

## Latest News

### North Africa

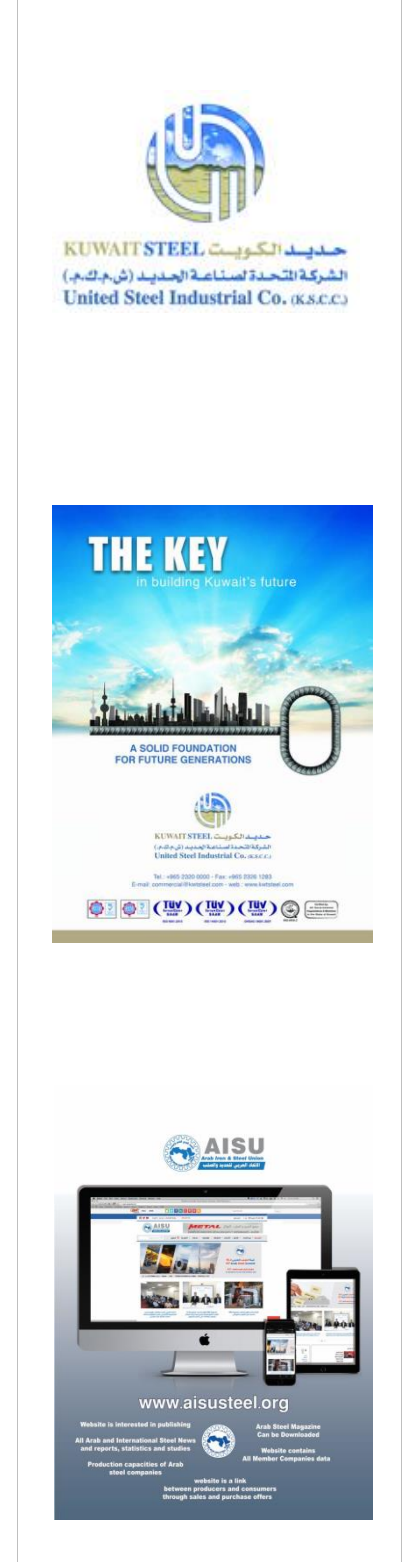
- Egypt: Minister of Public Business Sector visits Delta Steel Company.
- Rebar prices in Egypt August 20, 2024.
- Egypt's iron and steel exports to EU declined by 37% in H1 of 2024.
- Misr National Steel Company – Ataqa profits rise 30% in H1 of 2024.

### Gulf Area

- Watani Steel profits rise to 3.4 million riyals by the end of H1 of 2024.
- Hadeed cuts wire rod prices for September deliveries.
- Watani Steel profits rise to 3.4 million riyals by the end of H1 of 2024.

### World

- Steel prices in the fourth week of August 2024.
- China revises approval system for new steel mills.
- World crude steel production down 4.7% in July 2024.
- Top 4 iron ore miners lose nearly \$100bn in market value due to falling prices.
- Turkey's iron ore imports increase by 50.7% in January-June 2024.
- Iron ore prices rise about 3% to continue recovery for the third day in a row.
- China's steel surplus is a wake-up call for the world.



The advertisement for Kuwait Steel features the company logo at the top, which includes a stylized 'U' and 'S' with a globe. Below the logo, the text reads 'KUWAIT STEEL حديد الكويت' and 'الشركة المتحدة لصناعة الحديد (ش.م.ك.م.) United Steel Industrial Co. (K.S.C.C.)'. The main headline is 'THE KEY in building Kuwait's future'. Below this, there is a graphic of a city skyline with a large '0' shape. The text 'A SOLID FOUNDATION FOR FUTURE GENERATIONS' is positioned below the skyline. At the bottom, there are several certification logos including TUV, ISO, and others, along with contact information: 'Tel: +965 2000 0000 - Fax: +965 2006 1000', 'Email: commercial@aisusteel.com - web: www.aisusteel.com'.



The advertisement for the 17th Arab Steel Summit & International Iron and Steel Exhibition features the AISU logo on the left. The text reads 'Under the patronage of Minister of State for Energy Affairs State of Qatar' and '17th Arab Steel Summit & International Iron and Steel Exhibition Doha - Qatar Sheraton Doha Hotel'. It also mentions 'Regional Host Sponsor قطر ستيل QATAR STEEL' and the dates '14 - 15 OCTOBER 2024'. At the bottom, it says 'The future of the iron and steel industry in the Arab countries'.

