



CURRENT SITUATION IN TURKISH STEEL INDUSTRY & OUTLOOK

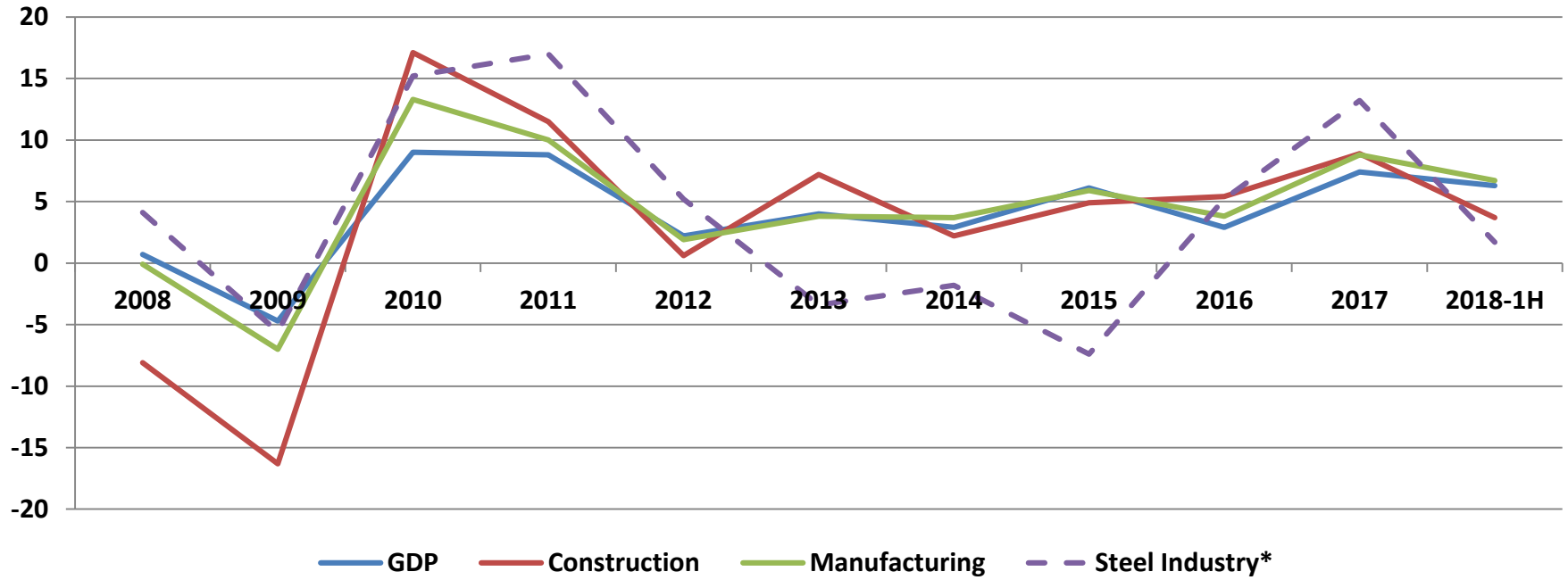
85th OECD Steel Committee Meeting

Dr. Veysel Yayan
Secretary General
Turkish Steel Producers Association

17-18 September 2018
Paris



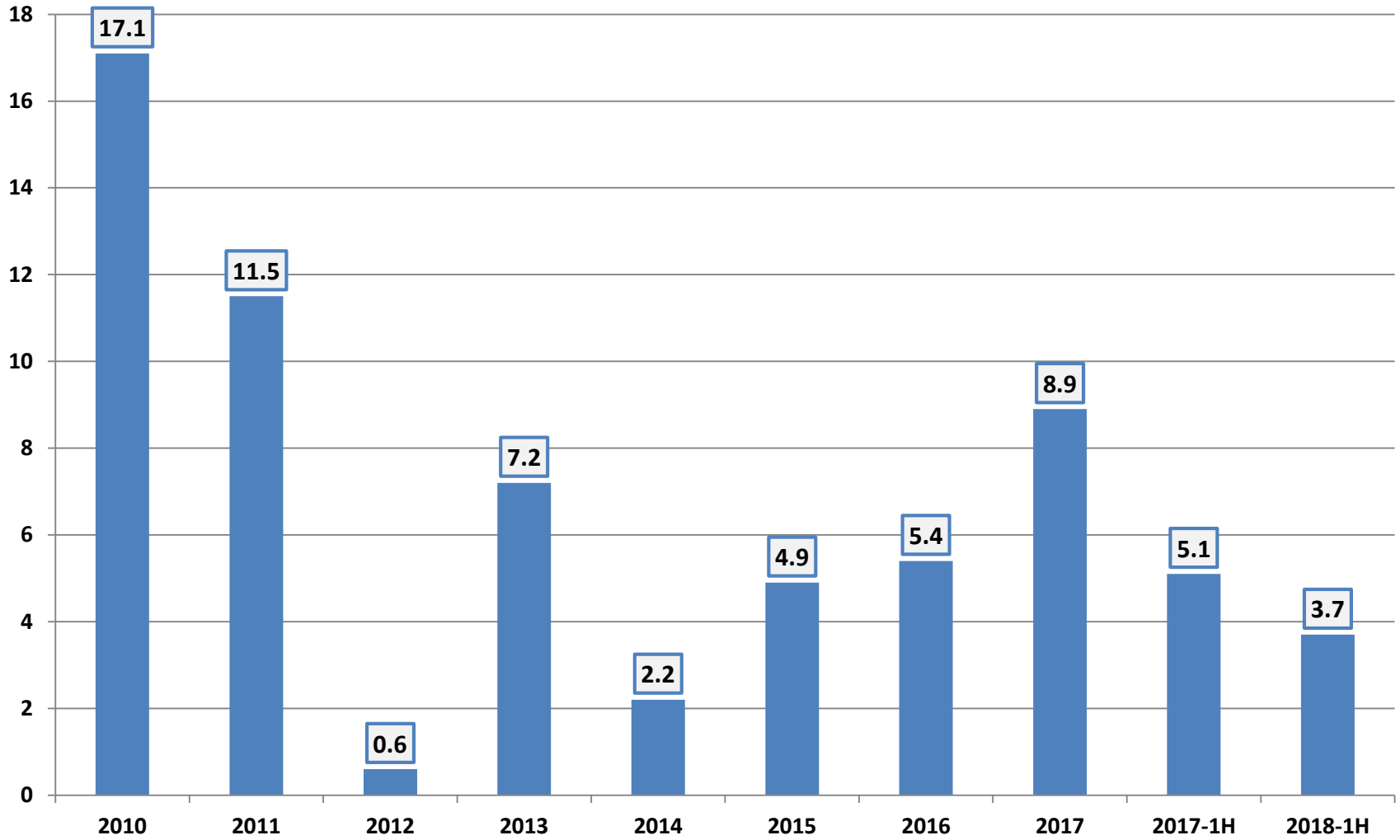
Development of Turkish Economy, Construction, Manufacturing and Steel Industries (%)



