

News and events that affect our industry

1st half July 2022



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Week ending: 3-7-2022

SUPPLY:

- **Cameroon:** Cimencam plans to expand capacity of its 1.6Mt/yr Figuil cement plant by 150kt/yr by early 2023
- **Morocco:** Lafarge Holcim Maroc's 1.6Mt/yr in Tidsi, Agadir, has been officially inaugurated. Investment cost was \$299m. It has been operational since the end of 2021 and has already exported clinker to West Africa
- **India:** Nuvoco Vistas is planning a 1.2Mt/yr grinding plant at its existing facility in Bhiwani, Haryana.
- **Russia:** Cement deliveries to Kaliningrad will be redirected by sea following the decision by Lithuania to disallow rail transport through its territory as part of broader EU sanctions. It is estimated that cement demand in Kaliningrad is 600Kt/yr

IMPORTS/EXPORTS:

- **South Africa:** Cement imports into South Africa increased by 9% YoY in 2021 to 1.1Mt

DEMAND:

- **Vietnam:** VNCA's members FY2021 cement production was 101Mt

PRICING:

- **South Africa:** South Africa's government has asked local cement producers to commit to no price increases in return for its approval of more safeguard actions against cheap imports

M&A:

- **India:** The India Cements Ltd has completed the acquisition of Springway Mining. The latter is planning a cement plant in Madhya Pradesh

Week ending: 10-7-2022

SUPPLY:

- **India:** Shree Cement's production capacity was 46.4Mt/yr in Mar22 and the company plans to increase it to 80Mt/yr by 2030. It plans an integrated plant at Nawalgarh, Rajasthan, for a cost of more than \$440m, commissioning targeted for Mar 2024
- **China:** Qingxin Cement will setup a new 5000tpd clinker line in Guangdong

M&A:

- **Colombia:** Grupo Gilinski has cancelled plans to acquire 26% of Grupo Argos, as the latter's shareholders offered only a 11% stake
- **India:** Ultratech Cement declined to pay \$126m for a 3Mt/yr cement plant in Uttar Pradesh. The transaction was part of a larger \$2.4bn deal with Jaypee Group in 2017 that involved six integrated and five grinding plants. Payment was due at the end of June 2022 but the required clearances have not been obtained, while Ultratech is seeking a revaluation of the plant at \$78m
- **China:** Malaysia's Mudajaya Group Bhd will acquire Real Jade Ltd for \$51m in order to expand operations into China. Real Jade operates a 1Mt/yr integrated cement plant in Shandong
- **USA:** CalPortland has completed the acquisition of the Redding cement plant and other assets from Martin Marietta
- **Indonesia:** Semen Indonesia will acquire all the government's stake in Semen Baturaja

IMPORTS/EXPORTS:

- **South Africa:** PPC has urged the government to investigate dumping practices for cement by countries such as Vietnam and asked for broad import tariffs to avoid other countries repeating dumping practices. Imports account for approximately 10% of local sales
- **Bangladesh:** Total cement export revenue from Bangladesh in FY22 to Jun22 was US\$9.57m, +31.8% YoY

Week ending: 17-7-2022

SUPPLY:

- **Vietnam:** An unnamed cement producer in Vietnam has reportedly cancelled four integrated cement plant projects due to currently high operating costs. The producer faces costs of \$60-\$64/t of cement
- **Australia:** Hallet Group will establish a 1Mt/yr slag cement grinding plant in Port Augusta, cost AUD125m. Operations are expected to commence in 2023
- **Latvia:** Schwenk Latvija has commissioned the Broceni 170t/day grinding plant
- **Pakistan:** Kohat Cement has obtained regulatory approvals for a greenfield production line in Khushab, Punjab. Currently the company is in the process of acquiring the land
- **India:** Sagar Cements plans to expand cement production capacity from 8.25Mt/yr currently to 10Mt/yr by FY2025
- **Sweden:** Cementa submitted its application for a mining permit for four years. The company is currently able to deliver until the summer of 2023 without a new permit. Final judgement is expected by the end of 2022

PRICING:

- **Pakistan:** Cement prices in Pakistan have increased by around 68% YoY

DEMAND:

- **Brazil:** SNIC sees the domestic cement market dropping by 1% to 2% YoY in 2022

M&A:

- **China:** Tianshan Jidong Cement plans to sell 5% of its shares to raise funds to finance its merger with BBMG East Cement
- **India:** Andhra Cements, which is currently under insolvency, has reportedly received interest from Sagar Cements and Dalmia Cement. The company runs two plants at Dachehalli and Visakhapatnam
- **France:** Hoffmann Green has acquired ABC Broyage, owner of a slag grinding plant in North Dordogne
- **Germany:** Cemex has acquired 53% in German aggregates company ProStein
- **Romania:** Holcim Romania has acquired General Beton Romania

CARBON:

- **Bulgaria:** Heidelberg Cement's subsidiary, Devnya Cement, plans a CCUS project at its Devnya plant, operations expected to start in 2028, capturing capacity 800kt/yr CO2