

## 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@intlomag.org](mailto:info@intlomag.org).

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### ASSOCIATION NEWS

#### US Magnesium and Steelworkers Union Reach Agreement



##### US Magnesium LLC

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FOR IMMEDIATE RELEASE

August 26, 2014 - US Magnesium LLC announced today that it has reached agreement with the United Steelworkers of America, Local 8319, on a new five year labor contract. The package ratified by the USW on August 25 includes wage increases, modest increases in employee contributions to medical benefits and modifications to pension plans.

Mike Edmonds, Chief Financial Officer of US Magnesium, commented "The management team is pleased to have reached an agreement with the USW that provides labor stability for the Company as well as excellent benefits for the employees. This combination facilitates continued focus on our expansions of magnesium metal, chlorine and hydrochloric acid, providing more opportunities for the Company in the future."

US Magnesium is one of the Renco Group Family of Companies. The plant in Rowley, Utah processes minerals present in the Great Salt Lake to produce magnesium metal, chlorine, water purification chemicals, hydrochloric acid, and various salts used in deicing and fertilizer products.

For further information, please contact Susan Slade, Vice President of Marketing at US Magnesium LLC: (801)673-5652.

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#### Save the Date for the 72nd Annual World Magnesium Conference

Save the date for the International Magnesium Association's 72nd Annual World Magnesium Conference, May 17-19, 2015 at The Fairmont, Vancouver, BC, Canada.

Truly international in scope, this unique gathering successfully blends association business, presentations of technical papers featuring the latest industry innovations and market developments, recognition of the Awards of Excellence and Environmental Responsibility Award winners and participants, networking opportunities, and social activities.

For more information, please visit [www.IMAworldconference.org](http://www.IMAworldconference.org) often to receive the most up to date information. As detailed materials are available, they will be posted on the Conference website, including the Exhibitor and Sponsorship Commitment Form.

In addition, please watch for the Call for Papers which will be released soon!

If you have any questions or would like to contact the IMA Head Office, please call us at ++1-847-526-2010 or email us at [info@intlomag.org](mailto:info@intlomag.org). We hope to see you in Vancouver!

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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](mailto:afortman@tso.net)).

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## Welcome the newest IMA Member: CellMark Metals

The IMA is happy to introduce you to the newest IMA Regular member, CellMark Metals. For those of you who have not met Claes Lundman, please help welcome him and his colleagues as the IMA's newest member:

CellMark Metals  
Stockholm, Sweden  
Contact: Claes Lundman  
Email: [claes@sonacon-trading.com](mailto:claes@sonacon-trading.com)

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## Member News

[Spartan Light Metal Products Begins \\$17 Million Expansion At Its Mexico, Missouri, Manufacturing Plant](#)

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## Mg NEWS AROUND THE INDUSTRY

### 2014 Global and Chinese Metal Magnesium Industry Report

In August, [Research and Markets](#) published the "[Global and Chinese Metal Magnesium Industry Report 2014](#)". The report is a professional and in-depth study on the current state of the global metal magnesium industry with a focus on the Chinese situation.

The report provides a basic overview of the industry including definitions, classifications, applications and industry chain structure. Metal magnesium market analysis is provided for both the international and Chinese domestic situations including development trends, competitive landscape analysis, key regions development status and a comparison analysis between the international and Chinese markets.

Development policies and plans are also discussed and manufacturing processes and cost structures analyzed. Metal magnesium industry import/export consumption, supply and demand figures and cost price and production value gross margins are also provided.

The report focuses on thirty-one industry players providing information such as company profiles, product picture and specification, capacity production, price, cost, production value and contact information. Upstream raw materials and equipment and downstream demand analysis is also carried out. Metal magnesium industry development trends and marketing channels are analyzed. Finally the feasibility of new investment projects are assessed and overall research conclusions offered.

With 365 tables and figures the report provides key statistics on the state of the industry and is a valuable source of guidance and direction for companies and individuals interested in the market.

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### August Magnesium Review from Metal-Pages

The US magnesium market has started to show signs of upside movement amid a slight improvement in demand and news that Israel Chemicals Ltd (ICL) may close its Dead Sea Magnesium (DSM) subsidiary. Enquiries for spot material are slowly emerging after the summer slump and could gather momentum through the autumn as some consumers are not fully covered under full-year contract deliver requirements.

Reports of cheaper Russian metal being offered into the market are slowly drying up and underlying inventories remain thin on the ground. It comes as producers are well sold under contract agreements, while there is still a lingering tightness in the aluminium scrap market that has forced some alloyers to switch into magnesium. The market has also received an injection of activity following recent news that Beer Sheva-based magnesium producer DSM could close its doors in 2017 as operations become a drag on parent ICL's financial performance.

