IMA News

Below are articles and summaries of magnesium related stories. IMA Member companies are asked to distribute the IMA News to their employees. IMA member company employees wishing to receive the monthly IMA News issues should send their email addresses to the IMA World Headquarters. We appreciate all member company press releases and announcements for inclusion in the monthly IMA News issues. Please send your news to info@intlmag.org.

August 2014, Issue #6

ASSOCIATION NEWS

IMA Member Zisheng Zhen of Magontec Xian Co., Ltd. to present at China Metals Week

IMA member, Mr. Zisheng Zhen, Technical Director at Magontec Xian Co., Ltd., will be presenting on behalf of the International Magnesium Association at China Metals Week, 15 - 17 September, 2014 in Beijing, China.

His topic, *LCA study on Magnesium and its application development in automotive industry*, will focus on promoting the IMA and Mg applications. Mr. Zhen's presentation will cover three main points: the IMA project and the LCA study on magnesium, new magnesium projects and new magnesium applications in the automotive industry.

Mr. Zhen will review the results of the LCA study which prove that magnesium is a very promising and an environmental friendly light weight material. The focus on new magnesium projects will primarily be on the Qinghai Salt Lake Mg project, which will further improve the sustainability and environmental relationship. He will also discuss the importance of new automotive magnesium applications. This is particularly important because all car makers in China now face extreme challenges to meet the new Chinese regulations on auto emissions and fuel consumptions. Increasing magnesium in automotive applications will be one of the best solutions for meeting emission and fuel consumption regulations.

China Metals Week is a celebration of the dynamic and diverse specialty and minor metals industries. Held in the epicenter of global trade and in recognition of China's integral role in global supply and demand, China Metals Week will analyse the most pressing issues within the Light Metals, Electronic Metals, Battery Metals and Antimony markets and discuss how advancements in technology and the applications of these metals will affect the markets and their pricing in the years ahead.

The light metals stream of China Metals Week will focus on topics such as:

- In-depth analysis of light metals in the aerospace sector
- New opportunities and applications for magnesium in the Chinese market
- Analysis on the future of imported titanium in China
- Future trends, challenges and risks for high performance alloys in the aerospace and automotive industries
- The Secret of Shaanxi Magnesium's Success

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Conference Discount Available - Global Automotive Lightweight Materials 2014

The International Magnesium Association has co-sponsored with the Global Automotive Lightweight Materials 2014 conference which will be held August 20-21, 2014 in Detroit, MI. As a result IMA Members are being offered 15% off registration fees. Click here to register and enter the the **Voucher Code: GALMUSIMA** to take advantage of this offer.

In order to cost-effectively meet fuel economy targets, OEM's are seeking to develop vehicle lightweighting strategies and increasingly shifting their focus to integrating mixed-material solutions at mass produced scales. With proven success in luxury low volume production lines, the need for the industry to develop high volume lightweight vehicles has accelerated. Nevertheless, there are many challenges that come with applying lightweight materials to mass produced vehicles. OEMs need to select the optimal combination of materials including aluminium, high-strength steel, composites and magnesium, source them in the volumes and specifications required for high volume production and then determine the optimal joining and casting techniques for mixed material manufacturing at scale.

The USA's leading vehicle OEM's will be gather at the 3rd Annual Global Automotive Lightweight Materials conference in Detroit to address these challenges. They will share the latest advances in materials & manufacturing techniques that are having the biggest impact on reducing the cost of mass produced lightweight vehicles.

To reflect the industry's shift in focus towards production of mass produced lightweight vehicles this year's Global Automotive Lightweight Materials Initiative: Detroit 2014 will feature 20+ brand new case studies focusing on technical solutions for incorporating the materials & manufacturing techniques that are having the biggest impact on reducing the cost of mass produced lightweight vehicles.

In 2 days of brand new content from leading OEMs, the agenda this year will focus on:

- Mass Production Focus
- Material Selection & Optimization Scale focusing on:
    - Magnesium
    - Carbon Fiber & Other Emerging Composites
    - Aluminum

    - High Strength Steel
    - Mixed Material Solutions
- Aluminum & Mixed Material Joining
- Vehicle Repair & Crash Performance
- And More...

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The IMA is in need of a new Trade Show Booth

The International Magnesium Association is getting more involved in industry promotion and would like to exhibit at various conferences and trade shows. Our current booth has some wear and tear and is in need of replacement. Do you have a slightly used trade show booth that you are not using any longer? The IMA is looking to purchase a gently used Trade Show Booth for use by the Association.

