
Production pruning - Nisshin Steel to increase Q3 output

Friday, 17 Jul, 2009

MetalBiz reported that Nisshin Steel is intended to improve Q3 production capacity rate to 80% around of Shunan stainless steel mill in western Japan. It is understood that the average production capacity rate in Q1 is only 40%.

Due to the significant drops of Japan's stainless steel output, Nisshin Steel began to cut down its production last year and its production capacity utilization rate was only 20% to 30%.

A spokesman of Nisshin Steel said that it is estimated that the markets of China and other Asian countries will rebound and it plans to raise Q3 production to meet with the increasing demand in export. He also said that Q4 output plan will be determined.

The monthly stainless production of Shunan steel mill was about 50,000 tonnes, there into, austenitic and ferritic stainless steel production accounts for 50% respectively. It is learned that the two kinds of stainless steel output will reach 20,000 tonnes correspondingly in July to September 2009 period.

Since last summer, Nisshin Steel has been unwilling to accept the domestic orders. Nisshin Steel spokesman claimed that the stainless steel inventory adjustment is in process in the domestic markets and Japan real demand has not rebound till now, so it does not accept the plan of the domestic orders.

The latest data of the stainless steel production show that the production in April was 139,500 tonnes, less than the half of 298,400 tonnes in the same period of last year.

(Sourced from MetalBiz)

For more news visit at www.steelguru.com