AISU Steel News

Weekly / N° 11/2024

Sunday 17 March 2024

Arab Iron and Steel Union

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Latest News

North Africa

Launching the first training course for workers of the National Iron and Steel Company to exploit the Gara Jbeilat mine

The Governor of the state of Tindouf, Mr. Dahou Mustafa, and the President and Director General of the SONARAM complex, Mr. Mohamed Sakher Harami, in the state of Tindouf, supervised the signing ceremonies of work contracts for young people from the state of Tindouf, in the presence of the presidents and general directors of the National Iron and Steel Company, Feral, Sonaram Branch, Sonaram Training Company, in addition to representatives of local authorities in the state.

This initial operation comes within the framework of the program to prepare the human resources integrated into the National Iron and Steel Company, with the aim of launching the large-scale exploitation of the iron mine in Gara Jbeilat in the state of Tindouf.

The first training course for integrated youth was also launched, who will begin study and training at the level of the National Institute specialized in vocational training in the state of Tindouf throughout the year 2024, which is represented in technical and technological theoretical training, as well as applied training at the mine level, all the way to training and training at the level of subsidiaries. For Sonaram complex.

Rebar prices in Egypt March 11, 2024

Rebar prices in Egypt witnessed stability this week, as prices ranged between EGP 40,500 – EGP 47,000.
The prices were as follows: Ezz Steel EGP 46,500, Suez Steel EGP46,500, Bishay Steel EGP 47,000, El Marakby Steel EGP 46,500, Egyptian Steel EGP 46,500, Ashry Steel EGP 46,500, Garhy Steel EGP 46,300, Misr Steel EGP 42,000, El Komy Steel EGP 42,500, El Ola Steel EGP 40,500 and Al Gioshy Steel EGP 45,200.

Today steel prices are as follows:

Company	EGP/t	Pointer	w-w
Ezz Steel	46,500		0
Suez Steel	46,500		0
Beshay Steel	47,000		0
El Marakby Steel	46,500		-7,020
Egyptian Steel	46,500		0
Ashry Steel	46,500		0
Garhy Steel	46,300		0
Misr Steel	42,000		-3,500
El komy Steel	42,500		-2,500
El Ola steel	40,500		-4,000
Al Gioshy steel	45,200		-300

Prices include 14% VA

Latest News

Gulf Area

Saudi Arabia: Rebar prices fell by 14.5% within a year

Rebar prices continued their continuous decline after a wave of increases, the largest in iron prices in the Kingdom during the past three years. The lowest decline in rebar prices during January was 14.5% for 8 mm national rebar, whose price fell from 3212.92 riyals in January 2023 to 2747.05 riyals in January 2024. A difference of 466 riyals from its previous price.

Recent data from the Saudi Contractors Authority showed that the average decline in rebar prices during the year amounted to 12.45%, falling from 3287.43 riyals to 2878.09 riyals, with a price difference of 409 riyals over last year's average.

Average prices and monthly and annual changes in the Kingdom of Saudi Arabia (January 2024)

Items	July24	Dec23	Change	Jan23	Change
6mm	4,284.07	-0.99	3,974.69	4,284.07	-8.14
8mm	3,212.92	-0.82	2,769.66	3,212.92	-14.5
10mm	3,258.84	-0.6	2,816.41	3,258.84	-14.09
12mm	3,063.65	-0.18	2,269.49	3,063.65	-13.02
14mm	3,064.49	-0.20	2,665.16	3,064.49	-13.21
16mm	3,063.73	-0.16	2,671.89	3,063.73	-12.93
18mm	3,064.31	-0.14	2,676.5	3,064.31	-12.78
Average	2,878.09	2,891.97	-0.69	3,287.43	-12.45

Watani Steel's profits decreased to 4.2 million riyals (-91%) by the end of 2023

The profits of Watani Steel, which works in the production and manufacture of iron blocks and rebar, decreased to 4.2 million riyals by the end of 2023, by 91%, compared to the profits of 49.6 million riyals that the company had achieved last year.
The company said that the reason for the decrease in profits during the current period compared to the similar period of the previous year is due to

Item	2022	2023	Change
Revenues	595.64	370.11	-37.90%
Total income	71.37	24.43	-65.80%
Operating income	56.62	10.63	-81.20%
Net income	49.55	4.24	-91.40%

A decrease in revenues for the current year, 2023, compared to the previous year, 2022, due to a decrease in demand rates, which led to a decrease in sales volume in the sector and a sharp decline in the selling prices of rebar, which led to a decrease in profit margins for the final product, due to the rise in global inflation rates and the rise in interest rates.