For more information please contact IMA Headquarters at info@intlmag.org.

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The IMA is featuring a new section called "SPOT LIGHT"

In the last issue of the IMA Association News a new section called "Spot Light" was featured. This new addition to our newsletter gives members of the International Magnesium Association an opportunity to highlight their company.

Our first featured IMA member company was AMACOR which is owned by the newly elected IMA President, Jan Guy. Click here to read more about Jan and her personal journey in the magnesium business on page 4 of the July IMA News.

If you and your company would like to be featured in next week's IMA News issue, please send a write-up to IMA Headquarters, attention Amanda Kasik (afortman@tso.net).

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Welcome the newest IMA Member: Gerkaro Sciences Jomi Leman

The IMA is happy to introduce you to the newest IMA University member, Gerkaro Sciences Jomi Leman. For those of you who have not met Michel Jehan, please help welcome him and his colleagues as the IMA's newest member:

Gerkaro Sciences Jomi Leman
Fessy, France
Contact: Michel Jehan
Email: michel.jehan@gmail.com

Member News

Rolls-Royce welcomes IAG order for eight A350 XWB aircraft

Latrobe Magnesium successfully completed confirmatory test for China sample

New fire-resistant interchange parts shorten relining of Westomat dosing furnaces to only five days

Tactics for Optimal Product Design

Partnership with leading mold maker Meco Eckel boosts competitiveness of light-metal offering at GF Automotive

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Mg NEWS AROUND THE INDUSTRY

July Magnesium Review from Metal-Pages

US magnesium spot market buying dried to a trickle in recent weeks as consumers retreated to the sidelines in the traditionally slower summer months. The market is unlikely to show signs of life again until the autumn when consumers usually ramp up operations and may need to cover their requirements with spot tonnage.

Despite the sluggish market conditions, the metal remained underpinned by a nearby shortage of material as producers are well sold under contract agreements, while a tightness in the aluminium scrap market is forcing some alloyers to switch to buying magnesium metal. Supplies of pure magnesium have also remained fairly snug this year due to a reduction of US imports from Russia and Kazakhstan.

"There's no business to report and I suspect that won't change in the near-term," said one trader. "Having said that, there's still not that much material around." Overall demand for magnesium continues to be supported by the aluminium alloying sector due to the booming US automotive industry that usese casting and rolling alloys. Volumes into the extrusions are also improving amid a pickup in construction. Some consumers may need additional magnesium units for the fourth quarter after possibly underestimating full-year contract delivery requirements.

Latest figures show that US light vehicle sales increased 9% last month compared with the same period last year to 1.44 million units, which equates to a seasonally adjusted annualised rate of 16.5 million vehicles from 15.8 million a year ago. Magnesium is primarily used as an alloy with aluminium, accounting for some 45% of total world consumption. Another 35% is consumed in magnesium alloys in structural metals, about 13% in steel making, with the rest used in electro-chemical and other sectors.

Turning to the Chinese magnesium market, demand has not improved as end-users from powder and alloy sectors are buying material in line with their production needs. The magnesium market has developed slower this year with production up 13.2% to 473,000 tonnes in the first half year, lower than the 28.1% in the same period of 2013.

Elsewhere a string of inspections after a massive explosion at a Kunshan metal processing facility in Eastern China has resulted in hundreds of factories being closed down, according to the China Times. The inspections are targeting factories that process aluminium and magnesium, or have wheel-polishing operations, in China's eastern Jiangsu province and are expanding to Zhejiang province, Shanghai and Beijing.

The blast at a wheel-polishing unit in a car parts plant operated by the Taiwan-owned Kunshan Zhongrong Metal Products on August 2 killed 75 people and injured 185 others, almost all critically. A total 214 factories in Suzhou City in Jiangsu were forced to halt production for inspection and at least 135 factories there may be shut down,

according to the Suzhou Administration of Safety. China Times quotes data from the China Association of Automobile Manufacturers that showed that Jiangsu accounts for 40% of China's annual production of aluminium and magnesium wheels, worth some $316 million.

Magnesium is used in car production, such as sheet metal and wheels, as well as beverage cans. The State Administration of Work Safety (SAWS) has also called for a safety campaign targeting factories that process aluminium and magnesium. According to Reuters, provinces such as Shaanxi, Tianjin and Sichuan, as well as Guangxi area, have also stepped up safety checks. China had 644 of what it calls "large" accidents in the first seven months of this year, killing 2,695 people, according to SAWS.

