



Recent Market Developments in the Japanese Steel Industry

The Japan Iron and Steel Federation (JISF)

81st Session of the Steel Committee, Paris 8-9 September 2016



Outline

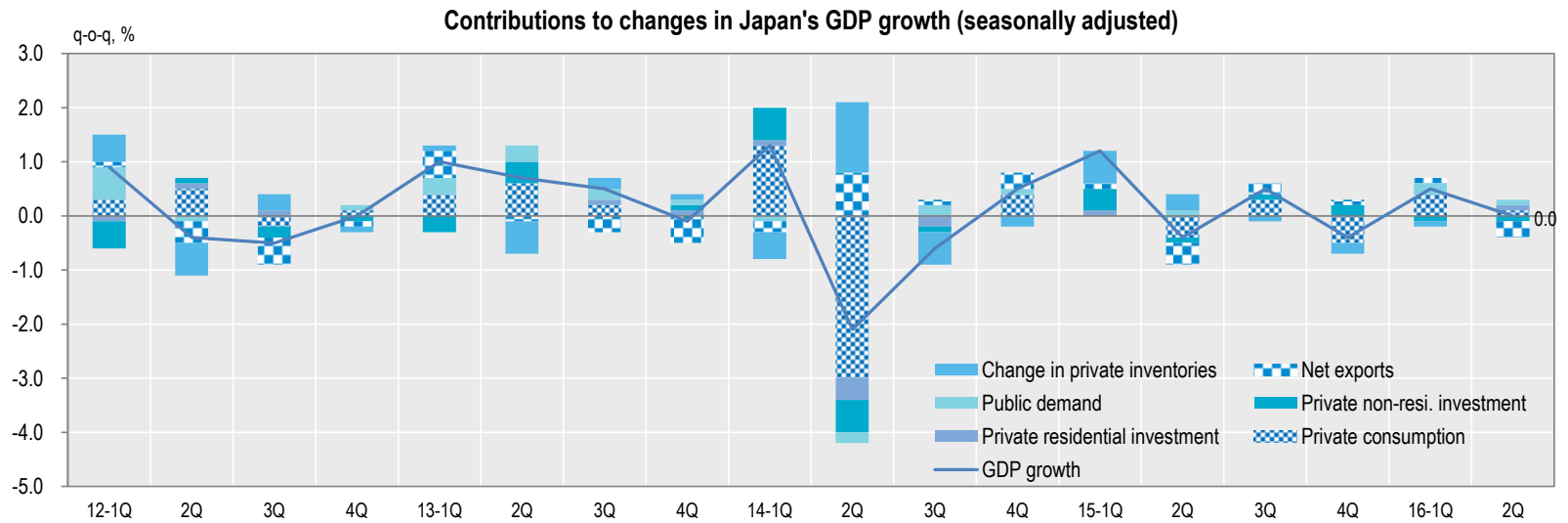
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The Economic Background

The Japanese economy has continued on a moderate recovery trend

The Economic Background





Overview of the Japanese Steel Market

Change since the last meeting of the Steel Committee (year-on-year, crude steel basis)

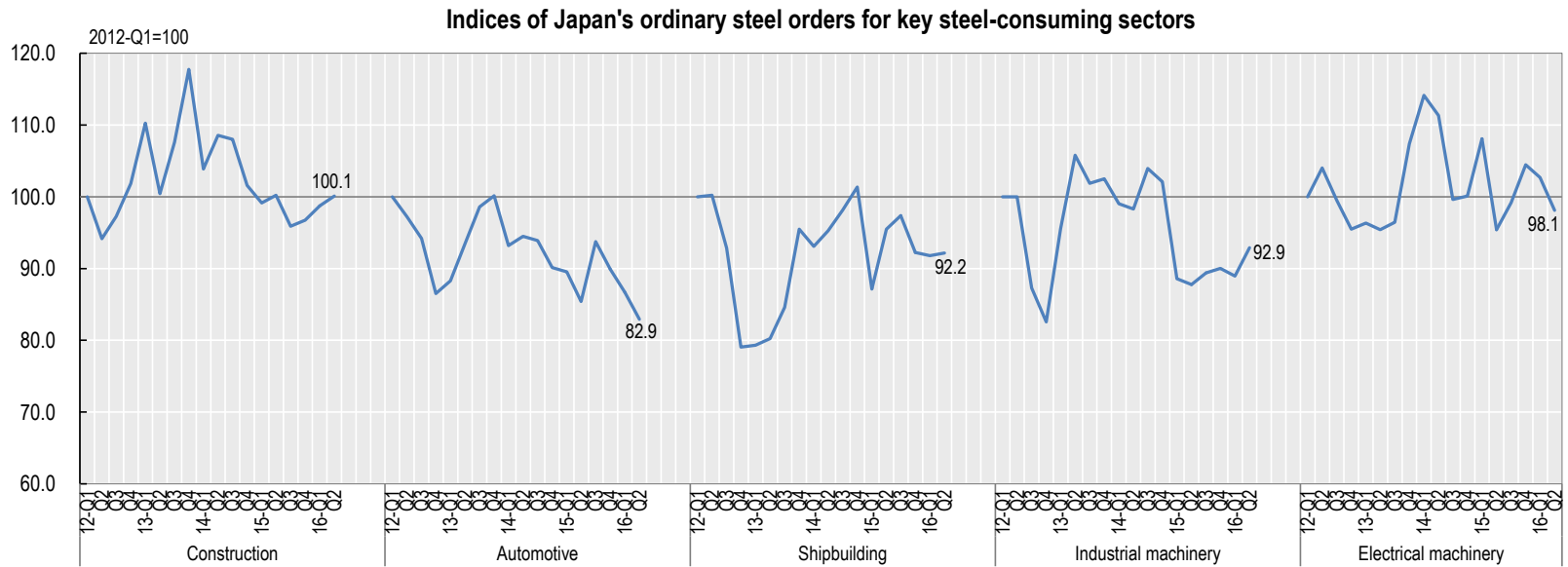
	2015-Q3	Q4	2016-Q1	Q2
Demand	-7.9	-4.0	-4.4	+3.1
Production	-6.1	-4.4	-3.4	+1.4
Imports	-6.0	+0.3	+5.1	+0.1
Exports	-3.1	-4.1	-0.6	-1.3



