

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, June 2016



Production of crude steel for the 66 countries reporting to the World Steel Association in April was estimated to be 134.9 million tonnes, a decrease of just 0.5% over April 2015. The total of the 4 months to date was 521 million tonnes, 2.8% below the January to April total in 2015. Excluding China, which accounted for 50% of world production in the first four months of 2015, steel production fell by 1.6% in April and by 3.2% in the four months.

In the European Union 28, crude steel production decreased by 5.2% in April to 13.5 million tonnes compared to April 2015, but fell by 6.5% in the year to date to 54.4 million tonnes. Monthly production in Germany declined by 1.5% in April and by 2.3% in the January to April period to 14.3 million tonnes. Italian crude steel production jumped by 14.5% in April and by 1.1% in the year to date to 7.9 million tonnes. Steel production in France dropped by 26.5% in the month, and by 11.1% in the four months to date to 4.7 million tonnes. Spanish production, on the other hand, fell by 10.6% in April, and the year to date total was down 8.3% to 4.8 million tonnes. In the UK, steel production was 24% down in April, while the 4 months total was down by 37.4% at 2.5 million tonnes. The Polish year to date total, however, was just 3.3% lower at 3.1 million tonnes.

In the rest of Europe Turkish production increased by 5.3% in April, and by 2.8% in the four months to 10.6 million tonnes. Serbian steel production was 19% lower in the year to date at 255 thousand tonnes. The four months total for Norway was 203 thousand tonnes, 2.4% up on the previous year's total, while in Bosnia steel production was 8.3% down in the year to date at 273 thousand tonnes.

New car registrations in Europe rose by 9% in April compared to the previous April, according to ACEA, the European Car Manufacturers Association, while the four months total showed an increase of 8.3% to 5.25 million cars. German registrations rose by 8.4% in April and by 5.6% in the year to date to 1.1 million cars. UK registrations increased by 2% in April, while the year to date total was 4.4% up at 961 thousand. French registrations rose by 7.1% in April and by 7.9% in the year to date to 699 thousand cars. Italian registrations increased by 11.5% in April and by 18.6% in the four months to 687 thousand cars. The Spanish automotive

market increased by 21.2% in the month, and by 10.3% in the January to April period to 386 thousand cars. These 5 countries accounted for 73% of the European market.

Crude steel production in the CIS countries rose by 1.5% in April, although Russian production fell by 0.4%. Ukrainian steel production, however, increased by 11.7%. This brought the year to date total for the CIS up by 4.9% with Russia's four month total down 3.9% at 23.1 million tonnes. Ukrainian steel production was up by 16.8% in the year to date to 8.3 million tonnes. In Kazakhstan steel production increased by 7.4% in the four months to 1.4 million tonnes.

Russia's steel exports in March 2016 were almost 3 million tonnes, the highest monthly total since March 2010. Half of this tonnage was carbon steel billets and slabs where the largest markets were Taiwan, Turkey and Mexico.

On the North American continent US steel production rose by 2.5% in April, but was down by 0.3% in the year to date to 26.2 million tonnes. Mexican steel production decreased by 7.3% in April, while the four months total decreased by 9.9% to 5.5 million tonnes. Canadian steel production showed a 1.6% decrease in April, but was 7.3% up in the year to date, bringing the total to 4.5 million tonnes.

While US imports of steel in March 2016 at 2.4 million tonnes were not the lowest monthly total in recent months, the first quarter total at 7.1 million tonnes was 35% below Q1 2015. The percentage coming from Asian countries dropped from 36.5% in Q1 2015 (4 million tonnes) to 29.4% in Q1 2016 (2.1 million tonnes) with a huge drop in tonnes from South Korea and China. Imports from Canada, the largest single supplying country, remained fairly static at 1.3 million tonnes.

Crude steel production in South America was 18% down in April with Brazilian production falling by 20.6%. The year to date South American total was 14.2% lower at 12.6 million tonnes, of which Brazil was 9.7 million tonnes, a decrease of 14% on 2015. Steel production in Argentina, however, fell by 16.9% in April, while the four months total declined by 17.2% to 1.3 million tonnes. Venezuelan production, on the other hand, dropped by 77% in the year to date to 119 thousand tonnes. The Colombian four month total was 45% higher at 505 thousand tonnes, while Chile saw a rise in the year to date of 13.7% to 406 thousand tonnes. The year to date steel production in Peru, however, fell by 4.2% to 335 thousand tonnes.

In Africa and the Middle East Iran's production rose by 7.8% in April, while the year to date total was up by 1.5% to 5.6 million tonnes. South African steel production, on the other hand, decreased by 7.1% in April and was 14.2% down in the four months to 2.1 million tonnes. Egyptian production fell by 11.5% in April and was 29% down in the year to date to 1.6 million tonnes. Saudi Arabian steel production dropped by 26% in April and was 22.8% down in the four months to 1.6 million tonnes. The United Arab Emirates year to date total increased by 9.9% to just over one million tonnes.

Turning to the Far East, China's steel production rose by 0.5% in April to 69.4 million tonnes which was 51.5% of global production. The four months total was down 2.3% to 261 million tonnes. Japanese crude steel production also rose in April by 1.2%, while the January to April total decreased by 2.3% to 34.3 million tonnes. South Korean production declined by 1.3% in April with the year to date total down 2.3% to 22.1 million tonnes. In India production actually rose by 3.9% in April, bringing the four months total to 30.7 million tonnes, an increase of 2.3% over 2015. Crude steel production in Taiwan fell by 8.3% in April, and by 10% in the year to date to 6.9 million tonnes. Pakistan's steel production in the year to date rose by 52% to 1.4 million tonnes.

Chinese exports of steel dropped by 9.3% in April compared to March to 9 million tonnes. However, this was still 6.3% higher than the April 2015 total. 66% of exports still go to other Asian countries with South Korea and Vietnam both taking over one million tonnes in April. Outside of Asian countries Saudi Arabia was the largest market in April at 262 thousand tonnes.

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