

Metals Week

Volume 81 / Issue 18 / May 3, 2010

E-waste now major source of steel, base metals: ERI

COMMODITIES

New York—Recovery of metals from electronic waste recycling is providing an increasingly important supply of scrap metals to smelters, ranging from base metals to steel, according to the CEO of a major player in a recent interview with Platts.

John Shegerian, chairman and CEO of Electronic Recyclers International, explained that his company began shipping copper scrap, recovered from electronic waste, to South Korean copper smelter LS-Nikko last December. LS-Nikko is a joint venture between South Korean consumer electronics giant LS Electronics, and Japan's Nikko, a maker of rechargeable electric vehicles.

ERI also ships gold, silver and palladium, recovered from its recycling efforts.

"Companies like LS-Nikko are anxious to obtain raw materials and they recognize that metals recovered from e-cycling are an important source," said Shegerian.

ERI ships material to LS-Nikko under a contract signed on December 16 last year. As part of the agreement, LS-Nikko has also taken a small, undisclosed, equity stake in ERI.

ERI operates electronic recycling operations in seven locations in the US: Boston, Massachusetts; Dallas, Texas; Indianapolis, Indiana; Denver, Colorado; Seattle, Washington; and two sites in Fresno, California.

According to figures provided by Shegerian, the company recovers a monthly average of 380,057 lb of high-grade copper (172 mt) and 232,407 lb of aluminum from all of its

continued on page 6

Copper cathode premium spread dips as scrap loosens

COPPER

New York—The Platts New York dealer cathode premium spread edged down slightly last week to spot COMEX plus 4-4.5¢/lb, delivered Midwest, from spot COMEX plus 4-5¢ the previous week, as the availability of high-grade scrap increased.

"You don't have [scrap] demand anywhere near as strong as it had been from overseas," said one trader. "There is a huge difference."

The trader traced the difference to the Chinese in particular.

"It'll be interesting to see with the market trending lower if suddenly they come back and buy a bunch," he said.

"That's kind of their game — when they think it has reached bottom they will come out and start buying."

But official trade data out of China may be unreliable, the trader said.

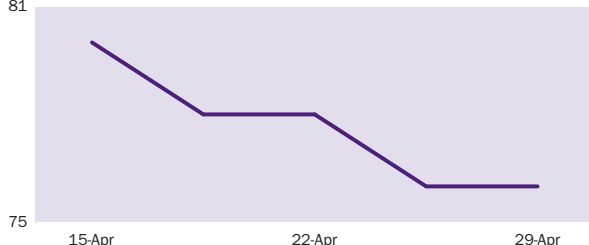
"I don't think there is any demand over there," he said. "I think the numbers they put in the press are not real; I think they pretend to be healthy when they are as sick as the rest of the world, including us. Since they have 10 times as many people, I think their problems are 10 times as big. That's certainly not what you read when you read about China."

A broker agreed that scrap is no longer as tight. "It's loosening up some," he said, "part of that being seasonality and part China, which has not been aggressive in the market."

continued on page 12

US Aluminum Old Cast Hit by LME Selloff

(Platts US Aluminum Old Cast, \$/lb)



Lower London Metal Exchange prices and more abundant supplies have spurred a 4-5¢/lb decline in the Platts old cast assessment. In addition, a more than 10¢/lb decline in LME NASAAC prices mid last week sent shock waves throughout the US secondary aluminum industry, causing additional pressure on scrap and alloy prices.

Source: Platts

This Week in Metals...

Century Aluminum sees positive signs out of US, Europe	2
US ferrotitanium edges higher; European market flat	7
Nyrstar settles 2010 zinc treatment charges	9
Jamaica suspends most exports of copper scrap	12
Central banks have 'little appetite' for gold sales: WGC	14
ATI's aerospace, oil and gas units to lead growth: CEO	16

ALUMINUM

Century Aluminum sees positive signs out of US, Europe

Washington—Century Aluminum is seeing some “decent” improvements coming out of the US and Europe in terms of increased manufacturing, but President and CEO Logan Kruger said he is “cautious” on the outlook for pricing.

“Certain industries — notably automotive — are seeing the first meaningful increase in activity levels in the last several years,” he said during a conference call April 27. He said the supply chain remains generally lean on its inventories, with the distributors and other intermediaries holding a “wait-and-see intelligence.”

However, certain industries, such as commercial construction, remain depressed, said Kruger. In addition, the market “remains under a watchful eye of warehouses and other stocks.”

The London Metal Exchange cash aluminum price averaged \$2,167/mt in the first quarter, and shot up to over \$2,300 in April, but lost \$150 in value last week alone

Metals Week price index

	Apr-29	Week Ago	Month Ago	Year ago
MW Base Metals	400.4	412.2	392.1	225.3
MW Precious Metals	349.4	339.8	313.9	198.1
MW Nonferrous Composite	380.0	383.3	360.8	214.4

before recovering to an official cash price of \$2,265.50 on April 30.

“Today the market is influenced by Greece and Portugal [credit rating downgrades]. It reminds us how volatile markets can be,” Kruger said during the call. However, global cost pressures — most notably power, carbon and alumina — are supportive of high prices seen recently.

Overall, global aluminum metal demand has improved, mostly from China and the US, said Kruger. China’s GDP accelerated to the fastest pace in almost three years, he said, to 11.9% year-over-year growth. “China and India have been going ahead great guns, so hopefully in some way, they will drag the rest of the world.”

Meanwhile, LME warehouses stocks remain flat at around 455,000 mt, a significant improvement from the additions to the warehouses seen in the first three quarters of 2009. “But there are no sizable or sustainable declines,” said Kruger.

He said aluminum tied to financing deals has provided support to prices as regional tightness lifted premiums, citing a 50% improvement in the US Midwest. The Platts US Transaction aluminum premium was 6.35¢/lb as of April 27, up 51% from a year ago.

European duty-paid premiums last week were at \$150-170/mt, while Japan premiums were in the low \$120s, according to Platts assessments.

Kruger went on to note that while the LME warehouse transactions were supportive of the price near term, he said they “add an element of uncertainty” as the economics of the transactions can be influenced by the slope of forward curve, interest rates, insurance and other factors. He said there had been some discussion

platts Metals Week

Volume 81 / Issue 18 / May 3, 2010

ISSN: 1076-3937

Director of Metals

Karen McBeth

Director of Market Reporting, Metals

Francis Browne

New York – Anthony Poole
(Managing Editor), Meghann McDonell,
Jackie Roche, Michael Schneider

Washington – Tina Allagh
(Managing Editor), Laura Gilcrest,
Nick Jonson

London – Andy Blamey (Managing
Editor), Ben Kilbey, Michelle Madsen,
Agnieszka Troszkiewicz

Singapore – Yuen Cheng Mok
(Managing Editor, Asia), Alvin Yee

Hong Kong – Wendy Shair

Tokyo – Mayumi Watanabe

Vice President, Editorial – Dan Tanz

Platts President
Larry Neal

The McGraw-Hill Companies

Prices quoted in tables published in *Metals Week* are obtained firsthand in confidential surveys of actual buyers and sellers. Platts makes no warranty and assumes no liability for subscribers’ use of these prices. Corporate policy prohibits editorial personnel from holding any financial interest in companies they cover and from disclosing information prior to the publication date of an issue.

Metals Week is published weekly by Platts, a division of The McGraw-Hill Companies. Registered office Two Penn Plaza, 25th Floor, New York, NY 10121-2298

Officers of the Corporation: Harold McGraw III, Chairman, President and Chief Executive Officer; Kenneth Vittor, Executive Vice President and General Counsel; Robert J. Bahash, Executive Vice President and Chief Financial Officer; John Weisenseel, Senior Vice President, Treasury Operations.

Copyright © 2010 by Platts, The McGraw-Hill Companies, Inc. All rights reserved. No portion of this publication may be photocopied, reproduced, retransmitted, put into a computer system or otherwise redistributed without prior authorization from Platts. Permission is granted for those registered with the Copyright Clearance Center (CCC) to photocopy material herein for internal reference or personal use only, provided that appropriate payment is made to the CCC, 222 Rosewood Drive, Danvers, MA 01923, phone (978) 750-8400. Reproduction in any other form, or for any other purpose, is forbidden without express permission of The McGraw-Hill Companies, Inc. For article reprints contact: The YGS Group, phone +1-717-505-9701 x105. Text-only archives available on Dialog, Factiva, LexisNexis, and ProQuest. Platts is a trademark of The McGraw-Hill Companies, Inc.

To reach Customer Support

E-mail: support@platts.com

North America

Tel: 800-PLATTS-8 (toll-free)
+1-212-904-3070 (direct)

Latin America

Tel: +54-11-4804-1890

Europe & Middle East

Tel: +44-20-7176-6111

Asia Pacific

Tel: +65-6530-6430

To reach the editors

E-mail: metals@platts.com

New York +1-212-904-4111

Fax +1-212-904-2437

London +44-20-7176-6140

Tokyo +81-3-4550-8833

Hong Kong +85-2-2912-3051

Chile Correspondent

Tom Azzopardi +56 2 326 56 9

of some of the financing transactions being unwound or not being rolled forward in Europe to take advantage of the higher premium.

"The significant warehouse inventory levels will be an overhang on the market for some time to come," he said, adding that Century is taking a "cautious view on prices."

At Century's 244,000 mt/year Hawesville, Kentucky, aluminum smelter, the company has extended its current labor contract while it and the union hash out a new contract. In addition, a supply agreement "with a major customer" expires in March 2011, and Century is in discussions with the customer on a new agreement, said Wayne Hale, chief operating officer.

"If we have no agreement, Hawesville will sell the metal to the general market," he said. "We will have no problem selling all the production of high-purity and standard-grade metal."

At the 224,000 mt/year Mt. Holly, South Carolina, smelter, operations are improving slowly from its "poor operating performance in 2009," said Hale.

At the 170,000 mt/year Ravenswood, West Virginia, smelter, a law was enacted recently that permits the Public Service Commission to approve pricing arrangements for energy-intensive industries that could pave the way for the smelter's restart. However, Century would still need to renegotiate a labor contract as the current contract expires in August, so Kruger said he does not foresee an "imminent restart" at Ravenswood. In addition, Century will need to evaluate the health of the aluminum market long term, he said.

Meanwhile, Kruger said the alumina market remains balanced, with spot prices at \$330-350/mt, up from \$300 in Q4. The Platts Australian alumina assessment was \$350-360/mt CIF China as of April 27. When asked about recent discussions concerning changes to the pricing dynamics of alumina, Logan said "it's early days" but indicated he is in support of the current pricing mechanism, which ties the alumina price to a percentage of the LME. Several market players have indicated the alumina market needs its own pricing mechanism.

"Alumina has been priced as a percentage [of the LME] for a long time; this is not a new idea," said Kruger. He said he was not surprised the discussions were happening as the spot price is higher than the forward market price. "But you have to look at what the other side of the coin will look like and how it will affect our business," he cautioned. "We have to look at both sides of the equation over a period of time." He added that the current pricing mechanism "seems to have worked over a long period of time."

When asked if Century had seen any third-party alumina price resets, Kruger said no: "We have some existing contracts in place anyway. We are largely covered for the foreseeable couple of years." He added that "it will be interesting to see how this develops."—*Tina Allagh*

Aluminum premiums inch up in Europe; prompt metal tight

London—Aluminum premiums inched higher in Europe last week as the availability of prompt ingot stayed tight and finance deals continued to be attractive to sellers, market sources said.

The price of aluminum on the London Metal Exchange remained under pressure April 28 following news that Greece's debt was downgraded to "junk" status by ratings agency Standard & Poor's late April 27. The agency — like Platts a unit of The McGraw-Hill Companies — said that it was lowering its rating on Greece's debt to BB+ from BBB.

"It's too early to say if it's bearish for premiums yet as we'll have to see how the Greek news affects consumer sentiment and demand," commented a trade source. "But the sudden fall in the LME aluminum price brought those customers on 'pricing' deals back into the market."

The official LME cash settlement price fell to \$2,114.50/mt April 28 but recovered to \$2,265.50 on April 30.

The Platts premium assessment for duty-paid Good Western aluminum rose on April 28 to \$165-175/mt plus LME cash, in-warehouse Rotterdam, from \$140-150/mt. Duty-unpaid Good Western and A7E were assessed at \$95-105/mt plus LME cash, in-warehouse Rotterdam.

Rates ex-St. Petersburg were notionally pegged at \$65-75/mt FOB due to lack of spot activity. "FOB St. Pete is difficult to say as we've not sold anything spot," said a Russian seller.

High premiums have forced many spot buyers out of the market, leaving only the most urgent requests to be filled.

"Premiums have hit a high for near-term May/June business but no one wants to lock in going forward at the moment," said a trader, who added that the healthy contango and low interest rates were making warehouse deals very attractive at the moment.

"New metal is going into finance deals as it is easy money and you can't do much better anywhere else. There really isn't much loose metal on the ground as there aren't many people sitting on unallocated tonnes, so that's why premiums are so strong at the moment," he explained.

Another trade source said that duty-paid was hard to get hold of because of solid demand so far this year, and estimated that there was probably 100,000 mt or less off-warrant between Rotterdam and Antwerp. In contrast there is a vast quantity of duty-unpaid metal locked up in warehouse deals, he suggested:

"I'd say there's 1 million mt-plus of unpaid tied up off-warrant."

Meanwhile, offers below \$160/mt for duty-paid appeared to have dried up last week. "I was offered Good Western paid at \$165/mt for huge clips and that's the lowest I've heard so far in the market," said a German buyer, who added that smaller lots attracted premiums of

\$175/mt and sometimes higher.

Another West European buyer said: "Fortunately I am covered for May and June already as I thought [premiums] would go higher and [they have]." He said that offers last week for duty-paid were \$165-170/mt and that unpaid ingot was "scratching the \$100/mt mark" at between \$95 and \$100/mt.

One German buyer received "ridiculous" premium indications at over \$200/mt in-warehouse Rotterdam and \$230/mt FCA for Q3 delivery.

"I heard desperate buyers in southern Europe were willing to pay around \$200/mt but I would say around \$160/mt in Rotterdam is closer to reality and premiums should come down," the buyer said. Meanwhile, in Italy premiums were pegged at \$230-240/mt delivered works, said a trade source.

Views were mixed on whether the European premiums were likely to stay strong into the third quarter.

"I don't see what's going to change, really — the cost of money is cheap and the contango won't disappear," said a West European trader who suggested that physical metal was expected to remain tight as locking away metal in finance deals would remain an attractive option.

A Russian seller agreed, saying that the market was very strong but that a lot of metal was tied up in financing deals "some of which are too expensive to break to supply the market." Meanwhile, a German producer said that he expected to see continued tightness in commodity ingot throughout May and June: "I don't foresee any change as a lot is tied up in finance deals and there is good demand from consumers."

LME-registered aluminum stocks totaled 4,535,450 mt on April 30, showing a 31,550 mt fall from a week before and nearly a 60,000 mt drop since the beginning of the month.

On European seller, however, said that once the recent bout of restocking had come to an end premiums were likely to come off. Furthermore, the tightness in the scrap market was expected to ease as scrap levels are currently being built back up in Europe. "Once scrap levels are built up then demand for primary will be a bit reduced," he suggested.

Aluminum production levels in Europe are rising as smelters take advantage of cheaper energy costs and relatively high LME contract prices.

"Everyone's increasing output and it's possible that we'll see an overproduction in Europe at some stage. It's just a matter of time unless demand levels jump higher," warned a North European seller.

Demand outlook mixed to strong for Q3

Demand in Europe has been relatively strong so far in the second quarter, but the restocking process was thought by some market observers to be coming to an end.

