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China Strengthens Its Market Position

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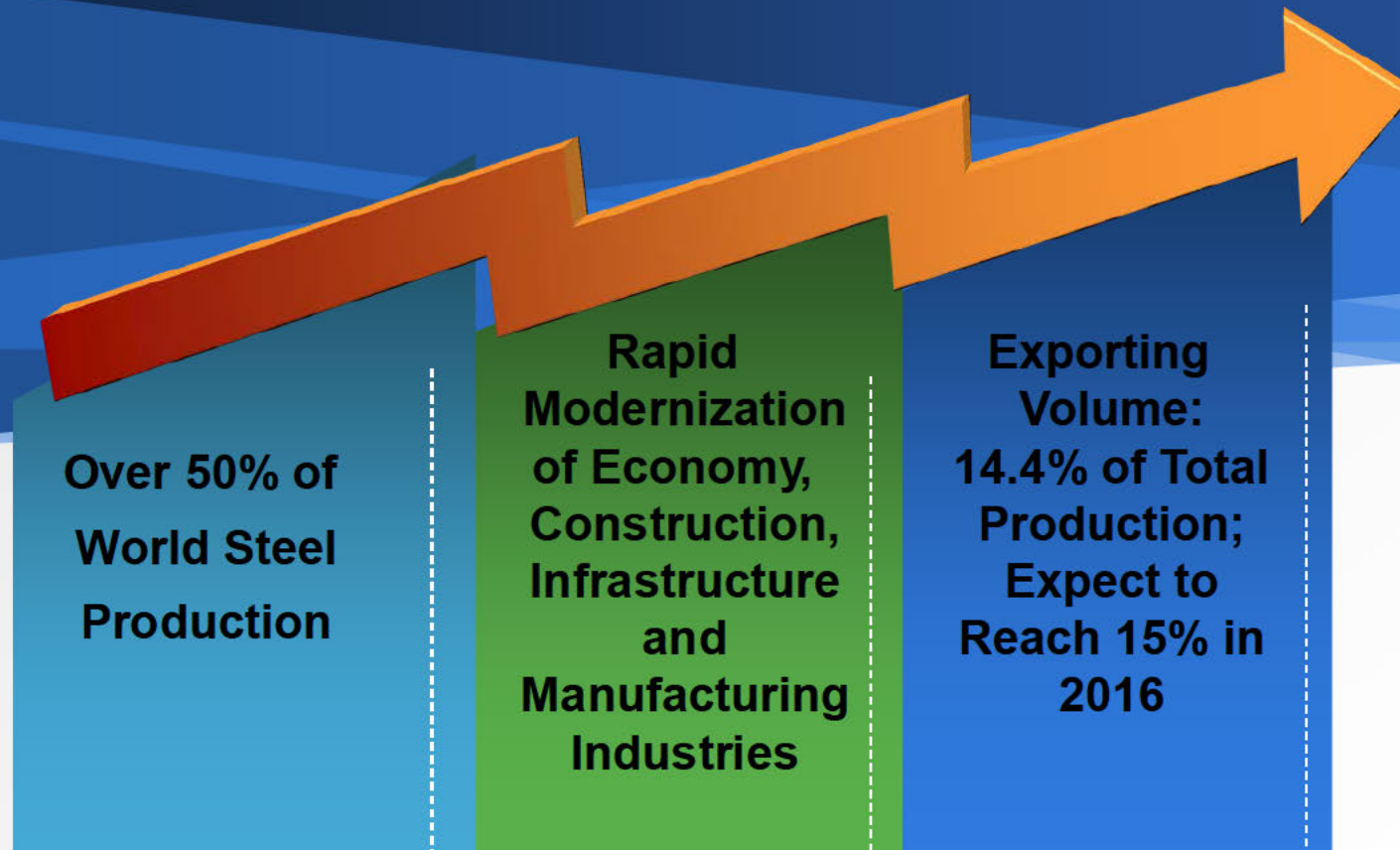
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Steel Production and General Export Situation of China



