

Steel scrap set to prices rise in H2 2008

09 June 2008 00:00

Ferrous scrap prices are continuing to trade at record levels, but the market is taking a breather before further increases, according to Anton van Genuchten of TSR Recycling GmbH & Co.

"There continues to be firm demand for ferrous scrap and there's not much obsolete scrap simply lying around or being stocked, [so] we believe the highest prices for scrap in 2008 will be achieved during the second half of the year," van Genuchten said at the Bureau of International Recycling (BIR) conference in Monaco.

As well as firm worldwide ferrous scrap demand, in his overview of the European steel scrap market van Genuchten cited a glowing future outlook for steel as the driving force behind his optimism for higher scrap prices.

The Organisation for Economic Cooperation and Development forecasts world steel production capacity to increase by nearly 19% between 2007 and 2010, van Genuchten told delegates.

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