

China's NBS reports output for 2006

- 24 Jan 2007

China's National Bureau of Statistic has reported domestic production levels for various items in 2006 as under

Item	Volume	Change
Iron ore	588	38%
Crude steel	419	18.5%
Pig iron	404	19.8
Copper	2.92	17.8%
Aluminum	9.19	19.7%
Lead	2.73	15.3%
Zinc	3.15	14.8%
Tin	0.143	22.7%
Nickel	0.111	22.1%

Volume in million tonnes

Change is wrt 2005

S&P sees reduced steel demand in US in 2007

- 25 Jan 2007

Standard & Poor's Equity Research Services in its semi annual report on the metals industry "Metals: Industrials Industry Survey" does not see similar growth prospects for the US steel industry in 2007 as strong as in 2006.

S& P sees a number of factors contributing to a decline in demand in US for steel in 2007, including a slower growing US economy, a 2% to 3% decrease in demand from the US auto industry as against an estimated 9% gain in 2006 and a decline in shipments to distributors and OEMs as compared to a projected 4% gain in 2006.

Mr Leo Larkin senior analyst with S&P said "Many of the steel industry's clients are sitting on excess inventory that will take a good portion of the first half of the year to work through. Additionally, the industry is highly leveraged to the US automotive manufacturers, several of which may cut production. When you factor all of this together, it adds up to our negative outlook on the industry."

Mr Larkin added that "The lone bright spot for the industry is non residential construction, but that one market won't be able to offset weakness in other markets in 2007."

US begins countervailing case against China at WTO

- 05 Feb 2007

The US lodged the largest trade complaint against China at the World Trade Organization alleging that the Asian nation unfairly subsidizes its steel, wood products, information technology and other industries.

Ms Susan Schwab US trade representative said that China uses its basic tax laws and other tools to encourage exports and to discriminate against imports of a variety of American manufactured goods, in describing the complaint in Washington. She said China's industrial subsidies are prohibited by its 2001 agreement to join the WTO.

This action is the first step in what may be a lengthy process to determine whether China's subsidies violate WTO rules. Now the two countries must try to negotiate a solution and if those talks fail, US may ask WTO to arbitrate. If the WTO rules for the US, China would have to remove the subsidies or face US penalties on its exports and if China wins, it could keep the subsidies.

China now has 60 days to respond to the complaint before the U.S. can request a panel of WTO trade ministers to hear evidence and reach conclusions in the case. The whole process may take a year and half.

In the first 11 months of 2006, the US trade deficit with China surged to USD 213.5 billion, representing almost 30% of the total US shortfall from USD 185.3 billion in the same period a year earlier.

China expresses regret over US complaint with WTO

- 05 Feb 2007

Xinhua reported that China expressed regret over USA's move to lodge a complaint at the World Trade Organisation over alleged industrial subsidies, calling the move a pity.

A commerce ministry spokesman said over the weekend said "It's a pity for the United States to seek the consultation process at the World Trade Organization. The spokesman said authorities in Beijing will be deliberating the US case, adding that the two sides had "kept bilateral contact over the issue all along.

S&P forecasts lower growth of US steel industry in 2007

- 05 Feb 2007

According to a semi annual report on the metals industry, Metals: Industrials Industry Survey, published by Standard & Poor's Equity Research, a leading provider of

independent investment research while 2006 was a year of strong earnings growth for the US steel industry, it does not see similar growth prospects for the industry in 2007. Earlier ICRA had reported an equally disconcerting 2007 outlook for the steel industry.

S&P said that a number of factors would contribute to a decline in demand for steel in 2007 including a slower growing US economy, a 2% to 3% decrease in demand from the US auto industry versus an estimated 9% gain in 2006 and a decline in shipments to distributors and original equipment manufacturers compared to a projected 4% gain in 2006.

Mr Leo Larkin a senior metals and mining analyst said that. "Many of the steel industry's clients are sitting on excess inventory that will take a good portion of the first half of the year to work through. Additionally, the industry is highly leveraged to the US automotive manufacturers, several of which may cut production. When you factor all of this together, it adds up to our negative outlook on the industry."

