



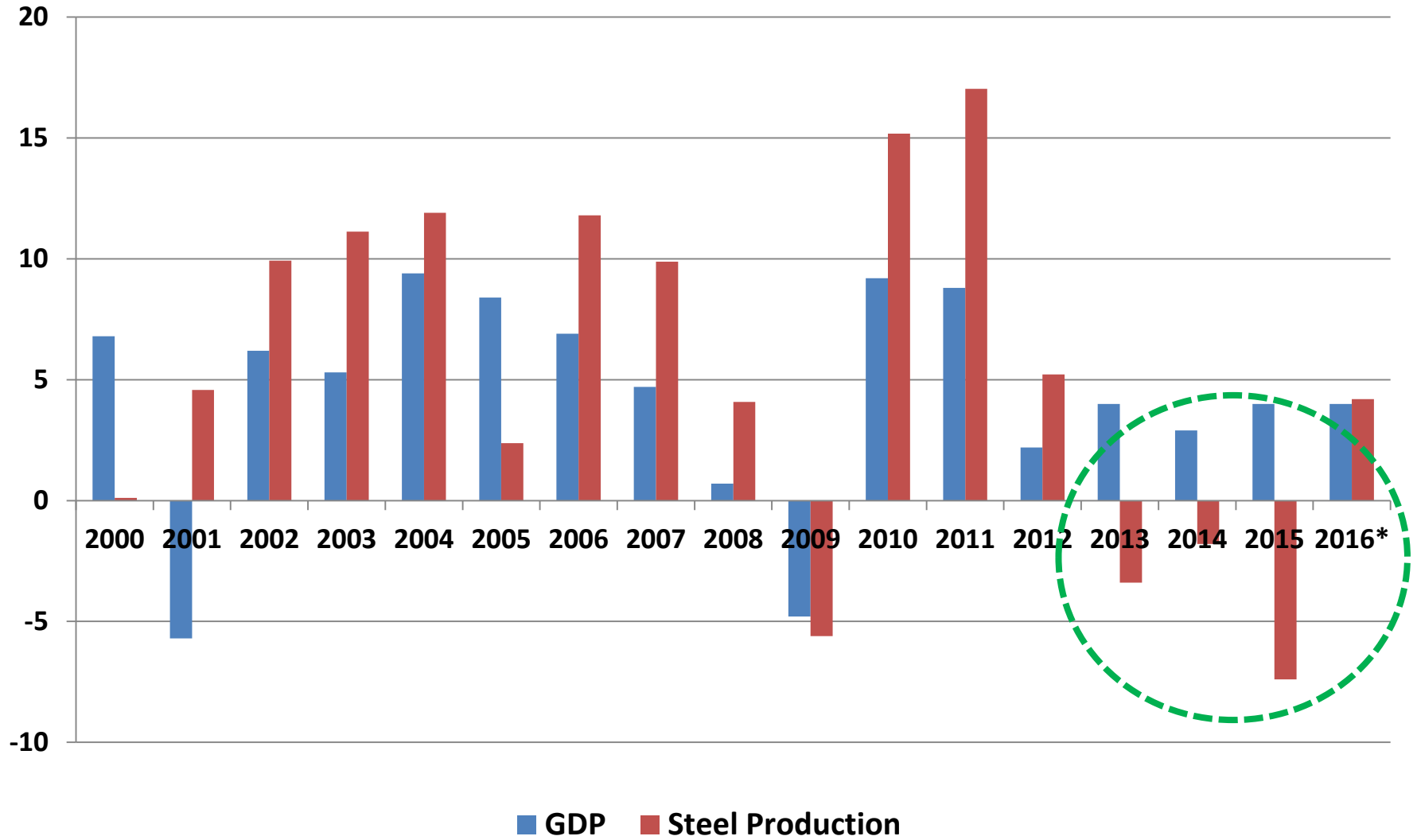
CURRENT SITUATION IN TURKISH STEEL INDUSTRY & OUTLOOK

81st OECD Steel Committee Meeting

Dr. Veysel Yayan