National Steel Committee elects Mr. Bandar Al-Salim as Chairman, and Mr. Jassim Al Abbas as Vice-Chairman

National Committee for the Iron Industry announced that it held its first meeting and elected Mr. Bandar bin Abdullah Al-Salim as Chairman and Mr. Jassim Bin Mohamed Al Abbas as Vice-Chairman for the session (1444-1447).

Fitch confirms Kuwait's rating at "AA-" with a stable outlook

Fitch Ratings maintained the credit rating of Kuwait's long-term foreign currency bonds at "AA-" with a stable outlook.

Fitch Ratings said in its report that Kuwait's rating is supported by its "exceptionally strong" financial and external balance sheet. On the other hand, the agency pointed out the limitations surrounding the classification, which are summarized in "Kuwait's high dependence on oil, the generous social welfare system, the large public sector that may be difficult to maintain in the long term, and the political context that hinders efforts to deal with financial constraints." and continuing economic.

Fitch expects Kuwait's net sovereign foreign assets to average 529% of GDP in the 2024-2025 period, "remaining one of the highest rates among the countries the agency rates." The bulk of the assets are held in the Future Generations Fund managed by the General Investment Authority, which also manages the assets of the General Reserve Fund, the government's treasury account.

Regarding the political framework, Fitch said, "Conflicts between the elected parliament and the 15-member government are a recurring feature in Kuwaiti politics… and we assume that political divisions will continue to restrict the policy-making process in Kuwait."

Fitch estimates that the government's budget returned to deficit in FY23 (at 5% of GDP), after recording its first surplus (about 12% of GDP) in nearly a decade in FY2022. According to The government reporting agreement, which does not include the GIA's investment interest income in revenues (and reflects the government's financing needs). It explained that its estimated deficit is less than the government's original expectations for the fiscal year 2023 budget deficit, amounting to 13.2% of GDP, due to higher oil prices than the specified budget and spending less than the budget.

Fitch assumed an average oil price of $79.8 per barrel for fiscal year 2024, down 5% from the previous fiscal year, while oil production is likely to remain broadly unchanged at 2.55 million barrels per day under OPEC+ restrictions. . The credit rating agency expected the average price of Kuwaiti oil to fall to $71 per barrel in the fiscal year 2025, with its crude production rising to 2.66 million barrels per day, assuming that OPEC+ may ease production restrictions to some extent.

World

Steel prices in the third week of March 2024

According to the prices announced in the global steel markets, scrap prices amounted to $380/ tonne, $4 up compared to last week's prices, and iron ore prices $101/ tonne, $17 down compared to lastt week's prices.

While the prices of billets ranged between 505– 590 Dollars per tonne, while it was between 505– 570 dollars per tonne last week, and rebar prices ranged between 550 – 595 dollars/tonne, while it was between 560 – 595 dollars per tonne last week.

The following is the steel prices statement in the global markets on 16 March 2024

Product	Place	Min	Max	Date	w-o-w
Scrap HMS 1&2 (80:20)	CFR Turkey	380	380	16/03/2024	4
Iron ore Fe 62%	CFR-Australia	101	101	16/03/2024	-17
Billet	FOB Russia	505	512	16/03/2024	0
	Turkey FOB	580	590	16/03/2024	10
Rebar	FOB Turkey	590	595	16/03/2024	0
	FOB Ukraine	550	560	16/03/2024	-10
Wire Rod	FOB Turkey	590	610	16/03/2024	0
HR coil	FOB Russia	560	570	16/03/2024	0
CR coil 1mm	FOB China	615	635	16/03/2024	-13

Biden opposes Japan's Nippon Steel's acquisition of US Steel

US President Joe Biden announced on Thursday his opposition to the agreement reached for the Japanese Nippon Steel Group to acquire the American steel manufacturer US Steel.
Biden said in a statement, "US Steel has been a model American steel company for more than a century, and remaining a domestically owned and operated American steel company is vital." Biden had warned last December that the acquisition agreement needed an "in-depth study" related to national security and confidence in the supply chain, even though Japan is a close ally of the United States. (AFP)

ArcelorMittal buys a stake in Valorac for $1 billion

ArcelorMittal has agreed to buy a $1.04 billion (€955 million) stake in steel pipe maker Vallourec, as it seeks to boost its exposure to more value-added products.

ArcelorMittal said that it had signed a share purchase agreement to acquire a 28% stake in Valorac from funds managed by Apollo Global Management. The French pipe maker supplies products to the energy and industrial sectors, including automotive and construction customers, with the majority of its capacity directed in the United States and Brazil, according to the statement.

Aditya Mittal, CEO of ArcelorMittal, said: "As a producer of premium steel pipe solutions, it plays a critical role in the energy transition, production of bio-products for hydrogen, carbon capture and storage, and geothermal applications, the demand for which is expected to grow."

