

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, July 2014



Production of crude steel for the 65 countries reporting to the World Steel Association in May was estimated to be 141 million tonnes. This was 2.2% higher than in May 2013, and the year to date was 2.4% higher than the total for the same period in 2013 at 684 million tonnes. Excluding China, however, the May total was 1.9% higher than May 2013 and the 5 months total was 2.1% up on 2013. China accounted for 50% of world steel production in the first five months of 2014.

In the European Union crude steel production for the 28 rose by 2.7% in May to 15 million tonnes, compared to May 2013. This brought the five months year to date total up by 4.6% to 73 million tonnes. German steel production rose by 7.3% in May, bringing the year to date total to 19 million tonnes, 4.9% higher than the previous year. Italian steel production, however, fell by 0.8% in May, but increased by 4.3% in the five months to 10.9 million tonnes. French production decreased by 4% in May, while the year to date total rose by 3.9% to 6.9 million tonnes. On the other hand Spanish production was down by 2.9% in May, and the year to date total was down by 0.5% to 6.2 million tonnes. In the United Kingdom steel production increased by 2.4% in May, but was 9.7% up in the five months to 5.1 million tonnes.

While steel exports by the EU28 to non EU countries were down by 3.9% in Q1 2014 compared to Q1 2013, steel imports were up by 3.2%. However, there were some notable variations from these averages. Italian exports rose by 13.8% to nearly 1.3 million tonnes in Q1 2014, due largely to a significant increase in exports to Algeria which is Italy's largest customer by far. Also showing a significant rise in exports in Q1 was Spain, up by 11.3% to 1.2 million tonnes. This again is largely due to an increase in deliveries to Algeria which is also Spain's largest customer. In contrast, German exports dropped by 22% to 1.4 million tonnes.

Steel imports by the EU28 rose by just 3.2% in Q1 2014, although in Italy, the largest steel importing country in the EU, imports fell by 9.5% to just under 1.9 million tonnes. Italy's largest supplier of steel, the Ukraine, actually slightly increased its exports to Italy in Q1 to 564 thousand tonnes. However, imports from Russia dropped by 140 thousand tonnes to 304 thousand tonnes, a fall of some 31.5%. Imports from Turkey also showed a marked drop of 47% compared to Q1 2013, down to 137 thousand tonnes. Imports from India, however, increased by 48% to 171 thousand tonnes. The second largest importer of steel in the EU is Belgium where imports in Q1 rose by 13.5% to over 1.1 million tonnes. Belgium's largest supplier was Russia from whom imports jumped by 42% to 556kt.

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Turkish steel production fell by 0.7% to 3 million tonnes in May and by 2.2% to 14.1 million tonnes in the five months. Turkey is still the eighth largest steel producing country in the world ahead of Brazil and the Ukraine. Norwegian steel production was only 0.2% down in the year to date to 249 thousand tonnes, while in Bosnia steel production rose by 9.1% to 345 thousand tonnes. Serbia's production in the five months almost tripled to 222 thousand tonnes compared to 2013.

According to ACEA, the European car manufacturers association, car registrations rose by 4.3% in May, and the five months total increased by 6.6%. German registrations were up by 5.2% in May, bringing the year to date total to 1.26 million cars, 3.4% above the 2012 total. UK car registrations were 7.7% up in May, and 11.6% up in the year to date to 1.06 million cars. Registrations in France rose by just 0.3% in May, and by 3% in the first five months to 763 thousand cars. In Italy, on the other hand, registrations decreased by 3.8% in May, bringing the year to date total to 629 thousand cars, an increase of 3.2%. The Spanish five months total jumped by 16.3% to 365 thousand cars.

Russian crude steel production was just under 6.1 million tonnes in May, more or less the same as in May 2013, while the year to date total was only very slightly higher at 29 million tonnes. Ukrainian monthly production, however, increased by 2.2%, bringing the five months total to 12.9 million tonnes, a drop of 7.1%. In Kazakhstan the year to date total was up by 14.5% to nearly 1.5 million tonnes.

On the North American continent US crude steel production rose by 1.4% in May and by 0.7% to 36.3 million tonnes in the year to date. Canadian steel production was 13.9% up in the month, but 1.5% down in the five months to 5.1 million tonnes. In comparison Mexican steel production increased by 5.9% in May, and by 7.6% in the year to date to over 8 million tonnes.

Crude steel production in the South American countries was down with Brazilian production down by 4.3% in May, and the year to date total 0.8% down to 14 million tonnes. Argentinian steel production, however, increased by 7.6% in the month, bringing the five months total to 2.2 million tonnes, a rise of 11.7%. In Venezuela the monthly total fell by 37%, while the year to date total was down by 33% to 697 thousand tonnes. Chilean year to date steel production fell by 9.8% to 490 thousand tonnes, while Colombian production was down by just 0.5% to 500 thousand tonnes. However, in Peru steel production rose by 4.5% to 454 thousand tonnes.

In Africa, South African steel production fell by 13.5% in May but was 2.9% up in the year to date to 3 million tonnes. Egyptian production, however, increased by 6.2% in May and by 0.5% in the five months to 2.8 million tonnes. In the Middle East, Iran showed a 3.3% increase in steel production in May with the year to date total up by 4.4% to 6.3 million tonnes. Saudi Arabian steel production, however, rose by 13.6% in the year to date to 2.6 million tonnes.

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Turning to the Far East, Chinese steel production increased by 2.6% in May to 70 million tonnes, bringing the year to date total up 2.7% to 342.5 million tonnes, 50% of world production. Japan's May production, however, fell by 0.3%, while the year to date total was 1.5% higher at 46 million tonnes. As the second largest steel producer in the world Japan accounted for only 6.7% of global production. Crude steel production in South Korea increased by 11.4% in the month, making 30 million tonnes in the five months, an increase of 8.7% on the previous year. India's production increased by 1.6% in May, while the year to date total was up by 1.9% to 34.7 million tonnes. Taiwan's monthly production, however, decreased by 3.9%, bringing the year to date total to 9.1 million tonnes, a drop of 2.8%.

Indian exports of steel in Q1 2014 were slightly above the same quarter in 2013 at 2.7 million tonnes, although this total was 21% higher than in Q1 2012. 29% of Indian exports in Q1 went to other Asian countries, although this total dropped by 15% to 794 thousand tonnes. The EU28 took 20.7% of total exports in Q1 2014. India's largest market was the USA which took 336 thousand tonnes, followed by the United Arab Emirates which took 215 thousand tonnes.

Indian imports of steel in Q1 2014 fell by 39% to 1.5 million tonnes of which 72% came from other Asian countries. The EU28 supplied another 10.9% of the imports in Q1. South Korea was the largest supplier of steel to India followed by China.

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