
Slowdown signs - Peruvian Q4 mineral export revenue dips

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Platts reported that the value of the total Peruvian mineral export revenue fell by 25% QoQ to USD 3.8 billion in the last quarter of 2008 as compared with the third quarter as a result of a sharp decline in metal prices.

Mr Hans Flury head of National Mining & Oil Society said that in the third quarter, companies had earned for similar output over USD 5 billion. This has definitely punished Peruvian mining. He added that Peruvian operations have been mostly hurt by a 57% decline in the price of copper a, 53% drop in the price of zinc, a 63% fall in the price of lead and a 31% slide in the price of tin as of the end of 2008 compared with a year earlier.

He added that companies also faced fast rising costs for their supplies, which jumped last year on top of a 38% cost increase in 2007. Peruvian mines have already faced shutdowns and several projects have been halted. As many as 9,000 miners may have lost their jobs since November due to the impact of lower metal prices on Peruvian operations. In addition to base metals, Peru also produces gold and silver.

(Sourced from www.platts.com)

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