

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, October 2017



Production of crude steel for the 67 countries reporting to the World Steel Association in August was estimated to be 145 million tonnes. This was 7% above the tonnage in August 2016, and the year to date was 5.2% above the total for the same period in 2016 at 1.124 billion tonnes. Excluding China, the August total was 5.8% higher than in August 2016 and the eight months' total was 4.7% up on 2016. China accounted for just over 50% of world steel production in the first eight months of 2017.

In the European Union crude steel production for the 28 rose by 3.1% in August to 12.6 million tonnes, compared to August 2016. This brought the eight months' year to date total up 4.3% at 112.7 million tonnes. German steel production rose by 3.3% in August, and the year to date total at 29.4 million tonnes was 2.1% higher than the previous year. Italian steel production increased by just 0.4% in August, and was 1.7% up in the eight months to 15.6 million tonnes. French production remained strong and grew by 15.5% in August, while the year to date total increased by 11.5% to 10.4 million tonnes. Spain was the only major producer to see volumes decline and steel production fell by 2.7% in August, bringing the year to date total up by 2.2% to 9.5 million tonnes making it the fourth largest steel producer in the EU behind France, Italy and Germany. Poland was the other main gainer, and the fifth largest EU producer saw production increase by more than 18% in August and 19.2% in the year to date to 6.9 million tonnes.

In Poland the growth in production has filtered through to an increase in exports. Exports in the first half of the year grew by 12% year on year, driven by an increase in shipments of HRC to various European countries such as France, Italy, Germany, Belgium, the Czech Rep, Hungary and Turkey.

Turkish steel production rose by 13.3% to 3.2 million tonnes in August and by 13.6% to 24.7 million tonnes in the eight months. Serbia's production in the eight months jumped by 41% to 991 thousand tonnes compared to 2016. Bosnian steel production was down by 12.5% in the year to date to 498 thousand tonnes, while in Norway steel production fell by 3.5% to 384 thousand tonnes.

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According to ACEA, the European car manufacturers association, car registrations rose by 5.6% in the quiet month of August, and the eight months total increased by 4.5% to 10 million cars. German registrations were up by 3.5% in August, bringing the year to date total to 2.32 million cars, 2.9% above the 2017 total. The UK was the worst EU performer, and UK car registrations actually fell by 6.4% in August, and by 2.4% in the year to date to 1.6 million cars. Registrations in Italy rose by 15.8% in August, and increased by 9.1% in the first eight months to 1.37 million cars. In France registrations increased by 9.4% in August, bringing the year to date total to 1.39 million cars, an increase of 4.2%. The Spanish six months' total rose by 6.9% to 850 thousand cars.

This CIS region has seen an improvement. Russian crude steel production was 6% up in August at 6.2 million tonnes, while the year to date total was 2.5% up at 48.2 million tonnes. Ukrainian monthly production was flat, bringing the eight months total to 14.3 million tonnes, a decrease of 12.8%. In Kazakhstan the year to date total was up by 7.9% to 3 million tonnes, while in Belarus it increased by 12.1% to 1.6 million tonnes.

On the North American continent US crude steel production increased by 6.3% in August and by 2.4% to 54.7 million tonnes in the year to date. Canadian steel production was 11.3% up in the month, and 2.2% higher in the eight months to 8.9 million tonnes. Mexican steel production increased by 5% in August, and rose by 9.3% in the year to date to 13.5 million tonnes.

Crude steel production in the South American countries was varied with Brazilian production rising by 1.2% in August, and 9.3% in the year to date to 22.5 million tonnes. Argentinian steel production boomed, increasing by 21.6% in the month, bringing the eight months total to 2.9 million tonnes, an increase of 6.6%. In Colombia the monthly total fell by 11.5%, while the year to date total was up by 0.4% to 855 thousand tonnes. Peruvian steel production was 6.3% up in the eight months to 815 thousand tonnes. However, Chilean year to date steel production fell by 1.6% to 778 thousand tonnes.

In Africa, South African steel production was 24.4% higher in August but was 1.3% down in the year to date to 4.1 million tonnes. Egyptian production jumped by 23.6% in August and by 32.9% in the eight months to 4.2 million tonnes. In the Middle East, Iran showed a massive 51.7% increase in steel production in August with the year to date total up by 20.5% to 14 million tonnes. Saudi Arabian steel production, however, fell by 7.1% in the year to date to 3.4 million tonnes. Production in the United Arab Emirates rose by 9.1% in the eight months to 2.2 million tonnes.

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Turning to the Far East, Chinese steel production increased by 8.7% in August to 74.6 million tonnes, which is incidentally higher than all but three other countries' annual totals, bringing the year to date total up by 5.6% to 566 million tonnes, 50% of world production. Japan's August production, however, was down by 2%, while the year to date total was 0.4% lower at 69.6 million tonnes. Crude steel production in India was up 4.1% in the month, making 66.5 million tonnes in the eight months, an increase of 5.1% on the previous year. South Korea's production increased by 3.5% in August, while the year to date total was up by 3.5% to 46.9 million tonnes. Taiwan's monthly production increased by 7.3%, bringing the year to date total to nearly 15.5 million tonnes, an increase of 7.3%. Vietnam's year to date total increased by 88% to 6.1 million tonnes.

The growth in Iranian production has also seen a hike in exports, with shipments from the country increasing by 26% in the first eight months of the year. This growth been predominantly driven by an increase in exports of semis to Egypt, the UAE, Oman, Thailand and Indonesia

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