
Chinese molybdenum oxide prices edge up

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Platts reported that China's spot molybdenum oxide prices moved marginally higher this week with indications mostly within a range of USD 33.60 to USD 33.70 per short tons on a CIF basis as prices are supported by supply concern in China.

Local traders said that despite higher prices, spot trade remained thin in China due to a lack of consumer interest in the market.

Sources also noted that spot material delivery was expected to slow further as major ports in China were set to be in heavy traffic flows closer to the Olympics Games in Beijing starting August 8.

One China based producer said that he had stopped offers to the spot market due to concern over the material delivery. He added that cargoes shipping out from Qingdao port had slowed recently due to thick sea fogs in the region which had slowed material delivery. Besides, the Olympics sailing will take place around the Qingdao port area and material shipment is to be affected during that time though we are still not sure about its possible impact. He said that "Most people are adopting a wait-and-see attitude now, watching the market moves in the coming one or two week."

Another producer, which now offers spot material at USD 34.00 per short tons on a CIF basis said buying activity had been slowed this week in both domestic and overseas markets. He said that "Buyers are looking to get material at USD 33.50 per short tons but I can't sell at such a price."

He added that steel plants production in China had slowed and this had reduced buying interest in China."

Producer said that steel production in China is likely to slow down in July and August.

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