



Global Steel Trade Monitor

Steel Imports Report: France

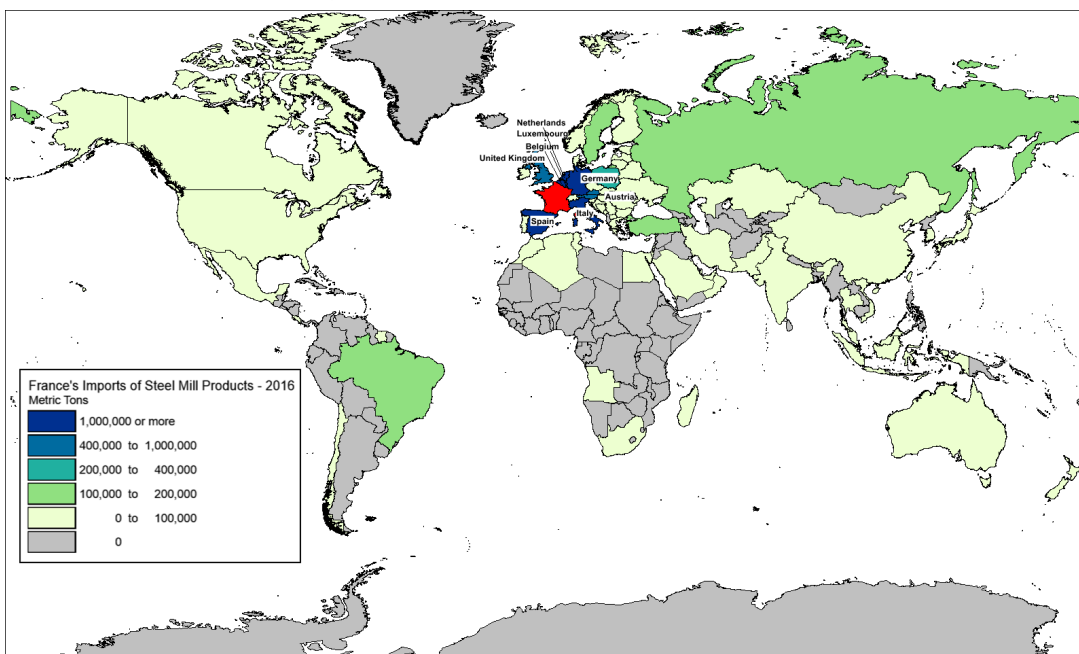
May 2017

Background

France is the world's seventh-largest steel importer. In 2016, France imported 14.5 million metric tons of steel, a 3 percent increase from 14 million metric tons in 2015. France's imports represented about 4 percent of all steel imported globally in 2015, based on available data. The volume of France's 2016 steel imports was slightly over half that of Europe's largest and the world's second-largest importer, Germany, and about half of the United States, the world's largest steel importer. In value terms, steel represented just 1.8 percent of the total goods imported into France in 2016.

France imports steel from over 75 countries and territories. The eight countries labeled in the map below represent the top sources for France's imports of steel, with each sending more than 400 thousand metric tons to France and together accounting for 91 percent of France's steel imports in 2016.

France's Imports of Steel Mill Products - 2016



Data Source: Global Trade Atlas; Copyright © IHS Global Inc. 2017. All rights reserved.

Quick Facts:

- World's 7th-largest steel importer: 14.5 million metric tons (2016)
- 29% steel import growth since 2009
- Year-on-year import volume up 3% while import value down 9%
- Import penetration at 92.9% in 2016
- Top three import sources: Belgium, Germany, Italy
- Largest producers: ArcelorMittal, RIVA Group, CELSA
- 20 European Union trade remedies in effect against imports of steel mill products

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Steel Trade Balance

France's steel imports and exports have risen and fallen mostly in tandem since 2005. After falling in 2009, imports and exports have increased by 29 percent and 15 percent, respectively.

France maintained an annual trade surplus between 2005 and 2009 and experienced annual trade deficits in 2010 and 2011 at -74 thousand metric tons and -254 thousand metric tons, respectively. Between 2012 and 2014, France was again a net steel exporter averaging a 1.2 million metric ton surplus over the three years. The steel trade deficit re-emerged in 2015, and continued in 2016 — a total of -954 thousand metric tons.