ICL last week confirmed the potential closure plan unless it can win a reprieve from a hike in taxes on natural resources. Although the news is not expected to have an immediate effect on the spot market, trade source believe that it could impact annual negotiations, which traditionally kick off next month. "there's no panic and we've been told it's very much business as usual. There'll be a huge pressure not to close the plant and concessions will probably be made to keep it running," said the trader. "But psychologically it could have an effect. It could be a good selling point for US Magnesium as people may want to get on their list sooner rather than later just in case it does close." DSM is a major supplier into the US magnesium market and is understood to supply about 20,000 tons a year into the US.

Supplies in the US remain snug as sole domestic producer US Magnesium remains well sold under contract and imports from countries like Russia and Kazakhstan continue to languish.

Elsewhere, in Europe, magnesium spot has been steady in the past couple of weeks after seasonally quiet business conditions. "There is enough support there from a stronger Chinese currency, which is limiting European import buying interest to an extent," one dealer said. China is the main supplier of magnesium metal to the European market; however its exports to the region slowed down this year, with shipments to the largest European trade destination Netherlands down around 12.4% in January-July, according to customs statistics.

The Chinese magnesium market has mostly resisted downward pressure of an absence of consumer buying from both domestic and Western markets. End-users are struggling with reduced production levels against tepid demand in China, where titanium sponge producers that consume magnesium as a reductant are operating at reduced rates due to slim margins. Overall titanium production capacity utilization in China is as low as 30-40%, down from 52-59% a year ago. Chinese exports of unwrought magnesium metal (Mg 99.8% min) picked up 3.7% to 18,446 tons in July, according to official Customs data, mainly on an increase in shipments to South Korea. China dominates world primary magnesium metal production, with the country's production exceeding 730,000 tons in 2012, equivalent to above 75% of total supply.

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## More Industry News

[US magnesium exports, imports diverge](#) (To read American Metal Market articles in full, register for a free trial: <http://bit.ly/freeAMMtrial>)

[How Manufacturers Are Adapting To Trends For The Urban Car](#)

[Nevada Clean Magnesium to Present at the National Investment Banking Association's 132nd Investment Conference](#)

[American Magna Announces New Claims and Future Plans on Bell Flat Property](#)

[Protect, Profit, Exit: Resource Investing Tips from MagPower's Chris Hilliard](#)

[Chris Hilliard of MagPower Systems: Varied Applications for Magnesium Batteries](#)

[Chris Hilliard of MagPower Systems Talks Innovative Battery Technologies](#)

[How Magnesium Alloys are Making Planes Lighter](#)

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## Mg NEWS AROUND EUROPE

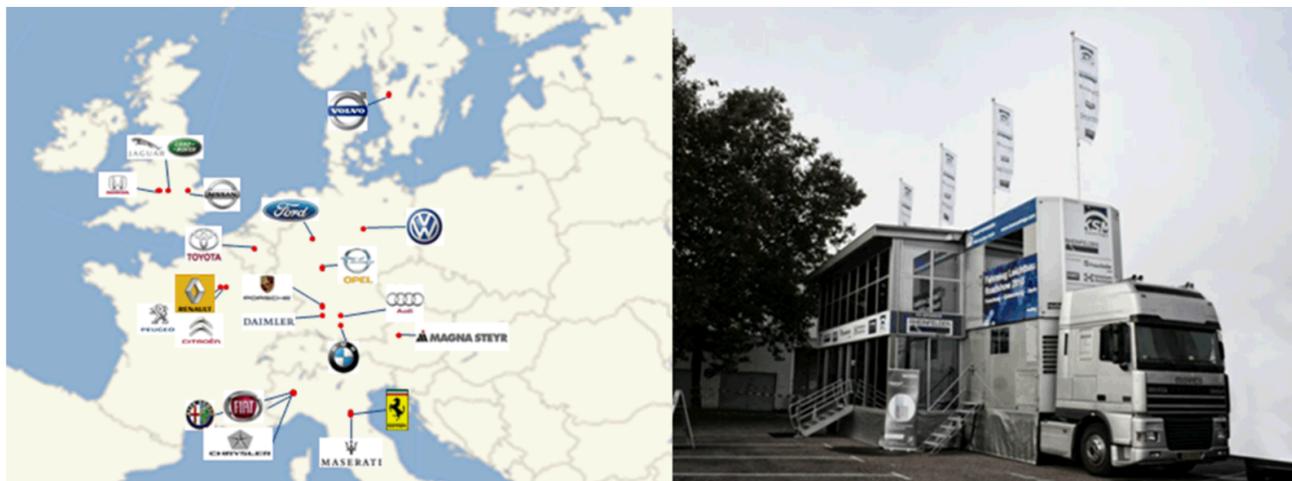
### AluMag's Multi Material Technology Roadshow May 2015

The AluMag Lightweight Roadshow is to be held May 4-13, 2015. The Roadshow will visit five to six different OEMs and/or Tier1s across Europe, which will be defined with the participating Technology Partners.

