ASUKAALUMINIUMNEWS NO. 669 MARCH 2017

ALUMINUMCASTANDDIECASTINCREASEIN2016

The Ministry of Economy, Trade and Industry recently revealed the productions of aluminum cast and aluminum diecst in calendar year 2016. According to the announcement, the productions are

aluminum cast 423,657 ton aluminum diecast 957,870 ton

and the production of aluminum cast increased 1.2 per cent from the previous year, which was three years successive upwardness.

The production of aluminum discast increased 0.5 per cent yearly. The production in 2015 decreased 2.5 per cent from the previous year.

Aluminum cast

The main demand of aluminum cast, automobile, increased 1.3 per cent from the previous year, which showed three years successive increase, and it led the good performance of all in 2016.

Aluminum diecast

The major demand, for automobile, increased 1.0 per cent, but other demands, for machines. electric machines and bike, were sluggish. Especially, the demand for electric machines shrunk obviously.

Forecast in 2017

The yearly change of aluminum diecast production is as follows.

2014 + 1.6 per cent from the previous year
2015 - 2.4 per cent
2016 + 0.5 per cent

It has advanced and retreated in very narrow range. Therefore in 2017, the change of production volume would be very small. However in the U.S. this year, Trump government starts, and the demeanor shows a distinctive walk. The outcome of the protective policy they insist is concerned seriously.

The table on page one is the production, ton, and the ratio to a year earlier, per cent, in 2016. (1) aluminum cast totaled (2) machine (3) automobile (4) others (5) aluminum discast totaled (6) machine (7) electric machine (8) automobile (9) bike (10) others.

Demand of aluminum beverage can in 2017

The Aluminum Can Recycling Association (Chairman, Mr. Masahiro Endo, President of Showa Aluminum Can Ltd.) revealed the estimated demand of aluminum beverage can in calendar year 2016 and 2017 on February 17.

According to the announcement, the demand in 2016 increased 1.0 per cent from a year earlier to 22.38 billion can, in which the demand for beer decreased 2.0 per cent and the various drinks except beer rose 4.0 per cent year on year.

The association estimates that the total demand in 2017 will be 22.46 billion can as almost same level as the previous year. The demand for beer can is still gloomy and the association estimates it reduces 1.0 per cent from a year earlier.

Beer breweries have gloomy outlook; the beer consumption marked the highest in 2007 and then it has become lower gradually year by year brought by the aging society and the decrease of drinkers.

However all sectors except beer keep favorable demand, in which the increase of cocktail and highball is remarkable. The association expresses the coffee can's switching from steel was over, and the total demand won't increase so favorable as past years.

The demand of aluminum beverage can in Japan in past ten years is as follows. Unit is billion.

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(2006) 18.36 (2007) 18.52 (2008) 18.43 (2009) 18.24 (2010) 18.58 (2011) 18.80 (2012) 19.13 (2013) 19.45) (2014) 20.14 (2015) 22.20
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Notes for the table on page two:

- A. beer, other alcoholic, nonalcoholic, totaled except beer, total domestic supply, bottle type(inside figure)

 B. empty imported
- C. canned imported D. canned exported E. total domestic demand (Unit: 0.1 billion can, bracketed is per cent compared with the previous year.)

Aluminum market price rebounds

In the end of 2014, the aluminum market price fell below \$2,000 at London Metal Exchange, and in the end of 2015 it went down at \$1,400 level. However in 2016, it rose slowly and in the end of the year it rebounded powerfully. At last it marked \$1,800 level in February this year.

There are various explanations on this upward market, an effect of production curtailment brought by unprofitability, the conversion of bauxite origin or upward energy market.

The chart on page three is the aluminum 3 month market price at London Metal Exchange monthly since January 2016.

Shell gathering season comes at Mikawa Bay

March is the best season to gather sea shells at Mikawa Bay, and specially some spots of seashore in Nishio City are noted for excellent short-neck clam.

The photo on page four is the enjoying families gathering sea shells in low tide water at Kira Waikiki Beach. Nowadays, the time of tide and weather cause traffic jam. Please take precautions.

Company news A monkey shows up

The monkey is one of the twelve animals of the Orient zodiac, and the monkey's year was over last December. However surprisingly, a monkey made frequent appearances at our site in the end of January.

On morning of 1st February, our employees were astonished to see the notice board, "A monkey makes frequent appearances. Pay attention!" But there was no accident. According to the recent eyewitness information, the monkey moved some kilometer to south and reached seaside area across some roads which have big traffic volume.

The monkey might think over the way of "Bon Voyage" today.