

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, August 2011



Production of crude steel for the countries reporting to the World Steel Association in June 2011 was estimated to be 127.7 million tonnes, an increase of 8% over June 2010. This brought the total for the first six months of 2011 to 758 million tonnes, 7.6% higher than the January to June period in 2010. However, excluding China, which accounted for 46% of the total in 2011, the year to date total only rose by 6% while the June total was up just 4.8%. All regions showed a rise in both June and the year to date totals except Africa and Oceania.

Crude steel production in the 27 member countries of the European Union increased by 3.9% in June compared to June 2010, with the year to date total up by 4.1% to 93 million tonnes compared with the same period last year. Monthly production in Germany only showed a slight increase of 0.2%, while the six months total was up by just 1.9% to 23.2 million tonnes. Italian production, however, increased by 15% in June, and by 9.4% in the year to date to 14.7 million tonnes. Spanish crude steel production increased by 4.5% in June, bringing the year to date total to 8.9 million tonnes, a decline of 0.8%. French production was down by 6% in the month, and by 1.4% in the six months to 8.1 million tonnes. The UK total rose by 4.6% in June, although the year to date total fell by 3.6% to 5 million tonnes. Slovakia showed a drop in steel production in both the month and year to date, while Poland's production was up by 17.5% in June and by 6% in the year to date to 4.3 million tonnes.

Elsewhere in Europe, Turkey's steel production increased by 12% in the month with the half year total up by 21% to 16.4 million tonnes. This is only 1.5 million tonnes behind the Ukraine January to June total. Turkey's exports of steel in the first five months of 2011 were only up by 14%, of which the largest product was deformed reinforcing bars, so clearly there was significant growth in the domestic market. Imports of steel fell by 15% in the first five months of 2011. Serbia's six month total rose by 27% to 827 thousand tonnes.

European car registrations, according to ACEA, fell by 8% in June, while the total for the first six months of 2011 was down by 1.8% at 7.35 million cars. German registrations dropped slightly in June, but were 10.5% up in the half year to 1.6 million cars. The French market decreased by 12.6% in June, but rose by 1% in the six months to 1.2 million cars. UK registrations fell by 6.2% in June, and by 7.1% in the six months to 1.03 million cars. In Italy the June total fell by 1.7%, and by 13% in the year to date to 1.01 million cars. These four countries accounted for 66% of total European registrations. The next largest market was Spain where the six months total was down by 27% to 442 thousand cars. ACEA also noted that there are more than 250 automobile manufacturing plants in Europe producing more than 18.5 million vehicles each year, including over 32% of the world's passenger cars.

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Turning to the CIS, Russian steel production was up 3.6% in June, while the half year total was up by 5.3% to 34.6 million tonnes. Ukraine's crude steel production rose by 18% in June, and by 7.3% in the six months to 17.9 million tonnes. In Kazakhstan, steel production increased by 22% in the half year to almost 2.5 million tonnes. The Belarus six months total was up 5.3% to 1.3 million tonnes.

The North American continent showed a 6% rise in crude steel production with the USA total only up by 1.7% in June, bringing the six months total up 4.3% to 42.7 million tonnes. Canadian production rose by 7.5% in June, bringing the year to date total up 3.9% to 6.6 million tonnes. Crude steel production in Mexico, however, rose by 28% in June, with the half year total up 10% to 9.2 million tonnes, ahead of both the Spanish and French totals for the six months.

Crude steel production in South America rose by 10% in June with Brazilian production 3.9% up in June, and 8.2% higher in the six months to date to 17.7 million tonnes, just behind the Ukrainian total. Elsewhere on the continent, production in Argentina was up 11.7% in June and by 10.8% in the half year to 2.7 million tonnes. Venezuelan steel production, however, was nearly 80% up in the month, more than doubling the year to date total to 1.7 million tonnes.

In Africa, South African production fell by 24% in June, and by 22% in the year to date to 3.3 million tonnes. Egyptian production, however, rose by 7.7% in June and by 2.8% in the six months to 3.25 million tonnes. Algerian steel production in the half year was down by 43% to 201 thousand tonnes. In the Middle East, Iranian production rose by 5% in June, and by 11.6% in the first six months of the year to 6.6 million tonnes. Saudi Arabian steel production increased by 9.8% in the month, bringing the year to date total up 2.7% to 2.7 million tonnes. The Qatar six months total was only 1% higher at one million tonnes.

The five main steel producing countries of the Far East reported varying production with all of them showing an increase except Japan. China's June steel production rose by 12% to 60 million tonnes, 47% of the world's total; this increased the six months total by 9.6% to 350 million tonnes. Crude steel production in Japan, however, fell by 5% in June with the year to date total 0.9% to 54.1 million tonnes. Indian steel production in June increased by 7.3%, bringing the year to date total to 35.6 million tonnes, an increase of 4.8%. South Korean steel production rose by 19% in June, and by 18.5% in the year to date to 33.9 million tonnes. Taiwanese production only increased by 0.5% in June, but was up by 11.8% in the six months to 10.7 million tonnes. Australian crude steel production, however, fell by 19% in June bringing the first six months total to 3.6 million tonnes, an increase of 1.1% compared to the same period last year.

Chinese exports of steel fell by 10% to 4.2 million tonnes in June 2011 compared to the May total, although the total for the first six months showed a slight increase, 2.7%, on the same period in 2010. Imports also fell to 1.2 million tonnes, 6% below the May 2011 total, and imports in the half year were 4.5% less than the first half of 2010.

Chinese exports of flat products in the first six months of 2011 reached 13.7 million tonnes, nearly 60% of total steel exports. Long products, however, only accounted for 5.7 million tonnes, 24% of total exports. Tubes and fittings accounted for a further 4.3 million tonnes in 2011, 18% of total exports.

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South Korean steel exports increased to 13.4 million tonnes in the first six months of 2011, an 18% increase on the same period in 2010. Hot rolled wide strip accounted for 24% of exports in 2011, with CR accounting for a further 16.4%. Coated sheet and strip accounted for 19% of total exports. Over 60% of South Korea's exports in 2011 went to other Asian countries with China and Japan topping the list. The USA was its third largest market.

South Korean steel imports declined by 2% in 2011 to just under 12.8 million tonnes. Hot rolled wide strip and hot rolled plate in lengths accounted for half South Korea's imports in 2011.

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