
POSCO to boost output with upgraded furnace

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It is reported that POSCO is staging a comeback as improved facilities for manufacturing steel are expected to play a big role in making that happen.

Five months ago, POSCO shut down its Gwangyang 4 blast furnace to make it bigger and better. The upgraded blast furnace is now the biggest in the country in terms of the steel it can hold, and it is set to resume operation two weeks from now.

Before the improvements were made, Gwangyang 4 could hold up to 3,800 cubic million of steel. Now it can hold up to 5,500 cubic million, with the bigger volume meaning it can manufacture more steel.

Thanks to the enhancements, the blast furnace is expected to produce 1.2 million tons of extra steel annually. This increase will have a positive impact on POSCO's total output of crude steel. The company forecasts that it will manufacture 7.2 million tonnes for the third quarter and 7.7 million tonnes in the last quarter. That's a 125% jump from the first quarter this year.

There are concerns, however, over the extra manufacturing of steel because demand hasn't grown that substantially. Industry insiders say there is no need to worry, since stockpiles are shrinking and market prospects look brighter.

(Sourced from www.chosun.com)

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