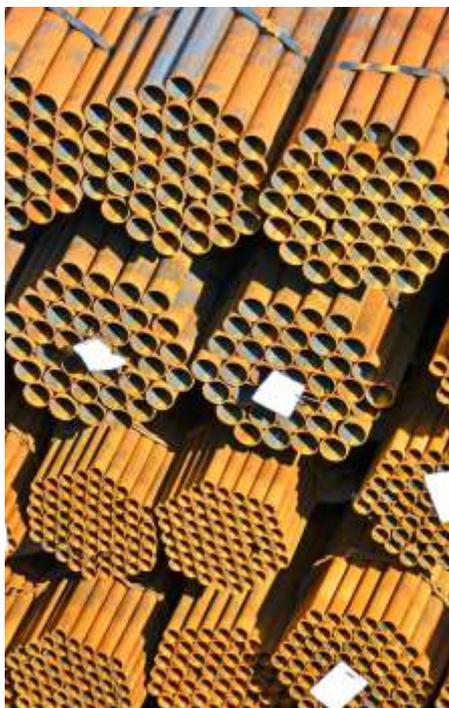


## Turkish Steel exports likely to rise in 2017



Turkish steel exports are expected to gain to 16.4 million metric tonnes this year and advance further by 3 percent during next year.

According to Turkish Steel Exporters' Association, Turkish steel exports are expected to advance next year mainly due to the announcement of the increase in public investments in Turkey in the coming months, the commissioning of some important projects, urban transformation gathering speed, recovery seen in sales of upstream industries such as housing, automotive and white goods which use steel products as inputs, association expects 2017 to be a better year for the Turkish steel industry.

Scrap prices have remained relatively cheap compared to iron ore prices in recent months and this has increased competitiveness of the Turkish steel industry since 70 percent of its production comes from electric arc furnaces which use scrap as raw material.

Meanwhile, association also said that the recovery in the domestic markets of the US, Europe and some Far Eastern countries including Japan and China will also positively affect Turkish steel exports in 2017, especially flat steel exports.

## TMK wins contract to supply steel pipes to PDO

TMK Gulf International Pipe Industry (TMK GIPI) was awarded again as the supplier of steel line pipes for Petroleum Development Oman (PDO). The company received two orders for 700 km and 900 km of 6" line pipes (flow lines pipes). The total volume of both orders amounted to 33,200 tons, according to TMK GIPI official statement. The deliveries have to be started in December 2016. "This is an important contract for us and we will ensure smooth execution of the orders for PDO," Vladimir Shcherbatykh, CEO of TMK GIPI, said. It is worth mentioning that at the beginning of November, PDO signed a \$200 million pipe supply contract with TMK GIPI as a part of its in-country value strategy for the development of oil and gas industry in the



Sultanate. Under the agreement, during the period from 2016 to 2019 TMK GIPI will supply around 190,000 tons of 6 24" line pipes. Moreover, the company will ship the first batch of 6" line pipes produced at the new line.

## Saudi Standards adopts new norms

The Saudi Standards, Quality and Metrology Organization (SASO) has adopted new steel standards from the beginning of the year. The governmental body has already introduced new specification for HDG and colour-coated steel products to oust low-quality imports.



Moreover, the authority is still working on the preparation of 84 new standards for the construction sector, which may influence steel producers as well. New specifications for HDG and PPGI are based on ASTM standard with some modifications to suit the requirements of the Saudi Arabian market, the major Saudi Arabian newspaper Al-Eqtisadiyah reports. According to the new standards, the minimum mandatory zinc coating for galvanized steel products should be no less than 90 g/sq m. For PPGI products, one of the main points has become lead content in the coating, which must not exceed 90 mg/kg. In addition, producers obliged to print all the product specification and identity on each linear meter.

All products, which do not conform to

the SASO standards, will be penalty charged after the imposition of new requirements. It is worth mentioning the standards were approved and published in the official journal on October 13, 2016, according to market information. Taking into account the period of validation, after April 13, 2017, Saudi buyers are likely to face penalty on HDG and PPGI imports, which do not meet the requirements.

Moreover, Saudi traders have to get rid of stocks before October 14, 2017, to avoid the punishment from authority. Meanwhile, SASO is preparing 84 new standards for the construction and building materials sector, Al-Eqtisadiyah reports. The body plans to control imports and inspect a number of local factories to check their compliance with the standard specifications.