"It's true we've had better demand lately but not all sectors are doing brilliantly. Rolling is better than extrusion,"

said a European producer.

A European buyer said he expected to see demand levels continue through the current quarter and into Q3. "I'm pretty optimistic and it's not just restocking. The majority of demand is real. I don't think consumers will keep stock levels quite as low as they did through the economic crisis last year either," he said.

Demand from the automotive and packaging sectors is strong, with the one "dead" area being construction, which hasn't come back to previous levels, he added.

A German buyer said that demand from the solar power industry had picked up "tremendously" and that the construction industry in Germany was slowly beginning to revive after the long, hard winter. "It's all pretty optimistic demand-wise. The only problem we see affecting recovery is the high premiums on the primary contract as we can't pass the whole increase forward to our customers," he said.

Demand for aluminum products, especially billet, is very high at the moment, said a European producer. A German billet producer said that premiums had risen to Eur300/mt delivered Germany plus LME cash, payment and delivery in 30 days, and that slab was seeing strong demand and was priced at Eur240-250/mt, same terms. "Demand for commodity ingot is very strong but we are seeing good demand for billet and slab as all sectors of the market are doing well, especially automotive," the producer said.—*Suzie Windsor*

Elsewhere in aluminum...

LME plunge shocks secondary market: A more than 10¢/lb decline in London Metal Exchange NASAAC prices mid-week last week sent shock waves through the US secondary aluminum industry, causing A380 alloy prices to plunge 3-4¢/lb by April 29. The Platts A380 price fell to \$1.05-1.07, delivered Midwest, on April 29 from \$1.09-1.10 on April 26. NASAAC cash settlement prices were 100.5¢ on April 26, but plunged to 89.9¢ on April 28. By April 30, they had recovered slightly to 93.9¢. "There's a huge panic in the market over that," said a producer with a \$1.08 A380 sale. And he said with that panic, some sellers sell ahead of the market. Several producers lowered their offers several¢ by mid-week. "I would say \$1.05 is our number," a producer said, down from \$1.08 earlier in the week. Another producer said of the market last week, "We are trying to figure it out ourselves. We are not exactly sure where to quote." A third producer said, "Everyone is sitting with their hands in their pockets." He said he would sell at \$1.09 as of April 29. "We have not bought any cheaper scrap yet," he explained. He said he did "not need to fire sale anything. Business still looks good." But some producers said they were immune to the volatile LME prices given that they are sold

out, and maintained their quote levels. "We have not changed our prices," said a producer. "We are sold out, but if someone asked for numbers, we'd be at \$1.14 [on A380]." Those diecasters that were in the market were mostly quoted \$1.05. One diecaster said, "I had one guy trying to sell me 4 loads for \$1/lb," but he was unsure where the material was from. Another diecaster paid \$1.01 for NASAAC material on April 29 and suspected smelter material was at \$1.05. But some sources said NASAAC material was not a viable option as it could take over 30 days to get metal out of LME warehouses. Meanwhile, on scrap, a buyer said, "Dealers aren't even calling." He was bidding 67-69¢/lb on old cast and old sheet. "We actually did not sell into the down market," said a dealer. "We really thought it was going to bounce back." He said he sold old sheet at 78¢, adding that scrap supplies remained tight. One buyer said he was out of the scrap market for a while as he was fully covered for the next several weeks. The Platts old cast price was 73-76¢ as of April 29, down a cent on the high end from April 26, and old sheet was 72-74¢, down a cent.

Thakar sued for \$5.2-mil, closes plant:

PNC Bank and a subsidiary have filed civil suits against Ohio-based Thakar Aluminum, claiming the aluminum billet remelter owes the banks about \$5.2 million in loan defaults. At the same time, Thakar is closing its Sandusky, Ohio, remelt plant, according to sources. In their suits filed earlier this month in the Erie County Common Pleas Court in Ohio, PNC Bank, National Association, is claiming Thakar owes it \$4.5 million, while subsidiary PNCEF is claiming a default of \$677,357, according to a court clerk. The court judge has appointed a receiver to run the company, the clerk told Platts. According to the *Sandusky Register*, Thakar told its workers April 26 that production would end April 30. About 20 workers will be laid off when production shuts down. It said the plant's receiver has the power to sell the building, and there are indications he is trying. "They've been touring some people through," a union official told the newspaper. Privately held Thakar has two billet casting facilities — in Sandusky and Canton, Ohio. Thakar produces aluminum billet, based on both primary and recycled aluminum, for the aluminum extrusion and forging industries. The company offers toll conversion services for customer-generated scrap materials and also maintains and operates its own fleet of tractors and trailers. The company's president, Susan Borgelt, had not returned numerous calls made by Platts but told a local news agency in October 2008 that the company has been hurt by a decline in the economy. "Our customer base primarily services residential construction, consumer durables and transportation markets, all of which are experiencing lower levels this year," she said. According to the *Sandusky Register*, the Sandusky plant has three

furnaces, but only one of them has been running. Meanwhile, Beck Aluminum, which in late March submitted an offer to buy the assets of Thakar, said it is "no longer interested in acquiring the assets of Thakar under the current operating conditions," according to a Beck official. The official would neither confirm nor deny if the company was owed any money by Thakar.

Japan's diecasting at 16-month high:

Japan's March domestic shipments of secondary aluminum alloy used for diecast automotive components were 43,903 mt, the highest since October 2008, the Japan Aluminum Alloy Refiners Association said April 30. The March shipments were up 13.1% from the previous month and up 68.1% year on year. A recovery in automotive production pushed up ADC alloy shipments, said industry sources. The country's largest automaker Toyota Motor produced 318,980 passenger vehicles in Japan in March, up 11.7% from the previous month and up 126.3% year on year. Japan's total secondary aluminum alloy shipments for March were 75,349 mt, up 11.6% from the previous month and up 70.9% year on year.

Kaiser tracks slower destocking: Aluminum service centers saw a dramatic slowdown in destocking during the first quarter of 2010, but in spite of improved demand for automotive and general engineered products, a return to restocking won't occur until next year, Kaiser Aluminum executives said during a conference call April 29 discussing the company's first-quarter results. Service center inventories have stabilized for Kaiser's general engineered products and automotive markets, according to the US aluminum fabricated products maker. "We've not seen, certainly from a service center standpoint, restocking," President and CEO Jack Hockema said. "But it looks like their inventories are holding fairly constant, and we don't see destocking beyond the service centers so we believe there is generally better demand in engineering and automotive." While the company expects that destocking "will abate in 2011," a return to buoyant orders isn't expected until 2012.

Aleris seeks \$500 mil to aid Chap. 11 exit:

Aleris International filed a motion with the US bankruptcy Court for the District of Delaware to authorize its entry into a commitment letter to obtain first lien senior secured asset-based financing in the amount of \$500 million to be used to finance expenses associated with its emergence from Chapter 11 bankruptcy protection.

Correction: In the story, "US, China square off in US ITC hearing..." (MW, April 26, page 10), Platts incorrectly described Peng Cheng. Peng Cheng is an independently owned and operated US company. Peng Cheng is a US importer of Chinese aluminum.

COMMODITIES

E-waste recycling

... from page 1

recycling centers. On the ferrous side, its recycling centers recover 1.9 million lb (875.26 mt) of carbon steel on average, each month. It does this by processing an average of 10 million lb of electronic waste. It also recovers a monthly average of around 15,000 lb of stainless steel.

In addition, it recovers significant amounts of precious metals. Shegerian said that typical shipments to LS-Nikko in South Korea can contain as much as 107 g of high-grade gold, 417 g of silver and 18 g of palladium. Additionally, it recovers precious metals in less pure forms.

Most of the material that ERI recovers in recycling now goes to LS-Nikko, including all of the copper.

Shegerian said that the LS-Nikko investment in ERI would enable it to expand its recycling operations to between 10 and 12 locations across the US over the next two years.

"We're only here in the United States so far, but there's no reason why we can't expand beyond our borders, internationally," he said.

In addition to running a recycling company, Shegerian describes himself on his own web site as a "social and green tech ecopreneur." Keen to display his green credentials, his business attire is a sharp suit, a clean, white shirt and his trademark green tie. In an effort to save paper, his business card is about a third of the size of a standard business card size.

Shegerian has had a varied career, from student finance to various web site entrepreneurial and social networking projects. He was a co-founder of FinancialAid.com, a major provider of student loans in the US, which was sold to Education Lending Group for \$400 million in February 2005.

Despite the fact that 20 states in the US have passed legislation mandating recycling, large amounts of electronic waste still end up on landfills. "Even material which is sent for recycling ends up on landfills and it sometimes gets exported to developing countries and still ends up in landfills," said Shegerian. "Apart from the environmental impact of this, as we've seen, by putting this stuff in the landfill, there are thousands of tons of commodities that are just being tossed out."

The US is not a signatory of the Basel Convention that bans the dumping of electronic waste in developing countries. Earlier this year, however, a shipment of old TV tubes from the US was rejected by Indonesia and sent back to Boston. According to a report in the *Boston Globe* newspaper in March, the US Government Accountability Office described the country's regulations on electronic waste recycling as "among the weakest in the world," allowing a "virtually unrestricted" flow of old TVs and

computers to developing countries.

"Electronic waste has large amounts of rare and precious metals that are becoming increasingly harder and expensive to replace with virgin units," Shegerian said. "Recession aside, demand for metals is outstripping the supply of virgin units. We are the new urban miners at a lower cost," he added.

In the US, all of the states that mandate electronic waste recycling, except California, use the so-called "producer responsibility" approach, where the manufacturers pay for the cost of recycling.

But the US still has a large potential for recycling. "In the US, the per capita production of garbage is nearly 5 lb a day," Shegerian noted, "and most of that can be recycled."—Anthony Poole

STEEL & FERROALLOYS

DLA high-carbon ferrochrome stockpile under 3,000 st: traders

New York—The US Defense Logistics Agency's stockpile of high-carbon ferrochrome authorized for sale is believed to have fallen below 3,000 st, trade sources said last week.

At the end of March, the DLA's stockpile of high-carbon ferrochrome authorized for sale stood at 5,137 st. In April, it offered 750 st of high-carbon ferrochrome for sale on April 6 and a further 1,500 st on April 13. Since then it has not offered any additional material for sale at its weekly basic ordering agreement offers.

Traders said they believed the material offered by the agency so far in April had all been sold, although confirmation of that will not come until early May, when the Defense National Stockpile Center, an agency of the DLA, publishes details of metals sold in April.

Commenting on DLA's withdrawal from the high-carbon market in the last two weeks, one source said, "I think they just realized they're pretty much out of material. They've just been selling cautiously over the last couple of months."

Under the basic ordering agreement, DLA usually offers high-carbon ferrochrome every Tuesday through the DNSC, with all bids due the following day.

In March, the agency sold 3,000 st of high-carbon ferrochrome, the same amount as it sold in February. In January, it sold 9,500 st of high-carbon ferrochrome. After January, the DLA slowed the pace of sales, traders said.

The strong demand for DLA material this year is the result of increased consumption in the stainless steel industry, which has seen a strong revival in production.

"Pretty much everything the DLA has offered for sale this year has been snapped up," said a third trader. "Earlier this year, there were reports that a couple of traders suddenly found themselves short, because the increase in

demand from the stainless mills was much stronger than they anticipated and caught them off-guard, so they turned to the DLA.”

Traders agreed that the combination of increased demand from the stainless sector and the dwindling DLA stockpile had helped fuel a strong rally in high-carbon ferrochrome. US high-carbon prices have risen to \$1.34-1.37/lb on an FOB Pittsburgh basis from 92-94¢/lb at the beginning of this year. Last week the price rose by a cent to \$1.34-1.37/lb from \$1.33-1.37/lb a week earlier.

“The reality is that the US is now about to be totally dependent on imports. There will be no more DLA and there is no sign of any new commercial production in the US coming on stream at any time soon,” said the first trader.

High-carbon ferrochrome in the US has been trading at a premium to the rest of the world for a large part of this year, which market sources attribute to the dwindling stockpile. “Relief will come eventually, because at these prices, it makes sense for stainless mills, like us, to import cheaper material from other origins, especially India,” said a raw materials buyer at a stainless mill.

While Indian high-carbon ferrochrome has high silicon and lower chrome content compared with Russian and Kazakh material, “we can use this ferrochrome,” the buyer said.

Another buyer agreed: “Indian ferrochrome is a good substitute, even though a lot of it is not ASTM spec, so that might keep the lid on further price gains in high-carbon ferrochrome. But I wouldn’t be surprised if high-carbon goes up another 10-15¢ once the DLA finally runs out, which could be in the next couple of months.”

Despite the fact that the national stockpile of material authorized for sale is close to being depleted, the DLA holds around 150,000 st of ferrochrome in reserve, most of which is high-carbon material, according to a DLA spokesman. But this cannot be authorized for sale without legislation from Congress, the spokesman said.

That means it is highly unlikely the material could be sold before the 2010-2011 fiscal year at the earliest, he added.

The first trader said it was impossible to tell whether the Obama administration would want to keep the material in reserve. “One thing’s for certain, though, the trade and consumers should not bank on this 150,000 tons becoming available from the DLA anytime soon,” he added.—*Anthony Poole*

Posco ups May stainless prices on raw materials costs

Seoul—South Korea’s top steelmaker Posco is raising prices of stainless steel products in May for a fourth straight month, on climbing raw material costs, the company said last week.

Prices of hot-rolled stainless steel were due to rise by Won 300,000, or 8.4%, to Won 3.85 million/mt

(\$3,456/mt) from May 1, with cold-rolled stainless steel prices also set to climb by Won 300,000, or 7.8%, to Won 4.12 million/mt.

The price of nickel, which accounts for around 80% of the cost of making stainless steel, has risen by as much as 50% since the end of last year, a company official said. Prices of other raw materials, such as chrome, have also soared, the official added.

“We should raise prices by Won 500,000/mt to reflect rising raw material costs, but we decided to minimize price hikes, taking into consideration market conditions,” the official said.

Posco raised prices of stainless steel products by 9% in April, and by 3% each in March and February.

The world’s fourth-biggest steelmaker has already said it will raise its carbon steel products prices by up to 25% in May on rising costs of raw materials, such as iron ore and coal.

Posco also said last week that it had signed a preliminary deal with the Mongolian government to develop a coal mine south of Ulan Bator, which is estimated to hold reserves of 5 billion mt.

In return, Posco will launch a coal-to-gas project in Mongolia and help modernize its steel industry, according to company officials.

The deal was signed during a visit to Mongolia by Posco’s chief executive, Chung Joon-Yang, last week. He met Mongolia’s prime minister and energy minister during the visit.

Meanwhile, South Korea’s trade agency said it has decided to investigate a suspected antidumping case of Japanese stainless steel plates.

The Korea Trade Commission said it will soon launch a probe into the case involving Nippon Steel & Sumikin Stainless Steel, Nippon Yakin Kogyo and JFE Steel.

The commission plans to announce the outcome after a three-month investigation.

Japanese companies account for 23% of South Korea’s market for stainless steel plates used in petrochemical and desalination facilities, as well as LNG tankers. South Korean product accounts for 35% of the domestic market.—*Charles Lee*

US ferrotitanium edges higher; European market flat

New York—US ferrotitanium prices edged upward last week on a revival in spot demand and the tightness of scrap to make the noble alloy, market participants said.

One producer reported selling two truckloads of ferrotitanium in a range of \$3.54-3.55/lb delivered last week, while two traders reported business at \$3.52 and \$3.53.

The ferrotitanium producer confirmed that most of his output for this year was sold on long-term contracts, adding

that he was producing at full capacity. "The only way we could produce more is to work shifts on Saturday and Sunday, but we're not going to do that," he said.

