



Recent developments in the Japanese steel industry

The Japan Iron and Steel Federation (JISF)

92nd OECD Steel Committee Meeting

September 19-20, 2022

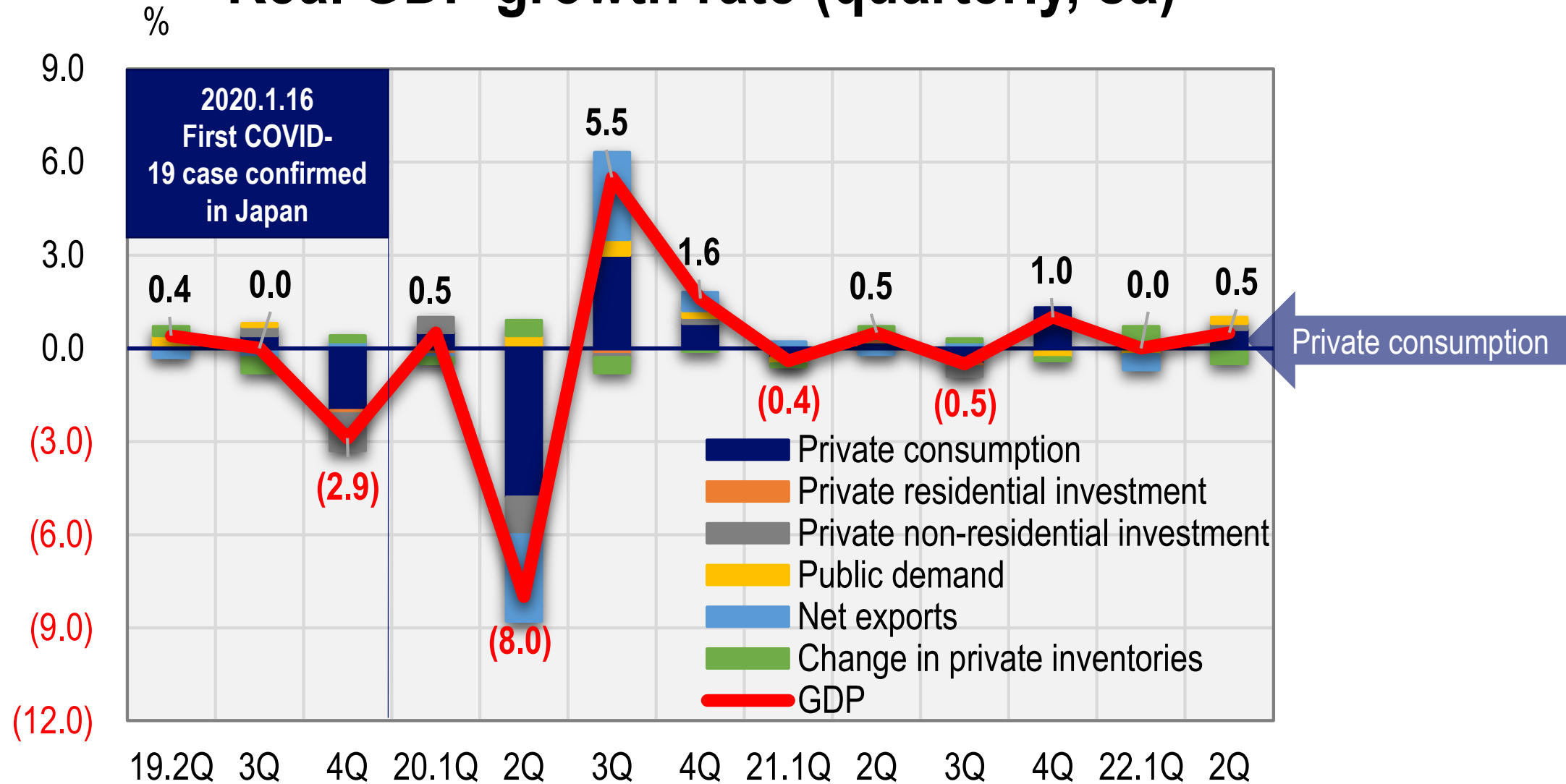


The Japan Iron and Steel Federation

Current situation of the Japanese steel industry

Japan's real GDP in the April-June period grew by 0.5% mainly due to the recovery of private consumption, which accounts for more than half of the country's GDP

Real GDP growth rate (quarterly, sa)



Background of the economic growth in April-June period



The growth is mainly due to the recovery of private consumption, supported by **growth in service industries**, which had declined due to COVID-19.

