



TMEIC to Supply Steel Finishing Plant



A steel finishing facility in Indiana, USA, which prefers to remain anonymous, has ordered a replacement control system for a continuous descaler and tandem cold mill producing special cold-rolled steel for the automotive industry.

Roanoke, USA-based TMEIC will provide an advanced automation system, including Level 1 programmable controllers, Level 2 supervisory control software, and operator interfaces, all integrated with a high-speed fibre-optic network and shared memory. It will interface with existing motors and variable frequency drives. The company will also be responsible for system

commissioning, start-up and system performance optimisation. TMEIC's mill modernization expertise in successfully applying new technologies to existing assets allows its metals customers to offer a wider range of products to their markets. TMEIC has developed control and modeling techniques that allow phased-in implementation of the new system. "This assures a high degree of confidence in the updated system's functionality and performance before switchover from old to new control systems," claims TMEIC, adding that these techniques minimise unplanned outages and downtime during transition.

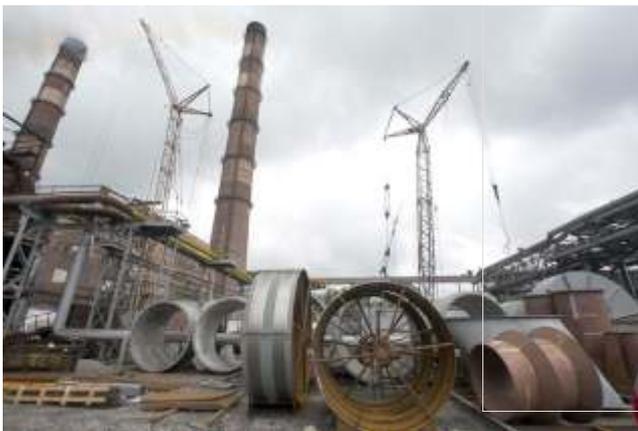
Italian Steel Prices Declined

In Italy demand for hot rolled coil is subdued as a result of competition from very attractive third country offers.



Despite disruptions to Ilva's production, local basis numbers have declined, in June. Hot rolled plate can be obtained within two weeks from local rerollers. Sales are slow. Overseas suppliers have cut their price offers to try and stimulate more orders. Internal overcapacity is depressing prices in the coated coil market. The performance of the vehicle manufacturers has progressed well. No recovery is envisaged in construction investment in the near term. Very little business is being transacted in the wire rod market. Scrap costs have reduced and are placing negative pressure on steel selling figures. Meanwhile, purchasing activity is slow for rebar. The lack of building work persists. After agreeing to a scrap-related hike in May, customers have successfully negotiated a discount in June, now that the raw material is cheaper.

Ukraine's Mariupol Plants in Critical State after Gas Cut-off



Two of Ukraine's largest steel plants are in a critical situation and may have to cut production, owner Metinvest said, after fighting in the separatist east severed gas supplies to the port city of Mariupol and two other towns. Mariupol, a southeastern government-controlled city on the Sea of Azov, lies close to the frontline with rebel territories. Metinvest's Ilyich and Azov Steel plants employ 10 percent of Mariupol's

population. The interior ministry accused rebels of shelling the pipeline, causing damage which gas transport monopoly Ukrtransgaz said had left three towns, including Mariupol, without gas supplies for up to two days. "The situation (at the plants) is critical. They are considering switching the blast furnaces to low run and limiting their steelmaking and rolling

processes," Metinvest said in a statement. Prime Minister Arseny Yatseniuk said Russia-backed had deliberately targeted the pipeline in a bid to destabilise Mariupol. "They're doing this on purpose to sow panic in Mariupol, to shut down the factories so that people don't get wages. It's part of the Russian plan," he said in a government meeting.

Rebel officials denied responsibility for

the attack on the pipeline around 100 km north of Mariupol. "The area indicated by Ukrainian authorities is beyond the reach of our mortars," separatist news service DAN quoted them as saying. The industrial hub has been under threat from rebel attacks for months despite a ceasefire deal. Control of the city would help the rebels form a corridor to the Crimea peninsula which Russia annexed from Ukraine last year. Production has fallen significantly at the plants since fighting erupted last April but they have kept working despite severe supply disruptions. Output at Ilyich, which is producing around half as much steel as before the conflict, was 1.1 million tonnes in the first four months of 2015, while Azov Steel produced 590,000 tonnes in the first quarter. Overall, steel production in Ukraine was down by 28 percent to 9.247 million tonnes in the first five months of 2015 compared with the same period last year, producers' union Metalurgprom said. Steel, chemical and agricultural goods make up the majority of Ukraine's exports.