
Monday Market Monitor - Middle East (WEEK 14) - Slump continues

Monday, 06 Apr, 2009

Middle East Steel Prices fell last week. The Middle East Long Product Price Index MLPPI and Middle East Flat Products Index MFPPI fell by 31 and 62 points respectively. The overall price index MEASPI declined by 40 points.

Class	26-Mar	2-Apr	Change	%
MLPPI	3694	3664	-31	-0.8%
MFPPI	5562	5500	-62	-1.1%
MEASPI	4260	4220	-40	-0.9%

MLPPI - Middle East Long Product Price Index

MFPPI - Middle East Flat Product Price Index

MEASPI - Middle East Steel Price Index

Long Products:

Category	26-Mar	02-Apr	Change
PI - Rebar	3280	3247	-34
PI - WRC	3509	3482	-27
PI - Angle	4807	4761	-46
PI - Structural	4878	4843	-35
PI - HEA	5396	5383	-13

PI - Price Index

Flat Products:

Category	26-Mar	02-Apr	Change
PI - Narrow Plates	5435	5390	-45
PI - Wide Plates	7738	7702	-36
PI - Hot Rolled	4307	4156	-150
PI - Cold Rolled	4856	4816	-41
PI - Galvanized	5178	5149	-30

PI - Price Index

To know more about these indices please visit
http://steelprices-middleeast.com/spi_services/spi.html

Re bars

An analysis of the domestic price graph lucidly indicates the prices of re bars have been decreasing since January beginning except for a minor correction in 3rd week and continue its sloping gradient ever since. (Ref: STT: Rebar prices continue to weaken in UAE dated April 3rd 2009).

Several leading construction companies in the Middle East are uncertain about the future of their projects. Moreover, they all are sitting on large inventories of Rebar and most of them have procured at relatively at high prices.

Rebars

BS4449 Grade 460 B

Location	CUR	Change	USD	%
Dubai	AED	-20	-5	-1.1%
Dammam	SAR	30	8	1.7%
Bahrain	BDR	-10	-27	-4.9%
Kuwait	KDW	-4	-15	-2.7%
Qatar	QAR	0	0	0.0%
Jeddah	SAR	-20	-5	-1.1%

Change is on April 2nd 2009 as compared to March 26th 2009

Change is in USD per tonne

WRC

Likewise WRC prices has exhibited decline by 1% in last week. A major mill went full stream during this period augmenting material availability gravitating prices. (Ref: STT Middle East Steel prices dips under pressure of cheap imports: dated April 1st 2009).

Wire rod

SAE 1008

Location	CUR	Change	USD	%
Dubai	AED	-20	-5	-1.1%
Dammam	SAR	-15	-4	-0.7%
Bahrain	BDR	-15	-39	-6.4%
Kuwait	KDW	0	0	0.0%
Qatar	QAR	0	0	0.0%
Jeddah	SAR	-15	-4	-0.7%

Change is on April 2nd 2009 as compared to March 26th 2009

Change is in USD per tonne

HRC

The prices continued downward trajectory under pressure of cheap import from Turkey at USD 430 per tonne CNF Middle Eastern port. It is reported that China has entered the fray with offers as low as USD 450 per tonne CNF Middle Eastern port. As a result, stockiest carrying high priced inventory are under pressure to liquidate stocks at competitive rates.

Moreover it is also reported that HRC cargoes destined for China at USD 450 per tonne CNF Main Chinese ports are being diverted from high seas to Middle East and other neighboring regions due to sudden slump in demand within China. This is likely to commence downward spiral for HRC price. (Ref: STT Middle East Steel prices dip under pressure of cheap imports: dated April 1st 2009).

Plates

3x12

S275 JR

Location	CUR	Change	USD	%
Dubai	AED	-25	-7	-0.6%
Dammam	SAR	-20	-5	-0.4%
Bahrain	BDR	-10	-26	-2.1%
Kuwait	KDW	-2	-7	-0.6%
Jeddah	SAR	-20	-5	-0.4%

Change is on April 2nd 2009 as compared to March 26th 2009

Change is in USD per tonne

Turkish steel mills, which are the major supplier to MEA, maintained their FOB offers.

Product	Grade	Size mm	Change
Billets	SAE 1008	125 x 125	-10
Rebars	BSt500	8 to 32	0
Wire Rod	SAE 1008	5,5 to 16	0

Change is on April 2nd 2009 as compared to March 26th 2009

In USD per tonne

On the other hand import offers CNF Turkey also saw correction last week in billets.

Product	Grade	Size mm	Change
Scrap	A3	500x500x1500	5
Billets	3Sp/Ps	125x125	-10
HRC	S235JR	3-12x1000-1500	-10
PLTS	S275JR	10-40x2500-3000	-10

Change is on April 2nd 2009 as compared to March 26th 2009
In USD per tonne

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