
Al-Tuwairqi Al-Ittifaq sales up by 15pct in 7 months

Wednesday, 19 Aug, 2009

Al-Ittifaq sales growth during first 7 months of the current year was recorded at the rate of 15% comparing to same period during year 2008. Total sales in terms of volume exceeded 1 million tonnes with turnover value of SAR 2.5 billion in contrast to the sales figures of previous year.

The continuous ongoing government and private projects contributed in stabilizing the steel market

Mr Faisal Haddawi board member & commercial director of Al-Tuwairqi Holding said that “We have witnessed realization of 15% growth during 1st half of the year 2009”

He said that “These optimum results were achieved despite of international economic crises and slowdown in international steel market, which are now showing prospective signs of economic reform.”

Mr Faisal attributed sales growth to diverse customer base in local market and strong distribution channels throughout the Kingdom, equally supported by their high quality and competitive product. He said that “Furthermore, the consumption volume for the reinforcement steel in the Saudi market is estimated at 6 million tonnes annually with 1/3 of the market share engrossed by Al-Ittefaq Steel.”

He added that “The driving factor behind optimum markets, are the clearly evident signs of improvement in world economy. In addition to local demand, the government expenditure contributes to increase of huge construction projects and resulting in increasing Steel demand in the local market, with the project planners focusing to expand expenditure on infrastructure projects, economic cities and various residential projects.”

Mr Haddawi noticed that the last 4 months had witnessed increase in building contracts in exception to the government and private projects, despite the usually anticipated calm market during Ramadan season.

The statement confirms Al-Tuwairqi Holding is all set to increase the production output in 2010 with the support and coordination of the Ministry of Commerce & Industry to become on of the largest steel group in the Arab world, with the commencing of their new plant “Arab Steel” which composed of Pelletization Plant, DRI Plant & Steel Billet Melt Shop of 2 million tonne capacity, grossing total production capacity at 5.4 million tonnes annually.

The size of local market for the steel consumption stands at 4.5 million tonnes in 2007 and 4.4 million tonnes in 2008, with estimated demand in 2009 reaching 6 million tonnes.

Al-Tuwairqi Holding came into existence in 1977 beginning from Trading & Contracting and expanding through acquisition of steel companies, hence in year 1990, Al-Ittifaq at Dammam was established. Keeping in conformity to geographical and strategic expansion plan, in the year 2005 Al-Ittifaq at Makkah was established.

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