
Qatar steel makers facing low priced Turkish imports

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Construction Week reported that steel producers in Qatar are being edged out by Turkey in their price competitiveness as the metal rises overall against falls in cement and vehicle hires of up to a third.

Data gathered by Statistics Centre of Abu Dhabi, which collects data across many industries as well as economic surveys based in the UAE capital has found the Eastern European state undercutting rivals in Qatar since the beginning of this year as the price for number of steel products fluctuate.

The average price per ton of 10 mm to 25mm steel bars from Turkey last month stood at AED 2,183 the same as the UAE compared to AED 2,400 in Qatar. Turkish high tensile steel per ton was AED 2,208 compared to AED 2,216 in the UAE and AED 2,267 in the gas rich state.

The beginning of this year also saw a similar discount with steel bars reaching as low as AED 2,001.3 from Turkey in February against AED 2,007.5 in the UAE and AED 2,012 from Qatar.

But the price spike at the beginning of the Q2, partly driven by the biggest miners capitalizing on the increasing price of iron ore one of the key ingredients in steel by renegotiating contract terms and conditions, saw Turkey temporarily lose out in the Gulf region. Steel bars from the country rose to AED 2,825 against AED 2,783.5 and AED 2,758.3 in UAE and Qatar respectively in May.

Local steel suppliers such as Mr Govia at Gulf Steel Industries had highlighted last month as to the competition from Turkey. By contrast, Mr Ahmad Matar GM at Al Arrab Electromechanical Engineering said that the supply of materials in Qatar has dramatically improved in the last 3 years reducing the need to import. The company is currently working on MEP work for seven towers in the landmark Pearl Qatar project.

(Sourced from Construction Week)

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