

News and events that affect our industry

2ND half August 2022



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Week ending: 21-8-2022

SUPPLY:

- **India:** Ultratech's BoD has approved cement capacity expansion of 22.6Mt/yr across the country for an investment cost of \$1.61bn. Start of commercial production will begin after mid-2024 in a phased manner
- **India:** UltraTech Cement has recently added 3.2Mt/yr of cement capacity by commissioning capacity at its Patliputra Cement Works in Bihar, at Dankuni Cement Works in West Bengal, and Line II of the Bara grinding unit in Uttar Pradesh. The second clinker line of 2.7Mt/yr was also commissioned at Hirni Cement works in 1QFY23. A further cement mill upgrade of 1.3Mt/yr is expected to be commissioned in 2QFY23
- **India:** India Cements plans to spend up to INR700m for the modernisation of its Sankar Nagar cement plant
- **Egypt:** Egypt's cement production restrictions have been extended for one more year

M&A:

- **Brazil:** The Administrative Court of the Brazilian Council of Economic Defence has approved the acquisition of LafargeHolcim Brasil by CSN Cimentos

- **India:** The Competition Commission of India has approved Adani Group's acquisition of Holcim's India business

DEMAND:

- **Poland:** The Institute of Economic Forecasts and Analyses sees FY2022 cement demand in Poland reaching 20Mt

Week ending: 28-8-2022

SUPPLY:

- **Mexico:** Power has been cut at Cooperativa la Cruz Azul's cement plant at Hidalgo since 17 August on request of the head of the BoD. The justification was that operation of the plant has become dangerous after two years of occupation by protesters
- **USA:** Summit Materials' cement plant at Hannibal, Missouri, has been converted to 100% PLC
- **Australia:** Adbri raised the estimated cost of the upgrade of Kwinana cement plant from \$137m to \$157m, because of higher inflation and supply disruptions. As of Jun 2022, the upgrade was 25% complete and commissioning is planned for mid 2023. The plant will combine all the company's operations in Western Australia and raise capacity to 1.5Mt/yr
- **Colombia:** Cementos Argos has restarted kiln 2 at its Toluviejo cement plant in Sucre after more than five years. The plant's capacity has increased to 0.8Mt/yr from 0.2Mt/yr
- **India:** Ultratech has commissioned new capacity of 1.3Mt/yr at its Dalla Cement Works in Uttar Pradesh, increasing the total capacity of the plant to 1.8Mt/yr
- **India:** Adani Cement plans a 165tph fly-ash pozzolan mixed cement grinding plant in Dahej, Gujarat. Commissioning is planned for summer 2023
- **Pakistan:** Cherat Cement said that modernisation of Line 1 was affected due to manufacturing and shipment disruptions, but is expected to be completed in Sep22
- **Morocco:** CimENTS du Maroc Nador plant with 0.7Mt/yr capacity is expected to be operational in 3Q22
- **Cameroon:** Mira SA plans to construct a 0.7Mt/yr clinker production plant in North Cameroon for cost of around \$180m
- **Ethiopia:** An Ethiopian investor is seeking partners to build a \$1bn cement plant on leased land of 150 hectares in Dejene Town, Amhara. The plan is to complete construction of the WA Cement Factory (as it is intended to be called) in two years
- **Ethiopia:** Ethiopia's installed capacity is 15.4Mt/yr but actual capacity is only around 6.3Mt/yr due to ageing equipment
- **India:** Shiva Cement's 4000tpd clinker plant is nearly completed and is expected to be operational in 2022, while its older plants have been dismantled
- **Vietnam:** Vietnam is set to increase cement capacity by 11.4Mt in 2022

M&A:

- **India:** Adani Group launched a \$3.9bn open public offer to acquire 26% of each of Ambuja Cement and ACC. The offer will end on 9 Sep. Adani purchased a controlling stake earlier in 2022 in Holcim's former assets for \$10.5bn

- **Ethiopia:** Getu Gelete recently purchased a 40 percent stake in Habesha Cement from PPC Ltd, adding to his existing 21% stake
- **South Korea:** Hahn & Co and Collier Capital will invest \$1.5bn in Ssangyong C&E

IMPORTS/EXPORTS:

- **Vietnam:** Clinker export tax will increase to 10% from 5% starting Jan 2023

CARBON:

- **EU:** Carbon price's recent drop to around 80 has been attributed to demand destruction and the closure of production sites due to lower gas supplies. Reopening of coal plants may increase demand slightly