However Mr Larkin added "The lone bright spot for the industry is non residential construction, but that one market won't be able to offset weakness in other markets in 2007."

Chinese steel export prices on uptrend last week

- 05 Feb 2007

Finished steel export offers from China continued to go up last week while semis offers were suspended due to swift rise in domestic market prices.

The change of FOB Chinese port prices with respect to previous week are tabulated below

Product	Specification	Size	Jan 22-26	Jan 29-Feb 2	Change
HRC	S235JR/SS400	4.5-11.5	490-500	500	10
HRP	SS400	12-60	530-535	540-550	10-15
HDG	DX51D Z150	1.0	670-720	680-730	10
WRC	Q235	5.5 & up	415-420	420-425	10-15
Rebars	HRB335	16 & up	415	No offers	-
Billet	Q235	120	450	No offers	-

In USD

HRC - SS400 HRC export offers are prevailing at USD490 per tonne FOM while

S235JR or S275JR material goes at USD 500 to USD 505 per tonne FOB. Overseas customers have gradually recognized the market trend and buying activities are improving accordingly.

HR plates - Export prices are firm and some mills continue to raise their quotations, bolstered by strong overseas demand. Major plate makers are offering its SS400 plate at USD 550 per tonne FOB, S275JR at USD 590 per tonne FOB and S355JR at USD 600 per tonne FOB for April shipment. But there is great gap between different mills on quotations. There are also small plate maker who is offering at around USD 535 per tonne FOB for S275JR and USD 545 per tonne FOB for S355JR.

HDG - Export offers are prevailing at USD 720 to USD 730 per tonne FOB. The escalating cost, strengthening market conditions and good export achievement are believed to be the reasons why steel makers raise export offers again. Also the strong expectation of export tax rebate cut is also an important factor. But traders told MySteel that they have made few deals at USD 720 per tonne and up as overseas market prices have not been growing as fast as Chinese export prices. In fact, transaction prices are between USD 680 to USD 700 per tonne or even lower. Some steel mills are even quoting USD 670 to USD 680 per tonne FOB for 1.0mm in 150 grams coating.

Wire rods - Export offers continue to climb up. Steel makers have raised Q235 wire rod to USD 420 per tonne FOB and up.

(Sourced from MySteel.net)

MEPS forecasts North American SS market to peak in March

- 04 Feb 2007

MEPS has forecasted that in February and March stainless transaction values to rise to new record highs due to inflated nickel prices in December and January. MEPS believe that basis figures should begin to fall and that this may partly offset the hike in the alloy surcharges over the next two months. Prices are then predicted to fall into the fourth quarter of this year.

MEPS said that the de stocking is likely to continue in the near term putting ever increasing pressure on the mills to reduce basis prices as the alloy surcharge rises and customers struggle with the high transaction value and March is expected to be the peak of the current cycle with alloy surcharge representing more than two thirds of the transaction value at that point.

In the longer term, MEPS forecast a decline in stainless selling values as nickel prices reduce and demand slows as we enter a de-stocking phase. Both basis figures and alloy surcharges should begin to reduce into quarter four of this year before stabilizing as stock levels come under control

CRA forecasts dip in global steel consumption starting with 2007

- 03 Feb 2007

ICRA in a recent report forecast that the world steel consumption growth is likely to slow down significantly in the next four years. It said "The world steel consumption growth is expected to slow down from 8.9% in 2006 to 5.2% in 2007 and 4.2% in 2010," the ICRA industry monitor said.

The ICRA report said that the decline in growth would mainly be caused by China, where the rate of consumption increase is likely to drop from 14.4% in 2006 to 8% in the next four years.

It forecast that the growth in consumption in India would come down marginally in 2007 to 9.1% from 10% in 2006. The major drop in the growth would come from the European Union and the NAFTA region. According to the report, the EU is likely to see a negative growth of 1.1% in 2007 as against positive of 8% and NAFTA region may see a growth of 0.7% from a positive of 8.7%.

