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Arab Iron and Steel Union

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Council of Arab Economic Unity holds its 60th meeting of specialized Arab unions in Cairo

The work of the 60th regular meeting of specialized Arab unions operating in Cairo began today with the participation of the Arab Iron and Steel Union, in the presence of the permanent delegates of the member states of the Council, and the heads and secretaries-general of the specialized Arab unions.

Ambassador Mohammadi Ahmed Al-Ni, Secretary-General of the Council of Arab Economic Unity, said that the meeting of specialized Arab unions in this important session comes in light of the exceptional circumstances that the Arab region is going through, and requires more effort to emerge from these crises that hinder the achievement of Arab economic integration, which is the only way to raise the standard of living of Arab peoples from the ocean to the Gulf and enhances the facilitation of inter-trade movement between all Arab countries, and opens new horizons towards achieving Arab economic growth that serves the development projects witnessed by a number of Arab countries. Ambassador Mohammadi Ahmed Al-Nai pointed out that the Palestinian cause and the daily massacres it is witnessing at the hands of the Israeli occupation forces, with more than 43,000 martyrs and nearly 100,000 Palestinians injured, in addition to the expansion of the conflict on the Lebanese front, makes the meeting of the specialized Arab federations up to the responsibility of supporting the Palestinian cause and the rights of the Palestinian people to live in peace on their usurped land. In addition to the necessity of working to support our brothers in Lebanon, which is being subjected to military attacks that have left martyrs and wounded. He added that the global economy today is controlled by a few countries with strong economies (the United States of America – China – Japan – Germany – India – Britain – France – Canada – Russia – Brazil) and they account for about half of the global economy. If the Arab countries' GDP does not exceed about 2.4 trillion, which is close to the GDP of Canada, our Arab countries have large economic resources and wealth of oil, minerals and agricultural resources that enable them to achieve food security for their peoples and establish advanced industries to achieve Arab economic integration by supporting Arab economic blocs and major joint Arab projects. He pointed out that this meeting represents an important platform for discussion and constructive consultation on all issues and areas related to the work of the unions, which positively reflects on the future of joint Arab action.

North Africa

Egypt begins investigation into dumping of cold-rolled and coated steel products from Turkey and China

The Egyptian Ministry of Investment and Foreign Trade has announced the launch of an anti-dumping investigation into imports of cold-rolled and coated steel products originating from Turkey and China.

The investigation was initiated at the request of local steel producers, including Al-Obour Metal Industries and Kama Metal Coating and Processing. The companies claim that products from these countries are supplied at dumping prices, which causes material damage to the national industry in Egypt.

The rolled products under investigation are represented by HS codes 720915, 720816, 720917, 720918, 720925, 720926, 720927, 720928, 720990, 721041, 721049, 721061, 721070, 721090, 721123, 721129, 721190, 721230, 721240, 721250, 721260, 722592 and 722599.

In January-September 2024, Turkey supplied 16.92 thousand tons of cold-rolled steel, 7.49 thousand tons of galvanized steel, and 15.03 thousand tons of painted steel to Egypt. China exported 79.78 thousand tons of cold-rolled steel and 37.62 thousand tons of galvanized steel to the Egyptian market.

As a reminder, China's steel exports in January-September 2024 increased by 21.2% compared to the same period in 2023 – to 80.71 million tons. In September, Chinese steel exports reached 10.15 million tons, up 6.9% month-on-month and 25.9% y/y.

Turkey increased its exports of steel products by 31.6% y/y over 9 months – to 27.8 million tons. In September, exports increased by 17.7% y/y – to 1.3 million tons.

Latest News

Gulf Area

EMSTEEL Group and Tadweer Group to explore use of alternative fuels and raw materials in creating sustainable building materials

EMSTEEL Group, the UAE's largest publicly listed steel and building materials company, and, Tadweer Group, Abu Dhabi's waste management and recycling services leader, have signed a Memorandum of Understanding (MOU) to explore the use of alternative fuels and raw materials in creating green building materials. The agreement focuses on harnessing Tadweer Group's production of Refuse Derived Fuels (RDF) and Construction and Demolition Waste (CDW) in EMSTEEL Group's plants, including their Al Ain Cement Plant and Emirates Block Factory.

