



Latin America Steel Consumption Dips 3%



Latin American steel association Alacero announced that the figures for the first 10 months of 2015 show a 3% decrease in the finished steel consumption of Latin America. Also, regional crude steel production fell 2% and rolled steel, 4% YoY. Already 35% of the regional consumption is being supplied by imports, while share of imports in local markets continues to advance. The trade balance of the region remains negative, although in the first ten months of 2015 the deficit in tons decreased 3.6% versus the same period of 2014.

In Jan / Oct 2015, Latin America and the Caribbean produced 53.7 million tons of crude steel, 2% below the volume recorded in the same period of 2014. Brazil participated with 53% of the regional production (28.2 million tons), showing an annual contraction of 1.2%.

In the same period, Latin America produced 44.9 million tons of finished steel, 4% less than in the same period of 2014. Brazil was the main producer (19.3 million tons), accounting for 43% of the Latin American output. Mexico came second (14.7 million tons, and 33% share of regional output).

During the first ten months of the year, finished steel consumption in the region reached 57.9 million tons, down 3% vs Jan/Oct 2014. Largest increases in consumption in absolute and percentage terms were recorded in Mexico (additional 1.6 million tons, an increase of 9%) and Chile (199 thousand additional tons, up 9%). Argentina also presented a 3% increase in consumption of finished products, 115 thousand tons more than during the first ten months of 2014. Conversely, in Brazil rolled steel consumption shrank by 3.3 million tons, down 15% vs Jan/Oct 2014. While Colombia and Peru recorded declines of 4% and 15%, respectively.

Global Crude Steel Production in November Dips by 4.1%

World crude steel production for the 66 countries reporting to the World Steel Association was 127 million tonnes (Mt) in November 2015, a -4.1% decrease compared to November 2014.

China's crude steel production for November 2015 was 63.3 Mt, down by -1.6% compared to November 2014. Japan produced 8.7 Mt of crude steel in November 2015, a decrease of -4.7% compared to the same month in 2014.

In the EU, Germany produced 3.5 Mt of crude steel in November 2015, a decrease of -3.1% compared to November 2014. Italy crude steel production was 1.9 Mt, up by 0.4% on November 2014. Spain produced 1.2 Mt of crude steel in November 2015, down by -2.9% compared to November 2014. France production for November 2015 was 1.2 Mt, a decrease of -14.7% compared to the same month in 2014.

Turkey's crude steel production for November 2015 was 2.6 Mt, down by -7.2% on November 2014.

In November 2015, Russia produced 5.7 Mt of crude steel, down by -3.1% over



November 2014. Ukraine produced 1.9 Mt of crude steel, up by 3.1% compared to the same month in 2014.

The US produced 6.1 Mt of crude steel in November 2015, down by -15.6% compared to November 2014.

Brazil's crude steel production for November 2015 was 2.5 Mt, a decrease of -4.4% on November 2014.

The crude steel capacity utilisation ratio for the 66 countries in November 2015 was 66.9%. This is -4.0 percentage points lower than November 2014. Compared to October 2015, it is -1.4 percentage point lower.

Greybull Capital to Buy Tata Steel UK Unit



Investment firm Greybull Capital has emerged as a favourite to buy Tata Steel's struggling UK based unit. Two industry sources said that Greybull, which last year rescued British holidays and airline company Monarch, is favourite to buy the unit, and that Tata Steel will make a decision in January at the latest.

The sources said there were two more parties interested, one of which was private equity firm Endless. Final bids went in around few days ago, one of the people said,

cautioning that no deal was certain.

Tata Steel has been trying to sell the struggling long product unit since last year, but was dealt a blow in August when Klesch Group, a global commodities producer and trader, publicly withdrew its interest, laying the blame on the British government.

Tata Steel said in October it could axe about 1,200 jobs at its long products unit, which employs some 6,500 people across Europe with the majority based in Scunthorpe, northeast England.