France's Trade in Steel Mill Products by Quarter



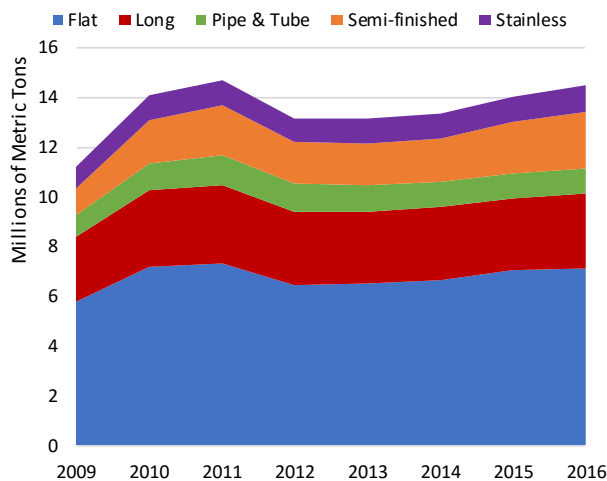
Source: IHS Global Trade Atlas

Import Volume, Value, and Product

Since 2012, the volume of France's imports of steel mill products has been relatively flat. In 2016, France's steel imports totaled 14.5 million metric tons, up 3 percent from 2015 and up 10 percent from 2012. By contrast, the value of France's steel imports has decreased every year since 2012. Import value decreased by 9 percent to \$10.1 billion in 2016 from \$11.2 billion in 2015, which can be attributed to a drop in global steel prices.

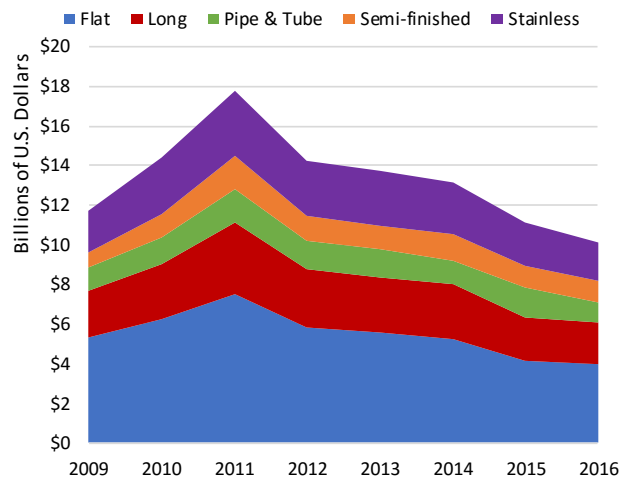
Flat products accounted for slightly less than half of France's steel imports in 2016 — a total of 7.1 million metric tons. Long products accounted for 21 percent of imports (3 million metric tons), followed by semi-finished at 16 percent (2.3 million metric tons), pipe and tube products at 7.3 percent (1.1 million metric tons), and stainless steel at 7.2 percent (1 million metric tons).