The magnesium alloy market in China has eased recently, knocked by weaker metal prices and slipping consumer buying, which has been sporadic due to the slowdown in the auto industry. Magnesium is an ideal material for automotive industry in light-weighting, saving fuel and reducing emissions and the outlook of auto is looking positive and strong globally. But the stagnant growth in China has caused concern. China produced 1.72 million cars in July, up 8.64% compared with the same month last year, but fell 7.29% month-on-month. While sales were 1.62 million, up 6.71% year-on-year, but also fell 12.34% from June's basis, according to latest data from China Association of Automobile Manufacturers (CAAM).

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More Industry News

Global Lightweight Materials Market is Expected to Reach USD 186.35 Billion by 2020: Transparency Market Research

Nevada Clean Magnesium and ScanMag as Joint Venture Agreement Approved by TSX Venture Exchange

Nevada Clean Magnesium Receives Final Designs for Pilot Reduction Furnace for Tami-Mosi Project in Nevada

Nevada Clean Magnesium Extends HanoverIElite Agreement for Investor and Public Relations Services

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Mg NEWS AROUND EUROPE

Critical Raw Materials vital to European Economy

There is growing global concern over the availability of secure and adequate supplies of the minerals and metals needed by society. Since World War II, the consumption of raw materials has steadily increased. In response to burgeoning global population, economic growth (specifically in developing countries) and the requirements of environmental technologies, such as renewable energy and electric vehicles, we have seen a rapid growth in the number of materials used across products. Of particular concern are 'crticial' raw materials, labelled as such because of their economic and strategic importance and are subject to a higher risk of supply interruption in the next 10 years. These raw materials are fundamental to Europe's economy and essential for maintaining and improving our quality of life. There is growing concern, within the European Commission and across the globe, in securing reliable and undistorted access of certain raw materials. As a result of this situation, the Raw Materials Initiative was initiated to manage responses to raw materials issues at an EU level.

In 2010, the first criticality analysis of raw materials was published by the Ad-Hoc Working Group on Defining Critical Raw Materials, a subgroup to the Raw Materials Supply Group, which is an expert group of the European Commission. In this analysis 14 critical raw materials, including magnesium, were identified from a candidate list of 41 non-energy, non-food materials. The Commission formally adopted the list in the 2011 Communication and stated that it would continue to monitor the issues surrounding critical raw materials in order to identify priority actions. They also committed to undertake a regular review and update of this list at least every 3 years.

The economic importance of Magnesium was established as being due to its very unique combination of properties that make it very difficult to substitute. If it were to be substituted many demanding applications would suffer a loss in performance. There is no scarcity problem for magnesium globally since it can be found in so many different origins, such as brine and dolomite, but there still remains a supply risk in Europe. The US and Brazil, with their own primary production, have anti-dumping duties at a level which protects this capacity, but in Europe, since the abolition of anti-dumping duty on Chinese magnesium in 2003, the EU supply is exceptionally reliant on supply from China.

In May 2014, the European Commission published a Communication on the updated critical raw materials list, which now contains 20 critical materials, and the implementation of the Raw Materials Initiative. In the document, a new key priority was established to ensure a sustainable supply of raw materials within the EU, especially as regards framework conditions for mining and improving the raw materials knowledge base.

The CRM Alliance
The Critical Raw Materials (CRM) Alliance initiative was launched by the Beryllium Science and Technology Association (BeST) with the help of RIDENS a consulting group specialized in lobbying. The CRM Alliance now has 11 members ranging from the Minor Metals Association to Euroalliages representing European ferro alloy producers. The IMA are also members of the Alliance. The CRM Alliance promotes the importance of critical materials to the EU and supports a specific critical raw materials policy that outlines the importance and dependency on them by the European economy. Such a policy would benefit economic and security interests at EU and Member State levels and its leadership in innovation, manufacturing and technology-dependent services, which are inextricably linked to reliable access to, and the use of, critical materials.

The listing of these materials emphasizes their essential role for the European economy. While the word 'critical' can be perceived as negative the criticality of CRMs is positive. In perspective, CRM's are extremely important to Europe's economy and essential in driving future innovations in order to maintain Europe's technological leadership in a highly competitive global economy. The reliance on unique properties of CRM's to manufacture lifesaving and reliable products by different suppliers, as well as, traders and industries, requires a continued supply of these materials.

