
Iron ore price negotiations - BHPB continues talks with China

Saturday, 03 Oct, 2009

Reuters reported that BHP Billiton has yet to fully sign off on this year's long term iron ore price contracts with Chinese steel mills as it prepares to start next year's negotiations.

Mr Tom Schutte president marketing for BHP said that "We are still negotiating with China." He added that negotiations for pricing in the 2009-10 shipping year will come about in the next month.

Mr Schutte said that the global financial crisis, which had caused volatility across a range of commodities, had persuaded more of BHP's customers to move to short term pricing arrangements, though some still stuck to the decades old annual benchmarking system.

He added that "I'd love if they all would come over that would make it that much easier."

It may be noted that this year's iron ore talks between miners including BHP and Chinese customers have been particularly fraught as China's top negotiator held out for deeper cuts than those secured by other Asian mills, even as spot prices soared.

(Sourced from www.reuters.com)

For more news visit at www.steelguru.com