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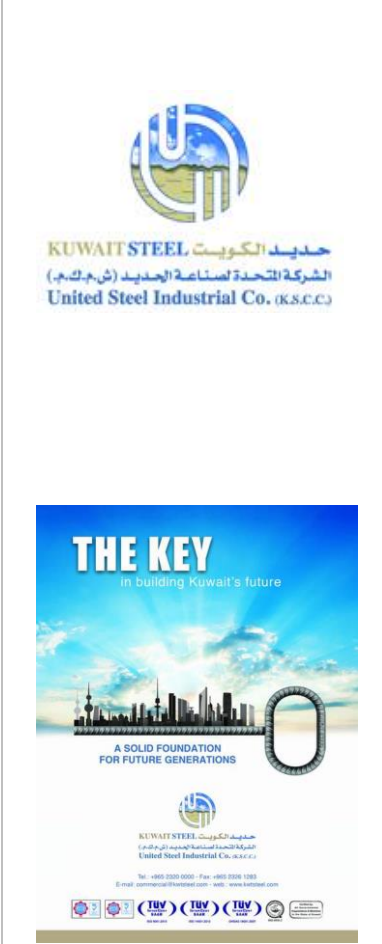
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- Tata Steel selects SMS group to spearhead decarbonization initiative with innovative Coke Oven Gas injection technology




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North Africa

Ezz Steel Tops Arab Producers List in 2023 with 6.2 million tons of crude steel output

In the latest report of Worldsteel, which was released on June 6, 2024 and includes a list of the largest steel producing companies and their ranking according to production in 2023.

Ezz Steel ranked first among Arab Steel producers with 6.2 million tons of crude production, followed by Hadeed (SABIC) with 5.5 million tons and Emirates Steel in third position with 3.2 million tons.

The list includes 109 producers with a minimum production of 3 million tons each. Ezz Steel ranking also surpassed several global companies like Kobe Steel (Japan), Tosyali Holding (Turkey), Salzgitter Group (Germany), CELSA Steel Group (Spain), and Liberty Group (U.K., Australia).

The company is also recognized as the largest steel producer in Africa, followed by ArcelorMittal South Africa with 2.8 million tons of crude output in 2023 (according to the company website).

It is notable that Ezz Steel is a fully-integrated steel producer with a total capacity of 7 million tons per annum. It exported 2.4 million tons of steel products in 2023, of which 1.4 million tons were HRC and one million tons of long products.

The value of its exports reached \$1.6 billion, according to its report to the Egyptian Stock Exchange on 2023 operational results.

Egypt: The Ministry of Industry supports iron and steel factories to produce green steel

Engineer Ahmed Samir, Minister of Trade and Industry, and Major General Abdel Majeed Saqr, Governor of Suez, discussed with representatives of 137 international companies specialized in the field of iron and steel manufacturing at the headquarters of the Suez Steel Company, affiliated with the Misr Steel Group, the investment opportunities available in the Egyptian market and the production and technological capabilities that can be built upon to pump New investments in Egypt during the next stage.

The minister said that the iron and steel industry is the cornerstone of Egypt's economic strength, and represents a pillar on which the infrastructure, construction and manufacturing sectors depend. He praised the role of iron and steel producers in advancing this huge industry, which contributed to Egypt assuming a prominent position among the best steel producers in the East, Middle and North Africa, where Egypt's steel production during the past year reached 9.8 million tons, which strengthened Egypt's position as the largest steel producer in Africa, which reflects the current strength of the industry and its enormous potential for future growth. He reviewed some of the challenges that the sector is witnessing, which include the European Union's Carbon Border Adjustment Mechanism (CBAM), which is scheduled to be implemented in 2026. This mechanism aims to ensure equal opportunities by imposing a carbon price on imported goods, which imposes a strategic shift towards carbon removal to preserve On Egypt's competitive and export capabilities.

Pointing out that the Ministry is committed to supporting the transformation of iron and steel manufacturers to green production methods by making efforts to enhance cooperation with pioneers in this industry, research institutions and technology providers to find innovative solutions such as electric arc furnaces and the use of green hydrogen, which contributes to reducing the impact of (CBAM) as well as pushing Egypt To the forefront of sustainable steel producers, which represents a precedent for responsible industry practices on a global scale, pointing out that Egypt possesses the capabilities that qualify it to advance in this industry.



Rebar prices in Egypt June 03, 2024

Rebar prices in Egypt witnessed stability this week, as prices ranged between EGP 36,500 – EGP 35,800.

The prices were as follows: Ezz Steel EGP 40,700, Suez Steel EGP 40,500, Bishay Steel EGP 40,700, El Marakby Steel EGP 38,500, Egyptian Steel EGP 40,600, Ashry Steel EGP 38,500. Garhy Steel EGP 38,500, Misr Steel EGP 36,500, El Komy Steel EGP 36,500, El Ola Steel EGP 35,800 and Al Gioshy Steel EGP 36,000.

