

# Non-ferrous merchants find little to cheer in copper scrap

## WORLD

FROM CHRIS CUNDY,  
RECENTLY IN DUBLIN

The meeting of the Bureau of International Recycling's (BIR) non-ferrous roundtable gave a gloomy prognosis for the non-ferrous scrap markets in Dublin last week.

The roundtable's new president, Marc Natan of scrap trader Malco, pleaded with his fellow members to deliver some optimism about the markets. Unfortunately, no-one could provide any news to brighten up the October 26 session, part of the BIR autumn meeting.

"The only good thing I can say about copper is that it still

conducts electricity," said Robert Stein of Louis Padnos Iron & Metal. He went on to describe how in the USA scrap discounts to terminal market prices had tightened considerably in recent months, as dealers found intake dramatically reduced and no price incentive to attract material to the market.

Not able to make an optimistic forecast for the coming months, he added: "Things after all always look the worst at the bottom."

Fernando Duranti of Leghe & Metalli told delegates that Italian production of brass ingots and bars was down 30% this year and copper scrap prices have suffered as a

result of the low consumption.

"The August holiday period seemed to have been extended into September and

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**'The existence of national mills is being put in danger'**

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October as the main copper customers found themselves with high stocks of unsold finished products," he said, adding that some consumers were facing liquidity problems.

Low prices of finished rod

and the trough in LME copper and zinc prices is forcing producers towards buying copper cathodes and high-grade zinc to melt and make rod, especially as they would get high yields (due to no melting losses). Scrap in general is set to become more expensive and difficult to source.

Hans Münster of Verein Deutsche Metallhändler (VDM) said German mills were criticising the increasing export of scrap outside the EU. "The existence of national mills is being put in danger," he reported.

The uncertainty over whether Russian scrap exports would resume was also making the market nervous. With

increasing economic activity in the CIS there was more likelihood of scrap metal remaining in those nations. Germany is making up some of the deficit by importing brass scrap from the USA.

The closure of the Tréfinmétaux brass rod factory at Pont de Chéray delivered a blow to the French secondary industry, which this year saw most of its copper and brass scrap sold to Italy and Spain.

A report on the Belgian market reckoned copper availability had dropped by 20% this year, but that coin scrap from the euro changeover had already been sold without affecting prices.