

## Marcegaglia may add HR facilities to feed expansion

BOLTIERE, ITALY — Italian coil re-roller and tube maker Marcegaglia confirmed that it is contemplating upstream integration to produce its own hot rolled coil.

"We will consider upstream integration if this is required for our long-term growth," said Antonio Marcegaglia, the company's ceo, in the keynote speech of a ceremony for the re-opening of its upgraded cold-drawn and precision tubes plant in Boltiere.

Security of upstream production as the company grows from 4.5 million tonnes tpy to 8 million tpy in 2010 was part of the reason, he added.

Marcegaglia told *MB* he expects to make a decision in the next three to four months, although he could not elaborate on whether this was likely to be a joint or a direct venture.

The company imported over 1 million tonnes of HR from China last year and is one of the largest buyers of HR coil in Europe.

In June, Marcegaglia confirmed it was looking to make major investments in India, China and/or Russia: "Talks are going on, but there is not yet a defined plan or a full decision," said Marcegaglia. He conceded that it could possibly come early next year.

The company said the re-opening of Boltiere after an investment of €25 million, makes it Europe's largest cold-drawn tube plant. The Boltiere plant supplies welded and seamless cold-drawn tubes for automotive-hydraulic and mechanical applications.

## USS Kosice commissions new 350,000 tpy galv line

KOSICE — Slovakian steelmaker USS Kosice (USSK), a subsidiary of US Steel, has successfully commissioned its new 350,000 tpy galv line, the third such facility the company has in Slovakia. Speaking to journalists at the plant, USSK's president Dave Lohr said the new line is designed to strengthen the company's market share of the growing Slovakian automotive industry, while also strengthening its share in new markets in appliance manufacturing and construction.

"In 2008 Slovakia is set to be the largest per capita automobile manufacturer in the world," said Lohr.

The company envisages that 70-80 percent of the line's capacity will be used to make steel for the automotive industry. Although this proportion could increase Lohr continued.

"We have some orders already and we hope for more every day," he said.

"We are very pleased with our investment in Kosice and there will be further opportunities to improve our product mix as the Slovakian market develops.

"This facility is a matter of moving up the value chain. It was designed to produce premium products," he added.

## Blast furnace blower problem hits Corus' Port Talbot works

LONDON — Corus has taken one of its blast furnaces off line at the Port Talbot works in south Wales due to a failure of the blast furnace blower.

The failure occurred on Friday at blast furnace No 4, and it has been temporarily shut down while the problem is investigated.

"It is being investigated as we speak, and normal output should be resumed in a matter of days," said a

## October beam rise may signal new plateau

LOS ANGELES — A \$17-per-ton-price rise on wide-flange beams next month, attributed wholly to higher raw materials costs, nevertheless has buyers wondering whether this represents just a bump in the scrap surcharge or a new price plateau for one of steel's strongest markets.

Nucor-Yamato Steel told customers last week that, unlike some previous months, it will not offset a \$17-a-ton increase in its October raw materials surcharge with a corresponding decline in the published price. This means the full amount of the surcharge will be added to the transaction price.

The move by the Arkansas mini-mill was quickly followed by other producers, among them Chaparral Steel and the Structural and Rail division of Steel Dynamics. The increase would raise the fob price of one benchmark item, 8-inch x 18-lb-per-foot beams, to \$787 per ton.

Last month, beam producers, also led by Nucor-Yamato, first offset an \$11-per-ton increase in the surcharge with a corresponding decrease in the published price, but then raised prices selectively, leaving many sections alone but increasing others by about \$5-40 per ton.

## Turkish debar prices down \$5-15 per tonne fob to UAE

LONDON — Imported debar prices to the UAE fell \$5-15 per tonne over the past week as the business slowdown due to Ramadan continued.

Mills in Turkey have decreased export prices in order to attract new business in the region — debar is being booked at \$595-605 per tonne fob, down from \$600-610 last week, according to traders in the UAE.

Around 90 percent of UAE debar imports are from Turkey, according to sources.

"I made a debar booking for \$595 per tonne fob from Turkey for October production, which was for [delivery to] UAE and Qatar," said one importer based in the UAE.

*MB* heard that Chinese mills are out of the market because their prices are not competitive after the latest tax increases.

Billet prices into the UAE from the CIS, Iran and South America have increased \$10-30 per tonne since last week due to high freight rates and strong demand.

Imported billet is being booked at \$570-600 per tonne cfr, up from \$560-570 since last week.

Corus spokeswoman on Tuesday. Corus has a 5 million tpy crude steel production target for the Port Talbot plant. Essential maintenance work is also being carried out while blast furnace No 4 is investigated.