



# Deciphering the Global Steel Markets

## Worldwide Steel Production (Supply)

The global steel market is structurally oversupplied due to certain steelmaking geographies that manufacture more of the man-made material than demand in those regions warrants. Global crude steel production eclipsed 1.628bn metric tonnes (mt) in 2016. Figure 18 displays steel production by global region.

**Reference Key:**  
 Mt = metric tonnes  
 Mtpa = metric tonnes per annum

Figure 18: Global Crude Steel Production (Supply) by Region (000's of metric tonnes)

Global Steel Production (000's)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	% Global
China	489,712	512,339	577,070	638,743	701,968	731,040	822,000	822,306	803,825	808,366	50%
% Δ YoY	16.3%	4.6%	12.6%	10.7%	9.9%	4.1%	12.4%	0.0%	-2.2%	0.6%	
Japan	120,203	118,739	87,534	109,599	107,601	107,232	110,595	110,666	105,134	104,775	6%
% Δ YoY	3.4%	-1.2%	-26.3%	25.2%	-1.8%	-0.3%	3.1%	0.1%	-5.0%	-0.3%	
India	53,468	57,791	63,527	68,976	73,471	77,264	81,299	87,292	89,026	95,477	6%
% Δ YoY	8.1%	8.1%	8.9%	8.6%	6.5%	5.2%	5.2%	7.4%	2.0%	7.2%	
South Korea	51,517	53,625	48,572	58,914	68,519	69,073	68,061	71,543	69,670	68,578	4%
% Δ YoY	6.8%	4.1%	-8.4%	21.3%	16.3%	0.8%	-4.4%	4.8%	-2.6%	-1.6%	
Other Asia	43,485	41,598	35,163	42,218	43,897	42,192	43,693	47,416	45,216	47,510	3%
% Δ YoY	271.9%	-4.3%	-15.5%	20.1%	4.0%	-3.9%	3.6%	8.5%	-4.6%	5.1%	
<b>ASIA</b>	<b>758,385</b>	<b>784,090</b>	<b>811,866</b>	<b>918,450</b>	<b>995,456</b>	<b>1,026,801</b>	<b>1,123,648</b>	<b>1,139,223</b>	<b>1,112,871</b>	<b>1,124,704</b>	<b>69%</b>
% Δ YoY	16.8%	3.4%	3.5%	12.1%	8.4%	3.1%	9.4%	1.4%	-2.3%	1.1%	
<b>EUROPEAN UNION</b>	<b>210,262</b>	<b>198,706</b>	<b>139,435</b>	<b>172,911</b>	<b>177,790</b>	<b>168,587</b>	<b>166,357</b>	<b>169,298</b>	<b>166,116</b>	<b>162,024</b>	<b>10%</b>
% Δ YoY	20.0%	-5.5%	-29.8%	24.0%	2.8%	-5.2%	-1.3%	1.8%	-1.9%	-2.5%	
United States	98,101	91,895	59,384	80,495	86,398	88,695	86,878	88,174	78,845	78,475	5%
% Δ YoY	-0.1%	-6.2%	-35.4%	36.5%	7.3%	2.7%	-2.0%	1.5%	-10.6%	-0.5%	
Other North America	34,517	33,243	24,388	21,067	22,277	32,891	32,100	32,919	32,093	32,149	2%
% Δ YoY	3.4%	-3.7%	-26.6%	27.4%	3.5%	1.8%	-2.4%	2.6%	-2.5%	0.2%	
<b>NORTH AMERICA</b>	<b>132,618</b>	<b>125,138</b>	<b>83,772</b>	<b>111,562</b>	<b>118,675</b>	<b>121,586</b>	<b>118,978</b>	<b>121,093</b>	<b>110,938</b>	<b>110,624</b>	<b>7%</b>
% Δ YoY	0.8%	-5.6%	-33.1%	32.2%	6.4%	2.5%	-2.1%	1.8%	-8.4%	-0.3%	
Russia	72,387	68,510	60,011	66,942	68,852	70,209	69,008	71,461	70,898	70,808	4%
% Δ YoY	2.2%	-5.4%	-12.4%	11.5%	2.8%	2.0%	-1.7%	3.6%	-0.8%	-0.1%	
CIS (ex Russia)	51,762	45,835	37,680	41,258	43,811	40,529	39,400	34,618	30,654	31,602	2%
% Δ YoY	7.0%	-11.5%	-17.0%	9.5%	6.2%	-7.5%	-2.8%	-12.1%	-11.5%	3.1%	
<b>CIS</b>	<b>124,169</b>	<b>114,345</b>	<b>97,691</b>	<b>108,200</b>	<b>112,663</b>	<b>110,738</b>	<b>108,408</b>	<b>106,079</b>	<b>101,552</b>	<b>102,410</b>	<b>6%</b>
% Δ YoY	4.1%	-7.9%	-14.6%	10.8%	4.1%	-1.7%	-2.1%	-2.1%	-4.3%	0.8%	
<b>OTHER EUROPE</b>	<b>30,533</b>	<b>31,621</b>	<b>29,034</b>	<b>33,651</b>	<b>39,080</b>	<b>39,918</b>	<b>38,627</b>	<b>38,374</b>	<b>35,777</b>	<b>37,651</b>	<b>2%</b>
% Δ YoY	-6.5%	3.6%	-8.2%	15.9%	16.1%	2.1%	-3.2%	-0.7%	-6.8%	5.2%	
<b>SOUTH AMERICA</b>	<b>48,231</b>	<b>47,490</b>	<b>37,775</b>	<b>43,888</b>	<b>48,164</b>	<b>46,379</b>	<b>45,822</b>	<b>45,043</b>	<b>43,899</b>	<b>40,219</b>	<b>2%</b>
% Δ YoY	6.4%	-1.5%	-20.5%	16.2%	9.7%	-3.7%	-1.2%	-1.7%	-2.5%	-8.4%	
<b>MIDDLE EAST</b>	<b>16,452</b>	<b>16,647</b>	<b>17,766</b>	<b>20,000</b>	<b>23,230</b>	<b>24,979</b>	<b>26,967</b>	<b>29,986</b>	<b>29,429</b>	<b>31,481</b>	<b>2%</b>
% Δ YoY	11.5%	1.2%	6.7%	12.6%	16.2%	7.5%	8.0%	11.2%	-1.9%	7.0%	
<b>AFRICA</b>	<b>18,675</b>	<b>16,970</b>	<b>15,400</b>	<b>16,625</b>	<b>15,696</b>	<b>15,326</b>	<b>15,962</b>	<b>14,885</b>	<b>13,701</b>	<b>13,099</b>	<b>1%</b>
% Δ YoY	9.2%	-9.1%	-9.3%	8.0%	-5.6%	-2.3%	4.1%	-6.8%	-8.0%	-4.4%	
<b>OCEANIA</b>	<b>8,784</b>	<b>8,424</b>	<b>6,014</b>	<b>8,149</b>	<b>7,248</b>	<b>5,805</b>	<b>5,588</b>	<b>5,466</b>	<b>5,718</b>	<b>5,836</b>	<b>0%</b>
% Δ YoY	0.9%	-4.1%	-28.6%	35.5%	-11.1%	-19.9%	-3.7%	-2.2%	4.6%	2.1%	
<b>Global Steel Production (Supply)</b>	<b>1,348,109</b>	<b>1,343,431</b>	<b>1,238,753</b>	<b>1,433,436</b>	<b>1,538,002</b>	<b>1,560,129</b>	<b>1,650,358</b>	<b>1,669,447</b>	<b>1,620,001</b>	<b>1,628,048</b>	<b>100%</b>
% Δ YoY	12.9%	-0.3%	-7.8%	15.7%	7.3%	1.4%	5.8%	1.2%	-3.0%	0.5%	