General Export Situation of China

- Well Equipped with World Leading Technology
- Advantage of China Steel Industry: Large-Scale Production and Low Cost
- China Local Steel Consuming: Will Be Dropping In A Long Future; Exporting: Will be Main Measure to Relieve Production Stress (More in Long Products)

HRC Production And Export

**HRC
Production of
China: Nearly
200 Million
MTs In 2015**

**13,994,500MTs
Was Exported to
75 Countries
(71% Out of
Total Exporting
Went Into Asian
Countries)**

Top Four 2015:

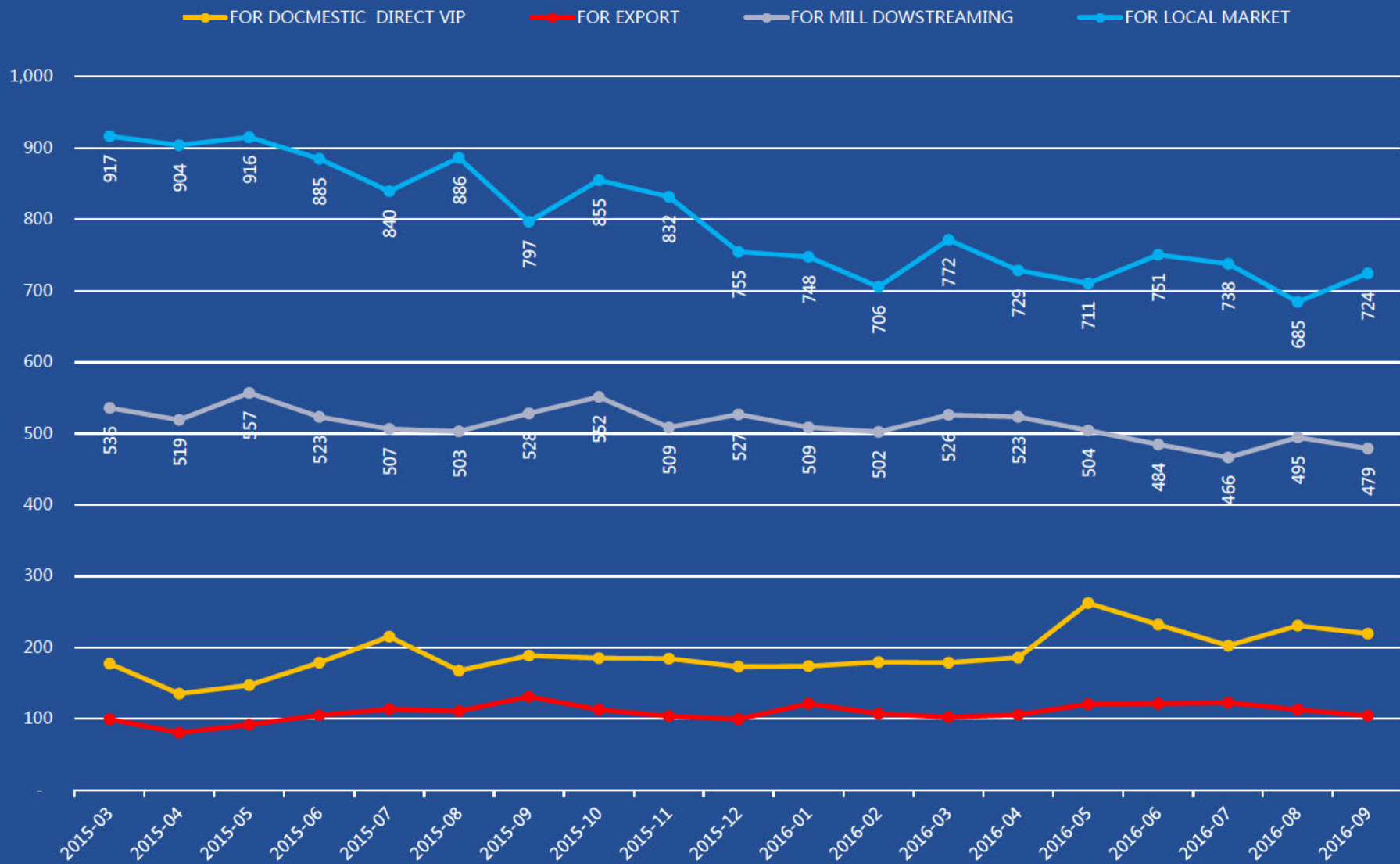
Vietnam

Korean

India

Pakistan

CHINA HRC SUPPLYING SITUATION

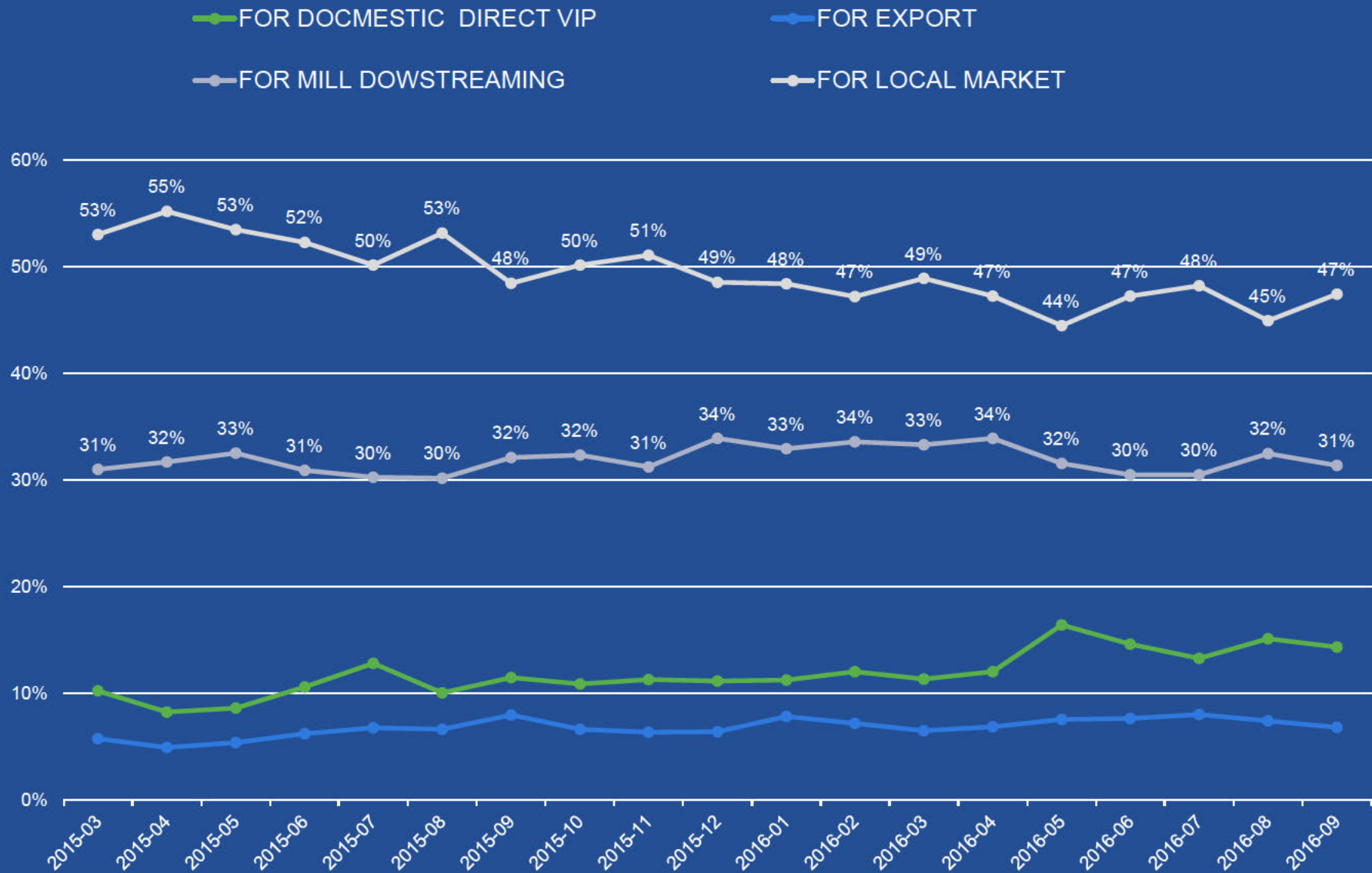


NOTE: 72 PRODUCTION LINES, 227.9 MILLION MTS

CHINA HRC SUPPLYING SITUATION

TIME	FOR DOCMESTIC DIRECT VIP	FOR EXPORT	FOR MILL DOWSTREAMING	FOR LOCAL MARKET	TOTAL PRODUCTION