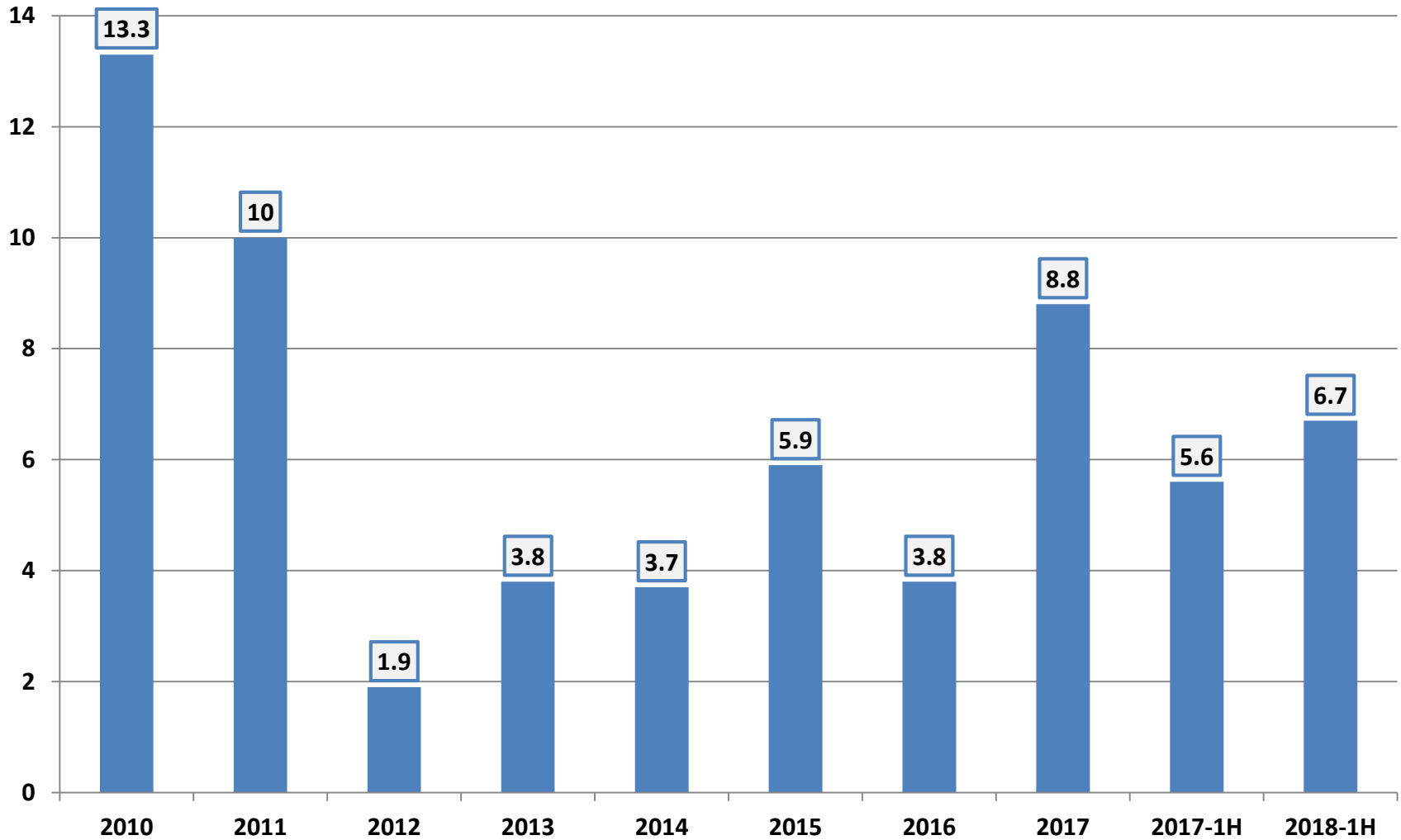
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018-1H
GDP	0,7	-4,7	9	8,8	2,2	4	2,9	6,1	2,9	7,4	6,3
Construction	-8,1	-16,3	17,1	11,5	0,6	7,2	2,2	4,9	5,4	8,9	3,7
Manufacturing	-0,1	-7	13,3	10	1,9	3,8	3,7	5,9	3,8	8,8	6,7
Steel Industry*	4,1	-5,6	15,2	17	5,2	-3,4	-1,8	-7,4	5,2	13,2	1,7

*January-August data.