Today steel prices are as follows:

Company	EGP/t	Pointer	w-w
Ezz Steel	40,700	⊖	0
Suez Steel	40,500	⊖	0
Beshay Steel	40,700	⊖	0
El Marakby Steel	40,500	↓	-2000
Egyptian Steel	40,600	⊖	0
Ashry Steel	39,500	↓	-1000
Garhy Steel	40,000	↓	-1500
Misr Steel	36,500	⊖	0
El komy Steel	36,500	⊖	0
El Ola steel	35,500	↑	300
Al Gioshy steel	36,000	⊖	0

Prices include 14% VA

Egypt: Ezz Steel announces the prices of rebar and flat steel for June

Ezz Steel Company announced price stability starting June 1, 2024 for the third month in a row. Prices for rebar were EGP 40,700 per ton and flat steel at EGP 41,700 per ton. EXW, including value-added tax.

Statement	including VAT
Rebar	40,700
Flat Steel	41,700



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Egypt: AlGioshy Steel intends to establish a new production line worth one billion pounds

The Egyptian AlGioshy Steel Company is negotiating with several Italian companies, most notably Danieli and Cedar Engineering, to add a new production line during the next year at an investment cost ranging between 500 million and 1 billion pounds.

Tarek AlGioshy , the company’s chairman, said in an interview with Al Arabiya Business that, in addition to negotiating the supply of equipment, negotiations are also underway for the supplying company to finance the new line and pay the cost in easy installments.

Egypt’s exports of rebar increased by 22% in Q1 of 2024

He added that if an agreement on financing is not reached, negotiations will be made with banks to obtain financing to implement the new line. AlGioshy Steel Factory is located on an area of 40,000 square meters, and its establishment began during 2011-2012, and production operations began in 2016. It includes one production line with a maximum capacity of 300 thousand tons of rebar of various diameters.

The factory’s current investments amount to two billion pounds, and were made through self-financing, according to AAlGioshy.

He said, “Before 2011, we had experience in trade and import, and we were renting steel factories to operate them. We thought of having a factory with a competing brand in the market, so it was the AlGioshy Steel Factory.”

The company aims to produce between 200 and 240 thousand tons by the end of this year, compared to production levels recorded at about 100 thousand tons in the year 2023.

AlGioshy said that since the floating of the pound against the dollar last March, the market has witnessed stability and a greater ability to purchase various production requirements of steel and scrap, which gives iron production companies ease in estimating the cost of production.

“During the last period of last year and the beginning of the new year, there was great difficulty in procuring the dollar, and a challenge in estimating the cost, as the price of the currency in the parallel market changed violently every day, which was reflected in production operations during the last period,” according to AlGioshy.

The stability of the national currency’s exchange rate against the dollar gives it competitiveness in penetrating new markets, and Egypt’s steel exports over the past year achieved a 65% growth to reach \$2.331 billion, according to a report issued by the Egyptian Export Council for Building Materials and Metal Industries last February.

He said that AlGioshy Steel Group directs its production to the local market at the present time, but the company is considering entering African markets during the coming period, which gives the company diversification in foreign cash flows and exploiting them in new investments and purchasing production requirements



Gulf Area

Jordan Steel announces the prices of rebar for June 2024

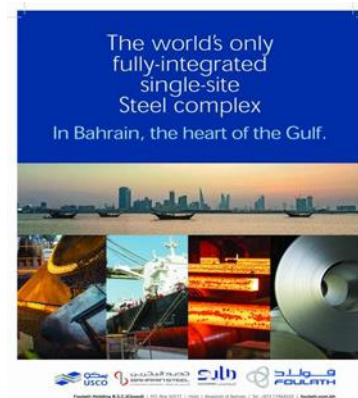
Jordan Steel Company announced rebar prices for June 2024, an increase of between 3 -10 dinars over last month's prices. The prices for Grade 60 EXW, between 453 and 462 dinars per tonne, excluding sales tax. However, with sales tax, it is between 540 and about 550 dinars per tonne.

Grade	Price without tax Sales/tonnes		Price with tax Sales/tonnes	
	Min	Max	Min	Max
60	453	462	540	550

\$125 billion residential projects are under construction in the UAE by the end of Q1 of 2024

JLL Real Estate indicated, in its latest report on the performance of the construction market in the UAE during the first quarter of 2024, that despite the continuation of global challenges such as persistent inflation, high interest rates, and geopolitical tensions, the total value of construction projects that were not completed is expected to reach... In the Middle East and North Africa region, it is awarded to \$3.9 trillion, noting that the UAE owns a large share of it, at 15%.

