Chinese suppliers unwilling to sell indium metal

2009-8-19 8:53:52

BEIJING (Asian Metal) 19 Aug 09 - Many Chinese suppliers refuse to offer for indium metal, believing that the price will go up further in the coming weeks. Although ITO producers have not placed orders to purchase indium metal, the low availability of the material pushes up the price to rise further.

“Some domestic investors continue to purchase indium metal, so the price of indium metal keeps going up this week, despite that Japanese and Korean consumers have not come back to the market,” said a Chinese indium smelter, whose monthly output is around two tons.

It is difficult to purchase refined and crude indium metal, with most suppliers believing that the price will go up further. The source estimates that the price of indium 99.99%min is at around RMB2,700-2,800/kg (USD396-411/kg) VAT included this week, up from RMB2,500-2,600/kg (USD367-381/kg) VAT included late last week and that the price of indium 99%min increases from RMB2,050-2,100/kg (USD301-308/kg) VAT excluded to RMB2,250-2,300/kg (USD330-337/kg) VAT excluded this week.

“Demand from Japanese end users is recovering while supply in China has shrunk sharply in the recent two years, so the price will continue to go up,” concluded the source.

A Chinese exporter confirmed that most suppliers refuse to sell their inventories. “Many indium producers have low outputs this year and they are unwilling to sell the stocks when the price goes up,” said the source.

It is impossible to purchase indium 99.99%min at around RMB2,600/kg (USD381/kg) VAT included this week and the source anticipates that the price ascends to around RMB2,700-2,800/kg (USD396-411/kg) VAT included this week.

The panel sales in Taiwan province are good, so demand for ITO targets is strong, which will increase demand for indium metal, analyzed the source. “The indium export market is in stalemate, with end-users not coming back to purchase the raw material, but the positive thing is that demand is recovering,” concluded the source.

Early August, the source exported 300kg of indium 99.99%min at around USD320-330/kg. “If we hope to sign new deals, the price must be above USD350/kg,” said the source.

Japanese consumers inactive purchasing indium metal

2009-8-18 8:48:43

BEIJING (Asian Metal) 18 Aug 09 – Major Japanese ITO producers are not interested in purchasing the raw material, since they still have indium inventories to meet their demand.

“Due to the increasing sales volume of LCD TVs in the second and third quarters, the consumption of indium metal is more than expected early this year,” said a Japanese trader, adding “However, ITO producers still have enough raw materials to meet the demand in the rest of this year.”

The source puts the price of indium 99.99%min at around USD320-330/kg this week, up from USD290-300/kg at the beginning of this month. “The indium metal market will not go down further, but it is difficult to rise sharply, if end-users do not increase purchases,” commented the source.

Besides, there are huge inventories in the indium metal market, so the price of indium metal will not go up significantly. “We believe that the price of indium 99.99%min will go up and stabilize at around USD400/kg at the end of this year,” predicted the source.

Another Japanese trader confirmed that Japanese consumers are still consuming their inventories. “Most consumers may not purchase indium metal until early next year, because they have primary indium inventories and little budget to purchase the raw material,” said the source.

The price of indium metal 99.99%min was at around USD320-330/kg last week, up from USD280/kg in the previous week. “It is impossible for buyers to accept higher prices, if consumers do not come back to the market,” said the source, adding, “The current indium metal market will move stably and is unlikely to drop further below USD300/kg.”

US indium market slows down but prices remain stable

2009-8-18 8:39:58

PITTSBURGH (Asian Metal) 18 Aug 09 - Indium prices are stable in the US market with market activity still slow, market participants note. Speculation continues with regards to large procurement from Asian ITO manufacturers, but so far nothing has been formally announced or concluded.

Price levels, currently at around USD320-340/kg, have risen slowly but steadily due to a tightness of domestic supply in the US. The market remains generally quiet with few deals concluded, but traders report that there is a lack of readily available material on-hand.

The US indium market has appreciated nearly USD20/kg since the end of July largely due in part to speculative buying practices worldwide. If Japanese and Korean buyers do not come back to purchase as planned during the upcoming months, the market could stagnate again, however, depreciation is highly unlikely.

A relatively large US-based trader with a total distribution capacity of around 500kg/m of indium cited current prices at USD325-340/kg, but called the market “very slow”. The source last concluded a deal one week ago at USD325/kg for approximately 100kg.

“In theory, the Asian buyers are supposed to come back to the market,” the trader explained. “No one knows how much inventory Chinese suppliers have and there could be a pitfall if this material oversaturates the market again. The upcoming month will be crucial for the future of the [indium] market.”

Another trader of around 300kg/m cited prices at USD330-350/kg, but has not procured any material in the last two weeks. The source’s last purchase was at the beginning of August at USD330/kg for 100kg.

According to the source, the market has slowed down recently but it has been increasingly difficult to buy material at previous lows.

“It does not matter if it takes one month or four months for the Asian buyers to come back, but eventually they will,” the trader commented. “The market has bottomed out and it is just a matter of when we should see prices take off again.”