

# Steel Demand Outlook 2022- 23

OECD Steel Committee Meeting

September 19, 2022

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# Antitrust

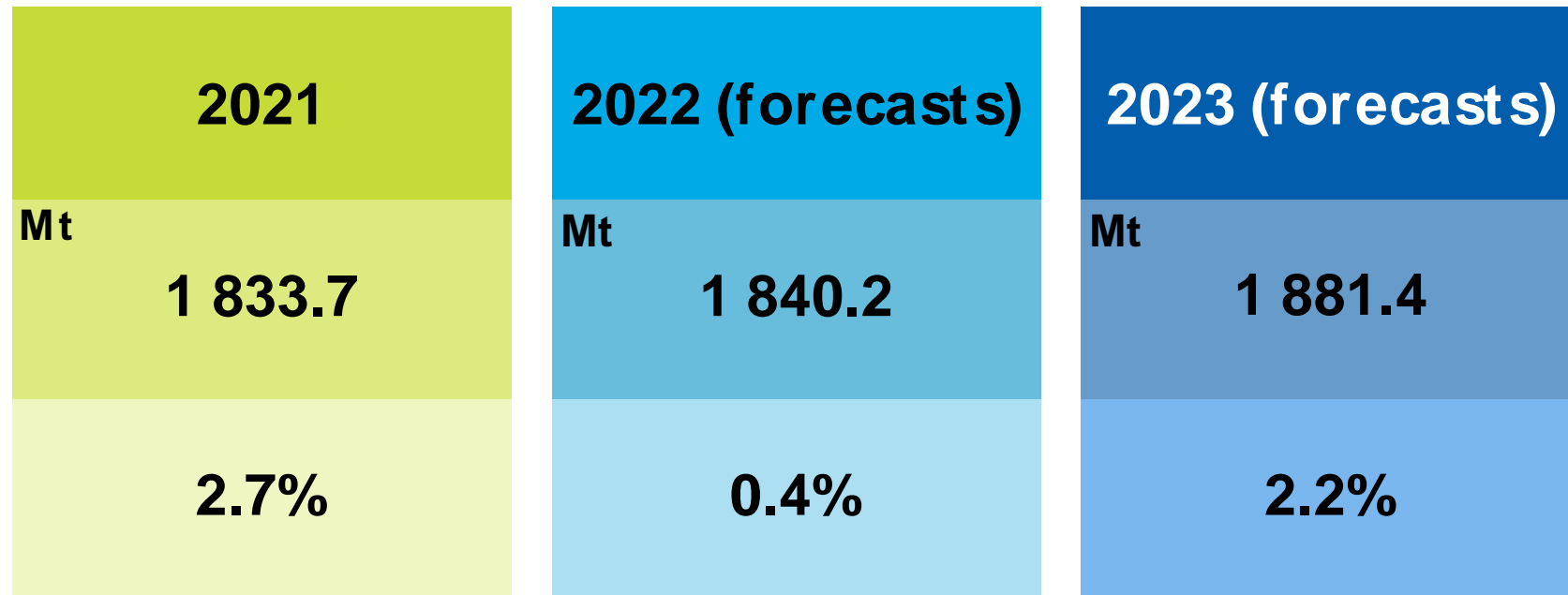
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- No discussions on current or future pricing, pricing terms or any component of price
- No discussions on current or future production output or current or future capacity or capacity utilisation involving non-public information, or desired capacity or production output or capacity utilisation levels, or coordinated capacity, capacity utilisation or production output increases or decreases
- No discussions on allocating geographical or product markets or customers or classes of customers
- No discussions on concerted actions involving costs (including concerted actions against suppliers)
- No discussions on future raw material prices, price terms or negotiating strategies
- No discussions regarding how to respond to price increases or other charges from suppliers or whether or how to pass on any costs to customers
- No discussion on contemplated trade actions or complaints about trade flows
- No discussion on non-public company-specific forward looking commercial strategies or plans

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# Global overview

Steel demand, finished steel (SRO April 2022)