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## Latest News

### North Africa

#### Egypt: Minister of Public Business Sector visits Delta Steel Company

Engineer Mohamed Shimi, Minister of Public Business Sector, visited Delta Steel Factories Company in Mostorod on Saturday morning, where he was received by Eng. Ayman Attia, Governor of Qalyubia.

According to a statement from the ministry today, this comes within the framework of the ongoing field tours of various work and production sites in the affiliated companies.

At the beginning of the visit, Shimi held a meeting with the governor and a number of members of the House of Representatives and the Senate, in the presence of Mohamed El-Saadawy, Managing Director of the Holding Company for Metallurgical Industries and leaders of Delta Steel Company.

According to the statement, a number of topics were discussed and ideas and proposals were exchanged regarding the companies affiliated to the ministry located within the Qalyubia Governorate.

#### Rebar prices in Egypt August 20, 2024

Rebar prices in Egypt this week ranged between EGP 36,300 – EGP 40,700. 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 37,000, El Komy Steel EGP 37,500, El Ola Steel EGP 36,300 and Al Gioshy Steel EGP 36,500.

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	38,500	🔴	-500
Egyptian Steel	40,600	🟡	0
Ashry Steel	38,500	🟡	0
Garhy Steel	38,500	🟡	0
Misr Steel	37,000	🔴	-500
El komy Steel	37,500	🟡	0
El Ola steel	36,300	🔴	-700
Al Gioshy steel	36,500	🔴	-1000

Prices include 14% VA



## Egypt's iron and steel exports to EU declined by 37% in H1 of 2024

Egypt's exports of iron and steel products to the European Union countries declined by about 37% during the first half of this year, according to government data.

The data showed that imports from the European Union countries decreased during the period from January to the end of last June to about \$420 million, compared to about \$670 million in the same period in 2023.

Egypt's exports to the European Union countries represented about 41% of Egypt's total iron and steel exports during the first half of this year, compared to about 55.7% of total exports during the same period last year.

Egypt's iron and steel exports fell by 17% during the first half of this year, recording \$1 billion, compared to \$1.2 billion in the same period in 2023, according to the data, which showed that Turkey topped the list of countries importing the most from Egypt, with a value of \$138.3 million, with a share equivalent to 13.5% of total exports.

The noticeable decline in Egypt's iron and steel exports in general is due to the decline in export revenues to the top five markets importing from Egypt (Turkey, Spain, Italy, the United States and Romania), as Romania, Spain and Italy reduced their imports of Egyptian iron and steel by 55%, 46% and 35% respectively, while the United States and Turkey reduced their imports from Egypt by smaller percentages of 17% and 14% respectively.

Spain is the largest importer (belonging to the European Union) of Egyptian iron and steel products in the first half of this year, as it imported products worth nearly \$118 million alone, while Italy came in second place with exports worth more than \$108 million, followed by Romania with \$56 million.

The three countries (Spain, Italy and Romania) account for two-thirds of Egypt's iron and steel exports to the European Union countries during the first half of this year, with a share equivalent to 67%.

## Misr National Steel Company – Ataq profits rise 30% in H1 of 2024

The financial statements of Misr National Steel Company – Ataq, in the first half of this year, showed a 30.36% decline in the company's profits on an annual basis. The company explained in a statement to the Egyptian Stock Exchange that it achieved profits of EGP 535.45 million in the period from January to the end of June 2024, compared to profits of EGP 410.75 million in the comparative period of 2023.

The company's sales jumped in the first six months of this year to EGP 2.77 billion, compared to EGP 922.67 million in the comparative period last year.

The Egyptian National Steel Company – Ataq achieved profits of EGP 60.91 million in the period from January to the end of March 2024, compared to profits of EGP 128.81 million in the comparative period of 2023. The company's sales jumped in the first three months of this year to EGP 1.01 billion, compared to EGP 399.5 million in the comparative period last year.



## Latest News

### Gulf Area

#### Watani Steel profits rise to 3.4 million riyals by the end of H1 of 2024

The profits of Watani Iron and Steel Company (Watani Steel), which works in the production and manufacture of billet and rebar, rose to 3.4 million riyals by the end of the first half of 2024, compared to profits of 1.2 million riyals in the same period of the previous year.