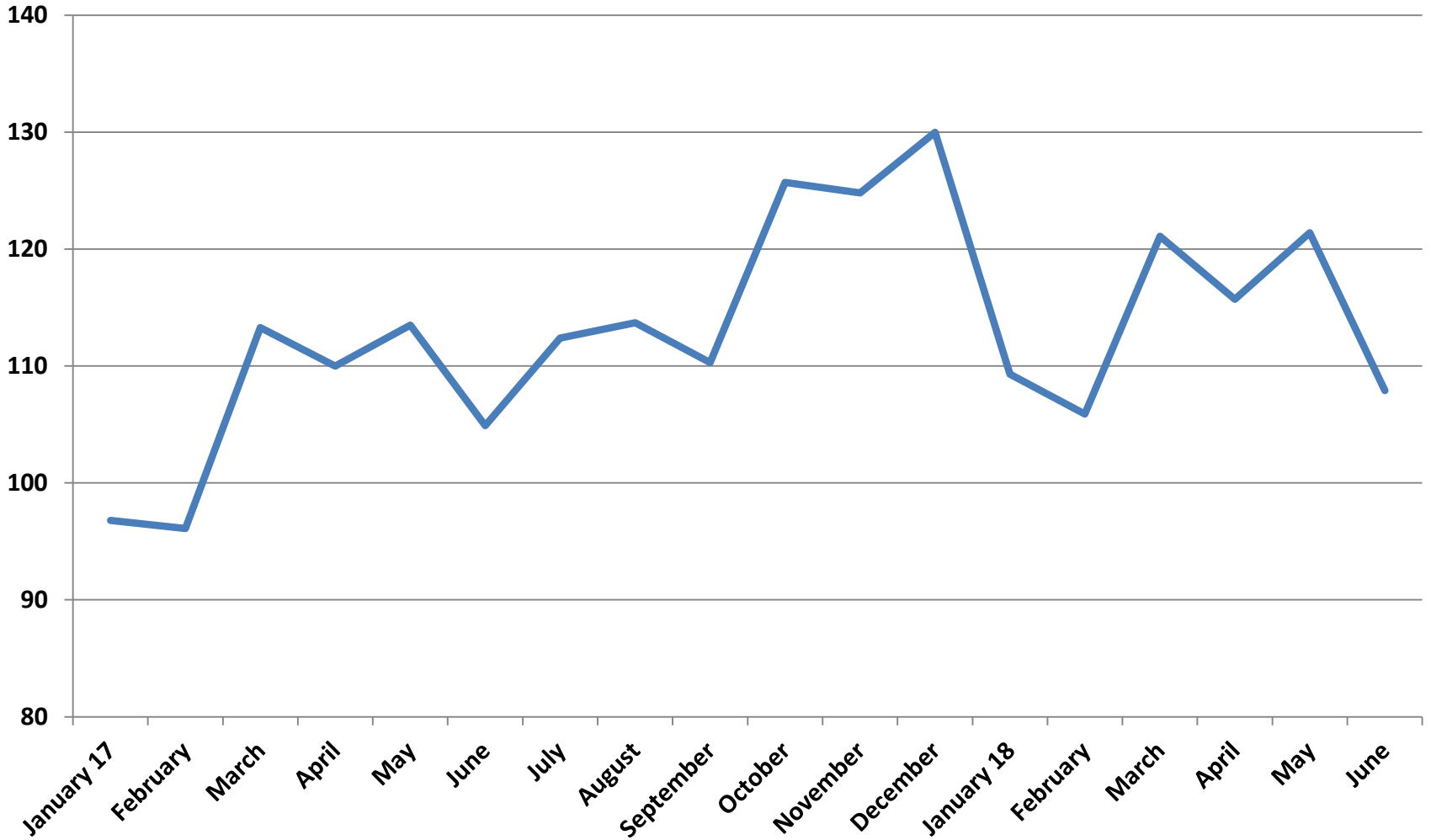
Steel Using Industries - Construction



Steel Using Industries - Manufacturing

