
Production pruning - EU stainless steel mills to reduce output

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MetalBiz reported that, due to the rapid demand decline and gloomy market prospect in 2010, many large scale stainless steel mills of European Union plan to cut down the production in the beginning of the new year.

These steelmakers increased the output in August and September this year, but, according to the analysts' views, as making up for the stock is not caused by the actual consumption increase, and thus the move is a little earlier. These steel mills refused to give any comment on reducing production, whereas, analysts predicted that the extent of cutting down production will reach 20%.

With the inflow of China's cheap products, EU's stainless steelmakers are expected to still decrease the price in 2010. Because the price is high, the market quota of EU's enterprises may face the risk of being occupied by strong Asia's competitors.

(Sourced from MetalBiz)

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