



Rio Tinto's Hard Coking Coal Output Rises 15% in Q2



Hard coking coal output from Rio Tinto's Australian operations increased 15% year-on-year in the second quarter of 2015 as its Kestrel mine

continued to see improved production rates.

The miner produced a total of 2.1 million tonnes of the steelmaking raw material over the three months to June, compared with 1.8 million tonnes a year earlier, according to its latest production report. Volumes are also 5% higher than the 2 million tonnes recorded in

the March quarter. The increase in hard coking coal output came on the back of a continued ramp-up of the miner's Kestrel operations in Queensland towards its nameplate longwall capacity of about 6 million tonnes, it said. Rio Tinto's semi-soft coking coal production was also up by 13% on the year and 14% on the quarter at 1 million tonnes, reflecting the "mine production sequencing" at its Hunter Valley operations.

The mining major continues to expect its share of hard coking coal production to reach a total of 7.1-8.1 million tonnes for the whole of 2015. Its semi-soft coking coal production guidance also remains unchanged, at 3-3.4 million tonnes.

Latin American Finished Steel Production Falls while Imports Jump



Latin American steel association Alacero announced that it is worth noting that, during the first five months of 2015, the finished steel demand in Latin America grew 2%. This fact was triggered by an increase in imports that already supply 34% of the regional consumption. Meanwhile, regional production of both crude and finished steel decreased 2% versus Jan/May 2014. The regional trade balance continues to deteriorate during the first five months of 2015 the deficit in tons increased 17% vs same period of 2014.

Alacero said "The scenario remains unfavorable for the steel industries of the region. A weak demand converges with the sustained growth of imports, keeping regional production depressed. On the other hand, exports do not find a way up in the slow-growing regional and global markets".

Finished Steel Consumption

During the first five months of the year, finished steel consumption in the region reached 29.5 million tons, up 2% vs Jan/May 2014. The largest increases in consumption in absolute and percentage terms were recorded in Mexico (1 million additional tons and an increase of 11%), Peru (140 thousand additional tons, up 12%) and Chile (94 thousand additional tons, up 9%). Conversely, in Brazil finished steel consumption shrank by 821 thousand tons, down 8% vs Jan/May 2014. Argentina also presented a 7% drop in consumption of finished steel products, 148 thousand tons less than during the first five months of 2014.

Voestalpine Invests in Caster for High Quality Steels



The steel plant belonging to the international technology and capital goods group voestalpine in Linz where the company is headquartered is already one of the most modern of its kind in the world. Now, in addition to a series of other parallel projects, the Group is investing over EUR 100 million in a new continuous caster at this site which will produce over 1.2 million tons of high quality steel slabs annually. The largest of the four Group divisions, the Steel Division, is again raising the quality of steel grades with the most stringent surface requirements as a result of this technological development.

From mid-2017 onwards the new facility will annually cast 1.2 million tons of steel in slabs the pre-materials for high quality steel products including steel strip for automotive components. This strategically important investment at the Linz production site amounts to over EUR 100 million and will create 42 jobs. Construction is estimated to

require 24 months. With a capacity of 1.2 million tons per year, the new CC8 will take over around a fifth of all steel slab production on site and replace Continuous Caster 3 (CC3).

As its name suggests, the continuous caster casts molten steel into a single strand in an ongoing process. After solidifying, the steel is cut into individual blocks, so-called slabs. The slabs are then rolled into high quality steel strips in the hot and cold rolling mill. The CC8 is designed to cast a single strand, for slabs with a thickness of up to 22.5 cm and a width of between 80 to 182 cm. Future adaptations will permit casting of slabs with a thickness of up to 28.5 cm. The slabs themselves are primarily high strength steel grades, ultra-low carbon steels with the most stringent of surface requirements for the automotive industry, and electric steel grades.

Construction of the Continuous Caster 8 belonging to the Steel Division, together with the recent ground-breaking ceremony for the Metal Forming Division's second blank production facility, play an important role in securing the site at Linz over the long term. Voestalpine currently employs a staff of 11,500 in Upper Austria which generated total revenue of around EUR 4 billion during the business year 2014/15. The Group has invested around EUR 3.3 billion in this Austrian province in the past ten years alone.