The AluMag Lightweight Roadshow is the only mobile technology expert exhibition with symposium in Europe. The Roadshow will take place on a "140 sqm large and two-tier" trailer that will feature product booths from different Technology Partners, hospitality and forums on the ground floor and technology lectures on the upper floor.

The Multi Material Technology Roadshow 2015 offers an opportunity for up to nine partners to visit five or six Automotive OEMs and/or Tier1s directly on-site. As Technology Partner you have the benefit to present your company as one of the top suppliers and show cast your newest developments, materials, products and processes.

The subject of the Roadshow is the central theme "Lightweight" for different applications in order to meet the requirements of weight reduction, component solutions and integration.



#### Benefit

- On site of five to six different OEM R&D Centers and/or Tier1 R&D Centers
- Targeted show casting of your developments, materials, products, processes
- Technical paper presentation by each Technology Partner
- Open and pleasant atmosphere for talks - interchange - build-up relationship - business
- Inspiring customers about your advanced lightweight concepts / knowledge
- Access to high level manager and directors as well as decision makers
- VIP tours at some OEMs and/or Tier1s will be organized
- Contact details of registered dialogue partners are provided in an excel after the Roadshow
- Benchmark event in cost-benefit ratio - time efficiency - technology and business talks
- Highly efficient in branding, establishing and maintaining contacts on a broad base
- Fully organized, from departure to arrival

#### Who should participate

- Leading lightweight technology companies in carbon, composite, fibre glass, magnesium, aluminium, high strength steel, reinforced fibre and plastics as well as organo sheets
- Laminates-, Cutting-, Forming Treatment as well as Surface Treatment
- Mechanical and adhesive Joining technologies like bonding, fastening, welding,.....
- Companies from the sectors Engineering - Technical Calculation - Evaluation / Validation - Prototypes

For more information on the AluMag Roadshow click [here](#).

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### More News Around Europe

[Israel Chemicals to close magnesium factory, fire 550 workers](#)

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## Mg NEWS AROUND ASIA

### August China Magnesium Industry and Market Bulletin

#### High performance magnesium alloy project attracts attention again and enters into the catalogue of encouraged industries in west China

On August 20th, National Development and Reform Commission issued the catalogue of encouraged industries in west China, which was approved by the State Council and will be effective as of October 1, 2014. As seen by Sunlight Metal, high performance magnesium alloy has drawn national attention, and entered into the encouraged industry in west China.

According to the Commission, the catalogue means to further implement the development strategy in west China, and promote the adjustment of industrial structure,

characteristics and advantages.

The new catalogue is listed by province, autonomous region and municipality directly under the central government, and subjects to timely revision according to the actual situation.

6 regions include magnesium alloy as encouraged industry in west China as follows:

1. Chongqing
  - o Casting light alloys;
  - o Deep-processing magnesium alloy
  - o Manufacturing motorcycle and parts
  - o R & D and manufacturing of notebook computer, communication products and key parts
2. Guizhou
  - o R & D and production of high performance magnesium alloy
3. Shaanxi
  - o R & D and production of high performance magnesium alloy
4. Gansu
  - o R & D and production of high performance magnesium and titanium alloys
5. Qinghai
  - o R & D and production of high performance magnesium alloy
  - o Comprehensive utilization of saline resources potassium, sodium and lithium and the application of related by-products.
6. Ningxia
  - o R & D and production of high performance magnesium alloy

West China, including Shaanxi, Ningxia and Qinghai, is the production base of magnesium and magnesium alloys, while Chongqing is an important area of magnesium alloy processing and R & D. This adjustment will remedy some shortcomings in the industrial policy, provide a clear support for the magnesium alloy industry in the west China, and is conducive to promoting industrial transfer and industrial upgrading.

*By Dongchunming, Sunlight Metal*

#### **Four (4) magnesium enterprises enter into top 500 private enterprises in China**

On August 18th, National Federation of industry and Commerce held conference in Beijing and released top 500 private enterprises for year 2014 in China, including top 500 private manufacturing enterprises. Four (4) magnesium enterprises were listed, Dunan Holding, Loncin Holding, Wanfeng Auto Holding, and Fugu Coal & Chemical.

Dunan Holding is a comprehensive enterprise group, engaging in the advanced manufacture, chemical industry, new energy, new materials, real estate development, resource development, investment management, and modern agriculture. Dunan invests circular economy industrial chain of both magnesium and magnesium alloy, and constructs Ningxia Sun Magnesium, Jinsheng Magnesium in Xinjiang, and Jinshi Magnesium in Inner Mongolia. Also, the Dunan operates Dunan Light Alloy Technology for magnesium alloy die casting in Zhuji.

