
Smaller miners in Brazil to wait out crisis - Ibram

Monday, 10 Nov, 2008

Reuters reported that smaller miners are slowing investments in projects in Brazil to wait out the credit crisis which has cut lending in the cash hungry sector.

Mr Antonio Lannes economic data manager at Brazilian Institute of Mining said that "In this time of uncertainty projects are being slowed and people are waiting for the situation to normalize. Companies are slowing down to see how the world economy will look."

Mr Lannes said that "It is too early to say companies will be pulling out of projects. We don't know of any firms canceling investments. Nickel has suffered a bit more than the others. Its price is now at about the same level as in 2000."

Brazilian mining firm Vale announced last week that it would cut its 300 million tonnes annual iron ore output by a tenth and reduce purchases from small, third party pig iron producers. Small and fledgling miners, with less access to cash, are likely to feel the crisis more acutely.

For more news visit at www.steelguru.com