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AMG Aluminum changes pricing structure

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NEW YORK — AMG Aluminum has changed its pricing formula due to record high global aluminum premiums.

This new pricing will offer "transparency to customers" and will provide a "clear understanding to the LME price, the LME premium and the product conversion price," AMG Aluminum, which produces aluminum master alloys and grain refiners, said in a letter to customers dated Nov. 5.

"Global premiums have risen, and (in the past) we've absorbed those. Now we're going to show transparency on our offers," AMG sales and marketing director Tim Donnelly told *AMM*. "We're just trying to decouple it so our customers can see there's an LME component, the LME premium component and a conversion cost."

For the company's customers outside of North America, the pricing formula will be comprised of the LME price, plus *AMM* sister publication *Metal Bulletin's* LME premium and the conversation cost.

Domestic customers will pay the prior month Midwest average plus the conversion cost.

AMM's Midwest spot premiums are at record highs of between 11 and 11.5 cents per pound, up from a range of 8.3 to 8.7 cents per pound in early November last year.

AMG Aluminum produces alloys for extruders and rolling mills.