

ALUMINIUM INDUSTRY

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JULY 2010

 CARE Research

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Since April'09, the prices of base metals have shown a substantial improvement after the approval of stimulus plans by various governments across the globe leading to the increase in stock piling by China. Restocking by China and the improvement in the global economic indicators has kept metal prices buoyed through the rest of CY09. While the historical peak prices are not likely to be achieved soon, the improvement in the global demand and the global cost curve provides some support to the prices.

As against the global situation, the domestic aluminium industry continued to record robust growth with an increased demand from the automobile and constructions

industries. With the advantage of being one of the least cost producers of aluminium, all the domestic companies are implementing major expansions thereby doubling the domestic capacities and pushing India to become one of the major exporters of aluminium across the world.

In FY10, almost all the manufacturers reported a severe drop in their top-line and their profitability owing to the fall in realisations. Going forward it is expected that, industry margins are likely to improve on account of an increase in realisations as a result of an improvement in the global and domestic demand.

The report is divided into three sections. Section I presents CARE Research's outlook on industry that covers domestic and global forecasts for the next five years and outlook on the profitability of the domestic players for the next two years. Section II provides an in-depth study past and present trends of the aluminium industry encompassing the trends in demand, supply, raw materials etc. Section III provides the basic industry knowledge covering the history, classification, characteristics, government regulations, end-use consumption pattern, production process etc of the metal. Section III also covers in the industry profile of the leading domestic and international players.

I. Outlook Section

- An executive summary is provided that briefly provides CARE Research's opinion on the industry
- Outlook on domestic player profitability
- Outlook on global demand –supply balance
- Outlook on domestic demand-supply balance

II. Past and Present

It covers the past and present trends in the global and domestic demand-supply scenario.

- Global demand
- Global Supply
- Domestic demand
- Domestic Supply

The section also covers the detail analysis of the raw- materials used in the aluminium industry as under

- Alumina
- Bauxite
- Caustic-soda

III. Industry Section

The section provides information about the history of the metal, Classification of the Industry, Characteristics of the Industry, Geographical Locations and the basic understanding required for the analysis of the aluminium industry. The section also covers the company profile section of domestic and global aluminium producers.

For an in-depth understanding and analysis of the Aluminium Industry and CARE Research's outlook on the sector with its forecast on global prices and global and domestic demand-supply scenario and other key trends in the industry foreseen, please refer to the Report on the Aluminium Industry, July 2010 by CARE Research.

The subscription to this report includes half yearly update for the next 1 year from the date of subscription.

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