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## **Analysis of huge price rise in CR silicon steel in China**

*Saturday, 19 Sep, 2009*

It is reported that striking price upswing happened to China CR silicon Steel during July to September with the rise averaged CNY 1850 per tonne to CNY 1950 per tonne an infrequent jump in recent years.

Huge price rise bring in considerable profits to silicon steel producers, activating their production. As a result, the price rise sharpened the oversupply in CR silicon steel and the competition between producers in recent three months.

Before July, China first fiver silicon steel producers totally yielded 1.9051 million tonnes of CR silicon steel down by 13.1% YoY or 0.2871 million tonnes from the same period of last year. The continuous rises in CR silicon steel made traders and downstream users hesitated in ordering from mills, tending to drive down market price.

As from the market, some small users who always applied the low grade CR silicon steel, became unable to bear the increasing production cost and restarted the use of HR silicon steel, leaving a part of the market to HR silicon steel which were planned to be replaced.

(Sourced from MySteel.net)

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