Following a meeting on 20 February 2014, at which the IMA was represented by both Chris Dagger of Magnesium Elektron and Christian Payn the IMA European Director, the CRM Alliance issued a General Position Statement that outlined 5 key recommendations for a Critical Raw Materials Policy that included:

- CRM policies should look for enhanced raw material supply and use rather than substitution of the CRMs
- Industrial Sector Policies should incorporate and highlight the economic and strategic importance of Critical Raw Materials (CRMs) and their value to future innovation
- Waste legislation should not include disincentives for usage of CRMs
- Legislation affecting CRMs should require a special socio- economic analysis of potentially harmful impacts to the supply of CRMs
- Trade policy should incorporate principles of both free and fair trade for CRMs.

Christian Payn and Martin Tauber of Magontec also held a meeting with key EU Commission officials to brief them on the importance of the magnesium industry to the EU and the variety of applications where magnesium was a critical input material.

Later in May, Christian Payn,IMA's uropean Director, attended the CRM_InnoNet workshop in Brussels which dealt with the substitution issue of CRM's. The Critical Raw Materials Innovation Network is focused on driving innovation and influencing policy in the field of substitution of critical raw materials for the benefit of EU industry.

During the conference Mr. Payn questioned the relevance of the proposals regarding the substitution of magnesium in aluminium alloy. During a discussion with the author, Mr. Casper Van der Eijk from SINTEF in Norway, Mr. Payne stated that these proposals were unrealistic and technically not feasible for the industry, not only for magnesium but also aluminium.

The next Alliance meeting, is to be held on 14 October 2014 in the European Parliament in Brussels. Dr. Paul Rübig MEP will be hosting an exclusive luncheon debate for the CRM Alliance. This is an excellent opportunity to promote CRMs at the beginning of the new legislature of the European Parliament. Rübig has been re-elected in the ITRE Committee and is well-known for championing raw materials. Following the luncheon will be a meeting discussing the CRM report with Oakdene Hollins,

authors of the European Commission's CRM report. The International Magnesium Association, as one of the sponsors, will be represented by Chris Dagger of Magnesium Elektron, Christian Payn of IMA and Martin Tauber of Magontec, Ltd. There are 2 further places available at the meeting for interested IMA members, so please contact Christian Payn at christian.payne@gmail.com if you are interested in attending.

IMA will continue to promote the importance of the magnesium industry within the EU and globally through the CRM Alliance endeavoring to ensure that any policies involving Critical Raw Materials do not detrimentally affect our industry.

For additional information and up to date news on the CRM Alliance please visit their website at http://criticalrawmaterials.org/

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More News Around Europe

BMW cuts spare-part prices in China amid antitrust investigation

Recovery on track as western Europe car sales rise 5%

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Mg NEWS AROUND ASIA

July China Magnesium Industry and Market Bulletin

Output of primary magnesium down 7% in H1 (2014)
Statistics from China Nonferrous Metal Industry Association indicated output of primary magnesium from Jan. to Jun. closed at 473kt, 0.01% up y-on-y. Shaanxi and Shanxi went down 5.36% and 5.67%, respectively, in output, but Liaoning hit 70.9kt, Henan 24.7kt, and Ningxia 51.9kt.

Sunlight believes statistics is only for reference because of obvious deviation from actual. And the deviation results from unclear statistical classification, different sources and, of course, possibly false outputs by some producers.

Even though, we also see some basic layout, i.e., output of primary magnesium in both Shaanxi and Shanxi decreased as Ningxia, but Xinjiang went up. Generally, output in H1 (2014) declined, down over 7%.

Magnesium export declined in both price and quantity in H1 (2014)
Data from China Customs indicated from Jan. to Jun. export of magnesium products declined, with shrinking export value. Total export during this period closed at 220.4kt, up 8.39%, export value at 0.603 billion US dollars, down 0.26%, with average price at 2736USD/t, down 7.98%.

Concretely, ingot export went up 5.01%, with average price at 2622USD/t, down 8.96%, indicating gloomy trend; both alloy and powder all up 10%, but with shrinking price; magnesium article ramped up obviously, up 25.18%, with average price 3770USD/t, down 4.69%; waste and scrap moved ahead with strange trend, with large-scale export at 1768t, 9.7 times as last year, but price at 2191.6USD/t, down 17.9%.

