

Cement despatches declined by 6.83 percent during September 2022

Cement despatches declined by 6.83 percent in September 2022. Total Cement despatches during September 2022 were 4.276 million tons against 4.589 Million Tons despatched during the same month of last fiscal year.

According to the data released by All Pakistan Cement Manufacturers Association, local cement despatches by the industry during the month of September 2022 were 3.80 million tons compared to 4.01 million tons in September 2021, showing a decline of 5.33 percent. Exports despatches also declined by 17.35 percent as the volumes reduced from 571,613 tons in September 2021 to 472,437 tons in September 2022.

In September 2022, North based cement mills despatched 3.26 million tons cement showing a decline of 8.34 percent against 3.56 million tons despatches in September 2021. South based mills despatched 1.01 million tons cement during September 2022 that was 1.58 percent less compared to the despatches of 1.02 million tons during September 2021.

North based cement mills despatched 3.13 million tons cement in domestic markets in September 2022 showing a decline of 9.08 percent against 3.45 million tons despatches in September 2021. South based mills despatched 666,595 tons cement in local markets during September 2022 that was 17.47 percent higher compared to the despatches of 567,445 tons during September 2021.

Exports from North based mills increased by 14.75 percent as the quantities increased from 110,245 tons in September 2021 to 126,502 tons in September 2022. Exports from South reduced by 25.02 percent to 345,935 tons in September 2022 from 461,368 tons during the same month last year.

During the first three months of current fiscal year, total cement despatches (domestic and exports) were 9.613 million tons that is 25.04 percent lower than 12.825 million tons despatched during the corresponding period of last fiscal year. Domestic despatches during this period were 8.599 million tons against 11.279 million tons during same period last year showing a reduction of 23.76 percent. Export despatches were also 34.44 percent less as the volumes reduced to 1.013 million tons during the first three months of current fiscal year compared to 1.545 million tons exports done during same period of last fiscal year.

North based Mills despatched 7.258 million tons cement domestically during the first three months of current fiscal year showing a reduction of 23.46 percent than cement despatches of 9.483 million tons during July-September 2021. Exports from North declined by 25.53 percent to 288,712 tons during July-September 2022 compared with 387,667 tons exported during the same period last year. Total despatches by North based Mills reduced by 23.54 percent to 7.547 million tons during first quarter of current financial year from 9.871 million tons during same period of last financial year.

Domestic despatches by South based Mills during July-September 2022 were 1.341 million tons showing reduction of 25.31 percent over 1.795 million tons cement despatched during the same period of last fiscal year. Exports from South declined by 37.43 percent to 724,682 tons during July-September 2022 compared with 1.158 million tons exported during the same period last year. Total despatches by South based Mills reduced by 30.06 percent to 2.065 million tons during first quarter of current financial year from 2.953 million tons during same period of last financial year.

A spokesman of All Pakistan Cement Manufacturers Association expressed serious concerns over strict limitations on establishing letter of credits by State Bank for spare parts and other machinery. The government must relax conditions for opening letter of credits immediately as without spare parts, cement factories will face difficulties in running their operations.
