

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, June 2008



Production of crude steel for the 66 countries reporting to the IISI in April was estimated to be 116.4 million tonnes, an increase of 5.6% over April 2007. The total of the 4 months to date was 457.3 million tonnes, 5.7% above the January to April period in 2007. Excluding China, which accounted for 37% of world production in the first four months of 2008, the rise in April was only 2.9%, with the four months total only up by 3.7%. Global trade in steel was 440 million tonnes in 2007 (including internal EU trade), 5% higher than in 2006. China increased its exports by one third to 68 million tonnes, almost double the Japanese total.

In the European Union 27, crude steel production was flat in April at 18.2 million tonnes compared to April 2007, and fell by 0.7% in the 4 months to date to 71.6 million tonnes. Monthly production in Germany decreased by 1.3% in April, and by 1.9% in the January to April period to 16.1 million tonnes. Steel production in France fared even worse dropping by 9% in the month, and by 7.9% in the four months to date to 6.5 million tonnes. However, Italian crude steel production increased by 7.2% in April, and by 1.5% in the year to date to 11.2 million tonnes. Spanish production rose by 1% in April, while the year to date was up 2.5% to 6.4 million tonnes. In the UK, production fell by 10.3% in April, bringing the 4 months total down 0.8% to 4.8 million tonnes.

In the rest of Europe Turkish production increased by 2.7% in April and by 8.2% in the four months to 9.2 million tonnes. The four months total for Serbia was up 14.1% to 664 thousand tonnes.

New car registrations in Europe were up by 9.6% in April compared to the previous April, according to ACEA, the European Car Manufacturers Association, although the four months total was only up by 1% to 5.8 million cars. Registrations in Germany, the largest market, jumped by 20% in April on improving consumer confidence, and by 7.3% in the year to date to over one million cars. In contrast, Italy, with the second largest market, saw registrations fall by 2.9% in April, with the four months total down 8.2% at 867 thousand cars. UK registrations rose by 3.2% in April, but were flat in the year to date at 859 thousand. In France registrations increased by 15% in April, and by 4.8% in the year to date to 725 thousand cars. Among the newer EU members registrations in Poland rose by 17.3% in the four months to 115 thousand cars, while the Romanian total was also up 17.3% to 97 thousand cars.

Crude steel production in the CIS countries only rose by 0.3% in April, with Russian production down 0.4%, bringing the year to date for the CIS up 3.0% with Russia's four month total up 3.6% to 25.3 million tonnes. Ukrainian steel production increased by 2.7% in April, with the year to date total up 3.3% to 14.7 million tonnes. Kazakhstan's steel production fell by 12.4% in the four months to 1.3 million tonnes.

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In 2007 the Ukraine overtook Russia as the third largest exporter of steel after China and Japan, and it has remained third into 2008. In the first four months of 2008 Ukraine exported 10.9 million tonnes of steel, up 6.2% on the same four months in 2007. Exports of semis rose by 13.5% to 4.6 million tonnes, with hot rolled plate lengths up 20.7% to 1.6 million tonnes. Exports of hot rolled wide coil fell slightly to 1.1 million tonnes. The large increase in semis was primarily in semis over 0.25% carbon, with some increase in slabs uti 0.25% carbon. The rise in plate exports was mostly in plate over 10mm thick, with some increase in the 4.75-10mm range.

In terms of markets, the Middle East was the destination for 20% of total Ukrainian exports in the first four months of 2008, up 48% from the previous year. The next largest market was the EU27 at 17.5%, with Italy by far the largest recipient, although the EU total was down 12% from 2007. The other CIS countries received a further 15% of Ukrainian exports, with the tonnage to the far east more than doubling to 14% of the total. Turkey remained the largest single market at 1.3 million tonnes, followed by Russia at one million tonnes.

On the North American continent US steel production increased by 1.1% in April, bringing the year to date total up 6.5% to 33.8 million tonnes. Canadian steel production rose by 3.7% in April, while the four months total was up 3.0% to 5.6 million tonnes. Mexican steel production, however, increased by 10.5% in April, with the year to date total up 10.4% to 6.3 million tonnes.

Crude steel production in South America showed an increase with Brazilian production up 7.1% in April and by 7.8% in the year to date to 11.5 million tonnes. Steel production in Venezuela fell by 2.1% in April, while the four months total was down 13% to just under 1.5 million tonnes. Argentinian production, however, rose by 5.9% in April, while the year to date total was up 9.9% to 1.9 million tonnes.

In Africa and the Middle East, South African production rose by 0.5% in April, although the year to date total was down 2.6% to 3 million tonnes. Egypt's steel production, however, increased by 1.7% in April, while the four months total was 14.5% up at 2.3 million tonnes. Iranian production increased by 3.1% in the month, although the year to date total was down 1.1% to nearly 3.4 million tonnes.

Turning to the Far East, China's steel production increased by 10.2% in April to 44.7 million tonnes, and by 9.1% in the four months to 169.8 million tonnes. Japanese crude steel production was up 4.2% in April, while the January to April total increased by 4.4% to 41 million tonnes. South Korean production fell by 0.4% in April with the year to date total at 17.5 million tonnes, 3.7% up on the same period in 2007. In India, production showed a rise of 12.7% in April, bringing the four months total up by 7.7% to 19 million tonnes. Crude steel production in Taiwan was up 12.2% in April, while the year to date total was up by 11.2% to 7.6 m tonnes.

Japanese steel exports increased by 15.7% to 13.4 million tonnes in the first four months of 2008 compared to 2007. Hot rolled coil exports were 3.1 million tonnes, up 15.4%, semis were 1.8 million tonnes, up 16.2%, and galvanised steel exports were just below 1.8 million tonnes, up 10.5%. Some 84% of Japanese exports in 2008 went to other far eastern countries with 3.5 million tonnes to South Korea, up 19%, 2.3 million tonnes to China, up 12%, 1.5 million tonnes to Thailand, up 9%, and 1.3 million tonnes to Taiwan, up 18.5%. These four countries accounted for 64% of Japanese exports, the same percentage as in the previous year.

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