Meanwhile, a consumer said he had bought a small quantity at \$3.55/lb, but declined to give details. He said he had also seen offers at \$3.60 and above.

"I think I even got one offer at \$3.65," he said. "We just needed some additional material in the current quarter, because we're consuming our contract volumes and the producers don't seem to have much spare material they can sell spot."

In contrast, a trader claimed he lost business on a half-truck inquiry, which he had quoted at \$3.45/lb.

Meanwhile, turnings prices have also moved higher in the US toward the \$3.50/lb mark, with a producer conceding having paid up to \$2.50/lb for turnings.

"With turnings at this price, we have to make \$3.55/lb on ferrotitanium or better to make the margin work," the first producer said. "Really we need \$3.60 or higher."

He attributed the latest move up to a combination of increased consumer demand and the fact that traders who had stocked up on material earlier this year, when ferrotitanium was under \$2/lb, had now run out of material.

The move up in US ferrotitanium prices follows a protracted period of stagnation, with the price stuck in a range of \$3.45-3.50/lb since mid-March. Last week, the Platts price for 70% Ti ferrotitanium rose slightly to \$3.45-3.55/lb delivered from \$3.45-3.50/lb.

In contrast, European ferrotitanium markets have been far more volatile this year and have rebounded sharply from a correction seen in March. Market participants put the first-half March selloff down to traders taking profits, having bought ferrotitanium in January when prices were between \$3 and \$4/kg (\$1.36-1.81/lb).

On April 22, the Platts European 70% FeTi price rose sharply to \$7.40-7.80/kg from \$6.80-7.10/kg a week earlier and a low of \$6.50-6.70 reached on March 25. Ferrotitanium is now above the previous peak of the year so far, of \$7.10-7.30/kg, reached in late February, which was sustained until March 11.

Last week, a large, integrated steelmaker was understood to have bought five truckloads of ferrotitanium at between \$7.45 and \$7.60/kg DDP to various plants in France for May through to early July deliveries.

On April 29, the Platts European 70% Ti ferrotitanium price was unchanged at \$7.40-7.80/kg DDP. Other sales to consumers were heard at up to \$7.80/kg, with unconfirmed reports that \$7.90 had been achieved and material was offered at \$8.

"There have also been a few other inquiries for two or three truckloads and we think they're going at similar numbers," said a trader.

Meanwhile, European producers are also grappling with tight margins, caused by high scrap prices. Turnings in Europe have been at a premium to the US this year, largely

because Europe is heavily dependent on the US for supply. Producers have conceded paying up to \$2.75/lb to secure material. "If you're buying US material, you've got to pay between \$2.65 and \$2.75, whereas for European material, you can get it at \$2.40-2.50," said one.

He said that he had seen some slight relief in titanium turnings availability last week. The Platts European titanium price was set at \$2.40-2.75/lb last week, down from \$2.60-2.75 a week earlier.

Titanium turnings supply is heavily dependent on the manufacturing of civil aircraft, and the long-running delays to Boeing's Dreamliner 787, which uses a large amount of weight-saving materials, including titanium, helped tighten up availability of titanium turnings, market sources said.

"With the Dreamliner moving into commercial production, that situation on scrap supply should ease," the European ferrotitanium producer said.

Producers maintain they need to achieve sales of \$8/kg or above to break even at current scrap prices.

Several European ferrotitanium producers are largely sold out on long-term contracts. "We're completely sold out on long-term, formula contracts and I don't anticipate having any spot material to spare," the European producer said.—Anthony Poole

Elsewhere in steel & ferroalloys...

US ferrous scrap prices fall: US scrap traders and East Coast export brokers are lowering their bids for material heading into the May market as availability improves and prices drop overseas. The Platts daily price assessment for shredded scrap lost \$20 to a new midpoint of \$380/lb delivered to Midwest mills, based on lower bids and indicative pricing in the marketplace. Supply constraints, which had driven prices higher during winter, have given way to improved flows and resulting pricing softness. "There's too much scrap chasing the market. [It] likely cannot stay this way. Something's got to give," one Northeast scrap trader told Platts. "We have heard the possibility of shred sales at \$370-385/lb," he added. A Midwest steel buyer said he had heard of traders bidding \$370/lb for shredded material. The Northeast trader also noted that prices for ferrous scrap had dropped overseas. "We are seeing world markets soften considerably the last four to five days," he said. Ferrous scrap prices into Turkey have dropped, with new trade from the US at \$420/mt CFR Turkey for 20,000 mt HMS I/II (80/20 blend), and \$425/mt for 20,000 mt of shredded. Availability of other grades, including industrial prime, cut plate and structural, has improved, according to the Northeast trader. "P&S is actually rolling in some zones, and prime scrap looks good," he reported, adding that prices would likely approach March numbers. The Platts price assessment for shredded scrap averaged \$379.35/lb delivered to Midwest mills in March. An East Coast scrap

dealer said that export brokers in his area were attempting to bid the market down. "I sold at \$375/mt and now they're trying to push down even further," he reported. If Turkish mills return to the US and buy large tonnages, it could put a floor on prices, he said. Domestic mills are also bidding lower, he said.

China FeMo sellers hold back: A few ferromolybdenum suppliers in China were holding stocks last week as weaker demand dragged down prices, industry sources said. "Falling oil prices have also negatively impacted the metals market. This, plus a lack of buy tenders from Chinese steel plants for May, has pressured ferromoly prices this week," a ferroalloys trader based in Liaoning province, northeast China, said. In Hebei province, northern China, a source close to Chinese steel producers said: "Usually steel producers would [issue] ferromoly purchase tenders for May around early April each year," but few have emerged so far, this year, which has exerted downward pressure on prices. Chinese domestic 60% ferromolybdenum ex-plant price offers were quoted at Yuan 151,000-153,000/mt last week, down Yuan 1,000/mt, or around 1%, from Yuan 152,000-154,000/mt the previous week. A key ferromoly consumer at a Zhejiang-based steel plant in eastern China said: "It's quite likely that local ferromoly prices will fall further to Yuan 150,000/mt or below in the next few weeks on poor demand from the local downstream steel processing sector." But not all the ferromoly traders agreed. The Liaoning-based trader said: "Although demand has been poor over the past few weeks, we expect the local steel sector to seek material again following the May 1 [Labor Day] holidays."

Eramet's Q1 nickel turnover up: Eramet's nickel turnover rose 29% year on year in the first quarter on the back of a sharp increase in the metal's price, the French nickel and manganese producer said last week. Eramet Nickel's turnover grew to around Eur201 million (\$267 million) in Q1 from Eur156 million in Q1 2009. But while metallurgical output of nickel at Eramet's Doniambo plant in New Caledonia rose 3% to 13,650 mt, nickel shipments fell 16% to 13,330 mt compared with Q1 2009, when inventory was reduced substantially. Nickel prices on the London Metal Exchange rose 91% in the first quarter of 2010 compared with the same period in 2009 to exceed \$9/lb, despite high nickel inventories in LME-registered warehouses, Eramet said. The company said that demand for nickel was "healthy" due to improved global stainless steel production, which returned to early 2008 levels — up 49% in Q1 2010 from Q1 2009. The lower availability of stainless steel scrap was another contributing factor, it said. The miner's nickel output should increase slightly in the second quarter of 2010 from the first quarter, it added. "Nickel demand trends are currently healthy, but levels of nickel and stainless steel inventories could lead to volatility in nickel prices over the

coming months," the statement read. Manganese sales rose 42% to around Eur409 million, offsetting a year-on-year 18% drop to Eur182 million in alloys sales.

Ukraine Q1 ferroalloys exports rise: Ukraine's exports of ferroalloys for January through March rose to 316,670 mt worth \$316.8 million from 88,860 mt worth \$89.9 million a year earlier, official data last week showed. Ukraine exported 211,230 mt of silicomanganese in Q1, up from 65,470 mt in Q1 2009. Exports of ferromanganese rose to 49,630 mt from 7,360 mt and exports of ferrosilicon were 28,160 mt from 4,970 mt, the committee said. Ukraine has four ferroalloys plants, capable of producing a combined 2 million mt of alloys annually. In 2009 Ukraine's exports of ferroalloys dropped by 22% year on year to 774,570 mt from 992,770 mt in 2008.

LEAD & ZINC

Nyrstar settles 2010 treatment charges, up 23% from 2009

London—Belgian zinc and lead producer Nyrstar said last week it had settled the majority of zinc treatment charges for 2010 at levels representing a 23% increase from 2009.

The base TC will be \$250/dry mt at a basis zinc price of \$2,000/mt, Nyrstar said in a statement. The company has agreed to 5% escalators if the zinc price is above \$2,000/mt and to 9% escalators when the zinc price is above \$2,500/mt. A 6% de-escalator will apply if the price of zinc falls below \$2,000/mt.

The base TC of \$250/dmt is up 23% from 2009 when the base TC was \$204/dmt at a basis zinc price of \$1,250/mt, Nyrstar said, adding the charge corresponds to smelters getting about 36% of the total zinc value at the 2010 basis price, versus 42% in 2009 at the 2009 basis price.

TCs are the fees paid by mines to smelters for converting the concentrate into refined zinc and are a key source of revenue for smelters. The majority of lead TCs have also settled at about \$230/dmt without escalators, up around 28% on 2009 terms of approximately \$180/dmt, Nyrstar said.

"As in previous years, opening inventories and some outstanding deliveries of zinc concentrates received during 2010 will be on treatment charge terms carried over from last year's contracts, however these are not expected to have a material impact on treatment charge income," the miner said in the statement.

At a zinc industry meeting earlier this year, zinc miner Teck Resources and zinc smelter Xstrata settled TCs at \$270/mt at a basis LME cash zinc price of \$2,500/mt with a price escalator of ~8% and a de-escalator of ~5% for lower

zinc prices down to \$2,000/mt. Under the deal — which effectively set the “benchmark TC” for the year — de-escalators could go higher at zinc prices below \$2,000/mt.

Nyrstar also announced last week that it increased its zinc metal production by 16% in the first quarter of 2010 compared with the previous quarter owing to a ramp-up of the Balen smelter in Belgium. Zinc metal production increased to around 265,000 mt in Q1 2010 from around 229,000 mt in Q4 2009 as the Balen plant returned to full output at the end of the quarter. Production at the Balen operations rose 67% to 70,000 mt in Q1 2010 from 42,000 in Q4 2009, according to the company.

On the other hand, zinc output at the Hobart smelter in Tasmania in Q1 was down 15% compared to Q4 2009 due to minor equipment failures in the cast house, but the company said the shortfall is expected to be recovered later in the year.

Meanwhile, Nyrstar’s lead output fell 29% in the first quarter of 2010 from 58,000 mt to 41,000 mt on the back of problems at the Port Pirie smelter in Australia.

Production at the smelter was significantly reduced in Q1 2010 due to sinter plant reliability issues, which resulted in two blast furnace shutdowns and restricted production of silver, gold and copper. “The reliability issues have been resolved and the operation is focused on recovering the shortfall throughout the year,” the company said.

Nyrstar said that the ramp-up of its mines continued, with the Tennessee mines in the US producing around 12,000 mt of zinc in concentrate in Q1 from 1,000 mt in Q4 2009, operating at around 50% of capacity by the end of the quarter. The operations are expected to reach their full production rate — around 130,000 mt/year of zinc in concentrate — by the end of 2010.—*Agnieszka Troszkiewicz*

Elsewhere in lead & zinc...

Zinc, lead face surplus—ILZSG: The global refined zinc market will see a 418,000 mt surplus in 2010, the International Lead and Zinc Study Group said last week. “After having taken into account the latest information on zinc production and usage received from its members, the Group anticipates that refined zinc supply will increase at a similar rate to demand this year resulting in a global market surplus of 418,000 tonnes,” the Lisbon-based organization said. The ILZSG forecast a 10.3% rise to 12.46 million mt in world refined zinc metal production on the back of restarts in production. The group expects world demand for refined zinc metal to rise by 11.3% to around 12 million mt in 2010. In 2009, the global zinc surplus rose to its highest level since 1993, with supply exceeding usage by 445,000 mt, ILZSG said in February. The global refined lead market will continue to be in surplus by “just under” 100,000 mt in 2010, the ILZSG said. The group expects a 7.5% rise in global refined lead

metal output to 9.41 million mt in 2010, with demand forecast to rise by 7.3% to 9.31 million mt. According to the ILZSG’s preliminary data released in February, the global supply of refined lead metal in 2009 exceeded demand by 71,000 mt.

Inmet’s Q1 profit up 56%: Canadian miner Inmet Mining said last week it saw its net income balloon by 56% in the first quarter, while its Q1 revenue surged by 5% as the company’s bottom line was lifted by rising prices for the company’s core metals, zinc and copper. The Toronto-based miner noted that its zinc output rose during the first quarter, while its gold production declined. Inmet posted a net income of C\$79.9 million (\$79.4 million), compared with C\$51.3 million in the same quarter a year earlier, and a Q1 revenue of C\$251.6 million, versus C\$239.2 million in the year-ago quarter. The company said the recovery in zinc and copper prices boosted its sales by C\$55 million, compared with the same quarter in 2009, when the market was still reeling from the global economic meltdown. Inmet said its zinc production jumped 22% during the quarter due to higher ore grades at Phrasal, with output rising to 18,700 mt from 15,300 mt a year ago.

US used battery price inches lower: US buyers of used lead-acid automotive batteries said last week that prices were trending downward — closer to the 30¢ level — after hovering at about 34¢/lb earlier in the month. “We’re right now at 30-34¢, depending on the part of the country [where buying occurs],” a used battery buyer told Platts, “We’ve seen prices ease up a little bit.” He said the low end of the current price range had slipped to about 30¢, while the high side was still at 37¢ or even 37.5¢. However, “most business is a little lower than that. [Scrap] is tighter in the Northeast and [there], some guys are buying up in the 37 range,” added the buyer. A second consumer said he paid about 33¢/lb last week. “Maybe it’s because exports are not as easy as they were in the past or maybe now that the weather is better, scrap is moving more freely,” he said. A recently issued US regulation makes it tougher to export lead scrap from the US. A scrap dealer told Platts he sold spent batteries at about 29¢/lb earlier in the month. A third buyer said he paid last week in a range of 34-35¢/lb, but added he typically buys through a battery distributor. “The street price [could be lower] but at the level I’m buying, it’s always a little more,” he said. A fourth buyer also saw the price slipping and agreed deals could now be had at 30¢.

Boliden’s Q1 zinc output off: Swedish miner Boliden said last week its zinc output fell 6% to 71,844 mt in the first quarter of 2010 from 76,167 mt in the same quarter of 2009, and was down 2% from Q4 2009. Boliden’s total revenues in Q1 rose 41% year-on-year to

nearly SKr8.32 billion (\$1.2 billion) on the back of higher average prices for all metals. The company's net profit for Q1 was SKr878 million, up from SKr564 million year on year. The 2% decline in zinc output from Q4 was mainly due to lower production at Ireland's Tara mine and the Boliden Area mine in Sweden, the company said. The fall in volume at Boliden Area was primarily due to a lower volume of concentrated slag and a change in the ore mix, while the decline at Tara was a result of "certain adjustments to the new mill and measures taken under guarantee." Production has, since then, been stable, Boliden said. Lower volumes at Tara and in the Boliden Area also resulted in a fall in lead production. Lead output declined 4% year on year to 13,212 mt in Q1.