	Total esport (t)	Change (%)	Total value (USD)	Change (%)	Price (USD/t)	Change (%)
Total	220443.7	8.39	60326.0	-0.26	2736.6	-7.98
Ingot	1118020.4	5.01	29321.5	-4.4	2622.7	-8.96
Alloy	55632.8	10.83	16070.2	3.86	2888.6	-6.29
Powder/granule	45800.8	10.36	12403.9	1.64	2708.2	-7.9
Articel	3485.4	25.18	1314.3	19.31	3770.7	-4.69
Wrought	1956.2	-13.61	828.7	-16.27	4236.4	-3.07
Waste & scrap	1767.9	977.04	387.5	784.44	2191.6	-17.88

National Center for Quality Supervision and Inspection of Magnesium and Magnesium Alloy Products went through examination and approval
During Jun. 29 to Jul.1, General Administration of Quality Supervision, Inspection and Quarantine appointed expert group to examine National Center for Quality Supervision and Inspection of Magnesium and Magnesium Alloy Products initiated by Hebi municipality.

Upon comprehensive assessment, the expert group gave affirmative acceptance to the initiation of National Center for Quality Supervision and Inspection of Magnesium and Magnesium Alloy Products, and concluded that the local government attached great importance to the center with substantial support, and testing coverage rate reached 88.9%, of which, test rate according to the international standard reached 76.3%. The expert group determined the center, passing acceptance as expected, boasted B level for its capacity.

Upon its initiation, the center can engage in the supervision and inspection tasks for magnesium and magnesium alloy products, and will lay solid foundation for Hebi to further build the domestic first-class magnesium industry inspection research base; map out magnesium industry standards, arbitration inspection and information authority center; and construct magnesium industry talent base and new technology incubator base.

Explosive accident in Kunshan Zhongrong Metal Products triggers all-round safety check

On August 2, 2014, Kunshan Zhongrong Metal Products, in Kunshan Development Zone, Jiangsu province, suffered from heavy explosive accident in its workshop. By August 4, the explosion killed 75 people, and injured 185 people. It was caused by dust encountering fire.

Kunshan Administration of Work Safety announced the explosion made 135 companies, including Foxconn, shut down temporarily for safety check, and the resumption of production schedule will subject to the results of the safety inspection by supervision departments.

At the same time, affected by this incident, many governments require related enterprises to carry out safety check. Xuzhou municipality held emergency meeting, and required all aluminum- and magnesium-related enterprises to terminate production and implement safety inspection. Hebei provincial government also asked all-round safety check immediately for all aluminum- and magnesium enterprises and other dust-related enterprises.

Qinghai Saline Lake industrial the two central enterprises signed a strategic cooperation framework agreement with two SOEs
On July 8, Qinghai Saline Lake industrial signed a strategic cooperation framework agreement with the Tianchen Corp (TCC) and Chengda Engineering Company.

Both Tianchen and Chengda are renowned international engineering companies at home and abroad. They provided powerful technical support for phase one, phase two and magnesium integration projects of comprehensive utilization of saline lake resources in Qinghai.

Upon the agreement, both Tianchen and Chengda will, by means of their advantage in project design and general contracts, serve Qinghai Saline Lake Industry with technical support for project construction, comprehensive utilization, energy and chemical industry development; with consultation for project plan, product mix and preliminary work; and with technical training.

Wanfeng Aote officially took over Meridian
Recently, Meridian ushered in the China "new host" -- following a wholly owned acquisition by late 2013, Ms. Chenailian, chairman of Wanfen Aote Holdings Group, officially led Wanfeng Auto executives team to complete the takeover of Meridian. Founded in 1981, Meridian is a global leader in magnesium alloy industry globally, and production bases in USA, Canada, Britain and Mexico.

At present, China still lags behind relatively in the deep processing and application of magnesium alloy. According to the insiders, Wanfeng Aote's wholly owned acquisition will quickly realized the integration of Meridian technology with China's market resources. This not only improves Wanfen Aote itself industry chain, tackle with the lightweight automobile technical difficulties, but also helps to promote China from big country to power country in magnesium resources.

In the early years of this century, Wanfeng Aote began international layout, and established R & D centers in USA and Britain for the internationalization of technology. The acquisition lasted only half year from determining plan to final contract, marking the Wangfeng's international layout into the stage of capital internationalization.

