

Magnitogorsk Ups Steel Price on Demand

By [The Moscow Times](#)

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Magnitogorsk Iron & Steel intends to increase hot-rolled steel export prices next month as demand climbs following the vacation season in Europe and the end of the Muslim holy month of Ramadan.

"We plan to raise hot-rolled steel prices by 3 percent in September," Yelena Yevstigneyeva, a spokeswoman for Magnitogorsk, said Thursday by e-mail. "We also expect a recovery in the flat-products market starting in the autumn because of the end of the vacation season in Europe and higher activity in the Mideast."

Severstal, the country's largest steelmaker, may seek to match Magnitogorsk's price increase, exporting steel at \$710 to \$715 a metric ton, Metal Bulletin reported earlier, citing data from the companies. That would be the highest price since April, when exports were sold at about \$712 a ton, according to Metal Bulletin prices.

Natalya Ivanova, a Moscow-based spokeswoman for Severstal, declined to comment.

VTB Capital, the investment arm of Russia's second-largest bank, said Thursday that it expects steel prices to rise 5 percent to 10 percent by year-end as coal and iron-ore costs increase.

"High raw-material prices, especially coking coal, which might find support from Australia's rainy season, and production discipline will be supporting factors," the bank said in a report.

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