



China's 2016 alumina output to rise 5 pc : Antaika

China's alumina output in 2016 is expected to reach 61 million mt, up 5.2% from realized output of around 58 million mt in 2015, an analyst from state nonferrous information division Beijing Antaika said.

The forecast figure was also up 17.3% from the 52 million mt produced in 2014 and up 30% from 47 million mt in 2013, Antaika figures showed.

China's alumina production capacity is also expected to increase to 74 million mt/year by end 2016, up 7.2% from 69 million mt/year at end 2015, the Antaika analyst said. The country's alumina capacity stood at 65 million mt/year at end 2014 and 60 million mt/year at end 2013.

The forecast increase in output was attributed mainly to numerous refinery restarts of idled capacity earlier this year, as



well as several new refinery expansions and startups, which were also reflected in the capacity expansion forecast for 2016.

The added refinery capacities are located mainly in Shanxi, Shandong and Yunnan provinces, the Antaika analyst said.

In Shanxi province, East Hope started up a new 800,000 mt/year refinery earlier this

year and Chalco a 1 million mt/year plant.

In Shandong, Weiqiao Aluminum has expanded by about 2 million mt/year and down south; Yunnan Aluminium is expected to double alumina capacity to 1.6 million mt/year by end 2016 when expansion works are completed.

"But that's only new capacities being completed, not all will be fully ramped up by year end, so actual output will not increase accordingly," the analyst said. As for earlier idled alumina capacity, at least 7 million mt/year has been restarted out of the total 9 million-10 million mt/year that was halted between end 2015 and early 2016, the analyst said.

"We expect around 8 million mt/year of idled capacity will be restarted this year at most, as some will be too outmoded and costly to resume," the analyst added.

Napco posts \$12.4m revenue in Q1

Oman-based National Aluminium Products Company (Napco), a leading extruder of aluminium in the GCC said, it has achieved OR4.8 million (\$12.4 million) in revenues during the first quarter ending on March 31.

The company reported a net profit of OR141,000 (\$366,233), said a statement from Napco. Napco has invested in two new extrusion press machines to bolster its production, with one already in operation while the fourth press still in its trial phase and will be operational by end of this month, it added. The company has also acquired a vertical powder coating line, a new technology that will create new products while it improves efficiency, save on cost, as well as ensure environmental sustainability, it said.

Robert Holtkamp, chief executive officer of Napco, said "The aluminium industry faces several market challenges such as fluctuating interest rates, increased corporate tax and energy prices." "Despite these challenges, our company has remained steadfast in ensuring its production processes are delivering more quality products to its customers. We expect that the second quarter will deliver better results as we take on a proactive role to increase the value of our products across all markets," he added.

Australia's Alumina prepares to fight against Alcoa split

Australia's Alumina is preparing for a court battle with Alcoa (AA) after the U.S. group filed papers alleging its joint venture partner was threatening its planned split by claiming the demerger required its consent. The conflict centers on the groups Alcoa World Alumina and Chemicals, or AWAC joint venture which operates bauxite mines and alumina refineries in Australia, South America and Africa. The operation is 60% owned by Alcoa and 40% by Alumina.

"Alcoa is seeking to exit AWAC and introduce a new and financially weaker entity into the AWAC partnership," Alumina said. "Alcoa is thereby seeking to transfer and assign to that entity its rights, interests and obligations, which requires Alumina's consent."

In addition to claiming that Alcoa needs its approval to go ahead with its own broader restructuring, Alumina also said the split if it proceeded would trigger a right of first offer at the joint venture enabling it to buy Alcoa's stake in AWAC.



Alcoa denies the claims and asked a Delaware court to clarify its right to carry out its plans. The New York-based group asked for a ruling to forestall continuing threats by Alumina to interfere with Alcoa's plan to separate its business into two companies unless Alcoa give in to a series of baseless and improper demands.

Alcoa in September announced plans to split its operations into two separately listed businesses during the second half of this year. Under the terms of the plan, a company retaining Alcoa's name will operate the upstream bauxite mining and aluminum production businesses, including the AWAC JV. A second, to be called Arconic will house operations that make aerospace and automobile parts.