Ms. Chen Ailian said the completion of the acquisition is just the first step, and greater challenge is to achieve the integration management. Therefore, Wanfeng will not layout workers, improve the wages and welfare treatment, and help solve business problems. Now, Meridian, once operating at 70% capacity utilization rate, runs at full production.

Materials College of Shanghai Jiao Tong University and Osaka University signed a memorandum of cooperation
On July 3, 2014, Prof. Hidetoshi Fujii, a known scholar in friction stir welding segment in Osaka University, visited Institute of materials of Shanghai Jiao Tong University, and did a paper entitled three-dimensional visualization of material flow during friction stir welding by two pairs of X-ray transmission systems. The meeting was chaired by Prof. Peng Liming.

On July 4, under the chairmanship of Prof. Peng Liming, academician Ding Wenjiang and Prof. Hidetoshi Fujii discussed deeply and friendly in materials processing, and, based on the framework of Shanghai Jiao Tong University - Osaka University, reached basic consensus in bilateral projects, student's exchange, and signed a memorandum of cooperation. Prof. Hidetoshi Fujii conducted academic exchanges with teachers and students on friction stir welding of magnesium alloy and magnesium alloy deformation.

Taiwan forging spinning hub project settled in Hebi, Henan
On July 8, Taiwan Ruihong held signing ceremony for its 1.5 million pieces forging spinning hub project in Hebi, Henan.

Hebi municipality said forging and spinning process for wheels has just started globally, and the project will enhance the core competitiveness of manufacturing industry in Hebi, play an assistant role in the development of automobile industry and magnesium industry, and become a strategic win-win cooperation.

Representative from Taiwan Ruihong said Hebi owns beautiful environment, convenient traffic, and great potentiality for economic development. Ruihong, as a famous wheel manufacturing enterprise, will build the project with high level planning and standard, and take practical action to thank the Hebi municipality for related care and help.

Magnesium alloy outdoor leisure articles by Zhejiang Hengfeng Top Leisure received affirmative response from Russian customers
News from Zhejiang Hengfeng Top Leisure said its first batch of magnesium alloy outdoor leisure products, after exported to Russia, received good customer response, and the second batch of orders has been under work, Mr.Zhangjinming, R & D director of the company, said "we are now busy with orders." revealing the joy in his words.

Zhejiang Hengfeng Top Leisure is a large export-oriented enterprise for professional design, development, production and management of outdoor leisure products. Registered with capital of 12 million US dollars, it is the largest outdoor leisure product provider in China, with main products including tent, mountaineering bags, outdoor meal package, outdoor furniture, and garden furniture. Its products sell well in Europe, Australia, Asia and other regions.

Suzhou Victory Precision plans to build Victory Park in Shucheng, Anhui
Suzhou Victory Precision announced on July 22, Suzhou Victory will build Victory Park in Shucheng, Anhui, with own funds. The plan was passed during the No.23 meeting of the second conferences of board of directors. The project, with less than 1.4 billion Yuan of investment, will be built in two phases, of which the first phase attracting 0.1 billion Yuan of investment. The project can be constructed by introducing new shareholders to set up a JV, but the shares owned by Suzhou Victory Precision should not be less than 70%.

Victory Precision mainly engages in stamping parts, metal structure, mould, hardware accessories, low voltage electrical appliances, injection molding, glass vacuum coating, notebook computer structure, touch screen, magnesium alloy parts, aluminum metal products, plastic materials and electronic products.

Taisol Electronics joins with the Japanese Shinsho and Kasatani to produce magnesium-lithium alloy stamping parts
Electronic components manufacturer Taisol announced it will establish JV with Shinsho and Kasatani in Suzhou, Jiangsu Province, for the production of Al-Li stamping parts, which is half the weight lighter than the magnesium alloy. The project will come on stream in Mid-Oct, with monthly output at 200K.

Mr. Yu Qingsong, Taisol chairman, said stamping business with Japanese partners in magnesium lithium alloy, is expected to assist Taisol technology upgrade, with early target at NEC 13 inch laptop, then at portable products, and finally at high-end components market.

Taisol said, of the JV named KTS with 0.3 billion Yuan of capital, Taisol will take 49% share, Kasatani 33.33%, and Shinsho 17.67%. By 2015, KTS will realize 1 million pieces of sale and further 1.6 million pieces by 2015, with annual revenue at 2 million yen.