Engineer Saeed Ghumran Al Remeithi, Group CEO – EMSTEEL Group, commented: "As the UAE's largest building materials manufacturer and the world's first steel player to decarbonise its production, we are proud to partner with Tadweer Group and further integrate circular economy practices across our operations, promoting a more environmentally responsible and resource-efficient production process. This partnership allows us to reaffirm our leadership in reshaping the core of construction and manufacturing with sustainable principles, contributing not only to the UAE Net Zero 2050 Strategy, but to decarbonising the industrial sector at scale.

Ali Al Dhaheri, Managing Director and CEO, Tadweer Group, commented: "We are delighted to partner with EMSTEEL Group as we accelerate our efforts toward a sustainable future. At Tadweer Group, our commitment to decarbonising the sector goes hand in hand with our mission to transform waste into valuable resources and advance the circular economy. By working with forward-thinking organisations, we are implementing sustainable practices that are reshaping the construction and manufacturing landscape in the UAE. These efforts bring us closer to achieving our goal of diverting 80% of Abu Dhabi's waste from landfills, setting a new benchmark for environmental stewardship."

The partnership aims to promote sustainable building practices by reducing waste sent to landfills, lowering CO2 emissions, and advancing the manufacture of green building materials. The MOU also includes feasibility studies, and further opportunities for knowledge exchange.

Headquartered in Abu Dhabi, EMSTEEL Group builds on a heritage spanning over a quarter of a century. The Group is committed to creating products, services and solutions to build a better world, in addition to driving global sustainability efforts through promoting a low-carbon supply chain in collaboration with it partners across the ecosystem.

As a leader in sustainable practices, Tadweer Group is expanding its local and international portfolio, with the creation of its subsidiaries and by forming global partnerships. The organisation also prioritises the incorporation of the values of the circular economy in its practices as part of its wider strategy and growth.

For more information on Tadweer Group's projects and updates, please visit Tadweer.ae. Alternatively, please see a link here to the locations of the organisation's Reverse Vending Machines, Recyclable Materials Collection Centres, collection points, and more

Jordan Steel announces rebar prices for November 2024

Jordan Steel Company announced rebar prices for November 2024, unchanged from last month's prices.

The prices for Grade 60 EXW, between 451 and 457 dinars per tonne, excluding sales tax. However, with sales tax, it is between 537 and about 545 dinars per tonne

Grade	Price without tax Sales/tonnes		Price with tax Sales/tonnes	
	Min	Max	Min	Max
60	451	457	537	545

Hamriyah Free Zone in Sharjah includes 450 companies in the steel sector with an area of 50 million square feet

His Excellency Saud Salim Al Mazrouei, Director of the Hamriyah Free Zone Authority in Sharjah, stressed the leading role played by the zone in promoting the steel and iron industry sector as a dynamic business center that serves investors and provides them with strategic access to regional and global markets, explaining that the authority includes more than 450 companies in the steel sector covering 50 million square feet, noting that this sector represents about 16% of the total area of the zone of 300 million square feet, making it a center for the iron industry in the Middle East and Africa region.

This came during the authority's participation in the "Italian Critical Equipment Days" in Milan, which brought together a group of steel industry leaders and experts from Europe and leading countries in this sector. During its participation in the event, it aimed to introduce its investment opportunities and attract more investors to the Emirate of Sharjah, exchange information with major companies operating in the iron and steel industry, in addition to holding meetings to showcase its facilities and services and highlight the advantages of its strategic geographical location. The delegation participating in the event included His Excellency Saud Salem Al Mazrouei, accompanied by a number of officials and department managers at the Authority.