Item	6 months 2023	6 months 2024	Change
Revenue	159.79	274.00	71.5 %
Net Income	1.23	3.41	176.6 %

The company said that the reason for the increase in profits in the current period compared to the same period of the previous year is due to:

- The increase in revenues is due to the increase in the quantity of sales and the relative increase in the selling price of the final product.
- The increase in other revenues

#### Hadeed cuts wire rod prices for September deliveries

Saudi Iron and Steel Company (Hadeed) will lower its wire rod prices by SAR 100 (USD 27) per ton for September deliveries.

The new price for wire rod (6.5-16 mm) will be SAR 2,435 (USD 648) per ton.

Hadeed recently reduced its rebar prices by SAR 40 (USD 11) per ton, bringing them to SAR 2,370 (USD 631) per ton.

The above prices are on CPT Riyadh basis and without 15 pct VAT.

1 USD = 3.75 SAR

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حديد  
hadeed

سابو  
SULB COMPANY شركة صلب

حديد الإمارات أركان  
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### World

#### Steel prices in the fourth week of August 2024

According to the prices announced in the global steel markets, scrap prices amounted to \$360/ tonne, \$10 down compared to last week's prices. and iron ore prices \$97/ tonne, \$4 up compared to last week's prices.

While the prices of billets ranged between 465 – 490 Dollars per tonne, while it was between 465 – 490 dollars per tonne last week, and rebar prices ranged between 570 – 580 dollars/tonne, while it was between 575 – 590 dollars per tonne last week.

The following is the **steel prices** statement in the global markets on 24 August 2024

Product	Place	Min	Max	Date	w-o-w
Scrap HMS 1&2 (mix 80/20)	CFR Turkey	360	360	24/08/2024	↓ -10
Iron ore Fe 62%	CFR- Australia	97	97	24/08/2024	↑ 4
Billet	FOB Russia	465	472	24/08/2024	↓ -2
	ex CIX,CFR Tukey	470	490	24/08/2024	↓ -5
Rebar	FOB Turkey	570	575	24/08/2024	↓ -7
	FOB CIS	575	580	24/08/2024	↓ -5
Wire Rod	FOB Turkey	580	590	24/08/2024	↓ -10
HR coil	FOB Russia	470	480	24/08/2024	↓ -20
CR coil 1mm	FOB China	515	520	24/08/2024	↑ 3

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#### China revises approval system for new steel mills

China has revised its approval system for new steel mills as a sharp drop in demand has hurt the sector's profits and boosted exports.

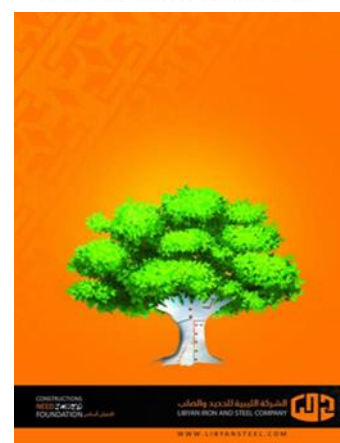
The rules Beijing has used for years to allow companies to build steel mills on condition that they reduce a certain amount of existing capacity will no longer apply from Friday, and a replacement program will be put in place, the Ministry of Industry and Information Technology said in a statement.

With steel demand down more than 10% since 2020, many analysts expect the industry to shrink to keep pace with an economy that has become less reliant on construction.

China's steel exports have surged this year to their highest level since 2016, a sign that smelters are struggling to find markets for their 1 billion tonnes of annual output.



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## World crude steel production down 4.7% in July 2024

World crude steel production for the 71 countries reporting to the World Steel Association (worldsteel) was 152.8 million tonnes (Mt) in July 2024, a 4.7% decrease compared to July 2023.

Africa produced 2.0 Mt in July 2024, up 4.0% on July 2023. Asia and Oceania produced 112.7 Mt, down 6.4%. The EU (27) produced 10.8 Mt, up 5.7%. Europe, Other produced 3.7 Mt, up 0.6%.

The Middle East produced 3.7 Mt, down 10.1%. North America produced 8.8 Mt, down 2.4%. Russia & other CIS + Ukraine produced 7.5 Mt, down 0.8%. South America produced 3.7 Mt, up 6.0%.