France's Imports of Steel Mill Products
Millions of Metric Tons



Source: IHS Global Trade Atlas

France's Imports of Steel Mill Products
Billions of U.S. Dollars



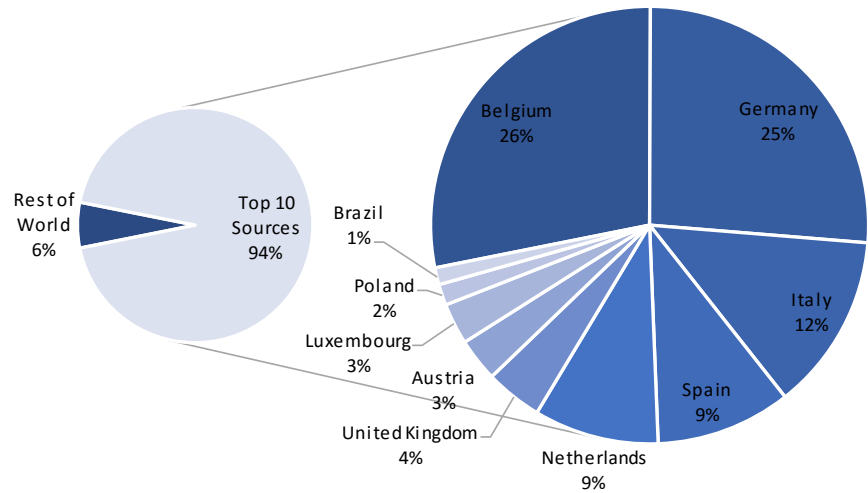
Source: IHS Global Trade Atlas

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Imports by Top Source

The top 10 source countries for France's steel imports represented 94 percent of the total steel import volume in 2016 at 13.6 million metric tons (mmt). Belgium, which ranked second behind Germany in 2015, accounted for the largest share of France's imports by source country at 26 percent (3.8 mmt), followed by Germany at 25 percent (3.6 mmt), Italy at 12 percent (1.8 mmt), Spain at 9.4 percent (1.4 mmt), and the Netherlands at 8.7 percent (1.3 mmt).

France's Steel Imports - Top 10 Sources
2016 - Millions of Metric Tons



Source: IHS Global Trade Atlas

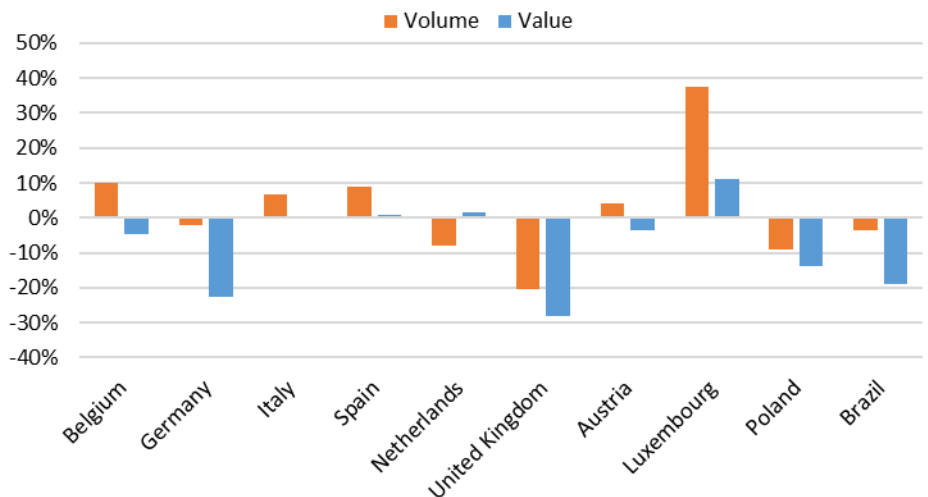
The United States ranked 26th as a source for France's steel imports, representing just 0.04 percent of France's imports (5.9 thousand metric tons) in 2016.

Trends in Imports from Top Sources

While the volume of France's steel imports increased from five of France's top 10 steel import sources between 2015 and 2016, the overall value of France's imports decreased from the majority of the top ten. Considerable decreases in France's steel import value between 2015 and 2016 included France's imports from the United Kingdom (down 28%), Germany (down 22.7%), and Brazil (down 18.8%). Italy was relatively flat (down 0.2%). Only import values from Luxembourg, the Netherlands, and Spain increased in 2016, up 11 percent, 1.7 percent, and 0.9 percent, respectively.

Luxembourg not only had the largest increase in value, but also had the largest increase in volume, up 37.6 percent. This was followed by Belgium (up 10%), Spain (up 8.8%), Italy (up 6.6%), and Austria (up 4.3%). France's imports from the United Kingdom, Poland, and the Netherlands showed the largest decreases in volume, down 20.5 percent, 9.2 percent, 7.9 percent, respectively.