Qinghai Saline Lake industrial intends to further input capital to Qinghai Saline Lake Magnesium Industry
On Jul 17, Qinghai Saline Lake Industrial announced that magnesium industry integration project, constructed by Saline Lake Magnesium Industry, is still in the period of construction, which neither come into product test nor have the flow capital, and lack the qualification of large-sum investment loan. Given these, Saline Lake Industrial, in order to guarantee the funds needed for the project construction, intends to provide financial assistance, with no more than 5.63 billion Yuan of capital, to Saline Lake Magnesium Industry.

The announcement said total investment for magnesium integration project was 19.8 billion Yuan at early budget, but adjusted to 27.9 billion Yuan following the second provisional shareholders meeting in 2012. According to agreement with investment institutes, only own funds in the magnesium integration project reach 30% of total investment, then remaining 70% of funds can be provide by investment institutes. So, Saline Lake Industrial intends to apply investment institutes for loan, and then transfers the loan to Saline Lake Magnesium Industry. Given 8.37 billion Yuan of registered capital and early 13.9 billion Yuan of financial assistance, the further capital input will be less than 5.63 billion Yuan.

Magnesium ingot price by Sunlight Metal unit: Yuan/t

	Fugu	Wenxi	Taiyuan	Ningxia	FOB (Tianjin) USD/t)
Apr. 5	14350-14450	14650-14850	14550-14650	14550-14750	2500/2600
Apr. 12	14600-14700	14900-15000	14800-14900	14800-15000	2530//2600
Apr. 19	14650-14700	14950-15000	14850-14900	14850-15000	2530//2600
Apr. 26	14900-15000	15200-15300	15100-15200	15100-15300	2530//2600
May 3	14900-15000	15200-15300	15100-15200	15100-15300	2530//2600
May 10	15000-15100	15300-15400	15200-15300	15200-15400	2530//2600

May 17	14900-15000	15200-15300	15100-15200	15100-15300	2530//2600
May 24	14750-14850	15050-15150	14950-15050	14950-15150	2500/2570
May 31	14400-14500	14700-14800	14600-14700	14600-14800	2500/2570
Jun 7	14400-14500	14700-14800	14600-14700	14600-14800	2500/2570
Jun 14	14550-14650	14850-14950	14750-14850	14750-14950	2500/2570
Jun 21	14500-14600	14800-14900	14700-14800	14700-14900	2490/2570
July 5	14600-14700	14900-15000	14800-14900	14800-15000	2490/2570
July 12	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570
July 19	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570
July 26	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570

Sunlight Metal collects and publishes daily ingot quotation and FOB price from key magnesium production regions objectively, independently and systematically. Being taken into account the viewpoints from both supplier and consumers, Sunlight Metal price, rationally reflecting the change in market, is the most authoritative in domestic magnesium sector for 5 years running. For more detail and inquiry, pls. contact us at info@chinamagnesium.net.

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The Japan Magnesium Association

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News in Japan

Domestic Magnesium Market - May, 2014

• News in Japan
AIST (National Institute of Advanced Industrial Science and Technology) has developed "New Photochromatic Mirror" controlling thermal condition of in-car space
(Source: Japan Metal Daily 20th May, 2014)

AIST announced completion of development of new photochromatic mirror with visible light transmissivity exceeding 70% in the transparence state. The transmissivity condition required for the windshield of cars is satisfied by coating an appropriate reflection prevention layer on the surface of the photochromatic mirror made from magnesium-yttrium alloy. The application to windows is expected for effective temperature control of in-car space.

The company considers pushing further research and development for the practical use including exposure test to evaluate weather resistance against the sunlight in future. This time development is intended to maximise the visible light transmissivity by coating titanium oxide on the surface of the photochromatic mirror using the magnesium-yttrium alloy. This will enable the visible light transmissivity of more than 70%, and reduction of the annual air-conditioning load that takes account of heating load as well as cooling load in the summertime.

Leica launched monochrome-dedicated digital camera in new colors
(Source: MyNavi-news 27th May, 2014)

Leica Camera Japan announced the new color of the digital camera "Leica M monochrome" for exclusive use of the monochromatic photography on 27th May. The one newly introduced this time is "Leica M monochrome Silver" with the silver chrome finish. The body is proud of the full metal of the magnesium alloy, and high robustness produced by applying machined brass to the top cover and the base plate.

