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Latest News

Gulf Area

Saudi Pipes' profits jump 71% to 65 million riyals in Q3

The net profit of the Saudi Steel Pipes Company "Saudi Pipes" increased by 71% in the third quarter of 2024 to 65 million riyals, from 38 million riyals in the corresponding quarter of 2023.

On a quarterly basis, the company's profits decreased during the third quarter of this year by 9.7% compared to a net profit of 72 million riyals in the second quarter of the same year.

The company said in a statement to the Saudi Stock Exchange that the increase in net profits in the third quarter is due to the increase in gross profit to 118 million riyals in the third quarter of 2024 from 64 million riyals in the third quarter of 2023, as a result of the increase in sales volume, improved efficiency and sales mix, and a decrease in financing expenses to 9 million riyals in the third quarter of 2024 from 14 million riyals in the corresponding quarter of last year due to a decrease in loans.

The company's quarterly revenues increased to SAR 381 million for the third quarter of 2024 compared to SAR 317 million for the third quarter of 2023, which is mainly due to the increase in sales volume.

As for the company's results in the first nine months of this year, its profits increased by 61.36% to SAR 213 million compared to SAR 132 million in the corresponding period last year, as a result of the increase in gross profit due to the increase in sales volume, which is mainly due to the unification of the results of Al-Alamiya Pipes for the entire nine-month period of 2024 compared to the unification of its results from May 17, 2023 for the nine-month period of 2023, as well as the improvement in efficiency and sales mix.

Revenues increased by 61.7% to SAR 1.36 billion for the nine-month period of fiscal year 2024 from SAR 846 million for the nine-month period of fiscal year 2023, due to the increase in sales volume, which is mainly due to the consolidation of Global Pipes' results for the entire nine-month period of fiscal year 2024 compared to the consolidation of its results from May 17, 2023 for the nine-month period of fiscal year 2023.

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UAE and Bahrain join ITA initiative to support green projects

The Industrial Transition Accelerator (ITA) announced that the UAE and Bahrain have joined the ITA initiative, which supports green industrial projects, as the first two countries in the Middle East and North Africa region to expand the scope of carbon emission reduction efforts in the industrial sector in the region. This came in the presence of Dr. Sultan Al Jaber, Minister of Industry and Technology, and Abdulla Fakhro, Minister of Industry and Commerce in the Kingdom of Bahrain.

This regional expansion comes after the success achieved by the initiative through the launch of a program to support industrial projects in Brazil, which was announced in July of this year in cooperation with the Ministry of Development, Industry, Trade and Services in Brazil.

More than six announced industrial facilities in the UAE have been identified as being aligned with the climate neutrality targets according to the Mission Possible Partnership's global project tracker, and if these facilities reach the final investment decision stage and are added to those currently operating or already in operation, they will contribute nearly 30% of the UAE's 2030 climate target.

Among the first companies to sign formal agreements to work with the UAE's Industrial Transition Accelerator under the MENA programme are Emsteel, Emirates Global Aluminium, and Arabian Gulf Steel Industries. Additional countries are expected to be announced in the coming months.

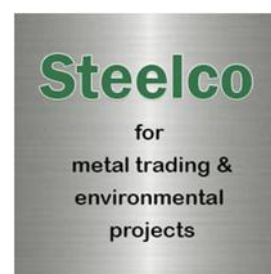
The Industrial Transition Accelerator initiative will work in collaboration with regional governments, industry leaders, businesses, and funding agencies to support investments in emerging green industries in the region and mobilise the capital needed to drive regional and international carbon reduction efforts.

The Middle East and North Africa (MENA) region is the second destination for the Industrial Transition Accelerator (ITA) initiative in its global efforts to accelerate the reduction of emissions from industrial projects. The industrial sector contributes 40% of the MENA region's GDP, exceeding the global average of 26%. With its potential, the sector is ideally positioned to lead the global effort to reduce carbon emissions from heavy industries, in light of the current global environmental challenges.

The ITA analysis, which draws on the Mission Possible Partnership's global project tracker, shows a number of green industrial projects announced in the MENA region. However, the future of these projects depends on receiving billions of dollars in investment to start producing green goods. This requires stronger market demand to boost confidence among companies and investors and motivate them to take action in this area.



حديد
hadeed



World

Steel prices in the third week of November 2024

According to the prices announced in the global steel markets, scrap prices amounted to \$356/ tonne, \$8 down compared to last week's prices. and iron ore prices \$96/ tonne, \$6 down compared to last week's prices.