2015/3/31	177	100	536	917	1729
2015/4/30	135	81	519	904	1639
2015/5/31	148	92	557	916	1712
2015/6/30	179	105	523	885	1693
2015/7/31	215	114	507	840	1675
2015/8/31	167	111	503	886	1668
2015/9/30	189	131	528	797	1645
2015/10/31	185	113	552	855	1705
2015/11/30	184	104	509	832	1629
2015/12/31	173	100	527	755	1555
2016/1/31	174	121	509	748	1545
2016/2/29	180	108	502	706	1495
2016/3/31	179	102	526	772	1579
2016/4/30	186	106	523	729	1544
2016/5/31	262	120	504	711	1598
2016/6/30	232	121	484	751	1588
2016/7/31	203	123	466	738	1530
2016/8/31	231	113	495	685	1523
2016/9/30	219	104	479	724	1527

RATION CHANGE OF DIFFERENT SUPPLYING CHANNEL



RATION CHANGE TO DIFFERENT SUPPLYING CHANNEL

TIME	FOR DOCMESTIC DIRECT VIP	FOR EXPORT	FOR MILL DOWSTREAMING	FOR LOCAL MARKET
2015/3/31	10%	6%	31%	53%
2015/4/30	8%	5%	32%	55%
2015/5/31	9%	5%	33%	53%
2015/6/30	11%	6%	31%	52%
2015/7/31	13%	7%	30%	50%
2015/8/31	10%	7%	30%	53%
2015/9/30	11%	8%	32%	48%
2015/10/31	11%	7%	32%	50%
2015/11/30	11%	6%	31%	51%
2015/12/31	11%	6%	34%	49%
2016/1/31	11%	8%	33%	48%
2016/2/29	12%	7%	34%	47%
2016/3/31	11%	6%	33%	49%
2016/4/30	12%	7%	34%	47%
2016/5/31	16%	8%	32%	44%
2016/6/30	15%	8%	30%	47%
2016/7/31	13%	8%	30%	48%
2016/8/31	15%	7%	32%	45%
2016/9/30	14%	7%	31%	47%

China HRC Export Situation and Potential to Vietnam



China HRC Export Situation and Potential to Vietnam

- Vietnam is the Biggest HRC Exporting Market of China
- In 2015: Imported 3195284.33mt HRC from China (22% of total china HRC exporting)
- From Jan-Aug 2016: Imported 2724117.443mts HRC from China (26.8% of total china HRC exporting)
- Total Demand for HRC Thin Gauge in Vietnam: About 800k mts in 2016 and is Expected to Increase at Least 20% in 2017