Percent Change in Imports from Top 10 Sources (2015 to 2016)



Source: IHS Global Trade Atlas

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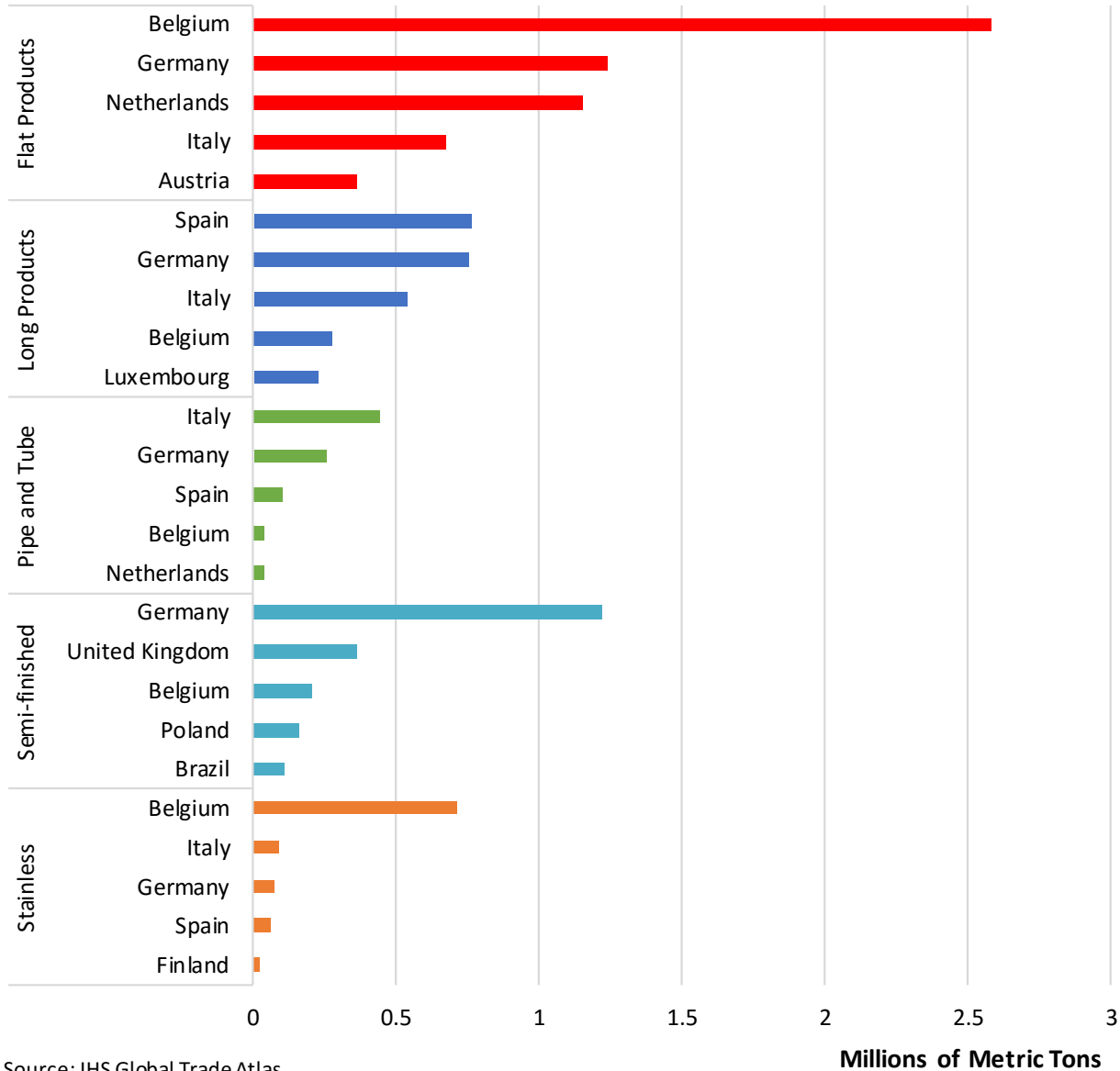
Top Sources by Steel Product Category

The top source countries for France’s imports by volume vary across types of steel products. In 2016, Belgium accounted for the largest share of France’s imports of flat products at 37 percent (2.6 million metric tons) and stainless products at 69 percent (713 thousand metric tons).

