
TISCO cuts stainless steel export price by USD 750 per tonne

Thursday, 20 Nov, 2008

Taiyuan Steel Co has reduced its stainless steel export price by USD 750 per tonne for January 2009 shipments to South Korea.

Offer for 304 HR stainless steel goes at USD 2050 per tonne FOB, 304 CR stainless steel at USD 2200 per tonne FOB, which compares with USD 4070 per tonne and USD 4270 per tonne respectively, peak levels of this year.

That is to say, export quotations for 304 HR and CR have dropped by USD 2020 per tonne and USD 2070 per tonne respectively, a fall on consecutive seven months.

If USD/KRW is set at 1500, export price for 304 HR by Taiyuan Steel will be at KRW 3.08 million per tonne, while 304 CR posts at KRW 3.30 million per tonne, which are lower than POSCO's offer as its ex works price for 304 HR is now at KRW 3.65 million per tonne and 304 CR stands at KRW 3.92 million per tonne.

Even though, there is little possibility for S. Korean importers to purchase. Nobody is willing to import with a large amount on shrinking demand, meanwhile, the price is likely to see a further drop next year.

(Sourced from MySteel.net)

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