Secretary General
Turkish Steel Producers Association

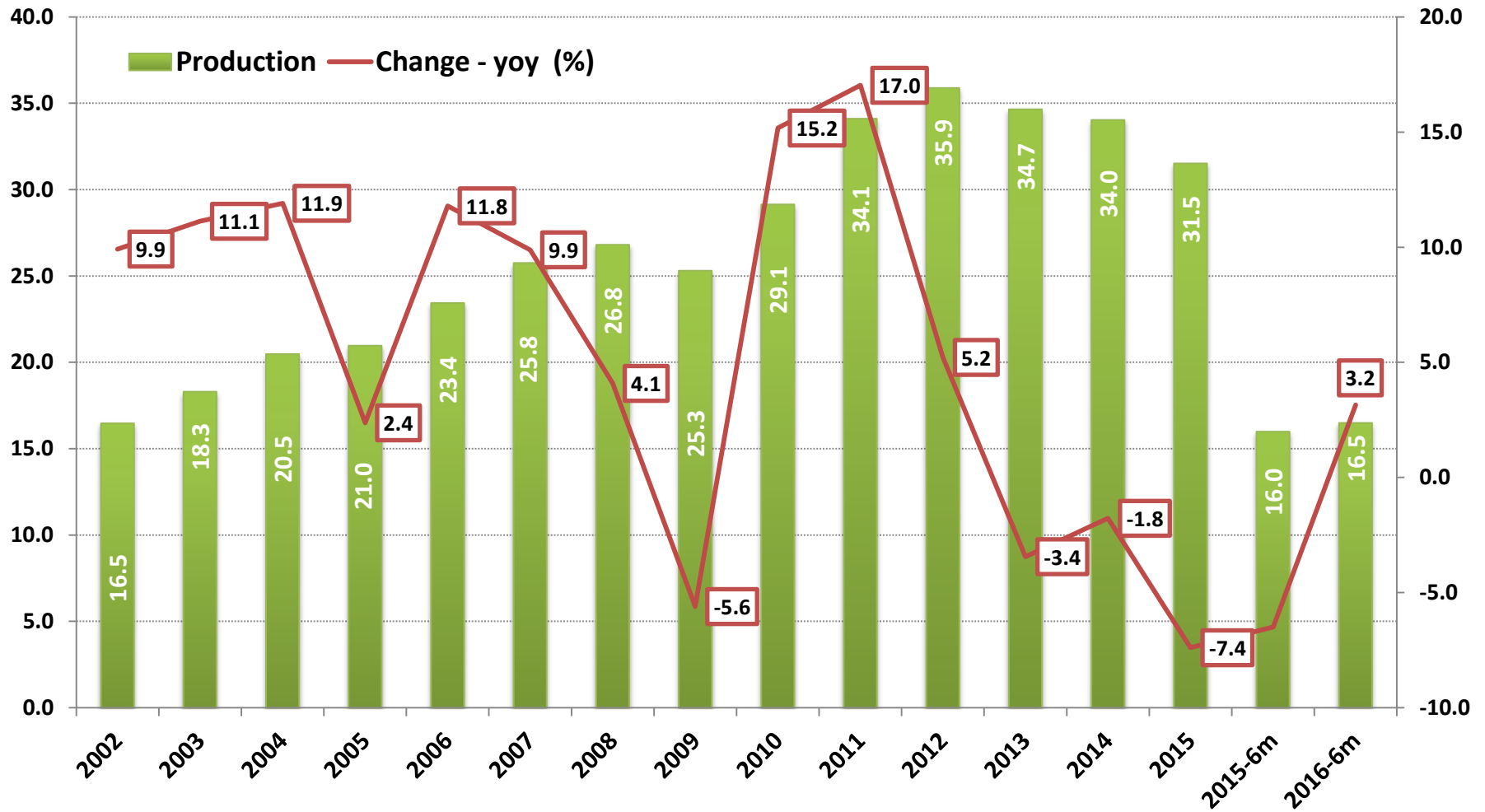
8-9 September 2016
Paris

GDP & Steel Production Growth (%)