Sterlite doubles profit: Indian base metals producer Sterlite Industries saw its net income more than double in its fourth quarter ended March 31, largely on a strong rebound in zinc demand, which, in turn, was stoked by improved steel demand, the company said last week. Sterlite also said it is well on its way to becoming the world's biggest producer of both zinc and lead. Sterlite also benefited from improved zinc and copper prices. Sterlite said zinc concentrate output was 193,532 mt and 768,620 mt for its fiscal year 2010, while refined zinc output was 170,255 mt in Q4 and 650,038 mt for fiscal 2010, its highest-ever refined zinc production. Sterlite, a unit of UK-based Vedanta Resources, which owns Hindustan Zinc, said it posted Q4 net income totaling Rupee 13.8 billion (\$312 million) for the quarter ending March 31, a 131% surge from net income of Rupee 5.98 billion in the same quarter a year earlier. The company also saw a dramatic jump in net sales to Rupee 71.1 billion, a 64% increase over net sales of Rupee 43.4 billion generated in the year-earlier quarter.

TIN

PT Timah's profit surges: Indonesian miner PT Timah's first-quarter net profit surged to Rupiah 141.8 billion (\$15.7 million) compared with Rupiah 14.4 billion a year earlier, propelled by higher tin prices, the company said last week. Timah saw a 51% increase in its tin price to \$16,970/mt in Q1 2010 compared with \$11,221/mt in the same period last year. World tin prices over January-March recovered on the back of higher demand, reaching a high of \$18,355/mt and averaging \$17,225/mt through the first quarter. The company's refined tin sales in Q1 decreased by 11% to 9,770 mt from 11,014 mt in Q1 2009. Its refined tin production also fell by 11% to 9,266 mt from 10,462 mt. Its total tin-in-concentrate output during January-March 2010 increased by 40% to 7,397 mt compared with 5,288 mt last year, it said. Timah's revenue

in Q1 increased by 15.6% to Rupiah 1.83 trillion. Of this, Rupiah 1.54 trillion came from refined tin sales while the remaining Rupiah 294.1 billion came from non-refined tin sales, the statement said. Timah said last month it expects global tin consumption this year to grow 10% year on year from 2009 consumption of 300,000 mt. It also expects 2010 refined tin output to mirror 2010 consumption at around 330,000 mt.

MINOR METALS

China's antimony up further: Chinese ex-plant prices for No.2 (99.65% minimum) antimony ingot exceeded Yuan 60,000/mt (\$8,790/mt) last week, up 7% from Yuan 56,000-56,500/mt the previous week, industry sources in China said, attributing the rise to many sellers either declining to offer or limiting sales volumes. Although in Shanghai, spot ex-plant prices for No 2 antimony ingot were quoted at Yuan 59,000-59,500/mt last week, several antimony traders said some plants' offers had exceeded that range. "Offers have exceeded Yuan 60,000/mt now, although there has not been a lot of trade [on suppliers holding stocks]," a South China-based antimony trader said. "Our Chinese suppliers in Hunan can normally supply clients about 100 mt each time, but this month, they can only provide a reduced volume of just 40 mt on the spot tightness." In Shenzhen Special Economic Zone, another Chinese antimony trader said: "Local suppliers' offers are over Yuan 60,000/mt this week, due mainly to the government's crackdown on the local antimony mining sector, tightening concentrate supplies." Chinese antimony traders in both Hong Kong and South China reported subdued trade last week as overseas traders turned cautious on escalating antimony prices. "We have not traded in antimony much lately as people would rather buy spot material in Europe due to the long shipment time from mainland China to Europe, increasing trading risks," a Hong Kong trader said.

China's indium exports up in March: China exported a total of 7,031 kg of indium in March, which was an increase of 4.8% from the 6,710 kg exported in February, the latest figures from the General Administration of Customs of China showed. A total of 23,344 kg was exported in the first quarter of the year. The majority of the indium exported in March went to Japan, with 3,425 kg; Hong Kong, 2,586 kg; and South Korea, 1,000 kg. The remaining 20 kg was exported to Belgium. In March, a total of 533 kg of indium was imported into China. There were no imports recorded for February. The country imported a total 1,583 kg of indium over January-March. The majority of the indium imported came from Laos, with a small amount from Taiwan and Germany.

COPPER

Cathode premium spread widens

... from page 1

A financial player last week said that scrap “is pretty loose actually,” adding that “there is quite a bit of scrap around; it was tighter about a month ago.”

The Platts spread for bare bright, which is often used in lieu of cathode or as a supplement, remained last week at July COMEX minus 8¢, delivered, after widening to 8¢ in the second half of April. It had remained at May COMEX minus 6¢, delivered, for much of February and March. During those months, however, deals at narrower spreads were heard due to supply tightness and heavy consumer buying in the second half of February as the terminal market dipped, scrap sources told Platts.

Last week, the cathode spot market was hardly bustling, with a second trader saying it is “very quiet, as it has continued to be.”

Said the broker: “My line hasn’t been ringing for any cathode. It’s been pretty quiet on that front, which is a little surprising with the prices coming off.”

He added that “there has been spot activity, a little bit each month, and I would think that there are canceled warrants in New Orleans, so there is demand there; somebody has to be taking it.”

“I don’t know for what other reason you’d be canceling warrants at this point in time,” the broker continued. “They are running very, very lean. I think they anticipated finding themselves in the spot market.”

The first trader indicated that the cathode spot market in the East was experiencing “a bit of a change” because of Xstrata’s announcement in December that it would permanently halt operations of its copper and zinc metallurgical plants at the Kidd Metallurgical Site in Timmins, Ontario.

“It will create a small imbalance in May from what I understand,” he said. “Everyone anticipated it, so it is not a gigantic event, but it will move things around up there and I’m not sure what it will do to premiums.”

Both traders agreed that there had been no increase in the amount of offgrade cathode being bought, nor had there been any increase in new orders from mills due to improving economic conditions.

“Not really; people just continue to buy hand to mouth,” said the second trader. “They’re not buying to stock anything yet.”

Another issue affecting spot cathode activity has been credit insurance. The financial player said that trader-to-consumer business had fallen slightly because consumers have been very focused on buying on credit.

“Traders normally aren’t very keen on giving credit,” he

explained. “Some producers are crazy enough to do it, and I think whatever additional business is out there, more of it is going to producers who are willing to extend it.”

He said that companies always ask for credit, “but in the copper business in the past 15 years or so, credit has gone away completely.”

“A lot of fabricators have been pushing hard for terms and the minute one guy caved in and gave them [terms], they became more insistent on it,” he claimed. “With a commodity like copper, there is not much benefit for traders to give credit with the small return they get on the commodity to begin with.”

The first trader acknowledged that “consumers are hungry for credit,” but added: “I can tell you that you have to pass some pretty stringent tests in order to get credit from anyone selling cathode today because they would just as soon go to COMEX with it and know that they are going to get paid rather than sell it to someone whose credit is shaky.”

The broker remarked that “the spot copper market is historically a cash market,” adding: “As much as aluminum tried to move to a cash market, copper has been that and I thought that would be one thing that wouldn’t change. I don’t think it’s a good time for consumers to come out and start asking for credit lines. Maybe they need it now more than ever, [but] I wouldn’t say it is impossible.”

He said that last year there was a move “toward payment against bill of lading as opposed to payment against receipt at consumer facility, as it had been previously.

“So that is really asking for payment two weeks in advance of receipt,” he said. “The timing of that may have been pertinent to the fact of how much bankruptcy there was going on in various industries. I think they would have to add a considerable amount of money to go ahead and extend terms.”—*Michael Schneider*

Jamaica suspends most exports of copper scrap

Austin, Texas—The Jamaican Industry Ministry has suspended most exports of copper scrap until further notice as the country battles a wave of metal theft, an official with the Ministry of Industry, Investment and Commerce told Platts.

The decision was made in the wake of rampant theft of infrastructure throughout Jamaica that has plagued the island’s scrap-metal industry since at least 2008.

“It is really a few persons who have engaged in activities which are deleterious to the infrastructure — stealing bridge parts and so on — to sell as scrap,” said the source, who wished to remain anonymous. “That is a small minority of persons, but they have so tainted the entire industry that it is necessary for the government to take this step.”

Beginning April 28, only manufacturers who generate their own material and do not buy from other sources are allowed to export scrap metal. Metal that has already been packed for export, inspected by customs officials and deemed to be eligible for export should have been exported by April 27.

Much of Jamaica's scrap-metal exports are believed to go to Brazil, China and the US.

The suspension is expected to have a large impact on exports because the majority of Jamaican dealers buy metal as scrap from junk and then sell it to exporters, he said. The government plans to establish a central site for scrap metal where private dealers can have their metal sorted and inspected by customs officials before it is packed for export.

But the source said he did not know when the site would be ready or how long the suspension will last.

"The [suspension] is simply based on an analysis that there is no real data to show we are producing copper as scrap per se at any significant rate that would justify it being exported," he said. "So ... it would probably be stolen unless that person is generating it based on the business they are in."

He said the government is still deciding how to manage such exports in the future.

"It could be that we ban all copper exports [or] we allow certain [exports that] we are absolutely sure are legitimate," he said. "For instance, a telecommunications company ... would generate copper as scrap based on infrastructure they use."

He added that the government is also working on a policy for precious metals. Jamaica previously suspended scrap-metal trading and exports in June 2008, but lifted the ban later that year.—*Laura Brooks*

Elsewhere in copper...

Codelco may forfeit profits: The Chilean government is unlikely to allow state mining company Codelco to retain profits this year as the country looks for funds to pay for reconstruction following February's earthquake, Mining Minister Laurence Golborne said April 30. Instead the world's largest copper producer should find its own means to fund its ambitious investment program, including cash flow, raising finance externally, or selling non-essential assets, the minister told an audience at the Chamber of Commerce in Santiago.

Chinese stock levels eyed: Chinese market players have mixed expectations for copper imports due to market concern over high stock levels amid unfavorable arbitrage opportunities between the Shanghai Futures Exchange and the LME, local industry sources said. One Beijing-based copper analyst said despite concerns over high stock levels in China, more Chinese copper smelters and traders imported copper

on the back of expected stronger demand in China. According to the latest customs statistics, China imported 337,125 mt of refined copper in March, up 52.9% compared with February's 220,530 mt. Several traders, however, said they expected imports to slow due to the LME price being high compared with SHFE values. More imported refined copper has been put into the bonded warehouses in Shanghai.

Kazakhmys, Jinchuan form JV: Kazakh copper producer Kazakhmys has signed a memorandum of understanding with China's Jinchuan Group to create a joint venture to develop a copper project in Aktogay, the company said. Jinchuan has agreed to purchase a 49% stake in the project for \$120 million, payable in cash. A feasibility study will be conducted on the project in 2010 which will take about 12 months to complete.

Boliden to boost recycling: Boliden said it is investing SKr1.3 billion (\$181 million) to expand the electronic scrap recycling capacity at its Ronnskar copper smelter in Sweden. The investment, in which a Kaldo furnace at the Ronnskar smelter is the biggest component, will increase the facility's electronic scrap recycling capacity to 120,000 mt/year from 45,000 mt/year, the Swedish metals producer said. Boliden reported that first-quarter copper production fell 9% to 65,474 mt from 71,710 mt a year earlier, and fell 24% from the Q4 2009 figure of 85,804 mt. The company said copper smelters continued at reduced production levels during the quarter because "copper concentrate availability continued poor, with consequently unfavorable terms for treatment and refining."

Teniente output to reach 405,000 mt: Chile's Codelco plans to produce 405,000 mt of copper this year at its El Teniente division, according to Ricardo Alavarez, the division's general manager. Last year, the division — which comprises the El Teniente underground mine, Colon concentrator plant and the Caletones copper smelter — produced 406,000 mt.

Chile's March output up: Chile produced 451,127 mt of copper in March, up 5% from 429,732 mt in the same month of last year, according to INE, the country's statistics institute. The results confirm the minimal impact February's earthquake had on the most-important activities of the mining sector, INE said.

Japan's rolled copper output up: Japan produced 76,060 mt of rolled copper products in March 2010, the highest since November 2008, according to the Japan Copper & Brass Association. The March output was up 120.4% year on year and up 2.9% from the previous month.

Tongling's net profit up: Major Chinese copper producer Tongling Nonferrous posted a net profit of about

Yuan 207.3 million (\$30.4 million) for the three months ended March 31, 2010, up 20.3% year on year, according to a company statement posted on the Shenzhen Stock Exchange web site. The company said the higher profit was due to stronger copper prices and better sales during the reporting period compared with a year ago.

Traded copper futures hit record: CME Group said that copper futures reached a record volume April 27 when 75,629 contracts were traded, surpassing the previous record of 73,322 on April 13. The total included a combination of electronic and floor trading, according to spokeswoman Anu Ahluwalia.

Kazakhmys copper cathode output up: Kazakhmys, the largest copper producer in Kazakhstan, said first-quarter copper cathode production weighed in at 78,400 mt, up from 69,100 mt in the previous quarter, but down from 85,600 mt a year ago. "Production has gone well in Q1 2010 and we remain on target to produce just over 300,000 mt of copper cathode during the year," CEO Oleg Novachuk said in a statement.

Codelco mine output slated for 2015: Chile's Codelco expects to start production at its new 30,000 mt/year San Antonio copper mine in 2015, according to Pablo Malig, the project's newly appointed manager. "According to preliminary estimates, we would begin construction in the first half of 2013. Startup and delivery to the clients would occur in the first half of 2015," the engineer said in a statement.

Southern Copper earnings rise: Southern Copper, Grupo Mexico's Mexican and Peruvian copper mining unit, saw sales of \$1.2 billion in the first quarter of 2010, up sharply from \$622 million in the same 2009 period, the company said. Net income in the first quarter was \$383 million compared with \$78.7 million in the first quarter of last year.

PRECIOUS METALS

CBGA signatories have 'little appetite' for gold sales: WGC

London—Central Bank Gold Agreement signatories have made net gold sales totaling 7.2 mt since September 27, 2009, indicating "little appetite for selling gold," the World Gold Council said last week.

The International Monetary Fund sold 5.6 mt in February under the second phase of its gold sales program, the WGC said. "This leaves the IMF with 185.7 mt to be sold in a phased

and transparent manner within the ceiling set by the CBGA, so as to avoid any disruption to the gold market," it said.

In response to the data, Barclays Capital in a report said the CBGA sales were "significantly below the annual quota of 400 mt. Given the growing trend of purchases outside of the agreement and limited sales under the agreement, we maintain our view that the official sector is likely to remain a small net seller of gold this year and, depending on the timing of the remaining IMF sales, the sector, which has been a supplier of gold to the market for the past twenty years, could swing into a net buyer."

Barclays precious metals analyst Suki Cooper, added: "The IMF sales are expected to be phased and, initially, the IMF had indicated sales would be phased over two to three years."

The first version of the CBGA was signed on September 26, 1999, by global banks including Banca d'Italia, Deutsche Bundesbank, De Nederlandsche Bank, the European Central Bank and the Bank of England.

The agreement states, according to the WGC web site, that "gold will remain an important element of global monetary reserves. Signatories will not enter the market as sellers, with the exception of already decided sales. The gold sales already decided will be achieved through a concerted program of sales over the next five years."

In addition to the 400 mt annual limit, the agreement says that total sales over the five-year period will not exceed 2,000 mt. "The signatories to this agreement have agreed not to expand their gold leaseings and their use of gold futures and options over this period. This agreement will be reviewed after five years," the WGC said.

HSBC analyst Jim Steel in a report said, "The IMF began its planned sales of 403.3 mt of gold in 2009. After the sales reported by the World Gold Council, plus those of 200 mt to India and smaller amounts to Sri Lanka and Mauritius last year, the IMF is left with about 185.7 mt to sell. The IMF gold sales to India, Sri Lanka, and Mauritius were counted as off-market transactions and did not appear in the April edition of the IMF's International Financial Statistics from which the World Gold Council data are derived."

Steel added that unless a central bank buyer for the remaining IMF gold emerges, further IMF sales will be conducted on the open market, but within terms of the CBGA. "The IMF has made it clear that further gold sales will be conducted in a measured fashion so as not to dislocate the international bullion markets," he said.