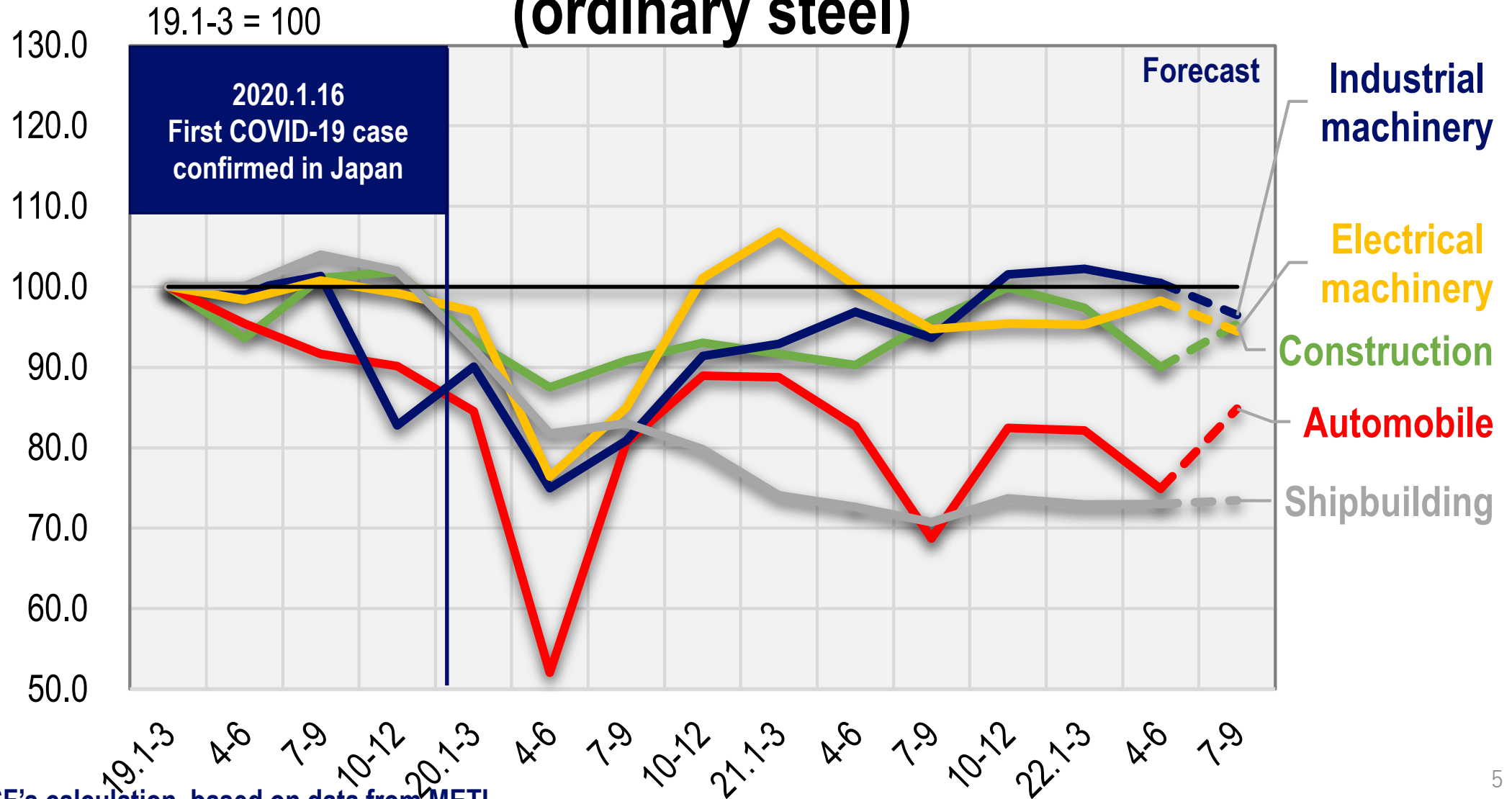


Looking ahead, we need to pay attention to **downside risks** such as fluctuations in financial and capital markets, raw material price hikes, and supply constraints amid global monetary tightening.

