
Shaoguan Steel and Panzhihua Steel to gain profits in Q3

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Shaoguan Iron & Steel Co Ltd publishes its expectation on Q3 performance that the company will gain CNY 260 million of net profits in the Q3 up by 500% to 550% versus the same period of last year.

According to the company report, it lost CNY 218 million in the H1 of this year, so Shaoguan Steel posted about CNY 40 million of net profit in the first three quarters down by 90% YoY to 95% YoY.

The company said in the reports that, steel price plunged at the start of this year owing to the sluggish demand caused by the financial crisis as a result the company experienced cruel losses in the H1. Then, the price rebounded a lot since April meanwhile the company eyed its profit growing largely in the Q3.

Steel industrial analyst said the amazing performance of Shaoguan Steel mainly attributes to the big margin in long products.

Pangang Group Pangzhihua Steel & Vanadium Co Ltd said that it made a much better operating result in July to September and expect the company will still appear to be in deficit in the first three quarters, since steel pipe prices always stays in low level and prices for plates and wire rods quickly drops from the top lately.

(Sourced from MySteel.net)

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