

INDICES	code	Incoterm	Measure	This week's Price	Previous Price	Weekly Change	Monthly Average	Previous Month	Quarter Average	Previous Quarter
MANGANESE ORE 44% INDEX	MBMn44	CIF Tianjin	\$/dmu (weekly)	5.85	5.87	-0.02	5.85	6.06	5.85	5.66
MANGANESE ORE 37% INDEX	MBMn37	FOB Port Elizabeth	\$/dmu (weekly)	4.06	4.03	+0.03	4.06	4.38	4.06	4.23
ESTIMATES										
Freight rate South Africa - China	Estimate	-	\$/dmu (weekly)	0.50	0.49	+0.01	0.50	0.53	0.50	0.56
MANGANESE ORE 37% CIF EQUIVALENT	Estimate	CIF Tianjin	\$/dmu (weekly)	4.56	4.52	+0.04	4.56	4.91	4.56	4.79

### MARKET COMMENTARY

#### Ore indices stabilise as Chinese port prices rise

Manganese ore prices were largely stable last week, supported by a steady flow of enquiries and alloy futures strength in China, while alloy prices elsewhere also resisted large swings.

- \*Manganese ore prices resist pressure from weaker demand
- \*Futures strength and steelmaking demand support manganese alloys in China
- \*Summer maintenance hits ferro-manganese in Europe
- \*US ferro-manganese prices continue ascent amid constrained supplies

#### Ore prices diverge

Manganese ore prices for high and low grade manganese ore diverged slightly last week amid continued demand for 37% material and a lull in buying activity for 44% ore.

Metal Bulletin's 37% manganese ore index was calculated at \$4.06 per dmtu, up 3 cents week-on-week.

Good buying interest offset the effect of good supplies, facilitating the slight increase in prices.

"There is a little bit of oversupply but the demand is quite good, I have enquiries I simply can't meet," a producer source said.

Meanwhile 44% manganese ore prices came under pressure from a lack of urgent demand but resisted a more dramatic swing in light of limited liquidity.

Metal Bulletin's 44% manganese ore index settled at \$5.85 per dmtu, cif Tianjin, down 2 cents compared with the previous week's calculation.

"People only want to buy if it's a really attractive price, but nobody is actually closing very much," a trader said.

Overseas miners are yet to announce their new offer prices, and buyers in China reported offers as high as \$6.50 per dmtu cif China for Australian ore shipped in August, unchanged from July's offers.

"We won't buy at this price, I think not many people are willing to accept as this price is higher than the current port level, while its delivery is in August or even in September," a major trader in China said.

Manganese ore prices in Chinese ports moved up slightly last week with sentiment supported by improving domestic alloys prices and a rising futures market.

Trader offers on high-grade manganese ore were reported at 51-53 yuan (about \$6.2-6.5) per dmtu, fot Tianjin, up 1 yuan from the previous week's level.

South African semi-carbonate material traded at 37-38 yuan per dmtu during the week and peaked as high as 40-42 yuan by the end of the week, up from a mainstream level of 35-36 yuan the previous week.

Futures strength, demand support Chinese alloys  
Market participants in China do not anticipate a large decline in ore prices over the coming weeks as a result of rising steel production and good demand for alloys.

"Alloys demand is good and smelters are running a certain profit now, therefore I don't think there is much room for ore prices to drop," a third trader said.

Domestic manganese alloy prices held firm in light of robust demand and strength in the local futures market.

The most-traded September silico-manganese contract on the Zhengzhou Commodity Exchange rose to its highest level since June 1 on Friday July 7, peaking at 6,600 yuan per tonne before closing the day at 6,564 yuan, up from the closing price of 6,130 yuan per tonne on June 30.

In the physical market, Metal Bulletin assessed the domestic Chinese silico-manganese price at 6,400-6,600 yuan per tonne on July 7, stable for a second week.

Chinese ferro-manganese prices were assessed at 6,100-6,300 yuan per tonne on July 7, unchanged for a third consecutive week.

