

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, August 2014



Production of crude steel for the countries reporting to the World Steel Association in June 2014 was estimated to be 137 million tonnes, 3.1% higher than the June 2013 total. This brought the total for the first six months of 2014 to 821 million tonnes, 2.5% higher than the January to June period in 2013. However, excluding China, which accounted for over 50% of the total in 2014, the year to date total only rose by 2%, while the June total was up just 1.7%. If the percentage increase is maintained in the second half of the year then the 2014 total will be 1647 million tonnes compared to 1607 million tonnes in 2013.

Crude steel production in the 28 member countries of the European Union decreased by just 0.7% in June compared to June 2013, with the year to date total up by 3.8% to 87 million tonnes compared with the same period last year. Monthly production in Germany increased by 0.6%, while the six months total was 4.2% up at 22.5 million tonnes. Italian production, however, decreased by 3.7% in June, although it was up by 3% in the year to date to 13 million tonnes. French crude steel production actually rose by 1.6% in June, bringing the year to date total to 8.3 million tonnes, an increase of 3%. Spanish production also increased by 6% in the month, and was up 0.6% in the six months at 7.5 million tonnes. The UK total fell by 1% in June, while the year to date total was 7.6% up at 6.1 million tonnes. Polish steel production increased by 9.1% in the six months to 4.2 million tonnes, while the Austrian year to date total rose by just 0.2% to 4 million tonnes.

Elsewhere in Europe, Turkey's steel production increased by 6.7% in the month with the half year total down by 0.3% to 17.3 million tonnes. The Norwegian year to date total rose by 0.8% to 304 thousand tonnes, while Bosnia's six month total increased by 10% to 412 thousand tonnes.

European car registrations, according to ACEA, rose by 4.3% in June, while the total for the first six months of 2014 increased by 6.2% to 6.85 million cars. German registrations fell by 1.9% in June, but were up by 2.4% in the half year to 1.5 million cars. The UK market increased by 6.2% in June, and by 10.6% in the six months to nearly 1.3 million cars. French registrations, however, rose by 2.5% in June, and by 2.9% in the six months to 958 thousand cars. In Italy the June total rose by 3.8%, and by 3.3% in the year to date to 757 thousand cars. These four countries accounted for 66% of total European registrations. The next largest market was Spain where the six months total jumped by 17.8% to 455 thousand cars.

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Turning to the CIS, Russian steel production was 3.9% up in June, while the half year total was just 0.7% up at 34.8 million tonnes. Ukraine's crude steel production, however, fell by 6% in June, but fell by 6.9% in the six months to 15.5 million tonnes. In Kazakhstan, steel production increased by 19.5% in the half year to 1.8 million tonnes. The Belarus six months total, however, fell by 10.5% to 1.2 million tonnes.

The North American continent's crude steel production was up in June with the USA total up by just 1.9%, bringing the six months total to 43.5 million tonnes, an increase of 0.9%. Mexican production, however, rose by 12% in June, bringing the year to date total to 9.5 million tonnes, a 7.8% increase on the 2013 total. Crude steel production in Canada was 5.8% up in June, with the half year total down by 1.4% to 6.1 million tonnes.

US imports of steel reached nearly 3.8 million tonnes in May 2014, some 40% above the same month in 2013 and the highest monthly total since August 2006. The largest product group imported was semis which almost reached one million tonnes in May, up by 61% on May 2013. 87% of this total was carbon steel slabs. The next largest product group imported was welded tubes, 46% higher than the May 2013 total at 561 thousand tonnes. 43% of the May 2014 total was oil and gas tubing with line pipe accounting for a further 30%. Hollow section imports were 10% of the total.

Asian countries supplied 34% of US imports in May 2014 with South Korea and China the two largest exporting countries. The EU28 supplied 16% of the total, Canada 13.6%, Russia 10.6% and Brazil 10.4%. However, preliminary June data published by the American Institute for International Steel shows that steel imports in June fell by 11% from the May peak.

Crude steel production in South America fell by 6.5% in June with Brazilian production down by 4.9%, bringing the six months to date to 16.7 million tonnes, a fall of 1.5%. Elsewhere on the continent, production in Argentina jumped by 14.6% in June and by 12.2% in the half year to 2.7 million tonnes. Venezuelan steel production, however, dropped by 55% in the month, bringing the year to date total to 737 thousand tonnes, 41% down on the 2013 total. The six months total in Chile was 19% down at 544 thousand tonnes and in Colombia it was down by 1.1% at 610 thousand tonnes. However, in Peru the half year total was up by 3.9% to 542 thousand tonnes.

In Africa and the Middle East, Egyptian production increased by 9.5% in June while the year to date showed a 1.9% increase to 3.4 million tonnes. South African production was down 4.7% in June, but rose by 0.8% in the six months to over 3.5 million tonnes. In Iran steel production rose by 7.1% in June, and was 8.4% higher in the half year at 8 million tonnes. Saudi Arabian production increased by 8.2% in June, and by 12.9% in the first six months of the year to 3.1 million tonnes. In Qatar steel production increased by 26% in the year to date to 1.4 million tonnes. United Arab Emirates steel production, however, fell by 7.4% in the half year to 1.3 million tonnes.

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The five main steel producing countries of the Far East showed mixed results. China's June steel production was 4.5% higher at 69 million tonnes, 50.5% of the world's total; this increased the six months total by 3% to 412 million tonnes. Crude steel production in Japan, however, fell by 1.7% in June with the year to date total up by just 0.9% at 55 million tonnes. Indian steel production in June increased by 0.8%, bringing the year to date total to 41 million tonnes, an increase of 1.4%. South Korean steel production, on the other hand, increased by 10.8% in June, and by 9.1% in the year to date to 36 million tonnes. Taiwanese production decreased by 1% in June, and by 1.9% in the six months to 11 million tonnes.

Despite rising steel production the trade in scrap has declined a little in 2014. The first 4 months showed a drop of 5.5% compared to the same period in 2013. In fact the world's largest exporter of ferrous scrap, the USA, showed a drop of 25.7% in its exports in the first 5 months of 2014 compared to 2013 to 6.3 million tonnes. Japan, the third largest exporter of ferrous scrap showed a drop of 27.7% in the first 5 months of the year to just under 3 million tonnes. On the other hand Germany, the world's second largest exporter of scrap, increased its exports by 7.2% in the first 5 months of 2014 to 3.5 million tonnes.

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