
Imported steel flooding Vietnamese market

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Intell Asia reported that imported steel continued flooding Vietnamese market and caused heavy pressure on domestic steel makers to lower the selling price. The imported steel supply mainly comes from ASEAN countries like Malaysia, Thailand, and Indonesia with the preferential import tariff of 5%.

Vietnam Steel Corporation has announced to cut down the wholesale price for rolled steel by VND 200,000 per tonne as compared with mid-September 2009 to VND 11.32 million per tonne. Other steel enterprises also posted the same reduction.

With the selling price of VND 11.1 million per tonne (VAT inclusive), the price of rolled steel imported from Malaysia (enjoy the import tariff of 0%) is cheaper VND 700,000 per tonne against the domestic price.

Mr Nguyen Tien Nghi VC of Vietnam Steel Association said that the association is tracking closely the movement of steel import from ASEAN nations in recent months. The steel volume accounted for 12% in 2008 but jumped to over 80% in late September 2009.

(Sourced from Intell Asia)

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