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STEEL INDUSTRY IN EGYPT
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3. LOCAL STEEL MARKET

The Egyptian steel sector relies heavily on rebars that account for around 80% of all steel sales in Egypt. For production of rebar, steel billets are used as raw materials. In general, the types of steel produced in the Egyptian market consist of:

- **Carbon steel:** includes long and flat steel. The long steel consists of many types, the most important are reinforced bars, spring flat bars and bulb flats. The flat steel consists of coils and sheets. There are also other types of carbon steel such as chains, welding wires and forgings.
- **Stainless steel:** includes also long and flat steel. The long steel consists of bright shafting bars, tubes and pipes. The flat steel consists of coils and sheets that may be decorative and etched.
- **Special steel:** includes alloy steel, bimetal, heat resistant steel, steel fibers, high-speed steel and mould and tool speed.

Annual production is running at some 6.5m tons, although this is as much as 3.5m tons below the overall capacity of the industry by some estimates. The sector has also been hit by the gas shortage affecting the country.

Imported steel currently accounts for about 20% of the local market and is making life particularly difficult for smaller local players. Even including the 8% import tariff on steel, domestically produced steel sells at a premium of up to 13% to the most expensive imported steel from Turkey. Indeed, Egyptian steel is selling at \$560 per ton, compared to a maximum import price of \$490 per ton.

Import countries: Italy, India, France, Lebanon, USA, Turkey, China, Germany

Export countries: Belgium, USA, Spain, Austria

Egyptian Foreign Trade with EU:

Value in Million €	2012	2013	2014	2015	Growth Rate %
<u>Exports:</u>					
Metal and steel	549	494	540	442	-18
<u>Imports:</u>					
Metal and steel	1719	1479	1492	1314	-12

Types of steel companies in Egypt:

1. Companies producing strategic raw materials and final product,
2. Companies producing the steel final product from scrap product,
3. Rolling mills.



Misr National Steel Co.	Rebars		Public	https://www.misrns.com/
National Port Said Steel (NPSS)	Rebars		PP	http://www.egyptian-steel.com/Companies-and-Factories/National-Port-Said-Steel-Company-(NPSS).aspx

Market Share

- Ezz Steel: 50%
- Beshay Steel and Solb Misr: 30%

Metal and steel companies listed in the Egyptian Stock market

1. Egyptian Iron and Steel
2. Ezz El Dekheila Steel
3. Misr National Steel (Ataqa)

Factors affecting the price of the product

1. The value of the raw materials used in production
2. Labor wages
3. Electricity prices
4. High sales tax

4. SWOT ANALYSIS

Strengths	Weakness
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