

# Lengthy copper scrap squeeze may kill off ingot makers: Stein

■ NEW YORK — The squeeze in copper scrap, if prolonged, might discourage US ingot makers sufficiently to deplete their number further, a recycling executive said.

"In the ingot-maker grades, one has to wonder if there will ever again be enough material to satisfy an industry that has arguably been in a state of over-capacity for a very long time," Robert Stein of Alter Trading wrote in the latest Bureau of International Recycling newsletter. Stein, who is vice-president of non-ferrous marketing at the St Louis-based company and a senior vice president of the Brussels-based trade association, said high US scrap prices prodded foreign buyers to lower their profile, which ought to have freed up additional scrap for US consumers. But he said he has not seen that happen.

"While conventional wisdom maintains that scrap is attracted to market by virtue of price, it seems not to be the case at present," Stein wrote. "Perhaps [the impending Chinese New Year] will free up some material. However, given the minimal inventories arising and an intake slowdown [in scrap], shortages will no doubt remain for the foreseeable future."