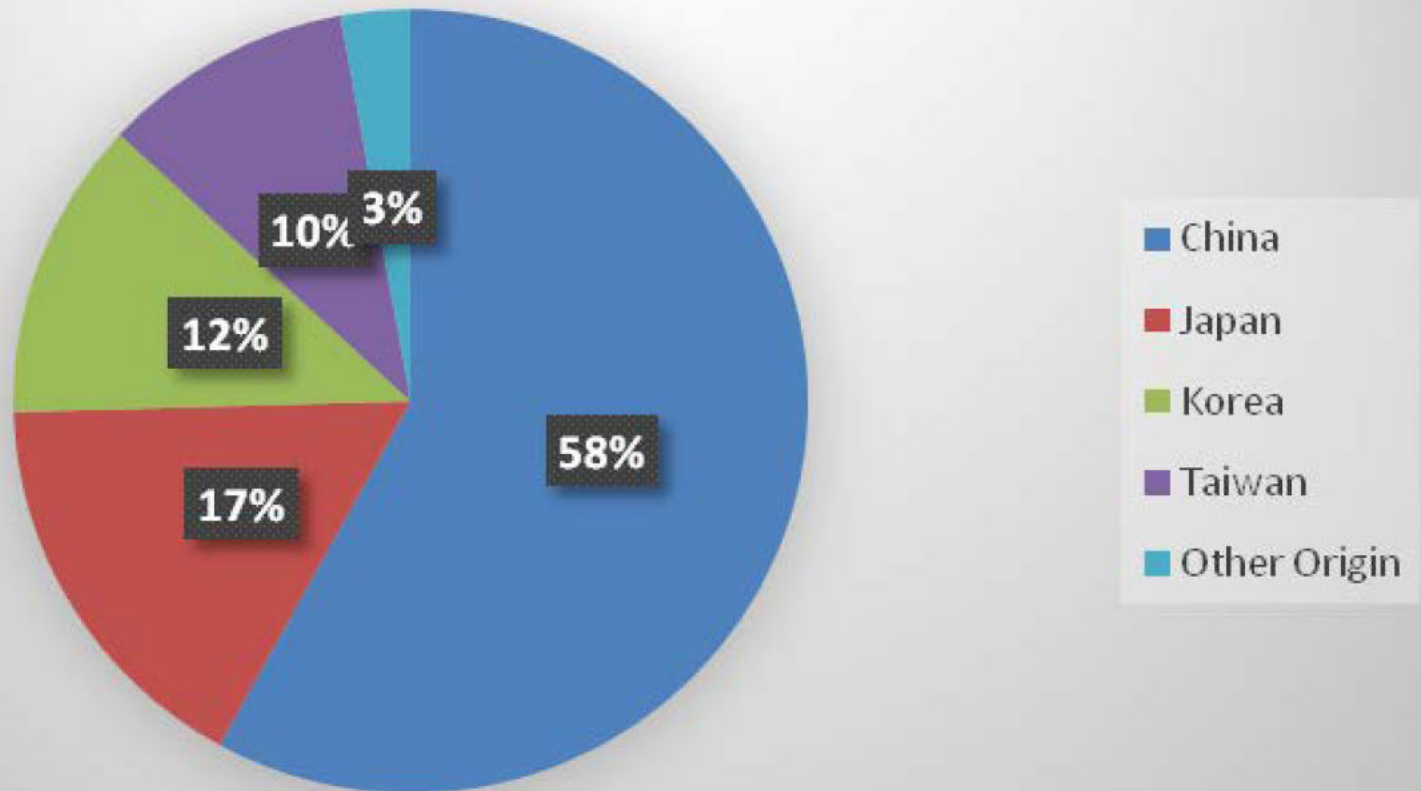
VN HRC Demand and Supplying Origins, Future Forecasting

HR Products Analysis of Year 2015

Origin	Total (Million MT)	Market Share
China	5.45	58%
Japan	1.56	17%
Korea	1.16	12%
Taiwan	0.96	10%
Other Origin	0.27	3%
Total	9.40	100%