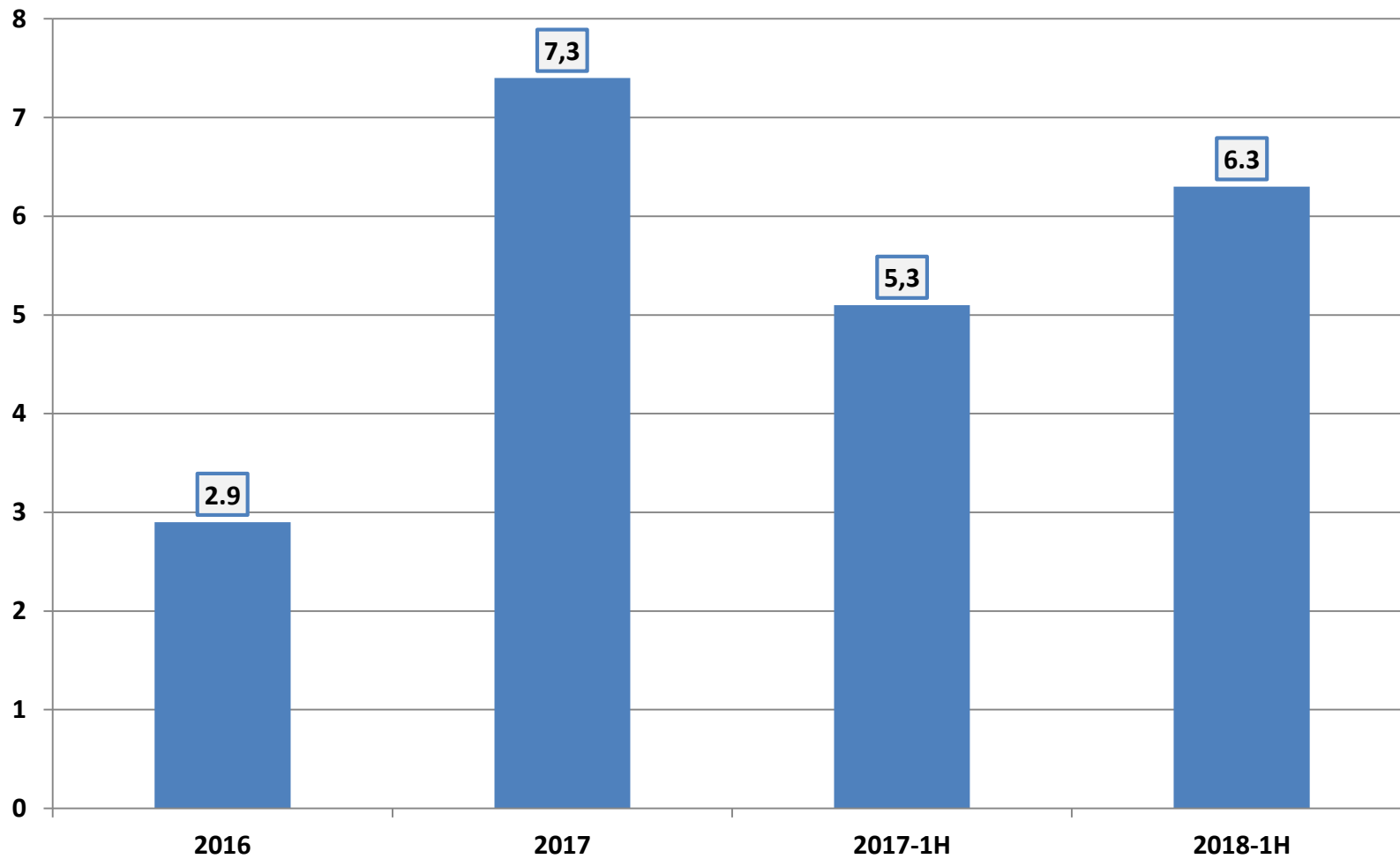


Industrial Production Index



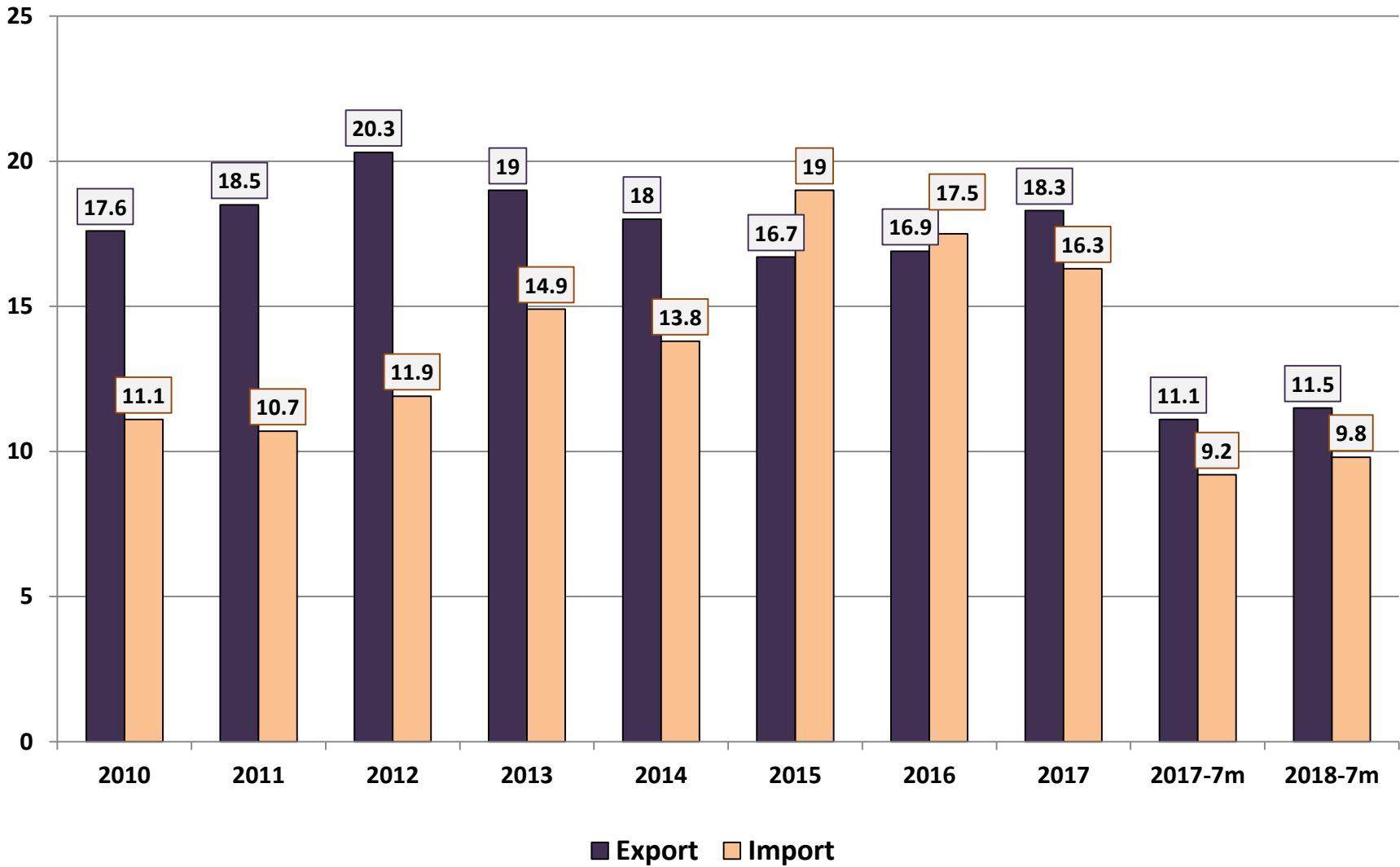
Source: TurkStat

GDP Growth Rate (%)