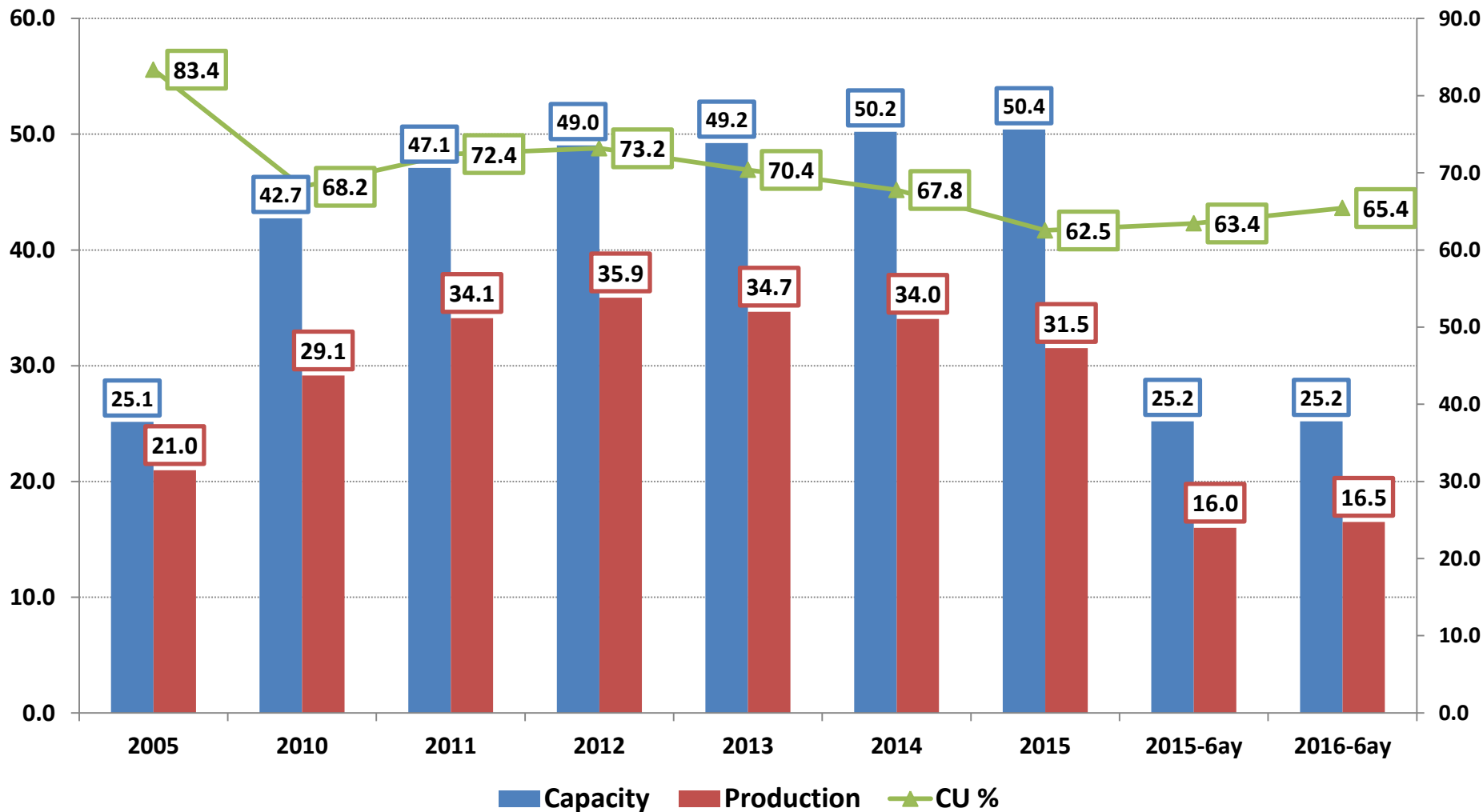


* estimated

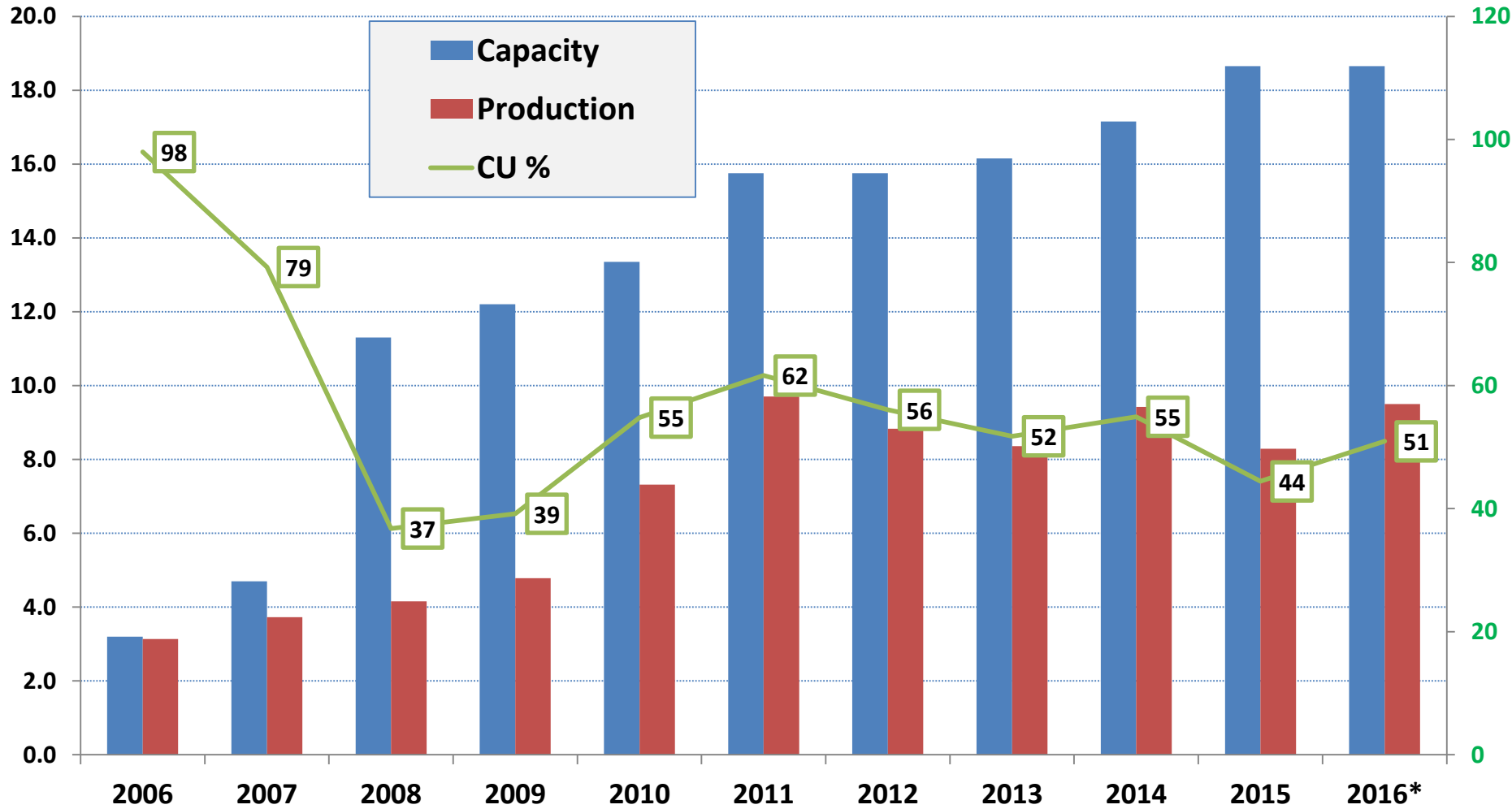
Crude Steel Production of Turkey (Mt) & yoy Growth (%)



