
Ezz Steel raises rebar prices

Monday, 04 May, 2009

Almasry Alyoum reported that the sale of rebar came to a standstill yesterday in many stores nationwide as the Ezz Steel Group raised steel price by LE 150. As a consequence, factories raised their prices as well, bringing them to LE 3,400 a tonne for consumers.

Many consumers tend to build real estates now, as summer is drawing close and Egyptians working abroad are coming back.

Investment companies are expected to back down on the current prices due to poor demand by consumers, as 200,000 tonnes of imported steel are being kept in warehouses and ports at LE 350 less than the price of local factories.

Ezz Group made LE 1.2 billion of overall profits last year but also suffered an estimated LE 300 million of losses in the last quarter of 2008. Its losses are still continuing due to the global crisis, while its stake in the market is shrinking as consumers are buying more and more Turkish steel.

Mr George Matta chairman of the Group's marketing sector said the price that the company had decided to adopt in May had been postponed since the announcement of the prices last April.

Mr Mohammed Hanafi director of the Chamber of Mining Industries predicted that prices would oscillate and that they might decrease next month.

(Sourced from Almasry Alyoum)

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