

News and events that affect our industry

July 2023



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Week ending: 02-07-2023

CONSTRUCTION:

- **Peru:** Peru's housing deficit is estimated at 1.9m houses according to the Ministry of Housing, Construction and Sanitation.
- **India:** The government of India plans to invest US\$11.4bn in the construction of new housing, roads and sanitation infrastructure nationally in fiscal year 2024.

CARBON:

- **France:** Vicat says that it will commission its planned 100% carbon capture system at its Montalieu-Vercieu cement plant 'before 2030,' and possibly as soon as 2027. Capture capacity will be 1Mt/yr of CO₂, currently it is 800,000t/yr.
- **Canada:** Heidelberg Materials North America's planned 1Mt/yr carbon capture installation at its Edmonton cement plant will see construction begin in late 2024 and reach completion in late 2027.
- **Bulgaria:** Devnya's CCUS project at its Devnya plant is valued at EUR 750m and has already received EUR 190m in financing from the EU Innovation Fund, according to local media.

DEMAND:

- **India:** Ambuja Cements forecasts in FY24 domestic cement consumption to have increased 6-8% YoY to over 390Mt/yr and domestic cement production to have increased 8-10% YoY to 390Mt.

SUPPLY:

- **India:** Tamil Nadu Cement Corporation plans to rehabilitate limestone mines, which serve its 500,000t/yr Ariyalur cement plant in Tamil Nadu.
- **Saudi Arabia:** Southern Province Cement has secured a loan worth US\$373m to cover its construction of a 5000t/day production line at its upcoming Jizan cement plant, as well as the construction of infrastructure for a second new line of the same capacity at the plant.
- **Ethiopia:** Derba MIDROC Cement is reportedly ready to commence construction of the 2.74Mt/yr Mugar Valley cement plant in Oromia, updated cost estimated at US\$500m. Company wants to double its daily production to 15,000tpd.
- **Greece:** Titan Group has successfully commissioned a EUR26m upgrade to the pre-calciner system of its Kamari cement plant in Voiotia.
- **Russia:** Cementum is preparing to add 0.3Mt/yr of grinding capacity at its integrated Ferzikovo cement plant in Kaluga region, cost estimated at US\$40m
- **Bangladesh:** Premier Cement Mills has installed an 11,000t/day vertical roller mill at its West Mukterpur grinding plant in Munshiganj, which will more than double the grinding plant's capacity to 7Mt/yr.
- **Malaysia:** CMS has secured board approval to build a new 1.9Mt/yr clinker line at its Kuching cement plant. This will more than triple its clinker capacity to 2.8Mt/yr. The Star newspaper has reported that construction will last for 3 years from the date of groundbreaking, production capacity of 6000tpd, expected cost at US\$161m.
- **India:** Ramco Cements has commissioned a 3000t/day integrated cement line (Line 3) at its Ramamasamy Raja Nagar cement plant in Tamil Nadu.
- **Russia:** Cementum's Voskresensky plant relaunched its processing lines on June 28, 2023 following a comprehensive modernization, after its closure in 2016.

M&A:

- **Iraq:** Attock Cement sells 60% of its Iraqi 0.54Mt/yr capacity grinding plant for US\$11.7m, against the sale of 9m shares. Buyers have a joint venture comprised of UAE-based Lamassu Babylon General Trading Company and Abdul Lateef Mohsin Al Geetan, an Iraqi investor.
- **Mozambique, South Africa:** Huaxin Cement has agreed to buy InterCement for US\$265m, which includes the latter's assets in Mozambique and South Africa.
- **China:** The assets of Ewei Cement, in Sichuan Province will be auctioned, including management rights, plant ownership, and land use rights.

Week ending: 09-07-2023

SUPPLY:

- **India:** Shree Cement has entered trial cement production at its new 3Mt/yr Purulia grinding plant in West Bengal. The plant will raise the company's total installed capacity by 6.4% to

49.9Mt/year and cost around US\$67m. The company aims to raise its installed capacity by 60% to 80Mt/year by the end of FY28.

- **India:** ICRA expects the Indian cement production capacity to increase by 6% YoY to 610Mt/year in FY24 and the cement industry to invest US\$14.6bn up to the end of FY27 to expand its capacity by 26% to 725Mt/year.
- **India:** Shiva Cement has commissioned the 1.36Mt/year clinker unit at Sundergarh plant in Odisha, obtained clearance to operate for 0.66Mt/year of clinker production and is currently awaiting clearance for the remaining clinker production capacity.
- **Ethiopia:** Derba MIDROC Cement has signed a US\$290m contract to build a 5000t/day clinker production line at the cement plant at Deba in Oromia.
- **India:** Ambuja Cement has signed a contract for around US\$285m to upgrade its integrated Bhatapara plant in Chhattisgarh (capacity will be expanded to 4Mt/year) and its Farakka and Sankrail grinding plants in West Bengal (capacity for both will be increased to 2Mt/year).
- **Malaysia:** Cahya Mata Cement was given the go-ahead on the proposed construction of a new clinker line with production capacity of 1.9Mt/year in Malaysia, Sarawak. Cost is approximately RM750m and will take roughly 3 years to complete.

CONSTRUCTION:

- **South Korea:** Sungshin is anticipating growing domestic demand from infrastructure projects, partly due to a US\$3billion development loan agreement between the government of the Philippines and South Korea.

DEMAND:

- **India:** ICRA expects cement volumes in India in FY24 at 415-420Mt, an increase of 7-8% YoY.

M&A:

- **Philippines:** Holderfin has acquired an additional 9.2% stake in Holcim Philippines from Sumitomo Osaka Cement. This raises Holderfin's control over Holcim Philippines to 27.2%.
- **Oman:** Huaxin Cement intends to buy a further 5.1% stake in Oman Cement raising its existing stake of 59.6% to 64.7%. Price is revised to US\$200m.