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

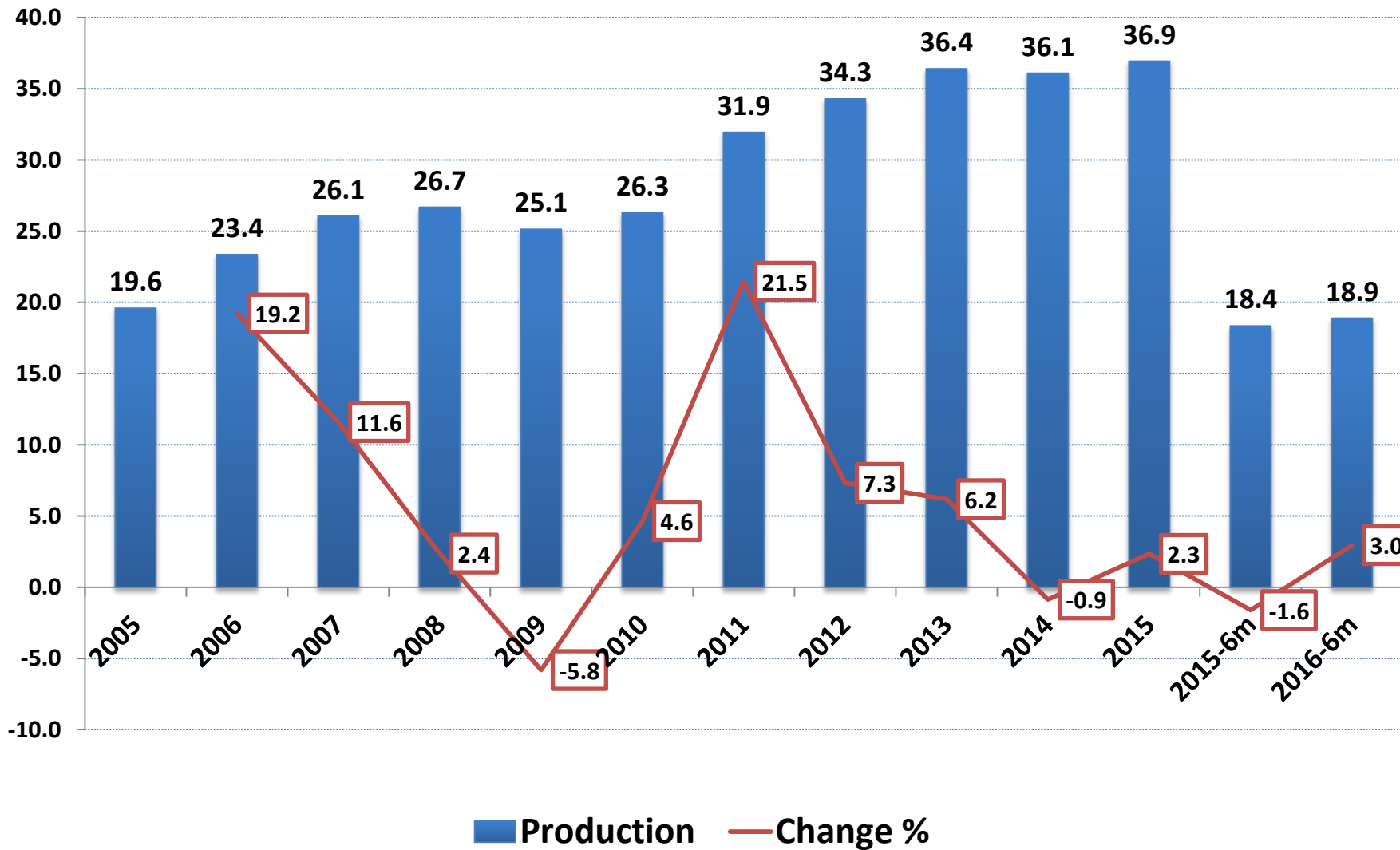


Slab Capacity and Production (mt) & Capacity Utilisation (%)

