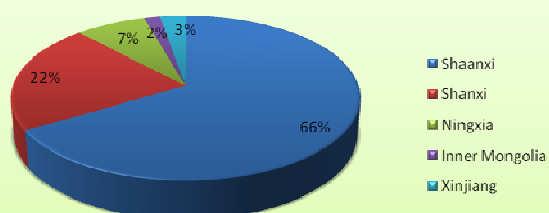


AM Statistics: Chinese magnesium ingot inventory increases 36.5% MOM in November

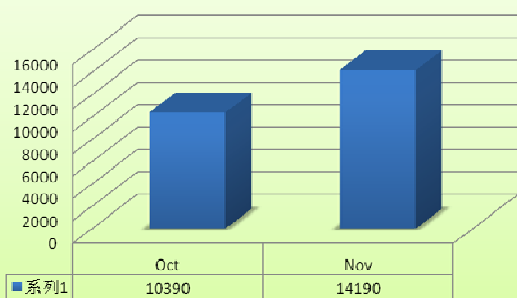
BEIJING (Asian Metal) 14 Dec 15 - According to statistics from Asian Metal, the total output volume of magnesium ingot was about 58,200 tons in November, a month-on-month decreased of 0.2% compared with the output in October. The output in Shaanxi was about 38,650 tons, accounting for 66%; Shanxi produced about 12,550 tons, ranking for second and accounting for 21.5%; Ningxia produced 4,400 tons, Xinjiang 1,600 tons and 1,000 tons in Inner Mongolia.

Chinese magnesium ingot output distribution in November



By the end of November, the inventory of magnesium ingot was about 14,190 tons in China, a month-on-month increase of about 36.5%. The stocks in Shaanxi were about 11,390 tons, a month-on-month increase of about 53.5% compared with 7,420 tons in October; at the same time, by the end of November, the stocks in Shanxi were about 2,050 tons, a month-on-month decrease of about 9.6%.

Chinese magnesium ingot inventory in Oct-Nov



Entering November, magnesium ingot prices decreased continually. The mainstream offers went down by about RMB250/t by the end of this month. In the beginning of November, Shaanxi magnesium ingot producers tried to hold firm offers at RMB12,300/t ex works and RMB12,500/t ex works with D/A. But slow demand and pessimistic attitudes from insiders influenced the market transactions. Meanwhile, high operation rate from suppliers also made

price alliance hard to be realized. Thirdly, tight funds from suppliers could be another reason on price decline. Given these situations, slack transactions could be seen in magnesium ingot market and stocks from Shaanxi increased sharply, while the stocks in Shanxi was in low level on constant transactions.

It is expected that the stocks of magnesium ingot will keep increasing in December owing to weak demand but high operation rate.