

## AM Statistics: China's galvanizing plants' operating rate up to 72.19% in September

BEIJING (Asian Metal) 20 Oct 15 - According to Asian Metal's statistics of 23 galvanizing plants, the average operating rate at the sample plants was 72.19% in September 2015, up from 69.57% in August. Overall annual capacity is around 8.67 million tonnes.

The galvanizing plants mainly distribute in North China, East China and South China, and they mainly produce galvanized steel pipe, galvanized steel sheet, galvanized iron tower and other galvanizing processing products.

Many galvanizing plants in Tianjin and Hebei resumed production in early September and kept the outputs at the normal levels. Although prices for steel decreased, many producers did not reduce outputs to fulfill the orders. In addition, some galvanizing plants' outputs increased, such as Shanghai Yongfeng Galvanizing etc. As a result, operating rates at Chinese galvanizing plants rose in September.

The demand for galvanizing iron tower is stable, but consumers delay making payments. In addition, if prices for steel continue to move down, some galvanizing plants will reduce output of galvanizing pipe in the following months. Some small-sized galvanizing plants' operating rate remains at low level. Therefore, operating rates at the plants will be hard to increase in October.

The chart below shows China's galvanizing plants' operating rates in 2014-2015.

