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## Steel makers continue to cut down scarp purchasing price

*Monday, 29 Sep, 2008*

It is reported that recently, some steel makers in East China have continued to cut down their purchasing price for scrap. There was an exacerbated panic in domestic market. And steel makers will continue to adjust their purchasing prices.

As per report, at present Shagang's purchasing price stands at CNY 3380 per tonne. Under such circumstances, Xingcheng Special Steel's purchasing price fell down by another CNY 50 per tonne. The delivered to mill price for Bingjiang quality scrap reaches some CNY 3450 per tonne, that for Huashan' quality scrap CNY 3450 per tonne down by CNY 70 per tonne. Nanjing Steel's purchasing price for converter heavy scrap keeps at CNY 3395 per tonne that for electric furnace heavy scrap at CNY 3285 per tonne.

Dealers rush to sell their products and steel makers hold certain stocks. Only half month ago, there was a rosy outlook on scrap market because of the tight supply. Along with the continuously falling steel prices in domestic China, steel makers will further control their production costs. Some steel makers will even cut production after the National Day holiday. So, it is expected that scrap market price is likely to be lower than CNY 3000 per tonne.

(Sourced from MySteel.net)

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