

Global Stainless Steel Production

The Global Stainless Steel Production exceeded 32 mill t in 2010 for the first time. The stainless steel industry has left the crisis behind, at least from a global per-



Photo by Andreas Morlok, Pixelio

spective. Production 2010 reached a new record of 32.2 mill tonnes on a crude

steel basis according to Austria based consultancy SMR, Steel & Metals Market Research. The share of 300 Type grades (Nickel Austenitic) was 57.5% in 2010. The surprisingly high volume (most industry specialists expected a number closer to 30 mill t) results from a stronger than expected production in the non-organized sector in India and the private producers in China, explains Markus Moll, SMR's managing director. For 2011, a moderate production growth to 35 mill t (+7%) is expected. According to SMR's figures the Chinese crude stainless steel production reached 11.8 million tonnes in 2010 (up 7 % from 11 million t in 2009) and the Indian production 2.9 million tonnes respectively (up 12 % from 2.61 million tonnes in 2009).

Economic Recovery Increasingly Self-Sustaining

A continuation of the economic recovery is currently underway in the EU. While the recovery is becoming increasingly self-sustaining at EU level, progress across Member States remains uneven, reports the European Commission. The recovery also appears to be broad-



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ening out, whereby the pick-up in exports starts to spur investment demand. GDP is projected to grow by around 1.34% in 2010-11 and in 2012. A better-than-expected-performance so far this year underpins the significant upward revision to annual growth in 2010 com-

pared to the spring forecast. However, amid a softening global environment and the onset of fiscal consolidation, activity is expected to moderate towards the end of this year and in 2011, but to pick up again in 2012 on the back of strengthening private demand. The contribution of net exports to GDP growth is set to diminish over the forecast horizon; and the contribution of domestic demand to increase, owing to a gradual firming of investment and private consumption growth. As for private consumption, a slowly improving employment outlook, moderate income growth and subdued inflation underlie the projected pick-up in private consumption. In 2012, an annual GDP growth rate of around 2% is foreseen.

AIFI Seeks Level Playing Field

The Association of Indian Forging Industry (AIFI) has asked the government to provide a level playing field so that the sector can match their Chinese rivals in the domestic and international markets. The sector is looking to post up to 25% growth in the next fiscal. The price of domestic steel, which accounts for 70% of the raw materials cost in the industry, is up to 12% higher than international prices as a result of taxes; India's Chinese competitors benefit from export incentives offered by their government. The AIFI would like to see the domestic steel prices brought down to the level of the Chinese price and they would also like incentives on exports. The INR 13,200 crore forging industry has undergone about 70% growth so far in this fiscal and the same is expected to continue in the last quarter.

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Betty Hammond, Editor
b.hammond@kci-world.com

Growth in Eurozone

Growth accelerated in both manufacturing and services in the Eurozone, reports Markit Economics, with the former seeing the stronger

rate of increase. Manufacturers saw the largest rise in output for six months. Meanwhile, services saw ac-

erage. Outside of these two core countries, output growth remained close to stagnate with new orders falling mar-



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tivity growth recover to just below November's three-month high.

Germany is leading the growth, which is reported well above the Eurozone average. In fact, growth in Germany hit a record high, boosted by a peak in services and strong order book growth. Output growth also picked up in France, although here it was marginally above the Eurozone av-

erage. Outside of these two core countries, output growth remained close to stagnate with new orders falling mar-

ginally for the fourth time in the past five months and weaker demand for services offsetting improved sales in manufacturing. The increased rate of growth of incoming new business caused backlogs of work to rise at the fastest rate since June 2007, with a surge in services helping to close the gap on the still-strong rate of increase in manufacturing.

Korean JV Helps Overcome Price Swings

Korea Resources Corporation, two local private firms, and the Noble Group will build a ferronickel smelting plant in Donghae, Gangwon. The KRW 120 billion JV will ensure a steady supply of ferronickel, helping Korea overcome sharp fluctuations in the supply of the material caused by price swings. The joint project is scheduled to commence in March 2011 and includes the

full manufacturing process from securing raw ore and smelting to production and marketing. Noble will be responsible for supplying raw ore for the short term while Kores will be responsible for developing overseas mines for the long term. Enertec and Union Corporation will oversee smelting and production. The plant will produce 75,000tns per year by 2012.

More Stainless Castings for China & Hungary

Wecast Industries Inc. will expand its foundry in China in order to produce more stainless steel castings, and its plant in Hungary to produce castings in stainless and Ni-Resist alloys. Westcast currently owns foundries in Wingham, Ontario, Oroszlany, Hungary, and Wuhan, China, in addition to machining centers in Ontario, Michigan, Hungary, and China. The planned expansions will allow the Wuhan foundry to generate more stainless steel castings and the Oroszlany plant to produce Ni-Resist and stainless steel castings in addition to the various alloys that both plants already produce.

Pillar Acquisition

Ajax Tocco Magnethermic has acquired both the assets and intellectual property formerly known as Pillar, from ABP Induction. The Pillar brand is a line of induction heating systems. In 2005, ABP Induction was formed by a merger of ABB's foundry services division with Pillar Induction. The sale includes operations in Brookfield, WI, and Sterling Heights, MI; it does not include ABP Induction melting operations in North Brunswick, NJ, and Massillon, OH. It also does not include ABP's international operations. ATM intends to re-launch the Pillar Induction brand as its own business unit and all Pillar products will continue to be sold.

The 8th China Int'l Casting Industry Expo 2011

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Secretary Office of the Organizing Committee:

Add.: No.1709 Block C, WanDa Plaza, B No.18 Yard, Shijingshan Road, Shijingshan District, Beijing

Post Code: 100040

Tel.: +86-10-6863 7413 Fax: +86-10-8868 0811

E-mail: hwexpo@yahoo.com.cn

Website: www.bciffe.com/en/