Loncin Holding mainly embanks on industrial, financial, real estate business, and Chongqing Magnesium is its subsidiary.

Wanfeng Auto Holding is a private and large-scale international group, covering auto parts, machinery & equipment, financial investment, new energy, and new material industry. Holding Weihai Wanfeng Magnesium, Wanfeng Auto acquired Meridian in October last year, the global leader with 6 production plants in the world for magnesium alloy auto parts.

Fugu Coal & Chemical, founded in 2009 through resource integration and capital restructuring of 119 local coke enterprises, is a large scale group with 12 subsidiaries, and engages in coal, coke, tar, magnesium, calcium carbide, ferrosilicon, electric power, cement and lime.

Sunlight Metal believes that upstream- and downstream-coordinated development of magnesium industry will emerge through either expansion and strength improvement of magnesium producers or the entry into magnesium industry by manufacturing enterprises. And that more magnesium producers enter top 500 is expected.

Rank in top 500 private enterprises	Rank in top 500 private manufacturing enterprises	Company	Income (billion Yuan)
56	38	Duncan Holding	43.63
163	112	Loncin Holding	23.98
328	210	Wanfeng Auto Holding	13.05
-	360	Fugu Coal & Chemcial	6.93

#### **Yunhai Special Metals sees shrinking income from magnesium alloy but up from die casting**

Nanjing Yunhai Special Metals, the key magnesium alloy producer, recently announced its H1 (2014) report. During the report period, Yunhai Special Metals achieved operating income of 1.62 billion yuan, down 6.25% y-on-y. Though sales increased slightly, operating income decreased slightly because of changes in the structure of product sales with higher share in the processing material trade from customers, and declining product price. Net profit, belonging to the owner of the parent company, hit 14.8 million yuan, up 38.04% y-on-y, mainly because of strengthening the cost management, improving gross margin and slight expanding sales.

During the reporting period, the company's revenue fell slightly, down 6.25% y-on-y, mainly because product sales increased slightly, but its sales structure change and market sale price declined. During the reporting period, operating costs fell slightly, down 8.45% y-on-y, mainly because the company carried out R & D of new technology and strengthened cost management.

During the reporting period, the company's sales costs rose slightly, up 8.01%, mainly due to an increasing sales; management costs rose, up 16.82%, mainly caused by the increase of R & D costs; financial costs rose slightly, up 6.26%, mainly due to the loan interest rate; income tax rose, up 14.9%, mainly because the profit increased; net cash flow generated from operating activities increased, up 452.32%, mainly because the company increased the recovery efforts for accounts receivable and reduced product inventory; net cash flow from investment activities increased by 14.89%, mainly because fixed assets, purchased and built, decreased over the previous year; and net cash flow from financing activities decreased by 616.02%, which was mainly to repay more bank loans over the previous year.

In the product structure, magnesium alloy products achieved sale revenues of 418.2 million yuan, down 13.24% y-on-y; gross profit 42.49 million yuan, accounting for 28.05% of main business income, down 11.59% y-on-y.

By the announcement, as of late 6, Anhui Chaohu 100kt/a of magnesium alloy project had an investment of 0.5099 billion yuan, equal to 77.64% of total investment. During H1 (2014), the project operated at loss of 3.89 million Yuan; Guangdong Huizhou 30kt/a of magnesium alloy and 3kt/a of die casting project, under construction, had been invested 17.4 million yuan, accounting for 9.57% of total investment.

Also, the company intends to set up Jingzhou Yunhai Precision Manufacturing with its own funds investment. The project will cost 30 million yuan, with 18 million yuan of registered capital and 300/a of magnesium alloy precision castings and aluminum alloy precision casting.

*By Luoshejuan, Sunlight Metal*

#### **Chen Ailian, chairman of Wanfeng Auto, talked about the acquisition of Meridian**

Recently, Chen Ailian, Wanfeng Auto's chairman, accepted the interview of Automotive News reporters, and introduced Wanfeng's cross-border acquisition - taking over

Meridian of Canada. In the interview, she described the acquisition, and firstly mentioned the standard and idea of Wanfeng's overseas acquisitions.

### **Cross-border acquisition within 3 months**

The acquisition of Meridian, regarded by Wanfeng, was the comprehensive internationalization and implementation of key structural optimization strategy of transformation. "The acquisition of Meridian is based on Wanfeng's strategic orientation, but also on the future development trend of the automobile industry. Wanfeng, over the past 20 years with China's auto market growing rapidly, has become a biggest production base for global automotive aluminum alloy wheels, and benchmark for this market. But Wanfeng, in the future, doesn't be a single but a modular champion for automobile parts industry." She told reporters, Wanfeng has been looking for a suitable acquisition target.