Spain represented the largest share of France’s long product imports at 25 percent (767 thousand metric tons), while Italy represented the largest share of pipe and tube imports at 42 percent (443 thousand metric tons). France imported 54 percent, or 1.2 million metric tons, of semi-finished products from Germany in 2016.

The United States was not a top import source for any product category.

France's Top 5 Import Sources by Product - 2016



Source: IHS Global Trade Atlas

Steel Imports Report: France

France's Export Market Share from Top Source Countries

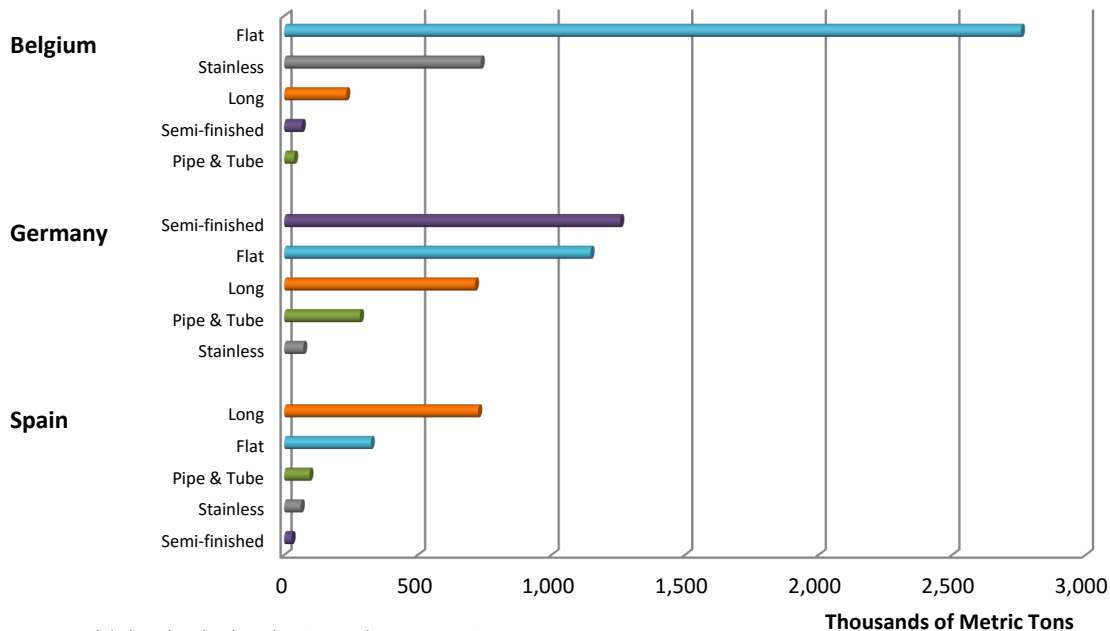
In 2015, the change in the share of steel exports sent to France from its top import sources was mixed, with half seeing increases and half seeing decreases. In 2015, the share of Poland's steel exports to France showed the largest increase (up 2 percentage points from 2014), followed by Brazil (up 1.9 percentage points) and Belgium (up 1.8 percentage points). The share of Luxembourg's steel exports to France showed the largest decrease (down 1.5 percentage points from 2014). The share of exports to France in each Italy, the Netherlands, the U.K., and Austria decreased by less than one percentage point.

France's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to France - 2014	France's Rank in 2014	Share of Exports to France- 2015	France's Rank in 2015
Germany	14.0%	1	14.0%	1
Belgium	23.1%	2	24.9%	2
Italy	11.1%	2	10.3%	3
Netherlands	8.3%	4	8.1%	3
Spain	12.0%	2	13.0%	2
United Kingdom	11.1%	4	10.7%	3
Austria	3.6%	7	3.5%	6
Luxembourg	10.3%	2	8.8%	3
Poland	2.7%	7	4.7%	6
Brazil	0.1%	42	2.0%	10

Source: IHS Global Trade Atlas, based on import data per reporting country

Among France's top import sources, Belgium, Germany, and Spain sent the largest shares of their total steel exports to France in 2015. Flat products accounted for the largest share of steel exports to France from Belgium at 72 percent (2.8 million metric tons). Semi-finished products accounted for the largest share of Germany's steel exports to France at 36 percent (1.3 million metric tons), and long products represented the largest share of Spain's steel exports to France at 59 percent (726 thousand metric tons).