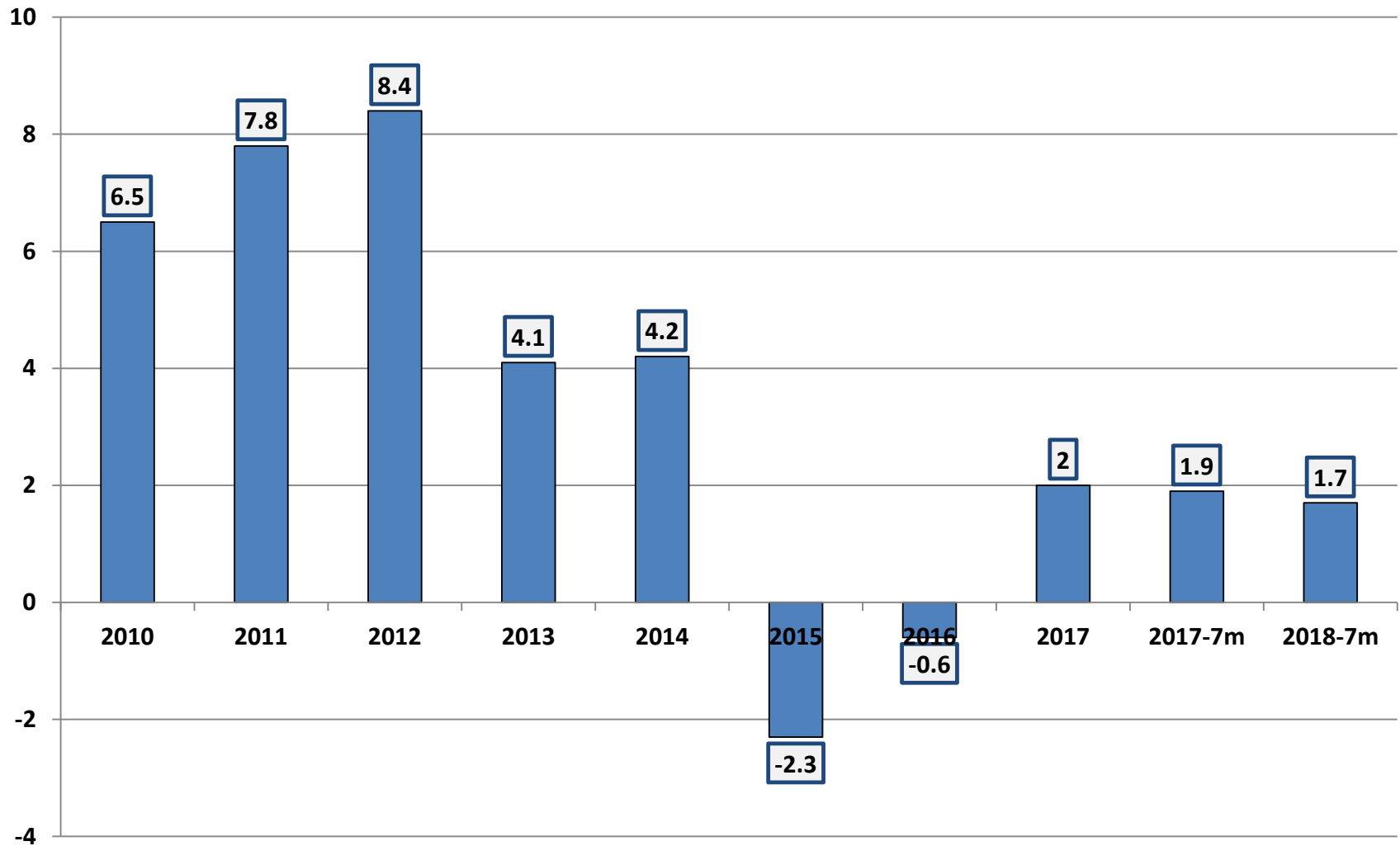
**Forecasted*

Turkey's Total Steel Trade (million tons)

