

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, January 2018



Production of crude steel for the 67 countries reporting to the World Steel Association in November was estimated to be 136 million tonnes. This was 3.7% above the tonnage in November 2016, and the year to date was 5% above the total for the same period in 2016 at 1.536 billion tonnes. Excluding China, the November total was 5.1% higher than in November 2016 and the eleven months' total was 5% up on 2016. China accounted for just under 50% of world steel production in the first eleven months of 2017.

In the European Union crude steel production for the 28 rose by 3.2% in November to 14 million tonnes, compared to November 2016. This brought the eleven months' year to date total up 4% at 154.9 million tonnes. Most of the major producers saw growth with the exception being France, which saw production down 8.7% with the year to date total up 8% to 14.3 million tonnes. German steel production rose by 4.5%, and the year to date total at 40 million tonnes was 3% higher than the previous year. Italian steel production increased by 3.3% in November, and was 3% up in the eleven months to 22.3 million tonnes. Spain was the EU's star performer again this month with growth of 18% in November, bringing the year to date total up by 3% to 13.1 million tonnes. Poland continued its strong gains, and the fifth largest EU producer saw production increase by 7.7% in November and 16% in the year to date to 9.5 million tonnes.

In the year to date, German crude steel production grew by 3%, a figure that was mirrored by their exports, which also grew by 3% in the year to date. The main driver of this growth has been an increase in HRC exports from the country with large increases seen in shipments to Italy, Belgium, Turkey, the US and the UAE.

Turkish steel production rose by 7% to 3.1 million tonnes in November and by 13% to 34.2 million tonnes in the eleven months. Serbia's production in the eleven months jumped by 27% to 1.3 million tonnes compared to 2016. Bosnian steel production was down by 11% in the year to date to 656 thousand tonnes, while in Norway steel production fell by 3.9% to 553 thousand tonnes.

According to ACEA, the European car manufacturers association, In November, registrations of new passenger cars in the EU totalled 1,216,702 units. Demand increased by 5.9% compared to the same month last year, mostly driven by the fact that there was one extra working day this November. Nearly all major EU markets performed well: Spain (+12.4%) and France (+10.3%) posted double-digit growth, followed by Germany (+9.4%) and Italy (+6.8%). The UK car market, however, contracted for the eighth consecutive month, with registrations falling by 11.2% in November.

Overall, the CIS region has again seen a modest improvement. Russian crude steel production was 1.4% up in November at 6 million tonnes, while the year to date total was 3% up at 66.5 million tonnes. Ukrainian monthly production was down by 4.9%, bringing the eleven months total to 18 million tonnes, a decrease of 10.9%. In Kazakhstan the year to date total was up by 8% to 3.8 million tonnes, while in Belarus it increased by 13% to 2.1 million tonnes.

On the North American continent US crude steel production was very strong, increasing by 8.5% in November and by 4% to 74.9 million tonnes in the year to date. Canadian steel production was also very strong, 32% up in the month, and 8% higher in the eleven months to 12.6 million tonnes. Mexican steel production decreased by 3.1% in November, but rose by 6% in the year to date to 18.3 million tonnes.

As well as increasing crude steel production, Canada has also increased its exports. In the first ten months of the year, exports grew by 11% in total with an increase in both seamless and welded tubes being shipped to the US; an increase in HR bars being exported to the US and Mexico; and an increase in semis being shipped to the US and Sri Lanka.

Crude steel production in the South American countries was again varied with Brazilian production very strong, rising by 15.3% in November, and 9% in the year to date to 31.5 million tonnes. Argentinian steel production was again very strong, increasing by 20.9% in the month, bringing the eleven months total to 4.2 million tonnes, an increase of 11%. In Colombia the monthly total increased by 1.2%, while the year to date total was flat at 1.2 million tonnes. Peruvian steel production was 5% up in the eleven months to 1.1 million tonnes. Chilean year to date steel production was stable year on year at 1.1 million tonnes. Meanwhile, steel production in Venezuela continued its collapse, crashing by 74% in the month and 33% in the year to date to just 319 thousand tonnes.

In Africa, South African steel production was 10.1% higher in November and was 1% up in the year to date to 5.8 million tonnes. Egyptian production jumped by 36.9% in November and by 38% in the eleven months to 6.2 million tonnes. In the Middle East, Iran showed continued strength with a 24.4% increase in steel production in November with the year to date total up by 21% to 19.7 million tonnes. Saudi Arabian steel production, however, fell by 11% in the year to date to 4.5 million tonnes. Production in the United Arab Emirates rose by 7% in the eleven months to 3 million tonnes.

Turning to the Far East, Chinese steel production increased by 6.1% in November to 72.4 million tonnes, bringing the year to date total up by 6.1% to 709 million tonnes, 50% of world production. Japan's November production was down by 1%, while the year to date total was 0.2% lower at 87.2 million tonnes. Crude steel production in India was up 5.3% in the month, making 84.1 million tonnes in the eleven months, an increase of 6.4% on the previous year. South Korea's production increased by 4% in November, while the year to date total was up by 3.7% to 59.1 million tonnes. Taiwan's monthly production increased by 2.5%, bringing the year to date total to 19.4 million tonnes, an increase of 7.3%. Vietnam's year to date total increased by 88.8% to 7.9 million tonnes.