

Turkish rebar and rod into EU at 80% and 62% of quota

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The annual quotas for the import of Turkish rebar into the European Union have been filled by nearly 80% in just one month and by nearly 62% for wire rod, according to the European Commission official database.

At the beginning of July the new quotas became available for importers, amounting to over 300,000 metric tons for Turkish rebar. This week the available quotas are only 65,000 mt. At the beginning of July the new quota for rod from Turkey was 312,000 mt. This week the available quota is only 119,000 mt.

Both volumes are expected to be used quickly in September as soon as the European market comes back from the summer break. As reported, the European non-integrated wire rod processors association Eunirpa has called for urgent action by policymakers to support the repeal of the safeguard measures.

“It is clear that the big shortage of wire rod for mesh will cause problems within some months. We, VMI and Eunirpa are counting on the logic and good sense of [the] commission to increase the quotas for wire rod in September so that non-integrated users of wire rod can survive in a fair and competitive environment,” said Eunirpa President Kris van Ginderdeuren.

Current demand for long products is quiet due to the summer holidays. “Overall consumption in the construction sector is reported good, but we see nevertheless, prices for wire rod and rebar going down because of corrections on the scrap market plus the integrated mills in the south of Europe are moving upwards with these products much more than three years ago. This is increasing the competition,” he added.

Some mills sources nevertheless said they are aiming to increase their prices in September to increase margins and on the overall good construction fundamentals.

Northwest European rebar traded at around \$495-\$505/mt delivered to the mill, according to market sources.