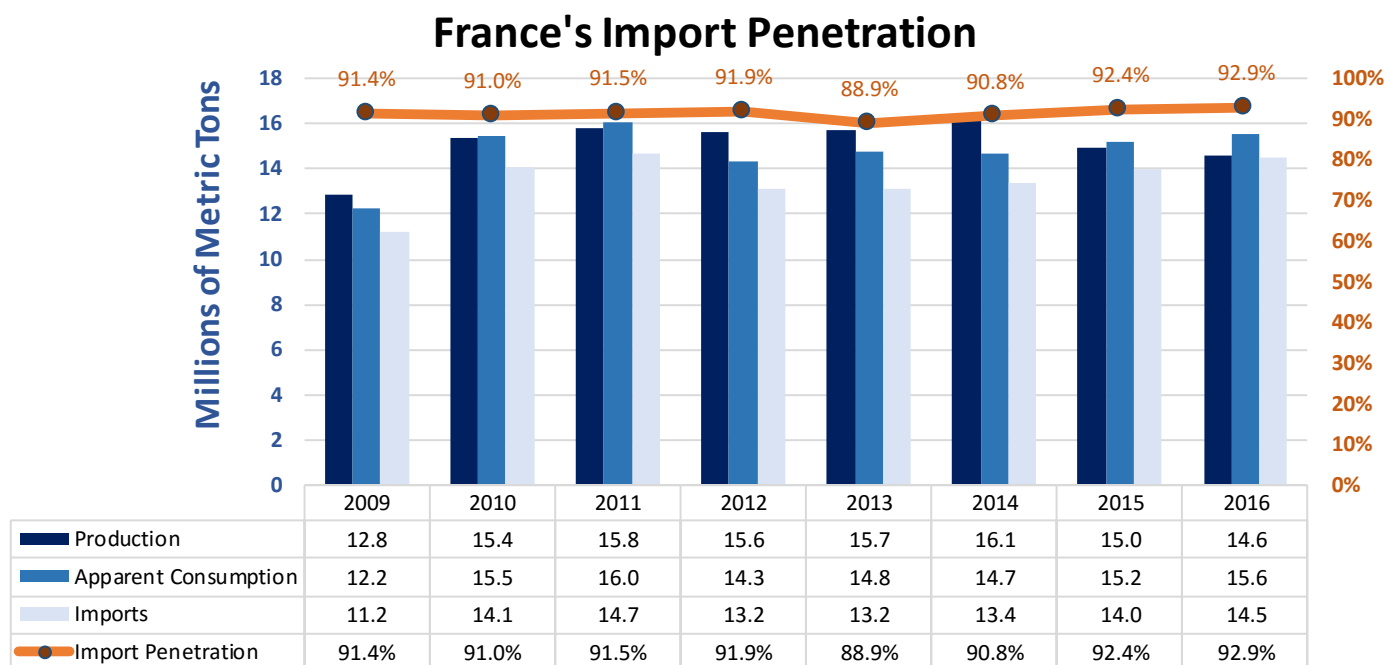
Steel Export Composition of Top Market-Share Countries - 2015



Source: IHS Global Trade Atlas, based on import data per reporting country

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Overall Production and Import Penetration



Sources: World Steel Association; IHS Global Trade Atlas

France's crude steel production increased fairly steadily between 2009 and 2014, up 26 percent. Production in 2015 declined 7 percent to 15 million metric tons in 2015 and by another 2 percent to 14.6 million metric tons in 2016. Apparent consumption (a measure of steel demand) has tracked relatively closely to production, though it outpaced production by 1 million metric tons in 2016. France's level of import penetration has been slowly increasing since 2013 and increased half a percentage point in 2016 to 92.9 percent. Despite higher import penetration levels, France exported a similar percentage of its production, which helped to keep demand in line with production.

Top Producers

France's steel production is heavily concentrated among a handful domestic and foreign-owned companies and is dominated by ArcelorMittal, a leading player in the global steel market and the country's largest producer with an estimated production capacity of 16.5 million metric tons, based on available data.

