

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, July 2017



Production of crude steel for the 67 countries reporting to the World Steel Association in May was estimated to be 143 million tonnes. This was 2% above the tonnage in May 2016, but the year to date was 4.7% above the total for the same period in 2016 at 695 million tonnes. Excluding China, however, the May total was 2.2% higher than in May 2016 and the five months' total was 5% up on 2016. China accounted for 50% of world steel production in the first five months of 2017.

In the European Union crude steel production for the 28 also rose by 2% in May to 14.76 million tonnes, compared to May 2016. This brought the five months' year to date total up 4.1% at 71.7 million tonnes. German steel production actually fell by 1.4% in May, although the year to date total at 18.6 million tonnes was 2.3% higher than the previous year. Italian steel production decreased by 4.1% in May, but was 1.5% up in the five months to 10.3 million tonnes. French production, on the other hand, jumped by 21.5% in May, while the year to date total increased by 11.4% to 6.6 million tonnes. Spanish steel production fell by 3.7% in May bringing the year to date total down by 0.8% to 6 million tonnes making it the fourth largest steel producer in the EU just behind France. In the United Kingdom steel production decreased by 16.1% in May, and by 1.3% in the five months to 3.2 million tonnes, less than Belgium and Austria.

Italian imports of steel rose to over 1.9 million tonnes in March 2017, a 7.9% increase on March 2016, but just less than the 1.9 million tonnes imported in February 2016. Hot rolled wide coil was the largest tonnage imported in March at 521 thousand tonnes, followed by 455 thousand tonnes of semis (mostly slabs). The European Union accounted for 47% of Italian imports in March with Germany and France the two largest suppliers within the EU. Outside of the EU, the Ukraine was the largest supplier of steel in March followed by India.

Turkish steel production rose by 9.7% to 3.3 million tonnes in May and by 11.5% to 15.1 million tonnes in the five months. Serbia's production in the five months, however, jumped by 67% to 594 thousand tonnes compared to 2016. Bosnian steel production was down by 9.6% in the year to date to 312 thousand tonnes, while in Norway steel production rose by 1.5% to 264 thousand tonnes.

According to ACEA, the European car manufacturers association, car registrations rose by 7.7% in May, and the five months total increased by 5.1% to 6.9 million cars. German registrations were up by 12.9% in May, bringing the year to date total to 1.46 million cars, 4.7% above the 2016 total. UK car registrations actually fell by 8.5% in May, and by 0.6% in the year to date to 1.16 million cars. Registrations in Italy rose by 8.2% in May, and

increased by 8.1% in the first five months to 948 thousand cars. In France registrations increased by 8.9% in May, bringing the year to date total to 904 thousand cars, an increase of 3.3%. The Spanish five months' total rose by 7.3% to 536 thousand cars. These five countries accounted for 72% of the European total in 2017.

Russian crude steel production was 1.5% down in May at almost 6 million tonnes, while the year to date total was 2% up at 29.8 million tonnes. Ukrainian monthly production dropped by 25.5%, bringing the five months total to 8.9 million tonnes, a decrease of 15.8%. In Kazakhstan the year to date total was up by 10.4% to nearly 1.9 million tonnes, while in Belarus it rose by 9.4% to 928 thousand tonnes.

On the North American continent US crude steel production rose by just 0.2% in May and by 2.2% to 34 million tonnes in the year to date. Canadian steel production was 0.3% up in the month, and 1.7% higher in the five months to 6 million tonnes. In comparison Mexican steel production decreased by 1% in May, but rose by 12.1% in the year to date to 8.2 million tonnes.

Crude steel production in the South American countries was varied with Brazilian production rising by 13.2% in May, and 14.2% in the year to date to 14.1 million tonnes. Argentinian steel production increased by 3.9% in the month, bringing the five months total to 1.75 million tonnes, also an increase of 3.9%. In Colombia the monthly total rose by 2.7%, while the year to date total was up by 3.6% to 549 thousand tonnes. Peruvian steel production was 8.9% up in the five months to 495 thousand tonnes. However, Chilean year to date steel production fell by 3.5% to 484 thousand tonnes.

In Africa, South African steel production was 3.5% lower in May and was 1.4% down in the year to date to 2.6 million tonnes. Egyptian production jumped by 37.4% in May and by 35.8% in the five months to just under 2.6 million tonnes. In the Middle East, Iran showed an 8.8% increase in steel production in May with the year to date total up by 13.1% to 8.2 million tonnes. Saudi Arabian steel production, however, fell by 1.7% in the year to date to 2.1 million tonnes. Production in the United Arab Emirates rose by 15.1% in the five months to 1.5 million tonnes.

Turning to the Far East, Chinese steel production increased by 1.8% in May to 72.3 million tonnes, bringing the year to date total up by 4.4% to 347 million tonnes, 50% of world production. Japan's May production, however, was up by just 0.1%, while the year to date total was 1.5% higher at 43.9 million tonnes. Crude steel production in India, on the other hand, was up 6.4% in the month, making 41.8 million tonnes in the five months, an increase of 7.4% on the previous year. South Korea's production, however, decreased by 2.7% in May, while the year to date total was up by 1.6% to 28.4 million tonnes. Taiwan's monthly production increased by 1.3%, bringing the year to date total to nearly 9.3 million tonnes, an increase of 3.6%. Vietnam's year to date total more than doubled to 4 million tonnes.

Vietnamese imports of steel reached 19.5 million tonnes in 2016, 19% up on 2015. Imports in 2017 were equally high at 4.9 million tonnes in the first quarter. Hot rolled wide coil accounted for 45% of imports in 2016 with hot rolled plates a further 11% of the total. 75% of imports in 2016 were flat products; this rose to 84% in Q1 2017. China was by far the largest exporter of steel to Vietnam in 2016 at 11.7 million tonnes, 60% of the total. Japan, South Korea and Taiwan were the next largest importers with those four countries accounting for 92% of imports in 2016.

Vietnamese exports of steel reached 2.5 million tonnes in 2016 and 940 thousand tonnes in Q1 2017. CR and coated sheet and strip were the largest exports.

Indian steel exports reached their highest monthly total ever in March 2017 at over 2.1 million tonnes. Hot rolled wide coil accounted for 45% of the total in March with semis a further 14% (almost all were primary mill rounds). India's largest customer in March was Vietnam followed by Italy and the United Arab Emirates.

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