
Acesita sees 6% per year growth in SS demand in Latin America

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Brazilian specialty steel maker Acesita said that stainless steel demand in Brazil and South America is due to grow 6% per year through 2011 above the world average.

Mr Sérgio Mendes commercial director of Acesita at a meeting promoted by analyst and investor association Apimec said that “Brazil has a per capita stainless steel consumption of 1.4 kilogram a year. There is an enormous potential for growth. Worldwide stainless steel usage is due to grow 5% per year through 2011. “

He said that “Currently, the sector is going through a downward cycle on international markets due to a decrease in nickel prices which result in a reduction in stocks and a drop in apparent demand. This international movement impacts the local market. However, a good level of economic activity from the local civil construction and automobile sector, in addition to new projects in the petrochemical and sugar and ethanol industries are pushing upward demand for the specialty steel in Brazil.”

According to Mr Mendes, Acesita has an operational flexibility that allows the company to maximize production of certain products while others are in a downward cycle.

Minas Gerais state based Acesita has liquid steel capacity of 900,000 tonnes per year.

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