Global steel prices forecast from MEPS

- 06 Feb 2007

MEPS has reported that the global prices of flat and long carbon steel average values for the three main regions fell by approximately 1% in January 2007 as compared to December 2006, in line with their December prediction.

MEPS forecast that in the short term, the global composite price will steadily decline to mid year and it expects flat product average values to fall in the EU and Asia and bottom out of US prices over this period. MEPS, in the longer term, anticipate price gains in all regions through the second half of the year with long products figures to rise in Asia but fall in the US and EU over the next few months. It said that a revival is predicted in the third quarter in all regions.

In case of EU, MEPS forecasted that the average value in January declined by 1.7% in line with our prediction last month, partly due to currency exchange rate movements as the US dollar strengthened against most major currencies whereas in Euro terms, the composite price actually increased a little. MEPS, over the next 5

months, expect flat product prices to decline as customers deplete their inventories and long product average values to slip marginally resulting in a 6% reduction in the all products figure. It added that a slow but steady price improvement is predicted up to the end of this year when the destocking phase has been completed in the flat products segment and seasonal gains are achieved for long products.

In case of North America, the January average figure declined by a small amount as predicted in our previous report with both long and flat product values slipping as oversupply continued to be a problem in the flat products segment and lower scrap costs kept long products prices in check. MEPS said that the all products composite price is forecast to be slightly lower into the spring. It said "In the flat products sector import volumes are reducing somewhat but inventory depletion is likely to continue for several months more thus marginally depressing transaction values. A seasonal downturn in long product prices in the first quarter is anticipated. During the second half of the year, the composite price is forecast to increase as supply and demand for flat products move into equilibrium and the mills react more quickly to the import threat to avoid massive oversupply. More positive signs are expected from the construction sector in the second half which should improve demand, and prices in the long products category."

In case of Asia, MEPS forecasted that the average composite price in January was slightly below our expectations mainly due to currency exchange rate movements as the US dollar strengthened and flat products price raises in China were partly offset by weakness in the South Korean and Taiwanese markets. It said "The Asian composite price is expected to be reasonably stable over the first quarter as long products selling values hold up in many countries and construction demand stays firm. However, flat product prices are expected to slip as Chinese oversupply develops over the springtime before leveling off in the summer. A small decrease in price is anticipated in midyear in the composite figure before rising once more towards the end of 2007 as the peak season for construction progresses."

China blames wealthy nations for global warming

- 09 Feb 2007

China said that developed nations are responsible for greenhouse gases fuelling global warming and urged them to cut emissions thus deflecting questions about whether China will accept limits.

Ms Jiang Yu a spokeswoman for China's foreign ministry said that Beijing was willing to contribute to curbing greenhouses gases from industry, agriculture and vehicles. But Ms Jiang told that wealthy countries bore the blame, and the solution lay in their

hands.

Ms Jiang said "It must be pointed out that climate change has been caused by the long term historic emissions of developed countries and their high per capita emissions, Developed countries bear responsibility and they should lead the way in assuming responsibility for emissions cuts."

A UN scientific panel last week reported was almost certainly behind rising average temperatures threatening wrenching climate change. The expert panel gave a best estimate that temperatures would rise by between 1.8 and 4.0 degrees Celsius in the 21st century, bringing deeper droughts, heat waves and a rise in sea levels that could continue for over 1,000 years even if greenhouse gas emissions are capped.

Many environmental advocates have urged widening the UN Kyoto Protocol, which binds 35 industrial nations to cut emissions by 2012 but excludes developing nation emitters, including China and India, from specific targets.

LME inventories to decide future price direction of nickel

- 17 Feb 2007

The market will continue to keep a close watch on nickel stock movements in determining future price direction, as critically low inventories and signs of further tightening in the near term boosted London Metal Exchange nickel prices last week. The three month nickel pushed to an over one week high of USD 37,800 a metric ton up roughly by 5%. Nickel prices have jumped roughly by 16% since the beginning of the year.

