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## China reliance on iron ore imports seen to rise -Paper

Wednesday, 24 Jun, 2009

The Shanghai Securities News citing an unnamed executive from Sinosteel Corp Ltd as saying that China reliance on imported iron ore is expected to rise to 70% this year from 50% previously due to the availability of cheaper imports.

The executive said Sinosteel, China largest state owned steel trading firm has acted as a broker to import nearly 10 million tonnes of iron ore in the first five months of the year almost triple the level of a year earlier.

The executive said "It was mainly because small and medium-sized steel mills in China have turned away from domestic ore to imported ore. As imported ore is more competitive in price, domestic steel mills' reliance on imports this year may rise to 70% from about 50% previously."

China imported 53.46 million tonnes of iron ore in May down slightly from a record 57 million tonnes in April while its steel mills are still locked in price talks with iron ore suppliers including Rio Tinto, BHP Billiton and Vale.

(Sourced from The Shanghai Securities News)

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