
Production pruning - Chinese ferroalloy output in 2009 to dip heavily

Saturday, 27 Jun, 2009

Antaike, the state-owned metals information provider said that China's total ferroalloy output is expected at 14 to 15 million tonne in 2009 down from 18.25 million tonne in 2008.

Antaike source attributing the fall to poor market demand and weak prices said that "Judging from the decline in local ferroalloy output during the first five months of this year, total national volume is expected to reach only 14 to 15 million tonne in 2009."

State statistics showed that China produced 7.2786 million tonne of ferroalloy during the first five months of this year down by 5% from the same period a year ago.

Customs figures showed that total ferroalloy exports from China were 313,000 tonnes during January to May 2009 down 78% from the same period last year.

Meanwhile, both Antaike and the Chinese Chamber of Commerce of Metals, Minerals and Chemicals of Importers and Exporters, said it was unlikely China would relax its ferroalloy materials export policy despite the European Union seeking help from the WTO to consult with China regarding Chinese raw material export restrictions.

China now imposes a 20% export tax on ferrovanadium and a 5% export tax on vanadium pentoxide, or V2O5.

(Sourced from Platts.com)

For more news visit at www.steelguru.com