Evolution of Key Steel-Using Sectors

Steel demand from key steel-using sectors has remained weak, especially in manufacturing sector

Steel Demand

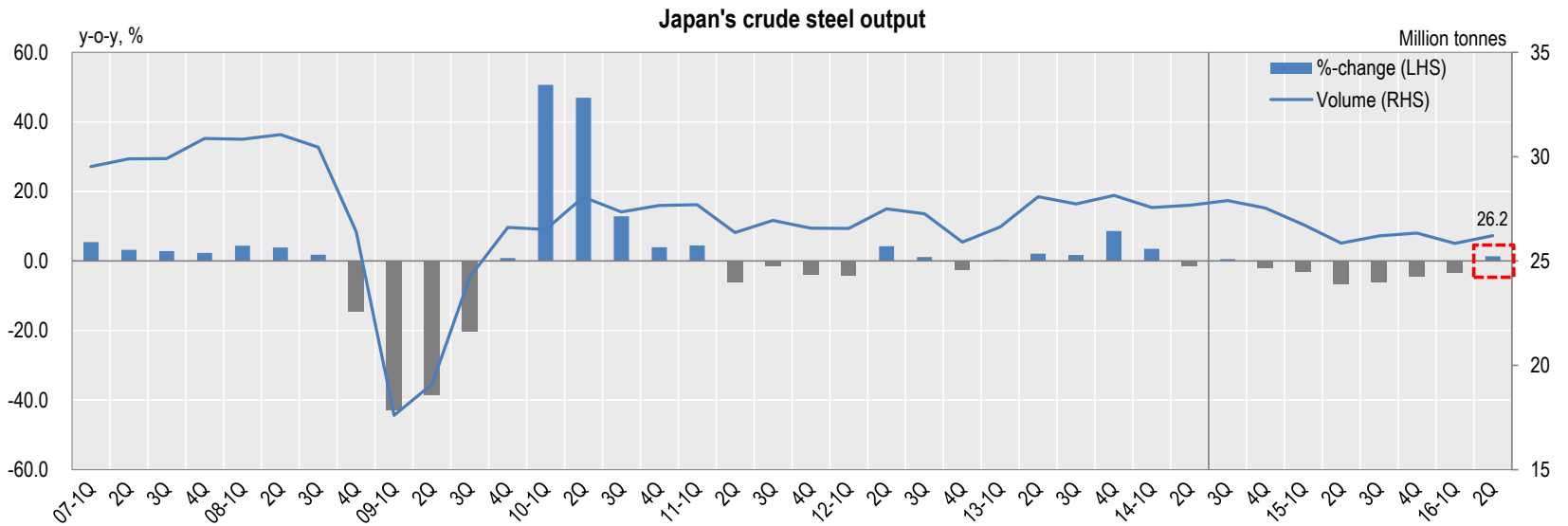




Developments of Steel Output

Steel production data show signs of improvement

Steel Supply

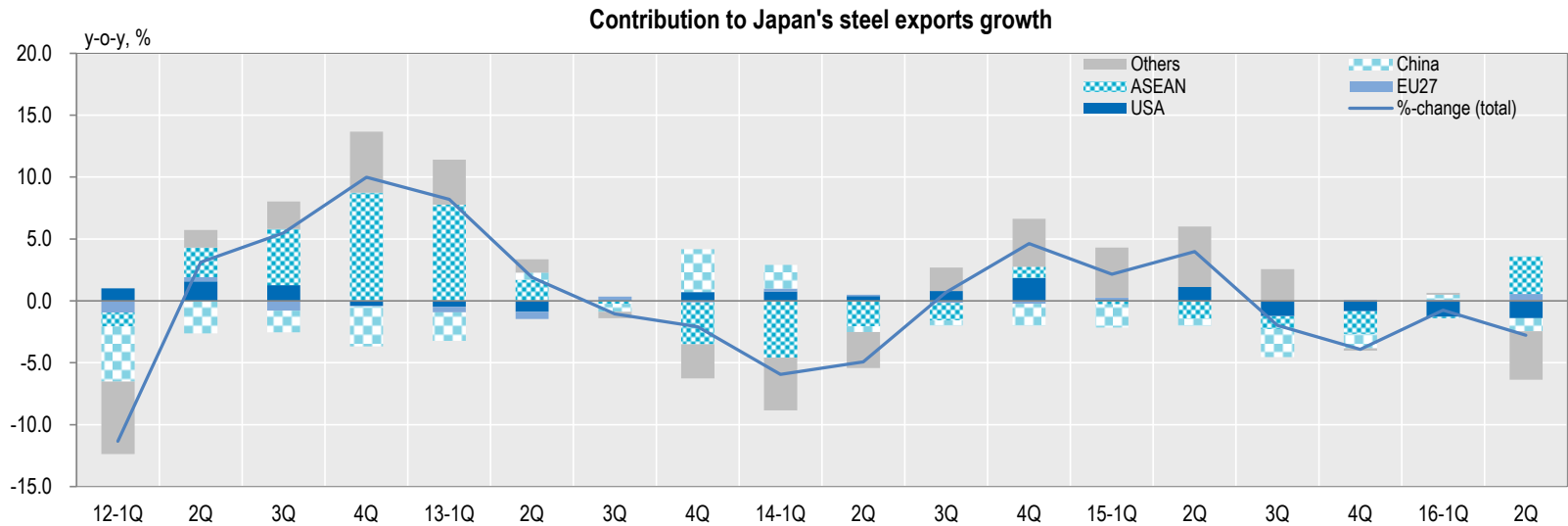




Developments of Steel Trade (1)

The growth of Japanese steel exports have been negative

Steel Exports

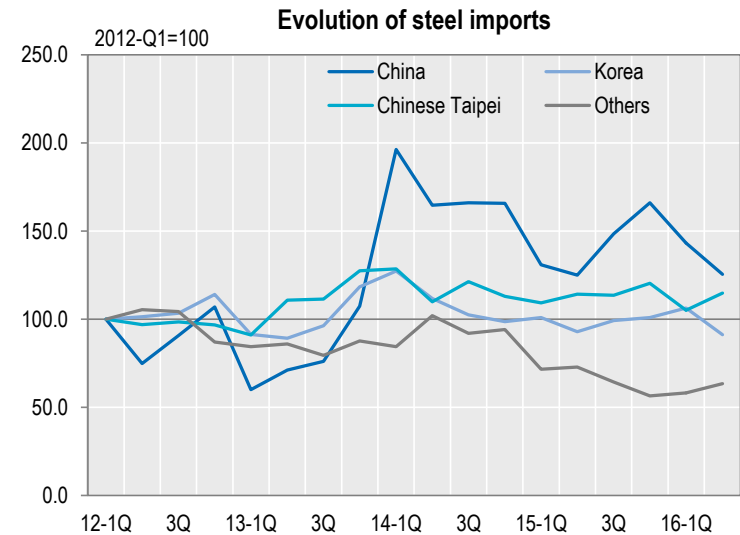
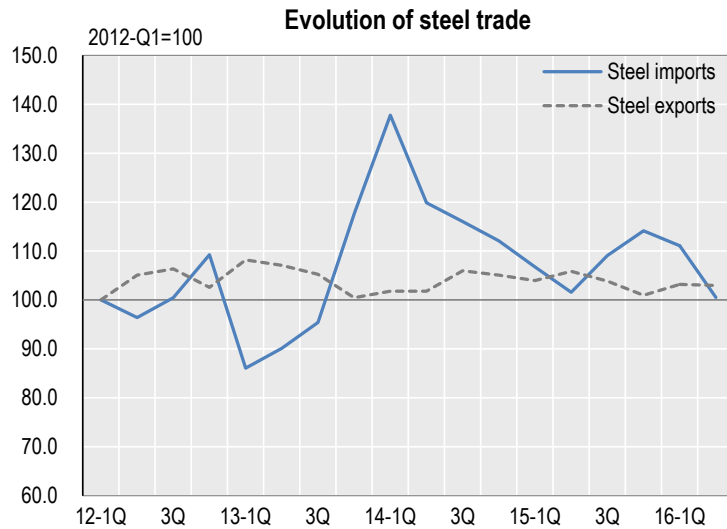




Developments of Steel Trade (2)

...while steel imports had grown faster than steel exports

Steel Imports





Prospects for the Japanese Steel Market

- **Factors that can support steel demand in the Japanese steel industry:**
 - Government's economic stimulus package
 - Improvement in steel demand especially from construction sector, supported by several projects associated with the 2020 Tokyo Olympics
- **Uncertainties cloud the prospects for the Japanese industry:**
 - Slowdowns in some major emerging market economies
 - The stronger yen
 - The impacts of global excess capacity



Thank you for your attention!