In his speech at the event, His Excellency Al Mazrouei stressed the Authority's keenness to participate in various events to promote the infrastructure and investment environment that distinguishes it, within the attractive opportunities that the Emirate of Sharjah offers for investment in various sectors, including the steel sector, pointing out that the free zone has established its role through which it contributes to enhancing economic diversification in the emirate, and continues its expansion and sustainable growth and provides various opportunities for investors wishing to establish their businesses to benefit from its solutions, logistical capabilities and advanced infrastructure. Strategic partnership with steel industry companiesHis Excellency Al Mazrouei referred to the steel industry companies investing in the Hamriyah Free Zone, which include prestigious brands such as Belelli Energy, ArcelorMittal, Lamprell, Eversendai, Technomac, Ungersteel, Zinc Power and others. In his speech, he congratulated Tosto Group on its acquisition of Belelli Energy, expressing his pride in the Authority's role in supporting this strategic partnership since allocating a land area to the company in 2002, highlighting Belelli Energy's advanced facility, which occupies an area of 130,000 square meters in the Hamriyah Free Zone, and includes heavy mechanical workshops and machines for manufacturing basic equipment to meet the needs of the oil, gas and energy sectors.

Introducing investment opportunities in the steel sector

During the event, the Authority succeeded in highlighting the advantages of establishing businesses in its industrial zone, which includes the largest gathering of steel manufacturers in the Middle East and North Africa region, as it hosts more than 200 companies specialized in welding and mining that use the region as a base for their global business.

Hamriyah Free Zone is one of the largest free zones in the UAE, and includes industrial and commercial lands. It is characterized by an advanced infrastructure and modern facilities that enhance the external expansion plans of its investors, especially in the industrial sector. Hamriyah Free Zone Sharjah has many competitive advantages, most notably the availability of a single window of operations that enhances performance efficiency and facilitates doing business, multiple tax exemptions, freedom to repatriate capital and profits, full business ownership, and rapid communication with regional and global markets.

Latest News

World

Steel prices in the second week of November 2024

According to the prices announced in the global steel markets, scrap prices amounted to $364/ tonne, $1 up compared to last week's prices. and iron ore prices $102/ tonne, $1 up compared to last week's prices.
While the prices of billets ranged between 460 – 493 Dollars per tonne, while it was between 470 – 500 dollars per tonne last week, and rebar prices ranged between 530 –600 dollars/tonne, while it was between 550 – 610 dollars per tonne last week.

The following is the **steel prices** statement in the global markets on 09 November 2024:

Product	Place	Min	Max	Date	w-o-w
Scrap HMS 1&2 (mix 80:20)	CFR Turkey	364	364	09/11/2024	1
Iron ore Fe 62%	CFR- Australia	102	102	09/11/2024	1
Billet	FOB Russia	460	470	09/11/2024	-9
	ex-CIS,CFR Tukey	480	493	09/11/2024	-9
Rebar	FOB Turkey	590	610	09/11/2024	-10
	FOB CIS	530	560	09/11/2024	-10
Wire Rod	FOB Turkey	600	610	09/11/2024	-10
HR coil	FOB Russia	495	515	09/11/2024	0
CR coil 1mm	FOB China	550	570	09/11/2024	0
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South Korea: POSCO posts lower net profit, sales revenue in Q3 2024

South Korean steelmaker Pohang Iron and Steel Co. (POSCO) has announced its consolidated financial results for the third quarter this year.
The company reported an operating profit of KRW 743 billion ($539.52 million) in the given quarter, down by 1.2% compared to the second quarter, due to a decline in sales prices.
In the third quarter, POSCO's revenue decreased by 1% quarter on quarter to KRW 18.32 trillion ($13.3 billion), while its net profit amounted to KRW 497 billion ($360.85 million), decreasing by 8.9% compared to the previous quarter.
In the third quarter this year, POSCO produced 9.23 million mt of crude steel, rising by 16.5% quarter on quarter with the completion of major repairs, and down by 0.8% year on year, while its finished steel sales increased by 4.9% compared to the previous quarter and were down by 1.5% year on year to 8.2 million mt.