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Market Shares



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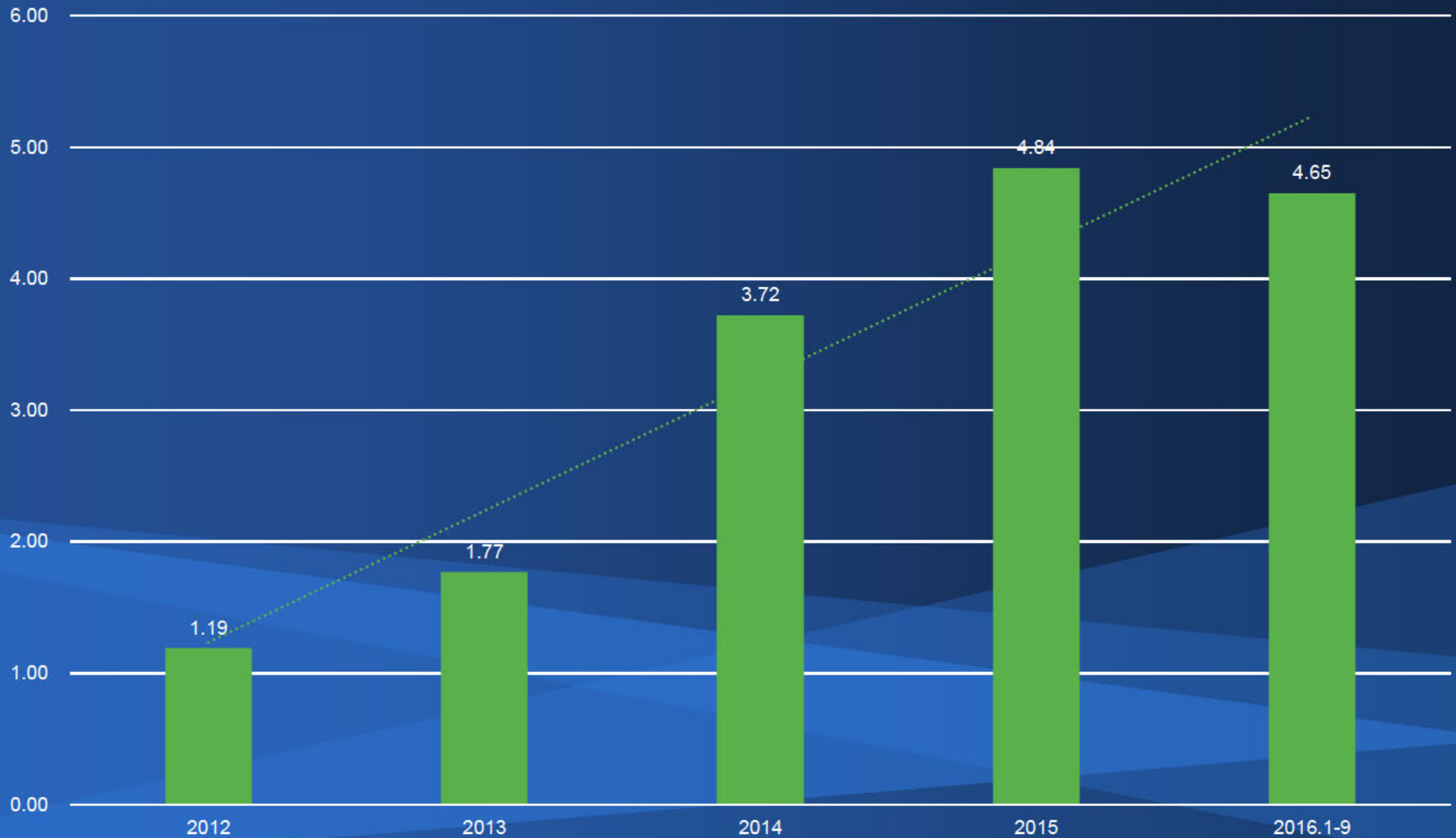
HR Products China Export To Vietnam

Year	HRC	HRS/Plate	HR Total	Growth Rate
2012	0.84	0.35	1.19	
2013	1.26	0.51	1.77	49%
2014	2.75	0.97	3.72	110%
2015	3.39	1.45	4.84	30%
2016.1-9	3.19	1.46	4.65	28%

*Growth Rate of 2016 is calculated base on expectations of whole year.

