



October 12, 2012

Edition: 30

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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

October 17, 2012

European Parliament Luncheon Debate on Critical Materials and REACH: Impact on Technological and Economic Development
Brussels, Belgium

October 30, 2012

IMA Magnesium Applications Seminar North America
Ypsilanti, Michigan, USA
www.IMAseminar.org

March 3 – 7, 2013

TMS 2013
San Antonio, Texas, USA
<http://www.tms.org/meetings/annual-13/AM13home.aspx>

May 19 – 22, 2013

70th Annual IMA World Magnesium Conference (more details coming soon!)
Xi'an, China
www.IMAworldconference.org

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ASSOCIATION NEWS

IMA Announces the Magnesium Applications Seminar North America – **Register Today!**

- **New Bonus Added:** Guided Tour of Aristo Cast, Inc. Advanced Technology Center

IMA Announces the 70th Annual World Magnesium Conference – **2013 Call For Papers**

Please Join Us for the 70th Annual World Magnesium Conference in Xi'an, China

IMA Member Survey – Your Input Makes a Difference

The IMA Invites You to Join Our LinkedIn Group

Articles follow below

INDUSTRY NEWS

Ningxia Huayi Magnesium's Investment in Gansu, Known as Gansu Tianyuan Circular Economic Project for Magnesium Alloys

News from IMA Asia (26-Sep-2012)

US Magnesium Edges Higher as Port Strike Threat Gives Demand a Shot in the Arm

www.metal-pages.com (28-Sep-2012)

US Car Sales Jump up in September

www.metal-pages.com (02-Oct-2012)

Articles follow below

CHINA'S LATEST

China Magnesium Industry Market Bulletin

www.chinamagnesium.net (22-Sep-2012)

Articles follow below

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.

ASSOCIATION NEWS

IMA Announces the Magnesium Applications Seminar North America – *Register Today!*

The International Magnesium Association (IMA) is pleased to announce that it will again offer its Magnesium Applications Seminar North America to be held on Tuesday, October 30, 2012 at the Ann Arbor Marriott at Eagle Crest in Ypsilanti, Michigan, USA. Online registration is now open! You can access online registration as well as the Attendee and Exhibitor brochures and registration forms at www.IMAseminar.org.

Our newly elected IMA President, Prof. Dr. Karl Kainer, will be in attendance from Germany. He cordially invites members and non-members alike to attend.

The Seminar topics include:

- * Magnesium's carbon footprint
- * New alloy developments including Magnesium Matrix and Rare Earth
- * Magnesium wrought products
- * Practical and environmental considerations in gas cover selection
- * Magnesium alloys for power-train applications
- * Proving a conceptual use of magnesium with minimal investment
- * Design for end use project
- * Manufacturing technologies for more magnesium applications
- * Magnesium flammability mythology
- * Die casting technologies
- * Health and environmental safety
- * And more!

Presenting companies include Aristo Cast, Inc., BuhlerPrince, Magnesium-Elektron, Magontec, NADCA, Polycontrols, Rauch, The Colorado School of Mines and Twin City Die Casting.

- ✓ Download the [Exhibitor Opportunity Brochure](#) to find out how you can get more involved. Space is filling up quickly so please submit your Commitment Form today!
- ✓ Reserve your accommodations at the **Ann Arbor Marriott Ypsilanti at Eagle Crest**.

*****New Bonus Added: Guided Tour of Aristo Cast, Inc.'s Advanced Technology Center*****

The IMA is happy to announce that Mr. Jack Ziemba, CEO of Aristo Cast, Inc., a 2012 IMA Magnesium Applications Seminar speaker, has cordially invited all attendees and IMA members for a guided tour of their [Advanced Technology Center](#) on Monday, October 29 at 10:30 a.m.

Per Mr. Ziemba, "As Aristo Cast continues in our efforts to remain a leader in new methods, processing and technology, we have constructed our Advanced Technology Center (ATC). Along with the **magnesium** investment casting department the facility has the latest equipment to produce rapid prototype patterns used for Investment Casting. The machines you will see in operation include the latest offerings from various manufactures, each with their own unique capabilities. The ATC also houses equipment used to construct sophisticated wax injection molds made by our own in-house toolmakers. We also have HAAS Machining Centers that allow for in-house machining, rapid tooling and both prototype and production **magnesium** investment castings. I, on behalf of Aristo Cast, invite and welcome the seminar attendees and IMA members to join us on Monday, October 29. We look forward to introducing everyone to our facilities!"

Attendees will get see **magnesium** casting production in action! You can sign up today for this tour in addition to the seminar at **no extra cost**.

