

## WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, April 2017



Total crude steel production for the 67 countries reporting to the World Steel Association in February 2017 was estimated to be 127 million tonnes, an increase of 4.1% on February 2016. The total for the two months to date in 2017, however, was 5.8% up on the same period in 2016 at 264 million tonnes. Excluding China, global crude steel production only increased by 3.6% in February, but was 5.9% up in the two months.

In the European Union, crude steel production by the 28 fell by 0.6% in February, but was 1.6% higher in the two months at 27.3 million tonnes compared to the same period last year. German crude steel production, however, was up by 2.6% in February, and by 1.8% in the year to date to 7.1 million tonnes. Production in Italy increased by 1.2% in February, while the two months total rose by 0.8% to 3.8 million tonnes. French monthly production, however, decreased by 5.8%, so the year to date total fell by 2.9% to 2.6 million tonnes. In Spain steel production dropped by 4.6% in February, and by 6.6% in the two months to 2.2 million tonnes, while in Poland it fell by 4.1% in the month, although the year to date increased by 7.3% to 1.6 million tonnes. The United Kingdom year to date total rose by 7.5% to 1.3 million tonnes, while in Belgium it fell by 6.8% to 1.2 million tonnes.

Crude steel production in Turkey in February jumped by 15.6% with the year to date total up 14.1% to 5.7 million tonnes. Serbian steel production rose by 56% in the year to date to 167 thousand tonnes. Bosnian steel production, however, dropped by 20.6% in the year to date to 108 thousand tonnes.

ACEA, the European car manufacturers association, reported that car registrations in Europe rose by 2.1% in February, and the year to date total increased by 6.1%, to 2.3 million cars. German registrations actually fell by 2.6% in February, but rose by 3.5% in the two months to 485 thousand cars, while French registrations fell by 2.9% in the month, rising by 3.2% in the two months to 315 thousand cars. The Italian February total, however, increased by 6.2% and the year to date was up by 8.1% to 356 thousand cars, while in the UK the February total decreased by 0.3%, while the two months total was up by 1.8% to 258 thousand cars. The Spanish two months total was 4.8% higher at 182 thousand cars, while the Belgian total rose by 10.2% to nearly 104 thousand cars. These six countries accounted for 73% of total registrations in Europe in 2017.

In the CIS crude steel production was flat compared to February last year, although the year to date total was up by 5.7% at 17 million tonnes. Russia's monthly total fell by 0.3%, while the two months were up 5.6% at 11.8 million tonnes. Ukrainian steel production, however, decreased by 3.6% in February, bringing the year to date total to 4 million tonnes, an increase of 2.4%. In Kazakhstan the two month crude steel production total rose by 19.9% to 759 thousand tonnes, while in Belarus steel

production rose by 25.4% to 380 thousand tonnes.

Turning to North America, US crude steel production fell by 1% in February, but rose by 3.5% in the year to date to 13.3 million tonnes. Mexican steel production increased by 7% in the month, and by 14.2% in the two months to date to 3.2 million tonnes. Canadian production, on the other hand, fell by 3.7% in February, and by 1.7% in the year to date to just under 2.2 million tonnes.

In South America, there was a 5.7% increase in Brazilian crude steel production in February, with the year to date rising by 9.5% to 5.4 million tonnes. Argentinian production dropped 9.9% in the month and by 10.7% in the two months to 596 thousand tonnes. Colombian steel production, on the other hand, fell 11.8% in the year to date to 192 thousand tonnes. Production in Chile was down by 6.2% in the two months to 189 thousand tonnes, while the Peruvian total dropped by 22.4% to 118 thousand tonnes. Venezuelan steel production, however, rose by 35% in the year to date to 103 thousand tonnes.

South African crude steel production in February increased by 3.6%, while the year to date total was up by 2.4% to just over one million tonnes. Egyptian steel production, however, jumped by 47% in February and by 41.5% in the two months to over one million tonnes. Production in Iran rose by just 1.1% in February, and by 6.2% in the year to date to 2.9 million tonnes, while in Saudi Arabia steel production was up 19.3% in February and 17.6% in the two months to 963 thousand tonnes. Production in the United Arab Emirates in the two months rose by 10.2% to 591 thousand tonnes.

Crude steel production in the Far East varied in the 5 major countries. Chinese production increased by 4.6% in February, and by 5.8% in the two months to 128.8 million tonnes. Japanese production actually fell by 0.1% in February, but was 1.3% higher in the year to date to 17.3 million tonnes. Indian steel production rose by 8.9% in February, and by 12.1% in the year to date to 16.8 million tonnes. South Korean steel production increased by 8.3% in the month, bringing the year to date total up by 3.6% to 11.2 million tonnes. Taiwanese production rose by 3.5% in February and by 4.9% in the two months to 3.6 million tonnes.

China's exports of steel dropped by 22.5% to 5.7 million tonnes in February compared to the previous month which is the lowest monthly total since February 2014. Although exports of hot rolled wide strip and hot rolled bars only fell by 9.8% and 6.3% respectively, exports of coated sheet and strip fell by 28% and exports of seamless and welded tubes fell by 40% and 57% respectively. Exports of rods and bars in coil fell by 31.5%.

Chinese exports to Asian countries fell from 4.5 million tonnes in January to 3.8 million tonnes in February. Exports to North and South America fell by 40% to 559 thousand tonnes and exports to the Middle East fell by 39% to 394 thousand tonnes. Exports to the European Union, however, only fell by 4% in February compared to January. South Korea remains the largest market for Chinese exports, accounting for 17.7% of the total in February.

Steel imports by Vietnam have risen significantly over the last 3 years, almost doubling to 19.5 million tonnes in 2016. Hot rolled wide strip accounted for 45% of the total imported in 2016 at 8.8 million tonnes followed by coated sheet and strip at 2.4 million tonnes and hot rolled plate lengths at 2.1 million tonnes. Imports of rods and bars in coil were nearly 1.7 million tonnes. China supplied 60% of Vietnam's imports in 2016 and Japan a further 13.6% followed by South Korea and Taiwan. These four countries supplied over 90% of Vietnam's imports.

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