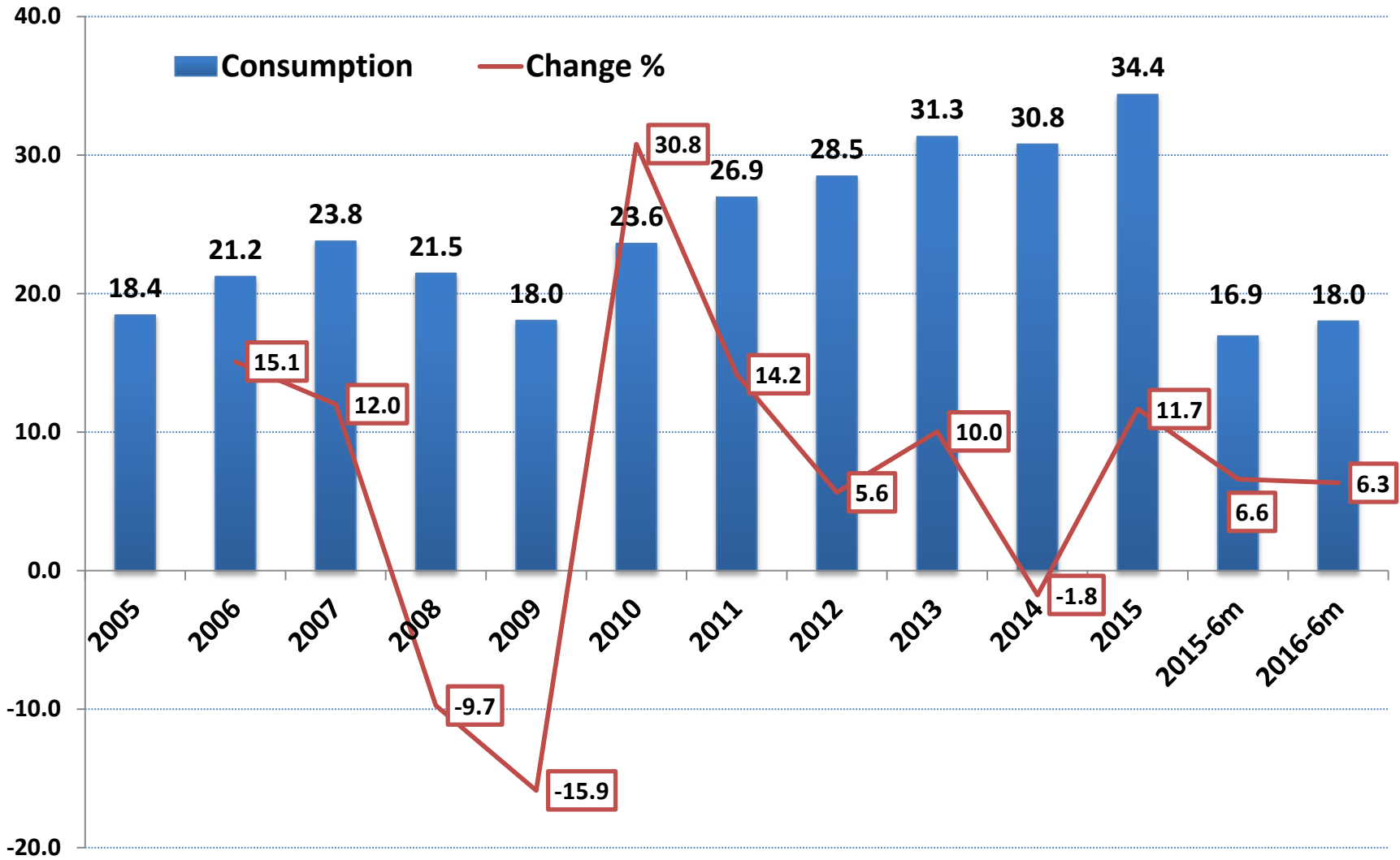


* Annualized

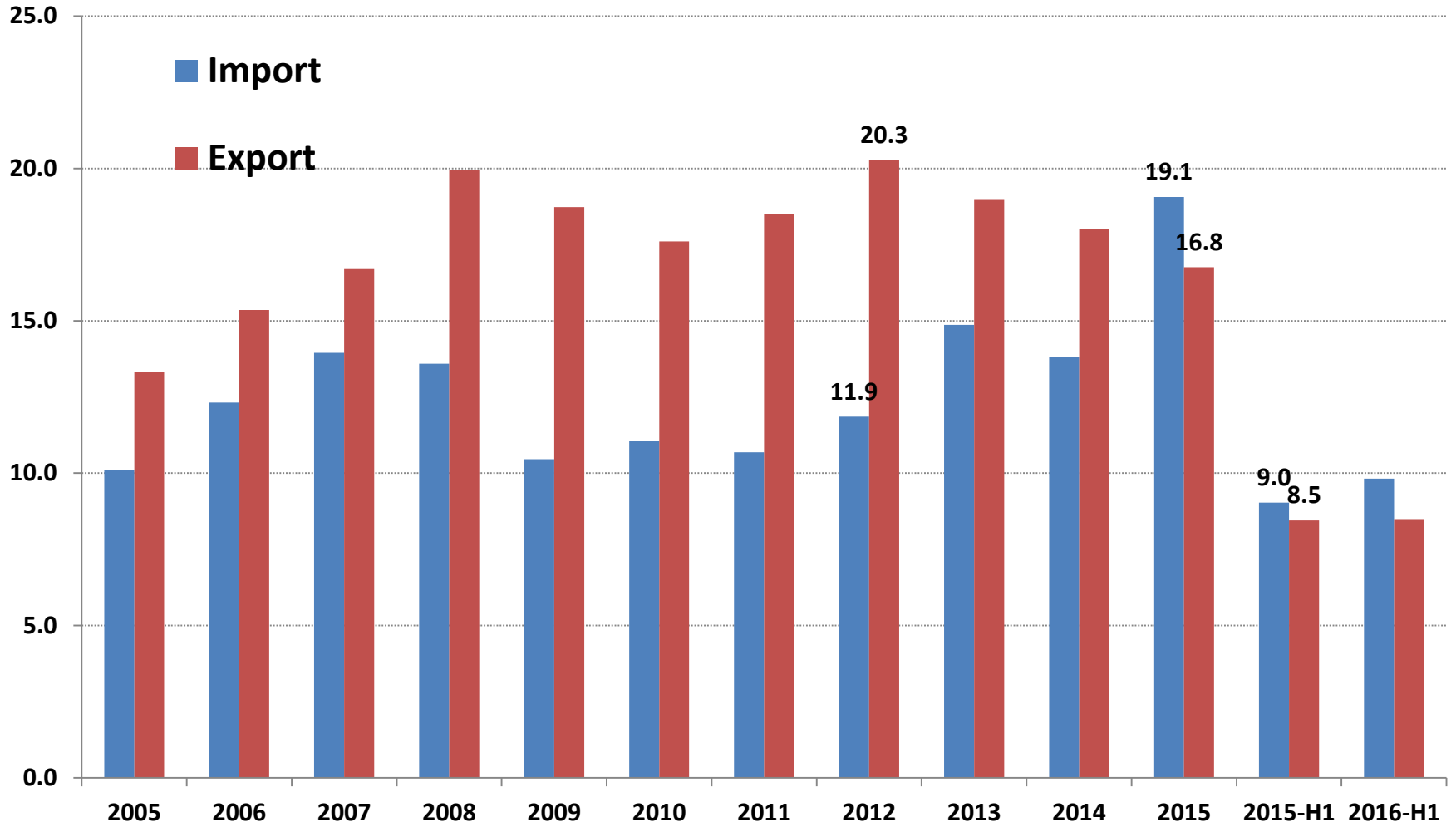