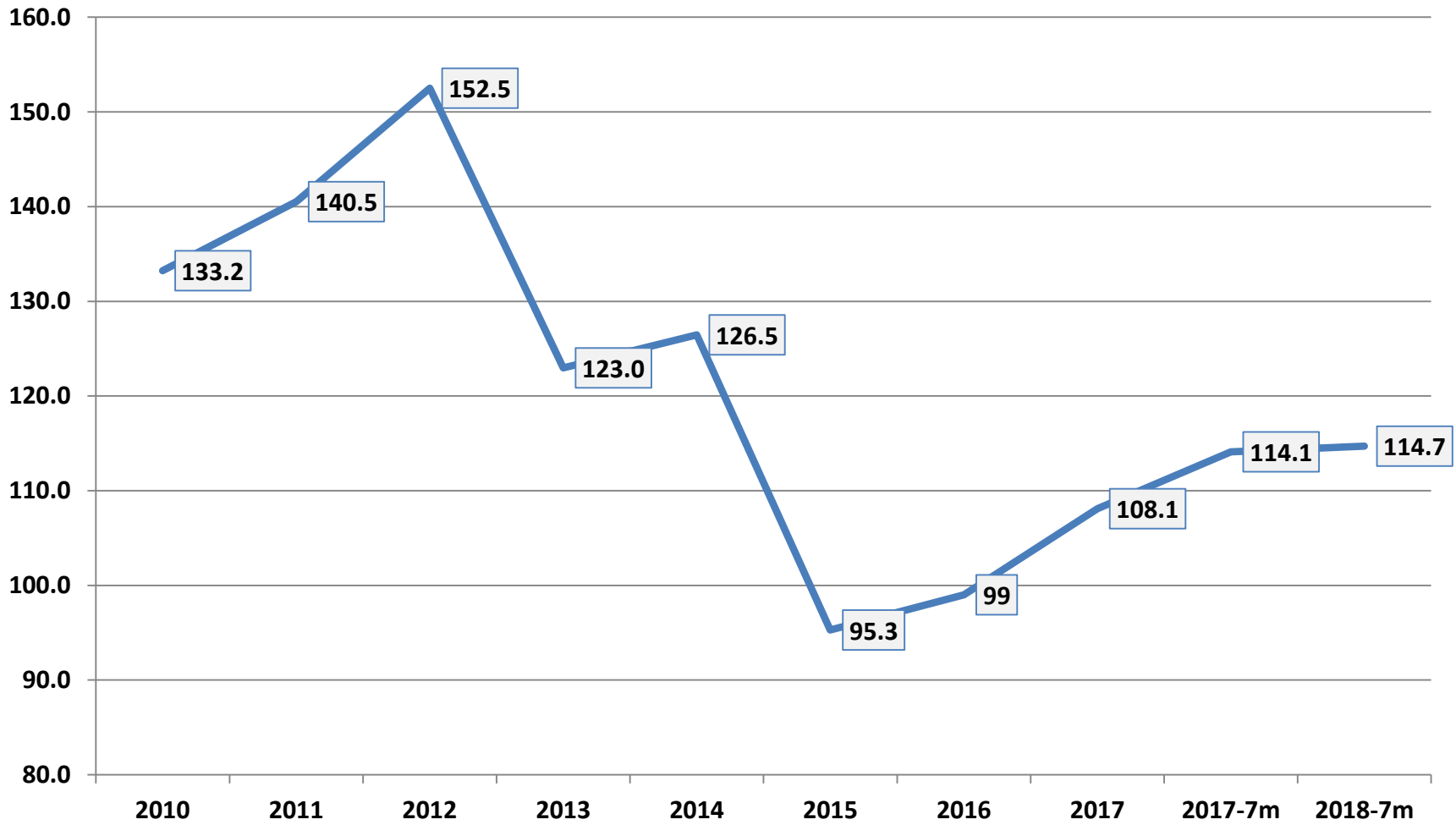


Source: TurkStat

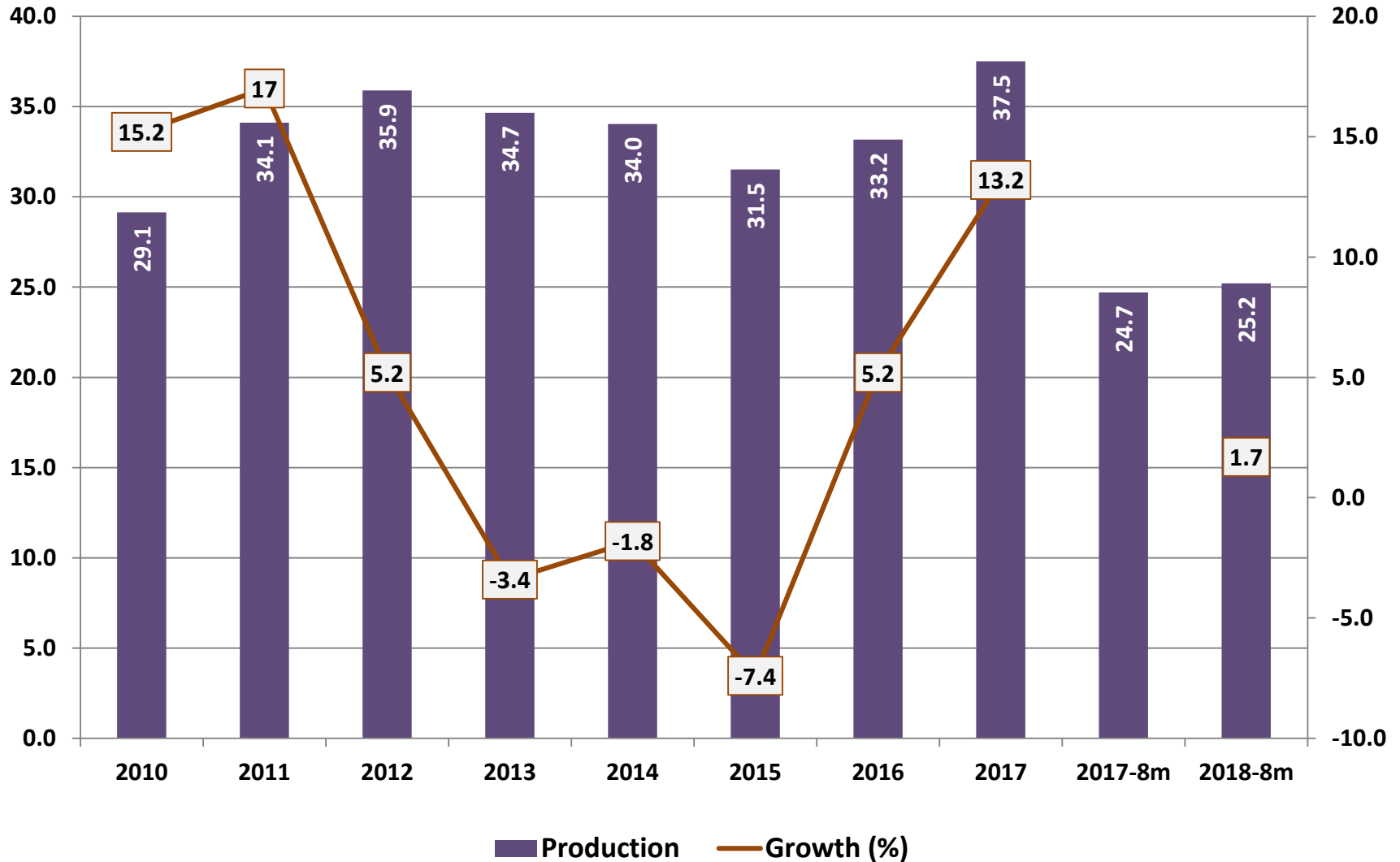
Turkey's Net Total Steel Export (million tons)



