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## **Egyptian steel sales drop despite discounted rates**

*Thursday, 11 Mar, 2010*

It is reported that sales of local and imported steel bars dropped by 70% this week despite reduced prices. Experts were unable to explain the dip in sales, as demand remained high until the end of last year.

Meanwhile, the public sector steel company raised its prices by EGP 50 per tonne to sell for EGP 2750 per tonne in light of a global increase in the cost of raw material.

Mr Hashem El Degwy a steel dealer said that demand is too low, though the product is sold at wholesale prices. Imported steel is sold for EGP 3100 per tonne while some local produce is sold for EGP 3150 per tonne.

Nevertheless, Ezz Steel said that it would continue expanding its plant in Ain Sokhna. The Egyptian Brass Company said hat it is injecting some EGP 22 million to modernize its aluminum galvanization production lines.

The Moroccan Steel Company will invest USD 500 million in an effort to bring Morocco's total steel production up to 2.5 million tonnes per year.

The Saudi al Raghy Group will increase its production by 1 million tonnes per year with an investment of SAR 800 million. Similar expansions will take place in Qatar and Syria to increase production levels.

(Sourced from news.egypt.com)

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