

---

## Cuban nickel processing plants to remain open

*Saturday, 02 May, 2009*

Reuters reported that Cuba's three nickel processing plants remain open despite low international prices.

A national radio newscast report on eastern Holguin province said that "The factories continue to produce with more discipline and efficiency and that's what is needed. Thousands of families in Moa, Nicaro and other areas in Holguin depend on nickel. International nickel prices have fallen close to 80%, but not a single worker in the industry has been thrown onto the street."

Mr Jose Ramon Machado Ventura Vice President of Cuba warned earlier this month that nickel prices were on the verge of making the island's most important export industry unprofitable. He said that "Nickel has declined from USD 50,000 per tonne to USD 10,000, USD 9,000 and at USD 9,000 it is no longer profitable and we have been selling nickel these days at USD 9,000, then up to USD 10,000."

Cuba produced some 70,000 tonnes of unrefined nickel plus cobalt in 2008 for export. Cuba's two state run plants average 117 barrels of fuel oil to produce a tonne of product for market. A third plant run as a JV with Canada's Sherritt International consumes around 35 barrels of oil per tonne of output.

Cuba is one of the world's largest nickel producers and supplies 10% of the world's cobalt. Cuban nickel is considered to be Class II with an average 90% nickel content.

(Sourced from Reuters)

For more news visit at [www.steelguru.com](http://www.steelguru.com)