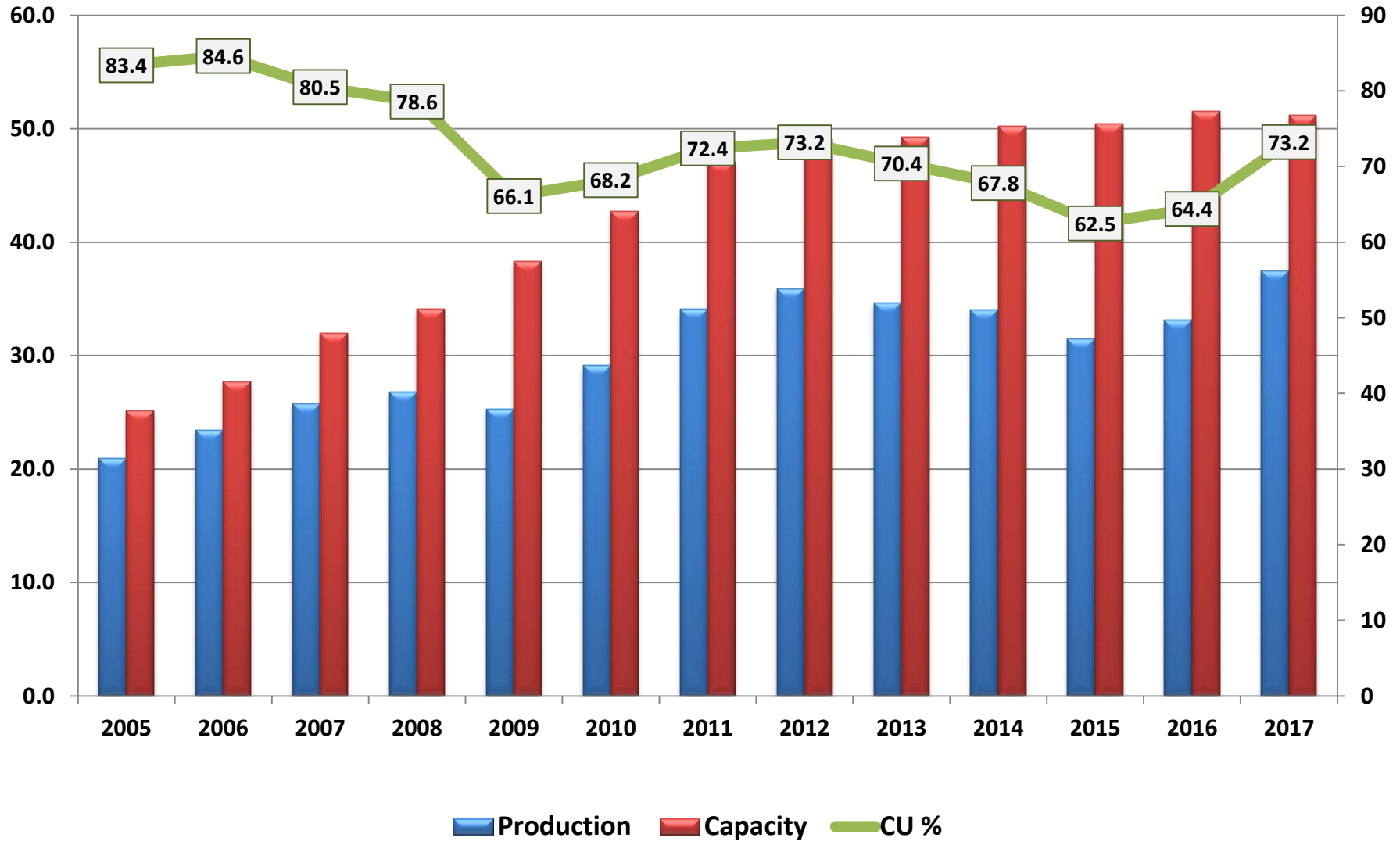
Turkey's Total Steel Export/Import Ratio (\$), %



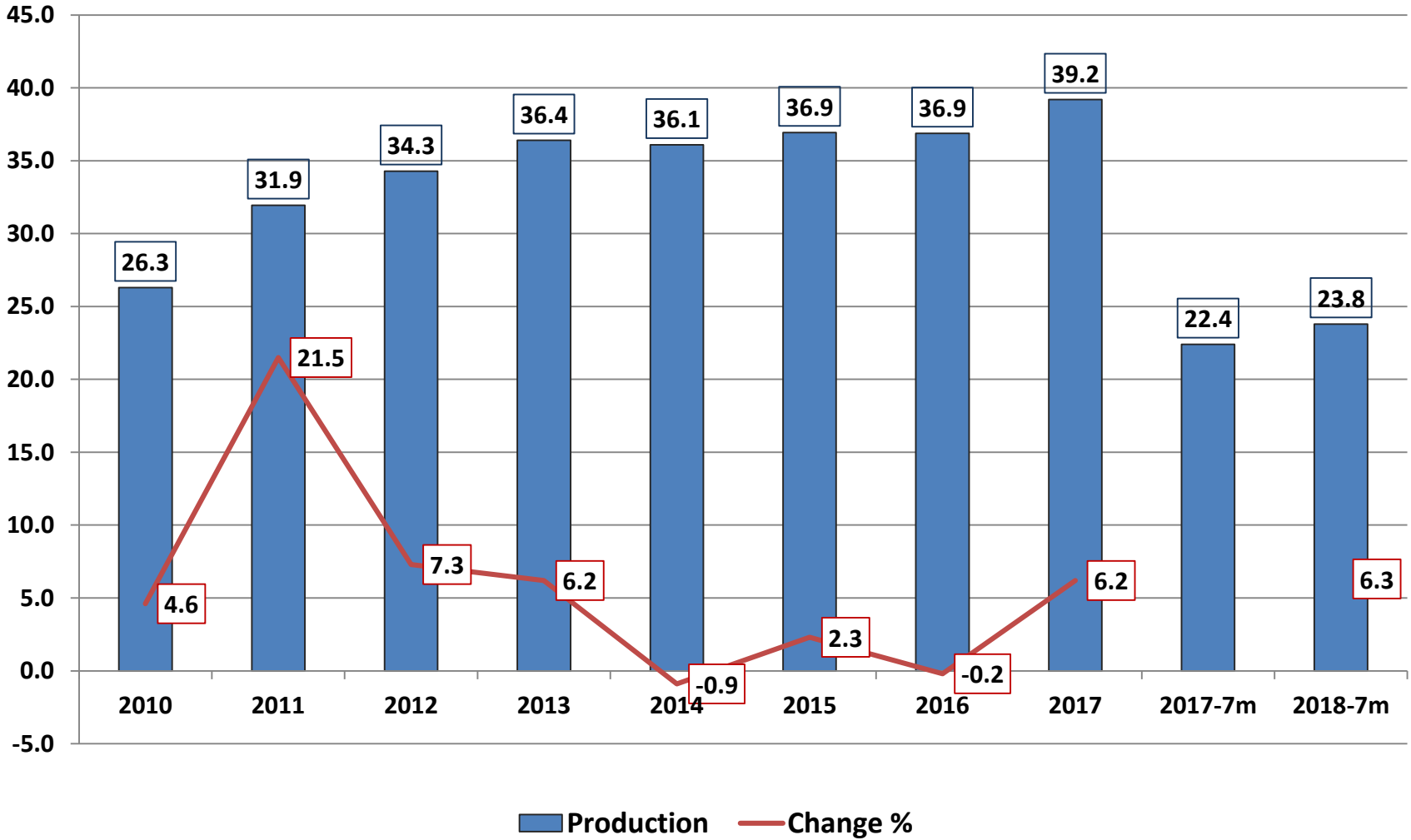
Crude Steel Production of Turkey (Mt) & y-o-y Growth (%)