France's Top Steel Producers in 2014			
Rank	Company	Capacity (mmt)	Main Products
1	ArcelorMittal	16.5	Flat, long, tube
2	RIVA Group	2.6	Billets, hot-rolled and cold-drawn bars, reinforcing bars, wire rod, hot-rolled coils
3	CELSA	1.1	Billets

Sources: Fédération Française de l'Acier; Company websites

Steel Imports Report: **France**

Trade Remedies in the Steel Sector

Antidumping duties (AD), countervailing duties (CVD), associated suspension agreements, and safeguards are often referred to collectively as trade remedies. These are internationally agreed upon mechanisms to address the market-distorting effects of unfair trade, or serious injury or threat of serious injury caused by a surge in imports. Unlike anti-dumping and countervailing measures, safeguards do not require a finding of an “unfair” practice. Before applying these duties or measures, countries investigate allegations and can remedy or provide relief for the injury caused to a domestic industry. The table below provides statistics on the current number of trade remedies the European Union, which includes France, has against imports of steel mill products from various countries. The European Union has no steel mill safeguards in effect.

European Union Trade Remedies in Effect Against Steel Mill Imports				
Country	AD	CVD	Suspension Agreements and Undertakings	Total
Belarus	1			1
China	7	1		8
India	1	2		3
Japan	1			1
Russia	3			3
South Korea	1			1
Taiwan	1			1
Ukraine	1			1
United States	1			1
TOTAL	17	3	0	20

Source: World Trade Organization, through December 1, 2016

Steel Imports Report: Glossary

Apparent Consumption: Domestic crude steel production plus steel imports minus steel exports. Shipment data are not available for all countries, therefore crude steel production is used as a proxy.

Export Market: Destination of a country's exports.

Flat Products: Produced by rolling semi-finished steel through varying sets of rolls. Includes sheets, strips, and plates. Used most often in the automotive, tubing, appliance, and machinery manufacturing sectors.

Import Penetration: Ratio of imports to apparent consumption.

Import Source: Source of a country's imports.

Long Products: Steel products that fall outside the flat products category. Includes bars, rails, rods, and beams. Used in many sectors but most commonly in construction.

Pipe and Tube Products: Either seamless or welded pipe and tube products. Used in many sectors but most commonly in construction and energy sectors.

Semi-finished Products: The initial, intermediate solid forms of molten steel, to be re-heated and further forged, rolled, shaped, or otherwise worked into finished steel products. Includes blooms, billets, slabs, ingots, and steel for castings.

Stainless Products: Steel products containing at minimum 10.5% chromium (Cr) offering better corrosion resistance than regular steel.

Steel Mill Products: Carbon, alloy, or stainless steel produced by either a basic oxygen furnace or an electric arc furnace. Includes semi-finished steel products and finished steel products. For trade data purposes, steel mill products are defined at the Harmonized System (HS) 6-digit level as: 720610 through 721650, 721699 through 730110, 730210, 730240 through 730290, and 730410 through 730690. The following discontinued HS codes have been included for purposes of reporting historical data (prior to 2007): 722520, 722693, 722694, 722910, 730410, 730421, 730610, 730620, and 730660.

Global Steel Trade Monitor: The monitor provides global import and export trends for the top countries trading in steel products. The current reports expand upon the early release information already provided by the Steel Import Monitoring and Analysis (SIMA) system that collects and publishes data on U.S. imports of steel mill products. Complementing the SIMA data, these reports provide objective and current global steel industry information about the top countries that play an essential role in the global steel trade. Information in these reports includes global exports and import trends, production and consumption data and, where available, information regarding trade remedy actions taken on steel products. The reports will be updated quarterly.

Steel Import Monitoring and Analysis (SIMA) System: The Department of Commerce uses a steel import licensing program to collect and publish aggregate data on near real-time steel mill imports into the United States. SIMA incorporates information collected from steel license applications with publicly released data from the U.S. Census Bureau. By design, this information provides stakeholders with valuable information on the steel trade with the United States. For more information about SIMA, please go to <http://enforcement.trade.gov/steel/license/>.



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