Steel consumption of some key steel-consuming industries (e.g., automobile)

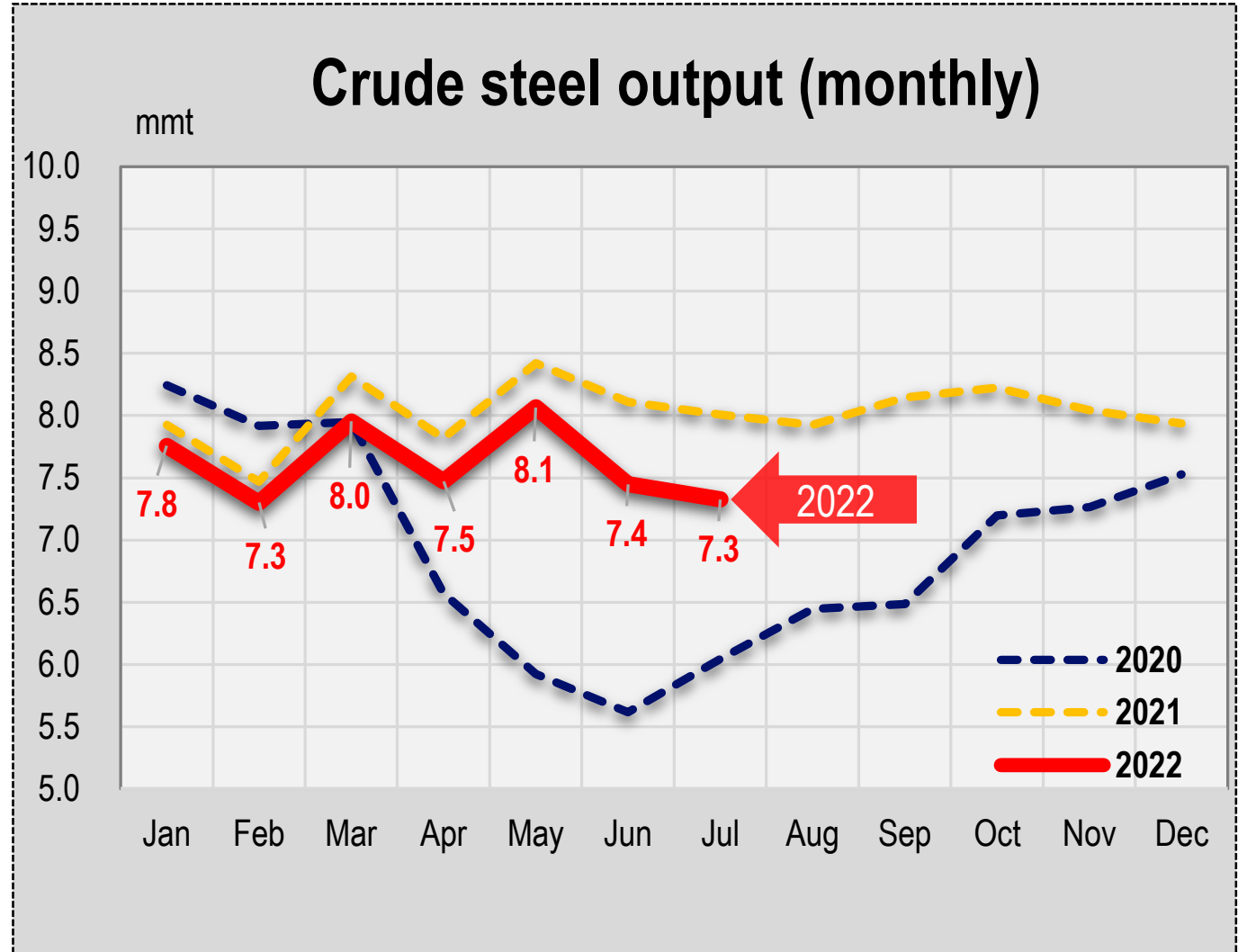
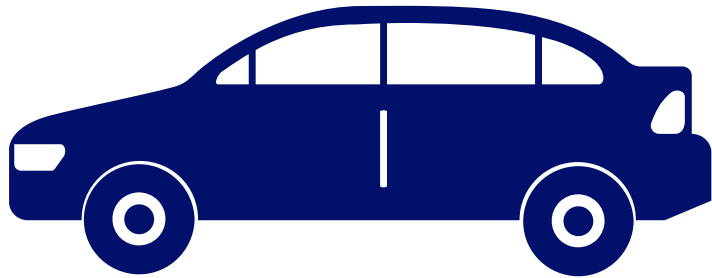
still have been below the level of pre-pandemic

