UAE-based Masoka Steel to offer Galvanized Coil

A new UAE-based galvanized steel producer, Masoka Steel will offer galvanized coil in 0.18-2 mm thickness and up to 1250 mm width, with zinc coating between Z90-Z275 gms. The plant capacity is 72,000 tons per year. The company is buying raw material, i.e. CRC, from India at present. An official at Masoka Steel said that UAE market will be priority but company plans to diversify their sales to other countries in the MENA region as well as to Europe and USA to create their brand in different countries. As reported on MEsteel, UAE total market consumption for galvanized & PPGI is about 450,000-500,000 tons per year of which major galvanized steel producer, Al Ghurair Iron & Steel has capacity to produce 400,000 tons per year.

Furthermore, United Iron & Steel Company is also expected to start production in Q1 2017 having production capacity of 250,000-300,000 tons per year. Another galvanized producer, Asian Ispat production capacity is 240,000 tons. According to the official, Masoka Steel will start commercial operation from January 2017. Masoka Steel mill is located in Jebel Ali Free Zone South plot number S 40313 Dubai, United Arab Emirates and was incorporated in 2016.

Algeria's rebar imports weaken due to govt. policy

Algeria's rebar imports continue to weaken due to the government policy aimed at reducing the country's import bill and dependence on foreign steel. As a result, local buyers significantly scaled down cooperation with foreign suppliers. This move put the strongest pressure on European longs producers, especially those from Italy and Spain, who usually sell large quantities of steel products to Algeria.

In January-October 2016, rebar imports decreased by 11% to 2.19 million t year-on-year, according to Customs National Center for Computing and Statistics (CNIS). In terms of value they dropped to $961.6 million versus $1.2 billion registered over the same period last year. The figure declined by 23.6% y-o-y. The key reason is the government import limitation policy. Algeria is working on ousting foreign steel. It introduced quotas for rebar and wire rod in the first half of 2016 and a new license system.

As a result, importers faced a lot of difficulties with purchases of foreign products, while some exporters almost lost the market.

"The situation is blurred. The most up-to-date information, in January 2017, importers will be invited to submit their files to Ministry of Commerce for import licensing and probably, in the best variant, they will recover licenses at the end of February or the beginning of March 2017," a market insider in a report.

In these conditions, sellers are trying to redirect volumes meant for Algeria to other destinations. "Each Southern European export country is trying to find an alternative. Some Italian mills are very active in Central and Western Europe at the moment," a trader from the EU said.

El Marakby to ramp up longs production

Egypt's long steel producer El Marakby for Steel (El Marakby) has officially announced its plans to ramp up longs production capacity by the end of next year. Recently, El Marakby has set a launch date for the second rolling mill (250,000 tpy). The new line start-up is scheduled for Q1 2018.

As of today, the company is finishing feasibility studies of the project and is going to sign the contract for the equipment by the beginning of 2017, a company representative said in a report.

It is notable that this year El Marakby has successfully launched its own steelmaking facility (350,000 tpy). Besides, the company operates a rolling mill with a capacity of 240,000 tpy. Thus, with ramping up rolling capacity to more than 500,000 t in 2018, the producer plans to use the whole tonnage from the EAF for finished steel production.

This section is a compilation from various company press releases, business dailies & trade publications