As the global leader in the field of magnesium alloy, Meridian became the ideal goal for Wanfeng to achieve international acquisition. Meridian, founded in 1981, develops, in terms of both products and technology, on behalf of the industry trend of China's automobile lightweight industry, and 60% of raw materials are from China.

Meridian has 6 production bases and global R & D center in Canada, Britain, Mexico, China and America; enjoys high reputation in the field of magnesium alloy parts of automobile, and establishes long-term cooperation with Tesla, Porsche, Audi, Mercedes Benz, BMW, Volvo, Land Rover, Toyota, Honda, Ford, GM and Fiat. Its annual sale accounts for 65% of magnesium alloy auto parts in North America. "It can be said, through the overseas acquisition, Wanfeng not only realizes product upgrading and transformation, but also takes the leading role in global magnesium alloy technology and market." Chen Ailian said.



Decision efficiency, during the deal, must be mentioned as Wanfeng completed the acquisition in 3 months, resulting from both sincere cooperation and flexible advantage of private enterprise, but more importantly, it is because Wanfeng's takeover coincided with the national administrative system of decentralization that we won the precious time for taking over Meridian. Chen Ailian said, the acquisition project, if done a few years ago, would last 5-6 months for relevant departments to examine and approve, and now it only lasts 5 working days for National Development and Reform Commission to reply, and 1 day for Ministry of Commerce to complete the examination and approval. The fast approval from various ministries and commissions and the high efficiency satisfied the managerial team of Meridian. Chen Ailian said, through this acquisition, Wanfeng enjoyed the advantage of streamlining administrative procedures from the new-generation central government.

### **Value of Meridian operation**

When Wanfeng acquired Meridian for 1.53 billion yuan, outside media thought it as less profitable. However, in Chen Ailian's view, this is a better bargain, as Meridian's value is far more than that. "From a long-term development strategy, Meridian industry vitality and value and is not proportional to the current price. Its value is very high. It can not only be stronger, but also lasts for a long time." Chen Ailian told the reporters, the industry value of acquired enterprise is the most important for Wanfeng's overseas acquisition. The so-called industrial value is mainly manifested in the life cycle of the industry, the enterprise status in the industry and market prospects for the future. According to our estimates, magnesium alloy industry will see huge growth potential, especially in our country; it can last at least for 30 to 50 years." Chen Ailian said, at present, the sale volume from Meridian in our total sale volume is not worth mentioning, but China will see fast growth for magnesium alloy from aviation and aerospace fields. She thinks market for magnesium alloy will be very broad in China.

Chen Ailian said, "We operate Meridian for less than a year, but Meridian's profitability and business indicators are far better than expected. Reportedly, the project, with large potentiality and very strong vitality, will create over 10 billion yuan of sale in the future.

### **Focus the acquisition of "big traffic" - related operations**

In Chen Ailian's view, the acquisition of Meridian is not only the process of Wanfeng's internationalization, but also fills the blank of domestic application field of deep processing magnesium alloy. Through transnational M & A and the introduction of the world's most advanced process, China will transfer from the big country of magnesium resource to the powerful country of magnesium resources, and realize the economic transformation of the enterprise.

Lightweight development trend of automobile will drive the development of auto parts industry of magnesium alloy. Chen Ailian said, domestic magnesium alloy market will grow broadly not only in the automotive industry, but also more in aviation, and aerospace fields.

Chen Ailian said, as long as the time is right, Wanfeng will continue to acquire oversea assets. The M & A will always adhere to three principles: firstly, insist on doing what Wanfeng does best, and acquire high-quality assets related to aerospace, aviation and land transport; secondly, acquire the high-quality assets that are worth over 2 billion yuan with advanced technology and dominant market position; and thirdly, the acquisition of object must be based on a reasonable price to achieve a win-win result.

### **Pay more attention to the cultural integration upon acquisition**

Meridian has nearly 2000 employees at present, and how to realize the cultural integration upon acquisition decides the future development of enterprise.

In April this year, Chen Ailian led the managerial team and made a special trip to Meridian's production bases in America, Canada and Mexico. In each factory, she held a meeting, listened to the ideas from local plant management team, and helps them solve business problems, including increasing investment, optimizing the market and mapping out strategy. By solving the problem through the on-site offices, Wanfeng executive team made Meridian's managerial group realize the acquisition of Meridian by Wanfeng will further strengthen and consolidate Meridian. Following the completion of the acquisition, Meridian, once running at 70% of its capacity, soon resumed full production. In order to better promote the cultural exchanges between the two sides, Wanfeng will also organize foreign employees to communicate, so that they can better understand China's market and culture. Chen Ailian said, "This will be a long-term project. Cultural integration will give way to better integration of both technology and capital."

