
Iron ore price negotiations - Q4 prices to fall by 13pct - Rio Tinto

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Australia Associated Press quoted global mining giant Rio Tinto as saying that iron ore prices would fall 13.3% in the fourth quarter.

Mr Sam Walsh company iron ore chief executive said that prices would fall to USD 127 per tonne FOB in the last three months of the year in accordance with a new mechanism based on the average index price during the previous quarter.

He said that "Chinese steel mills haven't received the notice or request from three iron ore miners yet and this is just their plan calculating the fourth quarter price based on the index."

He added that "The fact is we usually have to follow what they request to get the shipments, as around 60% of the iron ore consumed by big steel mills depends on imports."

He added that "When you look at the big picture, we'll see very robust demand for iron ore going forward."

(Sourced from Australia Associated Press)

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