

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, October 2005



Crude steel production in August was estimated to be 91.4 million tonnes, according to the 61 countries reporting to the IISI, an increase of 6.1% over August 2004. The total for the first eight months of 2005 was 729.0 million tonnes, 6.9% up on the same period in 2004. However, excluding China, the August total fell by 1.8%, and the year to date was down 0.5%.

In the European Union crude steel production for the 25 member states was down by 8% in August, compared to August 2004, to 13.2 million tonnes, with a drop of 3.4% in the eight months total to 124.0 million tonnes. German crude steel production fell by 14.1% in August, while the January to August total was down 4.3% to 29.7 million tonnes compared to the same period the previous year. French production only fell by 1.4% in August, although the year to date total decreased by 6.3% to 13.0 million tonnes. Production in Italy, on the other hand, was up by 2% in August, with the year to date total up by 5% to 19.2 million tonnes. Spanish production decreased in August (0.5%), but was up in the year to date (2.6%) to 12.1 million tonnes. The United Kingdom showed a drop in steel production, with August down by 4.2%, and the eight months total down 4.1% to 9.0 million tonnes. Of the newer members, Poland's steel production fell by 35% in August, and by 24.6% in the year to date to 5.4 million tonnes. In the Czech Republic steel production was down 24.6% in August, and by 16% in the eight months to 4.1 million tonnes.

Exports by the EU25 outside the region were almost flat in the first six months of 2005 compared to 2004 at 15.4 million tonnes, whereas imports jumped by 33% to 16.3 million tonnes. The EU25 has been a net importer of steel since August 2004, although in June 2005 imports fell significantly making it a net exporter.

In the rest of Europe Turkey continues to increase its crude steel production which reached over 1.8 million tonnes in August, a rise of 1.5% and its highest monthly total ever. The year to date production was up 1.4% to 13.8 million tonnes, making it the third largest steel producer in Europe. Turkish exports in the first seven months of 2005 fell by 6% to 7.2 million tonnes, whereas imports rose by 20% to 5.3 million tonnes. However, without the marked fall in billet exports of one million tonnes in the seven months, exports would have risen by 12%. Elsewhere in Europe Romanian steel production rose in August (by 6.6%), although the year to date total was down by 1.5% to 4.1 million tonnes.

According to ACEA, the European Car Manufacturers Association, passenger car registrations in Europe increased by 7.5% in August, although the eight months total was down by 0.5% compared to 2004. In Germany registrations were up by 11.7% in August, and by 3.3% in the year to date to 2.2 million cars. In the United Kingdom, however, August was down by 2.3%, and the year to date was down 5.7% to 1.55 million cars. In Italy the August total increased by 12.7%, although the eight months total was down by 3.1% to 1.54 million cars. French

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registrations were 7.7% up in August, with the year to date up 4.4% to 1.4 million. Spanish registrations rose by 9.5% in August, and by 2.3% in the eight months to 1.07 million cars. These five countries accounted for 75% of total European registrations.

In the CIS countries Russian production was flat in August, bringing the eight months total to 43.5 million tonnes, 0.6% above the 2004 total. In the Ukraine crude steel production fell by 7.7% in August, with the year to date down 2.9% to 25.0 million tonnes. Production in Kazakhstan fell by 21.4% in the eight months to 2.9 million tonnes.

Russian steel exports grew by 13% in the first six months of 2005 compared to 2004 to a total of 16.6 million tonnes, pushing China into third place. The increase was mainly in semis and hot rolled wide coil. Exports of semis reached 7.4 million tonnes, 45% of the total exports in 2005. Total steel exports to Asian countries dropped very slightly to 6.2 million tonnes, 38% of the total in 2005, while exports to the European Union 25 increased by 22% to 3.4 million tonnes, of which 40% went to Italy alone. The Middle East took over 2 million tonnes, a rise of 41.5% on 2004, with 73% going to Iran. Russia's top three export markets in 2005 were China, Taiwan and Turkey.

On the North American continent crude steel production in the USA decreased by 8.4% in August bringing the year to date total down 5.8% to 61.8 million tonnes. Canadian August steel production dropped by 10% with the eight months total down 3.6% to 10.4 million tonnes. Mexican production only fell by 1.7%, keeping the year to date flat at 11.1 million tonnes.

In South America, Brazilian crude steel production in August decreased by 8.5% bringing the eight months total to 21.1 million tonnes, a fall of 3.6%. Argentinian steel production, on the other hand, rose by 7.5% in August, and was up 8.6% in the year to date at 3.6 million tonnes. However, Venezuelan production was slightly down in August, although the eight months total increased by 7.6% to 3.2 million tonnes.

Production in South Africa, the major steel producing country on the African continent, rose by 7.8% in August, bringing the eight months total up 3% to 6.4 million tonnes. Egypt's steel production, on the other hand, rose by 14.1% in August and by 18.6% in the year to date to 3.7 million tonnes. Steel production in Iran continues to increase, rising by 13.5% in August, bringing the year to date total up 10% to 6.2 million tonnes. Production in Saudi Arabia rose by 16.9% in August, with the eight months total up 9% at 2.8 million tonnes.

Crude steel production in the five key Asian countries rose over 17% in both August and the year to date, influenced primarily by China and India. Chinese production reached 30 million tonnes in August, up 26.8%, bringing the year to date total up 28.2% to almost 225 million tonnes. In India crude steel production increased by 40% in August, and was up 21.3% to 25.7 million tonnes in the eight months putting it above Brazil and the Ukraine. Japan's steel production, on the other hand, fell by 1.8% in August, with the eight months total up 0.8% to 75.4 million tonnes. South Korean production rose by 1.1% in August, but was only up by 0.2% in the year to date to 31.3 million tonnes. Taiwanese steel production was almost flat, rising by 0.2% in the month and the year to date to 12.9 million tonnes.

While Chinese steel exports more than doubled in the first seven months of 2005 to 18.5 million tonnes, Japanese exports fell by 6.9% to 19.5 million tonnes. Some 75% of Chinese exports went to other Asian countries, whereas Asia accounted for 84% of Japanese exports, the same

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percentage as in 2004. Japanese exports to China, its second largest market, fell by 17% in 2005 to 3.6 million tonnes, while exports to its largest market, South Korea, fell by 14% to 4.7 million tonnes. Although Japanese exports to other Asian countries fell by 1.4 million tonnes in 2005, China's exports to these countries rose by 8.5 million tonnes.

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