### **Ju Teng International Holdings' magnesium alloy casing production base in Chongqing will be put into production**

Ju Teng International Holdings' Chongqing production base, locating in Teng Qiaoting Industrial Park Development Zone, will be the world's largest producer for notebook computer shell. As of late 8, the civil engineering project was completed and on Sept.15 will be officially put into operation. Then, the Chongqing will see its first piece of magnesium alloy notebook computer casing.

Ju Teng International Holdings, initiated in 2000 by Zheng Liyan, Zheng Liyu and Hong Zaijin as three original shareholders, is a professional manufacturer of 3C products, with production based in East and South China, and Taiwan. The main customers include well-known brands at home and abroad and OEM/ODM suppliers. Its product takes more than 30% of notebook computer casing market share globally. As a benchmark in this field, Ju Teng International Holdings is listed in Hongkong in 2005.

### **Tianyu magnesium groups' reduction tank factory goes through trial production**

On Aug. 6th, Tianyu Metallurgical's reduction tank factory, owned by Tianyu Magnesium, went into trial production, and the first reduction tank rolled out of production line as expected. The new reduction tank project is located in coke-concentrated area in Fugu.

Tianyu Group owns both Xiyuan Chemical and Tianyu Magnesium. They both boast primary magnesium production line with 50kt/a of total capacity and 2256 reduction tanks. At full production, they consume 12000 to 15000 reduction tanks annually.

The project takes waste reduction tank from Tianyu Magnesium as raw material, coordinated by both manganese and Fe-containing chromium, adopts intermediate frequency coreless induction furnace for melting process, and produces thermal resistance reduction tank by centrifugal casting manufacturing. Its products mainly find application in Tianyu group's magnesium plants.

### **Magnesium alloy counter gravity casting technology project by Shenyang Research Institute of Foundry won the national funding**

On Aug. 6, Industry Development Department of China Academy of Machinery Science and Technology held inspection meeting in Beijing for 2014 national major science and technology achievement transformation projects in Beijing.

During the 2012, high quality aluminum and magnesium alloy counter gravity casting technology project by Shenyang Research Institute of Foundry was granted with

funds for national major scientific and technological achievements transformation project. Totalling 53 million yuan of funds were allocated by Shenyang Research Institute of Foundry, Zhengzhou Machinery Research Institute and Wuha Institute of Materials Protection. After more than two years of unremitting efforts, the project went through the examination and approval organized by the Ministry of Finance for 2014 assessment on both completed and in-progress projects, and obtained the nationally financial support funds.

#### Suzhou Victory Precision Manufacture saw the financial growth from magnesium alloy segment

On Aug.21, Suzhou Victory Precision Manufacture announced the H1 (2014) report. The company realized 1.339 billion yuan of operative income, up 37.1%, and 80.49 million yuan of net profit, up 70.83% y-on-y. Victory Precision Manufacture promotes magnesium alloy industry, with its magnesium alloy products mainly used in notebook computers, especially for both Lenovo and Samsung.

Victory Precision Manufacture, founded in 2003, and listed in 2010 on Shenzhen Stock Exchange, is a comprehensive group with R & D, precision tooling, parts manufacturing, and assembly. Its main business lies in the structural module for both flat-panel TV and notebook computer. Victory Precision Manufacture, awarded with both Excellent Supplier for both Sharp and Haier, establishes strategic cooperation with Lenovo.

#### Output of primary magnesium in July in China (Unit: kt)

Region	June	July	SubTotal (Jan.-Jul.)	Change of SubTotal (%)
Shaanxi	39.6	39.8	21.39	.86
Shanxi	23.2	21.5	14.5	-2.47
Ningxia	6.1	6.2	5.81	-11.83
Xinjiang	2.9	3.2	2.38	73.4
Henan	5.5	7.4	3.21	22.4
Jilin	0.6	0.6	0.42	-8.4
Sichuan	0.5	0.5	0.28	203.4
Inner Mongolia	1.1	0.4	0.23	0.26
Qinghai	0.5	1.1	0.25	94.5
Liaoning	12.7	1.1	0.47	7397
<b>Total</b>	<b>92.8</b>	<b>81.7</b>	<b>48.95</b>	<b>1.96</b>

Source: China Magnesium Association

#### Export grew up 7.82% from Jan. to Jul.

Data from China Customs indicated that export of magnesium products, from Jan. to Jul., hit 256.1kt, up 7.82% y-on-y, of which ingot closed at 130.3kt, up 4.89%; alloy at 64.9kt, up 10.71%; powder at 52.7kt, up 8.08%; waste and scrap at 2.1kt, up 1153.66%; semis at 2.2kt, down 15.73%, and article at 4kt, up 24.88%. As shown, foreign demand grows up. From Jan. to Jul., export of magnesium products maintained uptrend, especially waste and scrap. However, growth rate of ingot export shrank furthermore, while alloy, powder and article all rose to some extent, but semis lagged behind as compared with last year.

