
Indian aluminium exports may rise by year end

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BS reported that India's aluminium exports are likely to pick up within the next 2 quarters due to falling inventories at the London Metal Exchange and revaluation of the Chinese yuan.

Mr AK Sharma director production of National Aluminium Company Limited said that "Currency float by China will have a positive impact on exports, but may not affect growth substantially. However, aluminium demand in the international market is sound and will get support from the decreasing inventory of the metal at LME."

Mr Sharma said that Nalco had been selling aluminium at a premium of close to USD 90 per tonne of late and expected the trend to continue.

He said that aluminium prices were hit due to the sovereign debt crisis in some European nations. Prices, which reached close to USD 2,316 per tonne for 3 month delivery in April, had fallen 16% to USD 1,930 per tonne in June. At present, aluminium for 3 month delivery is around USD 2,000 per tonne.

He added that we expect prices to stabilize at the current level. They may touch USD 2,150 per tonne by December.

Hindalco, in a recent briefing for analysts said that China would use 18% more aluminium this year, while Indian consumption was expected to rise 18% to 1.664 million tonnes. The domestic production of aluminium is estimated at 3 million tonnes per year. The report also pointed out that world consumption would be 22.592 million tonnes during the current financial year.

(Sourced from Business Standard)

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