Evolution of steel consumption by sector (ordinary steel)



Source: JISF's calculation based on data from METI

Japan's crude steel output has declined mainly due to the delay in demand recovery in the automotive sector amid the supply chain disruption



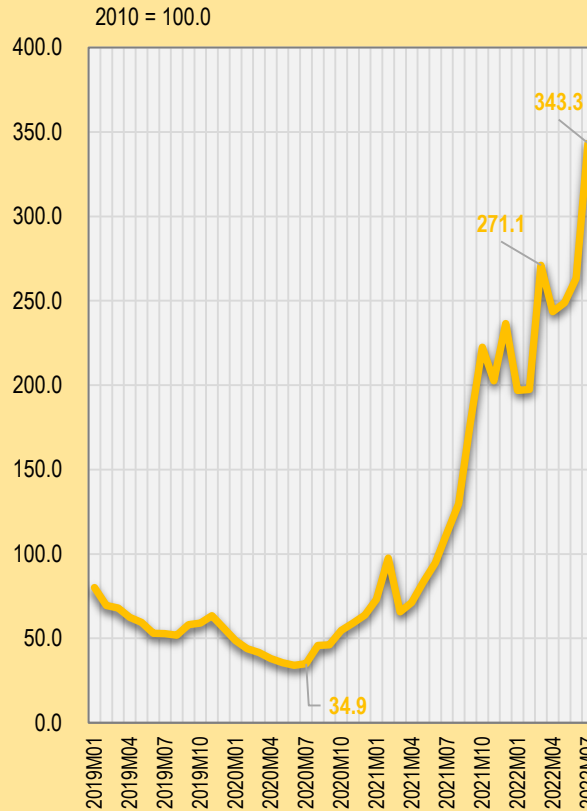
Selected issues in the global steel industry

Rising energy prices remain a major issue in the world economy, affecting the global steel market development

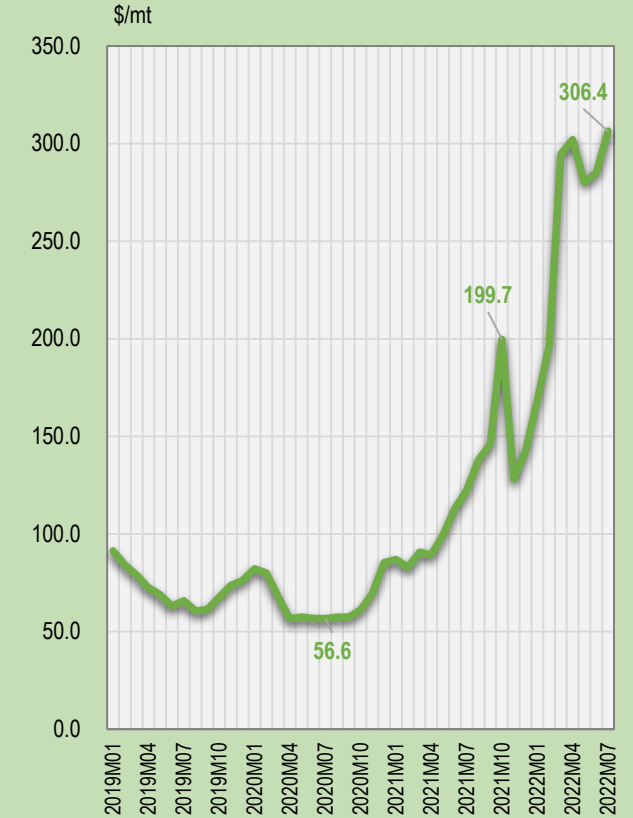
Energy price index



Natural gas price index



Coal (South Africa)



Concluding remarks

- Many uncertainties cloud the prospects of the global steel industry.
- Also, global steel excess capacity has not been solved yet.
- Thus, we still need a forum to discuss this issue.



**The Japan Iron and Steel
Federation**

<https://www.jisf.or.jp/>