Outright sales from any official sector source, other than the IMF for the last six months since the new CBGA, have been "tiny," Steel noted. The withdrawal of the official sector as major sellers and the emergence of others as purchasers have removed a bearish factor from the market, he added.

"We believe the scale of official sector sales will remain modest, with the bulk of official sector sales coming from the IMF. Eventually, we believe the official sector will cease to be a bearish influence on gold prices altogether," Steel said.—*Ben Kilbey*

Boddington mine on target for full production in Q4: Newmont

Washington—Newmont Mining's Boddington copper-gold mine in Australia remains on target to reach full production by the end of the year, the gold mining giant said last week. But ore grades, volumes and output are likely to vary considerably until then, company officials said.

Copper concentrate production at Boddington began last August, followed by commercial production in November. At full production, Boddington will be Australia's largest gold mine, with a capacity of about 1 million oz/year for the first five years.

"We are one full quarter into ramp-up, or about four-and-a-half months," Newmont President and CEO Richard O'Brien said in a conference call with analysts and investors to discuss first-quarter results.

"I'd say the expectation for ramp-up is that we expect to be in full production towards the end of the year, and we will be ramping up along the way. It will be a little volatile back in forth, and I think that includes tons and grades and output," he said.

Brian Hill, executive vice president of operations, noted that the company had planned for a 12-month ramp-up period before reaching full production: "So we're hoping we can get there around the third quarter of this year." The mill at Boddington was running at about 70,000-75,000 mt, or nearly 75% of capacity, Hill said: "That's essentially on target."

But ore grades have been surprising. "We're slightly down on the gold grade and up on the copper grade, and we still need to get a couple more quarters under our belt and mining some of the different domains to be able to come back with some more definitive answers around the reconciliation" with existing production guidance, Hill said.

First-quarter gold production at Boddington jumped 34% over the fourth quarter to 158,000 oz, while copper production rose 40% sequentially to 14 million lb.

Newmont produced about 1.3 million equity oz of gold and 90 million equity lb of copper during the first quarter, with costs applicable to sales of \$480/oz for gold or 78¢/lb for copper.

For the year, Newmont expects gold costs applicable to sales to be \$450-480/oz compared with \$417/oz last year. The company this year is experiencing cost pressures from lower production volumes in Nevada, Peru and Ghana, as well as higher costs associated with underground mining in Nevada and higher mill production at the Yanacocha mine in Peru, O'Brien said.

But lower-cost production at Boddington during the ramp-up should offset some of the higher costs elsewhere, he added.

Newmont remains bullish on gold prices due to strong investor interest, constrained mine supply and buying by developing countries, O'Brien said.

"Robust fundamentals, including evidence of a rebound in the jewelry demand in India, and growth in the jewelry market in China, plus sustained investor inflows and historically low central bank sales, continued to support gold price performance during the first quarter," he said.

On the supply side, European central bank sales during

the first quarter were near zero, while Russia bought about 8 mt during the quarter as part of its gold-purchasing program, he noted. "With central bank sales essentially non-existent, and some countries actually buying gold, extra supply is not being pushed into the market, causing supply to tighten even further," O'Brien said. Newmont believes global mine supply will remain constrained due to declining ore grades.

Turning to demand, O'Brien noted that many developing economies are recovering faster from the global economic recession than developed countries, especially India and China, which are key markets for gold consumption.

"Continued recovery of these developing nations should have a positive impact on gold demand," O'Brien said. "In addition, medium-term concerns surrounding sovereign debt risks in some regions are likely to favor gold, as investors place their trust in gold rather than currency," he added, pointing to the record amounts of physical holdings in gold exchange-traded funds during the first quarter.—Nick Jonson

Elsewhere in precious metals...

Price adjustments: *Platts* has made the following adjustments to its NY dealer PGM prices: **platinum**, \$1,405-1,475/oz; **palladium**, \$360-383/oz and **rhodium**, \$2,100-2,350/oz.

Barrick's Q1 gold output up 19%: Gold mining powerhouse, Barrick Gold last week said first-quarter gold production was up 19% at 2.08 million oz from the year-earlier period when it came in at 1.75 million oz. Total cash costs of \$442/oz, or net cash costs of \$342/oz, were \$42/oz and \$62/oz below the prior-year period total cash costs and net cash costs, respectively. The company said in a statement it was on track with its guidance to raise production in 2010 to 7.6 million to 8.0 million oz at lower total cash costs of \$425-455/oz or net cash costs of \$345-375/oz. It said the improved performance was due mainly to strong performances from Lagunas Norte [Peru], Veladero [Argentina] and Cortez Hills [North America]. The company said that at full capacity and combined with Cortez Hills, these projects were forecast to contribute about 2.4 million oz of annual production at low cash costs. Barrick reported Q1 net income at a record \$758 million. Adjusted Q1 net income jumped to \$741 million from \$298 million in Q1 2009, reflecting higher production and sales in conjunction with lower total cash costs and higher realized prices for both gold and copper, the miner said. Operating cash flow more than tripled to a record \$1.05 billion from \$349 million in the same 2009 period.

Hecla Q1 silver output dips: Hecla Mining produced 2.5 million oz of silver in the first quarter of 2010 at a cash cost of negative \$3.03/oz, after byproduct credits, the US miner said last week. That compares with 2.9 million oz of silver in the first quarter of 2009 at a cash cost of \$4.67/oz and 2.4 million

oz of silver in the fourth quarter of 2009 at a cash cost of negative \$2.00/oz. Lower cash costs in the first quarter of 2010 compared with the same period in the previous year is attributed to higher prices for byproduct credits and increased production of zinc and lead, the company said, adding that silver production in the first quarter of 2010 compared with the first quarter of 2009 was lower due to normal variation in the mine plan, resulting in lower silver grades at both mines. Hecla is maintaining its previously announced full-year production guidance of 10 million to 11 million oz of silver with cash costs in the range of \$1.90-2.25/oz, based on byproduct prices of 80¢/lb for zinc and lead. Hecla's Q1 realized silver price was \$16.92/oz, up from \$13.92 in Q1 2009. The company reported net income of \$21.8 million in the first quarter of 2010, compared with net income of \$7.3 million in Q1 2009.

Goldcorp Q1 gold output rises 1.4%: Canada's Goldcorp reported gold production of 625,000 oz for the first quarter ended March 31, up 1.4% from the same period in 2009, the company said last week. The increase was attributed to higher output at key operations, including Red Lake in Ontario on improved mining efficiencies and Los Filos in Mexico on increased grade and higher ore tonnage. Revenues increased 20% over the 2009 first quarter, to \$750.3 million on gold sales of 569,100 oz, which were down 6.4% year on year. The company said the timing of first-quarter gold sales was affected by a brief work stoppage at the port facilities that ship concentrates produced at the Alumbrera mine in northwestern Argentina and by a buildup of inventory at its Red Lake mine over the quarter's end. Goldcorp's operating assets include the Red Lake, Porcupine and Musselwhite gold mines in Canada, the El Sauzal, Los Filos and San Dimas gold/silver mines in Mexico, the Marlin mine in Guatemala, the Marigold mine (67% interest) and Wharf mine in the US and the Alumbrera mine (37.5%) in Argentina.

Fund fined for PGM price manipulation: The US Commodity Futures Trading Commission on April 29 issued an order charging hedge fund Moore Capital Management and its affiliates, Moore Capital Advisors and Moore Advisors, with attempted manipulation of the platinum and palladium futures settlement prices on the New York Mercantile Exchange. The CFTC also filed and settled charges that MCM failed to diligently supervise the handling of MCM's commodity interest business. "The CFTC order requires MCM, MCA and MA, all of whom are CFTC registrants ... to pay a \$25 million civil monetary penalty and restricts their registrations as Commodity Pool Operators and/or Commodity Trading Advisors for three years," the commission said in a statement. The CFTC said that since at least November 2007 through May 2008, a former MCM portfolio manager attempted to manipulate the settlement prices of platinum and palladium futures contracts traded on NYMEX by engaging in a practice known as "banging the close." Specifically, the former portfolio manager's orders

were entered in a manner designed to exert upward pressure on the settlement prices of the platinum and palladium contracts, the CFTC said.

Gold becomes top export earner in Peru:

The value of Peruvian gold exports in the first quarter was \$1.48 billion, making gold the country's top revenue earner surpassing copper, the organization of Peruvian miners said. Jose Miguel Morales Dasso, president of the Gold Committee of the Peruvian National Society of Mining, Oil and Energy, said that the value of gold exports was equivalent to 25% of the total exports of the country. Gold exports were also about 42% of the total exports of all Peruvian mining products which earned \$3.6 billion in that period. Gold exports rose 22% in 2009 when total sales of gold for the year were \$6.8 billion. That 2009 figure was in turn \$1.2 billion more than was reported in 2008, the society said. Most of the gold extracted in Peru is shipped to Switzerland, 57%; Canada, 25%; and the US, 14%, the statement said. Peru exported \$24 billion worth of gold in the five-year period 2005 through 2009.

LIGHT METALS

ATI's aerospace, oil and gas units to lead growth: CEO

Washington—Allegheny Technologies said last week that its net income attributable to the company roughly tripled in the first quarter to \$18.2 million, compared with \$5.9 million in the same quarter of 2009, on a surge in sales of certain products and a return in jet-engine demand.

ATI said that, excluding a charge related to the recent US healthcare legislation that bit into earnings, its Q1 net income would have been \$23.5 million.

ATI's first-quarter net income jumped to \$18.2 million on sales of \$899.4 million, compared with net income of \$5.9 million on sales of \$831.6 million in Q1 2009. The Q1 2010 results included a non-recurring tax charge of \$5.3 million related to the recently enacted Patient Protection and Affordable Care Act. Excluding this non-recurring tax charge, net income was \$23.5 million on sales of \$899.4 million, the company said.

"We have turned the corner," said L. Patrick Hassey, ATI's chairman, president and CEO. "Most of our markets are improving." He said signs of the company's recovery include its production schedules filling up, expanded lead times and a tighter scrap market.

In the company's high-performance metals segment, shipments of titanium and titanium alloys increased 17% from fourth-quarter 2009 levels, and shipments of nickel-based alloys and superalloys increased 7%, primarily due

to improved demand from the jet engine supply chain, Hassey said.

Shipments of exotic alloys decreased 30%, however, due to the timing of projects in the defense and chemical processing industry markets.

In the flat-rolled products segment, shipments of high-value products increased 12% and shipments of standard products rose 22% compared to Q4 2009. Titanium shipments increased over 98% compared to the fourth quarter of 2009.

"The segment's improved performance was primarily due to continued growth in the oil and gas and aerospace markets, stability in the electrical energy market and recovery in the global automotive market," Hassey said.

The company's total titanium mill products shipments were 9.2 million lb, an increase of 36% compared to Q4 2009. The company forecasts total 2010 shipments of 30 million lb.

"With steady quarter-on-quarter improvement, we see 2010 as a transition year to the resumption of secular growth in our key markets," Hassey said.

During an April 28 earnings conference call, Hassey said ATI's aerospace and oil and gas divisions would especially be key in the company's segment expansion, with both units showing "early signs of secular growth."

In aerospace, ATI is poised to gain from the recent news that aircraft maker Boeing would step up production rates for airliners including the 777 and an upgraded 747. "We think ATI is positioned to benefit from these rate increases in the new and legacy aircraft," Hassey said. "The good news is, build rates are going up," he said, adding, "My personal bet is that [Boeing] is going to meet these rates."

He said the company has secured new long-term aerospace supply contracts, and has new production capabilities geared to trends like lighter-weight airframes and engines. In international aerospace, General Electric and Pratt & Whitney are designing new jet engines, Hassey added.

In the oil and gas niche, "exploration has moved to extremely demanding locations," a trend that will open up the market for ATI's stronger, resistant alloys. ATI's oil and gas unit's sales shot up 50% versus a year ago, Hassey said, "It's a global market for us," he said.

Hassey said ATI expects 2010 capital expenditures to be \$375 million, with roughly half of that spent on the company's new hot-mill processing facility. He added the company expects capital investment to remain at about the \$350 million to \$400 million level over the next few years until that plant is completed.

Hassey said the new Utah titanium sponge facility must undergo a "standard practices" process for the plant's manufacturing operations before it can get certified, as well as a pilot production phase, which he said would take about a year.

In its earnings statement, ATI said Q1 performance was negatively impacted by \$11.5 million of startup and idle-facility costs. "The startup costs relate mostly to our Rowley, Utah premium-titanium sponge facility. We plan to ramp

production at this facility throughout 2010 in a systematic manner," Hassey said in the statement.

ATI's Q1 idle facility costs related mostly to the company's Albany, Oregon, titanium sponge facility, which is "positioned to be back in production when warranted by market conditions," Hassey added. Meanwhile, he said on the conference call that ATI's Albany, New York-based "swing plant" remains idle. "We don't need it today," he said, but depending on ATI's project load, "it can come back into operation any time."

Hassey said that, in ATI's metals segment, the company expects growth particularly in the high-performance metals and flat-rolled segments, which comprise roughly 40% and 60% of the company's business, respectively. He predicted that as the year progresses, base prices will move up while material surcharges will moderate.—*Laura Gilcrest*

Elsewhere in light metals...

AMG makes chemical lithium: AMG Advanced Metallurgical Group has successfully produced chemical-grade lithium concentrate from a pilot plant at its Mibra tantalum mine in Brazil, the Netherlands-based company said last week. Chemical-grade lithium is primarily used in lithium-ion batteries and in the specialty glass and fine chemical industries. AMG has operated a pilot plant for the separation of lithium minerals and albite, a byproduct from tantalum-containing pegmatite, since the fourth quarter of 2009. The final investment decision for full industrial-scale production of lithium concentrate will be made upon completion of the pilot plant work and feasibility study, with results in the second half of 2010, the company said. AMG's first phase of operation would include an expected capacity to produce 36,000 mt/year of lithium concentrate (6.5% lithium oxide contained) by 2012.

Chinese magnesium flat, Europe up: Chinese pure magnesium ingot prices were flat last week from the previous week with spot deals mostly within a narrow range of \$2,750-2,800/mt FOB China, local industry sources said. Western traders agreed that they'd been offered pure magnesium at \$2,750/mt FOB China but at up to \$2,950/mt in-warehouse Rotterdam. A Shanxi-based producer reported spot deals at \$2,750 FOB China, and domestic sales at around Yuan 16,500 (\$2,417)/mt ex-plant, unchanged from the previous week. Another producer said spot deals were settled at \$2,750-2,800/mt FOB China. A third producer said he had offered at \$2,750/mt FOB China but could not find any buyers. "We are receiving fewer buying enquiries due to stronger prices [in April]," he said. The Western traders said Chinese prices were likely to stay firm until the International Magnesium Association meeting in Hong Kong May 16-18 before trailing off in June, as has happened in previous years.