We hope you are able to take advantage of this very generous offer! [Click here to register today](#).

IMA Announces the 70th Annual World Magnesium Conference – *2013 Call For Papers*

The International Magnesium Association (IMA) has issued a Call for Papers in preparation for the 70th Annual World Magnesium Conference to be held May 19 – 23, 2012 in Xi'an, Shaanxi Province, China. Recognizing the global nature of the **magnesium** industry, IMA is seeking industry technical papers with an international perspective. Presentations at the annual event are expected to address topics related to new emerging and process technologies, automotive and non-automotive applications, finishing and joining, environmental considerations and part processing. The official submission document may be downloaded from our website at: http://www.intlmag.org/call_for_papers.html or click [here](#).

*****Deadline for abstract submission is December 3, 2012.** Please submit abstracts to info@intlmag.org***

Please Join Us for the 70th Annual World Magnesium Conference in Xi'an, China

The World Magnesium Conference is scheduled for May 19-22, 2013. This event is the premier international **magnesium** industry conference that highlights the latest technological advances, innovative applications, and emerging developments in the global marketplace. The conference combines informative technical sessions, exhibits, networking and social opportunities for a well-rounded industry experience.

- Industry Updates
- Technical Program, provide a wealth of information for **magnesium** industry professionals and address topics ranging from an overview of the current state of the **magnesium** industry to **magnesium** process breakthroughs, applications, and business management issues.
- Social Program
- Sponsorship Opportunities
- Awards of Excellence, IMA's competition recognizing outstanding **magnesium** products and innovative manufacturing technologies
- International Environmental Responsibility Awards
- IMA Annual Membership Meeting
- Exhibit Showcase
- Spouse Program
- Tours

Xi'an today sits in the fertile Wei River valley, one of the epicenters of early Chinese civilization. The area was home to the capitals of several major dynasties (historians count 11), stretching all the way back to the Zhou in the 11th century BC. The remnants of this ancient world are everywhere – from the First Emperor's Terracotta Army to the Muslim influence that still characterizes the city. Many of the city's attractions are unique not only to the city itself, but to all of China.

Click [here](#) for the 2013 IMA Annual World Magnesium Conference flyer.

IMA Member Survey – Your Input Makes a Difference

All IMA members have the opportunity to provide their feedback about IMA membership. Your input makes a difference! Thank you in advance for your candid feedback. The survey will remain open until October 12, 2012.

Click on this link to start the Survey → http://www.surveymonkey.com/s/2012_IMA_Member_Survey

Within this survey is also information about a possible partnership with CM Group that would provide IMA membership with Global Magnesium Industry analysis at a discount. Members who attended the 69th Annual World Magnesium Conference in San Francisco and subsequently participated in the post-conference survey, have already learned of this opportunity and do not need to complete this additional survey.

The IMA Invites You to Join Our LinkedIn Group

LinkedIn is an excellent virtual networking tool and knowledge sharing resource, allowing people to make connections without actually going out and meeting people face-to-face and exchanging business cards. The venue offers the opportunity to exchange strategic ideas with a much larger base of **magnesium** professionals from around the world. With the steady popularity and increase in social networking popularity, LinkedIn fits in perfectly with the **magnesium** business professional networking environment.

Our IMA Group community is growing very quickly. We have 286 members worldwide who use LinkedIn for connecting with current business contacts to build and develop relationships to further levels as well as meet new professional contacts. It offers group discussions that create awareness and information sharing within the thriving **magnesium** community.

We encourage all IMA members to take advantage of the opportunities for **magnesium** discussion contributions and networking expansion. Utilize the IMA Group to meet amazing professionals within the **magnesium** industry across the globe. LinkedIn provides key resources that **magnesium** professionals need to be informed and even continue to grow.

Please visit our IMA Group website on LinkedIn and join today! You can find us here:

http://www.linkedin.com/groups/International-Magnesium-Association-IMA-107283?goback=%2Eanp_107283_1346872555081_1

INDUSTRY NEWS

Ningxia Huayi Magnesium's Investment in Gansu, Known as Gansu Tianyuan Circular Economic Project for Magnesium Alloys News from IMA Asia (26-Sep-2012)

Ningxia Huayi Magnesium launched the new Gansu Tianyuan Circular Economic Project for Magnesium Alloys Gansu last month. Magnesium Elektron funded the attendance of Mr. Chris Dagger, IMA European Committee Chairperson, who was honored to be a presenter at the ground breaking ceremony for the new plant.



