

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, October 2010



Crude steel production in August was estimated to be 113 million tonnes, according to the 66 countries reporting to the World Steel Association, an increase of 4.2% over August 2009. The total for the first eight months of 2010 was 932 million tonnes, 22% up on the same period in 2009 and just above the equivalent 2008 total. However, excluding China, the August total rose by 9.1%, and the year to date total showed an increase of 28%. Most regions showed a fall in steel production in both the month and year to date except the CIS monthly total.

In the European Union crude steel production for the 27 member states rose by 15.4% in August compared to August 2009 to 12.1 million tonnes, while the eight months total increased by 37.5% to 115.6 million tonnes. German crude steel production increased by 17% in August, while the January to August total rose by 52% to almost 30 million tonnes compared to the same period the previous year. Italian production jumped by 45% in August, while the year to date total rose by 36.7% to 16.8 million tonnes. Production in Spain was almost flat in August, bringing the eight months total up 25% to 11 million tonnes. French production increased in August by 4.2%, while the year to date total rose by 33% to 10.4 million tonnes. The United Kingdom, however, showed a drop in steel production in August of 3%, although the eight months total was up 11% to 6.7 million tonnes. Polish steel production also fell slightly in August, but was almost 20% up in the year to date to 5.5 million tonnes. The Belgian eight month total rose by 62% to 5.3 million tonnes, while the Austrian total was up 40% to 4.7 million tonnes. In Romania steel production increased by 43% in August and by 59% in the eight months to 2.6 million tonnes.

Steel exports by the EU27 outside of the EU reached a peak of 3.25 million tonnes in April 2010 but then dropped back to 2.9 million tonnes in May and June. The April total was the highest monthly figure since April 2008. Exports in the first six months of 2010 totalled 17 million tonnes, 14% higher than in 2009. The largest export markets were Turkey (2.5mt), the USA (1.8mt), Algeria (1.4mt) and Switzerland (1.2mt). These 4 countries accounted for 40% of EU exports.

EU27 imports from outside the EU were 2.6 million tonnes in March 2010, then dropped a little in April and May then rose to almost 2.6 million tonnes in June. The March total was the highest since November 2008. Imports in the first six months of 2010 were 13.7 million tonnes, 18.5% above the 2009 total, but still 35% below the 2008 six month total. The largest suppliers of steel in 2010 were Russia (3.8mt), Ukraine (2.7mt), China (1.6mt) and Turkey (0.8mt). These 4 countries accounted for 65% of total EU imports.

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In the rest of Europe Turkey's crude steel production was 2.5 million tonnes in August, a rise of 11%; the year to date production was also up 11% to 18.4 million tonnes. Steel production in Serbia, however, fell by 46% in the month, but was 833 thousand tonnes in the eight months, an increase of 72% on 2009. Swiss production for the year to date rose by 38% to 791 thousand tonnes.

According to ACEA, the European Car Manufacturers Association, passenger car registrations in Europe fell by 12% in August, while the eight months total was down by 3% compared to 2009. In Germany registrations dropped by 27% in August, and were nearly 29% down in the year to date to 1.9 million cars, partly as a result of the car scrappage scheme ending. In France, August registrations decreased by 8%, while the year to date total actually rose by 2% to 1.5 million cars. Italian registrations were down by 19% in August, with the year to date down 2.5% to 1.4 million cars. In the United Kingdom the August total fell by 17.5%, although the eight months total increased by 13% to 1.3 million cars. Although Spanish August registrations were down by 24%, the eight months total increased by 13% to 731 thousand cars. These five countries accounted for 73% of total European registrations in the January to August period.

In the CIS countries Russian production was down by 6% in August, bringing the eight months total to 43.9 million tonnes, 15% higher than the 2009 total. In the Ukraine crude steel production fell by 10% in August, while the year to date was up 11.7% to 21.2 million tonnes. Production in Kazakhstan increased by 11% in the eight months to 2.9 million tonnes.

On the North American continent crude steel production in the USA rose by 23.7% in August bringing the year to date total up 56% to 54.5 million tonnes. Canadian August steel production rose 36%, with the eight months total increasing by 52% to 8.4 million tonnes. Mexican production increased by 24% in August, bringing the year to date total up 25.6% to 11.1 million tonnes.

In South America, Brazilian crude steel production in August increased by 8%, although the eight months total rose by 40% to 22.1 million tonnes. Argentinian steel production was 27.5% higher in August, and 41% up in the year to date to 3.4 million tonnes. In Venezuela, however, August production was down by 60%, while the eight months total fell by 65% to just under one million tonnes.

Production in South Africa, the major steel producing country on the African continent, was flat in August, bringing the eight months total up 18.5% to 5.6 million tonnes. Egypt's steel production, on the other hand, increased by 16% in August, and by 15% in the year to date to 4.2 million tonnes. Steel production in Iran rose by 9% in August, while the year to date total was up 2.6% to 7.8 million tonnes, making it by far the largest steel producer in the MENA region. Production in Saudi Arabia actually fell by 2% in August, although the eight months total was 12% higher at 3.4 million tonnes.

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Among the key Asian countries Chinese crude steel production actually dropped by 1% to 51.6 million tonnes in August, although the year to date total was 15% up at 426 million tonnes, 46% of the world total. Indian steel production rose by 6.4% in August, and by 8.3% to 44.6 million tonnes in the eight months. Japan's steel production increased by 7% in August, while the eight months total rose by 38% to 72.7 million tonnes. South Korean production was up by 6.4% in August, and by 23% in the year to date to 37.5 million tonnes. Taiwanese steel production jumped by 25% in the month and by 29% in the year to date to 12.2 million tonnes.

Chinese exports of steel have dropped markedly from the June peak of 5.6 million tonnes to 4.5mt in July and 2.7mt in August. However, this was still above the February total of 2.4mt. In terms of products the largest drop was in hot rolled wide coil which fell from one million tonnes in July to under 300 thousand tonnes in August. Japanese steel exports, on the other hand, have held up reasonably well and were 3.5 million tonnes in August, down a bit from the March peak of 4.1mt.

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