Report: Global scrap prices down in most regions in October

The global scrap market showed mixed trends in October. Most regions saw a decline in prices due to weak demand and high inventories, while in Italy and China, prices rose slightly due to increased demand and limited supply.Prices for scrap metal in Turkey (HMS 1&2 80:20) decreased by 1.1% in the period from September 27 to October 30, 2024, after rising by 1.1% in September to $360-364/t CFR. This means that supply has returned to the level of August. At the same time, the market was volatile during the month, with prices fluctuating in the range of $364-390/t CFR due to the impact of global economic factors and domestic demand dynamics.The beginning of October was marked by an increase in scrap prices in Turkey to $390/t due to increased demand from local steel companies and hopes for a revival in the Chinese steel market after the economic stimulus announced in late September. However, China failed to meet market players' expectations, and raw material prices mostly stabilized and began to decline in mid-October. By the end of the month, scrap prices fell to $360-364 per tonne, driven by overall weak demand and a lack of expected support from Chinese consumers. This factor was also influenced by an increase in supply from Europe and the US. After the euro stabilized, exporters from the Benelux countries tried to maintain prices, but Turkish mills continued to insist on lower levels. Rebar prices in the Turkish domestic market were also under pressure in October. This was also reflected in the cost of scrap, forcing suppliers to cut prices. In the short term, scrap prices in Turkey are expected to remain stable or continue to decline as demand for November supplies has already been met. However, in the run-up to the winter season, prices may stabilize or even rise slightly, given the limited supply of scrap and expectations of new stimulus measures from China. The European market showed mixed trends in October. In particular, in Germany, due to low demand and limited exports, scrap prices (E3 Demolition Scrap) decreased by 1.6% – to €310-315/t Ex-Works. Demand for scrap remained weak due to a decline in steel production, especially from producers of high-quality steel for the automotive industry.

The outlook for further purchases also remained restrained amid lower demand from Turkey and weak economic growth in the region. In Italy, on the other hand, scrap prices (E8 Light New Scrap) increased by 2.9% to €320-360/t Ex-Works, due to a lack of supply of certain types of scrap and low collection volumes. Supply problems have forced some producers to raise purchase prices, especially for rare grades such as E5 and high-grade E8. At the same time, a number of producers are planning production shutdowns for November, which will reduce demand for scrap in the short term.The decline in production activity and significant plant shutdowns in November in both countries will affect the demand for scrap in Europe. However, the expected winter supply reduction and a possible increase in demand from Turkey may support prices.The US scrap market in October saw a 1.5% decline in prices to $332-336/t Ex-Works due to low demand and rising inventories. The rise in prices in Turkey at the beginning of the month temporarily supported optimism, but the gradual weakening of demand in China and Turkey again lowered prices. It is expected that in November, scrap prices in the United States may remain stable or continue to decline due to low demand and economic uncertainty before the election.In China (Heavy Scrap), scrap prices for this period increased by 2.1% – to $352.1/t. The price increase was driven by the resumption of activity in the construction market after the holidays. An additional factor was the increase in domestic demand in China, which contributed to the overall strengthening of prices. In the short term, prices are expected to stabilize, but future dynamics will largely depend on government stimulus policies.

Report: Fluctuations in demand and prices of rebar in global markets

In October 2024, the global rebar market showed different price trends depending on the region. In Turkey, price growth took place amid higher scrap quotations and stable demand in the domestic market. At the same time, negative price dynamics were observed in the US due to weak demand caused by economic uncertainty. The European market was under pressure from growing competition from imported products, and in China, prices for rebar rose moderately against the background of cautious economic forecasts.

Turkey

Rebar prices in Turkey during the period September 27 – October 25, 2024 increased by 1.7% – to $580-600/t FOB. This growth continues the trend that continues for the second month in a row. Demand for rebar in the domestic market remained relatively strong, partly due to limited supply of certain assortments, which contributed to higher prices.

