Collaboration in rare earth minerals: ‘Japan positive’

P.S. Suryanarayana

SINGAPORE: Japan “has very positively received” a suggestion that the Indian Rare Earths Ltd. (IREL) be removed from the “list of entities with which Japanese technical collaboration is restricted,” Commerce and Industry Minister Anand Sharma said on Friday.

Mr. Sharma told The Hindu from Malaysia that he raised the issue at a meeting with Japanese Foreign Minister Seiji Maehara in Tokyo on Wednesday. The subject was discussed in the context of Japan’s initiative for a joint venture between Toyota Toshio and the IREL.

IREL, which comes under the Department of Atomic Energy, has come into focus following the October 2010 agreement between the Prime Ministers of Japan and India to explore the possibilities of collaboration in rare earth minerals.

Speaking after signing the India-Malaysia Comprehensive Economic Cooperation Agreement in Putrajaya, Mr. Sharma said he was now “reasonably optimistic that the obstacle... of the restrictive list ... will be removed very soon” in respect of the IREL.

Shortly after Mr. Sharma’s talks with the Japanese Minister on Wednesday, Japanese officials told The Hindu that Tokyo “would like to make progress” towards “joint exploration with India for the development of rare earth minerals.”

On the current state of play in the Japan-India civil nuclear talks, Mr. Sharma said he briefed the Japanese Minister on India’s quest for energy security.

“...in principle, there is an understanding between India and Japan to explore the possibilities of cooperation in the civil nuclear domain. How to move forward is left to the agencies concerned,” he added.
Orissa to ban ore export, but its firm will ship a pile

Promit Mukherjee

The Orissa Government plans to ban export of all grades of iron ore from the state, but Orissa Mining Corporation (OMC), a company owned by it, is going the opposite way. OMC, the largest state government-owned public sector mining unit, has floated a tender for export-sale of 30,000 metric tonnes of 62% Fe grade iron ore fines.

This is the second time the company is exporting its iron ore output.

OMC exported a similar volume in July also.

Calls made to the company’s office in Bhubaneswar remained unanswered.

On January 13, Orissa’s steel and mines minister Raghunath Mohanty said the state has agreed to ban the export of iron ore to conserve the mineral for domestic use.

He had said the state would seek a formal approval from the Centre in a month before invoking the ban.

According to the OMC website, plans to export 30,000 metric tonnes of iron ore fines from the Paradip Port by mid-March.

Exports of iron ore has been alarming domestic steel producers for some time now.

H M Nerurkar, managing director of Tata Steel told DNA Money on Tuesday, on the sidelines of the company’s results conference that exports of iron ore will eventually hit domestic steelmakers.

“It is ridiculous that while India is a net importer of steel, especially in the value-added segment, we export iron ore to other countries for the manufacture of steel. Instead, we should conserve the mineral, use it for domestic consumption and then export value-added steel.”

However, traders have always had a difference in opinion with the corporates as they claim that the country is only exporting iron ore fines, which are usually wasted along the mouth of mines.

But Sheshagiri Rao, director finance, JSW Steel, one of the biggest steel manufacturing companies in India, earlier told DNA Money that steelmakers in India even use iron ore fines to manufacture steel.

“Even we use fines for the manufacture of steel and hence, exports in every form should be banned,” he had said.

According to data available with the Department of Mines and Minerals, India producde close to 226 million tonnes of iron ore in 2009-10 out of which close to 117 million tonnes were exported.

That’s a rise of 3.5 times in exports in the last ten years. In 2000, India had produced 90 million tonnes of iron ore and exported 30 million tonnes.
Hindustan Copper (Rs 324.4)

Hindustan Copper did a volte-face and skyrocketed 37 per cent for the week. It breached its medium-term key resistance as well as 50-day moving average around Rs 300 on Friday, by gaining more than 11 per cent with extra-ordinary volume. The stock now faces its next important resistance at Rs 350. Inability to surpass this resistance will result in the stock moving sideways in the range between Rs 350 and Rs 300 before it trends upward.

Strong weekly close above Rs 350 will push the stock higher to its long-term resistance level of Rs 400 in the upcoming months. Key supports are pegged at Rs 300 and Rs 250.
Silver shines on global worries

Domestic prices inch closer to Rs 48000/kg, metal at 30-year global high, gold also rises

Mumbai

Global worries like unrest in the Middle East and surging inflation coupled with decline in other assets prompted investors to shift to precious metals like silver and gold. With demand staying ahead of supply, silver, often described as poor man’s gold, is beginning to outstrip yellow metal in delivering returns to investors.

In global markets, silver surged 0.6 per cent to $31.97 an ounce, the highest since March 7, 1999 while gold gained $2.85 or 0.2 per cent to $1,386.95 an ounce, bringing this week’s gain to 2.2 per cent, the most since five weeks.