Daily prices

	Units	26 Apr 10	27 Apr 10	28 Apr 10	29 Apr 10	30 Apr 10	Week avg
Aluminum							
LME HG Cash	\$/mt	2293.000/2293.500	2261.500/2262.500	2114.500/2115.000	2195.000/2195.500	2183.000/2184.000	2209.750
LME HG 3-Month	\$/mt	2322.000/2323.000	2289.000/2290.000	2142.000/2143.000	2223.000/2224.000	2209.500/2210.000	2237.550
LME HG 15-Month	\$/mt	2420.000/2425.000	2388.000/2393.000	2245.000/2250.000	2325.000/2330.000	2310.000/2315.000	2340.100
LME HG 27-Month	\$/mt	2490.000/2495.000	2458.000/2463.000	2320.000/2325.000	2403.000/2408.000	2385.000/2390.000	2413.700
LME HG Settlement	\$/mt	2293.500	2262.500	2115.000	2195.500	2184.000	2210.100
LME Alloy Cash	\$/mt	2130.000/2131.000	2090.000/2100.000	1915.000/1925.000	2005.000/2010.000	2025.000/2026.000	2035.700
LME Alloy 3-Month	\$/mt	2150.000/2160.000	2130.000/2140.000	1950.000/1960.000	2040.000/2050.000	2050.000/2060.000	2069.000
LME Alloy 15-Month	\$/mt	2215.000/2225.000	2195.000/2205.000	2015.000/2025.000	2105.000/2115.000	2115.000/2125.000	2134.000
LME Alloy 27-MO	\$/mt	2275.000/2285.000	2255.000/2265.000	2075.000/2085.000	2165.000/2175.000	2175.000/2185.000	2194.000
LME Alloy Settlement	\$/mt	2131.000	2100.000	1925.000	2010.000	2026.000	2038.400
LME NA Alloy Cash	\$/mt	2205.000/2215.000	2090.000/2110.000	1980.000/1981.000	2070.000/2071.000	2060.000/2070.000	2085.200
LME NA Alloy 3-MO	\$/mt	2230.000/2240.000	2120.000/2140.000	2010.000/2020.000	2100.000/2110.000	2090.000/2095.000	2115.500
LME NA Alloy 15-MO	\$/mt	2330.000/2340.000	2245.000/2255.000	2110.000/2120.000	2200.000/2210.000	2190.000/2200.000	2220.000
LME NA Alloy 27-MO	\$/mt	2400.000/2410.000	2315.000/2325.000	2180.000/2190.000	2270.000/2280.000	2260.000/2270.000	2290.000
LME NA Alloy Settlement	\$/mt	2215.000	2110.000	1981.000	2071.000	2070.000	2089.400
LME HG inventories	mt	4558000	4551825	4546450	4541700	4535450	—
LME Alloy inventories	mt	74060	73860	73620	73540	73380	—
LME NA Alloy inventories	mt	172620	172620	172580	172580	172480	—
MW US Transaction	cts/lb	110.382	108.975	102.285	106.086	105.565	106.659
MW US Trans premium	cts/lb	6.350	6.350	6.350	6.500	6.500	6.410
MW US Net-Cash Prem	cts/lb	5.950	5.950	5.950	6.100	6.100	6.010
MW US A-380 Alloy	cts/lb	109.000/110.000	NA/NA	NA/NA	105.000/107.000	NA/NA	107.750
MW US 319	cts/lb	114.000/116.000	NA/NA	NA/NA	112.000/114.000	NA/NA	114.000
MW US Sec 356	cts/lb	120.000/122.000	NA/NA	NA/NA	117.000/119.000	NA/NA	119.500
MW US F132	cts/lb	115.000/117.000	NA/NA	NA/NA	113.000/115.000	NA/NA	115.000
US Old Cast	cts/lb	74.000/76.000	NA/NA	NA/NA	73.000/76.000	NA/NA	74.750
US Old Sheet	cts/lb	73.000/75.000	NA/NA	NA/NA	72.000/74.000	NA/NA	73.500
US Mill-grade MLCCs	cts/lb	84.000/86.000	NA/NA	NA/NA	82.000/84.000	NA/NA	84.000
US Smelter-grade MLCCs	cts/lb	76.000/78.000	NA/NA	NA/NA	77.000/79.000	NA/NA	77.500
US HG Auto Shreds	cts/lb	81.000/83.000	NA/NA	NA/NA	80.000/81.000	NA/NA	81.250
US LG Auto Shreds	cts/lb	77.000/79.000	NA/NA	NA/NA	75.000/77.000	NA/NA	77.000
US Turnings	cts/lb	70.000/72.000	NA/NA	NA/NA	70.000/72.000	NA/NA	71.000
C&F China spot	\$/mt	2365.500/2385.500	2393.500/2413.500	2362.500/2382.500	2215.000/2235.000	2295.500/2315.500	2336.400
C&F China LME premium	\$/mt	95.000/100.000	95.000/100.000	95.000/100.000	95.000/100.000	95.000/100.000	97.500
C&F China-Russian Grade	\$/mt	45.000/50.000	45.000/50.000	45.000/50.000	45.000/50.000	45.000/50.000	47.500
S'pore in-warehouse premium	\$/mt	80.000/90.000	80.000/90.000	80.000/90.000	80.000/90.000	80.000/90.000	84.500
Japan del (current mo)	\$/mt	2353.510/2385.370	2381.520/2413.500	2350.420/2382.500	NA/NA	2283.530/2315.380	2358.216
Japan del (2 mos. out)	\$/mt	2357.510/2389.370	2385.520/2417.500	2354.420/2386.500	NA/NA	2287.530/2319.380	2362.216
CIF Japan premium	\$/mt	118.000/120.000	118.000/120.000	118.000/120.000	NA/NA	118.000/120.000	119.000
CIF Japan premium Q2	\$/mt	122.000/124.000	122.000/124.000	122.000/124.000	NA/NA	122.000/124.000	123.000
GW premium paid IW Rotterdam	\$/mt	160.000/170.000	160.000/170.000	165.000/175.000	165.000/175.000	165.000/175.000	168.000
GW premium unpaid IW Rotterdam	\$/mt	95.000/105.000	95.000/105.000	95.000/105.000	95.000/105.000	95.000/105.000	100.000
A7E premium unpaid IW Rotterdam	\$/mt	90.000/100.000	90.000/100.000	95.000/105.000	95.000/105.000	95.000/105.000	98.000
A7E premium unpaid FOB St Petersburg	\$/mt	30.000/40.000	30.000/40.000	65.000/75.000	65.000/75.000	65.000/75.000	56.000
Alumina Australia C&F China	\$/mt	350.000/360.000	350.000/360.000	350.000/360.000	350.000/360.000	350.000/360.000	355.000
Copper							
COMEX HG 1st Position	cts/lb	352.700	336.350	336.750	333.350	333.750	338.580
COMEX HG 2nd Position	cts/lb	353.850	337.350	337.750	335.050	335.350	339.870
COMEX HG 3rd Position	cts/lb	357.600	341.550	342.100	338.800	339.250	343.860
COMEX inventories	st	101128	101128	101128	101128	101151	—
LME Grade A Cash	\$/mt	7759.500/7760.000	7640.000/7645.000	7410.000/7410.500	7390.000/7395.000	7360.000/7365.000	7513.500
LME Grade A 3-Month	\$/mt	7790.000/7795.000	7690.000/7691.000	7448.000/7449.000	7429.000/7430.000	7394.500/7395.500	7551.200
LME Grade A 15-Month	\$/mt	7795.000/7805.000	7690.000/7700.000	7465.000/7475.000	7450.000/7460.000	7420.000/7430.000	7569.000
LME Grade A 27-Month	\$/mt	7640.000/7650.000	7540.000/7550.000	7340.000/7350.000	7325.000/7335.000	7265.000/7275.000	7427.000
LME Settlement	\$/mt	7760.000	7645.000	7410.500	7395.000	7365.000	7515.100
LME inventories	mt	506125	505350	504025	502550	499300	—
MW Atlantic Seaboard	cts/lb	347.788	342.572	331.935	331.232	329.871	336.680
MW CIF Europe	cts/lb	351.988	346.772	336.135	335.432	334.071	340.880
MW Composite	cts/lb	358.526	342.176	342.576	339.176	339.576	344.406
MW US Producer Cathode	cts/lb	358.526	342.176	342.576	339.176	339.576	344.406

Daily prices

	Units	26 Apr 10	27 Apr 10	28 Apr 10	29 Apr 10	30 Apr 10	Week avg
MW US Producer Refined	cts/lb	357.126	340.776	341.176	337.776	338.176	343.006
Japan del (current mo)	\$/mt	8178.440/8284.650	8208.080/8314.680	8234.410/8341.350	NA/NA	8174.100/8280.250	8251.995
Japan del (2 mos. out)	\$/mt	8178.440/8284.650	8208.080/8314.680	8234.410/8341.350	NA/NA	8174.100/8280.250	8251.995
S'pore in-warehouse premium	\$/mt	50.000/60.000	50.000/60.000	50.000/60.000	50.000/60.000	50.000/60.000	55.000
C&F China	\$/mt	7760.000/7780.000	7860.000/7880.000	7745.000/7765.000	7510.500/7530.500	7495.000/7515.000	7684.100

Zinc

LME SHG Cash	\$/mt	2401.500/2402.000	2374.000/2375.000	2294.500/2295.000	2314.000/2315.000	2255.000/2256.000	2328.200
LME SHG 3-Month	\$/mt	2440.000/2440.500	2409.000/2410.000	2320.000/2321.000	2342.500/2343.000	2280.000/2280.500	2358.650
LME SHG 15-Month	\$/mt	2490.000/2495.000	2460.000/2465.000	2353.000/2358.000	2398.000/2403.000	2335.000/2340.000	2409.700
LME SHG 27-Month	\$/mt	2478.000/2483.000	2448.000/2453.000	2367.000/2372.000	2390.000/2395.000	2330.000/2335.000	2405.100
LME Settlement	\$/mt	2402.000	2375.000	2295.000	2315.000	2256.000	2328.600
LME inventories	mt	541950	541300	540600	545375	552525	—
MW Four Corners	\$/mt	2421.000	2392.000	2307.625	2328.625	2267.875	2343.425
MW North America SHG	cts/lb	112.203	110.978	107.350	108.257	105.581	108.874
MW North America GAL	cts/lb	112.203	110.978	107.350	108.257	105.581	108.874
MW Alloyer No. 3	cts/lb	123.953	122.728	119.100	120.007	117.331	120.624

Lead

LME Cash	\$/mt	2310.000/2310.500	2290.000/2291.000	2224.500/2225.000	2228.000/2229.000	2175.000/2176.000	2245.900
LME 3-Month	\$/mt	2335.000/2340.000	2323.500/2324.500	2253.000/2255.000	2248.000/2253.000	2207.500/2208.000	2274.750
LME 15-Month	\$/mt	2365.000/2370.000	2357.000/2362.000	2285.000/2290.000	2283.000/2288.000	2240.000/2245.000	2308.500
LME 27-Month	\$/mt	2340.000/2345.000	2325.000/2330.000	2255.000/2260.000	2268.000/2273.000	2213.000/2218.000	2282.700
LME Settlement	\$/mt	2310.500	2291.000	2225.000	2229.000	2176.000	2246.300
LME inventories	mt	179575	179775	180075	180075	180850	—
MW Four Corners	\$/mt	2323.875	2307.250	2239.375	2239.500	2191.625	2260.325
MW NA Producer	cts/lb	111.044	110.972	110.728	110.743	110.546	110.807
Secondary Producer	cts/lb	109.822	109.822	109.822	109.822	109.822	109.822

Nickel

LME Cash	\$/mt	27305.000/27325.000	26825.000/26850.000	25400.000/25450.000	25695.000/25700.000	25805.000/25810.000	26216.500
LME 3-Month	\$/mt	27490.000/27495.000	26775.000/26800.000	25425.000/25450.000	25770.000/25775.000	25895.000/25900.000	26277.500
LME 15-Month	\$/mt	26975.000/27075.000	26350.000/26450.000	25175.000/25275.000	25475.000/25575.000	25550.000/25650.000	25955.000
LME Settlement	\$/mt	27325.000	26850.000	25450.000	25700.000	25810.000	26227.000
MW LME Mean	\$/mt	27403.750	26812.500	25431.250	25735.000	25852.500	26247.000
LME inventories	mt	145722	145458	145350	145884	145314	—

Tin

LME Cash	\$/mt	19000.000/19050.000	18800.000/18805.000	18095.000/18100.000	18400.000/18450.000	18090.000/18095.000	18488.500
LME 3-Month	\$/mt	19095.000/19100.000	18940.000/18945.000	18195.000/18200.000	18450.000/18475.000	18140.000/18145.000	18568.500
LME 15-Month	\$/mt	19225.000/19275.000	19060.000/19110.000	18315.000/18365.000	18595.000/18645.000	18285.000/18335.000	18721.000
LME Settlement	\$/mt	19050.000	18805.000	18100.000	18450.000	18095.000	18500.000
LME Inventories	\$/mt	21615.000	21100.000	21130.000	21020.000	21135.000	21200.000
MW Composite	cts/lb	1161.620	1160.520	1110.300	1118.850	1113.850	1133.028
Kuala Lumpur	cts/lb	861.770	868.620	823.130	823.040	830.030	841.318
MW NY Dealer	cts/lb	887.500	NA	NA	852.500	NA	870.000
MW NY low-lead	cts/lb	890.000	NA	NA	852.000	NA	871.000

Gold

COMEX 1st Position	\$/tr oz	1153.500	1161.700	1171.300	1168.400	1180.100	1167.000
COMEX 2nd Position	\$/tr oz	1161.400	1169.400	1179.400	1176.300	1188.500	1175.000
Comex Inventories	tr oz	10158044.000	10157947.000	10153231.000	10148492.000	10184333.000	10160409.400
Engelhard Unfabricated	\$/tr oz	1157.110	1152.100	1163.620	1169.380	1181.900	1164.822
Handy & Harman	\$/tr oz	1154.500	1149.500	1161.000	1166.750	1179.250	1162.200
London Final	\$/tr oz	1154.500	1149.500	1161.000	1166.750	1179.250	1162.200
London Initial	\$/tr oz	1154.000	1152.250	1164.250	1170.000	1175.250	1163.150
LBMA 3 Mo Swap (GOFO)	NA	NA	NA	NA	NA	NA	NA
LBMA Lease (LIBOR-GOFO) 3 Mo	NA	NA	NA	NA	NA	NA	NA

PGMs

Palladium

Nymex Nearby	\$/tr oz	566.400	548.950	541.900	549.000	555.750	552.400
J.Matthey Base NA	\$/tr oz	573.000	555.000	546.000	545.000	555.000	554.800

Daily prices

	Units	26 Apr 10	27 Apr 10	28 Apr 10	29 Apr 10	30 Apr 10	Week avg
J.Matthey Base Asia	\$/tr oz	565.000	570.000	550.000	542.000	557.000	556.800
J.Matthey Base Europe	\$/tr oz	570.000	567.000	553.000	547.000	558.000	559.000
Engelhard Unfabricated	\$/tr oz	573.000	556.000	545.000	546.000	555.000	555.000
London AM Fix	\$/tr oz	570.000	562.000	535.000	546.000	551.000	552.800
London PM Fix	\$/tr oz	571.000	550.000	543.000	542.000	552.000	551.600
3-month borrow rate	%	1.500	1.500	1.500	1.500	1.500	1.500

Platinum

Nymex Nearby	\$/tr oz	1745.000	1720.900	1713.600	1733.700	1745.100	1731.660
J.Matthey Base NA	\$/tr oz	1754.000	1727.000	1716.000	1716.000	1742.000	1731.000
J.Matthey Base Asia	\$/tr oz	1746.000	1754.000	1728.000	1718.000	1735.000	1736.200
J.Matthey Base Europe	\$/tr oz	1754.000	1748.000	1727.000	1718.000	1742.000	1737.800
Engelhard Unfabricated	\$/tr oz	1750.000	1735.000	1716.000	1713.000	1742.000	1731.200
London AM Fix	\$/tr oz	1751.000	1747.000	1715.000	1721.000	1737.000	1734.200
London PM Fix	\$/tr oz	1752.000	1722.000	1714.000	1711.000	1738.000	1727.400
3-month borrow rate	%	1.500	1.500	1.500	1.500	1.500	1.500