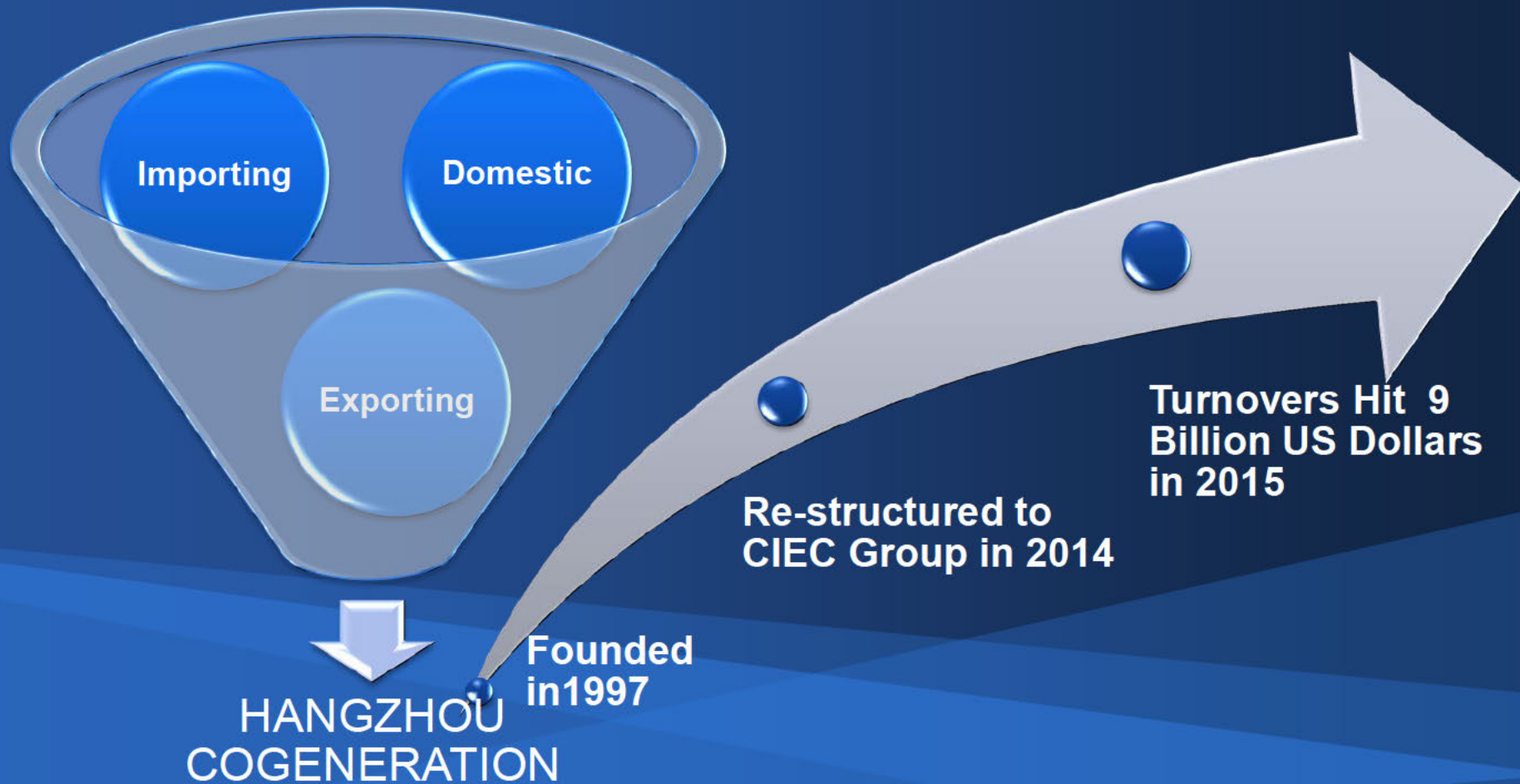
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HR Products China Export To Vietnam



Brief Introduction of CIEC

State-Owned, all biz about steel and steel raw materials



About CIEC International

- subsidiary company to CIEC GROUP, is dedicated to expanding its global trading biz in last 12 years.
- more than 10 overseas branches companies (offices) sits in Asia/Middle East/Africa; banking support from Hong Kong, Singapore as well as in China main land.
- While CIEC mainly source steel from Chinese mills, it is also a strategy to get source from other origins because of anti-dumping issues also because of market price variation.

Thank You