While the prices of billets ranged between 460 – 490 Dollars per tonne, while it was between 460 – 493 dollars per tonne last week, and rebar prices ranged between 530 –590 dollars/tonne, while it was between 530 –600 dollars per tonne last week.

The following is the **steel prices** statement in the global markets on 16 November 2024:

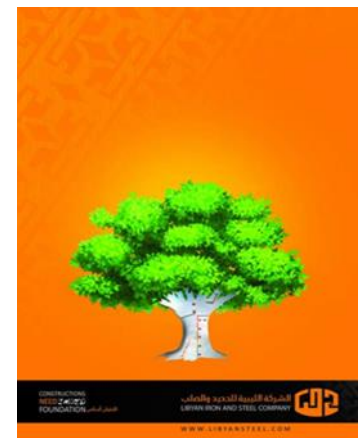
Product	Place	Min	Max	Date	w-o-w
Scrap HMS 1&2 (m ix 80:20)	CFR Turkey	356	356	16/11/2024	↓ -8
Iron ore Fe 62%	CFR- Australia	96	96	16/11/2024	↓ -6
Billet	FOB Russia	460	470	16/11/2024	↔ 0
	ex-CIS,CFR Tukey	480	490	16/11/2024	↓ -2
Rebar	FOB Turkey	580	590	16/11/2024	↓ -10
	FOB CIS	530	560	16/11/2024	↔ 0
Wire Rod	FOB Turkey	590	595	16/11/2024	↓ -13
HR coil	FOB Russia	495	510	16/11/2024	↓ -3
CR coil 1mm	FOB China	550	560	16/11/2024	↔ 0

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Vietnam's steel imports up 23.2%, scrap up 7.7% in Jan-Oct 2024

In October this year, Vietnam's steel imports reached 2,412,410 mt, up 41.7% compared to September, with China as the largest exporter with 1,856,612 mt, while its scrap imports grew 7.5% month-on-month to 346,153 mt, with Japan as the largest exporter with 189,663 mt, according to data released by the General Department of Customs of Vietnam.

In the first 10 months of the year, Vietnam's steel imports rose 23.2 percent year-on-year to 14.71 million mt, with China as the largest exporter with 10.16 million mt, while its scrap imports reached 3.88 million mt in the specified period, up 7.7 percent year-on-year, with Japan as the largest exporter with 1.98 million mt.



COP29: Now is the time to fast-track, not backtrack' on the path to net-zero

Meeting on Thursday with non-governmental entities in Baku for the COP29 climate talks, UN Secretary-General António Guterres highlighted the crucial role that cities, regions, businesses and financial institutions must play in driving the worldwide effort towards reaching net-zero emissions by mid-century.

“We need a massive global effort to steer our world onto a path to safety; you are out in the front...helping consumers, investors and regulators understand what credible net-zero looks like,” said the Secretary-General.

As violent weather inflicts human tragedy and economic destruction worldwide and with efforts to limit the rise in global temperature to 1.5 degrees Celsius slipping away, Mr. Guterres convened the high-level meeting of non-State actors to spotlight their actions and strategies since 2022, in line with key recommendations issued in a report he launched at COP27 in Shram-el-Sheikh.

The path to safety

The report, Integrity Matters, set out 10 recommendations that serve as a “how-to” guide for credible, accountable net-zero pledges. They detail what non-State actors need to consider at each stage of their progress towards achieving net-zero ambitions and tackling the climate crisis.

Put simply, net zero refers to the balance between the amount of greenhouse gas produced and the amount that is removed from the atmosphere. Reaching this goal requires cooperation between businesses and financial institutions, and other entities working alongside governments.

Fast-track, not backtrack

On Thursday, the Secretary-General thanked the non-State actors for taking the lead in the global efforts towards the net-zero goal, but said: “Now, we need others to follow.”

He first urged all non-State actors to create robust, accountable transition plans by COP30 next year. The plans must be consistent with limiting global temperature rise to 1.5C, and chart a course to net zero by 2050, through milestones in 2025, 2030, 2035, and beyond.

“They must chart a course to fossil fuel phase-out – based in the science. They must disclose policies on lobbying and policy engagement. And they must commit to deep decarbonization across the entire value chain,” said Mr. Guterres

He also stressed that all such plans must not rely on dubious offsets, including for so-called Scope 3 emissions, or indirect emissions, such as those produced by purchased goods and services, business travel or waste disposal.

“Now is the time to fast-track, not backtrack; the time for ambition and transparency. Not greenwashing,” he stated.

