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### Gulf Area

#### The Saudi Public Investment Fund acquires the two largest steel companies in the Kingdom

According to a statement on its website on Sunday, the Saudi Public Investment Fund announced a deal to launch a giant iron and steel industry company through its acquisition of the two largest iron companies in the Kingdom.

According to two separate statements from the Public Investment Fund and the Saudi Basic Industries Corporation (SABIC), the Fund signed an agreement to acquire 100 per cent of the Saudi Iron and Steel Company (Hadeed) shares, affiliated with SABIC, for 12.5 billion riyals (\$3.3 billion).

In a separate deal, Hadeed acquires 100 per cent of Al Rajhi Steel Company, a subsidiary of Al Rajhi Investment Company, in exchange for increasing capital and subscribing to new shares in Hadeed Company.

The Saudi sovereign fund said that these deals would support its efforts to contribute to the development of the local industry and meet the growing local demand for iron products in the construction sector, vehicles, service facilities, renewable energy, transportation and logistics services, in line with the goals of the Kingdom's Vision 2030.

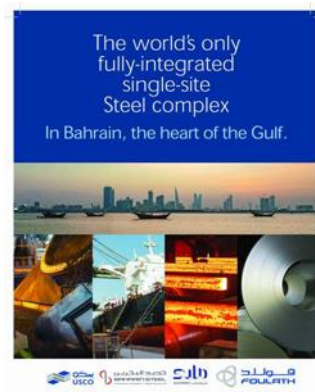
According to the statement, the deals will bring together the high-quality facilities of the "Hadeed" and "Al Rajhi Steel" companies, in addition to benefiting from the administrative capabilities and technical and commercial expertise that they possess in the iron sector in the Kingdom, which contributes to raising production capacity and increasing operational efficiency.

Yazeed bin Abdul Rahman Al-Humaid, Deputy Governor and Head of the General Administration of Investments in the Middle East and North Africa at the Public Investment Fund, said: "The deals will combine the Fund's financial capabilities and investment expertise in the sector with the technical and commercial expertise of Al Rajhi Steel and Hadeed companies."

"This contributes to the development of a national leadership system in the steel sector and is also in line with the Fund's role in creating strategic partnerships that contribute to empowering the private sector".

For its part, SABIC said in a disclosure to the Saudi Stock Exchange that selling its entire stake in Hadeed Company aims to focus on and improve its core business in the petrochemical industries field, adding that it will use the proceeds of the sale to enhance the company's growth in the chemicals field.

The statement stated that since the transaction was conducted according to the so-called "deal completion accounts" mechanism, the final sale price would not be determined except on the deal completion date, which is expected to be before the end of the first quarter of 2024.



### World

#### Steel prices in the second week of September 2023

According to the prices announced in the global steel markets, scrap prices amounted to \$376/ tonne, \$2 up compared to last week's prices. Iron ore prices \$116/ tonne, \$1 down compared to the previous week's prices, while billets prices ranged between 475 – 510 dollars per tonne, while it was between 465 – 505 dollars per tonne last week, and rebar prices ranged between 560 – 580 dollars/tonne, while it was between 565 – 590 dollars per tonne last week.

The following iron and steel prices in the global markets on 09/09/2023

Product	Place	Min	Max	Date	w- o-w	w -o-w
Scrap HMS 1&2 (A)	CFR Turkey	376	376	09/09/2023	↑	2
Iron ore Fe 62%	CFR- China	116	116	09/09/2023	↓	-1
Billet	FOB Russia	475	485	09/09/2023	↑	10
	Ex- CIS,CFR Turkey	500	510	09/09/2023	↑	10
Rebar	FOB Turkey	565	580	02/09/2023	↓	-8
	FOB Ukraine	560	565	09/09/2023	↓	-5
Wire Rod	FOB Turkey	580	600	09/09/2023	○	0
HR coil	FOB Russia	570	580	09/09/2023	○	0
CR coil	FOB China	630	645	09/09/2023	↓	-8



شركة السويس للصلب  
SUEZ STEEL CO.

