



News and events that affect our industry

April 2022



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Week ending: 3-4-2022

SUPPLY:

- Russia: Holcim has announced its plan to leave the Russian market by divesting its local assets. Earlier in March it had decided to suspend new capital investments in the country. The company owns four plants in Voskresensk and Kolomna at Moscow, in Ferzikovo and in Volsk for a total capacity 9Mt/yr. It had announced its initial intention in early February to restart production at the Voskresensk plant which was mothballed in 2016, due to rising construction activity in 2021 . It is estimated that Russia accounts for around 1% of the group's total sales and 3% of total capacity
- Ghana: CBI Ghana intends to increase capacity of its 0.6Mt/yr grinding plant in Tema, Accra by 120% and install a calcined clay plant which when completed is expected to be the largest in the world
- India: Birla Corp has started cement dispatches from its Mukutban integrated cement plant. The plant has clinker capacity of 2.68Mt/yr and cement capacity of 3.9Mt/yr
- India: Shiva Cement plans to increase cement capacity of its Kurta, Orissa plant to 2Mt/yr and clinker capacity to 3Mt/yr. The company intends to seek shareholder approval for the plan
- India: Shree cement has started commercial production from its third kiln, with capacity 12,000 tpd (4Mt/yr), at its Baloda Bazar plant in Raipur

- China: Anhui Conch increased clinker capacity by 7.2Mt to 269Mt and cement capacity by 14.3Mt to 384/Mt/yr in 2021
- USA: Continental Cement's Davenport plant with capacity 1.1Mt/yr has transitioned to 100% PLC production
- Canada: Lafarge Canada has transitioned its Richmond plant to 100% PLC production

IMPORTS/EXPORTS:

- Philippines/Vietnam: Philippines will consider an extension of safeguard measures against cement imports from Vietnam. A final conclusion of the Tariff Commission is expected in April 2022
- Russia: Russia is aiming to start imports of building materials from Uzbekistan and expand those from China, Turkey, Iran and India

DEMAND:

- Zambia: Total cement market sales in 2021 are estimated at 2.5Mt
- Nigeria: Dangote Cement sees its 2022 cement sales volumes in Nigeria growing by 9.5% YoY

M&A:

- India: Premji Invest will acquire 10% of Sagar Cements for a reported amount of \$46m

Week ending: 10-4-2022

SUPPLY:

- USA: Cemex will increase PLC production at its Lyons, Colorado plant. PLC is expected to be the main product from the plant by mid-2022
- France: Eqiom plans to replace the kiln and install a CCUS system at its Lumbres, Hauts-de-France plant
- UK: Hanson will upgrade its Padeswood, Mold plant for a cost of GBP400m GBP to produce net-zero concrete. The upgrade includes an installation of CCUS which will aim at capturing 800kt Co2 per year. Construction is expected to start in 2024 and last until 2027
- Italy: Colacem's Ghignano di Gubbio cement plant remains closed since 22 Feb. The plant closed due to rising costs of energy and high CO2 emission prices
- Argentina: Holcim Argentina warned that there may be no gas available for its cement plants in the mid-2022 winter season, putting production at risk
- Saudi Arabia: Yamama Cement plans to relocate a 10,000tpd kiln line to its Northern Halal, Al Kharj plant from its former plant in Riyadh. Capacity of its Northern Halal plant is expected to be expanded to 30,000tpd by 2025
- Ghana: Empire Cement's new 1Mta plant in Weija, Accra, is under construction for cost \$50m and commissioning is scheduled for June 2022. Empire Cement is 70% owned by Chinese investors and 30% by Obokom Civil Engineering. Ghanaian authorities allege that Empire Cement has produced cement without proper permits, which the company has denied
- Cameroon: A 720t/day calcined clay plant with 2400tpd cement production capacity is being built by Oyak Cimento at Kribi in Cameroon. The plant was scheduled for commissioning in late 2021 but there has not been an update recently on the status

DEMAND:

- Indonesia: Indocement sees cement demand in FY22 at 68.5Mt, +4% to +5% YoY
- USA: PCA Spring forecast sees 2021 cement demand +1.2% YoY in 2022 and +0.8% YoY in 2023. It sees the infrastructure bill adding 46Mt of cement demand over 5yrs, but with a lag until early/mid 2023 before cement demand ramps up
- Japan: JCA sees FY 2022 cement demand outlook to Mar 2023 at 38Mt (around flat YoY)
- South Korea: Seven cement producers have agreed to produce 3.77Mt in 2Q22, +36% QoQ to alleviate cement shortage. Also 380kt which was planned for export will be used to cover domestic demand instead

IMPORTS/EXPORTS:

- Algeria: Clinker exports from Algeria are estimated at 6.2Mt in 2021
- Japan: JCA sees FY 2022 (until Mar 2023) cement exports at 11.6Mt

M&A:

- Brazil: The takeover of Holcim's business in Brazil by CSN has been given initial approval by antitrust watchdog CADE. Final approval is pending by the Board of Directors of CADE

CARBON:

- Canada: Canada's cement industry aims at reducing CO2 emissions by up to 40% by 2030

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CARBON:

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Week ending: 24-04-2022

SUPPLY:

- India: ACC's new integrated plant in Ametha, Madhya Pradesh, is expected to be commissioned in 4Q22. The plant is expected to have 2.7Mt/yr capacity with an additional 1Mt/yr grinding unit
- India: Kanodia Cement commissioned its Amethi grinding cement plant in Uttar Pradesh with 1.5Mta capacity. Production started in Apr 2022
- USA: Holcim US has transitioned its 0.5Mt/yr Joppa, Illinois, plant to 100% PLC production

DEMAND:

- USA: Concrete companies in the USA have reported shortage of cement in their markets as a result of high demand and lack of truck drivers
- Poland: The Polish Cement Association sees cement sales declining to 19Mt in 2022 from 19.3Mt in 2021, but sees sales rising to 19.4Mt in 2023

M&A:

- UAE: Ultratech Cement Middle East has acquired 29% of RAK White Cement raising its total stake in the company to 30%
- India: JSW Group and private equity firm Carlyle are reportedly in discussions to partner regarding bidding for Holcim's cement operations in India. Reports indicate that a potential transaction could be valued between \$7bn and \$11.5bn.

PRICING:

- India: Cement prices in India are expected to rise by 6% to 13% due to the price rise of coal, petcoke and crude