Work together with governments

Mr. Guterres called for moving from voluntary pledges to mandatory rules. “The future of humanity is at stake. Action cannot be optional. Disclosing credible transition plans, that align with 1.5 degrees must be mandatory for corporates and financial institutions.”

The UN chief also urged businesses, financial institutions, cities, regions and more, to work with governments on their national climate action plans, or NDCs, due by COP30.



China steel output rebounds after four-month decline

China's steel output rebounded in October, snapping a four-month losing streak, as market sentiment improved on Beijing's efforts to stimulate economic growth.

Improved profit margins helped steelmakers increase output to 81.88 million tonnes, up 6.2% from September and 2.9% higher than a year earlier, according to data from the National Bureau of Statistics. The cumulative decline in output in the first 10 months of the year compared with 2023 narrowed to 3%.

While many mills are still facing losses and a slowdown in the property sector continues to weigh on demand, analysts have noted a recovery in demand driven by increased industrial demand, state-backed construction activity and rising exports. Still, the long-term outlook for the steel industry remains bleak.

The country's leading steel association last month urged mills to maintain production discipline, warning that the recent price rebound did not reflect a significant improvement in underlying economic conditions. While the government is signaling its readiness to provide more stimulus over the coming year, future measures may not be enough to revive traditional sources of demand in the market, such as new housing projects and large steel-intensive infrastructure.

China's steel exports hit 9-year high

China's steel exports in October 2024 increased by 10.1% compared to the previous month – to 11.18 million tons. Shipments increased by 40.8% compared to October 2023. It is reported by Reuters.

During January-October this year, Chinese producers exported 91.89 million tons of steel (+23.3% y/y), which already exceeds the total exports of 2023 and is the highest since 2016. Thus, this year's figure may exceed 110 million tons.

Iron ore imports to China in October 2024 decreased by 0.2% m/m and increased by 4.5% y/y – to 103.84 million tons. Over 10 months, the figure reached 1.023 billion tons, up 4.9% y/y.

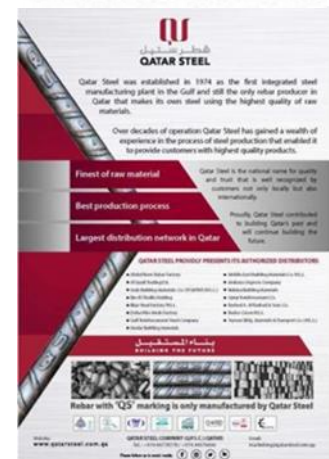
Steel imports to China in October amounted to 536 thousand tons (-3.2% m/m; -3.2% y/y). In January-October, imports decreased by 10.1% y/y – to 5.72 million tons.

In 2023, China increased its exports of steel products by 36.2% compared to 2022, to 90.3 million tons. Steel imports to China amounted to 7.64 million tons, down 27.6% yoy. Ore imports for the year increased by 6.6% compared to 2022 to 1.179 billion tons.

In 2023, China produced 1.019 billion tons of steel, up 0.6% from 2022.



SMS  group



OPEC cuts oil demand growth forecast for fourth month

The Organization of the Petroleum Exporting Countries (OPEC) has cut its forecast for global oil demand growth in 2024 and 2025, the fourth downward revision by the group in a row.

The group said in its monthly report that global oil demand will rise by 1.82 million barrels per day in 2024, down from its forecast last month of 1.93 million barrels per day.

It also cut its estimate for global demand growth in 2025 to 1.54 million barrels per day, from 1.64 million barrels per day.

But OPEC kept its forecast for non-OPEC+ oil supply unchanged from last month at 1.2 million barrels per day in 2024.

For 2025, the report estimated that non-OPEC+ oil supply would stabilize at 1.1 million barrels per day, unchanged from the previous five-month estimate. There is a wide division among industry experts on the strength of demand growth in 2024, partly due to disagreements over the level of demand from China and the pace of the global shift to cleaner fuels, and OPEC remains at the top of the industry estimates after the revision.

This comes after China's stimulus plan and concerns about oversupply shocked markets in previous sessions in oil markets, dropping prices to levels of \$70 a barrel.

Eight OPEC Plus member states, namely Saudi Arabia, Russia, Iraq, the UAE, Kuwait, Kazakhstan, Algeria and the Sultanate of Oman, are reducing production in order to balance the market. These countries agreed in early November to extend their additional voluntary oil production cuts of 2.2 million barrels per day for a month until the end of next December. OPEC's reduction in oil demand growth expectations was met by raising its expectations for global economic growth in both the current and next years by a tenth of a percentage point to 3.1% and 3%, respectively. This is driven by raising expectations for the growth of the US economy, the world's largest crude market. Meanwhile, the organization raised its estimates for China's economic growth for 2025 only, and kept them for the current year at 4.9%, until the impact of the financial stimulus package launched by the Chinese government to revive the world's second-largest economy becomes clear.