The global rally had a rub-off effect in the domestic market with silver prices rebounding sharply to hit an all time high and fell short of reaching another milestone of Rs 48,000 per kg. Gold also rose renewed demand from jewellery makers amid marriage season’s off-take. Silver ready (99.9 fineness) jumped by hefty Rs 1,195 per kg to close at Rs 47,980 from Thursday’s closing level of Rs 46,795. The previous all-time high was at Rs 47,560 per kilo on January 3 this year. 2010 saw silver rallying to dizzying heights with prices rising over 80 per cent.

Standard gold (99.5 per cent purity) firmed up by Rs 60 per 10 grams to finish at Rs 20,430 from overnight closing level of Rs 20,370. Pure gold (99.9 per cent purity) also gained by Rs 65 per 10 grams to end at Rs 20,535 as against Rs 20,470 on yesterday.

In the physical market, the World Gold Council said overall demand for gold is likely to remain firm this year, driven by buying from India and China, as it released a report showing bullion consumption hit a 10-year high in 2010. The prospect of rising inflation in major markets like China and India fuelled gold and silver’s appeal as an investment asset.

Safe-haven buying increased as unrest spread across the Middle East and North Africa, after Bahrain on Thursday launched a swift military crackdown on anti-government protestors and clashes were reported in Libya and Yemen. Gold and silver also benefitted from a broad decline of the dollar versus a currency basket.

Meanwhile, gold bar and coin demand in the Middle East jumped 39 per cent in the fourth quarter from a year earlier, according to World Gold Council figures.

On Thursday, the World Gold Council (WGC) said that India emerged as the strongest market for gold during 2010 with total demand rising by 66 per cent to 963 tonnes despite high prices.

Globally, the demand for gold during 2010 was at a 10-year high of 3,812 tonnes with India accounting for about 25 per cent of the global demand.

AGENCIES
China's policy to curb inflation hits copper, grains

West Asia unrest sends gold, silver zooming

China's move to curb inflation raised concerns about demand and a wave of profit-taking and soyabees options trading pushed markets down.

In energy markets, US spot crude oil futures ended lower in volatile trading after a boat of profit-taking and position-squaring ahead of a three-day holiday weekend. US markets will be closed on Monday for the US President's Day holiday. Late liquidations ahead of NYMEX front-month March crude's expiration on Tuesday snuffed out gains spurred by pre-weekend short-covering. And China's reserve rate hike weighed on prices for implications on slowing demand.

But persistent worries the unrest in West Asia and North Africa could disrupt oil supplies from those regions support prices in later months.

US crude for March delivery fell 16 cents to settle at $86.20 a barrel, off an intraday peak of $87.88. In contrast, US April crude rose 87 cents to end at $89.71 a barrel after hitting a $90.96 peak.

DEBT CRISIS
Gold surpassed $1,390 an ounce, notching its best weekly performance since December, underpinned by fears of a European debt crisis, rising inflation and growing West Asia tension.

Bullion's gains sparked strong investment buying in silver, which soared to a 13-year high, further widening silver's gains over gold and sending the gold-silver ratio to its lowest level in 13 years.

"There is a big concern over the weekend that we can see problems with the EU sovereign debt," said Mr Bill O'Neill, partner of commodities firm LOGIC Advisors. Spot gold rose 0.3 percent to $1,386.75 by 2.34 p.m. EST (1934 GMT), having earlier hit a $1,391.75 five-week high. It gained almost 3 percent for the week.

US gold futures for April delivery settled up $3.50 at $1,388.60 an ounce, with volume about 50 per cent below its 30-day norm.

Cocoa futures surged to their highest level in 14 months on prospects of bank nationalization in top grower Ivory Coast, while tight supplies pushed arabica coffee near a 14-year top.

Ivorian incumbent Laurent Gbagbo's government said the state would take control of all banks that had suspended operations in the West African state, a move that turned the nation's post-election crisis into financial meltdown.

ICE benchmark May cocoa futures rose $0.61, or 1.8 percent, to settle at $3,499 a tonne, the highest close for the second-position contract since December 2009. The session high reached $3,511.

ICE May arabicas climbed 4.15 cents, or 1.5 percent, to settle at $2.73 per lb, the highest for the second position since May 1997. The contract closed the week up 7.1 percent, the biggest weekly gain in nine weeks, as a lack of high quality beans forced roasters to pay up.
E-gold vs. Gold ETF

Following requests from our readers, here's a comparison of costs between Gold-ETFs and the National Spot Exchange's e-gold in the table attached. E-gold is the de-mat form of buying gold where physical delivery is allowed - tax treatment here is thus similar to that of physical gold. Gold ETFs are taxed as per provisions made for non-equity MF schemes.

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FIIs beef up stakes in mineral PSUs

Valuations, coal shortage aid trend

Vishwanath Kulkarni
New Delhi, Feb. 19

The Indian mineral story is increasingly attracting foreign investor interest. The state-owned mineral entities such as Coal India Ltd and NMDC have witnessed an increase in foreign institutional investor (FII) shareholding in recent months.

