

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, May 2012



World production of crude steel in March 2012 rose by 1.8% to 132.2 million tonnes, the highest monthly total ever. The total of the 3 months to date was 376.8 million tonnes, just 1.1% higher than the January to March period in 2011. However, excluding China, the monthly total was only just higher than March 2011, and the quarter total was just below the same quarter in 2011.

Crude steel production in the European Union 27 fell by 3.9% in March to 15.7 million tonnes compared to March 2011, and was also 3.9% down in the quarter at 43.9 million tonnes. German steel production was down by 3.1% in the month, and was 4.8% down in the three months at 10.8 million tonnes. Italian production, however, increased by 4.5% in March, and by 5.7% in the quarter to 7.4 million tonnes. French steel production rose by 3.8% in March, bringing the year to date total up 8.1% to 4.1 million tonnes. Spanish steel production, on the other hand, fell by 19.5% in March, and by 15.5% in the three months to 3.7 million tonnes. UK steel production also decreased by 15.3% in March, and by 22% in the year to date to 1.9 million tonnes which was less than the Polish total for Q1 2012, which increased by 14.8% to just under 2.4 million tonnes.

Outside the European Union, Turkish production jumped by 14.5% in March, and by 13.7% in the three months to 9 million tonnes, ahead of both Brazil and the Ukraine. First quarter production in Serbia dropped by 69% to 144 thousand tonnes compared to Q1 2011. Bosnian production was down 11% to 149 thousand tonnes. Norwegian production, however, increased by 32% in the quarter to 188 thousand tonnes.

Turkish exports of steel reached 1.74 million tonnes in February, its highest monthly level since October 2009. Almost half of this total was deformed reinforcing bars. Although the price of Turkish exports of deformed reinforcing bars reached a peak of 701 dollars per tonne in September after rising for two years, it has dropped to about 640 dollars per tonne this year. Turkish imports of steel, however, have dropped to their lowest level since November 2010 at 724 thousand tonnes of which 27.5% was semis and a further 26% was hot rolled wide coil.

According to ACEA, the European vehicle manufacturers association, car registrations in the 29 European countries monitored fell by 6.6% in March, and by 7.3% in the first three months of 2012 compared to 2011. In Germany registrations actually increased by 3.4% in March, bringing the three month total up 1.3% to 774 thousand units. Italian registrations, however, dropped by 26.7% in March, with the quarter total down by 21% to 407 thousand units. In the UK registrations showed an increase of 1.8% in the month, with the year to date total up just 0.9% to 564 thousand units. French registrations were 23% down in the month, bringing the year to date total down 21.6% to 508 thousand units. In Spain registrations fell by 4.5% in March, bringing the quarter total down 1.9% to 204 thousand units.

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In the former USSR, Russia showed an increase in steel production of 6.4% in the month and 4.9% in the quarter to 18.4 million tonnes. In the Ukraine, however, production fell by 14.4% in March, and by 8.1% in the quarter to 8.1 million tonnes. Production in Kazakhstan fell by 24% in the quarter to 934 thousand tonnes.

Crude steel production in the USA rose by 5.4% in March to 7.8 million tonnes, bringing the first quarter total up 8.3% to 23 million tonnes. Mexican production was 4.5% down in the month, with the three months total 3% lower at 4.4 million tonnes. However, Canadian steel production was flat in March, but 10.5% higher in the year to date at 3.5 million tonnes.

South American production was mixed with Brazil showing a 2.2% increase in March with the year to date total up 2.4% to 8.7 million tonnes. In Argentina production rose by 5.4% in the month bringing the three months total to 1.3 million tonnes, an increase of 5.5% on the first quarter of 2011. Venezuelan steel production, however, fell by 25% in March, resulting in a near 20% drop in the three months to 715 thousand tonnes.

In Africa, the South African monthly total was down by 23%, and the total for the quarter fell by 16.6% to 1.7 million tonnes. However, the Egyptian March total was 4.4% up, and the three months total rose by 3.5% to just over 1.6 million tonnes. In the Middle East Iranian steel production rose by 7.7% in March, bringing the first quarter total up 6.8% to 3.6 million tonnes, while Saudi Arabian steel production decreased by 1.7% in March, bringing the three months total to almost 1.4 million tonnes, slightly less than in Q1 2011.

The five major Asian countries for which monthly crude steel production data are available all showed increased production in both March and the year to date except for Japan and Taiwan. Chinese steel production increased by 3.9% in March to 61.6 million tonnes, while the three months total rose by 2.5% to 174 million tonnes, 46% of the world total in 2012. Although Japan's production rose by 2.3% in March, the first quarter production fell by 4.1% to 26.6 million tonnes. Indian steel production in March was 1.2% higher, with the three months total remaining flat at 18 million tonnes. Production in South Korea increased by 3.2% in March, bringing the year to date total up by 4% to 17.2 million tonnes. Taiwanese production was just 1.3% up in the month, although the first quarter total at 5.7 million tonnes, was down by 2.8% on January to March 2011.

Chinese exports of steel rose to their highest monthly total in March since June 2010. At 4.9 million tonnes the March figure was almost 50% higher than in February, but just 2.5% higher than in March 2011. Exports of zinc and other coated sheet and strip exceeded one million tonnes in March. Exports of tubes and fittings were 910 thousand tonnes. Hot rolled wide strip exports were 514 thousand tonnes, with hot rolled plate exports at 469 thousand tonnes. Chinese imports of steel in March also rose compared to the previous two months, but were 17.5% below the March 2011 total.

Other Asian countries accounted for about 60% of Chinese exports in March as in previous months, with South Korea by far the largest market taking 19% of all exports in March. North and South America accounted for 13.6% of Chinese steel exports in March, with the Middle East taking another 8.5% and the European Union a further 7.6%.

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