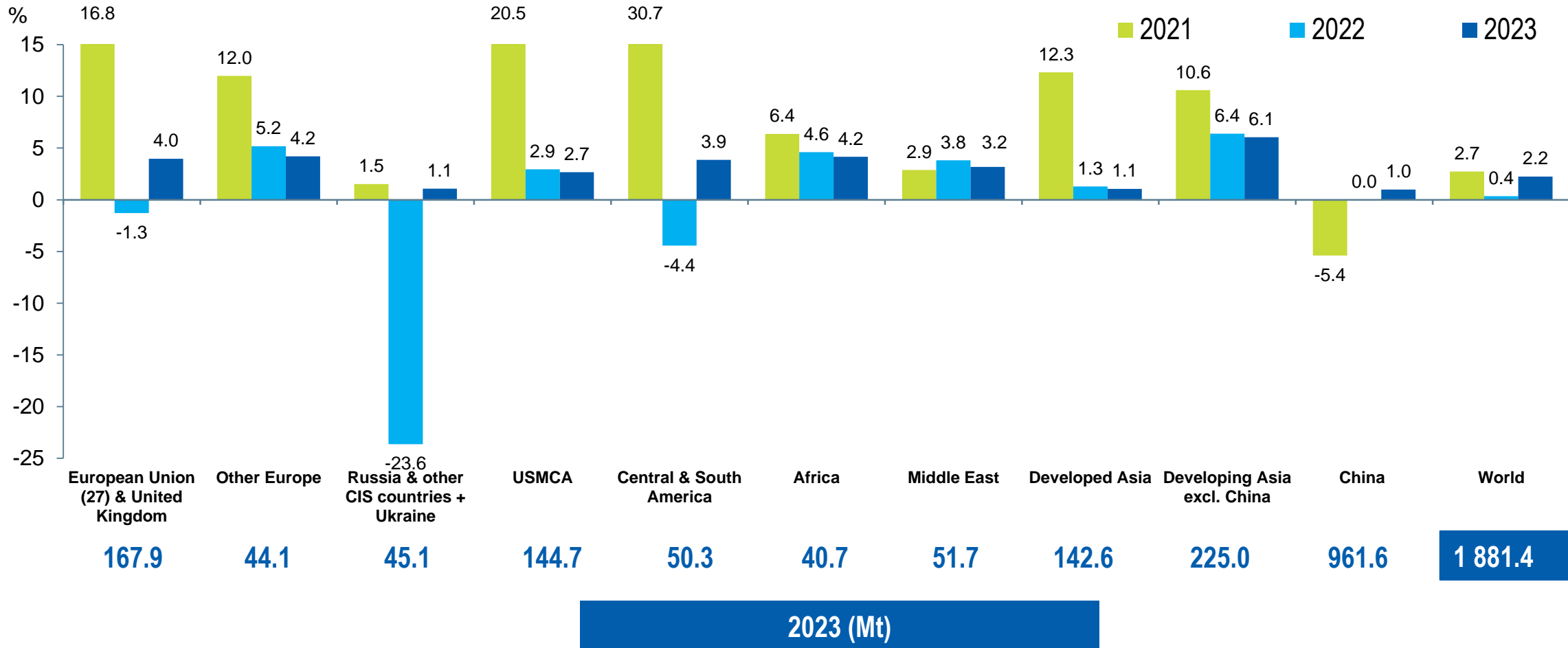
Mt = Million tonnes

# Key observations from latest ECON meeting

- Broadly seen downward revisions on the back of persisting inflation, China's lockdowns and the war in Ukraine
- Global steel demand will move to a contraction zone in 2022. A marginal recovery is expected in 2023
  - Sharper than expected contraction in China in 2022
  - Downwards revisions seen globally (except Russia and Ukraine), with demand contracting in the developed economies as a whole
  - India and ASEAN, oil exporting countries remain resilient so far, whereas Latin America is slumping
  - Russia and Ukraine performed better than expected in 2022, but 2023 will be a different story
- Highly uncertain outlook for 2023: the effects of monetary tightening, China's COVID policy, EU's energy situation
- Risks are tilted toward downside, particularly heavily for the EU

