

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, April 2005



Total crude steel production for the 61 countries reporting to the IISI in February 2005 was estimated to be 83.8 million tonnes, an increase of 3.6% on February 2004. The total for the two months to date in 2005 was 6.2% up on the same period in 2004 at 174.0 million tonnes. Several regions showed a fall in February, but most showed an increase in the year to date.

In the European Union, crude steel production by the 25 fell by 1.5% in February, but rose by 1.2% to 31.6 million tonnes in the two months to date compared to the same period last year. German crude steel production fell by 1.4% in February and was flat in the year to date at 7.6 million tonnes. Production in Italy, the second largest steel producer in the European Union, increased by 3.1% in February, while the two months total was up 7.2% to just under 5 million tonnes. French production, on the other hand, was down by 4.2%, with the year to date down 0.5% to 3.4 million tonnes. Spanish steel production fell by 5.1% in the month, and by 4.4% to 2.4 million tonnes in the two months. United Kingdom steel production was down by 5.8% in February, bringing the year to date to just over 2.1 million tonnes, a drop of 1.9%. Poland and Slovakia both showed significant decreases in both February and the year to date, while in Slovakia steel production jumped by 10.6% in the month and by 17.8% in the two months.

Arcelor, the largest European steel producer, has announced that it will further cut its carbon flat steel output in the second quarter in order to counteract a 14% drop in apparent demand (Metal Bulletin, 29 March). This comes on top of the initiatives it took in February to balance supply and demand. The major UK steel producer, Corus, has also announced that it will cut production by 70kt in March (SBB, 31 March) in response to weaker demand. Scott MacDonald, executive director of Corus, said that production will be reviewed on a month by month basis. One of the causes for the weaker demand is stockbuilding in Europe and North America.

Crude steel production in the rest of Europe was primarily affected by Turkey where production fell 1.2% with the year to date total down 2.3% to 3.1 million tonnes. Romanian steel production was flat in February, but rose by 5% in the two months to just over one million tonnes. In Serbia and Montenegro production was over 30% up in the year to date to 192 thousand tonnes.

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ACEA, the European car manufacturers association, reported that car registrations fell by 4.1% in February, while the year to date was down 2.3%, to just under 2.3 million cars. German registrations were down 3% in the two months to 419 thousand cars, keeping them only just ahead of Italy where registrations were down 4.3% to 409 thousand cars. The French two months total rose 4.8% to 324 thousand cars, while in the UK the total dropped by 10.5% to 259 thousand cars. The Spanish total was up by 2.3% in the year to date to 224 thousand cars.

In the CIS steel production decreased by 4.6% in February, with the year to date down 1.3% to 17.8 million tonnes. Russian production was down 1.8% in the month, but 1.2% up in the two months to 10.4 million tonnes. Ukrainian crude steel production fell by 4.7% in February, and by 2.6% in the year to date to 6.3 million tonnes. On the other hand, Ukrainian exports rose by 14% in January, mostly semis, hot rolled coil and hot rolled plate. In Kazakhstan production was down 28% in the two months to 591 thousand tonnes.

Turning to North America, although US crude steel production fell by 3% in February, it was up by 1.6% in the year to date to 15.7 million tonnes. Mexican steel production rose 1% in the month, and the two months to date total was 4.6% up at nearly 2.8 million tonnes. However, Canadian production fell by 6.7% in February, and by 2.3% in the year to date to 2.6 million tonnes.

US steel imports rose in January 2005 by 13% over January 2004 to nearly 2.7 million tonnes. Imports of semi-finished steel rose by 10% to 712kt, but hr coil and sheet imports increased by 46.5% to 337kt. The next largest import was hot dipped galvanised sheet and strip which more than doubled to 231kt, then cold rolled sheet and plate at 218kt, just over double the January 2004 figure.

In South America, there was a 4.6% fall in Brazilian crude steel production in February, with the year to date down 3.9% at 5.0 million tonnes. Argentinian production rose by 2.2% in February, and by 5.5% in the two months to 839 thousand tonnes. Venezuelan steel production, on the other hand, showed a marked fall of 18% in February, bringing the year to date total down 12% to 654 thousand tonnes. Year to date production in Chile was 8.2% up at 274 thousand tonnes.

South African year to date crude steel production rose slightly in February, making the year to date 0.7% higher at 1.56 million tonnes. Egyptian steel production was 4.5% up in the two months to 787 thousand tonnes. Production in Iran increased by 13.4% in February, bringing the year to date total to 1.5 million tonnes, a rise of 12%. In Saudi Arabia steel production reached 691 thousand tonnes, an increase of 3.7% on the same period last year.

Crude steel production in the Far East showed mixed fortunes with Chinese production continuing to grow strongly, up 21.2% in February and by 23% in the two months to 50.1 million tonnes. Japanese production, however, fell by 3.3% in February and by 0.6% in

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the year to date to 18.2 million tonnes. Japanese exports showed a more marked drop, falling by 14% in January compared to January 2004. South Korean production was down 5.2% in February, with a 1.9% increase in the year to date to 7.8 million tonnes. Indian steel production only increased by 1.8% in the month, while the year to date total was up 4.3% to 5.8 million tonnes. Taiwanese production in February fell by 2.4%, although the two months total was up by 2.1% to 3.2 million tonnes.

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