Iridium

J.Matthey Base NA	\$/tr oz	565.000	565.000	565.000	565.000	585.000	569.000
Engelhard Unfabricated	\$/tr oz	565.000	565.000	565.000	565.000	590.000	570.000

Rhodium

J.Matthey Base Asia	\$/tr oz	2950.000	2950.000	2925.000	2850.000	2850.000	2905.000
J.Matthey Base Europe	\$/tr oz	2950.000	2950.000	2900.000	2850.000	2850.000	2900.000
J.Matthey Base NA	\$/tr oz	2950.000	2925.000	2850.000	2850.000	2850.000	2885.000
Engelhard Unfabricated	\$/tr oz	2950.000	2925.000	2850.000	2850.000	2850.000	2885.000

Ruthenium

J.Matthey Base NA	\$/tr oz	230.000	230.000	235.000	240.000	240.000	235.000
Engelhard Unfabricated	\$/tr oz	235.000	235.000	240.000	245.000	245.000	240.000

Silver

COMEX 1st Position	cts/tr oz	1833.400	1811.600	1810.700	1854.900	1861.100	1834.340
COMEX 2nd Position	cts/tr oz	1835.300	1813.400	1812.100	1857.900	1863.900	1836.520
COMEX 3rd Position	cts/tr oz	1846.700	1824.400	1823.200	1870.000	1876.300	1848.120
Comex Inventories	tr oz	115468386.000	115149017.000	114999800.000	115429017.000	116177538.000	115444751.600
Handy & Harman	cts/tr oz	1833.000	1818.000	1815.500	1833.000	1877.500	1835.400
Engelhard Unfabricated	cts/tr oz	1831.000	1826.000	1788.000	1836.000	1873.000	1830.800
London Fix, Pence	p/tr oz	1187.700	1183.830	1182.750	1191.340	1214.220	1191.968
London Fix, US	cts/tr oz	1835.000	1816.000	1796.000	1815.000	1862.000	1824.800

Exchange rates**US Federal Reserve Rates**

Sterling spot	NA	NA	NA	NA	NA	NA
Sterling 3-month	NA	NA	NA	NA	NA	NA
Canadian Dollar spot	NA	NA	NA	NA	NA	NA
Canadian Dollar 3-month	NA	NA	NA	NA	NA	NA
Yen	NA	NA	NA	NA	NA	NA

LME Rates

LME Sterling	1.547000	1.533000	1.519000	1.526000	1.532000	1.531400
LME Yen	94.1600	93.8800	93.8400	94.1400	94.4800	94.1000
LME Euro	1.3930	1.3290	1.3200	1.3260	1.3320	1.3400

Weekly prices

Major Metals

		change/date assessed
Aluminum		
	cts/lb	
MW US Market	106.500 / 107.500	-5.250 / -5.250
US Six-Months P1020	6.500	04-29-10
US 6063 Billet Upcharge	8.000 / 9.000	04-29-10 / 04-29-10
US UBCs	75.000 / 77.000	-5.000 / -5.000
Painted Siding	76.000 / 77.000	-5.000 / -6.000
US 6063 press scrap	4.000 / 5.000	04-29-10 / 04-29-10
	Eur/mt	
Alloy 226 delivered European works	1950.000 / 2050.000	+950.000 / +950.000
	\$/mt	
ADC12 FOB China	2290.000 / 2330.000	-10.000 / -10.000
	Yuan/mt	
ADC12 ex-works China	17000.000 / 17400.000	+200.000 / +100.000

Copper

	cts/lb	
MW No.1 Burnt Scrap Disc	24.000	04-28-10
MW No.1 Bare Bright Disc	8.000	04-28-10
MW No.2 Scrap Disc	42.000	04-28-10
NY Dealer Premium cathodes	4.000 / 4.500	04-29-10 / -0.500
US Producer cathodes	338.100 / 340.790	-15.300 / -15.300
	\$/mt	
Grade A Cathode CIF R dam	7592.000 / 7605.000	-173.000 / -171.000
Grade A Premium CIF R dam	80.000 / 90.000	04-30-10 / 04-30-10
Grade A CIF Livorno/Salerno	7582.000 / 7595.000	-173.000 / -171.000
Grade A Prem CIF Livorno/Salerno	70.000 / 80.000	04-30-10 / 04-30-10
Russian Standard CIF R dam	7522.000 / 7545.000	-173.000 / -171.000
Russian Standard Prem CIF R dam	10.000 / 30.000	04-30-10 / 04-30-10

Lead

	cts/lb	
North American Market	103.202 / 109.303	-0.521 / +0.703
	\$/mt	
European dealer	2291.000 / 2301.000	-9.000 / -9.000
European 99.985% Prem IW (R dam)	45.000 / 55.000	04-30-10 / 04-30-10
In-Warehouse S pore Prem	70.000 / 80.000	04-30-10 / 04-30-10

Nickel

	\$/lb	
NY Dealer/Cathode	12.794 / 13.644	-0.433 / +0.408
NY Dealer/Melting	12.794 / 13.644	-0.433 / +0.408
NY Dealer/Plating	13.544 / 14.394	-0.433 / +0.408
	cts/lb	
NY Dealer/cathode Premium	125.000	04-29-10
NY Dealer/Melting Premium	125.000	04-29-10
NY Dealer/plating Premium	200.000	04-29-10
	\$/mt	
Plating Grade IW R dam	26581.000 / 26677.000	-561.000 / -561.000
Plating Grade Prem IW R dam	375.000 / 450.000	04-30-10 / 04-30-10
Russia Full-Plate	26306.000 / 26377.000	-561.000 / -561.000
Russia Full-Plate Prem IW R dam	100.000 / 150.000	04-30-10 / 04-30-10
Briquette Premium IW R dam	475.000 / 525.000	04-30-10 / 04-30-10
In-Warehouse S pore Prem	180.000 / 200.000	04-30-10 / 04-30-10

Tin

	\$/mt	
Europe 99.85% IW R dam	18777.000 / 18900.000	-424.000 / -406.000
Europe 99.85% Prem IW R dam	300.000 / 400.000	04-30-10 / 04-30-10
Europe 99.90% IW R dam	18877.000 / 18950.000	-424.000 / -406.000
Europe 99.90% Prem IW R dam	400.000 / 450.000	04-30-10 / 04-30-10

Zinc

	cts/lb	
US Dealer SHG	108.257	-3.198
MW SHG Premium	3.250	04-30-10
MW SHG Galv. Prem.	3.250	04-30-10
MW SHG Alloy #3 Prem.	15.000	04-30-10
	\$/mt	

		change/date assessed
Europe physical SHG IW R dam	2398.000 / 2439.000	-41.000 / -40.000
Europe physical SHG Prem IW R dam	70.000 / 110.000	04-30-10 / 04-30-10
In-Warehouse S pore Prem	40.000 / 85.000	04-30-10 / 04-30-10

Precious Metals

<i>All PGM figures in \$/tr oz</i>		
Iridium		
MW NY Dealer	540.000 / 575.000	+10.000 / +25.000
Osmium		
MW NY Dealer	350.000 / 450.000	04-29-10 / 04-29-10
Palladium		
MW NY Dealer	540.000 / 572.000	+20.000 / +1.000
Platinum		
MW NY Dealer	1705.000 / 1750.000	+30.000 / +5.000
Rhodium		
MW NY Dealer	2750.000 / 2930.000	-100.000 / -45.000
Ruthenium		
MW NY Dealer	225.000 / 245.000	+5.000 / +15.000

Minor Metals

Antimony		
	cts/lb	
MW NY Dealer	425.000 / 435.000	+29.000 / +25.000
	\$/mt	
99.65% FOB China	8900.000 / 9500.000	04-29-10 / 04-29-10

Arsenic

	cts/lb	
MW Dealer	60.000 / 70.000	04-29-10 / 04-29-10

Bismuth

	\$/lb	
MW NY Dealer	9.500 / 10.000	+0.500 / +0.300

Cadmium

	\$/lb	
MW NY Dealer	1.800 / 2.200	-0.400 / -0.500
Free Market HG	1.800 / 2.200	-0.400 / -0.600

Indium

	\$/kg	
Producer:US Prod Indium Corp	570.000	04-29-10
	\$/kg	
MW NY Dealer	550.000 / 600.000	04-29-10 / 04-29-10
99.99% CIF Japan	560.000 / 590.000	04-27-10 / 04-27-10

Mercury

	\$/fl	
Free Market International	700.000 / 800.000	04-29-10 / 04-29-10
U.S. Domestic	700.000 / 800.000	04-29-10 / 04-29-10

Rhenium

	\$/kg	
MW NY Dealer	3700.000 / 4700.000	04-29-10 / 04-29-10

Selenium

	\$/lb	
MW NY Dealer	38.000 / 40.000	04-29-10 / 04-29-10

Light Metals

Magnesium		
	cts/lb	
US Die Cast Alloy: Transaction	240.000 / 252.000	+5.000 / +2.000
MW US Spot Western	255.000 / 280.000	04-29-10 / 04-29-10
MW US Dealer Import	230.000 / 250.000	04-29-10 / 04-29-10

Weekly prices

		change/date assessed		change/date assessed
	\$/mt		\$/mt	
Europe Free Market	2900.000 / 3000.000	+50.000 / +50.000	Chinese CIF Japan	1400.000 / 1420.000 04-22-10 / 04-22-10
Die Cast Alloy FOB China	2970.000 / 3100.000	04-27-10 / 04-27-10		\$/mt
99.8% FOB China	2750.000 / 2800.000	04-27-10 / 04-27-10	75% FOB China	1400.000 / 1450.000 04-29-10 / 04-29-10
				Eur/mt
Titanium			Standard 75% Si Europe	1450.000 / 1550.000 04-29-10 / 04-29-10
	\$/lb			
MW US 70% Ferrotitanium	3.450 / 3.550	04-29-10 / +0.050	Ferrovanadium	
				\$/lb
	\$/kg		Free Market V205	8.000 / 8.250 +0.250 / 04-29-10
Eur. 70% Ferrotitanium	7.400 / 7.800	04-29-10 / 04-29-10	US Ferrovanadium	16.750 / 17.250 04-29-10 / 04-29-10
				\$/kg
	\$/lb		Europe Ferrovanadium	33.500 / 34.000 04-29-10 / 04-29-10
MW US Turning 0.5%	2.200 / 2.500	04-29-10 / +0.200		
Eur. Turning .5%	2.400 / 2.750	-0.200 / 04-29-10		
			Manganese	
				\$/mt
Ferroalloys			99.7% FOB China	2800.000 / 2850.000 04-29-10 / 04-29-10
Cobalt			Molybdenum	
	\$/lb			\$/lb
MW 99.8% US Spot Cathode	22.000 / 23.000	-1.500 / -1.500	MW Dealer Oxide	17.200 / 17.600 04-29-10 / -0.200
99.8% European	23.000 / 24.000	-0.500 / -0.500	Oxide Trans	17.000 / 17.800 04-29-10 / 04-29-10
99.3% Russian	21.500 / 22.500	+0.500 / 04-29-10		
99.6% Zambian	20.500 / 21.500	-1.000 / -1.000	Silicomanganese	
				cts/lb
Ferrocrome			MW 2% Free Market	68.000 / 73.000 -2.000 / 04-28-10
	cts/lb			
US Charge 50-55%/Impt.	134.000 / 137.000	+1.000 / 04-28-10		\$/mt
US 60-65%/Impt.	134.000 / 137.000	+1.000 / 04-28-10	65% FOB China	1250.000 / 1350.000 04-29-10 / 04-29-10
US Low-Carbon 0.05% Imported	250.000 / 255.000	04-28-10 / 04-28-10	Chinese CIF Japan	1600.000 / 1650.000 04-22-10 / 04-22-10
US Low-Carbon 0.10% Imported	220.000 / 225.000	04-28-10 / 04-28-10		Eur/mt
US Low C 0.15% Imported	219.000 / 224.000	04-28-10 / 04-28-10	Std 16-20% Si Eur	1100.000 / 1150.000 04-29-10 / 04-29-10
High C 52% Cr Europe	122.000 / 130.000	04-29-10 / 04-29-10		
High Carbon 62% Cr Europe	127.000 / 132.000	04-29-10 / 04-29-10	Silicon	
Low Carbon 0.1% C Europe	205.000 / 215.000	04-29-10 / 04-29-10		cts/lb
High Carbon 60% FOB China	80.000 / 83.000	04-29-10 / 04-29-10	MW Free Market	127.000 / 135.000 04-28-10 / 04-28-10
50-55% Regular CIF Japan	144.000	04-22-10		\$/mt
50-55% Spot CIF Japan	130.000 / 135.000	04-22-10 / 04-22-10	98.5% FOB China	2250.000 / 2300.000 04-29-10 / 04-29-10
			Spot CIF Japan	2280.000 / 2320.000 04-22-10 / 04-22-10
				Eur/mt
Ferromanganese			98% Europe	1850.000 / 1950.000 04-29-10 / 04-29-10
	\$/gt			
MW 78% Mn/Impt.	1550.000 / 1600.000	04-28-10 / 04-28-10	Stainless Scrap	
				\$/gt
	cts/lb		NA FREE MKT 18-8	2645.000 / 2730.000 -155.000 / -115.000
Medium Carbon	146.000 / 150.000	04-28-10 / 04-28-10		
			Tantalum	
	\$/mt			\$/lb
High Carbon 75% FOB China	1300.000 / 1400.000	04-29-10 / 04-29-10	Spot Tantalite Ore	37.000 / 42.000 04-29-10 / 04-29-10
Ferromolybdenum			Tungsten	
	\$/lb			\$/stu
MW US FeMo	21.500 / 22.000	04-29-10 / 04-29-10	MW US Spot Ore	165.000 / 170.000 04-29-10 / 04-29-10
			APT-US	156.000 / 165.000 04-29-10 / 04-29-10
	\$/kg			\$/mtu
MW Europe FeMo	42.200 / 43.200	+0.500 / 04-29-10	APT FOB CHINA	210.000 / 215.000 04-29-10 / 04-29-10
FOB CHINA FEMO	42.000 / 43.000	+3.000 / +3.000		
Spot CIF Japan	42.500 / 43.000	04-22-10 / 04-22-10		\$/kg
			MW Ferrotungsten	32.000 / 34.750 04-29-10 / 04-29-10
Ferrosilicon			Ferrotungsten FOB	25.000 / 26.000 04-29-10 / 04-29-10
	cts/lb			
MW 75% Si Imported	96.000 / 98.000	+2.000 / 04-28-10		

Monthly Prices April 2010

	Last Month	% Chg.	Last Year	% Chg.	2010 High	2010 Low
--	---------------	-----------	--------------	-----------	--------------	-------------

Major Metals

ALUMINUM

	cts/lb					
MW US Transaction	111.355	106.170	4.9	68.649	62.2	117.267 94.305
MW US Trans Premium	6.270	6.124	2.4	4.200	49.3	6.500 5.500
MW US Net-Cash Premium	5.870	5.724	2.6	NA	NA	5.870 5.235
MW US Market	110.875	105.700	4.9	67.850	63.4	115.50 96.25

