

News and events that affect our industry

2nd half July 2022



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Week ending: 24-7-2022

SUPPLY:

- **Vietnam:** Several companies are considering the shutdown of production kilns. Despite several cement selling price increases YTD, actual cement selling prices are 1.1 to 1.3m VND/t, compared to production costs of 1.4-1.5m VND/t
- **Philippines:** Solid Cement is constructing a 1.5Mt/yr line at its Antipolo plant, raising the plant's capacity to 3.4Mt/yr. Cost estimated at \$356m. Operations are planned to start in April 2024
- **USA:** National Cement Company of Alabama (Vicat) inaugurated its new 1.65Mt/yr production line at the Ragland cement plant on 21st July 2022. Cost of the new line is estimated at \$300m. By 2023, it is expected that 100% of production will be switched to PLC
- **Poland:** PGE Group is considering a new cement plant in Bełchatów. A feasibility study has been ordered by the company
- **USA:** Lehigh Cement's Union Bridge plant will switch to PLC production by Jan 2023. This follows similar changes to its Iowa, Mason City plant and three other plants in Indiana. Lehigh Cement says it has produced 2Mt PLC in 2021, which is set to double in 2022
- **Nigeria:** Mangal Industries will construct a 3Mt/yr cement plant with a 50MW captive power plant in Iluagba, Kogi State. Estimated project cost is \$600m and estimated completion time is end 1Q24

- **Egypt:** Egypt's Competition Authority is considering an extension of cement production cuts, which were introduced in Jul 2021 until 15 July 2022, to further balance supply and demand

IMPORTS/EXPORTS:

- **India:** Construction of Ramayapatnam Port in Andhra Pradesh has started. The port is set to ship 25Mt/yr cement when Phase is completed by 2025. After Phase 2, total export capacity will rise to 139Mt/yr

M&A:

- **India:** The Adani Group has agreed to acquire Holcim's stake in Ambuja Cement and ACC, subject to regulatory approval
- **China:** China Resources Cement has agreed to acquire 85% of Jingang Cement

CARBON:

- **Germany:** Cemex Deutschland will install a 100t/day carbon capture system at its Rudersdorf plant. It is planning to raise capture rates by 300t/day by 2026 and ultimately to 2000t/day by 2030
- **Germany:** Holcim Deutschland will install an oxyfuel kiln and carbon capture system at its Lägerdorf cement plant. Around 1.2Mt/yr of CO2 emissions will be captured once the system is installed
- **Poland:** A CCUS project is planned at Lafarge Polska's Kujawy cement plant. Lafarge Polska plans carbon neutrality at the Kujawy cement plant by 2027

PRICING:

- **Mexico:** Bagged cement prices have increased by around 30% in Mexico since Dec 2021. Prices are expected to increase by a further 20% In Veracruz State

Week ending: 31-7-2022

SUPPLY:

- **India:** UltraTech Cement plans to increase capacity to 154Mt/yr by 2025 from 115Mt/yr currently
- **India:** India's cement industry is expected to add 80-100Mt/yr cement capacity by 2024/25
- **USA:** Lehigh Hanson's Mitchell plant's expected commissioning date is in early 2023, three kilns will be replaced by a new one, raising production capacity to 2.8Mt/yr, cost \$600m
- **Nigeria:** BUA Cement is assessing financing options for expanding capacity of its Kalambaina plant from 2Mt/yr to 8Mt/yr
- **Nigeria:** BUA Cement says that ongoing projects will be completed in 2023 and installed capacity will be 17Mt/yr
- **Russia:** Eurocement has resumed cement supplies to Kaliningrad

M&A:

- **Zambia:** Huaxin Cement has increased its stake in Chilanga Cement (formerly Lafarge Zambia) to 81% from 75%
- **Russia:** Holcim has appealed against a Russian court ruling which changed the benefactors of its Russian business, by making written complaints to various ministries