By Luoshejuan, Sunlight Metal

#### Export of magnesium products closed in July in China (Unit: t)

Item	Magnesium unwrought (min.99.8%)	Other magnesium and alloy unwrought	Waste and scrap	Magnesium raspings/turnings/granules according to size & powders	Magnesium wrought	Magnesium articles	Monthly total
HS code	81041100	81041900	81042000	81043000	81049010	81049020	â€€
Jan.	21732	12595.3	242.4	9304.7	490.1	476.2	44840.7
Feb.	11844.3	5898.5	209.7	3911	209.8	393.9	22467.2
Mar.	24607.2	9323.1	447.8	8858.7	512	389.5	44138.3
Apr.	20023.5	8624	147.9	9074.5	319.8	643.2	38833
May	16793.5	9041.1	433.7	7373.1	190.3	963.2	34740.9
Jun	16949.8	10150.8	286.4	7278.9	234.2	619.5	35519.7
Jul	18445.9	9232	289.9	6862.9	196.9	507.8	35535.5
<b>Total</b>	<b>130342.3</b>	<b>64864.9</b>	<b>2057.9</b>	<b>52663.8</b>	<b>2153.1</b>	<b>3993.3</b>	<b>256075.3</b>

#### Magnesium ingot price by Sunlight Metal (unit: yuan/t)

	Fugu	Wenxi	Taiyuan	Ningxia	FOB(Tianjin) USD/t
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	14550-146500	14850-14950	14750-14850	14750-14950	2500/2570
Jun.21	14500-14600	14800-14900	14700-14800	14700-14900	2500/2570
Jun.28	14500-14600	14800-14900	14700-14800	14700-14900	2500/2570
Jul. 5	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570
Jul.12	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570
Jul.19	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570
Jul.26	14600-14700	14900-15000	14800-14900	14800-15000	2500/2570
Aug.2	14500-14600	14800-14900	14700-14800	14700-14900	2490/2560
Aug.9	14500-14600	14800-14900	14700-14800	14700-14900	2490/2560
Aug.16	14350-14450	14650-14750	14550-14650	14550-14750	2480/2550
Aug.23	14350-14450	14650-14750	14550-14650	14550-14750	2480/2550
Aug.30	14350-14450	14650-14750	14550-14650	14550-14750	2480/2550
Sept.6	14350-14450	14650-14750	14550-14650	14550-14750	2480/2550

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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**Domestic Magnesium Market - May, 2014**

**News in Japan**

**Energy Genesis Cycle Inc. (EGC) developed a magnesium battery enabling smartphone charge with one piece of magnesium sheet**

*(Source: Chunichi Newspaper 10th June, 2014)*

EGC, located in Takatsu-ku, Kawasaki-City, announced on 10th June that they developed a small battery generating electricity by inserting a small magnesium sheet slightly smaller than business cards. This battery will make it possible to charge for smartphone of approximately one day duration by one piece of sheet. The small battery is 5 millimeters thick, 70 millimeters long, 50 millimeters wide and weighs about 15 grams.

It consists of the 2 gram and 0.5 millimeter thick magnesium sheet inserted between two thin carbon electrodes developed by a U.S. company and filling salt water.

It can be repeatedly used by changing the sheets.

Takashi Yabe, professor of Tokyo Institute of Technology and the company's board chairman, has proposed the magnesium battery.

**Dell announced two tough notebook PC models also available the military use**

*(Source: MyNavi-news 17th June, 2014)*

Dell announced on 16th June the launch of both the "Dell Latitude 14 Rugged Extreme" notebook and the "Dell Latitude 12 Rugged Extreme" convertible notebook as the tough notebook PC "Dell Latitude Rugged Extreme" series enduring severe conditions.

Both models are made from impact-resistant ultra-polymers and strong magnesium alloys, with sealed doors, gaskets, and backlit keyboard, and have durability against extreme temperatures, moisture, sand and dust, shock from drops, and more.

The company tested them by an independent inspection company and acquired the certifications of "MIL-STD-810G", "IP-65", "461F", and "ANSI/ISA.12.12.01" from the certification authority.

**Fuji Light Metal Co., Ltd. developed magnesium alloy narrow tubes to enter into the stent market**

*(Source: Japan Metal Bulletin 19th June, 2014)*

Fuji Sash Co., Ltd. announced on 18th June that Fuji Light Metal Co., Ltd., subsidiary company of Fuji Sash, developed a technique to produce magnesium alloy narrow tubes applicable to medical stents in cooperation with national institute of Advanced Industrial Science and Technology (AIST).