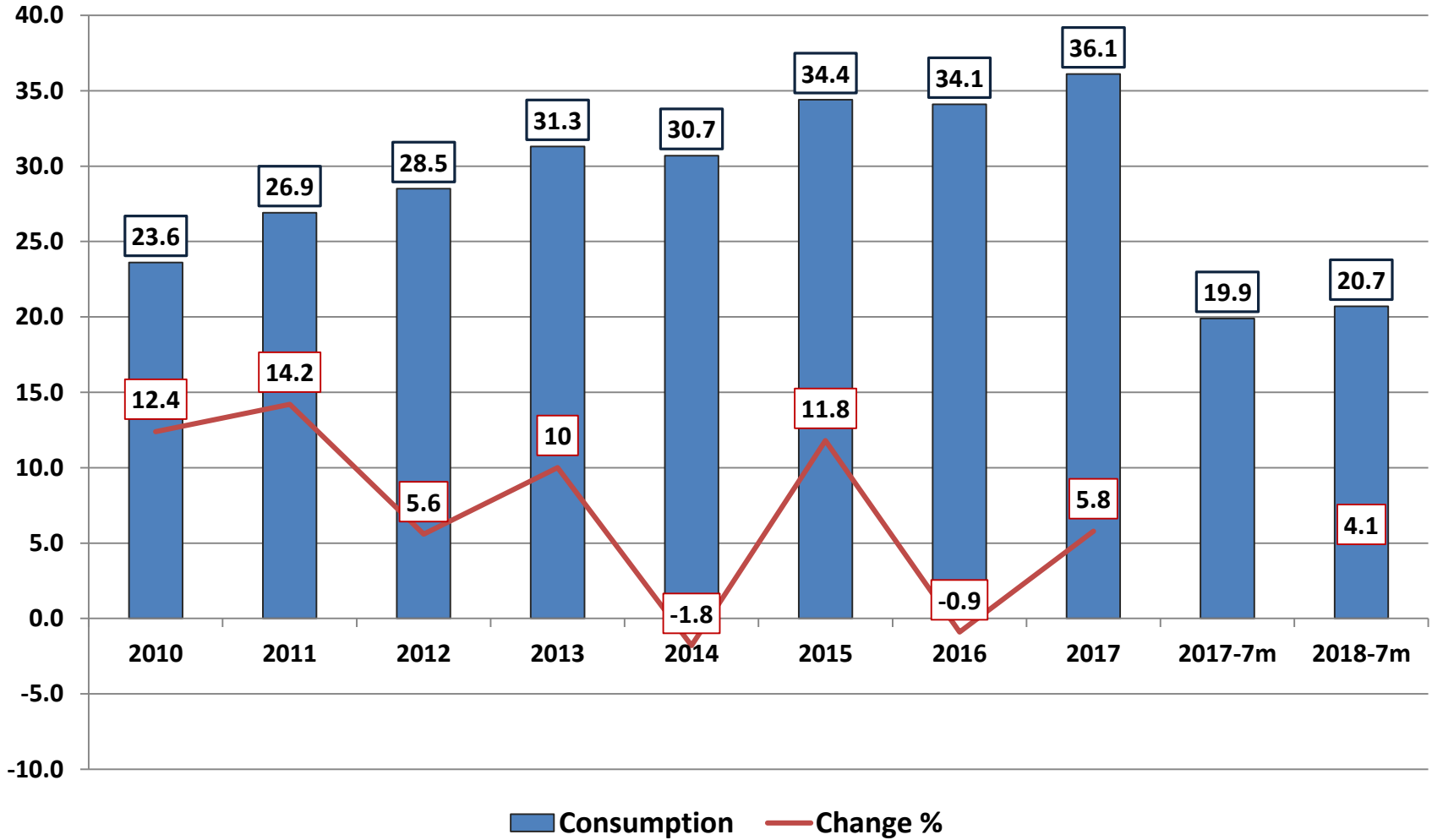
Turkey's Crude Steel Production Capacity, Production (mt) & Capacity Utilisation (%)



Turkey's Finished Steel Production (Mt)



Turkey's Finished Steel Consumption (Mt)



Conclusion

- Turkey's total steel consumption increased by 5.8 % in 2017.
- In parallel with the increase in steel consumption, total crude steel production grew by 13.2 % in Turkey, compensating for the losses of the previous four years, in 2017.
- The growing tendency in domestic demand and declining tendency in imported steel tonnage supported Turkey's production growth.
- Turkish steel industry again shifted into net steel exporter position in 2017 after being a net importer in 2015 and 2016. Net steel exporter position is continuing again in 2018.
- Raw material prices such as graphite electrodes are a concern for the Turkish steel industry in the short and medium term.
- However, recently, the main problem of the Turkish steel industry is protectionist measures that are being implemented by worldwide.