Although nickel stocks have increased roughly 30% from levels one week ago, nevertheless, they remain at critically low levels of about 2000 tonnes, which is less than half a day's worth of global nickel consumption.

Looking forward, some analysts expect the market tightness to abate due to an increase in nickel stocks and the potential for accelerated substitution. Commonwealth Bank of Australia said recently that global nickel prices will fall from current supercharged levels in 2007 although prices will remain at a structurally high level by historical standards.

Mid February hot band prices from SteelBenchmarker

- 16 Feb 2007

SteelBenchmarker has reported hot rolled band spot price for February 12th 2007 as under

1 US

USD 580 per metric ton

Up by USD 9 per ton or 1.6% from USD 571 two weeks ago

Down by USD 118 per ton or 16.9% from the peak of USD 698 on July 24th 2006

2 World Export Price

USD 535 per metric ton FOB the port of export

Up by USD 30 per ton or 5.9% from USD 505 two weeks ago

Down by USD 75 per ton or 12.2% from the peak of USD 610 on June 12th 2006

3 Western Europe

USD 613 per metric ton EXW

Up by USD 20 per ton or 3.3% from USD 593 two weeks ago

Down by USD 18 per ton or 2.8% from the peak of USD 631 on July 24th 2006

4. China

USD 437 per metric ton EXW

Up by USD 14 per ton or 3.3% from USD 423 two weeks ago

Down by USD 27 per ton or 5.8% from the peak of USD 464 on June 12th 2006

SteelBenchmarker publishes steel benchmark prices for hot rolled band, cold-rolled coil, rebar, and standard plate in the US, Western Europe, mainland China, and the world export market twice each month.

US concerned about China's steel industry expansion

- 15 Feb 2007

The United States alleged the Chinese government is providing subsidies to its steel industry that violate World Trade Organization rules, fuel an excessive expansion of that sector and negatively affect the United States and other countries steelmakers.

Mr Franklin Lavin under secretary for international trade told a steel industry gathering that US administration is concerned about the state supported expansion of the Chinese steel industry and problems such rapid growth creates. Mr Franklin Lavin said "For example, the Chinese government returns to exporting companies 50% of their income taxes if they sell 70% of their product abroad."

Mr Lavin said that China's steel production has more than doubled over the last four

years to 418 million tons in 2006, making China the world's largest steel producer and exporter. He said "But more worrying than its current huge output is China's planned further expansion of its steel industry, he said, which could bring that nation's total production capacity to more than half a billion metric tons in the next few years. So far the administration has not seen any evidence that the Chinese are planning any closure of inefficient steel mills."

Continued expansion of the global steel industry far exceeds the growth in demand for steel products, according to a letter sent to the OECD by six major steel industry groups from the United States, Canada and Mexico. Their estimates show that increases in worldwide capacity might exceed demand by as much as 200 million metric tons by 2008.

Steel industry groups said that planned state supported expansions, particularly in Brazil, China, India and Russia, likely will lead to an increasing number of steel trade disputes and that any slowdown in global growth will only magnify the problem. Steel industry groups also said that overcapacity in one country quickly can destabilize pricing throughout the entire global steel industry because firms with excess capacity have strong incentives to export their excess production.

China becomes world's largest SS producer

- 14 Feb 2007

According to a figures released by the Chinese Special Steel Association China's stainless steel output in 2006 jumped up by 68% YoY to 5.3 million tonnes making China the largest producer of SS in the world.

Among the total, Chinese steel makers produced 3.304 million tons of 300 series stainless steel, accounting for 62.36% of the nation's total stainless crude steel; 185,000 tons of 400 series stainless steel, accounting for 22.34%; 811,000 tons of 200 series stainless steel, accounting for 15.3%.

China imported 2.5 million tonnes of stainless steel products in 2006 down by 20.13% YoY and exported 0.9 million tonnes up by 122.64% YoY.

China's per capita consumption of stainless steel exceeded 4.6 kilograms higher than that of Britain.

