



# Jamaica Bauxite Institute



## Local Bauxite/Alumina Monthly Statistical Bulletin

Release Date: February 28, 2019

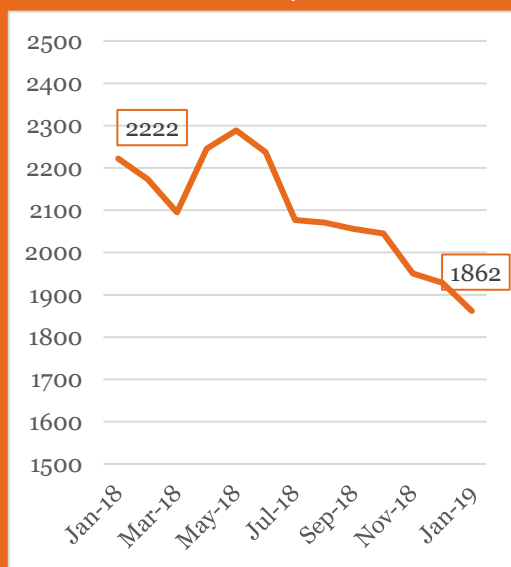
Volume 1 / Issue 1

### JANUARY 2019

#### BAUXITE/ALUMINA INDUSTRY

Y-o-Y		Jan-19	Jan-18
<b>Production (kt)</b>			
Total Bauxite	↑ 29%	921	712
Crude Bauxite	↑ 6%	294	278
Alumina	↑ 40%	236	169
<b>Exports (kt)</b>			
Total Bau. Disposed	↑ 11%	855	771
Alumina	↑ 17%	300	256
Crude Bauxite	↑ 4%	207	198
<b>Capacity Utilization (%)</b>			
ACU (%)	↑ 22%	75%	53%

#### LME ALUMINIUM 3-M PRICE (US\$ /t)



#### Production

In January, **total bauxite production** increased 29% on a year-over-year basis to reach 921 kt. The uptick in production was mainly attributed to increased output from Alpart, albeit all other operators contributed to the improvement.

**Crude bauxite** output increased by 6% to 294 kt. The expansion of exports into the Asian market is expected to have a positive impact on production this calendar year, lifting total output to over 4 Mt.

**Alumina production** was just over 236 kt in January, which represents an increase of 40% relative to the same period last year. Alpart's output improved by over 330% year-over-year and this came despite the refinery gradually increasing production after suffering two outages in December 2018.

During the month, the alumina refineries operated at an **average capacity utilization** of 75%, a marked improvement from the 53% recorded in the same period last year.

#### Export

**Total bauxite disposed** of, which includes crude bauxite exported and bauxite refined into alumina prior to being exported, increased by 11% on a year-over-year basis to 855 kt in January. Excluding Windalco, all other operator recorded improvements in tonnage exported. Windalco had one less shipment in January relative to last year.

**Crude bauxite exports** grew by 17% to 300 kt, exports to the North American and Asian markets represented 52% and 48%, respectively.

Meanwhile, **alumina exports** rose by 4% to 207 kt. Europe was Jamaica's dominant market for alumina exports, with 69% of exports going into that region.

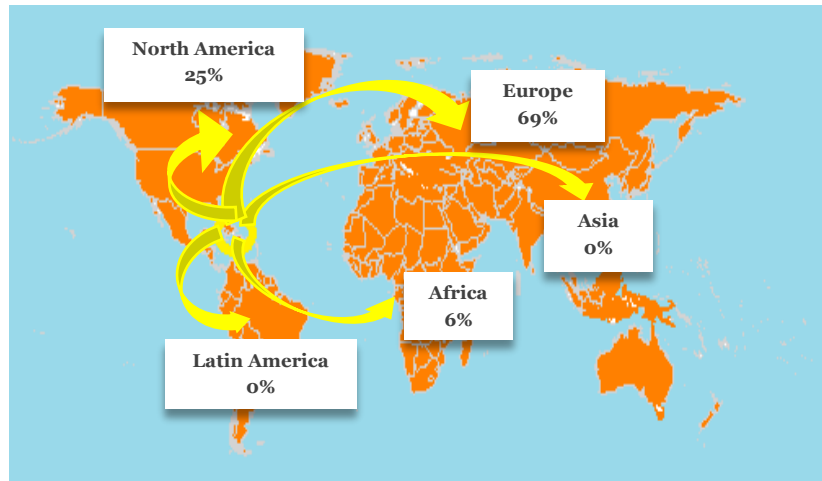


Figure 1: Alumina Exports by Region

## Contact Us

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## Aluminium Prices

For the first month of the year, the **LME aluminium 3-month price** was down US\$360 /t relative to last January and down US\$67/t relative to December 2018. Prices have been on the decline since peaking in May 2018 and come against a backdrop of rising global trade tensions and a slowdown in global economic activity. In light of these prevailing conditions, metal prices are expected to average lower in 2019.

## Crude Oil Prices

**Crude oil prices** have been under pressure due to concerns about oversupply and weakening demand amid downgrades to global economic growth. Brent crude benchmark averaged US\$59.41/b in January, down 14% with respect to January of the previous year. Meanwhile, the WTI benchmark settled at US\$51.4/b, which corresponded to a decrease of 19.3% relative to January 2018.

EIA forecasts Brent spot prices will average \$61/b in 2019 and \$62/b in 2020, compared with an average of \$71/b in 2018. WTI spot price is expected to be roughly US\$55 /b in 2019 and US\$58 /b in 2020.

## Projections

Total bauxite production is forecast to reach 12.8 Mt tonnes in 2019 based on increased capacity utilization for Alpart, Winalco and Noranda. Although export volumes are expected to increase by 24% in 2019, earnings should remain flat at around US\$1.24 billion as a result of softening metal prices relative to last year.

Next Release date: March 29, 2019

**BAUXITE/ALUMINA PRODUCTION & EXPORTS JANUARY 2019**

PERIOD	PRODUCTION			EXPORT		
	ALUMINA	CRUDE BAUXITE	TOTAL BAUXITE	ALUMINA	CRUDE BAUXITE <sup>1</sup>	TOTAL BAUXITE <sup>2</sup>
<b>MONTH</b>						
<b>2019</b>	236,185	294,248	921,226	206,777	300,358	854,545
<b>2018</b>	168,646	277,826	711,597	198,348	256,353	770,709
<b>% Chg 2019/18</b>	40.0	5.9	29.5	4.2	17.2	10.9
<b>2017</b>	158,258	187,966	606,298	176,072	209,635	675,224
<b>% Chg 2018/17</b>	6.6	47.8	17.4	12.7	22.3	14.1
<b>Y-T-D</b>						
<b>2019</b>	236,185	294,248	921,226	206,777	300,358	854,545
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**NOTE:**

- (1) Crude Bauxite = Bauxite mined for export
- (2) Total Bauxite = Crude bauxite + bauxite converted to alumina

**Economics Division, JBI**