	\$/mt					
LME HG Cash	2316.400	2205.207	5.0	1420.500	63.1	2447.5 1948.0
LME HG 3-Mo	2345.875	2236.500	4.9	1458.213	60.9	2482.0 1982.0
LME HG 15-Mo	2450.650	2333.326	5.0	1607.150	52.5	2588.0 2085.0
LME HG 27-Mo	2529.350	2411.239	4.9	1735.700	45.7	2665.0 2160.0
LME Settle	2316.725	2205.630	5.0	1420.850	63.1	2447.5 1949.0
LME Alloy Cash	2164.675	2011.696	7.6	1297.688	66.8	2310.0 1835.0
LME Alloy 3-Mo	2190.750	2042.239	7.3	1329.800	64.7	2335.0 1855.0
LME Alloy 15-Mo	2264.750	2146.087	5.5	1435.500	57.8	2405.0 1965.0
LME Alloy 27-Mo	2330.000	2229.783	4.5	1532.000	52.1	2455.0 2055.0
LME Alloy Sett	2168.225	2016.304	7.5	1300.025	66.8	2310.000 1840.000
LME NA Alloy Cash	2189.538	2116.370	3.5	1252.000	74.9	2302.0 1890.0
LME NA Alloy 3-Mo	2221.500	2148.380	3.4	1289.100	72.3	2340.0 1930.0
LME NA Alloy 15-Mo	2321.750	2249.130	3.2	1417.250	63.8	2440.0 2035.0
LME NA Alloy 27-Mo	2392.500	2320.652	3.1	1537.250	55.6	2510.0 2110.0
LME NA Sett	2193.325	2121.217	3.4	1255.950	74.6	2302.000 1900.000
GW paid IW R'dam	149.75	136.25	9.9	41.25	263.0	175.00 95.00
GW unpaid IW R'dam	84.00	75.00	12.0	30.00	180.0	105.00 50.00
A7E unpaid IW R'dam	58.25	45.00	29.4	30.00	94.2	105.00 40.00
A7E FOB St. Petersburg	40.25	35.00	15.0	17.50	130.0	75.00 30.00
Alumina Australia C&F China	355.00	355.00	0.0	240.00	47.9	370.00 320.00

	Eur/mt					
Alloy 226 del Eur	1240.000	1050.000	18.1	900.000	37.8	1100.000 1000.000

	cts/lb					
MW A-380 Alloy	109.000	105.175	3.6	67.111	62.4	112.000 99.000
MW 319	114.250	110.775	3.1	72.500	57.6	116.000 106.000
MW 356	119.938	115.375	4.0	78.889	52.0	123.000 110.000
MW F132	115.250	111.725	3.2	73.500	56.8	117.000 107.000
US Old Cast	77.000	73.400	4.9	42.667	80.5	80.000 64.000
US Old Sheet	75.875	72.650	4.4	41.889	81.1	78.000 63.000
US Mill-grade MLCCs	87.563	84.350	3.8	49.222	77.9	93.000 73.000
US Smelter-grade MLCCs	79.938	77.350	3.3	44.389	80.1	85.000 68.000
US HG Auto Shreds	84.750	82.550	2.7	46.889	80.7	87.000 76.000
US LG Auto Shreds	78.750	76.700	2.7	42.778	84.1	82.000 71.000
US Turnings	72.000	69.100	4.2	32.028	124.8	74.000 61.000
US 6063 Billet Upcharge	8.500	8.350	1.8	8.700	-2.3	9.000 7.750
US 6063 Press Scrap	4.500	4.500	0.0	4.800	-6.3	5.000 4.000
Painted Siding	82.438	81.000	1.8	47.500	73.6	88.000 71.000
US UBCs	81.500	79.800	2.1	48.000	69.8	87.000 70.500
CIF Japan premium	117.475	123.705	-5.0	57.000	106.1	130.000 122.000

COPPER

	cts/lb					
COMEX HG 1ST Pos	351.919	339.541	3.6	204.614	72.0	362.600 285.400
COMEX HG 2ND Pos	353.357	340.702	3.7	204.155	73.1	364.200 286.600
COMEX HG 3RD Pos	356.595	343.854	3.7	204.905	74.0	366.150 289.350

	\$/mt					
LME Grade A Cash	7744.388	7462.370	3.8	4405.863	75.8	7950.5 6241.5
LME Grade A 3-Mo	7779.263	7494.065	3.8	4418.363	76.1	7971.0 6260.0
LME Grade A 15-Mo	7784.750	7514.130	3.6	4437.250	75.4	7970.0 6295.0
LME Grade A 27-Mo	7654.000	7429.783	3.0	4452.000	71.9	7855.0 6275.0

	Last Month	% Chg.	Last Year	% Chg.	2010 High	2010 Low
--	---------------	-----------	--------------	-----------	--------------	-------------

LME Settle	7745.075	7462.826	3.8	4406.550	75.8	7950.5 6242.0
------------	----------	----------	-----	----------	------	---------------

LEAD

	cts/lb					
MW No.1 Burnt Scrap	21.000	13.800	52.2	4.800	337.5	24.000 12.000
MW No.1 Bare Bright	7.500	5.800	29.3	0.800	837.5	10.000 5.000
MW No.2 Scrap	40.000	31.600	26.6	10.800	270.4	42.000 24.000
MW ATL Seaboard	347.111	334.308	3.8	195.678	77.4	356.429 278.933
MW CIF Europe	351.311	338.508	3.8	199.878	75.8	360.629 283.133
MW Composite	357.745	345.367	3.6	210.440	70.0	368.426 291.226
NY Dir Prem Cath	4.000	4.000	0.0	4.100	-2.4	5.000 3.000
MW US Prod Cath.	357.745	345.367	3.6	210.440	70.0	368.426 291.226
MW US Prod Ref.	356.345	343.967	3.6	209.040	70.5	367.026 289.826

LEAD \$/mt

LME Cash	2264.475	2171.663	4.3	1382.088	63.8	2591.0 1924.5
LME 3-Mo	2291.125	2198.989	4.2	1380.838	65.9	2620.0 1937.0
LME 15-Mo	2314.950	2208.239	4.8	1375.050	68.4	2647.0 1960.0
LME 27-Mo	2282.400	2167.543	5.3	1364.050	67.3	2645.0 1940.0
LME Settle	2264.850	2172.087	4.3	1383.100	63.8	2591.0 1925.0
MW Four Corners	2277.800	2185.326	4.2	1381.463	64.9	2604.000 1931.000

LEAD cts/lb

MW NA Prod.	110.875	110.532	0.3	67.240	64.9	112.083 109.617
Secondary Producer	109.822	109.822	0.0	69.021	59.1	109.822 109.822

TIN \$/mt

LME Cash	18676.375	17539.130	6.5	11730.500	59.2	19135.0 14925.0
LME 3-Mo	18741.875	17622.065	6.4	11523.625	62.6	19185.0 14975.0
LME 15-Mo	18889.750	17689.565	6.8	11193.750	68.8	19350.0 15025.0
LME Settle	18683.500	17549.348	6.5	11743.500	59.1	19135.0 14950.0

TIN cts/lb

MW Composite	1142.014	1073.628	6.4	725.338	57.4	1162.790 937.690
MW NY Dealer	872.156	821.600	6.2	559.000	56.0	887.500 714.000
Kuala Lumpur	847.148	791.612	7.0	518.095	63.5	868.620 698.210

ZINC \$/mt

LME SHG Cash	2366.338	2274.728	4.0	1378.438	71.7	2634.5 1980.5
LME SHG 3-Mo	2398.325	2303.120	4.1	1406.963	70.5	2660.0 1992.0
LME SHG 15-Mo	2455.350	2334.587	5.2	1477.400	66.2	2720.0 2035.0
LME SHG 27-Mo	2442.650	2315.804	5.5	1512.800	61.5	2735.0 2033.0
LME Settle	2366.675	2275.065	4.0	1378.850	71.6	2634.5 1981.0
MW Four Corners	2382.331	2288.924	4.1	1392.700	71.1	2646.875 1986.625

ZINC cts/lb

MW NA SHG	110.476	106.065	4.2	65.301	69.2	122.349 92.707
MW NA GAL	110.626	106.545	3.8	65.801	68.1	122.849 93.207
MW Alloy No. 3	122.351	118.413	3.3	78.309	56.2	134.999 105.357

Precious Metals

GOLD

	\$/tr oz					
COMEX 1ST Pos	1151.452	1114.357	3.3	892.667	29.0	1171.3 1052.2
COMEX 2ND Pos	1159.433	1120.874	3.4	901.471	28.6	1179.4 1058.0
Engelhard Unfab	1150.303	1115.880	3.1	892.664	28.9	1169.4 1060.5
Handy & Harman	1147.702	1113.337	3.1	890.500	28.9	1166.8 1058.0
London Final	1148.688	1113.337	3.2	890.200	29.0	1166.8 1058.0
London Initial	1148.475	1115.554	3.0	892.663	28.7	1170.0 1052.3

PALLADIUM

	\$/tr oz					
JM Base NA	534.381	463.826	15.2	228.286	134.1	573.0 397.0
Engelhard Unfab	535.333	464.478	15.3	228.286	134.5	573.0 397.0
London PM Fix	533.250	461.457	15.6	226.800	135.1	571.0 395.0

Monthly Prices April 2010

	Last	%	Last	%	2010	2010	
	Month	Chg.	Year	Chg.	High	Low	
NYMEX EX NEARBY	535.840	464.091	15.5	229.188	133.8	568.3	398.3
MW Dealer mean	533.250	461.000	15.7	226.600	135.3	572.0	385.0
MW NY Dealer	515.000	445.600	15.6	220.400	133.7	540.0	385.0

PLATINUM \$/tr oz

JM Base NA	1717.810	1603.174	7.2	1169.762	46.9	1754.0	1480.0
Engelhard Unfab	1718.333	1602.652	7.2	1169.571	46.9	1750.0	1482.0
London PM Fix	1715.550	1599.435	7.3	1162.500	47.6	1752.0	1475.0
NYMEX EX NEARBY	1722.524	1604.383	7.4	1173.552	46.8	1745.0	1475.1
NY Dealer mean	1711.875	1598.500	7.1	1166.500	46.8	1750.0	1460.0
NY Dealer	1686.250	1575.000	7.1	1136.800	48.3	1705.0	1460.0

RHODIUM \$/tr oz

NY Dealer	2712.500	2420.000	12.1	1201.000	125.9	2850.0	2300.0
Dealer mean	2810.000	2487.500	13.0	1294.000	117.2	2975.0	2300.0
JM Base N. AMERI	2846.429	2527.609	12.6	1346.905	111.3	2975.0	2375.0
Engelhard Unfab	2846.429	2528.043	12.6	1344.524	111.7	2975.0	2375.0

SILVER cts/tr oz, P/tr oz

COMEX 1ST Pos	1815.243	1712.026	6.0	1250.248	45.2	1878.4	1482.3
COMEX 2ND Pos	1817.543	1713.922	6.0	1252.200	45.1	1880.0	1484.0
COMEX 3RD Pos	1828.581	1724.557	6.0	1257.919	45.4	1890.3	1491.2
Handy & Harman	1816.833	1715.457	5.9	1252.024	45.1	1873.0	1478.0
Engelhard Unfab	1814.619	1713.130	5.9	1251.667	45.0	1874.0	1506.0
London Fix, Pence	1180.573	1136.552	3.9	851.497	38.6	1198.940	964.706
London Fix, US	1809.950	1710.609	5.8	1251.475	44.6	1884.0	1514.0

Minor Metals

ANTIMONY cts/lb

NY Dealer	362.750	299.600	21.1	191.000	89.9	425.000	285.000
-----------	---------	---------	------	---------	------	---------	---------

CADMIUM \$/lb

NY Dealer	2.050	2.000	2.5	0.970	111.3	2.200	1.650
-----------	-------	-------	-----	-------	-------	-------	-------

MERCURY \$/FL

Free Market	750.000	710.000	5.6	650.000	15.4	800.000	500.000
US Domestic	750.000	710.000	5.6	650.000	15.4	800.000	500.000

SELENIUM \$/FL

NY Dealer	39.000	38.600	1.0	19.700	-91.4	40.000	28.000
-----------	--------	--------	-----	--------	-------	--------	--------

Light Metals

MAGNESIUM cts/lb

US Die Cast Alloy Trans	242.125	240.000	0.9	260.000	-6.9	252.000	215.000
US Spot West mean	267.500	264.500	1.1	275.500	-2.9	280.000	225.000
US Dlr Imp't mean	240.000	242.000	-0.8	253.000	-5.1	270.000	220.000

\$/mt

Die Cast Alloy FOB China	3071.667	3062.000	0.3	3028.750	1.4	3200.000	2970.000
--------------------------	----------	----------	-----	----------	-----	----------	----------

TITANIUM \$/FL

MW US 70% Ferro	3.483	3.505	-0.6	1.397	149.3	3.600	2.250
MW US Turning 0.5%	2.283	2.220	2.8	0.310	636.5	2.500	1.150

Ferroalloys

	Last	%	Last	%	2010	2010
	Month	Chg.	Year	Chg.	High	Low

COBALT \$/lb

99.8% US Spot cath m	23.219	21.650	7.2	16.775	38.4	24.500	19.500
----------------------	--------	--------	-----	--------	------	--------	--------

FERROCHROME cts/lb

60-65% Imp't mean	134.250	130.700	2.7	70.200	91.2	137.000	92.000
LoC .10% imp't mean	222.500	214.300	3.8	209.000	6.5	225.000	195.000
LoC .05% imp't mean	250.000	243.500	2.7	240.500	4.0	255.000	220.000

FERROMANGANESE cts/lb

MED C/Imp't mean	147.250	151.500	-2.8	95.700	53.9	175.000	105.000
------------------	---------	---------	------	--------	------	---------	---------

\$/gt

MED MW 78% Mn/Imp't	1575.000	1538.500	2.4	950.500	65.7	1600.000	1290.000
---------------------	----------	----------	-----	---------	------	----------	----------

FERROMOLYBDENUM \$/lb

US FeMo mean	21.688	20.750	4.5	8.870	144.5	22.000	15.000
EUR FeMo mean	42.650	41.735	2.2	20.130	111.9	44.000	32.000

STAINLESS SCRAP \$/lt

NA FREE MKT 18-8	2713.150	2405.200	12.8	1125.360	141.1	2845.000	1792.000
------------------	----------	----------	------	----------	-------	----------	----------

FERROSILICON cts/lb

75% Si imp't mean	96.250	95.400	0.9	53.800	78.9	98.000	77.000
-------------------	--------	--------	-----	--------	------	--------	--------

FERROVANADIUM \$/lb

US Ferrovandium	16.875	15.545	8.6	7.705	119.0	17.250	11.000
-----------------	--------	--------	-----	-------	-------	--------	--------

MOLYBDENUM \$/lb

Dealer Oxide	17.338	17.180	0.9	7.860	120.6	18.300	13.100
Mean	17.581	17.420	0.9	8.030	118.9	18.900	13.100
Oxide Trans	17.550	17.310	1.4	8.060	117.7	19.000	13.100

NICKEL \$/lb

NY Dealer/Cathode	12.697	10.770	17.9	5.159	146.1	13.227	8.427
NY Dealer/Melt	12.697	10.770	17.9	5.159	146.1	13.227	8.427

\$/mt

LME Cash	26022.750	22453.804	15.9	11158.000	133.2	27600.0	17030.0
LME 3-Mo	26075.625	22510.870	15.8	11245.375	131.9	27595.0	17100.0
LME 15-Mo	25703.000	22336.087	15.1	11481.000	123.9	27200.0	17160.0
LME Settle	26030.750	22461.304	15.9	11166.000	133.1	27600.0	17035.0

SILICOMANGANESE cts/lb

2% C/Imp't mean	71.250	69.000	3.3	40.700	75.1	73.000	58.000
-----------------	--------	--------	-----	--------	------	--------	--------

SILICON cts/lb

Dealer Imp't	131.000	129.700	1.0	118.700	10.4	135.000	115.000
--------------	---------	---------	-----	---------	------	---------	---------

Exchange Rates

Pound Sterling (SPOT)	NA	NA	NA	NA	NA	NA	NA
3-mo 10AM Midpoint	NA	NA	NA	NA	NA	NA	NA
Yen	NA	NA	NA	NA	NA	NA	NA