Iron ore falls to its lowest level in seven months

Iron ore continued its decline, closing at a seven-month low and approaching $100 per ton, a level that is halting some high-cost production.
The raw material for steelmaking fell from more than $140 per ton early this year to less than $106 due to concerns about the outlook for demand in China. Steel consumption did not rise as some investors expected in March.

In the absence of major new stimulus measures from Beijing, the main focus for iron ore is cost support. Since major global mining companies such as BHP or Rio Tinto have very low costs and high profit margins, some places of marginal production – for example, in China or India – will suffer if prices fall further.

Iron ore fell by 3.1% to reach $105.85 per ton by 10:22 am on the Singapore Stock Exchange. Futures on the Dalian Commodity Exchange fell 1.5%, while steel futures in Shanghai were mixed.

Iron ore prices continue to fall as inventories continue to rise in China

The price of iron ore fell by about 5%, heading to $110 per ton, as disappointing demand from China left the market with a glut of inventory.

The price of crude oil used to make steel fell by nearly a quarter in early January from its highest levels, amid continuing pressure on real estate and the manufacturing sector in China. The Chinese People's Party Congress, which concluded on Monday, offered few proposals to boost demand, and the volume of iron ore stocks in ports rose to its highest levels in a year.

Iron ore futures prices fell 4.6% to $110.55 per ton in Singapore at 11:35 am local time, heading for the lowest closing price since August. Futures prices in Dalian fell by 3.7%, and steel futures in Shanghai also fell.

US steel exports up 25.4% in January 2024

According to export data from the US Department of Commerce, monthly steel exports in January 2024 increased 25.4% from December to total 699,122 mt.

A year-on-year comparison shows a 5.7% increase. In terms of value, US steel exports in January totaled $1.25 billion, compared to $1.02 billion in December and $1.23 million in January 2023.

Steel exports to Canada in January increased 36.2% to 324,454 mt, and increased 1.9% from January 2023. Exports to Mexico increased 20.9% month-on-month to 336,139 mt, which is up 11.6% from the same month a year ago.

Other top destinations for US steel exports in January include: Brazil, with 2,923 mt; India, with 2,617 mt; Belgium, with 2,592 mt; China, with 2,254 mt; and Australia, with 1,915 mt.

Trump intends to raise tariffs by 10% if he wins the presidency

Donald Trump defended his proposal to impose a 10% tariff on imports, noting that tax cuts could contribute to alleviating their impact on families.

During an interview with CNBC, US President Joe Biden's Republican rival in next November's elections said that "taxes could be reduced" when asked about the potential negative repercussions of his proposal.

The proposal raises many concerns, especially in terms of obstructing global trade and increasing costs for American families.

The former US president's statements come after he and Biden achieved landslide victories last week on Super Tuesday, the day on which primary elections were held in 15 states and one region.

It has become almost certain that the 2024 elections will be held between the two candidates who ran in 2020.

In addition to directing criticism at Beijing, Trump considered that the European Union "exploits us almost as much as China does, but it does so with a smile."

During his presidential term, Trump imposed large tariffs on several goods, including imported steel and aluminum, in a move that targeted Chinese products but also included European Union exports, which prompted retaliatory reactions from close allies of the United States.

Trump's term witnessed the imposition of mutual tariffs between Washington and Beijing on hundreds of billions of dollars in goods, in a dispute that threatened to strangle the global economy. (AFP)

Iron ore price falls below $100 amid China's real estate crisis

Iron ore futures fell below the level of $100 per ton for the first time in 7 months, as investors expect that the years-long real estate crisis in China will continue throughout 2024, which may hinder the rise in demand for steel.

The price of the metal used in the steel industry has declined by more than 30% since the beginning of January, with hopes of a tangible recovery in building and construction activity fading. Loss-making steel mills reduce their purchases of crude, whose stocks are accumulating in Chinese ports.

The price decline worsened this week in light of increasing signs of weak demand. Steel mills in China began announcing production cuts as spot steel prices declined.

This poor performance contrasts with the price rally of 2023, when the price of iron ore outperformed other base metals and commodities and rose by 20%.

Technology

Tata Steel chooses Danieli for pickling and galvanizing line investment

Indian steelmaker Tata Steel has ordered a combined pickling and galvanizing line from Italy-based plantmaker Danieli to install at its Tarapur mill in India, with the purpose of producing different coated grades and processing strips of different thicknesses and widths, Danieli said in a statement.

Accordingly, with the investment, Tata Steel plans to enlarge its portfolio of hot rolled galvanized products at competitive costs. Powered by Danieli's Turboflo® technology, the pickling section of the line will provide the highest energy saving and flexibility regardless of strip grade and operational speed.

The line is scheduled to be operational in early 2026.

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