

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, July 2016



Production of crude steel for the 66 countries reporting to the World Steel Association in May was estimated to be 139 million tonnes. This was the same tonnage as in May 2015, but the year to date was 2.2% below the total for the same period in 2015 at 658 million tonnes. Excluding China, however, the May total was 2% less than in May 2015 and the five months total was 3% down on 2015. China accounted for 50% of world steel production in the first five months of 2016.

In the European Union crude steel production for the 28 fell by 5.5% in May to 14.5 million tonnes, compared to May 2015. This brought the five months year to date total down 6.4% at 68.9 million tonnes. German steel production actually rose by 4% in May, although the year to date total at 18.2 million tonnes was 1% down on the previous year. Italian steel production increased by 9.3% in May, and by 2.9% in the five months to 10.1 million tonnes. French production, on the other hand, dropped by 18.8% in May, while the year to date total fell by 12.8% to 5.9 million tonnes. Spanish steel production fell by 10.6% in May bringing the year to date total down by 8.7% to 6 million tonnes making it the third largest steel producer in the EU just ahead of France. In the United Kingdom steel production decreased by 37% in May, and by 37.5% in the five months to 3.2 million tonnes, putting it behind Poland and Belgium.

The United Kingdom exported nearly 4 million tonnes of steel to the European Union in 2015, 54% of total exports. In the first 4 months of 2016 The UK exported 1.1 million tonnes which was 67% of total exports. However, imports from the European Union in 2015 were 4.9 million tonnes and 1.6 million tonnes in 2016. The UK's largest export market in 2016 is Turkey followed by France. Within the European Union Germany is the largest supplier to the UK in 2016 followed by Belgium and Spain.

Turkish steel production rose by 5.4% to 3 million tonnes in May and by 3.4% to 13.6 million tonnes in the five months. Serbia's production in the five months, however, fell by 11.8% to 355 thousand tonnes compared to 2015. Bosnian steel production was down by 7.3% in the year to date to 345 thousand tonnes, while in Norway steel production rose by 9.2% to 260 thousand tonnes.

Turkish steel exports in the first 5 months of 2016 were 6.3 million tonnes of which one third went to Middle Eastern countries. A further 22.7% went to Africa, particularly north Africa, while only 18.3% went to the European Union. Turkey's largest single market was the USA at 931 thousand tonnes followed by Egypt at 744 thousand tonnes. Turkish imports of steel in 2016 were 7.7 million tonnes of which 29% came from the European Union. Turkey's largest supplier of steel was Russia at 1.7 million tonnes followed by China and the Ukraine at 1.1 million tonnes each.

According to ACEA, the European car manufacturers association, car registrations rose by 15.5% in May, and the five months total increased by 9.7%. German registrations were up by 11.9% in May, bringing the year to date total to 1.4 million cars, 6.8% above the 2015 total. UK car registrations were 2.5% up in May, and 4.1% up in the year to date to 1.16 million cars. Registrations in Italy jumped by 27% in May, but increased by 20.5% in the first five months to 876 thousand cars. In France registrations increased by 22.3% in May, bringing the year to date total to 875 thousand cars, an increase of 10.5%. The Spanish five months total rose by 12.5% to 499 thousand cars. These five countries accounted for 73% of the European total in 2016.

Russian crude steel production was very slightly up in May at almost 6 million tonnes, while the year to date total was 2.8% down at 29.2 million tonnes. Ukrainian monthly production increased by 5.7%, bringing the five months total to 10.6 million tonnes, an increase of 14.7%. In Kazakhstan the year to date total was up by 2.3% to nearly 1.7 million tonnes, while in Belarus it dropped by 28.4% to 810 thousand tonnes.

On the North American continent US crude steel production fell by just 0.4% in May and by 0.2% to 33 million tonnes in the year to date. Canadian steel production was 6.5% up in the month, and 6.6% higher in the five months to 5.6 million tonnes. In comparison Mexican steel production decreased by 4.1% in May, and by 5.9% in the year to date to 7.3 million tonnes.

Crude steel production in nearly all the South American countries fell with Brazilian production down by 13.2% in May, and 13.9% in the year to date to 12.3 million tonnes. Argentinian steel production decreased by 7.7% in the month, bringing the five months total to 1.7 million tonnes, a drop of 15.3%. In Venezuela the monthly total fell by 76%, while the year to date total was down by 77% to 139 thousand tonnes. Colombian steel production, on the other hand, was 13.7% up in the five months to 512 thousand tonnes. Chilean year to date steel production rose by 3.3% to 462 thousand tonnes, while Peruvian production fell by 8.6% to 400 thousand tonnes.

In Africa, South African steel production was 4.5% lower in May but was 12.3% down in the year to date to 2.6 million tonnes. Egyptian production decreased by 15.5% in May and by 28.9% in the five months to 1.9 million tonnes. In the Middle East, Iran showed a 13% increase in steel production in May with the year to date total up by 3.9% to 7.2 million tonnes. Saudi Arabian steel production, however, fell by 23.6% in the year to date to just under 2 million tonnes. Production in the United Arab Emirates rose by 6.4% in the five months to 1.3 million tonnes.

Turning to the Far East, Chinese steel production increased by 1.8% in May to 70.5 million tonnes, bringing the year to date total down 1.4% to 330 million tonnes, 50% of world production. Japan's May production, however, fell by 0.9%, while the year to date total was 2% lower at 43.2 million tonnes. Crude steel production in India, on the other hand, was up 4.9% in the month, making 38.6 million tonnes in the five months, an increase of 2.4% on the previous year. South Korea's production, however, decreased by 3.5% in May, while the year to date total was down by 2.7% to 27.9 million tonnes. Taiwan's monthly production fell by 4.7%, bringing the year to date total to 8.8 million tonnes, a decrease of 8.3%.

Imports of steel by Thailand rose to their highest monthly total in May 2016 at 1.9 million tonnes. Nearly 38% of this came from China and one quarter of the total came from Japan. Outside of south east Asia the largest supplier was Iran followed by Russia. 34% of Thailand's imports in May were semis and hot rolled wide strip accounted for 27% of the total. A further 8% was rods in coil.

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