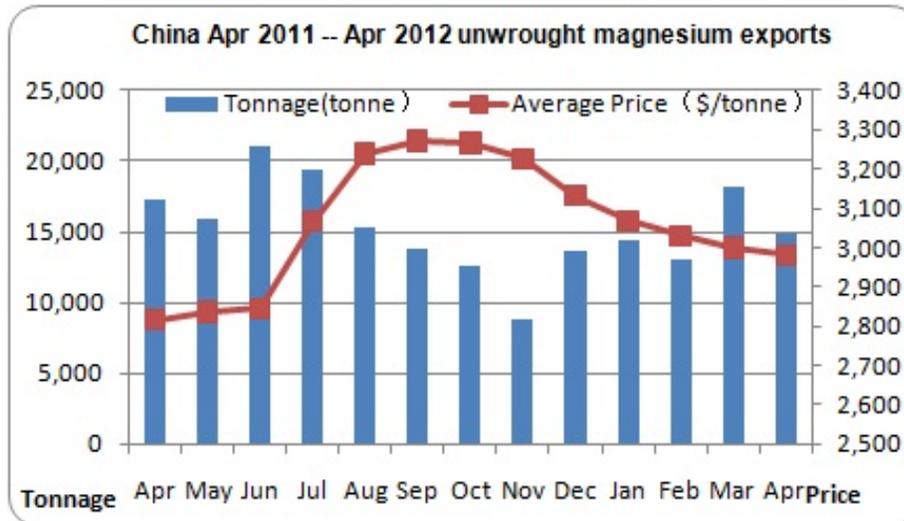
The total amount of unwrought **magnesium** metal was 60,429 tonnes in the first four months, up 25.3% year-on-year.

Prices averaged \$2,981/tonne, up more than 5.9% from those of last April.

China's main export destinations in April were:

Destination	Tonnes	Y-o-Y change	Value US\$	Y-o-Y change
Netherlands	3,773	-29.8%	\$11,285,000	-23.9%
Japan	1,747	-17.0%	\$5,199,000	-14.6%
United Arab Emirates	1,098	+73.8%	\$3,250,000	+83.6%
Canada	1,091	-41.7%	\$3,251,000	-41.4%
India	955	+27.4%	\$2,841,000	+48.4%
Australia	847	+27.6%	\$2,546,000	+26.2%
Norway	733	+48.0%	\$2,204,000	+44.6%
South Korea	680	-25.4%	\$2,023,000	-10.0%

## Destinations



**Magnesium** exports in April were disappointing with volume decreasing 14.4% year-on-year and 18.3% month-on-month.

The Netherlands, the traditional top importer, face challenges from the newly developing countries such as United Arab Emirates. Owing to the debt crisis, Europe has been growing slower.

Although prices in China rose in April, average export prices fell below \$3,000/tonne FOB, the lowest to date in 2012.



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