Mr. Chris Dagger, Magnesium Elektron



The project is primarily concentrated on the manufacturing of **magnesium** alloy, with a forecasted annual production of 100,000 metric tonnes of **magnesium** alloy and 50,000 metric tonnes of **magnesium** extrusions. In addition, it will produce 1.1 million metric tonnes of coal, 240,000 metric tonnes of ferro silicon and 2 million tonnes of waste output from dolomite as a raw material for construction cement. The project will eventually use these products to create a construction material stream that is economically productive and helps the environment by saving waste output

and reducing the emission of carbon dioxide. The land covers 2,902 acres with a total investment of 7.26 billion RMB. Construction is scheduled to be completed in 2015 with return on investment return in 5.53 years.

US Magnesium Edges Higher as Port Strike Threat Gives Demand a Shot in the Arm **www.metal-pages.com (28-Sep-2012)**

The pure **magnesium** market in the United States has sprung back into life following a slight improvement in demand amid threats of widespread strikes across US Atlantic and Gulf coast ports.

Spot business activity has been in the doldrums for the past couple of months but trade sources reported this week a marginal pick up in buying as some consumers were forced to delay shipping deliveries in the wake of threats of strike action due to a stall in negotiations between the US dockworkers union and the organisation that represents shipping companies.

This has led the US price for pure **magnesium** min 99.9% to nudge up to a range of \$2.00-2.20/lb delivered from a previous level of \$1.98-2.18/lb delivered.

“Threats of the longshoreman strike caused a slight scramble for material. Some people delayed shipments for two to three weeks and needed to cover. Some also re-routed material through Chicago,” said one **magnesium** trade source.

“It caused a little kick up in prices. But things have eased back as the strike action was put on hold because the longshoreman agreed to work without a contract until the end of the year.”

He added that near-by stocks still remain fairly tight due to a lack of **magnesium** imports.

A collective bargaining agreement between the International Longshoremen's Association (ILA) and the US Maritime Alliance (USMX), which is an alliance of container carriers, direct employers and port associations, is set to expire on September 30.

At the end of last week, however, negotiations between the two parties were extended for 90 days until December 29, which helped avert a potential strike that would have stopped deliveries to ports across the East and Gulf coasts.

Although demand received a temporary boost, spot buying is not expected to improve significantly in the near-term as consumers live off contract deliveries, while companies also focus on annual mating season contract negotiations.

“I think people are still happy with their stock levels and everything seems quite balanced,” said another trade source.

“Contract talks are getting underway so people are focusing on that. Overall demand though still looks okay because of the strong automotive sector.”

Trade sources also noted a potential lull in business until after the US election cycle in November.

“Everyone will probably wait until after the election. No one is hiring right now or drawing on capital,” said the first trader.

“It’s business as usual for the time being with companies living quarter-to-quarter. There’s so much uncertainty out there and no one can make long-term decisions.”

Secondary 90/10 **magnesium** material is holding in a range of \$1.75-1.85/lb delivered.

US Car Sales Jump up in September **www.metal-pages.com (02-Oct-2012)**

Sales of automobiles in the United States continued to rise in September as the sector remains the driving force behind the US economy.

Detroit-based General Motors Co. reported a 1.5% rise in sales last month compared with a year earlier to 210,245 vehicles. The increase offset a 20% drop in truck sales.

“Passenger cars have been the launch point for a broad and deep GM product offensive,” said Kurt McNeil, vice president of GM’s US sales operations.

“Auto sales will continue to be a bright spot for the US economy, which is particularly good news for GM as we walk into an even stronger cadence of new products in 2013 and 2014.”

Chrysler Group LLC posted a 12% rise in sales in September compared with a year ago to 142,041 vehicles.

The Michigan-based company also said it finished the month with a 65-days supply of inventory with 369,144 units.

Toyota reported that it sold 171,910 vehicles in the US last month, up from 121,451 a year earlier, but 8.8% below August sales.

But Ford Motor Co. posted a 0.1% fall sales to 174,976 vehicles as truck sales dropped 8%.

“As more buyers look for new vehicles across the country, Ford is ready with our strongest lineup ever of fuel-efficient cars, utilities and full-size pickups,” said Ken Czubay, Ford vice president, US marketing, sales and service.

“Fuel economy remains one of the most important features customers want most today, and Ford is answering the call with five vehicles that deliver 40 mpg or better – with another three on the way by year-end.”