Iron ore prices fall by about 2%, approaching \$100 per ton

Iron ore prices fell for a second straight session, as investors were disappointed with China's recent fiscal measures.

Iron ore futures for December delivery on the Singapore Exchange fell 1.81% to \$100.7 per ton at 10:57 a.m. Mecca time, after falling 2.5% earlier in the trading session, and 2.8% at the end of last Friday's session.

China unveiled a financial support package for local governments late last week to ease its debt crisis, but the measures did not address direct public spending, boost aggregate demand, or stimulate the struggling real estate sector.

This added further pessimism to Beijing's demand outlook for iron ore, of which Chinese port stocks have risen over the past four weeks to their highest level since early September, according to Bloomberg.



Financial Times: The trade dispute over steel between Brussels and Washington is renewed

The British newspaper, Financial Times, reported that the frozen trade dispute over steel has become an early test for the European Union's relationship with the incoming administration of US President-elect Donald Trump.

The outgoing US President Joe Biden had reached a truce with the European Union in the conflict that erupted when former President Donald Trump imposed tariffs on steel and aluminum in 2018, but each side is scheduled to reimpose its tariffs on the other next year.

The newspaper quoted Rufino Hurtado, the trade representative at the US mission to the European Union, as saying that the Commission must make a choice, as March 2025 will not be long after the inauguration of the US president-elect. He added that it is entirely up to the European Union to decide what will happen in 2025 regarding these retaliatory tariffs, whether to extend the suspension again or allow them to return.

The newspaper pointed out that Trump, who was re-elected, threatened to impose tariffs ranging from 10 to 20 percent on all EU imports, and attacked the union for selling more to the United States than it buys from it.

It added that under the Biden agreement, the United States replaced the tariffs it imposed in 2018 of 25 percent on steel and 10 percent on aluminum with a quota system, while the European Union suspended its retaliatory tariffs on American goods.

It quoted Hurtado at a press conference in Brussels that although the European Union and the United States "were closer than ever" on most issues, Brussels had stalled progress in talks over the past three years.

The newspaper pointed out that the two sides agreed to establish a "Green Steel Club" in 2021 when the dispute ended, explaining that the idea was based on agreeing on environmental standards with the aim of preventing cheap Chinese metals made using fossil fuels from flooding the markets of the United States and the European Union.

Hurtado said the US had made "ambitious" proposals but that they were "not consistent with the EU's goals," according to the newspaper.

The Financial Times also quoted Valdis Dombrovskis, the EU's trade commissioner, as saying the proposed arrangement on steel and aluminium would have to be in line with multilateral trade rules.

EU officials also argued that the US plan, which favours domestic producers, would violate World Trade Organisation rules, according to the newspaper.

It noted that Brussels wants the Green Steel Club to be based on its own carbon border adjustment mechanism, which will impose tariffs on imports according to the amount of carbon they emit starting in 2026. This would also affect US steel, as the country does not have a national carbon pricing system, a mechanism or system through which carbon prices are set, such as the carbon pricing system through which carbon emissions are charged.

The newspaper reported that EU producers still pay about \$300 million a year for metal exports that exceed Quotas imposed by the United States to resolve the crisis. The European Union is scheduled to re-impose customs duties on US imports worth 4.8 billion euros starting March 31.



US steel exports down 13.3% in September

According to export data from the US Department of Commerce, monthly steel exports in September this year decreased 11.3% from August and down 13.3% year on year to 379,700 mt.

In terms of value, US steel exports in September totaled \$1.19 billion, compared to \$1.33 billion in August and \$1.27 billion in September last year.

Steel exports to Mexico in September down 21.6% compared to August and were up 8.1% year on year to 353,884 mt, while exports to Canada were down 5.2% month on month and down 16.2% compared to September last year to 277,306 mt.

Other top destinations for US steel exports in September included the Dominican Republic with 4,287 mt, Brazil with 8,012 mt, China with 2,037 mt, India with 1,589, and the United Kingdom with 1,539 mt.

Major steel products exported in September include HDG at 118,047 mt, hot rolled sheets at 69,815 mt, cut-length steel plates at 82,207 mt, cold rolled sheets at 72,810 mt, and plates in coil at 36,820 mt.





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