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## The Manganese Ore Industry



Manganese, owing to its properties of deoxidizing and strength finds majority of its application in metallurgical processes. Approximately 90 percent of the overall manganese consumption is primarily attributed to the steel plants globally; hence production of steel is the basic underlying for the demand of the metal and its ore.

Globally the manganese content found in the ore varies drastically, however the average from the last decade i.e. from CY01 to CY10 stands at 34 percent.

Keeping the Input/ Output norm constant, CARE Research believes that the production of manganese ore (gross weight) is likely to increase, at a steady pace to cater to the demand for the manganese metal.

## **Cloning the cyclical nature of the global steel production pattern**

### **China will continue to lead the pack both in production & consumption**

China accounted for approximately 42 percent of the global manganese ore (gross weight) production in CY11, as it produced close to 23 million tonnes of manganese ore. CARE Research believes that China would continue to be the world leader in production of manganese ore followed by South Africa, Australia and Gabon in the near future.

China was the largest consumer of the manganese ore to feed its steel plants and for other metallurgical applications. China accounted for around 9.3 million tonnes of consumption or 56 percent of the total global consumption in CY11.

The growth in the production of manganese ore in India is highly correlated to the growth in the production of steel. The production of manganese ore has grown steadily from FY01 with the exception of FY06 and FY10. The consumption of manganese ore has increased at a faster pace when compared with its production in the backdrop of India's ever increasing steel production.

## **Domestic Scenario- Consumption eludes production**

### **Ferro Alloys: India remains a net exporter by a huge margin**

India produced around 3 million tonnes of ferro alloys in FY12, whereas the consumption need of the country stood at 1.7 million tonnes. The said equation allowed the country to export over 1 million tonnes of ferro alloys in FY12, making it one of the largest exporters of ferro alloys.

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