CHINA’S LATEST

China Magnesium Industry and Market Bulletin **www.chinamagnesium.net (22-Sep-2012)**

Market Focus

Magnesium Price Kept Stable

From September 17 to September 21, ex-works quotations for 99.9 minimum ingots from leading production bases kept steady as indicated in Shanxi from 18,300 – 18,500 yuan, Shaanxi from 18,100 to 18,200 yuan and Ningxia from 18,200 – 18,400 yuan. Export prices increased to 3,300 - 3,340 US dollars. In Taiyuan, a source said to Sunlight that some producers tried to push price up by 100 yuan per ton but ended by 50 yuan. Basically, the price runs the same track as before annual CMA conference “I thought it would gradually drop, because the national holiday is coming.” he said. Situations in Yunchen is similarly stable, expect some sellers to accept lower price for coming holiday.

A **magnesium** powder manufacturer reported that he could buy Fugu ingot at 18,000 yuan, but the prevailing price in Fugu was around 18,100-18,200 yuan. A few trader said price will go up because the clients are going to purchase for using during the holidays. Most possibly, Fugu’s price will be just around 18,000 yuan.

In Fugu, a source said, “Right now, price will just keep stable, the production in Fugu is not much.”

Industry News

China Customs Will Crack Down on Smuggling Low-price Magnesium

On September 13, an informal discussion meeting for information management of **magnesium** export price was held in Yunlin Shaanxi, attended by Guangzhou general administration office of China Customs and major exporters of **magnesium**. During the meeting, **magnesium** low-priced smuggled behavior brought out by major exporters drew attentions and discussions of related officials of China Customs, who then expressed a decision to give an instant feedback to related departments of China Customs to investigate and take actions.

Mr. Chen Zejun, director of Guangzhou information office of China Customs and Ms. Xi Xuemin, an official of Yulin Customs joined the meeting. Major **magnesium** exports, Fugu Tianyu Minerals, Shenmu Moyuan, Yulin Tianlong, Fugu Huashun, Yulin Wanyuan, Shanxi Yiwei, Shanxi International Imp. & Exp., together with Shaanxi Magnesium Association and Sunlight Metal attended the meeting.

Participants submits to China Customs the problems that some exporters perform international trade without invoices, evade VAT and smuggle **magnesium** at lower price. And this type of phenomenon is getting severe, which resulted lower export price than normal value and seriously disrupted the economic order of **magnesium** industry, damaging the interest of the legal enterprises and the whole industry. Exporters suggested that China Customs could pay close attention to some exporters hoarding stock within short period, and lacking of export record but with substantial growth in exports. For such exporters and suppliers, China Customs should do investigations together with taxation office. Moreover, Participants proposed to reduce or cancel the tariff, as well as to rationalize risk parameters of **magnesium** export price and price information collection.

For the risk parameters of **magnesium** export price, Mr. Chen Zejun said that it aims to prevent tax evasion, not the minimum price for export. When the contract price is largely different from the risk parameter, exporters need to communicate with Customs officers, explaining reasons. The information office of Customs will try to improve the method for price information collection, learning more about the industry and market and making the risk parameters more complete, in-time and actual. Manager from Sunlight Metal said that as a professional and independent industry information platform, Sunlight will regularly send domestic **magnesium** market information and industry dynamics to the price information office of Customs for reference.

The 15th Annual Conference of CMA was Held in Yulin Shaanxi

To maintain the sustainable development of the China **magnesium** industry, speeding up the upgrading and transforming of the industry structure, the 15th annual conference and 10th anniversary of the founding of CMA was held in Yulin Shaanxi, through September 13 – 14, 2012.

The conference was hosted jointly by CMA and Yulin government, and supported by Shaanxi Magnesium Association, Fugu county government, Shenmu government and Hengshan county government. The theme of the conference was, "Cultivate and build win-win market, promote the application of **magnesium**" and around 600 representatives attended the meeting.

Mr. Luo Tiejun, deputy director of the raw material department of MIIT, Mr Wen Xianjun, vice chairman of CNIA, Mr Shi Lei, chairman of Shaanxi Magnesium Group and related leader from CMA, Fugu government joined the meeting. Reports include Magnesium Development Situation in Shaanxi, Biodegradable Magnesium Alloy, processing technologies and magnesium alloy application in automobiles.

An Expert Consultation Meeting was Held for Development Plan of Yulin Magnesium Industry

An expert consultation meeting for Development Plan of Yulin Magnesium Industry undertaken by Shenyang aluminum and Magnesium Design and Research Institute was held in Yulin, which is joined by more than 10 experts from CMA and CAE.

During the consultation meeting, Mr. Xu Jinxiang, chairman of CMA suggested to make a long term plan, with the first 3 years concentrating on smelting and energy-saving & emission reduction and the following 5 years on processing and deep processing. Mr He Jilin, academician of Chinese Academy of Engineering affirmed with the advantages of Yunlin Magnesium industry. He said that Yulin needs to emphasis on the industrial restructuring, improving industry access threshold and industry concentration. Further, Yulin should pay more attention to technological innovation, via collaboration with research institutes, building large-scale R&D centre for new **magnesium** alloy products.