Turkey's Finished Steel Production (Mt)



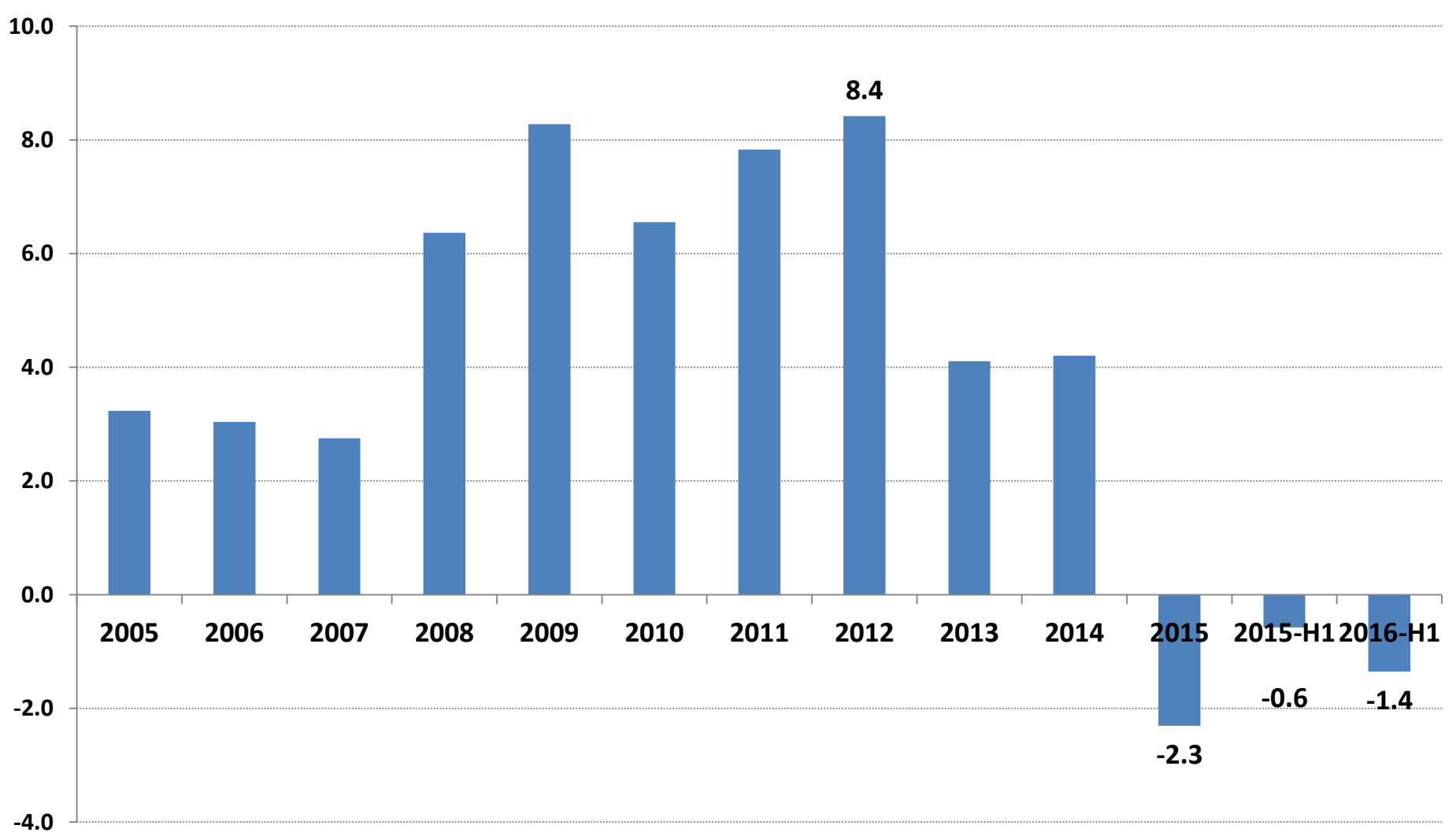
Turkey's Finished Steel Consumption (Mt)



