

# Bauxite, brown fused alumina prices rise in China

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Current closures at bauxite and alumina plants in China may be in place for months once the recently announced winter shutdown regulations come into force, forcing prices upward.

Market prices for bauxite and brown-fused alumina (BFA) have ticked further upward this week, with reported closures in China's main producing provinces creating concern about material availability in the fourth quarter of the year.

Production operations are currently restricted in Shanxi province, where the majority of bauxite mining and calcining takes place, so consumers are on the alert with regard to the amount of output that will reach the international markets during the coming months.

"Almost no one is running their plants in Shanxi right now. The last active one I was aware of closed last week," one distributor in China told Industrial Minerals. "Guizhou has some plants running, but not many."

Most calcination operations in Shanxi [have been stopped since the second half of August](#). Guizhou also had a stoppage, but some plants reopened earlier in September.

The continuing restrictions at bauxite mines were also creating a shortage of bauxite ore for calcination. The quality of the ore available was reported to be a problem, according to one seller.

This is all contributing toward a rise in bauxite prices.

Industrial Minerals assessed the price of [calcined bauxite 85%](#) at \$420-435 per tonne fob Xingang on September 20, compared with \$410-420 per tonne on September 6.

The price of [calcined bauxite 86%](#) reached \$435-445 per tonne fob Xingang on the same date, against \$420-440 per tonne earlier.

Meanwhile, the price of [calcined bauxite 87%](#) ticked up to \$450-480 per tonne fob Xingang, compared with \$450-470 per tonne previously.

But the price for [refractory grade bauxite 88%](#) remained at \$490-500 per tonne fob Xingang.

## Brown fused alumina

In Henan province, the leading producer area for BFA, availability of calcined bauxite feedstock is said to be very limited. With calcination kilns not running in Shanxi, hardly any new volumes are reaching BFA production facilities in Henan at present.

Local companies have been resorting to their own stockpiles for some weeks now, as well as sourcing bauxite from Guizhou.

But the costs of sourcing from Guizhou into Henan are higher than for Shanxi, one local producer said.

Industrial Minerals assessed the price of [refractory-grade BFA](#) at \$770-780 per tonne fob China on September 20, up from \$750-780 per tonne on September 6.

The price of [abrasive-grade BFA](#) widened upward to \$870-900 per tonne fob China on September 20 from \$870-890 per tonne earlier.

Additional worries in the short term concerned the state of production during the winter months. As happened last year, the central government in Beijing will impose a shutdown for heavy industrial operations (including most mineral processing) across a number of provinces between November and March.

This year there are expected to be [more such shutdowns in specific cities and areas](#).