
Stability is the watchword as chrome market gathers - ICDA

Monday, 26 May, 2008

Stability was the keyword as the chromium industry met in Paris for the annual meeting of the ICDA. Producers, traders and consumers are hoping that the conference will help to calm market sentiment.

The ferrochromium price has soared in recent months as a result both of the strong growth in the Chinese stainless steel industry and the power crisis in South Africa that has left producers operating at 90% of capacity.

The market has welcomed the current consolidation in high carbon ferrochromium prices but some consumers are already suggesting a rollover in the current price of USD 1.92 per pound for the third quarter of the year. Simultaneously, there are rumors in the market that the contract price could be settled as high as USD 2.50 per pound for the third quarter.

Meanwhile, the producers have dismissed the talk of a rollover in the price. They, and traders, have also downplayed talk of cuts in demand from Chinese stainless steel mills. They are confident that demand will remain strong.

For more news visit at www.steelguru.com