

PRESS RELEASE

BIR World Recycling Convention (Round-Table Sessions) in Amsterdam (24-25 October 2016)

Ferrous Division:

WORLD STEEL RECYCLING IN FIGURES

January-June 2016 update of the 7th edition

Amsterdam, 25 October 2016

Rolf Willeke, Statistics Advisor of the BIR Ferrous Division, summarises below the main findings in his January-June 2016 update presentation:

Crude steel production declines in most of the main scrap-using countries and regions

- Figures from worldsteel for the first six months of 2016 confirm a decrease in global crude steel production of around 1.9% to 794.8m tonnes compared with 809.9m tonnes in the same period of 2015.
- Global crude steel capacity utilisation in June 2016 was 71.8%, which was 0.9 percentage points lower than in the same month last year.
- The statistics show year-on-year crude steel production declines in many of the main scrap-using countries and regions: China (-1.1% to 399.7m tonnes), the EU-28 (-6.1% to 82.75m tonnes), Japan (-1.1% to 52.04m tonnes), the Republic of Korea (-3.4% to 33.36m tonnes) and Russia (-1.3% to 35.18m tonnes). In contrast, growth was recorded in the USA (+0.2% to 40.06m tonnes) and Turkey (+3.2% to 16.49m tonnes).

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Steel scrap usage generally lower

- In the first six months of 2016, there was a drop in steel scrap usage for crude steel production in key countries and regions, including the EU-28 (-7.2% to 45.38m tonnes), China (-1.2% to 42.6m tonnes), Japan (-1% to 16.87m tonnes), the Republic of Korea (-7.1% to 14.1m tonnes) and Russia (-2.8% to 8.024m tonnes). In all these individual cases, the percentage reduction in scrap usage was greater than the respective decline in crude steel production.
- Also in decline during the first half of 2016 was steel scrap consumption in the USA (-2.1% to 23.5m tonnes) whereas the nation's crude steel production increased slightly (+0.2%).
- At the same time, the increase in steel scrap usage in Turkey (+2.2% to 13.26m tonnes) was outstripped by the 3.2% upturn in the country's crude steel production.

Some positive signs for steel scrap imports

- Figures for the first six months of 2016 also show that Turkey - the world's foremost steel scrap importer - increased its overseas purchases by 8.3% year on year to 9.178m tonnes.
- Import increases were also recorded by India (+19.1% to 3.773m tonnes), the Republic of Korea (+1.4% to 2.816m tonnes), the USA (+6.5% to 1.977m tonnes), the EU-28 (+1.3% to 1.436m tonnes), Canada (+68.2% to 0.686m tonnes), Mexico (+20.2% to 0.731m tonnes) and Thailand (+7.6% to 0.538m tonnes). The figures confirm that India reinforced its position as the world's second-largest steel scrap importer.
- Conversely, cuts in steel scrap imports were made in the first half of 2016 by Taiwan (-28% to 1.657m tonnes), China (-21.6% to 0.999m tonnes), Belarus (-18.3% to 0.528m tonnes) and Switzerland (-6% to 0.265m tonnes)

EU-28 remains world's leading steel scrap exporter

- Data for the first half of 2016 indicate that the EU-28 retained its role as the world's leading steel scrap exporter with a significant increase in its overseas shipments (+15.2% to 8.593m tonnes). The main buyers of EU-28 steel scrap were Turkey

(+14.1% to 5.01m tonnes), India (+29.1% to 0.958m tonnes), Pakistan (+58.5% to 0.767m tonnes), the USA (+207.5% to 0.495m tonnes), Egypt (-36.3% to 0.281m tonnes), Bangladesh (+207.1% to 0.186m tonnes), Switzerland (-4.7% to 0.261m tonnes), China (+0.5% to 0.079m tonnes) and Norway (+77.1% to 0.174m tonnes).

- Statistics covering external steel scrap exports for the January-June 2016 period show the dominant position of the UK as the EU's biggest steel scrap exporter (+32.8% to 3.078m tonnes).
- The EU-28's internal steel scrap exports totalled 13.159m tonnes in the first half of 2016 (-13.1% when compared to the same period of 2015).
- A further decline in US overseas steel scrap shipments of 14.5% to 5.901m tonnes in the first six months of 2016 was influenced mainly by sharp reductions in exports to Turkey (-24.4% to 1.484m tonnes), Taiwan (-49.3% to 0.599m tonnes), the Republic of Korea (-13.6% to 0.408m tonnes), China (-32.8% to 0.273m tonnes) and Thailand (-18.4% to 0.23m tonnes). In contrast, increased purchases of US steel scrap were made by Mexico (+47% to 0.697m tonnes), India (+35.7% to 0.676m tonnes), Canada (+7.9% to 0.383m tonnes), Peru (+30.5% to 0.244m tonnes) and Pakistan (+45.5% to 0.227m tonnes).
- A further upturn was clearly visible in Japan's overseas shipments of steel scrap in this year's first half (+15.6% to 4.777m tonnes). There were increases in shipments from Japan to the Republic of Korea (+10.4% to 1.767m tonnes) and to Vietnam (+71.1% to 1.196m tonnes). Conversely, there was a drop in purchases by China (-15.7% to 0.873m tonnes) and Taiwan (-9.6% to 0.612m tonnes).
- There were increased overseas shipments from Hong Kong (+10% to 0.663m tonnes).
- Meanwhile, export declines were posted in the first six months of 2016 by Russia (-0.7% to 2.737m tonnes), Australia (-29.1% to 0.73m tonnes) and South Africa (-60.6% to 0.259m tonnes).

Steel scrap export price curves

- Two price graphs from the USA and the EU complete the presentation.

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