Yulin's **magnesium** output increased at 30% CAGR since 2005. For the first half of 2012, Yulin's production of primary **magnesium** was 144 kt, accounting for 97.04% of Shaanxi province, and 44.75% of the nation. Yulin has become the major supplier for high purity **magnesium** for china as well as the world.

By late 2011, there were 51 **magnesium** players in Shaanxi, in which 48 were primary **magnesium** producers; 46 belonged to Yulin, located in Yuyang (1), Shenmu (12) and Fugu(33). Up to now, the approval primary **magnesium** capacity in Yunlin is around 750 kt, with 500 kt already in operation. As part of the cyclic economically industrial chain, Yulin's **magnesium** industry is uniquely competitive.

Now, Hongkong University of Science and Technology, Xi'An Jiaotong University, Xi'An University of Technology, and Northwest Institute for Nonferrous Metal Research have established cooperation with Shaanxi, building active communication and keeping close relationships with clients and making production, research, marking etc, powerful and highly effective.

CCmg Cooperates with Hebi Wandefu Magnesium to Establish Achievement Transform Base

On September 4, CCmg signed integrated technical cooperation framework agreement with Hebi Wandefu Magnesium. Both parties will work together to establish Hebi-Wandefu achievement transform base.

Under the agreement, to build the base, both parties will carry out an in-depth cooperation in fields from technical consultation, training, to new project research and achievement transforming, especially in development and basic research work for high performance **magnesium** alloy casting, extrusion, semi-continuous casting, continuous casting sheet, pressing, punching, forging, and surface treatment. The setup of the base would speed up the achievement transform, promote the technical progress and enhance the core competitiveness.

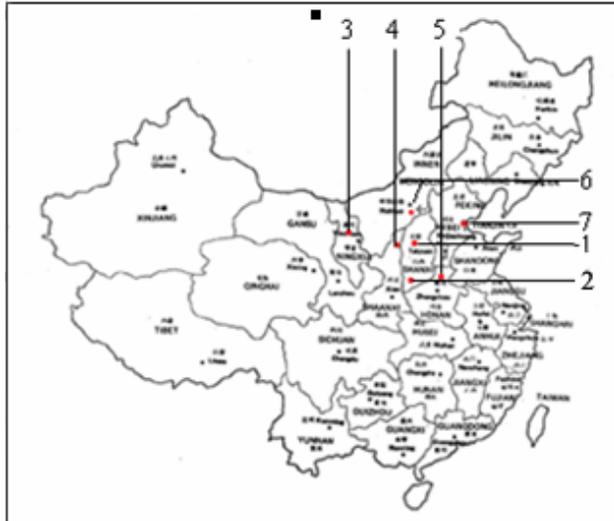
Price Indicators

Sunlight's Price, Pure Magnesium (>99.8%) and Aluminium

Item	Magnesium Price	Unit	
Shanxi Province	Taiyuan City,ex-works ¹	18300-18500	RMB yuan/ton
	Yuncheng City,ex-works ²	18400-18600	RMB yuan/ton
Ningxia Autonomous Region, ex-works ³		18200-18400	RMB yuan/ton
Shaanxi Province, ex-works ⁴		18100-18200	RMB yuan/ton
Henan Province, ex-works ⁵		None	RMB yuan/ton
Inner Mongolia Autonomous Region, ex-works ⁶		None	RMB yuan/ton
FOB Xingang, Tianjin ⁷		3300-3340	USD/ton
CIF, Rotterdam Port		3390-3430	USD/ton
CIF, Toronto Port		3410-3450	USD/ton
Date	SHFE Spot Aluminium	Unit	
17-Sep.-2012	15600/	RMB yuan/ton	
21-Sep.-2012	15625/	RMB yuan/ton	

SHFE: Shanghai Future Exchange

(Exchange Rate of USD versus RMB is 6.2914 on September 21 based on <http://www.boc.cn/>. We place a Chinese map here to mark the major production bases and Xingang Port of Tianjin for your reference.)



Note:

1. All the ex-works price is VAT-paid.
2. The FOB price is based on ex-works basis, plus inland freight and miscellaneous expenses at Xingang Port of Tianjin. Because the distance from these six production bases to Xingang Port is different, their land freights also vary. FOB price includes 10-percent exports tariff from Jan. 1, 2008.
3. CIF prices are based on FOB price plus ocean freight and insurance, which will also vary time by time.
4. When getting ex-works price and FOB price, we give some weight numbers to each respondent and then get the weighted average prices.



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