

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, October 2016



Crude steel production in August was estimated to be 134 million tonnes, according to the 66 countries reporting to the World Steel Association, an increase of 1.9% from August 2015. The total for the first eight months of 2016 was 1065 thousand tonnes, 0.9% less than the same period in 2015. However, excluding China, the August total was just 0.9% up, and the year to date total was 1.6% lower than in 2015.

In the European Union crude steel production for the 28 member states was 1.4% lower in August compared to August 2015 at just under 12 million tonnes, while the eight months total decreased by 5.2% to 108 million tonnes. German crude steel production rose by 2.4% in August, while the January to August total was down by 1.5% to 28.8 million tonnes compared to the same period the previous year. Italian production increased by 7.4% in August, while the year to date total rose by 4.4% to 15.3 million tonnes. Production in France, on the other hand, fell by 5.2% in August, with the eight months total down by 10.3% to 9.3 million tonnes. Spanish production fell by 11.8% in August, while the year to date total was down 7.6% to 9.3 million tonnes. The United Kingdom showed a drop in steel production in August of 37.5%, with the eight months total down by 36.2% to 5.1 million tonnes. The Polish eight months total was nearly 5.7 million tonnes which was 11.3% lower than in 2015.

In the rest of Europe Turkey's crude steel production was nearly 2.9 million tonnes in August, an increase of 12.9% and the year to date production rose by 4.7% to 22 million tonnes. Steel production in Serbia was up 6.9% in the eight months to 705 thousand tonnes, ahead of the Bosnian total of 569 thousand tonnes, which was a decrease of 4.6% on 2015. Norway's eight months total increased by 8.4% to 398 thousand tonnes.

According to ACEA, the European Car Manufacturers Association, passenger car registrations in Europe rose by 9.5% in August, while the eight months total increased by 7.8% compared to 2015. In Germany registrations increased by 8.3% in August and were 5.7% up in the year to date to nearly 2.3 million cars. In the United Kingdom, August registrations increased by just 3.3%, while the year to date total was up 2.8% to 1.7 million cars. In France the August total rose by 6.7%, while the eight months total rose by 6.1% to 1.3 million cars. Italian registrations, however, jumped by 20% in August, with the year to date total increasing by 17.4% to 1.25 million cars. The Spanish August total increased by 14.6%, while the eight months total increased by 11.3% to 795 thousand cars. These five countries accounted for 72% of total European registrations in the first eight months of 2016.

In the CIS countries Russian steel production fell by 1.9% in August, bringing the eight months total to 47 million tonnes, 1.6% lower than the 2015 total. In the Ukraine crude steel production fell by 4.1% in August, although the year to date was up by 8.6% to 16.3 million tonnes. Production in Kazakhstan increased by 9.7% in the eight months to 2.8 million tonnes.

On the North American continent crude steel production in the USA decreased by 3.4% in August bringing the year to date total down by 0.9% to 53.5 million tonnes. Canadian August steel production decreased by 1.6%, with the eight months total increasing by 3.2% to 8.8 million tonnes. Mexican production actually rose by 1.9% in August, bringing the year to date total to 12.4 million tonnes, just 0.3% lower than in 2015.

US imports of steel rose to 3 million tonnes in July, its highest level since July 2015. However, this was 15.2% up on June 2016. Imports of semis at 718 thousand tonnes was the largest single product group and the highest total since February 2015. Slabs accounted for 93% of the semis imported in July. In addition there was 410 thousand tonnes of hot rolled wide strip imported in July and 247 thousand tonnes of deformed reinforcing bars. 80% of the semis in July were imported from Brazil and Russia. Brazil was also the largest single supplier of steel in July, followed by Canada, South Korea and Turkey. These top four countries accounted for just over 50% of US imports in July.

In South America, Brazilian crude steel production in August decreased by 1.1%, while the eight months total was down by 10.6% to 20.3 million tonnes. Argentinian steel production dropped by 27.5% in August, bringing the year to date total down by 17.4% to 2.8 million tonnes. In Colombia August production fell by 10.7%, but the eight months total increased by 7.8% to 848 thousand tonnes. The Chilean eight months total rose by 7.9% to 794 thousand tonnes, while in Peru the total increased by 8.7% to 763 thousand tonnes.

Production in Iran rose by 8.1% in August, bringing the eight months total up by 5.1% to 11.5 million tonnes. South African production, on the other hand, fell by 9.9% in August making the year to date total 4.2 million tonnes, a decrease of 9%. In Egypt steel production decreased by 4.5% in August, while the eight months total was down by 20% to 3.2 million tonnes. Steel production in Saudi Arabia decreased by 19.7% in August, while the year to date total decreased by 22.7% to 3.2 million tonnes. The UAE eight months total rose by 3.7% to 2 million tonnes.

Among the key Asian countries Chinese crude steel production increased by 3% to 68.6 million tonnes in August, bringing the year to date total down by just 0.1% to 536 million tonnes, 50% of the world total. Indian steel production rose by 9.4% in August and by 5.6% to 63 million tonnes in the eight months. Japan's steel production increased by 1.5% in August, while the eight months total declined by 0.4% to 70 million tonnes. South Korean production increased by 1.8% in August, but fell by 2.1% in the year to date to

45.2 million tonnes. Taiwanese steel production rose by 10.7% in the month, but fell by 2.7% in the year to date to 14.5 million tonnes. Production in Thailand increased by 5% in the year to date to 2.7 million tonnes.

Vietnamese imports of steel have been rising significantly reaching 10.5 million tonnes in the first six months of 2016, 40% higher than the same period in 2015. Imports in 2015 were 32% higher than in 2014. Almost 43% of imports in H1 2016 were hot rolled wide strip at nearly 4.5 million tonnes. Hot rolled plate lengths imports were 1.4 million tonnes. Coated sheet and strip accounted for 1.3 million tonnes in 2016. China is by far the largest supplier to Vietnam at 6.4 million tonnes in 2016, some 60% of the total in the first half. Japan supplied 1.5 million tonnes, followed by Taiwan and South Korea. These four countries supplied 92% of Vietnam's imports in 2016.

P G Hunt,
ISSB Ltd