

U.S. scrap metal market subdued

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The North American scrap metal market remains subdued, with activity declining and margins narrowing, Robert Stein, senior vice-president of the BIR (Bureau of International Recycling) non-ferrous metals division said on Monday in Brussels.

“Consumers in almost all sectors confirm that there is enough scrap available at sufficiently attractive values to keep them satisfied in relation to their orders,” Stein said in the latest BIR World Mirror, released at the BIR’s Autumn Convention in Brussels.

Poor conditions in the housing and automotive industries have contributed to lower overall demand and a softening economy. Also, high prices of metals like copper have led to substitution by plastics within the tubing industry.

Stein told delegates that some industry players had seen substitution rates as high as 25 to 35 percent, with demand for number one copper wire falling accordingly.

“It remains to be seen whether this copper usage decline will be recouped when – or if – copper prices go into decline,” Stein added.