

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, May 2017



Production of crude steel by the 67 countries monitored by the World Steel Association in March 2017 rose by 4.6% to 145 million tonnes. The total of the 3 months to date was 410.5 million tonnes, some 5.7% higher than the January to March period in 2016. However, excluding China, the monthly total increased by 7.5% compared to March 2016, and the quarter total was 6.9% up on the same quarter in 2016. China accounted for just under 49% of world steel production in the first quarter of 2017.

Crude steel production in the European Union 28 increased by 6.7% in March to 15 million tonnes compared to March 2016, and was 3.8% up in the quarter at 42.5 million tonnes. German steel production was only up by 1.9% in the month, and by 1.8% in the three months to 11 million tonnes. Italian production, however, increased by 9.5% in March, and by 5.5% in the quarter to 6.1 million tonnes. French steel production, on the other hand, jumped by 18.1% in March, bringing the year to date total up 3.3% to 3.9 million tonnes. Spanish steel production rose by 15.7% in March, but was just 0.9% higher in the three months at 3.6 million tonnes. United Kingdom steel production rose by 2.4% in March, and by 4.1% in the year to date to 1.9 million tonnes. Polish production increased by 10.7% in the month, and by 9.6% in the quarter to 2.5 million tonnes.

Outside the European Union, Turkish steel production increased by 14% in March, and by 14.1% in the three months to 8.8 million tonnes. First quarter production in Norway rose by 10% to 167 thousand tonnes compared to Q1 2016, while Bosnian production fell by 17.9% to 168 thousand tonnes. Serbian steel production, however, jumped by 69% to 308 thousand tonnes.

According to ACEA, the European vehicle manufacturers association, car registrations in the 29 European countries monitored rose by 10.9% in March, and by 8.2% in the first three months of 2017 compared to 2016. In Germany registrations increased by 11.4% in March, bringing the three month total up 6.7% to 845 thousand units. UK car registrations rose by 8.4% in March, with the quarter total up by 6.2% to 820 thousand units. In Italy registrations jumped by 18.2% in the month, with the year to date total up 11.9% to 582 thousand units. French registrations rose by 7% in the month, bringing the year to date total up 4.8% to 541 thousand units. In Spain registrations increased by 12.6% in March, bringing the quarter total to 308 thousand units, an increase of 7.9%. These five countries accounted for just under 73% of all registrations in the first quarter.

In the former USSR, Russia showed a small increase in steel production of 1.4% in the month and 4.1% in the quarter to 18 million tonnes, while in the Ukraine production fell by 4.5% in March, and by 0.1% in the quarter to 6.1 million tonnes. Production in Kazakhstan rose by 19.6% in the quarter to over 1.1 million tonnes, while in Belarus production jumped by 24% to 580 thousand tonnes.

Crude steel production in the USA increased by 3.4% in March to 7 million tonnes, bringing the first quarter total up 3.8% to 20.4 million tonnes. Mexican production jumped by 35% in the month, with the three months total up 24% to 5.2 million tonnes. Canadian steel production increased by 13.7% in March, and by 7.1% in the year to date to 3.6 million tonnes.

South American production varied considerably with Brazil showing a 13.7% increase in March with the year to date total up 10.9% to 8.25 million tonnes. In Argentina production rose by 23.5% in the month bringing the three months total to 989 thousand tonnes, an increase of just 0.3% on the first quarter of 2016. Colombian steel production rose by 4.4% in March, resulting in a 3% drop in the three months to 322 thousand tonnes. In Chile, however, the three months production was down by 5.4% to 289 thousand tonnes. Peru's quarter total increased by 17.9% to 297 thousand tonnes, while Ecuador's total was 2.9% higher at 150 thousand tonnes.

In Africa, the South African monthly total was flat and the total for the quarter rose by 1.6% to 1.6 million tonnes. The Egyptian March total, however, jumped by 32%, while the three months total was up by 38% to 1.6 million tonnes. In the Middle East Iranian steel production rose by 18.3% in March, bringing the first quarter total up 12.7% to 4.6 million tonnes, while Saudi Arabian steel production fell 12.9% in March, but rose by 7.1% in the three months to 1.3 million tonnes.

Iran's steel exports in March 2017 rose to 675 thousand tonnes, 32% above the March 2016 total, although it wasn't the highest monthly total. Ingots and semis accounted for 76% of exports in March with deformed reinforcing bars the next largest product group at just 6% of the total. 31.5% of Iran's exports in the first quarter of 2017 went to other Middle Eastern countries with the United Arab Emirates and Oman the two largest markets. However, Thailand was the largest single market, taking 25% of total exports in the first quarter with Taiwan taking a further 13.3%. African countries only took 7.6% of Iranian exports in 2017.

Of the seven major Asian countries for which monthly crude steel production data are available all showed increased production in both March and the year to date. Chinese steel production increased by 1.8% in March to 72 million tonnes, its highest monthly total ever, while the three months total rose by 4.6% to 201 million tonnes, 49% of the world total in 2017. Japan's production increased by 1.8% in March, with the first quarter production up 1.5% to 26.2 million tonnes. Indian steel production in March, however, was 8.2% higher, with the three months total increasing by 10.7% to 25.8 million tonnes. Production in South Korea rose by 6.4% in March, bringing the year to date total up by 4.6% to 17.3 million tonnes. Taiwanese production was up 5.1% in the month, and the first quarter total was 5% higher at 5.5 million tonnes. The Vietnamese quarter total more than doubled to 2.4 million tonnes.

Indian exports of steel in February 2017 rose to nearly 1.5 million tonnes with the first two months of 2017 being more than double the same period in 2016. Exports of hot rolled wide strip accounted for 31% of the total exports in 2017 with ingots and semis accounting for a further 19%. Other Asian countries accounted for 43% of India's exports in 2017 with Nepal and Vietnam the largest export markets. The European Union took almost 29% of India's exports in 2017 with Italy and Belgium being the largest markets. The Middle East took 13.5% of India's steel exports where the United Arab Emirates was the largest single market.

P G Hunt
ISSB Ltd