

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, May 2011



World production of crude steel in March 2011 rose by 7% to 129.3 million tonnes, the highest monthly total ever. The total of the 3 months to date was 371.5 million tonnes, nearly 9% higher than the January to March period in 2010. However, excluding China, the monthly total was only 5.3% higher, although the quarter was up by 9%. All regions showed an increase in crude steel production in both March and the year to date except for Africa.

Crude steel production in the European Union 27 rose by 4% in March to 16.2 million tonnes compared to March 2010, and was 6.9% up in the quarter at 45.6 million tonnes. German steel production was flat in the month, but was 4.2% higher in the three months at 11.4 million tonnes. Italian production, however, increased by 8.6% in March, and by 8% in the quarter to 7 million tonnes. Spanish steel production only showed a slight rise in March, bringing the year to date total up 2.4% to 4.4 million tonnes. French steel production, on the other hand, fell by 3.4% in March, but was 2.6% up in the three months to 3.8 million tonnes. UK steel production also decreased by 3.1% in March, and by 4.6% in the year to date to 2.4 million tonnes. The Netherlands showed the largest rise in monthly steel production, up 30%, with a 16.6% increase in the quarter to 1.8 million tonnes.

Outside the European Union, Turkish production jumped by 25% in March, and by 31% in the three months to 7.9 million tonnes, only 9% below the Ukrainian total. First quarter production in Serbia was also up by 30% to 465 thousand tonnes compared to Q1 2010. Norwegian production increased by 20% in the quarter to 142 thousand tonnes.

According to ACEA, the European vehicle manufacturers association, car registrations in the 28 European countries monitored increased by 12% in March, and by 11% in the first three months of 2010 compared to 2009. In Germany, registrations fell by 26.6% in March, bringing the three month total down 23% to 670 thousand units. Italian registrations, however, jumped by 20% in March, with the quarter total up by 23% to 666 thousand units, only just below the German total. UK registrations showed an increase of 26.6% in the month, with the year to date total up by 27% to 612 thousand units. French registrations were 18% up in the month, bringing the year to date total up 17% to 595 thousand units. In Spain registrations jumped by 63% in March, bringing the quarter total up 44.5% to 286 thousand units.

In the former USSR, Russia showed an increase in steel production of 7.4% in the month and 11.3% in the quarter to 17.7 million tonnes. In the Ukraine, production was flat in March, but rose by 5.7% in the quarter to 8.7 million tonnes. Production in Kazakhstan jumped by 33% in the quarter to 1.2 million tonnes.

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Crude steel production in the USA remained flat in March at 7.1 million tonnes, bringing the first quarter total up 7.1% to 21 million tonnes. Mexican production was 4.8% up in the month, with the three months total 6.2% higher at 4.4 million tonnes. However, Canadian steel production fell by 3% in March and by 1.3% in the year to date to 3.2 million tonnes.

South America is dominated by Brazil where steel production increased by 6.8% in March with the year to date total up 7.3% to 8.5 million tonnes. In Argentina production rose by 6.4% in the month bringing the year to date total to 1.3 million tonnes, an increase of 9.6% on the first quarter of 2010. Venezuelan steel production has started to recover with a 114% increase in March, resulting in a 72% rise in the three months to 736 thousand tonnes.

In Africa, the South African monthly total was down by 23%, and the total for the quarter also fell by 23% to 1.6 million tonnes. However, the Egyptian March total was 9% up, and the three months total rose by 4% to just under 1.6 million tonnes. In the Middle East Iranian steel production jumped by 25% in March, bringing the first quarter total up 17% to 3.4 million tonnes, while Saudi Arabian steel production increased by 12% in March, bringing the three months total to almost 1.4 million tonnes, an increase of 2.3% on Q1 2010.

The five major Asian countries for which monthly crude steel production data are available all showed increased production in both March and the year to date except for Japan. Chinese steel production increased by 9% in March to 59.4 million tonnes, while the three months total rose by 8.7% to 170 million tonnes, just under 46% of the world total in 2011. Japan's production actually fell by 2.7% in March, with first quarter production up 4.4% to 27.7 million tonnes. Indian steel production in March was 8.6% higher, with the three months total up 8.8% to 18.2 million tonnes. Production in South Korea increased by 14% in March, bringing the year to date total up by 21% to 16.4 million tonnes. Taiwanese production was 13% up in the month, bringing the first quarter total to 5.1 million tonnes, an increase of 14.8% on January to March 2010.

While Chinese imports of steel in March rose by 50% to 1.6 million tonnes compared to February, exports of steel doubled to 4.8 million tonnes, the highest monthly total since June 2010. 61% of Chinese exports in March went to other Asian countries with South Korea alone taking nearly 1.3 million tonnes, over one quarter of the total. Exports to India in March were 302 thousand tonnes with Vietnam in third place at 251 thousand tonnes. Exports of steel to the European Union only accounted for 10% of the total in March, some 489 thousand tonnes.

China's largest export in March was coated sheet and strip, totalling over one million tonnes, followed by hot rolled coil at 752 thousand tonnes and hot rolled plate lengths at 622 thousand tonnes. 45% of the coated sheet and strip went to other Asian countries in March, while 79% of the hot rolled coil and 83.5% of the hot rolled plate lengths went to Asian countries.

South Korean steel imports rose to 2.5 million tonnes in March, the highest monthly total since September 2008. Hot rolled coil and hot rolled plate lengths accounted for 51% of total imports in March, with semi finished steel at 413 thousand tonnes accounting for a further 16.5%. South Korean exports, on the other hand, only rose slightly to 2.3 million tonnes, making it a net importer of steel for the first time since July 2010.

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