

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, December 2006



Crude steel production in the 62 countries reporting to the IISI totalled 106 million tonnes in October, 7.6% up on October 2005. The ten months total was 1,011 million tonnes, 9.3% higher than the same period last year. However, excluding China, the rise in steel production was only 5.1%. Nearly all regions showed a rise in both the month and year to date.

Steel production in the 25 member countries of the European Union increased by 3.2% in October to 17.3 million tonnes; the ten months total was 6.2% higher at 166.4 million tonnes. German production rose in October by 4.1%, bringing the ten months total up 5.5% to 39.5 million tonnes. Production in Italy increased by 5.9% in October, while the year to date total was up 7.3% to 26.3 million tonnes. French steel production actually fell by 7.1% in the month, but the year to date total was up 2.9% to 16.7 million tonnes. Spanish production rose by 4.9% in October, with the ten months total up 2.8% to 15.7 million tonnes. UK monthly steel production increased by 5.7%, while the year to date total rose by 6.2% to 11.7 million tonnes. Poland showed one of the largest rises in steel production with the ten months up 19.4% to 8.4 million tonnes. There were also large rises in the Czech Republic, up 14.9% to 5.8 million tonnes, and Slovakia, up 15.4% to 4.2 million tonnes.

European car registrations published by ACEA show a rise of 3.6% in October, with the ten months total up by 0.4%. The largest European market, Germany, showed a rise in registrations in both the month, 1.4%, and the year to date, 1.1%, reaching 2.84 million cars. In the United Kingdom, October's total was up 0.9%, but the year to date was down by 3.2% to 2.05 million cars. Italian registrations were flat in the month, although the ten months total was up 3.8% to 1.99 million cars. In France registrations jumped by 8.4% in October, but fell by 2% to 1.69 million cars in the year to date. In Spain, the fifth largest market, registrations were up by 5.8% in the month, but down 1.8% in the ten months to 1.26 million cars.

In the rest of Europe the largest producer is Turkey, where steel production increased by 11.5% in October, and by 11.1% in the year to date to 19.3 million tonnes, making it the eleventh largest steel producer in the world. Romanian steel production increased by 1.1% in the year to date to 5.3 million tonnes. The ten months total for Serbia and Montenegro was 48% up at 1.5 million tonnes.

In the CIS countries crude steel production in Russia rose by 2.9% in October bringing the year to date total up 6.9% to 58.4 million tonnes. Ukrainian October production decreased slightly, but the ten months total was up 6.6% to 33.9 million tonnes. Steel production in Kazakhstan decreased by 5% in the year to date to 3.5 million tonnes.

Steel production in the USA was down by 1.2% in October, although the year to date total was 8.3% up at 84.1 million tonnes. Canadian production increased by 3.2% in October, with the ten months total up 3.3% at 13.3 million tonnes. Mexican steel production jumped by 14.3% in the month, while the year to date total fell by 0.4% to 13.5 million tonnes.

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In South America, Brazilian crude steel production increased by 4.2% in October, although the year to date total was down by 2.9% to 25.6 million tonnes compared to last year. Argentinian production in October rose by 8.2%, while the ten months total was up 6.3% to 4.7 million tonnes. Venezuelan crude steel production was flat in the month, while the year to date total increased by 4.5% to 4.2 million tonnes.

Middle Eastern steel showed mixed fortunes with Iranian production in the ten months up 4.7% to 8.1 million tonnes, equal to the South African year to date total, which increased by 1.4%. However, in Egypt steel production fell by 14.8% in the month and by 12.9% in the year to date to 4.1 million tonnes, while Saudi Arabian production during January to October was down 1.5% to 3.4 million tonnes.

Steel imports by Middle Eastern countries fell by 27% in the first eight months of 2006 compared to the same period last year to 13.5 million tonnes. The Iranian total, the largest importer in the region, fell by 42% to 3.2 million tonnes. The largest fall was in semis with long products accounting for most of the rest. Imports by the UAE also fell significantly, down 36% to 2.3 million tonnes, which was due entirely to a drop in concrete reinforcing bars. Saudi Arabian steel imports actually increased slightly, up 11.5% to 2.5 million tonnes.

In Asia Chinese steel production is still rising, up 18% in October and by 18.4% to 346.1 million tonnes in the ten months. Indian steel production rose by 2.6% in the month, while the year to date total was up 12.6% to 35.1 million tonnes. Japanese production showed a rise of 4.5% in the month, with the year to date total up 2.1% to 96.2 million tonnes. South Korean steel production reached 40 million tonnes in the ten months, up 0.9%, although it fell by 5.9% in the month. Taiwanese steel production, on the other hand, rose by 15.6% in October, and by 7.8% to 16.8 million tonnes in the January to October period.

Chinese steel exports reached a new high at almost 40 million tonnes in the first ten months of 2006, a 71% increase on the same period in 2005. Exports of semis topped 7 million tonnes, an increase of 14.9%, while hot rolled coil exports rose by 83% to 6 million tonnes. Wire rod was up 71% to 4.6 million tonnes, with hot rolled plates more than doubling to 3.7 million tonnes. Imports, on the other hand, fell by 31% to 16 million tonnes, with CR imports down 43% to 3.8 million tonnes. Hot rolled coil imports were down 40% to just under 3 million tonnes, and galvanised steel imports were down 11.4% at almost 3 million tonnes.

In terms of export markets, South Korea remains the largest market for China with a 45% increase on 2005 to 8.3 million tonnes, but the USA has jumped up ahead of other Asian countries with the export tonnage more than doubling to 4.4 million tonnes. Italy was the fifth largest market at 2.5 million tonnes, over 4 times the tonnage exported in 2005. Exports to Asian countries dropped to 60% of the total from 74% the year before, while exports to the European Union rose to 14% of the total compared to 5.5% in 2005. Exports to the USA were 11% of the total, with exports to the Middle East only 4%.

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