### ASUKA ALUMINIUM NEWS NO. 652 OCTOBER 2015

# Technical seminar "Auto and aluminum" is held

Seeking lighter, safer and more comfortable automobile, the aluminum consumption for automobile has increased year by year, and moreover in the future, the growth of aluminum consumption is expected hopefully today.

Under these circumstances, a technical seminar "Auto and aluminum" is going to be held by the Aluminum Association on November 9 at the Kyurian room in Shinagawa Civic Center in front of JR Oumori station Tokyo.

The seminar is projected under sponsorship of the Metallic Materials Development Center, the Light Metal Academy, The Light Metal Products Association, the Light Metal Welding Association, the Automobile Engineering Academy, the Japan Aluminum Alloy Refiners Association, the Japan Diecast Association and the Japan Magnesium Association.

The program is as follows.

- (1) 10:00 greetings(the recent tendency between automobile and aluminum)
  - Mr. Hideo Mizukoshi, UACJ Corporation
- (2) 10:20 Honda's development for fuel-cell powered vehicle
  - Mr. Nobuhiro Saito, Honda Motor Corporation
- (3) 11:10 aluminum sheet for automobile
  - Mr. Takeo Sakurai, Kobe Steel, Ltd.
- (4) 11:50 aluminum extrusion for automobile
  - Mr. Tetsuji Yanagimoto, Mitsubishi Aluminum, Ltd.
- (5) 13:20 aluminum cast for automobile
  - Mr. Toru Komazaki, Ryobi, Ltd.
- (6) 14:00 aluminum diecast and automobile
  - Mr. Suguru Takeda, Ahresty Corporation
- (7) 14:50 aluminum welding for automobile
  - Mr. Mihaya Imamura, Kobe Steel, Ltd.
- (8) 15:30 aluminum surface treatment for automobile
  - Mr. Takahiro Koyama, UACJ Corporation
- (9) 16.10 questions and answers with all instructors

The Japan Aluminum Association has started to accept the application. The fee is \$10,000, or \$4,000 for students. The information and application are welcomed by the association.

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### Whole Japan Labor Sanitary Week starts

Every year from October 1 to October 7, Ministry of Health and Labor campaigns to keep better healthy condition at each company. The slogan this year is

Let's check mind and body ourselves

Let's start to expand healthy workplaces.

Taking this opportunity every year, all companies review their surroundings.

### Thriving aluminum production and its dull market

## (1) Swelling aluminum production

The international primary aluminum market is sluggish at around \$1,600/ton, which shows the lowest level in past six years. In spite of such a severe market, there is no news on the curtailment of production.

Recently, the International Aluminum Association revealed the world production of primary aluminum during the first half of this year as follows.

Except for China 12,98million ton (+2% from the previous same period)

China only 15.60million ton (+18% from the previous same period)

It shows us that China's production was really abnormal, and furthermore, it is reported from China that right now the production capacity of 1.8 million ton is under construction and is going to start production in the later half of this year.

A paper points the surplus primary aluminum production capacity reaches 5.5 million ton at 85% operation yearly in China.

## (2) Export duty problem in China

In China the export of primary aluminum has been imposed 15% of export duty. The government has wanted to support aluminum processors, such as aluminum sheet, bar, extrusion, foil and others. The export duty of primary aluminum helps processors and interferes the export of primary ingot.

Recently, by the imbalance between bigger production and consumption, the inventories of aluminum seems to be enormous, and the aluminum smelters want to export their products to international market. The smelters, holding both surplus production capacity and inventories, propose against the government the exemption of 15% export duty.

Naturally, the exemption of 15% export duty of aluminum gives some shocks against aluminum processors in China, and they would move any things. We note Chinese government's reaction on this taxation problem, and at the same time, note the market of yuan, Chinese currency.

### (3) Peculiarity of China business

Major Chinese businesses are entered by Government, local governments or military, therefore they don't conduct themselves so quickly and effectually against external changes as we are.

Looking at the primary aluminum industry, its production capacity gets bigger far from supply-demand relation. If they should attend the international aluminum market, a big effect would happen at that time.

Today, they confront the shortage of labor, the boost of wage or the hard problems on environment. In any case, we would like to keep our eyes upon the government's intention on export duty of primary aluminum and a great gap between its production and consumption.

### 52<sup>nd</sup> Asuka Seminar is just around the coorner

When it comes to autumn Asuka Seminar is our greatest highlight. It is held soon and we expect both a big attendance and a successful seminar. All Asuka staff await October 9 with a big expectation.