

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, April 2013



Total crude steel production for the 63 countries reporting to the World Steel Association in February 2013 was estimated to be 123 million tonnes, an increase of 1.2% on February 2012. The total for the two months to date in 2013 was 2.7% up on the same period in 2012 at 253 million tonnes. However, excluding China, global crude steel production actually fell by 6.2% in February and by 4.1% in the two months. Most regions showed a decrease in both the month and year to date except for the Asian countries and Oceania.

In the European Union, crude steel production by the 27 fell by 5.6% in February, and by 4.5% to 27 million tonnes in the two months to date compared to the same period last year. German crude steel production was down 3.7% in February, but rose by 1.2% in the year to date to 7 million tonnes. Production in Italy, however, dropped by 15% in February, while the two months total was down 17.2% to 3.9 million tonnes. French monthly production decreased by 0.8%, with the year to date down 1% to 2.6 million tonnes, while Spanish steel production fell by 1.7% in February and by 2.1% in the two months to just over 2.3 million tonnes. United Kingdom steel production jumped by 57% in February, bringing the year to date total up 38% to 1.7 million tonnes, mostly due to the startup of SSI on Teesside.

Crude steel production in other European countries varied considerably. Turkish production in February fell by 3.9% with the year to date total down 6.5% to 5.5 million tonnes. Bosnian steel production, on the other hand, rose by 40% in February and by 37% in the year to date to 116 thousand tonnes. Norwegian steel production decreased by 19% in the year to date to 102 thousand tonnes.

ACEA, the European car manufacturers association, reported that car registrations in Europe fell by 10.2% in February, while the year to date total decreased by 9.3%, to 1.7 million cars. German registrations were down 10.5% in February and 9.6% in the two months at 393 thousand cars, while French registrations fell by 12% in the month and by 13.5% in the two months to 268 thousand cars. The Italian February total was down 17.4% and the year to date was down 17.3% to 222 thousand cars, while in the UK the February total was 7.9% up and the two months total increased by 10.3% to 210 thousand cars. The Spanish two months total fell by 9.7% to 108 thousand cars, while the Belgian total increased by 8.6% to 96 thousand cars. These six countries accounted for 74% of total registrations in Europe.

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In the CIS crude steel production decreased by 9.7% in February, while the year to date total was down 7.9% at 17 million tonnes. Russia's monthly total was almost 12% down, while the two months were 8.7% down at 10.9 million tonnes. Ukrainian steel production, however, only fell by 1.3% in February, bringing the year to date total to 5.2 million tonnes, a decrease of 2.9%. In Kazakhstan the two month crude steel production total decreased by 47% to 325 thousand tonnes, while Belarus steel production fell by 7.8% to 380 thousand tonnes.

Turning to North America, US crude steel production fell by 11.8% in February, and by 8.1% in the year to date to 14 million tonnes. Mexican steel production actually increased by 0.5% in the month, and 3.2% in the two months to date to 3 million tonnes. Canadian production, on the other hand, fell by 5.7% in February, and by 2.3% in the year to date to 2.3 million tonnes.

In South America, there was a 6.2% decrease in Brazilian crude steel production in February, with the year to date total down by 2.5% to 5.5 million tonnes. Argentinian production dropped by nearly 29% in the month and by 24% in the two months to 642 thousand tonnes, while Venezuelan steel production in the year to date fell by 5% to 325 thousand tonnes. Production in Chile was down 4.7% in the two months to 263 thousand tonnes, with the Colombian total down 16.5% to 167 thousand tonnes.

South African crude steel production fell in February by 16.6%, while the year to date total was down 10.6% to 1.1 million tonnes. Egyptian steel production, however, increased by 11.5% in the two months to 1.2 million tonnes. Production in Iran fell by 2.5% in February, and by 6.2% in the year to date to 2.3 million tonnes, while in Saudi Arabia steel production for the two months was 0.3% up at 899 thousand tonnes.

Crude steel production in the Far East varied in the 5 major countries. Chinese production increased by 9.8% in February and by 10.6% in the two months to 125 million tonnes. Japanese production, however, fell by 3.4% in February and by 0.4% in the year to date to 17.2 million tonnes. Indian production was down by just 0.5% in February, but rose by 1.1% in the year to date to 13 million tonnes. South Korean steel production decreased by 8.5% in the month, bringing the year to date total down 4.3% to 10.7 million tonnes. Taiwanese production fell by 6.7% in February and by 0.7% in the two months total to 3.4 million tonnes.

While Chinese steel production has risen in the first two months of 2013, steel exports have remained relatively stable over the last few months at between 4.8 and 5 million tonnes per month, although the February total dropped to 4.2 million tonnes. However, exports of hot rolled bars and also wire rod showed a marked increase in January, up by 69% and 10% respectively. In fact exports of hot rolled bars at 770 thousand tonnes, virtually all of which was shown as alloy engineering bars, were more than double the January 2012 total. 95% of the wire rod exported in January was also alloy engineering quality.

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China's largest market for hot rolled bars was Singapore which took 208kt in January with a further 126kt shown as exported to Hong Kong. However, Singapore's imports show the bars as mostly carbon steel bar and rod. China's exports of hot rolled bar dropped to 618kt in February.

Chinese imports of steel in February dropped below one million tonnes for the first time since January 2012. Cold reduced sheet and plate accounted for 28% of the total steel imported in February, although the total of 268 thousand tonnes was 18% down on February 2012. Imports of iron ore rose to a peak of 71 million tonnes in December, but then fell to 65 million tonnes in January and 56 million tonnes in February.

While India's exports of steel in 2012 fell by 8% to 8.2 million tonnes compared to 2011, India's imports of steel rose by 1.3% to 9.3 million tonnes. 60% of India's imports in 2012 came from other Asian countries with China supplying nearly 23% followed by South Korea (18%) and Japan (14.2%). The European Union accounted for 16.4% of total imports in 2012 with the CIS, largely Russia and the Ukraine, supplying a further 13.2%. Hot rolled coil and hot rolled plate together accounted for 40% of India's imports in 2012.

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