

## **Global Fe scrap trade rises 10pc in 2017: BIR**

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Houston, 29 May (Argus) — The volume of ferrous scrap traded globally among countries rose by 10pc in 2017 as steel mills boosted scrap purchases by 11pc on the year.

Countries around the world traded 99mn t of ferrous scrap in 2017, up from 90.6mn in 2016, according to data from the Bureau of International Recycling (BIR).

Steel mill purchases of ferrous scrap rose to 406mn t from 365mn t a year earlier as most mills looked domestically to secure scrap. The Brussels-based BIR did not break out this year's figures, but last year said that new process (prime) scrap accounted for 36pc of purchases while old (obsolete) scrap accounted for 64pc.

Stronger demand from Turkish steelmakers helped drive the increase in global trading, with Turkey's ferrous scrap imports rising by 18pc to 21mnt in 2017.

South Korean imports rose by 5.6pc to just over 6mn t, as reduced imports from the US were offset by higher intake from neighboring countries such as Japan and China. Indian imports fell by 16pc to 5.4mn t.

US imports of ferrous scrap jumped by 20pc as steelmaker Nucor increased its foreign purchases to offset the loss of direct reduced iron (DRI) supply amid multiple outages at its Louisiana DRI production facility.

Significant increases were also posted by the EU, whose imports rose by 14pc to 3.1mn t; Canada, whose imports rose by 15pc to 2.1mn t; and Indonesia, where intake rose by 78pc to 1.8mn t.

The EU was the world's largest ferrous scrap exporter at 20.1mn t from the 28 member states combined, a 12.9pc increase from the prior year on stronger demand from Turkey and the US. The UK, Netherlands and Belgium were the largest exporters of material to destinations outside the EU. Germany and France were the largest exporters to destinations within the EU.

Exports from the US rose by 17.1pc to 15mn t, lifted higher by increased trading with Turkey.

Japan, the world's third-largest exporter, shipped 5.5pc less scrap at 8.2mn t.

Exports from Canada increased by 21pc to 4.4mn t on stronger demand from the US and Turkey.

China recorded its first-ever ferrous scrap exports in 2017, at 2.2mn t. Indonesia was the largest destination for China's scrap exports at 690,000t, following by Thailand at 318,000t and Vietnam at 318,000t.

The largest exporting countries in 2017 were also the world's largest net exporters of scrap (exports less imports), including the EU, US, Japan, Russia and Canada.

BIR estimates [global ferrous scrap consumption](#) at around 600mn t in 2017. China was the largest consumer at 147.9mn t, followed by the EU at 93.4mnt and the US at 58.8mn t.

Stronger global crude steel output supported scrap consumption, rising by 4.8pc on the year to 1.4bn t. Scrap-intensive electric arc furnace production accounted for 26.5pc of steel output, rising by 8pc to around 445mn t.