DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INDUSTRY
STEEL COMMITTEE

THE BALANCE AND PRICE OF THE WORLD STEEL MARKET IN 2007-2010

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The balance and price of the world steel market in 2007-2010

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1. The capacities utilization and price in 1994-2006

- global steel price index (1994=100), CRU
- World steel capacity utilization, %
2. The expected world steel consumption till 2015

UPE Co., Kiev

3. Methodology of steel consumption forecast

The main factors taken into account:
- model of economical development
- GDP growth rate expectation
- economy structure
- population, especially urbanization rate changes
4. The expected increase of steel consumption by the countries

![Bar chart showing expected steel consumption increase by countries by 2015.](chart1.png)

- China: 373 Mt
- India: 55 Mt
- Iran: 21 Mt
- Viet Nam: 21 Mt
- Brazil: 18 Mt
- Russia: 18 Mt
- Turkey: 16 Mt
- United States: 14 Mt
- Thailand: 13 Mt
- Ukraine: 13 Mt
- Mexico: 12 Mt

5. The world steel consumption by the regions in 2007-2015

![Chart showing steel consumption by regions.](chart2.png)
6. World steel capacities

Source: OECD, IISI, ISSB, AISI, Merrill Lynch

7. The world steel capacities and production till 2010

Source: OECD, IISI, ISSB, AISI, Merrill Lynch
8. Supply - Demand Balance on the World Steel Market

World steel capacity loading, %

UPE Co., Kiev

9. Steel market balance and price in 2007 - 2010

Global steel price index (1994=100), CRU
World steel capacity utilization, %

Scrap:
- stable demand and strong market
- some shortage of supply
- high level of prices
- creating favorable conditions for scrap substitutes production (DRI)

Iron ore:
- new capacities growth will exceed the growth of demand
- surplus of supply since 2008
- development of own iron ore production and cutback of imports demand in China
- decrease of iron ore prices after 2008

Metallurgical coal:
- little surplus of supply, but generally balanced market
- gradual decrease of price