



## News

### Iran Steel Market Trend in Week 07th, 2022



#### Billet

Billet price had an upward trend during last week in Iran by USD 5/mt to USD 599/mt ex-work including VAT. The reason was upward prices in world markets and higher prices at IME (Iran Mercantile Exchange). Restricting purchases to just manufacturers made demand level limited. The empty warehouses of re-rollers caused most of the offered billet at IME to be sold.

Also last week, according to Metal Bulletin, Iranian average export billet was up from USD 590/mt to USD 602-605/mt FOB.

#### Long Products

Despite lower rebar price at IME, spot market went its own way and prices increased. This was because most re-rollers were not ready to deliver all sizes. Market manipulation of some mills fueled the atmosphere. Average rebar price improved from USD 656/mt to USD 661/mt ex-work including VAT by end of the week. Higher rebar price made I-beam upward from USD 631/mt to USD 643/mt.

#### Flat Products

price of HRC 2 mm thickness ex-work Mobarakeh was USD 887 /mt on last Saturday, which reached USD 937 /mt by Wednesday. Higher global slab price made HRC market upward in Iran. Meanwhile, supply level of Mobarakeh Steel co will increase in the coming days.

As slab price rose at IME, Oxin co HRP also increased from USD 1045/mt to USD 1050/mt while demand level remained weak.

Kavian co HRP also improved along with other flat products from USD 979/mt to USD 983/mt by end of the week, but its demand was scarce.

CRC market was faced with price increases due to the general positive market sentiment and rising slab prices, from USD 1175/mt to USD 1188/mt.

Despite higher HRC price, HDG price did not change and remained stable at around USD 1187/mt.

#### Weekly Analysis:

The market looks at the facts. At the moment two factors are influential: first, upward steel prices in global markets, and second, the limited supply of long products, which is mostly due to liquidity problem of re-rollers that cannot buy enough billet. Hopes about rising prices next year have stimulated demand, but market changes are not permanent due to limited lending rate to mills. Liquidity problem is an issue that will show itself in April and May, unless Nuclear Talks end well sooner and banks' issues about lending be solved.

CBI weekly average ex-rate for Steel Products (SANA): Rials 240,034/ 1USD

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