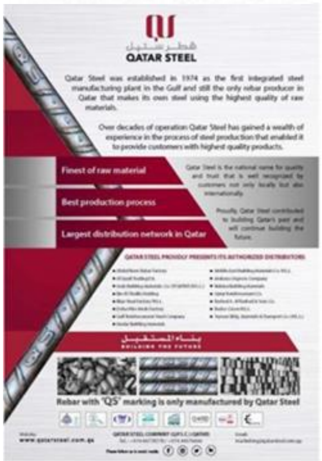
One of the main factors in the increase in prices for rebar is the increase in prices for scrap. American and European scrap (HMS 1&2 80:20) was priced at $376-377/t CFR, which contributed to positive dynamics in the rebar market. The increase in the value of scrap led to an increase in production costs, which Turkish steel producers compensated by increasing the prices of final products.

In addition, Turkish producers benefited from the increase in rebar prices in China, given the positive macroeconomic outlook announced by the Chinese government after the National Day celebrations. Also in October, European buyers of Turkish rebar became more active, as a new period of quotas for the import of rebar into the EU started.

In export markets, Turkish rebar faces competition from North African suppliers offering lower prices, notably at $575-580/t FOB from Egypt and $560-590/t from Algeria. Turkish prices at more than $600/t FOB seem too high for many buyers, so demand has weakened in the EU, the Balkans and Central America. Some Turkish companies tried to conclude agreements with buyers from the Balkans at a price of up to $590/t, but such agreements were isolated.

It is expected that rebar prices may stabilize at $590-610/t FOB in the coming month. Domestic demand in Turkey, especially amid shortages of certain rebar sizes, could support prices even if demand in export markets declines. Other factors that will affect the market include changes in scrap prices, the impact of macroeconomic events, including the US elections and expected actions from China's National Congress.

Overall, in the absence of significant demand growth, the Turkish rebar market may see little price movement as manufacturers try to maintain current price levels until the end of the year.



Europe

In October 2024, the European rebar market showed different price trends: in Northern Europe, prices remained stable for the third consecutive month at €610-630/t Ex-Works, while in Italy they fell by 5.3% – to €530-540 /t Ex-Works, after a previous drop of 1.7% in September. Such a decrease in Italy is due to weak demand and a significant level of competition from import suppliers, in particular from Egypt. Demand for rebar in Italy remains low, and buyers are limited to purchasing only minimum volumes. Many end users, especially in the construction sector, are switching to purchasing imported rebar, which are cheaper than local rebar. Egyptian suppliers, in particular, supply products to Sicily at competitive prices – around €530/t Ex-vessel. This situation increases the pressure on local producers and leads to production restrictions. High energy and scrap costs also negatively affected the margins of Italian rebar producers. Prices for scrap in October decreased, but remain at a level that, together with other costs, do not allow maintaining the profitability of production. Many manufacturers are set to temporarily halt production for the Nov. 1 holiday, and some are planning longer shutdowns to cut costs.Despite the attempts of ArcelorMittal and other large European producers to increase the prices of rolled products, in particular rebars, by €40/t, the market does not accept these intentions due to weak demand. In France and Germany, expectations for price increases are also restrained by low consumer activity and reduced purchasing interest by the end of the year. It is expected that in November Italian producers may try to raise rebar prices by €30-40/t to €560-580/t. However, the success of such attempts will depend on the dynamics of demand and scrap prices. If demand remains low, Italian producers will not be able to raise prices. At the same time, competition from lower-priced North African suppliers is likely to hold back price growth in other parts of Europe as well.

USA

In the US (US Midwest), rebar quotations for the period September 27-October 25 decreased by 2% – to $710-720/t Ex-Works.In the rebar market in the USA during October 2024, a decrease in prices was observed, caused by weak demand and significant supply. Rebar quotations in the US Midwest region between September 27 and October 25 decreased by 2% to $710-720/t Ex-Works. Since the beginning of the year, prices have never shown a monthly increase.Demand remains weak due to election fears and economic uncertainty. In addition, a number of factors affected the market: a strike by port workers on the US East Coast led to a short-term supply disruption, and natural disasters such as Hurricanes Helen and Milton caused business disruptions in the Southeast. The dynamics of world prices for scrap and the decrease in the cost of hot-rolled and cold-rolled coil also created additional pressure on the rebar market. In the short term, rebar prices are expected to remain stable or slightly lower until after the election.

