India iron ore quotes up and strike causes delays

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Reuters reported that India's iron ore quotes were higher on Wednesday, with supplies severely constrained by an ongoing strike in an eastern port and monsoon closure in the west.

An official from a large foreign trading firm said "It is getting worse by the day, the waiting period in Paradip has increased to 20 days."

The official said the FOB quotes by his company were at USD 64 tonne to USD 65 tonne for 63.5 grade against USD 58 to USD 59 last week.

But deals done were limited owing to the strike at Haldia in India's eastern state of West Bengal that had affected waiting time for shipments at neighboring ports like Paradip as well.

Shipments from the western Indian cost were also limited as the major Goa port closed to shipments of iron ore fines due to the monsoon rains.

A small trader in central India said exporters were in a hurry to ships out stocks as the monsoon rains could intensify in the weeks ahead, limiting availability and slowing down cargo movements.

Mr Shailesh Singh of LM Trading Co in the central Indian state of Chattisgarh, who buys iron ore from mines and sells it to exporters said "Everyone is buying, for selling or stocking. They know that by mid July stocks won’t be available."

Mr Singh said prices had inched up by a couple of dollars over last week as a result of the rush.

An analyst said with China likely to accept a smaller cut in contract prices of iron ore than it had initially hoped, prices could get a boost ahead.

(Sourced from Reuters)

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