Mr Li Cheng president of the stainless steel branch of the Chinese Special Steel Association said that the growth of China's stainless steel output and export will not constitute big threat to foreign industries as China's huge domestic demand for

stainless steel is still on the rise absorbing most of its own supply. Mr Li said that “It is impossible for China to become a net exporter of stainless steel in the short run.”

Mr Li believes that China would add 1.5 million tons to reach 6.5 million tonnes to 7 million tonnes in 2007.

(Sourced from Mysteel.net)

Carpenter Technology ties up with QuesTek for Ferrium S53

- 12 Feb 2007

Carpenter Technology Corporation and QuesTek Innovations LLC have entered into a license agreement whereby Carpenter will produce and market QuesTek's Ferrium S53 ultra high strength corrosion resistant stainless alloy.

Ferrium S53 is an alternative to 300M and other high strength alloys that have been used in landing gear components when there is desire for environmental and performance reasons to eliminate cadmium coatings. This ultrahigh-strength corrosion resistant material may also be considered for other aerospace applications including rotary gear actuators, fasteners, and other structural components.

Mr Sunil Widge VP and CTO of CTC stated that “Carpenter is excited to add Ferrium S53 to our portfolio of specialty alloys. By supplementing our existing product offering, which includes Carpenter's proprietary Custom 465® stainless and AerMet® alloys, we are able to expand our offerings to the aerospace structural market. QuesTek's innovative materials design methodology has resulted in a unique alloy and promising product for Carpenter.”

Mr Charles Kuehmann president and CEO of QuesTek said that “QuesTek is excited to join forces with Carpenter to bring our Ferrium S53 steel to market. Carpenter's excellent reputation for quality and strong presence in the aerospace community makes this alliance a great match.”

AK Steel announces USD 40 per ton price hike for carbon steel

- 22 Feb 2007

AK Steel Holding Corp announced that it will increase the prices for its carbon steel products by USD 40 per tonnes which is effective for all new orders accepted for shipment on April 1st 2007 and later.

AK Steel said the price increase comes in response to increased demand for carbon steel products and higher steel making costs.

WBMS pegs 2006 nickel market deficit at 50,000 tonne

- 26 Feb 2007

The World Bureau of Metal Statistics calculates the nickel market with a recorded production consumption deficit of 50,000 tonnes in 2006 outpacing the 25,000 tonnes draws in reported stocks. These figures are obviously preliminary and subject to revision.

Refined production is estimated to have risen by 2.4% YOY with increases in Indonesia and Canada more than compensating for losses in Australia.

According to the Bureau the world demand rose by 78,000 tonnes YoY.

S&P sees steel, coal & base metal prices stability

- 26 Feb 2007

Standard & Poor's in its recent report "Metals & Mining Prices Down, But Not Out" said that steel prices in US, although on the decline, are still high by historical standards, while coal prices are likely to stay at a level beneficial to credit quality, except for coal mined in the Central Appalachian region, where costs are high and operating conditions difficult.

S&P in its report said that it believes some of the recent spikes in metals have been driven by speculation and unfounded exuberance among traders and commodity funds and even without this there is still an underlying fundamental demand for steel and coal, much of which is attributed to the fast growing Chinese economy which should continue for several years.

Mr Thomas Watters an analyst of S&P said "We believe the average price curves for the next five years should be meaningfully higher than they were for the five years ended 2004. That should offset rising cost profiles for many of these producers and help maintain a stable to positive credit quality outlook. The key rating factors will be how companies utilize cash flow and the cash that could potentially be built up."

S&P added that it believes consolidation in the domestic steel market has improved production discipline and aided cost competitiveness. Industry consolidation and favorable conditions have also allowed steel companies to continue to benefit from the surcharge mechanisms, implemented in 2004, that enable them to pass on raw material and input costs, particularly for scrap.

China becomes net importer of coal in January 2007

- 27 Feb 2007

As per reports, China became a net importer of coal in January 2007 for the first time. According to figures from the customs bureau, China imported 4.7 million tonnes of coal in January 2007 up by 81.1% YoY and its exports fell by 20.4% YoY to 3.29 million tonnes.

