

Report: Vale close to 90% iron ore price hike to Asian mills

Brazilian iron ore miner Vale was reported by Japanese newspaper Nikkei as about to close quarterly contracts with a 90% price hike from 2009 levels, setting the iron ore price at about US\$105 per tonne for the April-June period.

Steel Business Briefing learns from Vale's president Roger Agnelli that the steelmakers are "pretty understanding" about the rate increase. "A significant part of the clients said the market has changed," Agnelli said.

According to the reports, Japan's Nippon Steel, South Korea's Posco – which conducts price negotiations jointly with Nippon Steel – and Vale have not totally agreed and the price negotiations will continue.

Additionally, they hope to resolve their differences and get to a common point by the end of next month, with the agreed-upon price to be applied retroactively to April 1, says Nikkei.



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