حديدا من صلب مصر



## Oil prices are creeping towards \$90 per barrel

Oil prices came and approached 90 US dollars, supported by expectations, as the main producers maintain the suspended restrictions, in addition to increasing hopes that the Federal Reserve (the US central bank) will leave interest rates unchanged to the side and do not want.

Contracts for the fifth Brent November (November) increased 0.3 percent at 14:50 GMT, to about \$ 88.83, while futures contracts for the fifth West Texas American rose on the morning of October (October) 0.5 percent to \$ 85.90.

And now the slight rise in trading has begun after they ended last week's conference at their highest levels in more than half a year, after falling in the previous two weeks.

Deputy Prime Minister Aleksandar Novak said on Thursday that he advised the Petroleum Exporting Volunteer Organization to comply with the Milo standards. Announcement An announcement detailing the increased discounts is expected to be issued this week.

Russia has already reduced its exports by 300,000 scenes per day in September after defending 500,000 scenes per day in August. It is expected that Saudi Arabia will voluntarily supply one million episodes per day until October.

Job growth gained momentum in the United States in August, but the unemployment rate rose to 3.8 percent and wage increases slowed, reflecting declining labor market strength and strengthening expectations that the Federal Reserve will not raise interest rates this month.

Meanwhile, Russell Hardy, CEO of Vitol, the world's largest independent oil trading company, said on Monday that global oil supplies are expected to improve over the next six or eight weeks due to refinery maintenance, but supplies of high-sulfur crude will remain low

Hardy added, during the "APEC" conference, that the economies producing high-sulfur crude will remain in a better position than the economies producing low-sulfur crude, thanks to the cuts applied by the "OPEC Plus" group and the lack of sufficient quantities of high-sulfur crude for trading.

He continued, "Thanks to the (OPEC Plus) cuts, there is not enough supply (of high-sulphur crude) for all these refineries in India, Kuwait, Jazan, Oman and China.

" He added, "They all want to buy high-sulphur oil, but it is not supplied by the West, but rather comes main.

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Hardy also said that Brent crude prices remained "stable" and ranged between \$72 and \$88 per barrel for about a year, adding that price volatility comes from the product market, not crude.

He continued: "The volatility comes from the products because the refining production capacity is very limited. "A lot of refineries closed during the Covid pandemic and the West does not have the capacity to manufacture the products it needs, while Russian exports are now heading to Asia."



## Guterres: The world faces the risk of a massive rift in its economic systems

The Secretary-General of the United Nations, Antonio Guterres, announced today (Thursday), during a summit of the Association of Southeast Asian Nations (ASEAN), China, the United States and other countries in Indonesia, that the world is facing the risk of a “massive crack” in its economic and financial systems.

In a diverse speech that touched on geopolitical tension, multilateral development financing and climate change, Guterres called on world leaders to find peaceful and comprehensive solutions to the challenges that are facing the world.

He added, “There is a real danger of disintegration, of a massive rift in the global economic and financial systems due to the divergence of technology and artificial intelligence strategies and conflicting security frameworks.”

He called for a mechanism to ease the burden on highly indebted developing economies, including deferred payments, more extended lending conditions, and lower interest rates.

He also expressed his support for redirecting an additional \$100 billion in Special Drawing Rights to the International Monetary Fund through multilateral development banks to increase liquidity and support the needs of developing economies.



### Technology

#### Japan's Osaka Steel to set up environmentally friendly EAF at Sakai plant

Japan-based steelmaker Osaka Steel, a subsidiary of Nippon Steel, has announced that it will make an investment of about JPY 8.7 billion (\$59.02 million) to install a new electric arc furnace at its Sakai plant, aiming to save energy and cut its carbon footprint.

The electric arc furnace, which is called EcoArc-light, will be supplied by the Japanese engineering company Steel Plantech and will enable Osaka Steel to increase cost competitiveness and reduce carbon emissions and waste. EcoArc-light is expected to be commissioned by 2025.





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