Coal India, which listed its shares on November 4 last year, saw a two-third increase in FII shareholding in two months to 5.54 per cent in the quarter-ended December 2010.

The Government divested 10 per cent stake in Coal India, the world’s largest producer, through an initial public offer (IPO) in mid-October. As on October 30, the company had a FII shareholding of 5.32 per cent.

Similarly, iron-ore producer NMDC Ltd saw its FII shareholding increase by a fifth to 0.87 per cent for the quarter-ended December against 0.47 per cent in the September quarter. In the quarter-ended March 2010, the FII shareholding in NMDC stood at 0.15 per cent.

Analysts attribute the trend of increasing FII holding in mineral PSUs to the long-term prospects offered by the companies, which they feel are undervalued. They also attributed it to the shortage of the commodity, especially coal.

“Lot of funds are buying into Coal India in the past two to three months. The stocks are undervalued as the recent global increase in prices of coal and iron ore have not reflected in the price movements of these stocks,” said Mr Bhavesh Chavan, senior research analyst at Angel Broking Ltd.

Also, these companies have a sound business model. As they are Government owned, they are unlikely to face corporate governance issues, which is how the FIIs like it, he added.

National Aluminium Company has also seen a marginal increase in FII stake to 4.31 per cent during the December quarter over the September quarter. Interestingly, Sesa Goa, the largest private sector iron ore producer and exporter has seen a drop in FII holding to 24.37 per cent from 26.57 per cent in September quarter.

“The mineral sector, especially coal and iron ore, holds lot of promise. Moreover, the sector is the only one that has no direct impact of a rate hike or inflation,” said Mr Kishore P. Ostwal, CMD, CNI Research.
पिछले कुछ दिनों से घरे अनुभव वक्ताओं (ने गो जोन) में कोलंबा खान के लिए विभिन्न तरीकों के द्वारा विवाह एवं जनरल विधानसभा कार्यक्रम के मौके पर संदर्भित किया है। इस दिन के बाद से वन व पारिवारिक विवाह के मौके पर संदर्भित किया है। वह वक्ता की वातावरण के लिए अनुभव दिखाया गया है।

शीमा जयवर्मा

फिर फिर फिर, ताकि बचे रहें जंगल

अगर उनों में से कोई ही खान की जंगली माता की पहचान नहीं है तो वे अन्य विद्वानों के अनुसार उनके अंदर आते हैं। वे उन्हें जानते हैं कि वे खान के लिए बचने के लिए कैसे रहते हैं। उन्हें जानते हैं कि उन्हें बचने के लिए कैसे रहना है। उन्हें जानते हैं कि उन्हें बचने के लिए कैसे रहना है।

शीमा जयवर्मा, जानकारी मंत्री, खेती विभाग, निर्मला स्याहा, निम्नालयी उपाध्यक्ष, यूपी सरकार
चांदी ने बनाया तेजी का नया रिकॉर्ड

नई दिल्ली (एजेंसी)। आयुक्त निर्देशकों और आदिवासिक जमानत की भारी तेजी के कारण चांदी सरकार बाजार में बनावट की चांदी के भाव 1250 रुपए की तेजी के साथ 48700 रुपए की हुई धमाके पर स्थायी रूप से हुई। इसी प्रकार सीमा में पाने वाले तेजी आई और हालांकि 25 रुपए अधिक कर साथ 20745 रुपए प्रति दस ग्राम बंद हुए।

दिनदहाँ बाजारों में पानी 30 साल के उच्चतम और सोम एक गाथा के उल्लभ रिकॉर्ड लग लग गए। इसमें भी ध्वस्तक बाजार ध्रुव पर सर्वाधिक रहा। बाजार सुरू के अनुसार रहने की जिम्मेदारी में और तेजी की उम्मीदों के कारण फूटकर तेजी ने सीमा में स्थिरीकरण को। विभिन्न राज्यों में आधार 918 हड़तल के भी ज्यादा रूप को। भारत रूप के लिए तेजी देश है। वैज्ञानिक रूप के बीच भारी मांग के कारण चांदी तेजी के भाव 1250 रुपए की तेजी के साथ 48700 रुपए और चांदी सरकार निर्देशकों के भाव 1170 रुपए पहुँचने के विस्तार 48454 रुपए किए तेजी के रिकॉर्ड उम्मीद पर बंद हुए। चांदी रिकॉर्ड के भाव 56000-56100 रुपए प्रति दस ग्राम अधिकतम बंद हुए। सेवा 99.9 गुन्धा और 99.5 गुन्धा के भाव 25 रुपए की तेजी के साथ क्रम 20745 रुपए और 20635 रुपए प्रति दस ग्राम बंद हुए।