China

On the rebar market of China in October, a moderate price increase was observed – by 0.6%, to $475-476/t FOT, which is significantly lower than the August and September rates. In October, prices remained under the influence of volatile demand and macroeconomic expectations.At the beginning of the month, the market was stable, but after the press conference of the State Council, which did not justify the investors' hopes for the support of the real estate market, the futures for rebar fell sharply. Further easing of credit policy by the People's Bank of China (reduction in lending rates) provided short-term optimism, but demand remained weak amid challenges in the construction sector.Despite significant rebar inventories, the market is expected to remain relatively stable with limited volatility in the coming weeks. Macroeconomic stimulus, in particular, the expected decisions at the next meeting of the National People's Congress, may support prices in the short term, although tangible growth is unlikely.

Turkey's rebar exports down 19.3% in September 2024

In September 2024, steel enterprises of Turkey reduced rebar export by 19.3% compared to the same month in 2023 – to 328.8 thousand tons, while it increased by 9.6% compared to August, This is evidenced by the preliminary data of the Turkish Statistical Institute (TUIK).

The average registered price in September was $578/t against $567/t in September 2023 and $588.5/t – in August.

The main export destinations of these products from Turkey in September were Palestine – 74 thousand tons (it did not import in September 2023). 44.8 thousand tons (-84.6% y/y) and 29.39 thousand tons (+19.3% y/y) were shipped to Yemen and Albania, respectively.

Against the background of mutual trade restrictions between Turkey and Israel, exports in this direction were not carried out, while in September 2023 the volumes were estimated at 109.31 thousand tons.

Despite the drop in rebar exports, Turkey produced 3.09 million tons of steel in September, which is 6.5% more than the previous year. Compared to the previous month, the indicator decreased by 1.7%.

During January-September, the volume of steel production reached 27.91 million tons (+13.8% y/y).

In January-September, Turkey reduced rebar export by 5.4% compared to the same period in 2023 – to 2.34 million tons.

WorldSteel recently downgraded its short-term forecast for global steel demand in 2024 to -0.9% y/y. (1.75 billion tons). In particular, in Turkey, the indicator will decrease by 5.5% compared to 2023, to 36 million tons. In 2025, the trend will continue, but the rate of decline will slow down to 1.7% y/y. (35.5 million tons).

China's iron ore imports rise 4.5% in October 2024

China's iron ore imports continued to rise in October, supported by improved profit margins in the steel industry thanks to recent government stimulus measures.China's iron ore imports rose 4.48% year-on-year to 103.84 million metric tons in October, according to data released on Thursday by the General Administration of Customs.This is after imports recorded 104.13 million tons in September, compared with 99.39 million tons in October 2023. Since the beginning of this year, China's iron ore imports have exceeded 100 tons for eight months, according to Reuters.Zhou Guiqio, market analyst at Jinrui Futures, explained in a statement to the agency that demand for iron ore in China rose last month due to improved profit margins in the steel industry, which also boosted imports during the same period.

These factors and positive data led to a 1.21% rise in iron ore futures prices for December delivery on the Singapore Exchange to $105.20 per tonne at 10:12 AM Mecca time, after falling 1.37% in yesterday's session.

Technology

Danieli to install ultra-lowemission EAF for China's Shougang

Italian plantmaker Danieli has announced that it will supply Chinese steel producer Shougang with a new EAF using Danieli's Zero Bucket technology for producing automotive-exposed grades.

Zero Bucket technology features horizontal preheating and continuous charging with a capacity of 160 mt of tapped steel, minimizing carbon emissions.

Being flexible in raw material charging and low in energy consumption, Zero Bucket technology allows high reliability and utilization with less noise and pollutant emissions.

The new EAF will be installed at Qian'an Steel Works in Hebei Province. Construction is expected to start in October 2025 and finish in December 2026.

Arab Iron and Steel Union

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