# MetalBulletin

# Mn Ore Index

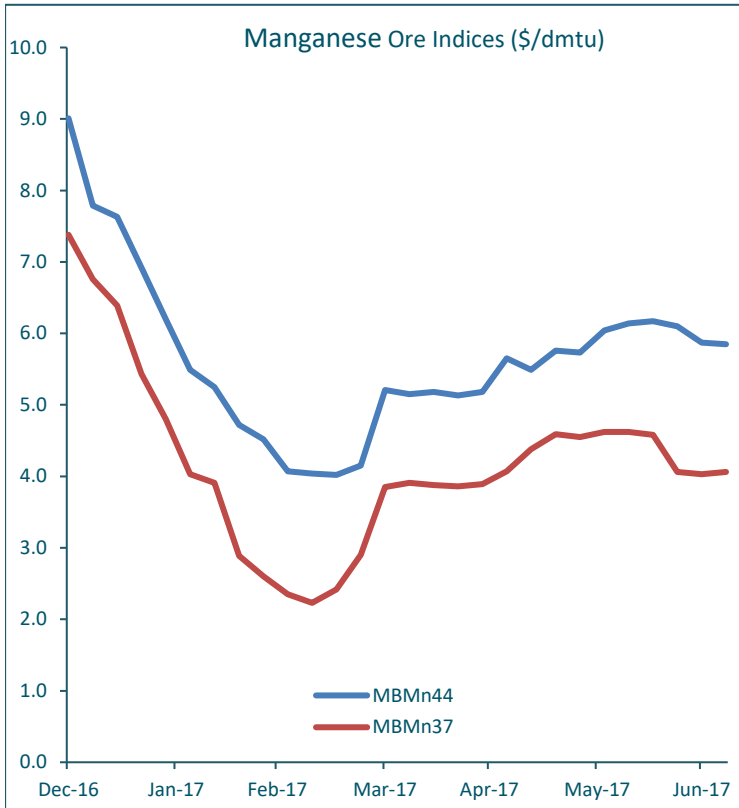
Market Report

12 July 2017

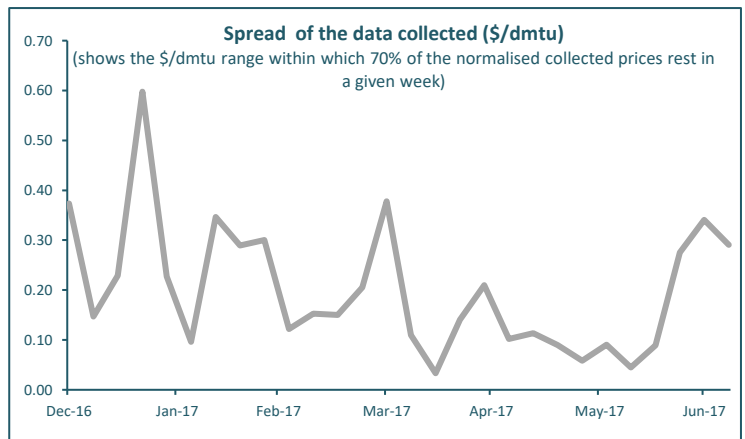
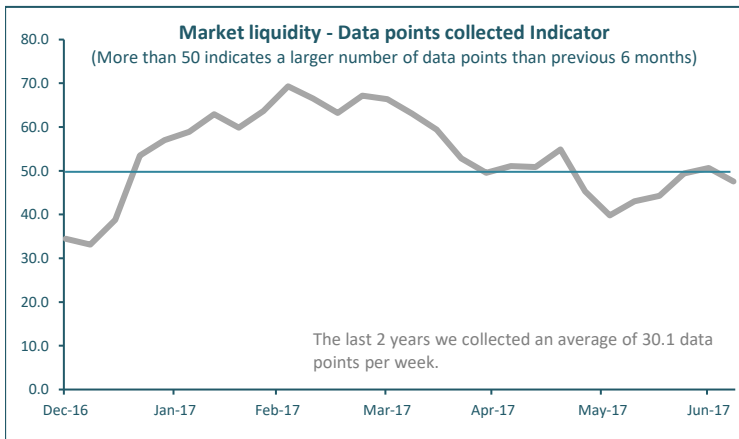
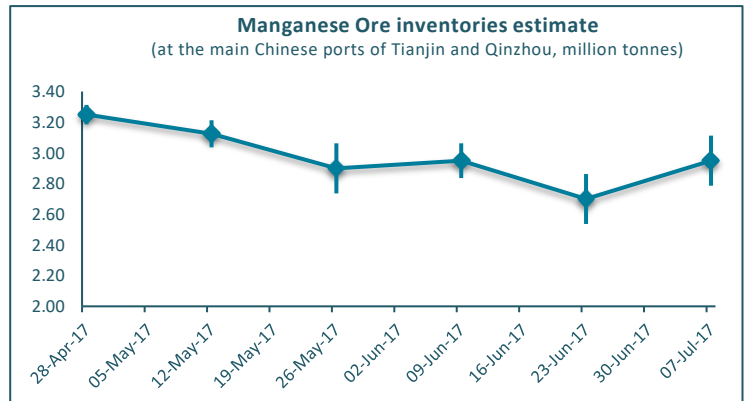
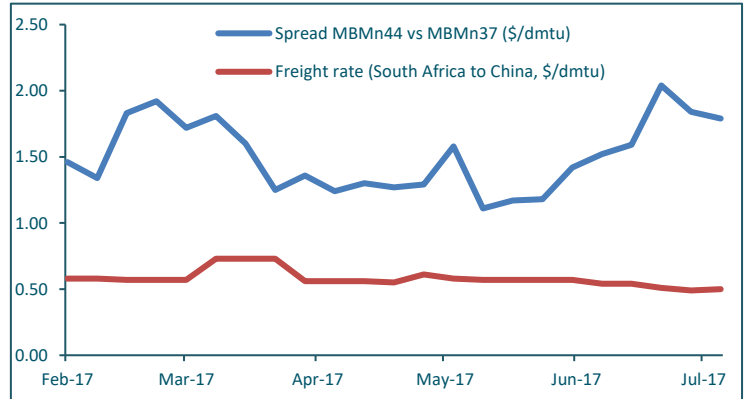
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## MANGANESE ORE INDICES



## INDICATORS



## Mn VIUs

	Q3 2017	Previous Quarter	Year 2017	Previous year
Mn VIU 44% range (\$/dmu)	0.14	0.13	0.13	0.08

The Mn VIU measures the relation between % Mn content in the ore and Price in \$/dmu as seen in the market. The VIU is calculated using statistical methods and the large amount of Mn ore prices and data collected by Metal Bulletin. The Mn VIU shown is the value implied by the market and not an in-house assessment. Bear in mind that other factors such as company, other chemistries, delivery terms, etc... do affect Manganese ore prices.

Example: A Mn VIU of \$0.15/dmu means that material with 45%Mn content is on average \$0.15/dmu more expensive than 44%Mn content material other things equal.