# Regional overview

## Steel demand, finished steel (SRO April 2022)



# China

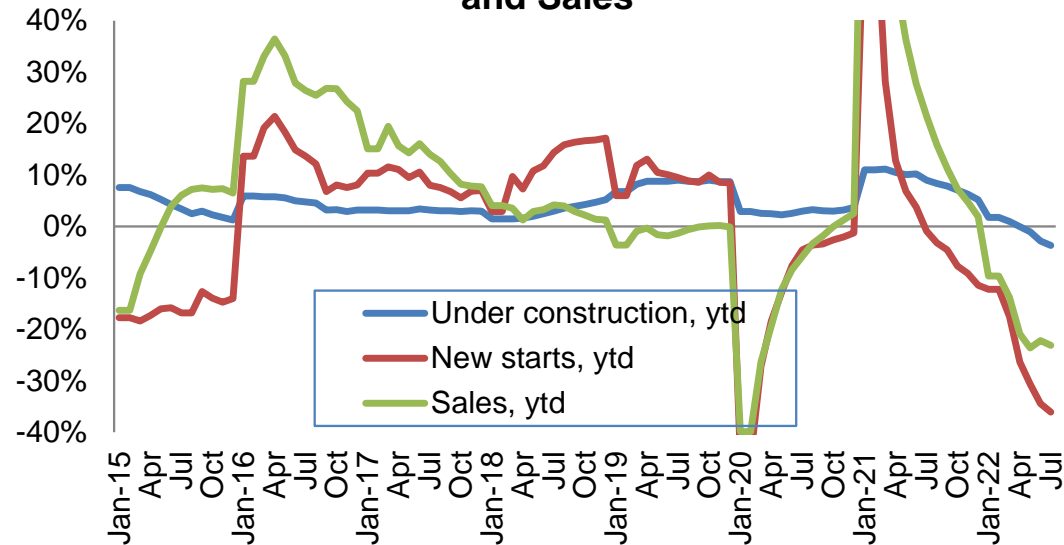
Steel demand, finished steel (SRO April 2022)

Mt

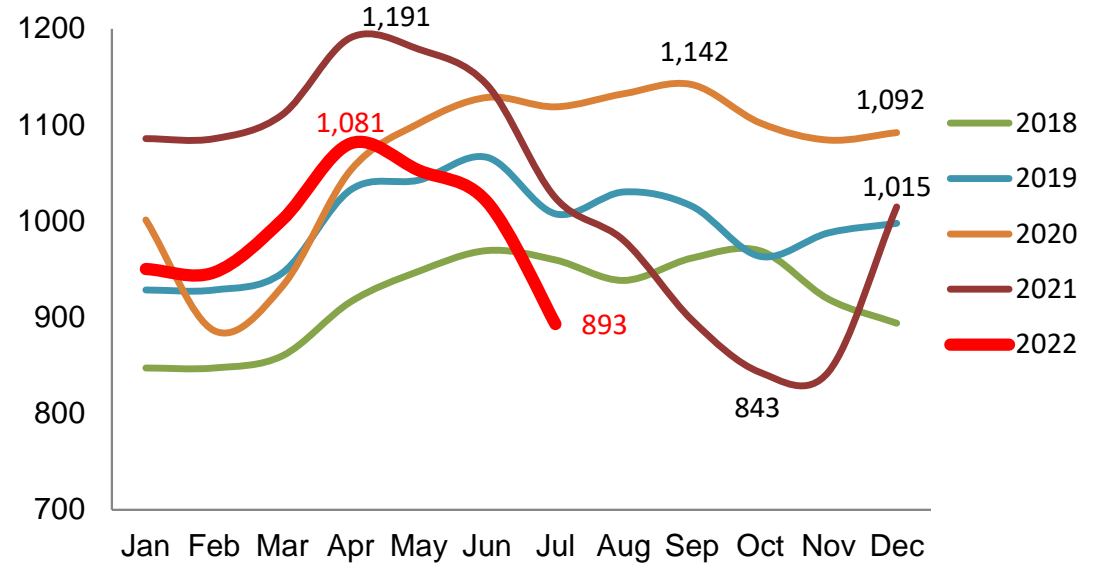
%

	2021	2022	2023	21/20	22/21	23/22	2023 as % of 2007
<b>World</b>	1 833.7	1 840.2	1 881.4	2.7	0.4	2.2	155.2
China	952.0	952.0	961.6	-5.4	0.0	1.0	229.8