Mr Hao Xiangbin an official with the Beijing based China Coal Transport and Distribution Association blamed the coal shortage to transportation bottlenecks and a change in tax rebate policy.

He said “China is strong in the productivity but lacks the transportation ability. It’s difficult to transport the coal from mine sites to the coastal areas. That’s why the coastal area needs to import from foreign countries,” adding that it was the first time that China has had to import more coal than it exports.”

Increased demand of coal from China’s energy hungry economy could pressure international coal prices higher, much in the same way as oil and steel few years back.

China's 2007 crude steel to cross 470 million tonnes

- 28 Feb 2007

IISI data showed that China produced 38.4 million tonnes of crude steel in January, 27.3% higher than the same month last year as against 18.48% growth posted for 2006. Market analysts now estimate that China's annual crude steel output in 2007 would top 470 million tonne and any major setback on the export front would put domestic market under pressure.

China's January crude steel output during 2002-2007

	2002	2003	2004	2005	2006	2007
Jan	13.678	15.623	19.392	25.095	30.166	38.398
Daily	0.441	0.504	0.626	0.810	0.973	1.239

In million tonnes

The daily crude steel output of January would translate into annual output of 452 million tonnes at least but it is seen in past years the output figure always increase gradually month by month, thus, there is great chance for China's crude steel output to hit 470 million tonnes in 2007.

In addition, the National Statistics Bureau is very likely to revise up the December figure soon as it used to do in past

	Jan'07	Jan'06	YoY	Dec'06	MoM
China's crude steel output	38.398	30.166	27.3%	38.081	0.8%
Output of 71 key steel mills	30.152	25.566	17.9%	29.872	0.9%
Output share of 71 key mills	78.5%	84.7%		78.4%	

The above table tells that 71 key steel mills reported slower pace in crude steel output than the country average in January 2007, which reflects that key state owned steelmakers have lagged behind the private mills in output growth.

Moreover, 71 key state-owned steel mills recorded their output share decline to 78.52% in Jan from 84.75% posted for same period of last year, indicating that the China's steel industrial concentration degree is inclined to reduce further this year.

China's crude steel output looks set to maintain rapid growth this year, while the Chinese authorities are determined to rein in steel export. The analysts therefore caution that domestic steel market is facing great threat of steel glut this year, putting the market price under downward pressure.

(Sourced from MySteel.net)

Indian economy growth projected at 9.2% for 2006-07

- 28 Feb 2007

The Economic Survey 2006-07 presented by the Finance Minister Mr P Chidambaram in the Parliament outlined a growth of 9% and 9.2% in 2005-06 and 2006-07 respectively backed by strong macroeconomic fundamentals.

The survey said that "While the up and down pattern in agriculture continued, services maintained its vigorous growth performance and there were distinct signs of sustained improvement on the industrial front. Entrenchment of the higher growth trends, particularly in manufacturing, has boosted sentiments, both within the country and abroad. The overall macroeconomic fundamentals are robust, particularly with tangible progress towards fiscal consolidation and a strong balance of payments position. With an upsurge in investment, the outlook is distinctly upbeat."

The Economic Survey states that the upbeat mood of the capital markets, reflecting the improved growth prospects of the economy, was partly also a result of steady progress made on the infrastructure front. Overall index of six core industries, electricity, coal, steel, crude oil, petroleum refinery products, and cement registered a growth of 8.3% cent in April to December 2006 as compared to 5.5% in April to December 2005. On the transport and communications front, railways maintained its

nearly double digit growth in the first nine months of the current year.

The report states that Indian economy appears to have decidedly taken off and moved from a phase of moderate growth to a new phase of high growth.

However, the survey mentions that for achieving the necessary escape velocity to move from tepid growth into a sustained high growth trajectory requires careful consideration of two issues and three priorities.

The two issues are

1. The sustainability of high growth with moderate inflation.
2. The inclusive nature of such high growth.

The three priorities are

1. Rising to the challenges of maintaining and managing high growth
2. Bolstering the twin pillars of growth, namely fiscal prudence and high investment
3. Improving the effectiveness of Government intervention in critical areas such as education, health and support for the needy.