The report, which was based on information collected from market sources and construction sector experts, revealed that the UAE is characterized by projects with a high value amounting to \$590 billion in the project market, with residential projects accounting for about \$125 billion (21%), while mixed-use projects represent \$232 billion (39%).



MoU between Emirates Steel Arkan and Delong Steel Group to build a factory for low-carbon emission raw materials

Emirates Steel Arkan, the largest local steel producer and market leader in the UAE, announced that it has signed a memorandum of understanding with China-based Delong Steel, in order to decarbonize its operations.

Accordingly, and within the scope of the Memorandum of Understanding, the two companies will cooperate in building and operating a low-carbon raw materials production facility to support the steel industry.

Saeed Al Rumaithi, CEO of Emirates Steel Arkan, stated that the project in question is in line with its decarbonization strategy and the environmental agenda of the United Arab Emirates.

Emirates Steel Arkan, in cooperation with Masdar, announced last year its plans to develop the first green hydrogen project in the Middle East and North Africa region.

Aramco signs contracts to supply pipes for its projects worth 3 billion riyals

Saudi Aramco signed several contracts with Group Five Pipe and Integrated Pipes for Industry to supply steel pipes for its projects, with a value of more than 3.1 billion riyals, according to two separate disclosures by the two companies on the Saudi stock market.

Aramco is heading to raise up to \$12 billion (44.8 billion Saudi riyals) from selling an additional share of its shares in the Saudi market, in a secondary offering, of 1.545 billion shares, representing about 0.64% of the company's issued shares. Group Five said that it had signed two contracts with the Saudi oil giant, with a total value of 1.48 billion riyals, to manufacture and supply spiral-welded steel pipes in one of the projects owned by the company.

The East Integrated Pipe Company for Industry also announced the signing of several contracts with Aramco worth more than 1.65 billion riyals, to carry out the work of manufacturing and supplying steel pipes.

Last week, Arabian Gas Services Company signed two contracts with Aramco worth about 761 million riyals, to carry out engineering, supply and construction work in the main gas network expansion project in the company's projects in the Kingdom.



World

Steel prices in the second week of June 2024

According to the prices announced in the global steel markets, scrap prices amounted to \$382/ tonne, \$3 up compared to last week's prices. and iron ore prices \$109/ tonne, \$7 down compared to last week's prices.

While the prices of billets ranged between 490– 525 Dollars per tonne, while it was between 490– 525 dollars per tonne last week, and rebar prices ranged between 575 – 585 dollars/tonne, while it was between 565 – 585 dollars per tonne last week.

The following is the **steel prices** statement in the global markets on 08 June 2024

Product	Place	Min	Max	Date	w-0-w
Scrap HMS 1&2 (mix 80:20)	CFR Turkey	382	382	08/06/2024	↑ 3
Iron ore Fe 62%	CFR- Australia	109	109	08/06/2024	↓ -7
Billet	FOB Russia	490	500	08/06/2024	○ 0
	Turkey ex CIX,CFR	515	525	08/06/2024	○ 0
Rebar	FOB Turkey	575	585	08/06/2024	○ 0
	FOB Ukraine	575	585	08/06/2024	↑ 13
Wire Rod	FOB Turkey	585	600	08/06/2024	○ 0
HR coil	FOB Russia	570	575	08/06/2024	○ 0
CR coil 1mm	FOB China	595	600	08/06/2024	↓ -5

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ArcelorMittal's decarbonization project in Germany receives funding approval

Robert Habeck, federal minister for Economic Affairs and Climate Action of Germany, has announced his approval for the funding for the decarbonization project to be implemented by Luxembourg-based steelmaker ArcelorMittal at its Bremen and Eisenhüttenstadt plants.

By securing the approval, the steel giant will now be able to start decarbonizing its steel production in the country.

Accordingly, the ministry will provide about €1.3 billion in funding for the project, under which an electric arc furnace (EAF) and direct reduction iron (DRI) plant at Bremen and two EAFs at the Eisenhüttenstadt plant will be built. This way, ArcelorMittal will produce over 3.8 million mt of green steel per year in total. The new plants are scheduled to be commissioned from 2026.

The European Commission had greenlighted the funding back in February this year.



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Iron ore prices fell to their lowest level in 6 weeks due to fears of weak Chinese demand

Iron ore prices fell to their lowest level in 6 weeks, in light of investors' concerns about the prospects for Chinese demand as the extended crisis in the real estate sector enters its third year.

Iron ore futures prices in Singapore fell by 3.3% to \$111.70 per ton during today's trading, recording the lowest level since the seventeenth of last April, before rebounding slightly to \$111.90 per ton.

Futures contracts traded on the Chinese Dalian Stock Exchange also fell by 2.4% to 844 yuan (\$116.48) per ton.

According to Bloomberg, sales of new homes by the 100 largest real estate companies in China fell by 34% on an annual basis to 322.4 billion yuan (\$44.5 billion) in May, compared to a 45% decline in April.