Real estate: under construction, New Starts and Sales



Annualised Crude Steel Use



# Developed vs Developing countries

Steel demand, finished steel (SRO April 2022)

	Mt			%			2023 as % of 2007
	2021	2022	2023	21/20	22/21	23/22	
<b>World</b>	<b>1 833.7</b>	<b>1 840.2</b>	<b>1 881.4</b>	<b>2.7</b>	<b>0.4</b>	<b>2.2</b>	<b>155.2</b>
Developed Economies	399.4	403.7	413.5	16.5	1.1	2.4	87.0
Emerging & Developing ex China	482.2	484.4	506.4	10.7	0.5	4.5	158.8
China	952.0	952.0	961.6	-5.4	0.0	1.0	229.8



# Expected Revisions

(SRO October vs April 2022)

	Mt		%		Mt Δ		growth rate Δ		accel. 23/22
	2022	2023	2022	2023	2022	2023	2022	2023	
	SRO April 2022				SRO October 2022				
<b>World</b>	<b>1 840.2</b>	<b>1 881.4</b>	<b>0.4</b>	<b>2.2</b>	↓	↓	↓	↓	↗
European Union (27) & United Kingdom	161.5	167.9	-1.3	4.0	↓	↓	↓	↓	↗
Other Europe	42.3	44.1	5.2	4.2	↓	↓	↓	↓	↗
Russia & other CIS countries + Ukraine	44.6	45.1	-23.6	1.1	↑	↑	↑	↓	↗
USMCA	141.0	144.7	2.9	2.7	↓	↓	↓	↓	↗
Central & South America	48.5	50.3	-4.4	3.9	↓	↓	↓	↓	↗
Africa	39.1	40.7	4.6	4.2	↑	↑	↓	↑	↗
Middle East	50.2	51.7	3.8	3.2	↑	↑	↓	↑	↗
Asia & Oceania	1 313.1	1 336.8	1.2	1.8	↓	↓	↓	↓	↗
China	952.0	961.6	0.0	1.0	↓	↓	↓	↓	↗
Developing Asia excl. China	212.2	225.0	6.4	6.1	↓	↑	↓	↑	↗
Developed Asia	141.1	142.6	1.3	1.1	↓	↓	↓	↑	↗

# Developed economies in focus

Steel demand, finished steel (SRO April 2022)

	Mt			%			2023 as % of 2007
	2021	2022	2023	21/20	22/21	23/22	
<b>World</b>	<b>1 833.7</b>	<b>1 840.2</b>	<b>1 881.4</b>	<b>2.7</b>	<b>0.4</b>	<b>2.2</b>	<b>155.2</b>
United States	97.1	99.8	102.1	21.3	2.8	2.4	94.3
Germany	35.2	35.0	37.6	12.9	-0.6	7.6	88.1
Italy	25.9	25.4	26.3	27.1	-2.1	3.5	73.1
Spain	13.1	13.3	13.6	12.6	1.7	2.3	55.7
Japan	57.5	58.2	58.8	9.3	1.2	1.0	72.4
South Korea	55.6	56.2	56.8	13.5	1.2	1.0	102.9
Developed Economies	399.4	403.7	413.5	16.5	1.1	2.4	87.0