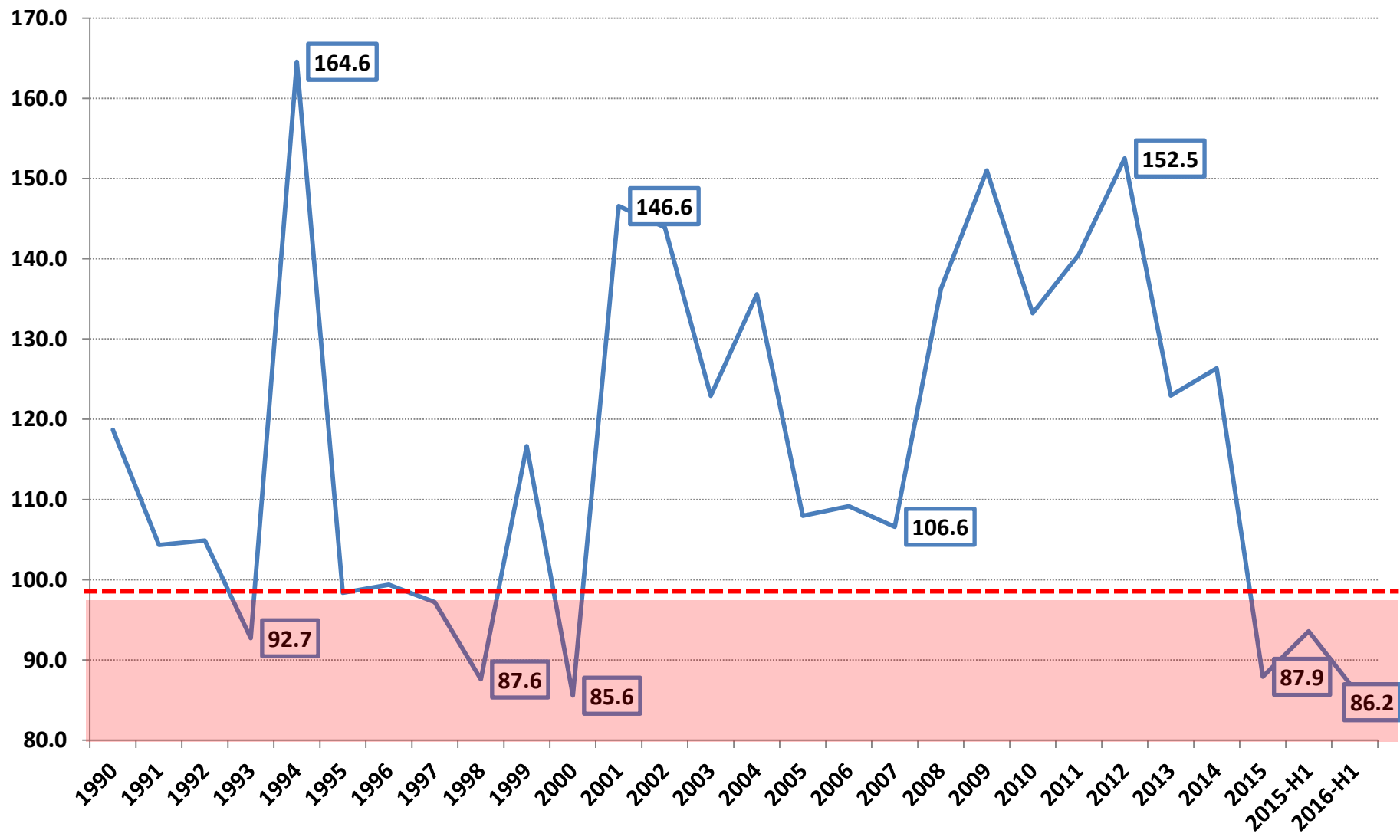
Turkey's Total Steel Trade (million tons)