Huai Shan, chief China economist at Goldman Sachs, explained in a statement to the agency that home construction starts and new construction projects will remain weak due to the trend towards a policy of reducing real estate inventory (purchasing stagnant homes by local governments).

He added that the bank's real estate team expects home construction starts to decline by 15% this year, with iron ore prices likely to decline to the level of \$100 per ton in the fourth quarter.

Latin America doubles tariffs on steel imports from China

Latin American countries are following in the footsteps of the United States and Europe by imposing heavy tariffs on Chinese steel imports, which represents a real test of the relationship between the two sides.

A Bloomberg report stated that, due to the global shift towards protectionist measures and the influx of Chinese imports that threaten to push Latin American steel producers out of the market, thus risking the loss of about 1.4 million jobs, Mexico, Chile and Brazil increased customs duties on steel products imported from China. More than doubling, in some cases, over the past few weeks, and Colombia is about to follow suit.

China is the largest buyer of raw materials from Latin America and a major investor in it over the past years. At the same time, the continent provided another market for it to sell its products in light of the strict customs duties imposed by the United States and Europe.

China exports about 10 million tons of steel annually, equivalent to \$8.5 billion, to Latin America. That's a huge jump from 80,500 tons in 2000, according to the Alacero steel association. "This is an important test of China's interests and intentions, and of Latin America's ability to challenge an important economic partner," said Margaret Myers, director of the Asia-Latin America Program for the Inter-American Dialogue. However, challenging China's dominance in this way could be risky, especially for smaller economies that depend on exports and on Chinese demand for their raw material sales.



Cargill stops steel trading in China due to slowdown and real estate crisis

Commodity trading giant Cargill has halted its steel business in mainland China, after years of suffering due to a slowdown in activity amid the country's real estate recession.

The company halted steel trading this week, according to people familiar with the matter, who requested anonymity because the information is private. The move does not affect Cargill's steel business outside China, or its iron ore division, the people said.

"Cargill has made the decision to improve our model of domestic physical steel trading so that we can offer the best of our capabilities to serve customers in China and globally," Cargill spokeswoman Bridget Christenson said via email.

China's protracted real estate crisis has ended two decades of rapid growth in steel demand in the country, and commodities traders have struggled with cash shortages. Cargill cut nine jobs at its steel trading unit in November 2022.

Christenson added: "China remains an important part of Cargill's metals business, and we are committed to serving China customers by leveraging our global expertise in trade and risk management."

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Technology

Tata Steel selects SMS group to spearhead decarbonization initiative with innovative Coke Oven Gas injection technology

Tata Steel Meramandali, Odisha, India, has taken a significant step in its journey towards decarbonization by placing an order with SMS group for the implementation of Paul Wurth Coke Oven Gas (COG) Injection Technology at their Blast Furnace (BF) #1.

Coke oven gas is a byproduct that forms during the production of coke from coal in coke ovens. This order marks a significant milestone, as it is the first of its kind in India, setting a precedent for the industry's move towards sustainable steel production.

Paul Wurth COG Injection Technology is a breakthrough innovation that aims to reduce the coke rate and consequently the carbon footprint of the blast furnace operation. By utilizing the chemical potential of COG, the process can save around 0.65 kilogram of coke for each kilogram of COG injected, which considerably reduces the OPEX cost and significantly improves the CO₂ footprint. Paul Wurth's COG injection technology is designed to ensure the safe and reliable injection of the highly toxic and explosive COG into the blast furnace.

The comprehensive scope of supply for this project includes plant engineering, supply of all process equipment including compressor station, electrics and automation ensuring an integrated approach to the implementation of this technology.

The project is expected to be commissioned by Q1 2026 and will be completed within 25 months.

Tata Steel and SMS group share a longstanding partnership, with SMS group being recognized as an integrated system supplier for its Blast Furnace Technology and a pioneer in solutions for CO₂ emission reduction. India has set the target to achieve net zero by 2070. Subodh Pandey, Vice President, Operations – Tata Steel Meramandali, NMB & Graphene, Tata Steel, said: "The implementation of this technology is not only a record-setting achievement for India but also a strategic move towards meeting the country's goal of net zero by 2070.

As we lay the groundwork for a greener future, this collaboration with SMS group is not just a milestone for us but a beacon for the entire Indian steel industry. By adopting cutting-edge technologies like COG injection, we are not only reducing our carbon footprint but also setting a new standard in environmental stewardship while enhancing our operational efficiency and competitiveness in the global market."

Rene Gaiola, Head of Injection Technologies at SMS group: "We are fully committed to #turningmetalsgreen and believe that the successful implementation of this project will only be the start of a long-term partnership with Tata Steel to implement further steps of decarbonization of TATA's Meramandali Steel plant.

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