

WORLD STEEL REVIEW

Iron & Steel Statistics Bureau, November 2017



Production of crude steel for the 67 countries reporting to the World Steel Association in September was estimated to be 141 million tonnes. This was 5.6% above the tonnage in September 2016, and the year to date was 5.6% above the total for the same period in 2016 at 1.267 billion tonnes. Excluding China, the September total was 5.8% higher than in September 2016 and the nine months' total was 5% up on 2016. China accounted for just over 50% of world steel production in the first nine months of 2017.

In the European Union crude steel production for the 28 rose by 2.7% in September to 13.8 million tonnes, compared to September 2016. This brought the nine months' year to date total up 4.1% at 126.4 million tonnes. All the major steel producers saw strong gains in September. German steel production rose by 8.1%, and the year to date total at 32.9 million tonnes was 2.7% higher than the previous year. Italian steel production increased by 8.3% in September, and was 2.5% up in the nine months to 17.8 million tonnes. The rate of French production growth slowed somewhat, but remained solid and grew by 3.2% in September, while the year to date total increased by 10.5% to 11.7 million tonnes. Spain reversed last month's decline with growth of 6.7% in September, bringing the year to date total up by 2.7% to 10.7 million tonnes. Poland continued its massive gains, and the fifth largest EU producer saw production increase by nearly 17% in September and 18.9% in the year to date to 7.8 million tonnes. These increases were somewhat offset by the declines in the Netherlands, UK and Czech Republic.

The strength in Germany production has filtered through into an increase in exports with a 3% rise evident in the first eight months of the year. This increase was predominantly evident in shipments of flat products with HRC up 12%, mainly to Italy and Belgium; and CR up 14%, mainly to Spain. This was partially offset by a fall in exports of wire rod.

Turkish steel production rose by 13% to 3 million tonnes in September and by 13.5% to 27.7 million tonnes in the nine months. Serbia's production in the nine months jumped by 34% to 1.1 million tonnes compared to 2016. Bosnian steel production was down by 8.9% in the year to date to 565 thousand tonnes, while in Norway steel production fell by 4.8% to 434 thousand tonnes.

According to ACEA, the European car manufacturers association, car registrations declined by 2% in September against a very strong comparison in 2016, which was a record month, and the nine months total increased by 3.7% to 11.7 million cars. German registrations were down by 3.3% in September, bringing the year to date total to 2.61 million cars, 2.2% above the 2017 total. The UK was again the worst EU performer, and UK car registrations fell by 9.3% in September, and by 3.9% in the year to date to 2.1 million cars. Registrations in Italy rose by 8.1% in September, and increased by 9% in the first nine months to 1.53 million cars. In France registrations increased by 1.1% in September, bringing the year to date total to 1.56 million cars, an increase of 3.9%. The Spanish nine months' total rose by 6.7% to 933 thousand cars.

The CIS region has again seen an improvement. Russian crude steel production was 5.8% up in September at 6 million tonnes, while the year to date total was 2.8% up at 54.2 million tonnes. Ukrainian monthly production was down by 0.8%, bringing the nine months total to 16.1 million tonnes, a decrease of 11.6%. In Kazakhstan the year to date total was up by 7.7% to 3.4 million tonnes, while in Belarus it increased by 13.2% to 1.8 million tonnes.

On the North American continent US crude steel production was very strong, increasing by 8.6% in September and by 3.1% to 61.5 million tonnes in the year to date. Canadian steel production was just 1% up in the month, and 1.3% higher in the nine months to 9.8 million tonnes, however. Mexican steel production decreased by 0.4% in September, but rose by 7.5% in the year to date to 15 million tonnes.

Crude steel production in the South American countries was again varied with Brazilian production rising by 7.6% in September, and 9.1% in the year to date to 25.5 million tonnes. Argentinian steel production was again very strong, increasing by 28.2% in the month, bringing the nine months total to 3.4 million tonnes, an increase of 8.9%. In Colombia the monthly total fell by 9.3%, while the year to date total was down by 0.2% to 965 thousand tonnes. Peruvian steel production was 6.7% up in the nine months to 914 thousand tonnes. Chilean year to date steel production fell by 0.5% to 870 thousand tonnes.

The growth in Argentinian production has also seen a hike in exports, albeit from a low base, with shipments from the country increasing by 68% in the first eight months of the year. This growth been almost entirely driven by a growth in shipments of seamless tubes to the USA.

In Africa, South African steel production was 9% higher in September but was 0.2% down in the year to date to 4.7 million tonnes. Egyptian production jumped by 19.6% in September and by 36% in the nine months to 4.9 million tonnes. In the Middle East, Iran showed a massive 40.4% increase in steel production in September with the year to date total up by 22.9% to 16.2 million tonnes. Saudi Arabian steel production, however, fell by 6.4% in the year to date to 3.8 million tonnes. Production in the United Arab Emirates rose by 10.4% in the nine months to 2.5 million tonnes.

Turning to the Far East, Chinese steel production increased by 5.3% in September to 71.8 million tonnes, bringing the year to date total up by 6.3% to 639 million tonnes, 50% of world production. Japan's September production, was up by 2%, while the year to date total was 0.2% lower at 78.3 million tonnes. Crude steel production in India was up 1.9% in the month, making 75.3 million tonnes in the nine months, an increase of 5.7% on the previous year. South Korea's production increased by 2.8% in September, while the year to date total was up by 3.5% to 52.8 million tonnes. Taiwan's monthly production increased by 12.3%, bringing the year to date total to 17.4 million tonnes, an increase of 7.8%. Vietnam's year to date total increased by 81% to 6.7 million tonnes.

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