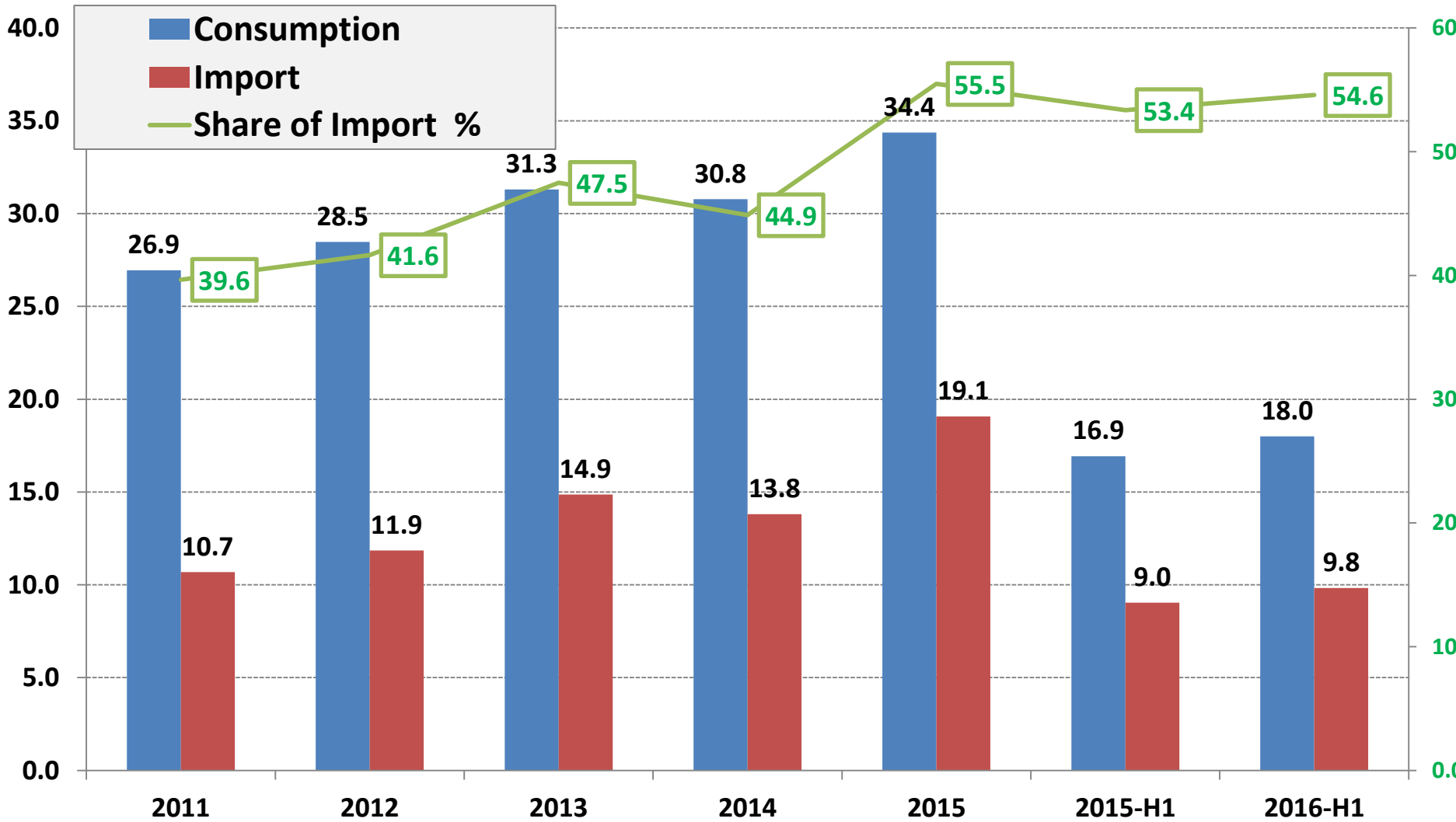
Turkey's Net Total Steel Export (million tons)



Turkey's Total Steel Export/Import Ratio, %



Turkey's Steel Consumption & Import ('000 tons), Share of Import (%)



- Growing surplus capacity in the world and worldwide low level of the prices close to the costs resulted in a sharp drop in Turkey's steelmaking capacity utilisation rate.
- During the last 3 years, despite more than 20 % growth in domestic consumption, Turkey's steel production dropped around 12 %.
- Growth in domestic steel consumption increasingly met through imported steel.
- Share of imports in Turkey's total steel consumption reached 56 %.
- Growing import resulted in production stops and closures in some facilities and some steelmakers had to decrease the number of shifts.
- Current data reveals that the unfavourable conditions still continue in 2016 and the steel industry has not entered to the path of a fast recovery.