Steel scrap prices hit new high

- 28 Feb 2007

It is reported that Turkish steel mills have to pay record prices for ferrous scrap after new sales pushed prices USD 15 per tonne higher in the past two weeks.

As per reports, new deals were concluded between Turkish mills and US east coast exporters at USD 331 per tonne CFR Turkey for HMS 1&2 (80:20) and USD 336 per tonne CFR for shredded material. Sales a fortnight earlier were reported at USD 314 to USD 318 per tonne CFR Turkey levels for HMS 1&2 80:20.

The continued tight supply in scrap market was further reflected by a recent cargo booked at USD 342 per tonne CFR Turkey for 75% A3 material which usually carries a couple of dollars premium over an HMS 1&2.

Japan & Mexico joins US's WTO complaint against China

- 01 Mar 2007

It is reported that Japan and Mexico have joined the United States in its complaint to the World Trade Organization against increased steel export by China.

The Japanese government on February 16th notified China and the WTO of its intention to join the trade consultations. But an official from Japan said the country

is only acting as a third party nation. Government of Mexico announced on February 26th 2007 that it has requested WTO dispute settlement consultations with China on prohibited subsidies and thereby is joining the United States in challenging China's provision of certain subsidies that appear to be inconsistent with its WTO commitments.

Ms Susan C Schwab US Trade Representative Ms Schwab said "We are pleased that Mexico has decided to join the United States in challenging China's use of what we believe are prohibited export and import substitution subsidies. We also welcome recent requests by Japan, Australia and the European Union to participate in the US consultations as third parties. It is important that the international community work cooperatively to encourage China to comply with its international obligations. We will continue to work with these and other trading partners to that end."

United States, on February 2nd 2007, requested World Trade Organization dispute settlement consultations with the People's Republic of China regarding its provision of subsidies that appear to be prohibited by WTO rules. Consultations are the first step in a WTO dispute. Under WTO rules, parties that do not resolve a matter through consultations within 60 days may request the establishment of a WTO dispute settlement panel.

Hot band prices move up in last fortnight

- 01 Mar 2007

SteelBenchmarker™ reported an overall jump in hot band prices for the last fortnight

The four benchmark prices for hot rolled band included in the February 26th report are:

1. US

USD 597 per metric ton FOB the mill

Up by USD 17 per ton from USD 580 two weeks ago

Down by USD 101 per ton from the peak of USD 698 on July 24th 2006

2. World Export Price

USD 562 per metric ton FOB the port of export

Up by USD 27 per ton from USD 535 two weeks ago

Down by USD 48 per ton from the peak of USD 610 on June 12th 2006

3. Western Europe

USD 624 per metric ton ex-works

Up by USD 11 per ton from USD 613 two weeks ago

Down by USD 7 per ton from the peak of USD 631 on July 24th 2006

4. China

USD 442 per metric ton ex-works

Up by USD 5 per ton from USD 437 two weeks ago

Down by USD 22 per ton from the peak of USD 464 on June 12th 2006

SteelBenchmarker publishes steel benchmark prices for hot rolled band, cold rolled coil, rebar and standard plate in the US, Western Europe, mainland China and the world export market twice each month.

BaoSteel releases steel prices for Q2

- 01 Mar 2007

BaoSteel has released the notice on its steel prices policy for the second quarter of 2007, effective as of the date of issuance.

All price changes listed below are made on top of the Q1 2007 prices except specified otherwise and are exclusive of 17% VAT.

Item	Change
HRC	Up by 200
HRPO	Up by 300
CRC	Up by 300
CRC <0.5mm	Up by 400
CRFH	Up by 200*
HDG	Up by 200
Galvalume	Up by 300
Electro galvanized	Up by 300
Color coated	Up by 250*
Wide and Thick Steel Plate	Up by 100
Silicon steel	Up by 500-700
ETP	Up by RMB 100

All prices increases are in RMB

* For April 2007 productions over March 2007 level

The details of changes for long products and tubes are awaited.

(Sourced from MySteel.net)