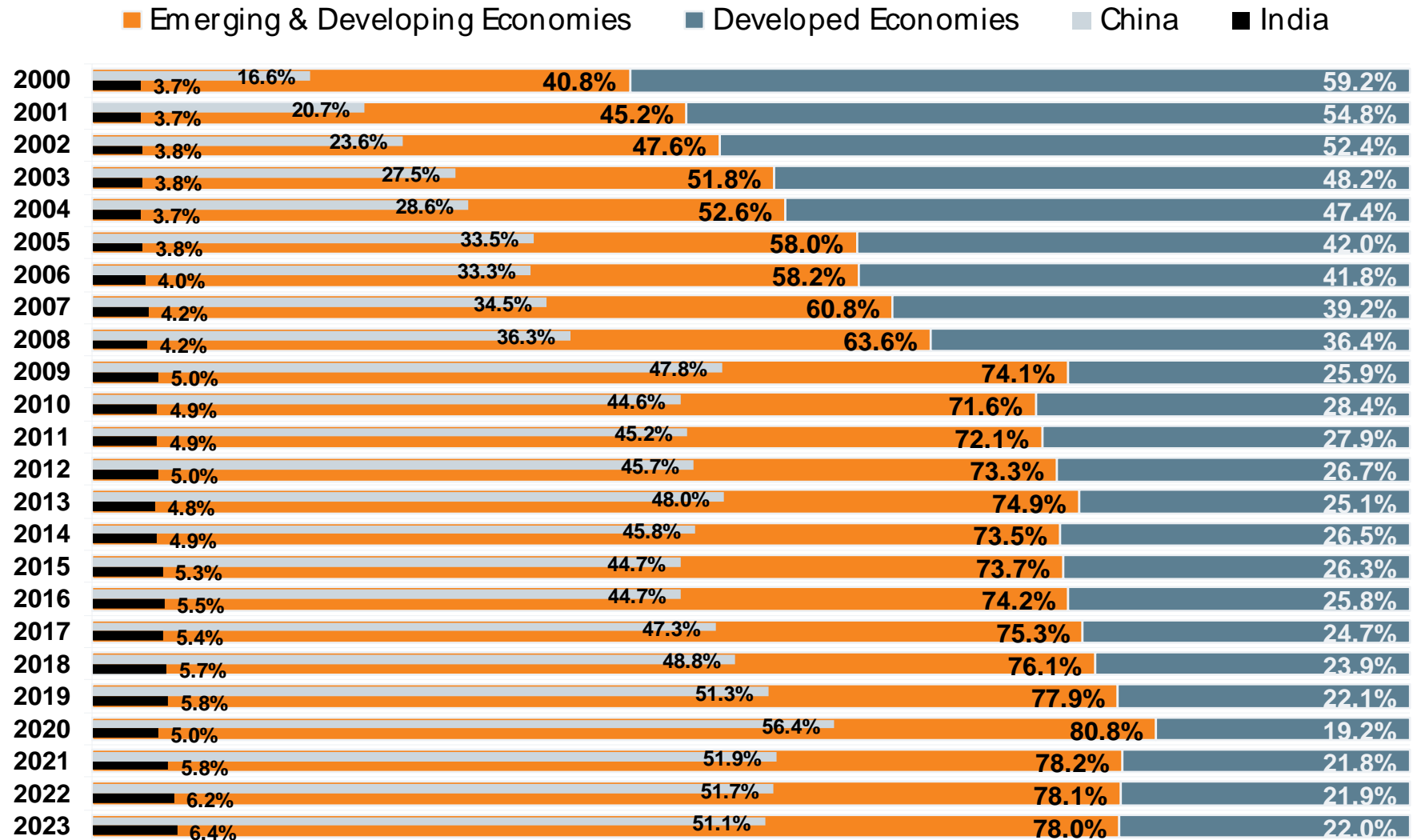
# Developing economies in focus

Steel demand, finished steel (SRO April 2022)

	Mt			%			2023 as % of 2007
	2021	2022	2023	21/20	22/21	23/22	
<b>World</b>	<b>1 833.7</b>	<b>1 840.2</b>	<b>1 881.4</b>	<b>2.7</b>	<b>0.4</b>	<b>2.2</b>	<b>155.2</b>
China	952.0	952.0	961.6	-5.4	0.0	1.0	229.8
India	106.1	114.1	120.9	18.8	7.5	6.0	234.9
Brazil	26.4	24.2	25.4	23.2	-8.5	5.0	115.0
Russia	43.9	35.1	35.1	3.8	-20.0	0.0	87.0
Turkey	33.4	35.5	37.0	13.2	6.4	4.2	155.7
MENA	65.2	68.0	70.3	3.2	4.3	3.5	129.4
ASEAN (5)	72.6	76.1	80.8	3.5	4.8	6.1	200.1
Emerging & Developing Economies excl. China	482.2	484.4	506.4	10.7	0.5	4.5	158.8