### Crude steel production by region

region	Jul 2024 (Mt)	% change Jul 24/23	Jan-Jul 2024 (Mt)	% change Jul 24/23
Africa	2.0	4.0	12.8	3.3
Asia and Oceania	112.7	-6.4	820	-1.2
EU (27)	10.8	5.7	78.0	1.5
Europe, Other	3.7	0.6	26.0	8.9
Middle East	3.7	-10.1	32.2	3.7
North America	8.8	-2.4	62.4	-3.8
CIS	7.5	-0.8	51.5	0
South America	3.7	6.0	24.2	-0.6
<b>Total</b>	<b>152.8</b>	<b>-4.7</b>	<b>1,107.20</b>	<b>-0.7</b>

China produced 82.9 Mt in July 2024, down 9.0% on July 2023. India produced 12.3 Mt, up 6.8%. Japan produced 7.1 Mt, down 3.8%. The United States produced 6.9 Mt, up 2.1%.

Russia is estimated to have produced 6.3 Mt, down 3.1%. South Korea produced 5.5 Mt, down 3.4%. Germany is estimated to have produced 3.1 Mt, up 4.8%. Türkiye produced 3.1 Mt, up 4.0%. Brazil produced 3.1 Mt, up 11.6%. Iran produced 1.8 Mt, down 18.7%.

### Top 10 steel-producing countries

Country	Jul 2024 (Mt)	% change Jul 24/23	Jan-Jul 2024 (Mt)	% change Jul 24/23
China	82.9	-9.0	613.7	-2.2
India	12.3	6.8	86.4	7.2
Japan	7.1	-3.8	49.8	-2.8
United States	6.9	2.1	46.9	-1.8
Russia	6.3	-3.1	43.1	-3.0
South Korea	5.5	-3.4	37.1	-5.9
Germany	3.1	4.8	22.5	4.5
Türkiye	3.1	4.0	21.7	14.9
Brazil	3.1	11.6	19.4	3.3
Iran	1.8	-18.7	18.4	2.9



## Top 4 iron ore miners lose nearly \$100bn in market value due to falling prices

The market value of the world's top 4 iron ore mining companies has fallen, with the price of a tonne falling below \$100 recently.

Iron ore prices have fallen by more than a third since the start of 2024, with futures on China's Qingdao Stock Exchange hitting \$92.2 a tonne yesterday, the lowest since November 2022, the Financial Times reported.

This has led to a combined market value loss of about \$100bn for BHP, Rio Tinto, Vale and Fortescue since the start of the year.

Vivek Dhar, director of mining and energy research at Commonwealth Bank, told the newspaper that markets fear that iron ore prices will continue to fall below \$100 per tonne in the near term.

The decline in iron ore prices yesterday came after Chinese data last week showed the country's steel production fell by about 9% on a monthly and yearly basis in July to 82.94 million tonnes.

This comes amid the crisis in the country's real estate sector, which has led to a decline in demand for iron ore from steelmakers.

## Turkey's iron ore imports increase by 50.7% in January-June 2024

In June this year, Turkey's iron ore imports amounted to 938,881 metric tons, up by 6.8% compared to May and by 29.8% year on year, according to the preliminary data provided by the Turkish Statistical Institute (TUIK).

Meanwhile, the revenue generated by these imports totaled \$117.01 million, increasing by 6.8% compared to the previous month and by 15.3% year on year.

In the January-June period, Turkey's iron ore imports amounted to 5,419,635 mt, up 50.7%, while the value of these imports increased by 55.6% to \$720.53 million, both year on year.

In the given period, Turkey's largest iron ore import source was Brazil, with 2,657,784 mt. Brazil was followed by Ukraine with 852,649 mt and South Africa with 688,265 mt.

## Iron ore prices rise about 3% to continue recovery for the third day in a row

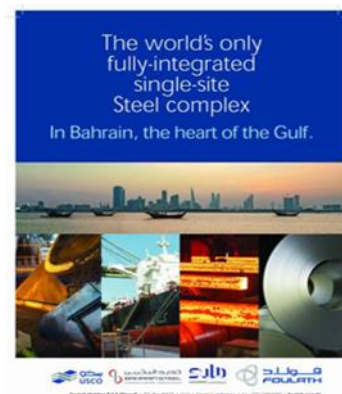
Iron ore prices rose more than 3% during Wednesday's trading, continuing their recovery for the third day in a row, supported by optimism that China will take further measures to support the real estate sector.