Oriental Engineering will hold a presentation of new technology for energy-saving heat treatment
(Source: Die-cast Newspaper 30th May 2014)

Oriental Engineering will hold "New Technology Presentation 2014" that introduces energy-saving heat treatment facilities of the new development to the attendee in Saitama and Nagoya. The new surface-treatment system "Black Pearl Nite" for dies for aluminum, zinc, magnesium die-cast will be introduced about characteristics and further development. "Black Pearl Nite" won Nite" "2013 Materials Process Technology Centerâ€™s technique-encouraging prize."

N.B. Materials Process Technology Center is a national institute of METI. This new technology is highly evaluated by many users including major car manufacturers as the number of shots and quality stabilisation are materialised greatly beyond existing processing standards. This technology is an innovative high efficiency surface treatment technology since it is thought to be entirely different from the various conventional coating methods such as PVD, CVD, TD, and nitriding, oxidation, nitriding + oxidation and nitro-sulfurizing.

Shinsho Corporation sets up a joint venture in China for stamping business of magnesium-lithium alloy
(Source: Japan Metal Daily 17th June, 2014)
Shinsho Corporation participates in stamping business of the magnesium-lithium alloy (Mg-Li alloy) in China. Shinsho establishes a stamping business joint venture in Suzhou(China) together with Kasatani Corp. dealing with the production of the precision metal products and Taiwanese TaiSol Electronics, one of major operators in heat pipe module segment and plans to start production from August. The company supplies note PC covers to local electrical equipment manufacturers and aims at sales amount of 2 billion yen in 2015.

The stamping business company to be recently founded is "Suzhou Kasatani Precision Machine Electric Co., Ltd.". The new company establishment is scheduled in this June. The company introduces thermal servo stamping in July and starts production of covers and chassis for note PCs, tablets, smartphones in August and is ready to aim at selling one million pieces in 2015 and 1.6 million in 2016.

Kasatani of the joint venture has already established "a mass production technology of stamping" about the Mg - Li alloy sheets which is a difficult to forming material for the first time in the world, and Kasatani holds the sophisticated technique in the field. They have good delivery records with the major electrical equipment manufacturers in Japan and aim at the sales expansion by incorporating this strength into Taisol's sales network with makers in China and Taiwan. Shinsho Corporation participated in the joint venture with a view to apply this technology to automobile parts in the future. Kasatani is the manufacturer producing precision metal products and precision plastic products, founded in 1954.

The company has 2 factories in China (Tianjin, Zhongshan) and one in Malaysia in addition to their domestic base.

Kasatani is so active in developing new technologies that their stamping technique of magnesium won "the fifth manufacturing Japan award special prize" of the Ministry of Economy, Trade and Industry.

• **Domestic Magnesium Market - April, 2014**
(Source: April issue of Import/Export Statistics (customs clearance basis) of METI - Compiled by The Japan Magnesium Association)

• **Import**
Primary magnesium metal import was 3,532.8 tons in April 2014 (5.0% increase from the same month the year before), magnesium powder 644.7 tons (24.1% increase) and other products 116.2 tons (1,424.1% increase). Primary metal and other products on year-to-year basis continued increasing for five consecutive months from December of the last year and the powder increased after an interval of five months, too.

Regarding a breakdown of the primary metal, pure magnesium import was 2,894.5 tons (10.7% increase from the same month the year before), die-casting alloys 628.1 tons (15.0% decrease), and casting alloys 10.2 tons (508.5% increase).

Pure magnesium and casting alloys are indicating increase over the same period the year before, however the die-casting alloys on a year-to-year basis indicates negative.

The average import price of pure magnesium became 260.7 yen per kg in April, 4.5% or 12.7 yen lower than the previous month. The magnesium alloys price was 314.3 yen per kg, 2.5% or 8.2 yen lower compared to the previous month.

The total imports of January-April 2014 consist of 11,311.8 tons of primary magnesium metal (25.7% increase vs the same period the year before), 1,447.7 tons of magnesium powder (19.6% decrease) and 696.8 tons of other products (1,472.4% increase). This indicates favorable recovery of primary magnesium metal as well as remarkable increase of other products.

• **Export**
In April 2014, 0.004 ton of pure magnesium, 20.5 tons of magnesium alloys, 1.3 tons of magnesium powder/grain and 5.6 tons of other products (12.1% increase vs the same period the year before) were exported. In these, export to China and Taiwan was respectively 2.0 tons and 3.3 tons.

Any member wanting detailed information can look at the Association's website (statistics for exclusive use of the member).

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