Source: Deutsche Bank, Bloomberg Finance LP, the World Steel Association

China's 808mn mtpa of steel production made up 50% of global supply in 2016. China has doubled domestic steel capacity over the past 15 years as it seeks to industrialize its economy. The top five steelmaking nations globally amassed 71% of production in 2016; absent China, this figure falls considerably to 21%.

Figure 19: The Top Five Steelmaking Countries Worldwide in 2016 (000's of metric tonnes)

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3) India	53,468	57,791	63,527	68,976	73,471	77,264	81,299	87,292	89,026	95,477	6%
% Δ YoY	8.1%	8.1%	8.9%	8.6%	6.5%	5.2%	5.2%	7.4%	2.0%	7.2%	
4) United States	98,101	91,895	59,384	80,495	86,398	88,695	86,878	88,174	78,845	78,475	5%
% Δ YoY	-0.1%	-6.2%	-35.4%	36.5%	7.3%	2.7%	-2.0%	1.5%	-10.6%	-0.5%	
5) Russia	72,387	68,510	60,011	66,942	68,852	70,209	69,008	71,461	70,898	70,808	4%
% Δ YoY	2.2%	-5.4%	-12.4%	11.5%	2.8%	2.0%	-1.7%	3.6%	-0.8%	-0.1%	
<b>Top Five Steelmaking Nations</b>	<b>833,871</b>	<b>849,274</b>	<b>847,526</b>	<b>964,755</b>	<b>1,038,290</b>	<b>1,074,440</b>	<b>1,169,780</b>	<b>1,179,899</b>	<b>1,147,728</b>	<b>1,157,901</b>	<b>71%</b>
% Δ YoY	10.3%	1.8%	-0.2%	13.9%	7.6%	3.6%	8.9%	0.9%	-2.7%	0.9%	
<b>Global Steel Production (Supply)</b>	<b>1,348,109</b>	<b>1,343,431</b>	<b>1,238,753</b>	<b>1,433,436</b>	<b>1,538,002</b>	<b>1,560,129</b>	<b>1,650,358</b>	<b>1,669,447</b>	<b>1,620,001</b>	<b>1,628,048</b>	<b>100%</b>
% Δ YoY	12.9%	-0.3%	-7.8%	15.7%	7.3%	1.4%	5.8%	1.2%	-3.0%	0.5%	

Source: Deutsche Bank, Bloomberg Finance LP, the World Steel Association