The most active iron ore futures prices on the Singapore Exchange rose by 3.2% to \$98.45 per ton during today's session, after jumping 3.5% at the end of trading on Tuesday.

The recovery in iron ore prices came after a report yesterday indicated that China is considering allowing local governments to issue special bonds to finance stagnant home purchases from real estate developers, according to Bloomberg.

Raw prices are down 30% since the beginning of this year due to weak homebuilding activity in China, a slowing economy, and a lack of major infrastructure projects.



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## China's steel surplus is a wake-up call for the world

Global steel production is having a bad year. Shanghai trader Yu Yong Zhang's annual steel sales have fallen by more than three-quarters in a few years, in a market so bad that he "can't see any light at the end of the tunnel." More than 1,000 miles away in Chile, Hector Medina is on the verge of losing his job after nearly five decades working in the steel mills of Huachipato.

What Zhang and Medina have in common is China, which has become the dominant force in the world's steel industry, with profound implications for the lives and businesses of those who work in it.

Concern about the future of the steel industry has prompted the world's largest steelmaker to sound the alarm about a potential industrial crisis in China that could spread around the world and plunge the sector deeper into decline.

Commenting on this, Hu Wangming, chairman of China Bao Steel Group Corp., told employees at the company's half-year meeting that "the conditions in China's steel sector are like a harsh winter that will be longer, colder and more difficult to bear than we expected," warning of worse than the major shocks of 2008 and 2015.

A report by Business Insider monitored the size of China's steel production, as it is expected that China will end the current year with a record balance of steel exports that may exceed 110 million tons, and if the forecast is correct, it will be the highest number since 2015.

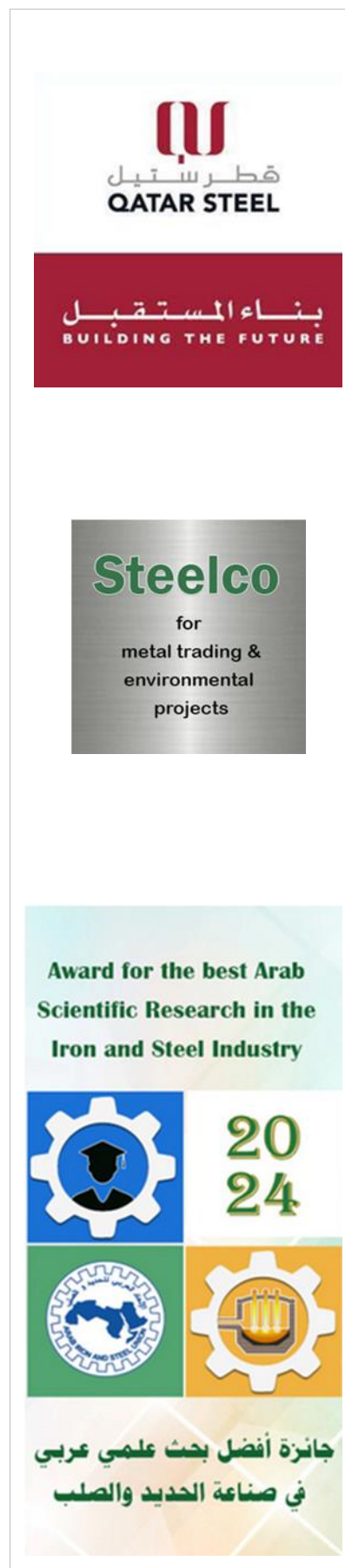
The report indicates that China has already shipped 53 million tons of steel in the first half of 2024, an increase of 24 percent compared to the same period last year.

### Dumping global markets

Some analysts say that this export volume is no more than a drop in the bucket compared to China's total crude steel production, which amounted to about one billion tons last year. However, that is the whole problem: when China's domestic consumption falls, it affects steelmakers around the world, as they all have to compete with cheap Chinese products dumping their markets.

China is leading the charge, producing more than half of the world's total steel, at 1.89 billion tonnes, so any impact on its domestic steel consumption will inevitably affect other countries.

Analysts expect China's steel consumption to fall to around 900 million tonnes this year, and some say it could stay that way for the next few years.





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