

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, May 2018



Production of crude steel for the 67 countries reporting to the World Steel Association in March was estimated to be 148 million tonnes. This was 4% above the tonnage in March 2017, and the year to date was 4.1% above same period of 2017 at 427 million tonnes. Excluding China, the March total was 3.4% higher than in March 2017 and the year to date total was 2.8% up on 2017. China accounted for just under 50% of world steel production in Q1 2018.

In the European Union crude steel production for the 28 countries rose by just 0.5% in March to 15.1 million tonnes, compared to March 2017. This brought the year to date total up 0.9% at 43.1 million tonnes. There were mixed fortunes for the major producers. France, Germany and Italy saw modest increases in the month at 1.5%, 0.6% and 1% respectively with the year to date figures up 1.9%, 0.3% and 3.7%. Poland saw stronger growth but at 3%, but this was below that seen last year. The Netherlands fared better with a rise of 9.2%. Conversely, Belgium, Spain and the UK all saw declines with falls of 9.9%, 4.1% and 0.9% respectively in March and of 5.5%, 1.7% and 6.6% in the year to date.

Turkish steel production rose by 7.6% to 3.4 million tonnes in March and by 7.9% to 9.5 million tonnes in the year to date. Serbia's production in the year to date jumped by 45% to 467 thousand tonnes compared to Q1 2017. Bosnian steel production was up by 23.9% in the year to date to 208 thousand tonnes, while in Norway steel production fell by 11.2% to 149 thousand tonnes.

According to ACEA, the European car manufacturers association, In March, registrations of new passenger cars in the EU totalled 1,792,599 units. Demand decreased by 5.3% compared to the same month last year, not helped by strong comparatives last year. There were mixed fortunes with the worst declines seen in the UK (15.7%), Italy (5.8%) and Germany (3.4%). In the first quarter of the year, demand was up 0.7% as growth in Spain, Germany and France offset weakness in the UK and Italy.

Overall, the CIS region saw a decrease in production. Russian crude steel production was 10% down in March at 5.7 million tonnes, while the year to date total was 6.7% lower at 16.6 million tonnes. Ukrainian monthly production was up by 4.7%, bringing the year to

date total to 5.2 million tonnes, a decrease of 2.8%. In Kazakhstan the year to date total was down by 4.2% to 1 million tonnes, while in Belarus it increased by 30.1% to 670 thousand tonnes.

On the North American continent US crude steel production was robust, increasing by 5.3% in March and by 2.2% to 20.7 million tonnes in the year to date. Canadian steel production was up 4.7% in the month, and 0.6% higher in the year to date at 3.5 million tonnes. Mexican steel production was also higher, increasing by 2.9% in March, and by 1.5% in the year to date at 5.1 million tonnes.

Crude steel production in the South American countries was generally strong with Brazilian production healthy, rising by 7.6% in March, and 4.8% in the year to date to 8.6 million tonnes. Argentinian steel production was very strong, increasing by 20.8% in the month, bringing the year to date total to 1.2 million tonnes, an increase of 24.9%. In Colombia the monthly total increased by 7%, while the annual total was up 5.7% at 337 thousand tonnes. Peruvian steel production was 1.7% up in the year to date to 332 thousand tonnes. Chilean year to date steel production was up 1% year on year at 302 thousand tonnes. Meanwhile, steel production in Venezuela continued to be weak, falling by 17.9% in the month and 7.7% in the year to date to just 104 thousand tonnes.

In Africa, South African steel production was 3.1% lower in March but was 1.4% up in the year to date to 1.6 million tonnes. Egyptian production increased by 23.1% in March and by 19.6% in the year to date to 1.9 million tonnes. In the Middle East, Iran showed continued strength with a 43.7% increase in steel production in March with the year to date total up by 47% to 6.8 million tonnes. Saudi Arabian steel production, however, fell by 7.9% in the year to date to 1.2 million tonnes. Production in the United Arab Emirates fell by 16.2% in the year to 732 thousand tonnes.

Following strong growth last year, crude steel production in Iran stepped up again in the first quarter of last year. The majority of this production is used internally but the country is exporting growing quantities of ingots and semis. In the first two months of this year, exports of these products were up 84% to 1.4 million tonnes. Destinations included Egypt, Turkey, Italy, Thailand, Indonesia, the UAE and the Indian Subcontinent.

Turning to the Far East, Chinese steel production increased by 4.5% in March to 74 million tonnes, bringing the year to date total up by 5.4% to 212 million tonnes, nearly 50% of global production. Japan's March production was up by 2.2%, while the year to date

total was 0.7% higher at 26.4 million tonnes. Crude steel production in India was up 5.3% in the month, making 26.7 million tonnes in the year to date, an increase of 3.7% on the previous year. South Korea's production increased by 4.7% in March, while the year to date total was up by 2.8% to 17.8 million tonnes. Taiwan's monthly production was flat, bringing the year to date total to 5.7 million tonnes, a decrease of 1.3%. Vietnam's year to date total increased by 15.9% to 2.8 million tonnes.

Despite the strong growth in crude steel production, Chinese exports continue to decline with a 38% fall in January and a 16% decline in February. With the exception of tubes, this decline in exports has been seen across all products with shipments of Wire Rod, HR Bars, HRC and HDG particularly affected.

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