

INSIDE METALS



WEDNESDAY, DECEMBER 12, 2018

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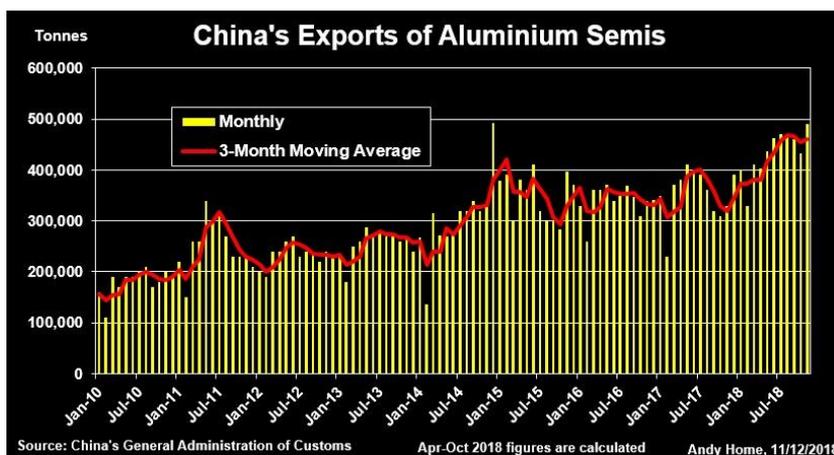
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TOP NEWS

Australia plans deal with U.S. on 'critical minerals', hopes to boost its exports

Australia is this week set to sign a preliminary deal with the United States to support joint research and development of minerals deemed critical to the U.S. economy, a government minister said on Wednesday. That comes as Washington is looking to diversify its sources of supply for 35 minerals used in smartphones, computers and military equipment amid a festering trade war with China.

CHART OF THE DAY



Anglo forecasts copper, diamonds and platinum to lift output

Anglo American said on Tuesday its overall production will rise by more than previously expected between 2018 and 2021, while this year's costs are forecast to be lower. Anglo said in an update to investors and analysts that 2018 production will be 2 percent higher than its previous forecast, driven by increases in copper, diamonds and platinum group metals, while costs will be 5 percent below earlier guidance.

COLUMN-U.S. tariffs fail to dent Chinese aluminium export surge: Andy Home

The U.S. International Trade Commission has just slapped anti-dumping duties on imports of Chinese common aluminium alloy sheet. It's another brick in the trade wall being erected by the Trump administration as it seeks to insulate domestic manufacturers from the flood of what it deems unfairly subsidised Chinese products.

EU demand for construction steel still well below pre-crisis levels - ArcelorMittal

Europe's demand for construction steel is down nearly 20 percent versus its pre-financial crisis peak, with the market still battling excess capacity, ArcelorMittal, the world's biggest steelmaker, said on Tuesday. EU steel prices have recovered sharply since hitting decade lows in late 2015, but investors are growing concerned that the sector will struggle if China's economy slows further as the trade dispute between the United States and China drags on.

Vale buys innovator New Steel for \$500 mln

Brazilian miner Vale SA, the world's biggest iron ore and nickel producer, said on Tuesday it had agreed with Hankoe FIP investment fund to buy innovation company New Steel for \$500 million. New Steel develops innovative technology to process iron ore and currently owns patents in 56 countries for its dry processing method known as Fines Dry Magnetic Separation or FDMS, it said.

Zambia's chamber of mines sees 21,000 job cuts due to higher taxes

Mining companies in Zambia may lay off more than 21,000 workers due to reduced capital expenditure over the next three years if the government introduces higher taxes in January, an industry body said on Tuesday. Africa's No.2 copper producer plans to introduce new mining duties, replace Value Added Tax with sales tax and increase royalties to help bring down mounting debt.

Botswana's Mowana copper mine suspends operations over working capital

Mowana Mine, Botswana's only operating copper mine, has suspended operations due to working capital constraints which has seen the company fail to pay salaries and suppliers, it said on Tuesday. Mowana had a conditional \$4 million working capital facility from Fujax Minerals and Energy Limited, from which it had drawn down \$1 million.

One killed in Venezuela illegal mining clash -defense minister

A member of Venezuela's Pemon indigenous group was killed during a "confrontation" last Saturday with security forces attempting to dislodge an illegal gold mine in southern Bolivar state, Defense Minister Vladimir Padrino said on Tuesday. It was the latest in a string of violent incidents in the remote jungles of the once-booming OPEC nation, where people are increasingly taking to informal gold mining as the country's socialist economy unravels and hyperinflation leaves millions struggling to afford basic food items.

MARKET NEWS

Gold prices held steady underpinned by expectations of fewer rate hikes by the U.S. Federal Reserve next year, while a stronger **dollar** weighed on the market. **Base metals** were mostly up in a tight range following U.S. President Donald Trump's upbeat comments about a trade deal with China, while the dollar held near a one-month peak against its peers.

(Inside Metals is compiled by Shaina Ahluwalia in Bengaluru)

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