# Evolution of regional shares in steel demand

Steel demand, finished steel (SRO April 2022)

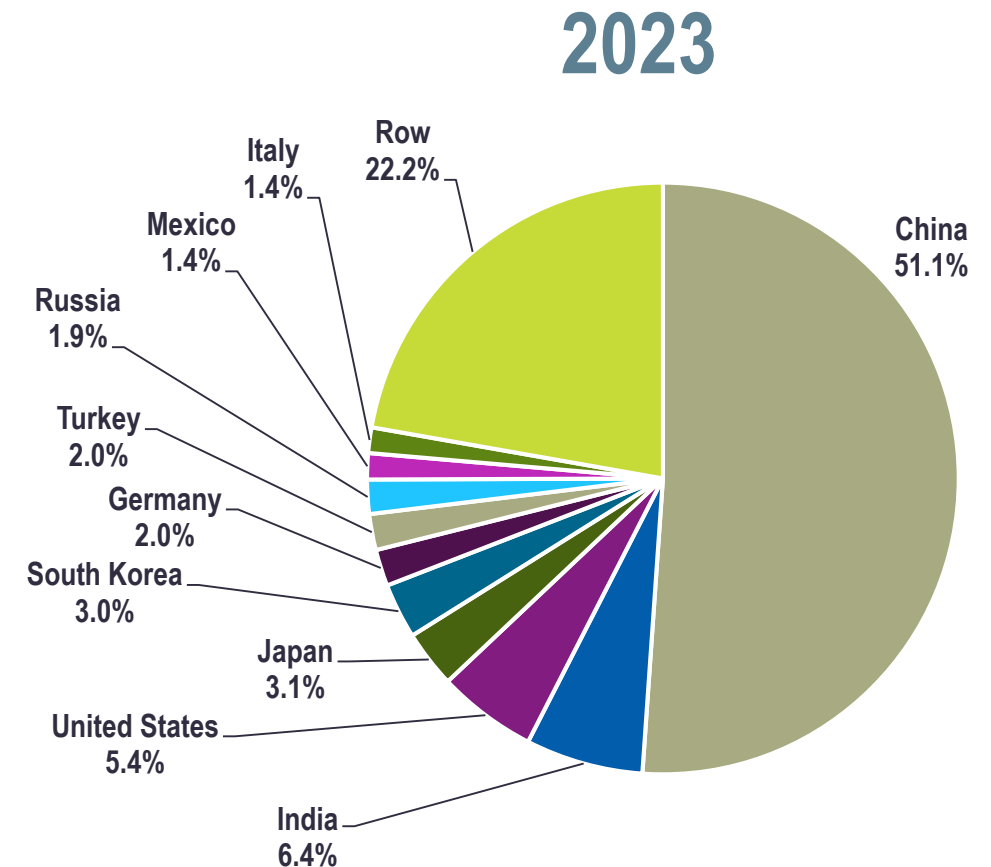


# Top 10 countries in 2018 and 2023

Steel demand, finished steel (SRO April 2022)

Top 10 (2018)	
Country	Steel demand [Mt]
China	836.1
United States	99.8
India	96.7
Japan	65.4
South Korea	53.7
Russia	41.3
Germany	39.6
Turkey	30.7
Italy	25.3
Mexico	25.3

Top 10 (2023)	
Country	Steel demand [Mt]
China	961.6
India	120.9
United States	102.1
Japan	58.8
South Korea	56.8
Germany	37.6
Turkey	37.0
Russia	35.1
Mexico	26.9
Italy	26.3



**Top 10 countries account for 77.8% of world steel demand in 2023**

# Presenter



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# worldsteel

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