



## Chilean CMP declares force majeure due to port accident at Huasco

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Image Source: aolcdn.com

Platts reported that Chilean iron ore miner CMP has declared a force majeure to some of its buyers as a result of an accident at Puerto Guacolda II port in Huasco, contract customers said. A worker was killed on Wednesday morning at 1.30 am (0430 GMT) Chile time when part of a ship loading structure fell onto him, according to a statement by CAP Mining. CMP is a subsidiary of CAP. CMP could not be reached for comment regarding the disruption in supply. Market sources were still unclear on the overall volume impacted by the force majeure, but estimated that maintenance will take around three to six months. There are still loading activities on other docks, but supply for high grade pellet feed, pellet and fines will be affected, a Chinese trader said.

An international trader said that several major mills in China, Japan and Korea utilize flux pellet from CMP, with the incident expected to create a shortage in supply. Market participants expected stronger spot demand for other brands of concentrate as a result of the reduction in supply.

An Asian end-user said that “The next shipment for us is due late in the first quarter, and there are expectations of a delay. There is limited spot liquidity for alternative concentrates, which may result in higher purchase prices,” the source added.

Another end-user said that “Alternative supply options include Karara, Ukrainian concentrate brands or Mauritanian GMAB. We will have to consider the prices and the difference in actual usage.” **Source :** [PLATTS](#)