

Cement prices going up by 7 per cent on Feb 17



FILE: A workman transports cement at the TCL plant in Claxton Bay.

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Cement prices are set to increase by seven per cent from February 17, which is almost a year to the day since it was last increased.

The increase in the price of bulk cement, however, takes effect on March 5. The price hike was confirmed yesterday by a spokesperson from the country's lone cement manufacturer, Trinidad Cement Ltd (TCL).

This means that cement prices will increase for a fifth time since December 2021 and the increase is expected to be from around \$3.60 to \$4, according to Guardian Media's calculations.

The spokesperson said the price adjustment will initially be on the cement bags while the increase on the bulk cement will come at "a later date."

Regarding the cumulative increase in the price of cement, an industry source said, "If the seven per cent price increase in cement is across the two cements produced by TCL, the cumulative increase in price over the last 38 months is approximately Premium Plus - 45 per cent; and Eco cement 32 per cent."

The last time TCL increased prices was February 19, 2024. The company had then noted that due to the continuous inflation that affects the industry and other economic sectors, it had become necessary to adjust the price of cement by \$3 per sack. This took the price of the 42.5 kilogramme (kg) bag of Premium Plus cement to \$57.38 VAT-inclusive, while Eco Cement in 42.5kg sacks rose to \$52.88 VAT inclusive.

“This decision is unavoidable to cope with the escalating costs of natural gas, raw materials, spare parts, and other essential inputs, which have risen significantly in the past year. We have continued to invest in enhancing our efficiencies, upgrading our technology, and optimising our processes to minimise the environmental impact of our operations.

“However, these actions are insufficient to mitigate the negative effect of inflation on our business. Despite this price adjustment, Trinidad & Tobago still retains the most competitive price of cement in the Caricom region,” TCL had explained then.

TCL had also increased prices on March 20, 2023, by five per cent for Eco cement and eight per cent for premium plus.

At that time, the company said, “Cement prices are in fact set to be marginally adjusted, taking into consideration some of the rising cost factors with which TCL is faced.”

In August 2022, prices went up by \$2.08 for eco cement, increasing it to \$43.65, and \$3.54 for premium cement, which went to \$47.83.

In December 2021, TCL raised the price of a 42.5kg bag of Eco cement by eight per cent to \$43.71 VAT-inclusive, and by 15 per cent to \$46.56 VAT-inclusive for a premium of the same weight.

Guardian Media reached out to several hardware owners yesterday, but they said they had not received “anything official as yet,” although they “have been hearing rumours of a price increase.”

Mexico’s Cemex group is TCL’s largest shareholder, with a 69.83 per cent stake in the cement producer. Last year’s hike announcement prompted cabinet to suspend the import quota on cement to open the local market to competition, noting that TCL had raised cement prices in December 2021 by 15.6 per cent; 7.0 per cent in August 2022; 5 per cent in March 2023; and 7.6 per cent in February 2024.

However, the waiver was not enough to encourage TCL’s last major market competitor, Rock Hard Cement, back to the local market. Rock Hard withdrew from T&T on September 17, 2021, after losing a legal battle with the Government.

TCL reported profit after tax of \$210.6 million for the nine months ending September 30, 2024, which was a 24.4 per cent increase over the same period in 2023.