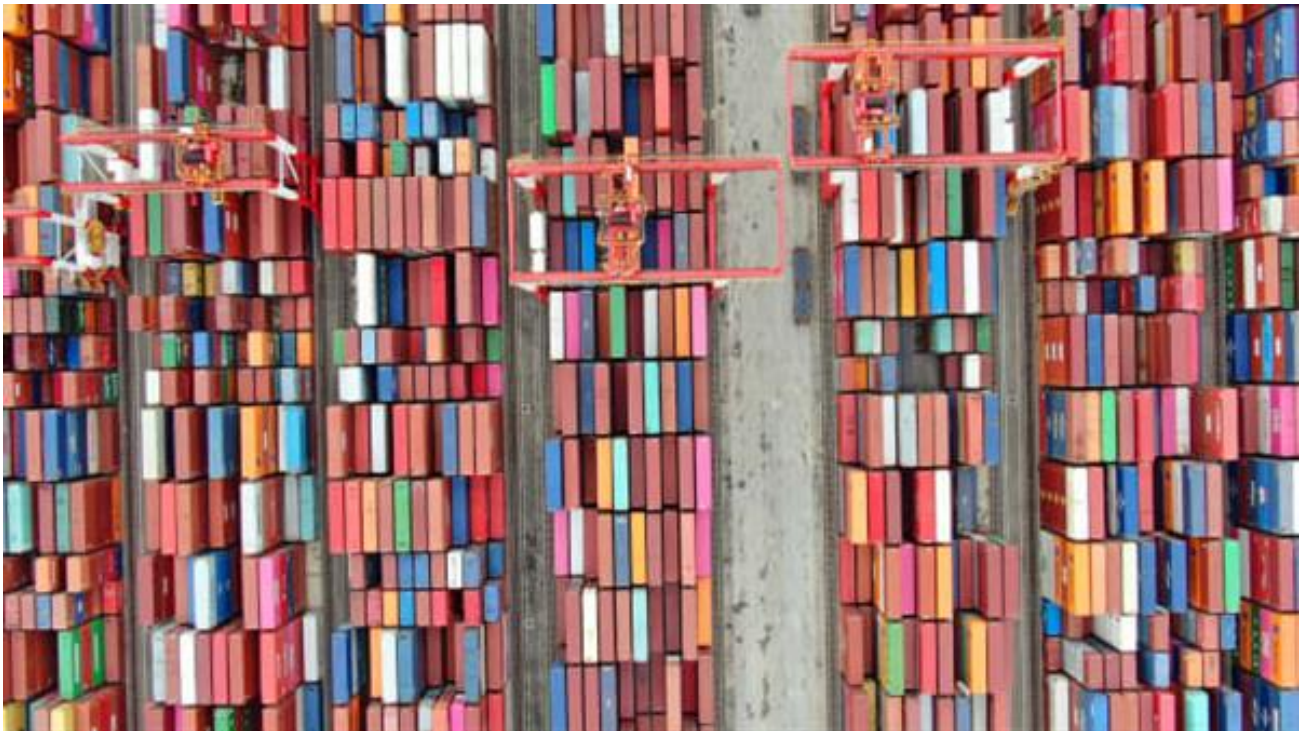




## News

### Iran steel market Trend in Week 34th , 2021



#### Billet

Billet price was almost the same as beginning of the week by end of last week in Iran at USD 707/mt ex-work including 9%VAT. Despite continuing power outages and rising exchange rate, IME ( Iran Mercantile Exchange) attempts to control the market, along with export restrictions and falling prices in the global market, were factors that led to market stability.

#### Long Products

Rebar market continued to be uncertain and quiet. It started the week at an average of USD 775/mt and ended it at USD 773/mt. This quiet sentiment has been extended to production too. Many mills are faced with this problem due to lack of support from billet market.

I-beam market was almost stable with its average price changed from USD 752/mt to USD 741/mt by end of the week. Esfahan Steel co with its offers at IME ( Iran Mercantile Exchange) showed that prices won't decrease within next two months.

#### Flat Products

Two mm thickness HRC was USD 1265/mt ex-work Mobarakeh on last Sunday, which reached USD 1270 /mt by Wednesday. HRC market is heavily influenced by Mobarakeh Steel Co policies. Limited supply from the mill has kept the market waiting while demand is weak and the market cannot afford existing prices. Global market downward trend and falling slab prices are fueling speculation that prices may fall in near future.

Oxin co HRP was upward from USD 1293/mt to USD 1303/mt. Factors behind this increase were lack of supply from the mill due to power outages and announcement of the base price of USD 1021 /mt by the mill. But the most important factor is the mill's five-month delivery time, which stabilized the market and did not reduce its price. Kavian co HRP market is still being controlled by supply management, while power cuts have severely affected supply level. It was changed from USD 1064/mt to USD 1073/mt ex-work including 9%VAT.

Limited supply made CRC price improved a little from USD 1356/mt to USD 1362/mt.

HDG market had a steady trend and did not show a serious change following the increase in ex-rate and HRC price trend, which is due to weak demand. By end of the week it stayed around USD 1388/mt ex-work including VAT.

#### Weekly Analysis:

At the moment steel demand in Iran is hopefully awaiting the decisions of new government. But the supply side is waiting for power cuts problems and worried about the reactivation of crypto currency miners. The government must create a logical way to balance exports and imports, which is not the problem. Hope of a change in foreign policy can be the beginning of a new economy. Today market is strongly affected by politics. We have to wait for the coming months until the clarification of business conditions, but prices have reached their ceiling as it is the signal that global markets gives us.

CBI weekly average ex-rate for Steel Products (SANA): Rials 228,402 USD

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#### Comments