This technique makes it possible to extrude magnesium pipe with 3 millimeter diameter, which is the same diameter as human arteries, to more than 1 meter length with wall thickness accuracy less than 8%. In the prior technique, extrusion seam appeared, and the metal structure was non-uniform, too.

As for the stent, stainless steel is main-stream now, however according to Fuji Light Metal, the human body may well recognize it as an alien substance and therefore the second surgery is needed in some cases. Under the circumstances, magnesium receives attention since it is one of the indispensable elements for normal functioning of the human body.

The stent is required the same diameter as the artery and uniform wall thickness because it is expanded in blood vessels after inserted into an artery.

It was very difficult to satisfy such requirements by conventional forming method due to magnesium's poor plastic formability.

In particular, in the method to produce hollow pipes with the die called "Porthole" reducing the thickness was very difficult. Besides, there was a problem that an extrusion seam was formed because magnesium flowed separately into the top and the bottom of the cavities and after that merged together.

Therefore, Fuji Light Metal and AIST adopted a new die structure not to form extrusion seams. The company succeeded in making a magnesium alloy tube 3 millimeters in diameter more than 1 meter in length with plus or minus 4% wall thickness accuracy by improving the processing conditions and the lubricating oil. They plan to ship samples to European and American stent makers, and will aim to put it in practical use in future.

**Nexus Co., Ltd. unveiled a new glossy metallic coating on the magnesium alloy products**

*(Source: Sokeizai News 1st July 2014)*

Nexus Co., Ltd. developed a new coating technology enabling expression of metallic glossiness on magnesium cover and unveiled it at Next-Generation Car Exhibition held in the Tokyo Big Sight in the middle of June.

Although magnesium is a metal, it had a disadvantage as it looks like plastic due to so called heavy makeup made by corrosion resistance treatment, puttying, and multiple coatings.

**Slik Corporation announced a new AMT tripod "Professional 700 LE4-TI" having both light weight and more than 2m high**

*(Source: My-Navi News 4th July, 2014)*

Slick released a new AMT tripod "Professional 700 LE4-TI" more than 2m high from 11th July. "Professional 700 LE4-TI" is a tripod made of AMT alloy consisting of aluminum, magnesium, titanium. It is equipped with 4 leg sections and can set up a camera to an altitude of up to 2m.

**Domestic Magnesium Market - May, 2014**

*(Source: May issue of Import/Export Statistics (customs clearance basis) of METI - Compiled by The Japan Magnesium Association)*

## Import

Magnesium metal import was 2,281.2 tons in May 2014 (23.3% decrease from the same month the year before), magnesium powder 503.2 tons (3.1% decrease) and other products 420.9 tons (1,359.0% increase). The metal category which year-to-year basis increased for 5 consecutive months declined, but the powder category showed decrease again. On the other hand, as to other products, large import expansion from China continues, and import increased by more than 10 times from the year earlier.

Regarding a breakdown of the metal, pure magnesium import was 1,960.4 tons (19.2% decrease from the same month the year before), die-casting alloys 315.2 tons (42.7% decrease), and casting alloys 5.6 tons (858.1% increase). Pure magnesium and die-casting alloys indicated big decrease over the same period the year before, however casting alloys increased continuously.

In May, average import price of pure magnesium became 260.7 yen per kg, almost at the same level as the previous month. Magnesium alloys price was 326.9 yen per kg, 4.0% or 12.6 yen higher compared to the previous month.

The total imports of January-May 2014 consist of 13,593.0 tons of magnesium metal (13.5% increase vs the same period the year before), 1,950.9 tons of magnesium powder (9.6% decrease) and 1,117.7 tons of other products (1,527.7% increase). This indicates favorable recovery of magnesium metal while it followed that the large increase in other products continued despite a detailed factor being unknown.

## Export

With regard to the magnesium export in May 2014, pure magnesium and magnesium alloys becomes zero. 1.5 tons of magnesium powder/grain is exported to Singapore and Vietnam. 3.1 tons of other products (8.7% decrease vs the same period the year before) were exported and 2.7 tons of 3.1 tons were exported to China.

From January to May 2014, 40.7 tons of pure magnesium and magnesium alloys were exported in total (77.8% decrease vs the same period the year before). 2.8 tons of magnesium powder (392.0% increase) and 13.4 tons of other products (15.3% decrease) were exported. Export is in low gear.

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

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## More News Around Asia

[Meizu MX4 to have a Magnesium alloy body](#)

[New Renault Samsung SM7 uses magnesium in mass market's first](#)

[Rechargeable magnesium battery developed at IICT](#)

[CSIR Institute Claims Breakthrough in New Magnesium Battery; Global R&D Firms Silent Still](#)

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## Upcoming Events

Visit the [Events and Industry Calendar](#) for upcoming event registration and program details, and watch for email alerts for the latest information!

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