



## Crude Steel Output Decline in June : Dneprospetsstal



Ukrainian metallurgical company Dneprospetsstal (DSS) has announced a year-on-year decline of 9.8 percent in its crude steel output in June this year to 21,357 mt, while its finished steel output in the given month decreased by 0.6 percent year on year to 14,381 mt.

In the first six months of the current year, Dneprospetsstal's crude steel output amounted to 124,168 mt, down 10.6 percent, while its finished steel output was 80,307 mt, down 9.3 percent, both compared to the same period of the previous year.

## Hyundai Steel Unveils a New Vision



Hyundai Steel Vice Chairman Woo Yoo-cheol (Center) Holds a Sign that Reads “engineering the Future Beyond Steel” with President Kang Hak-seo (4th from Left) and Labor Union Leaders at the Company’s Headquarters in Yangjae-dong, Southern Seoul

South Korean steel giant Hyundai Steel, which completed a merger with affiliate Hyundai Hysco, laid out long-term plans to expand into automobile steel sheet production and non-steel materials businesses. It said that the expansion into new areas will help turn the company into a global manufacturer with an annual revenue of KWR 31 trillion (USD 27 billion) by 2025.

The new vision unveiled by Vice Chairman Mr Woo Yoo-cheol at the company's headquarters in Yangjae-dong, southern Seoul, comes as the steel industry struggles with falling revenue due to weak demand both domestically and globally. Mr Woo said “The new vision reflects the company's strong will to create new opportunities that others haven't made yet in the business. We will keep innovating to accomplish the new vision.

To develop the next-generation automotive steel sheets, the company invested 129.5 billion won on its No. 2 steel mill in Dangjin, South Chungcheong. The company will start producing high-strength

aluminum-coated steel sheets and galvanized steel sheets next February. The company is also building a plant that can produce 1 million tons of special treatment steel annually on a 247,500-square-meter (61-acre) lot inside the Dangjin plant. Once that plant is operating, the company is expected to improve its competitiveness in the car engine and transmission parts businesses, which use such steel.

In addition, the company has plans to expand into the non-steel sector because many materials including aluminum, magnesium and carbon fibers are being used to lighten cars, which is a trend in the auto industry to provide higher fuel efficiency. Such plans also reflect the merger with Hyundai Hysco, which specializes in steel sheets for automobiles. After the merger, the company became a steelmaker with total assets of 31 trillion won and the capacity to make 20 trillion won in revenue per year. The total combined assets of Hyundai Steel are now about 21 trillion won short of the country's largest steelmaker, Posco.

## Raspadskaya Cuts Coking Coal Sales by 19% in Q2



Russian coking coal producer Raspadskaya decreased its concentrate sales volumes by 19% year-on-year in the second quarter of 2015.

This was mainly due to lower export sales amid declining volumes shipped into China, according to the coking coal producer. Raspadskaya, which is 82% controlled by Russia's largest steelmaker, Evraz, sold a total of 1.36 million tonnes of concentrate in the past quarter.

Of the total, export sales, including those to Evraz's steel mill in Ukraine, dropped by 19% year-on-year to 713,000 tonnes in April-June. In the quarter, 77% of export sales were to the Asia-Pacific region, and 23% to Europe. Sales to the Russian domestic market came to 645,000 tonnes, down by 17%.

Raw coal output dropped by 11% year-on-year and by 19% quarter-on-quarter to 2.27 million tonnes in order to limit non-marginal export sales, amid a worsening of global market sentiment and a strengthening of the Russian rouble, Raspadskaya said.

The Steel First daily hard coking coal index averaged \$89.79 per tonne cfr Jingtang in the quarter, down by \$22.21 per tonne compared with the corresponding period of last year. Quarter-on-quarter, it lost \$12.94 per tonne.

Earlier this year, the producer planned to boost 2015 coking coal exports by 64%, in particular by doubling sales to China and Turkey. In the first quarter of 2015, Raspadskaya more than doubled its coking coal exports year-on-year to 969,000 tonnes.